

VOCERA COMMUNICATIONS, INC.

Form 10-Q

August 14, 2012

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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, 2012

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
(State or other jurisdiction of incorporation or organization)
Vocera Communications, Inc.
525 Race Street
San Jose, CA 95126
(408) 882-5100
(Address and telephone number of principal executive offices)

94-3354663
(I.R.S. Employer Identification No.)

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 Accelerated filer
Non-accelerated filer 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

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 9, 2012

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Common Stock, \$0.0003 par value per share

22,178,427 shares

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VOCERA COMMUNICATIONS, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED June 30, 2012

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Signatures

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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, 2012	December 31, 2011
Assets		
Current assets		
Cash and cash equivalents	\$20,117	\$14,898
Short-term investments	59,724	—
Accounts receivable, net of allowance for doubtful accounts of \$0 at June 30, 2012 and December 31, 2011	17,922	15,782
Other receivables	1,456	865
Inventories	2,932	3,363
Restricted cash	303	303
Prepaid expenses and other current assets	1,984	2,851
Total current assets	104,438	38,062
Property and equipment, net	2,694	2,701
Other long-term assets	1,208	339
Intangible assets, net	2,705	3,141
Goodwill	5,575	5,575
Total assets	\$116,620	\$49,818
Liabilities, Convertible Preferred Stock and Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable	\$2,125	\$4,087
Product warranty	776	983
Accrued payroll and other accruals	9,101	10,143
Deferred revenue, current	19,408	18,220
Borrowings, current	—	6,500
Total current liabilities	31,410	39,933
Deferred revenue, long-term	5,584	4,273
Borrowings, long-term	—	1,833
Other long-term liabilities	164	165
Total liabilities	37,158	46,204
Commitments (Note 10)		
Convertible preferred stock; \$0.0003 par value - no shares and 26,103,736 shares authorized as of June 30, 2012 and December 31, 2011, respectively; zero and 12,171,980 issued and outstanding shares at June 30, 2012 and December 31, 2011, respectively	—	53,013
Stockholders' equity (deficit)		
Preferred stock, \$0.0003 par value - 5,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock, \$0.0003 par value - 100,000,000 shares and 30,423,297 shares authorized as of June 30, 2012 and December 31, 2011, respectively; 22,138,561 and 3,780,490 issued and outstanding shares at June 30, 2012 and December 31, 2011, respectively	7	1

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Additional paid-in capital	136,162	7,461	
Accumulated other comprehensive loss	(191) —	
Accumulated deficit	(56,516) (56,861)
Total stockholders' equity (deficit)	79,462	(49,399)
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	\$116,620	\$49,818	

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,	
	2012	2011	2012	2011
Revenue				
Product	\$ 16,155	\$ 11,925	30,792	23,561
Service	8,723	7,148	17,205	13,835
Total revenue	24,878	19,073	47,997	37,396
Cost of revenue				
Product	5,472	4,026	10,901	7,678
Service	3,822	3,546	7,391	6,708
Total cost of revenue	9,294	7,572	18,292	14,386
Gross profit	15,584	11,501	29,705	