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ADVANT E CORP  
Form 8-K  
November 04, 2003

SECURITIES AND EXCHANGE COMMISSION  
Washington D.C. 20549

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FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of the  
Securities and Exchange Act of 1934

Date of Report (Date of earliest event reported): November 4, 2003

ADVANT-E CORPORATION  
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(Exact name of registrant as specified in its charter)

Delaware	0-30983	88-0339012
-----	-----	-----
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

2680 Indian Ripple Rd., Dayton, OH	45440
-----	-----
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 937-429-4288

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(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS AND REGULATION FD DISCLOSURE.

On November 4, 2003, Advant-e Corporation issued a press release announcing its financial results for the quarter ending September 30, 2003 and for the nine months ending September 30, 2003. The text of the release is attached as an exhibit hereto.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.  
(c) EXHIBITS.

Exhibit Number -----	Description -----	Method of Filing -----
99.1	Company Press Release	Filed Herewith

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the

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undersigned hereunto duly authorized.

Advant-e Corporation

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(Registrant)

November 4, 2003

By: /s/ Jason K. Wadzinski

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Jason K. Wadzinski  
Chief Executive Officer

### EXHIBIT 99.1 - COMPANY PRESS RELEASE

Tuesday November 4, 2003

#### Advant-e Corporation Announces Third Quarter 2003 Results

##### Company Reports 39% Increase in Revenue and 18% Pre-Tax Profitability

DAYTON, Ohio, November 4, 2003 -- Advant-e Corporation (OTC Bulletin Board: AVEE), a provider of Internet-based business-to-business electronic commerce services, today announced financial and operating results for the quarter ending September 30, 2003.

For the third quarter of 2003 the Company reported revenues of \$759,865, a 39% increase over revenues of \$546,410 in the third quarter in 2002 and a 6% increase over revenues of \$715,108 in the second quarter of 2003. The increase in revenue was the result of continued growth and market acceptance of the Company's internet-based electronic commerce subscription services.

Operating expenses in the quarter were \$624,238 compared to \$608,586 in the same period in 2002 and \$717,135 in the second quarter of 2003.

Net profit for the quarter was \$108,142, or \$.02 per share, compared to a net loss of \$63,376, or (\$.01) per share for the same period in 2002 and a net loss of \$5,979, or (\$.00) per share for the second quarter of 2003.

For the nine months ending September 30, 2003, revenue was \$2,124,351, a 47% increase over revenue of \$1,441,097 for the same period in 2002. Net profit for the first nine months of 2003 was \$32,339 compared to a net loss of \$146,233 in the first nine months of 2002.

Jason K. Wadzinski, President and CEO of Advant-e, stated, "We are pleased with our third quarter results as our primary goal for the quarter was improving cash flow and achieving profitability. Going forward, we are focusing on our sales and marketing activities and will be expanding our product and service offerings to increase our ability to further assist our customers with connecting, integrating, managing, and expanding their eBusiness trading communities."

During the third quarter, the Company paid accrued interest to holders of its convertible debt in the amount of \$129,094 and retired \$25,000 of the convertible notes. An additional \$24,187 of accrued interest was paid in early October.

#### About Advant-e Corporation

Advant-e, via its wholly owned and sole operating subsidiary Edict Systems, Inc., is a provider of Business-to-Business electronic commerce software and Internet-based applications specializing in Electronic Data Interchange (EDI)

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and XML-based solutions for recurring transactions. Advant-e specializes in horizontal transaction services via EnterpriseEC(r), an Internet-based Electronic Business Transaction Network, and within specific vertical industries via web-based "vortals" including [www.GroceryEC.com](http://www.GroceryEC.com), [www.RetailEC.com](http://www.RetailEC.com), [www.CPGSupplier.com](http://www.CPGSupplier.com), [www.LogisticsEC.com](http://www.LogisticsEC.com), and [www.MfgEC.com](http://www.MfgEC.com). In addition to Internet and web-based e-commerce solutions, Edict Systems also provides e-commerce integration and bar coding applications via its FORMULA\_ONE(r) translation software and Bar Code Label Modules. Additional information about Advant-e Corporation can be found at [www.Advant-e.com](http://www.Advant-e.com) and [www.edictsystems.com](http://www.edictsystems.com) or by contacting investor relations at (937) 429-4288. The Company's email is [info@edictsystems.com](mailto:info@edictsystems.com).

