

PFSWEB INC
Form 10-Q
November 14, 2014

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2014

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 000-28275

PFSweb, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State of Incorporation)

75-2837058
(I.R.S. Employer I.D. No.)

505 Millennium Drive, Allen, Texas 75013
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (972) 881-2900

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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 checkmark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) 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 or a non-accelerated filer.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller Reporting Company

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

At November 10, 2014 there were 16,863,587 shares of registrant's common stock outstanding.

PFSWEB, INC. AND SUBSIDIARIES

Form 10-Q

September 30, 2014

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

PFSweb, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(In Thousands, Except Share Data)

	(Unaudited)	
	September 30, 2014	December 31, 2013
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 19,501	\$ 22,418
Restricted cash	202	130
Accounts receivable, net of allowance for doubtful accounts of \$420 and \$382 at September 30, 2014 and December 31, 2013, respectively	45,157	55,292
Inventories, net of reserves of \$830 and \$962 at September 30, 2014 and December 31, 2013, respectively	14,506	14,169
Other receivables	4,262	5,241
Prepaid expenses and other current assets	5,437	4,713
Total current assets	89,065	101,963
PROPERTY AND EQUIPMENT, net	26,970	27,190
GOODWILL and INTANGIBLE ASSETS	9,851	—
OTHER ASSETS	2,568	2,883
Total assets	\$ 128,454	\$ 132,036
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt and capital lease obligations	\$ 7,428	\$ 8,231
Trade accounts payable	29,590	34,096
Deferred revenue	11,046	8,181
Accrued expenses	26,046	25,045
Total current liabilities	74,110	75,553
LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, less current portion	3,876	2,876
DEFERRED REVENUE	6,066	7,491
DEFERRED RENT	5,069	5,191
OTHER LIABILITIES	2,778	—
Total liabilities	91,899	91,111