

ANIKA THERAPEUTICS INC
Form 10-Q
August 07, 2012

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, 2012

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 000-21326

Anika Therapeutics, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Massachusetts
(State or Other Jurisdiction of
Incorporation or Organization)

04-3145961
(I.R.S. Employer Identification No.)

32 Wiggins Avenue, Bedford, Massachusetts
(Address of Principal Executive Offices)

01730
(Zip Code)

Registrant's Telephone Number, Including Area Code: (781) 457-9000

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report: N/A

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,

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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.

Large accelerated filer <input type="radio"/>	Accelerated filer <input checked="" type="checkbox"/>	Non-accelerated filer <input type="radio"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="radio"/>
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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

As of August 3, 2012, there were 13,802,590 outstanding shares of Common Stock, par value \$.01 per share.

PART I: FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

Anika Therapeutics, Inc. and Subsidiaries

Condensed Consolidated Balance Sheets
(unaudited)

	June 30, 2012	December 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 37,909,608	\$ 35,777,222
Accounts receivable, net of reserves of \$457,300 and \$334,473 at June 30, 2012 and December 31, 2011, respectively	17,694,097	17,307,786
Inventories	10,776,788	7,302,483
Current portion deferred income taxes	1,918,926	1,918,926
Prepaid expenses and other	1,299,596	1,831,127
Total current assets	69,599,015	64,137,544
Property and equipment, at cost	51,920,745	50,850,630
Less: accumulated depreciation	(15,499,638)	(14,380,752)
	36,421,107	36,469,878
Long-term deposits and other	221,485	205,042
Intangible assets, net	21,506,474	23,148,563
Goodwill	8,627,518	8,883,407
Total Assets	\$ 136,375,599	\$ 132,844,434

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$ 3,941,436	\$ 4,299,680
Accrued expenses	4,275,574	5,321,594
Deferred revenue	2,866,667	2,866,667
Current portion of long-term debt	1,600,000	1,600,000
Income taxes payable	2,530,386	450,482
Total current liabilities	15,214,063	14,538,423
Other long-term liabilities	1,535,140	1,548,652
Long-term deferred revenue	3,586,106	5,019,440
Deferred tax liability	6,491,837	7,375,141
Long-term debt	8,800,000	9,600,000
Commitments and contingencies (Note 10)	-	-
Stockholders' equity:		
Preferred stock, \$.01 par value; 1,250,000 shares authorized, no shares issued and outstanding at June 30, 2012 and December 31, 2011, respectively	-	-
Common stock, \$.01 par value; 30,000,000 shares authorized, 13,765,996 and 13,630,607 shares issued and outstanding at	137,659	136,305

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June 30, 2012 and December 31, 2011, respectively

Additional paid-in-capital	64,620,510	63,441,433
Accumulated currency translation adjustment	(3,910,924)	(3,067,181)
Retained earnings	39,901,208	34,252,221
Total stockholders' equity	100,748,453	94,762,778
Total Liabilities and Stockholders' Equity	\$ 136,375,599	\$ 132,844,434

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

Anika Therapeutics, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations and Comprehensive Income
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Product revenue	\$ 18,882,277	\$ 15,414,681	\$ 32,495,605	\$ 26,474,840
Licensing, milestone and contract revenue	742,492	726,171	1,489,824	1,403,691
Total revenue	19,624,769	16,140,852	33,985,429	27,878,531
Operating expenses:				
Cost of product revenue	8,084,226	6,655,804	14,497,707	12,260,366
Research & development	1,298,170	1,574,155	2,831,273	3,106,820
Selling, general & administrative	4,108,503	4,233,316	7,459,519	8,277,090
Total operating expenses	13,490,899	12,463,275	24,788,499	23,644,276
Income from operations	6,133,870	3,677,577	9,196,930	4,234,255
Interest income (expense), net	(49,129)	(45,281)	(100,332)	(86,202)
Income before income taxes	6,084,741	3,632,296	9,096,598	4,148,053
Provision for income taxes	2,347,873	1,349,655	3,447,611	1,541,001
Net income	\$ 3,736,868			