

Pacira Pharmaceuticals, Inc.
Form 10-Q
November 01, 2012
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**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, 2012

Commission File Number: 001-35060

PACIRA PHARMACEUTICALS, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

51-0619477
(I.R.S. Employer
Identification No.)

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5 Sylvan Way, Suite 100

Parsippany, New Jersey 07054

(Address of Principal Executive Offices) (Zip Code)

(973) 254-3560

(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 (§ 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. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

As of October 25, 2012, 32,553,672 shares of the registrant's common stock, \$0.001 par value per share, were outstanding.

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PACIRA PHARMACEUTICALS, INC.

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Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****PACIRA PHARMACEUTICALS, INC.****CONSOLIDATED BALANCE SHEETS****(Unaudited)****(In thousands, except share and per share amounts)**

	September 30, 2012	December 31, 2011 (Note 2)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 8,709	\$ 46,168
Restricted cash	1,791	1,299
Short-term investments	58,240	29,985
Accounts receivable, net of allowances	2,459	2,113
Inventories	11,906	1,245
Prepaid expenses and other current assets	2,024	1,839
Total current assets	85,129	82,649
Fixed assets, net	35,319	25,103
Goodwill	8,109	
Intangibles, net	3,721	5,259
Other assets	548	479
Total assets	\$ 132,826	\$ 113,490
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 4,789	\$ 3,440
Accrued expenses	13,036	7,159
Current portion of royalty interest obligation	837	1,219
Current portion of deferred revenue	1,166	13,054
Current portion of long-term debt		7,039
Total current liabilities	19,828	31,911
Long-term debt	24,930	18,537
Royalty interest obligation	881	1,537
Deferred revenue	4,343	8,416
Contingent purchase liability		2,042
Other liabilities	2,399	2,778
Total liabilities	52,381	65,221
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, par value \$0.001; 5,000,000 shares authorized, none issued and outstanding		
Common stock, par value \$0.001 par value; 250,000,000 shares authorized, 32,483,878 shares issued and 32,482,813 shares outstanding at September 30, 2012; 25,340,103 shares issued and 25,339,038 shares outstanding at December 31, 2011	32	25

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Additional paid-in capital	296,525	228,470
Accumulated deficit	(216,174)	(180,239)
Accumulated other comprehensive income	64	15
Treasury stock at cost, 1,065 shares	(2)	(2)
Total stockholders' equity	80,445	48,269
Total liabilities and stockholders' equity	\$ 132,826	\$ 113,490

See accompanying condensed notes to consolidated financial statements.

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PACIRA PHARMACEUTICALS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(In thousands, except share and per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Revenues:				
Net product sales	\$ 4,550	\$ 1,682	\$ 9,978	\$ 4,868
Collaborative licensing and development revenue	3,484	1,352	16,574	3,845
Royalty revenue	452	922	2,082	2,743
Total revenues	8,486	3,956	28,634	11,456
Operating expenses:				
Cost of revenues	9,287	3,357	22,467	10,138