

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2002-06-25** | Period of Report: **2002-06-24**
SEC Accession No. **0000950134-02-007596**

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FILER

INTERVOICE BRITE INC

CIK: **764244** | IRS No.: **751927578** | State of Incorp.: **TX** | Fiscal Year End: **0228**
Type: **8-K** | Act: **34** | File No.: **001-15045** | Film No.: **02686445**
SIC: **3661** Telephone & telegraph apparatus

Business Address
*17811 WATERVIEW PKWY
DALLAS TX 75252
9724548000*

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 24, 2002

INTERVOICE-BRITE, INC.

(Exact name of registrant as specified in its charter)

Texas	0-13616	75-1927578
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

17811 Waterview Parkway
Dallas, Texas 75252

(Address, including zip code, of principal executive offices)

Registrant's telephone number, including area code: (972) 454-8000

Not applicable

(Former name or former address, if changed since last report)

ITEM 5. OTHER EVENTS.

On June 24, 2002 InterVoice-Brite, Inc. (the "Company") announced in a press release its earnings for the quarter ended May 31, 2002. The foregoing is qualified by reference to the Press Release which is filed as an exhibit to this Report and incorporated herein by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) FINANCIAL STATEMENTS OF BUSINESS ACQUIRED.

Not applicable.

(b) PRO FORMA FINANCIAL INFORMATION.

Not applicable.

(c) EXHIBITS.

99.1 Press Release dated June 24, 2002, announcing the Company's earnings for the quarter ended May 31, 2002.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTERVOICE-BRITE, INC.

By: /s/ Rob-Roy J. Graham

Rob-Roy J. Graham
Chief Financial Officer and
Secretary

Date: June 25, 2002

INDEX TO EXHIBITS

<Table>
<Caption>

Exhibit Number -----	Description -----
<S>	<C>
99.1	Press Release dated June 24, 2002, announcing the Company's earnings for the quarter ended May 31, 2002.

</Table>

[INTERVOICE-BRITE LOGO]

NEWS RELEASE

FOR IMMEDIATE RELEASE

CONTACTS

InterVoice-Brite, Inc.
 Rob-Roy J. Graham
 Chief Financial Officer
 +1 (972) 454-8712

28-02

INTERVOICE-BRITE ANNOUNCES FIRST QUARTER RESULTS

SALES OF \$38.4 MILLION

DALLAS -- JUNE 24, 2002 -- InterVoice-Brite, Inc., (NASDAQ:INTV) announced today that sales during the first quarter of its fiscal 2003, which ended May 31, 2002, were \$38.4 million. Earnings before interest, taxes, depreciation and amortization (EBITDA), when adjusted for the special charges discussed below, for the quarter was a loss of \$3.1 million, or \$0.09 per share.

As previously discussed, net special charges of \$2.6 million were booked during the quarter relating to the Company's strategic actions. Additionally, the Company booked non-cash, special charges of \$0.4 million relating to the write off of previous debt issuance costs and \$15.8 million resulting from goodwill impairment as a result of the Company's required adoption of Statements of Financial Accounting Standards (SFAS) Nos. 141 and 142 (please see the Company's Form 10-K filed with the Securities and Exchange Commission on May 30, 2002 for a full description of how SFAS 141 and 142 pertain to the Company). The Company also recognized a one-time tax benefit of \$5.7 million, offset by a \$1.4 million tax valuation allowance, as a result of changes in federal tax laws enacted in March 2002. The Company's net loss during the quarter, including these special charges and tax benefit, was \$24.5 million, or \$0.72 per share.

"As an element of our goal of achieving positive cash flow as quickly as possible, we continue to actively manage our balance sheet," said Rob Graham, the Company's Chief Financial Officer. "For example, we reduced our receivables days sales outstanding (DSO's) to 85 days, down from 133 days last quarter, and we reduced our net inventories by \$4.2 million during the quarter."

NEWS RELEASE
 FIRST QUARTER RESULTS

"We met the goals we set out to accomplish this quarter," said David Brandenburg, the Company's Chairman and Chief Executive Officer. "Our debt has been restructured, we increased sales quarter over quarter, we built backlog and we reduced operating expenses. Our second quarter goals are much the same: emphasizing sales and backlog growth while reducing expenses."

"We're pleased to note," Mr. Brandenburg continued, "that our enterprise customers continue to be attracted to the strong investment returns offered by our speech-enabled products. Likewise, our networks customers are attracted by our products' abilities to create new revenue streams and to reduce costs. And we have begun a process to effect an internal reorganization and consolidation to reduce expenses and to more efficiently and effectively manage the Company. While we are streamlining our infrastructure through elimination of our former divisional organization, we will continue to have separate enterprise and network sales, marketing and product management groups to maintain market focus. I'm pleased to announce that Bob Ritchey will transition from his current role as head of our Enterprise operations to President of the Company."

The Company has scheduled a conference call for Tuesday, June 25 at 10:30 a.m. Central Daylight Time to discuss its first quarter results and its outlook for the future. To participate in the call, dial (719) 867-0720, confirmation code 117418. A replay of the conference call will be available at the Company's web site: www.intervoice-brite.com.

