

MOVE INC
Form 10-Q
October 31, 2013
Table of Contents

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 September 30, 2013

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 000-26659

Move, Inc.

(Exact name of registrant as specified in its charter)

Edgar Filing: MOVE INC - Form 10-Q

Delaware
(State or other jurisdiction of
incorporation or organization)

10 Almaden Blvd, Suite 800

San Jose, California
(Address of principal executive offices)

95-4438337
(I.R.S. Employer
Identification No.)

95113
(Zip Code)

(408) 558-7100

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether 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. 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

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

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

Edgar Filing: MOVE INC - Form 10-Q

At October 25, 2013, the registrant had 39,054,898 shares of its common stock outstanding.

Table of Contents

INDEX

	Page
<u>PART I FINANCIAL INFORMATION</u>	
<u>Item 1.</u>	
	<u>Condensed Consolidated Financial Statements</u>
	<u>Condensed Consolidated Balance Sheets at September 30, 2013 (unaudited) and December 31, 2012</u>
	3
	<u>Condensed Consolidated Statements of Operations for the Three and Nine Months ended September 30, 2013 and 2012 (unaudited)</u>
	4
	<u>Condensed Consolidated Statements of Comprehensive Income for the Three and Nine Months ended September 30, 2013 and 2012 (unaudited)</u>
	5
	<u>Condensed Consolidated Statements of Cash Flows for the Nine Months ended September 30, 2013 and 2012 (unaudited)</u>
	6
	<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>
	7
<u>Item 2.</u>	
	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>
	17
<u>Item 3.</u>	
	<u>Quantitative and Qualitative Disclosures About Market Risk</u>
	28
<u>Item 4.</u>	
	<u>Controls and Procedures</u>
	28
<u>PART II OTHER INFORMATION</u>	
<u>Item 1.</u>	
	<u>Legal Proceedings</u>
	28
<u>Item 1A.</u>	
	<u>Risk Factors</u>
	28
<u>Item 2.</u>	
	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>
	28
<u>Item 3.</u>	
	<u>Defaults Upon Senior Securities</u>
	29
<u>Item 4.</u>	
	<u>Mine Safety Disclosures</u>
	29
<u>Item 5.</u>	
	<u>Other Information</u>
	29
<u>Item 6.</u>	
	<u>Exhibits</u>
	30
<u>SIGNATURES</u>	31

Move®, realtor.com®, Top Producer®, ListHub™, TigerLead® and Moving.com™ are our trademarks or are exclusively licensed to Move, Inc. This quarterly report on Form 10-Q contains trademarks of other companies and organizations. REALTOR® is a registered collective membership mark that may be used only by real estate professionals who are members of the National Association of REALTORS® and subscribe to its code of ethics.

Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Condensed Consolidated Financial Statements****MOVE, INC.****CONDENSED CONSOLIDATED BALANCE SHEETS****(In thousands)**

	September 30, 2013 (unaudited)	December 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 113,672	\$ 27,122
Accounts receivable, net	12,494	11,759
Other current assets	8,376	7,215
Total current assets	134,542	46,096
Property and equipment, net	23,198	21,975
Investment in unconsolidated joint venture	5,390	4,924
Goodwill, net	39,030	38,560
Intangible assets, net	23,052	24,444
Other assets	3,485	870
Total assets	\$ 228,697	\$ 136,869
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 6,673	\$ 4,741
Accrued expenses	22,583	20,512
Deferred revenue	7,705	8,520
Total current liabilities	36,961	33,773
Convertible senior notes	81,670	
Other noncurrent liabilities	5,271	5,086
Total liabilities	123,902	38,859
Commitments and contingencies (see note 17)		
Stockholders' equity:		
Series A convertible preferred stock		
Common stock	39	39
Additional paid-in capital	2,138,529	2,132,189
Accumulated other comprehensive income	160	219
Accumulated deficit	(2,033,933)	(2,034,437)
Total stockholders' equity	104,795	98,010
Total liabilities and stockholders' equity	\$ 228,697	\$ 136,869

Edgar Filing: MOVE INC - Form 10-Q

The accompanying notes are an integral part of these unaudited Condensed Consolidated Financial Statements.

Table of Contents

MOVE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenue	\$ 58,825	\$ 49,446	\$ 170,553	\$ 146,496
Cost of revenue	13,766	10,236	40,263	29,509
Gross profit	45,059	39,210	130,290	116,987
Operating expenses:				
Sales and marketing	20,955	17,235	61,759	53,005
Product and web site development	9,894	9,412	29,323	27,603
General and administrative				