### ADVANT-E CORPORATION AND SUBSIDIARY CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2003	2002	2003	2002
	----	----	----	----
<b>REVENUES</b>				
Internet products and services	\$722,411	478,361	1,987,852	1,205,877
Software and license fees	37,454	68,049	136,499	235,220
	-----	-----	-----	-----
Total revenues	759,865	546,410	2,124,351	1,441,097
	-----	-----	-----	-----
<b>OPERATING EXPENSES</b>				
Production	27,191	38,658	86,910	107,543
Salaries and benefits	338,667	281,346	1,108,673	757,057
General and administrative	136,502	132,089	486,032	325,533
Depreciation	13,814	5,889	36,660	20,691
Amortization of software development costs	75,061	53,282	214,942	111,594
Interest	33,003	97,322	139,365	256,302
	-----	-----	-----	-----
Total operating expenses	624,238	608,586	2,072,582	1,578,720
	-----	-----	-----	-----
<b>INCOME (LOSS) BEFORE TAXES</b>	135,627	( 62,176)	51,769	( 137,623)
<b>INCOME TAXES</b>	27,485	1,200	19,430	8,610
	-----	-----	-----	-----
<b>NET INCOME (LOSS)</b>	\$ 108,142	( 63,376)	32,339	( 146,233)
	=====	=====	=====	=====
<b>EARNINGS (LOSS) PER SHARE</b>				
Basic	\$ 0.02	(0.01)	0.01	(0.03)
	=====	=====	=====	=====
Diluted	0.02	(0.01)	0.01	(0.03)
	=====	=====	=====	=====
<b>AVERAGE SHARES OUTSTANDING</b>				
Basic	5,661,002	5,661,002	5,661,002	5,661,002
	=====	=====	=====	=====
Diluted	5,908,532	5,661,002	5,745,797	5,661,002
	=====	=====	=====	=====

### ADVANT-E CORPORATION AND SUBSIDIARY CONSOLIDATED BALANCE SHEETS

September	December
30,	31,
2003	2002

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	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 184,256	98,740
Accounts receivable, net	194,855	157,655
Prepaid expenses	20,362	46,817
Deferred income taxes	21,170	40,600
	-----	-----
Total current assets	420,643	343,812
	-----	-----
SOFTWARE DEVELOPMENT COSTS, net of accumulated amortization of \$509,708 at September 30, 2003 and \$294,767 at December 31, 2002		
	530,771	634,956
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$140,120 at September 30, 2003 and \$103,460 at December 31, 2002		
	163,110	171,589
OTHER ASSETS		
Deferred income taxes	79,046	79,046
Deposits	6,583	6,583
	-----	-----
	85,629	85,629
	-----	-----
Total assets	\$ 1,200,153	1,235,986
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 59,963	158,320
Accrued interest	74,206	118,025
Other accrued expenses	93,255	49,600
Deferred revenue	114,236	93,893
Bank note payable	8,521	14,097
Convertible subordinated notes payable, net	750,000	729,621
8% demand notes payable to shareholder	45,000	45,000
	-----	-----
Total current liabilities	1,145,181	1,208,556
	-----	-----
LONG-TERM LIABILITIES		
Bank note payable, less current maturities	-	4,797
	-----	-----
Total liabilities	1,145,181	1,213,353
	-----	-----
SHAREHOLDERS' EQUITY		
Common stock, \$.001 par value; 20,000,000 shares authorized; 5,661,002 issued and outstanding	5,661	5,661
Paid-in capital	850,459	850,459
Accumulated deficit	(801,148)	(833,487)
	-----	-----
Total shareholders' equity	54,972	22,633
	-----	-----
Total liabilities and shareholders' equity	\$ 1,200,153	1,235,986
	=====	=====

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ADVANT-E CORPORATION AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	Nine Months Ended	
	September 30,	
	2003	2002
	----	----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 32,339	(146,233)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	36,660	20,691
Amortization of software development costs	214,942	111,594
Deferred income taxes	19,430	8,610
Amortization of note discount resulting from valuation of warrants and beneficial conversion features	45,379	180,680
Increase (decrease) in cash arising from changes in assets and liabilities:		
Accounts receivable	(37,200)	(73,682)
Prepaid expenses	26,455	18,256
Accounts payable	(98,357)	12,415
Accrued interest	(43,819)	62,708
Other accrued expenses	43,655	43,982
Deferred revenue	20,343	(15,677)
Deposits	-	( 6,584)
	-----	-----
Net cash provided by operating activities	259,827	216,760
	-----	-----
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of equipment	( 28,181)	( 69,742)
Software development costs	(110,757)	(276,901)
	-----	-----
Net cash used in investing activities	(138,938)	(346,643)
	-----	-----
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from convertible subordinated notes	-	250,000
Payments on convertible subordinated notes	( 25,000)	-
Payments on bank loans	( 10,373)	(58,115)
	-----	-----
Net cash provided by (used in) financing activities	( 35,373)	191,885
	-----	-----
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	85,516	62,002
Cash and cash equivalents, beginning of period	98,740	180,679
	-----	-----
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	\$ 184,256	242,681
	=====	=====
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW ITEMS</b>		
Interest paid	\$ 137,804	12,759
Non-cash transactions		
Fair value of warrants issued with convertible subordinated notes	-	27,500
Value of beneficial conversion feature of convertible subordinated notes	-	52,000

The information in this news release includes certain forward looking statements that are based upon assumptions that in the future may prove not to

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have been accurate and are subject to significant risks and uncertainties, including statements to the future financial performance of the company. Although the company believes that the expectations reflected in its forward looking statements are reasonable, it can give no assurance that such expectations or any of its forward-looking statements will prove to be correct. Factors that could cause results to differ include, but are not limited to, successful performance of internal plans, product development and acceptance, the impact of competitive services and pricing, or general economic risks and uncertainties.