

Qumu Corp
Form 10-Q
November 09, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED September 30, 2015; OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____.

Commission File Number: 000-20728

QUMU CORPORATION

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction of incorporation or organization)

41-1577970
(I.R.S. Employer Identification No.)

510 1st Avenue North, Suite 305, Minneapolis, MN 55403
(Address of principal executive offices)

(612) 638-9100
(Registrant's telephone number, including area code)

7725 Washington Avenue South, Minneapolis, MN 55439
(Former name, former address and formal fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company (as defined in Rule 12b-2 of the Exchange Act):

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No

Common Stock outstanding at October 30, 2015 – 9,223,664 shares of \$.01 par value Common Stock.

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PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

QUMU CORPORATION AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(in thousands, except share data)

	September 30, 2015	December 31, 2014
Assets		
Current assets:	(unaudited)	
Cash and cash equivalents	\$4,029	\$11,684
Marketable securities	8,754	23,486
Restricted cash	2,301	2,300
Receivables, net of allowance for doubtful accounts of \$31 and \$55, respectively	8,401	10,090
Finished goods inventories	329	168
Prepaid income taxes	700	301
Prepaid expenses and other current assets	3,863	3,633
Deferred income taxes - current	64	64
Current assets from discontinued operations	—	1,026
Total current assets	28,441	52,752
Property and equipment, net of accumulated depreciation of \$2,552 and \$1,842, respectively	3,147	1,899
Intangible assets, net of amortization	11,669	13,384
Goodwill	8,295	8,525
Other assets - non-current	3,861	3,617
Total assets	\$55,413	\$80,177
Liabilities and Stockholders' Equity		
Current liabilities:		
Trade accounts payable and other accrued liabilities	\$3,008	\$3,529
Accrued compensation	2,947	6,222
Deferred revenue	9,953	9,015
Deferred income taxes - current	13	110
Income taxes payable	—	53
Financing obligations - current	279	—
Current liabilities from discontinued operations	50	448
Total current liabilities	16,250	19,377
Non-current liabilities:		
Deferred revenue - non-current	1,339	1,047
Income taxes payable - non-current	9	8
Deferred tax liability - non-current	904	1,071
Financing obligations - non-current	519	—
Lease incentives - non-current	720	—
Other non-current liabilities	394	401
Total non-current liabilities	3,885	2,527
Total liabilities	20,135	21,904
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, \$0.01 par value, authorized 250,000 shares, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, authorized 29,750,000 shares, issued and outstanding 9,224,664 and 9,127,425, respectively	92	91

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Additional paid-in capital	65,091	63,566	
Accumulated deficit	(28,721) (4,599)
Accumulated other comprehensive loss	(1,184) (785)
Total stockholders' equity	35,278	58,273	
Total liabilities and stockholders' equity	\$55,413	\$80,177	

See accompanying notes to unaudited condensed consolidated financial statements.

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QUMU CORPORATION AND SUBSIDIARIES
 Condensed Consolidated Statements of Operations
 (unaudited - in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2015	2014	2015	2014
Revenues:				
Software licenses and appliances	\$3,267	\$2,193	\$6,970	\$8,103
Service	6,335	3,660	17,365	10,083
Total revenues	9,602	5,853	24,335	18,186
Cost of revenues:				
Software licenses and appliances	1,057	615	1,996	2,850
Service	3,813	2,608	11,141	7,154
Total cost of revenues	4,870	3,223		