

CELL THERAPEUTICS INC

Form 10-Q

November 05, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended: September 30, 2009

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 001-12465

CELL THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

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Washington (State or other jurisdiction of incorporation or organization)	91-1533912 (I.R.S. Employer Identification No.)
501 Elliott Avenue West, Suite 400 Seattle, Washington (Address of principal executive offices)	98119 (Zip Code)
(206) 282-7100 (Registrant's telephone number, including area code)	

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 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, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input checked="" type="checkbox"/>
Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>

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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Outstanding at November 2, 2009
Common Stock, no par value	574,426,088

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(In thousands, except share amounts)

	September 30, 2009 (unaudited)	December 31, 2008
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 54,992	\$ 10,072
Restricted cash		6,640
Securities available-for-sale		599
Accounts receivable, net		982
Note receivable from joint venture		7,500
Prepaid expenses and other current assets	4,505	2,368
Total current assets	59,497	28,161
Property and equipment, net	2,658	4,324
Goodwill	17,064	17,064
Investment in joint venture		5,830
Other assets	8,080	8,864
Total assets	\$ 87,299	\$ 64,243
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	\$ 4,804	\$ 9,327
Accrued expenses	26,141	29,308
Warrant liability		2,830
Current portion of deferred revenue	80	80
Current portion of long-term obligations	1,494	757
4% convertible senior subordinated notes	40,363	
Total current liabilities	72,882	42,302
Deferred revenue, less current portion	259	319
Long-term obligations, less current portion	2,035	2,907
10% convertible senior notes due 2011		19,784
9% convertible senior notes		4,104
7.5% convertible senior notes	10,073	32,601
6.75% convertible senior notes		6,926
5.75% convertible senior notes	11,579	23,808
4% convertible senior subordinated notes		55,150
Total liabilities	96,828	187,901
Commitments and contingencies		
Preferred stock, no par value:		
Authorized shares - 10,000,000		
Series A 3% convertible preferred stock, \$1,000 stated value, 20,000 shares designated; 0 (unaudited) and 550 shares issued and outstanding at September 30, 2009 and December 31, 2008, respectively		417
Series B 3% convertible preferred stock, \$1,000 stated value, 37,200 shares designated; 0 (unaudited) and 5,218 shares issued and outstanding at September 30, 2009 and December 31, 2008, respectively		4,031

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Series C 3% convertible preferred stock, \$1,000 stated value, 20,250 shares designated; 0 (unaudited) and 4,284 shares issued and outstanding at September 30, 2009 and December 31, 2008, respectively	3,221
Series D 7% convertible preferred stock, \$1,000 stated value, 6,500 shares designated; 0 (unaudited) and 1,000 shares issued and outstanding at September 30, 2009 and December 31, 2008, respectively	734
Common stock purchase warrants	2,104
Shareholders' deficit:	
Common stock, no par value:	
Authorized shares - 800,000,000	&