

DealerTrack Holdings, Inc.
Form 10-Q
August 06, 2010

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, 2010

OR

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

Commission File Number 000-51653

DealerTrack Holdings, Inc.
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

52-2336218
(I.R.S. Employer Identification Number)

1111 Marcus Ave., Suite M04
Lake Success, NY, 11042
(Address of principal executive offices, including zip code)

(516) 734-3600
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 Website, 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 Smaller reporting company

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(Do not check if a
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
o No

As of July 31, 2010, 40,356,081 shares of the registrant's common stock were outstanding.

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FOR THE QUARTERLY PERIOD ENDED June 30, 2010

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

DEALERTRACK HOLDINGS, INC.

CONSOLIDATED BALANCE SHEETS

(unaudited)

	June 30, 2010	December 31, 2009
	(In thousands, except share and per share amounts)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 166,961	\$ 197,509
Investments — short-term	26	1,484
Accounts receivable, net of allowances of \$2,487 and \$2,677 as of June 30, 2010 and December 31, 2009, respectively	23,013	17,478
Prepaid expenses and other current assets	16,341	9,620
Total current assets	206,341	226,091
Investments — long-term	4,005	3,971
Property and equipment, net	20,228	13,514
Software and website developments costs, net	25,764	21,158
Intangible assets, net	32,489	41,604
Goodwill	134,581	134,747
Deferred tax assets — long-term	33,016	29,699
Other long-term assets	13,848	1,543
Total assets	\$ 470,272	\$ 472,327
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 3,241	\$ 3,919
Accrued compensation and benefits	8,867	11,717
Accrued liabilities — other	11,879	11,324
Deferred revenues	4,978	4,992
Due to acquirees	—	1,820
Capital leases payable	468	425
Total current liabilities	29,433	34,197
Capital leases payable — long-term	268	281
Deferred tax liabilities — long-term	11,358	11,083
Deferred revenues — long-term	3,666	3,299
Other liabilities — long-term	2,475	2,581

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Total liabilities	47,200	51,441
Commitments and contingencies (Note 12)		
Stockholders' equity		
Preferred stock, \$0.01 par value: 10,000,000 shares authorized and no shares issued and outstanding as of June 30, 2010 and December 31, 2009		