

VOCERA COMMUNICATIONS, INC.

Form 10-Q

August 08, 2014

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 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 June 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: 001-35469

VOCERA COMMUNICATIONS, INC.
(Exact name of registrant as specified in its charter)

Delaware	94-3354663
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Vocera Communications, Inc.	
525 Race Street	
San Jose, CA 95126	
(408) 882-5100	
(Address and telephone number of principal executive offices)	

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 (§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, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	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

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 August 4, 2014
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Common Stock, \$0.0003 par value per share

25,435,869

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FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2014
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PART I: FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

Vocera Communications, Inc.

Condensed Consolidated Balance Sheets

(In Thousands, Except Share and Par Amounts)

(Unaudited)

	June 30, 2014	December 31, 2013
Assets		
Current assets		
Cash and cash equivalents	\$ 16,961	\$ 39,652
Short-term investments	103,664	88,024
Accounts receivable, net of allowance	19,466	23,543
Other receivables	1,061	882
Inventories	4,415	5,665
Prepaid expenses and other current assets	2,397	1,892
Total current assets	147,964	159,658
Property and equipment, net	4,844	5,365
Intangible assets, net	2,464	1,544
Goodwill	7,678	5,575
Other long-term assets	969	965
Total assets	\$ 163,919	\$ 173,107
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 2,960	\$ 3,531
Accrued payroll and other current liabilities	9,292	9,841
Deferred revenue, current	25,105	26,133
Total current liabilities	37,357	39,505
Deferred revenue, long-term	6,410	6,398
Other long-term liabilities	1,636	1,641
Total liabilities	45,403	47,544
Commitments and contingencies (Note 7)		
Stockholders' equity		
Preferred stock, \$0.0003 par value - 5,000,000 shares authorized as of June 30, 2014 and December 31, 2013; zero shares issued and outstanding	—	—
Common stock, \$0.0003 par value - 100,000,000 shares authorized as of June 30, 2014 and December 31, 2013; 25,398,022 and 24,967,140 shares issued and outstanding as of June 30, 2014 and December 31, 2013, respectively	8	7
Additional paid-in capital	196,339	189,966
Accumulated other comprehensive (loss) income	(1) 23
Accumulated deficit	(77,830) (64,433
Total stockholders' equity	118,516	125,563
Total liabilities and stockholders' equity	\$ 163,919	\$ 173,107

The accompanying notes are an integral part of these condensed consolidated financial statements.

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Vocera Communications, Inc.
 Condensed Consolidated Statements of Operations
 (In Thousands, Except Per Share Amounts)
 (Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2014	2013	2014	2013
Revenue				
Product	\$ 11,850	\$ 15,340	\$ 26,039	\$ 28,300
Service	11,169	9,956	21,656	19,409
Total revenue	23,019	25,296	47,695	47,709
Cost of revenue				
Product	4,421	5,336	9,411	9,946
Service	4,528	4,170	9,342	8,254
Total cost of revenue	8,949	9,506	18,753	18,200
Gross profit	14,070	15,790	28,942	29,509
Operating expenses				
Research and development	4,362	3,418	8,428	7,032
Sales and marketing	12,614	10,679	25,357	20,911
General and administrative	4,156	3,629		