

GLOWPOINT, INC.  
Form 10-Q  
August 05, 2015

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 June 30, 2015.

or

Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission file number: 001-35376

GLOWPOINT, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of  
Incorporation or Organization)

77-0312442

(I.R.S. Employer Identification No.)

1776 Lincoln Street, Suite 1300, Denver, CO, 80203  
(Address of Principal Executive Offices, including Zip Code)

(303) 640-3838

(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 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.

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

The number of shares outstanding of the registrant's common stock as of August 3, 2015 was 35,651,000.

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GLOWPOINT, INC.

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GLOWPOINT, INC.  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (In thousands, except par value, stated value and shares)

	June 30, 2015 (Unaudited)	December 31, 2014
<b>ASSETS</b>		
Current assets:		
Cash	\$1,631	\$1,938
Accounts receivable, net	3,356	3,273
Prepaid expenses and other current assets	550	1,025
Total current assets	5,537	6,236
Property and equipment, net	3,322	3,246
Goodwill	9,825	9,825
Intangibles, net	2,612	3,047
Other assets	189	262
Total assets	\$21,485	\$22,616
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$100	\$400
Current portion of capital lease obligations	13	41
Accounts payable	645	1,220
Accrued expenses and other liabilities	1,676	1,576
Accrued dividends	50	40
Accrued sales taxes and regulatory fees	541	444
Total current liabilities	3,025	3,721
Long term liabilities:		
Capital lease obligations, net of current portion	—	1
Deferred tax liability	142	142
Long term debt, net of current portion	10,785	10,785
Total long term liabilities	10,927	10,928
Total liabilities	13,952	14,649
Commitments and contingencies (see Note 12)		
Stockholders' equity:		
Preferred stock, Series A-2, convertible; \$.0001 par value; \$7,500 stated value; 7,500 shares authorized, 53 shares issued and outstanding and liquidation preference of \$396 at June 30, 2015 and December 31, 2014	167	167
Common stock, \$.0001 par value; 150,000,000 shares authorized; 35,830,000 shares issued and 35,651,000 outstanding at June 30, 2015 and 35,951,000 shares issued and 35,911,000 outstanding at December 31, 2014	4	4
Treasury stock, 179,000 and 40,000 shares at June 30, 2015 and December 31, 2014, respectively	(205	) (66
Additional paid-in capital	178,684	178,476
Accumulated deficit	(171,117	) (170,614
Total stockholders' equity	7,533	7,967
Total liabilities and stockholders' equity	\$21,485	\$22,616

See accompanying notes to condensed consolidated financial statements.



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## GLOWPOINT, INC.

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2015	2014	2015	2014
Revenue	\$6,528	\$8,468	\$13,691	\$16,449
Operating expenses:				
Cost of revenue (exclusive of depreciation and amortization)	3,704	4,824	7,653	9,694
Research and development	335	293	633	459
Sales and marketing	431	918	1,139	1,743
General and administrative	1,386	1,333	2,789	2,917
Impairment charges	9	77	134	403
Depreciation and amortization	560	666	1,115	1,354
Total operating expenses	6,425	8,111	13,463	16,570
Income (loss) from operations	103	357	228	(121 )
Interest and other expense:				
Interest expense and other, net	349	334	686	668
Amortization of deferred financing costs	23	22	45	44
Total interest and other expense, net	372	356	731	712
Income (loss) before income taxes	(269 )	1	(503 )	(833 )
Income tax expense	—	—	—	—
Net income (loss)	(269 )	1	(503 )	