This press release contains forward-looking statements which are based on Company management's current beliefs. Readers are cautioned to read the risks and uncertainties described in the Company's filings with the Securities and Exchange Commission, including Forms 8-K, 10-Q and 10-K. These risks and uncertainties could cause actual results to vary materially from the forward-looking statements in this press release.

ABOUT INTERVOICE-BRITE

With systems operating in more than 75 countries, InterVoice-Brite is a technology leader in speech-enabled interactive information solutions and enhanced services for network service providers, and is a premier communications and e-commerce ASP. For more information, visit www.intervoice-brite.com.

INTERVOICE-BRITE, INC.
CONSOLIDATED BALANCE SHEETS

<Table> <Caption>	(In Thousands, Except Share and Per Share Data)	
	May 31, 2002 ----- (Unaudited) <C>	February 28, 2002 ----- <C>
<S>		
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 13,993	\$ 17,646
Trade accounts receivable, net of allowance for doubtful accounts of \$2,931 in fiscal 2003 and \$3,492 in fiscal 2002	36,273	40,783
Income tax receivable	7,908	--
Inventory	23,354	27,524
Prepaid expenses and other current assets	6,673	6,152
Deferred income taxes	811	819
	-----	-----
	89,012	92,924
	-----	-----
Property and Equipment		
Building	16,860	19,530
Computer equipment and software	29,911	30,379
Furniture, fixtures and other	2,635	2,328
Service equipment	7,932	7,902
	-----	-----
	57,338	60,139
Less allowance for depreciation	34,670	33,787
	-----	-----
	22,668	26,352
Other Assets		
Intangible assets, net of amortization of \$33,544 in fiscal 2003 and \$31,752 in fiscal 2002	31,458	37,439
Goodwill, net of accumulated amortization of \$7,672 in fiscal 2002	3,401	16,500
Other assets	2,045	2,153
	-----	-----
	\$ 148,584	\$ 175,368
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 18,998	\$ 22,661
Accrued expenses	14,096	14,988
Customer deposits	7,073	5,963
Deferred income	24,514	24,426
Current portion of long term borrowings	7,944	6,000
	-----	-----
	72,625	74,038
Long term borrowings, net of current portion	18,980	23,980
Other long term liabilities	1,653	1,916
Stockholders' Equity		
Preferred Stock, \$100 par value--2,000,000 shares authorized: none issued		
Common Stock, no par value, at nominal assigned value--62,000,000 shares authorized: 34,047,216 issued and outstanding in fiscal 2003, 34,029,180 issued and outstanding in fiscal 2002	17	17
Additional capital	65,040	61,725
Retained earnings (deficit)	(4,852)	19,618
Accumulated other comprehensive loss	(4,879)	(5,926)
	-----	-----
Stockholders' equity	55,326	75,434
	-----	-----
	\$ 148,584	\$ 175,368
	=====	=====

</Table>

INTERVOICE-BRITE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

<Table>
<Caption>

	(In Thousands, Except Per Share Data) Three Months Ended	
	May 31, 2002	May 31, 2001
	<C>	<C>
<S>		
Sales		
Systems	\$ 21,635	\$ 38,442
Services	16,781	23,064
	-----	-----
	38,416	61,506
	-----	-----
Cost of goods sold		
Systems	16,118	18,142
Services	6,671	9,650
	-----	-----
	22,789	27,792
	-----	-----
Gross margin		
Systems	5,517	20,300
Services	10,110	13,414
	-----	-----
	15,627	33,714
	-----	-----
Research and development expenses	6,005	7,563
Selling, general and administrative expenses	17,693	19,615
Amortization of acquisition related intangible assets	1,776	2,280
Amortization of goodwill	--	1,074
	-----	-----
Income (loss) from operations	(9,847)	3,182
Other income (expense)	(48)	506
Interest expense	(1,465)	(1,341)
	-----	-----
Income (loss) before taxes and the cumulative effect of a change in accounting principle	(11,360)	2,347
Income taxes (benefit)	(2,681)	939
	-----	-----
Income (loss) before the cumulative effect of a change in accounting principle	(8,679)	1,408
Cumulative effect on prior years of a change in accounting principle	(15,791)	--
	-----	-----
Net income (loss)	\$ (24,470)	\$ 1,408
	=====	=====
Per Basic Share:		
Income (loss) before the cumulative effect of a change in accounting principle	\$ (0.26)	\$ 0.04
Cumulative effect on prior years of a change in accounting principle	(0.46)	--
	-----	-----
Net income (loss)	\$ (0.72)	\$ 0.04
	=====	=====
Per Diluted Share:		
Income (loss) before the cumulative effect of a change in accounting principle	\$ (0.26)	\$ 0.04
Cumulative effect on prior years of a change in accounting principle	(0.46)	--
	-----	-----
Net income (loss)	\$ (0.72)	\$ 0.04
	=====	=====

</Table>

INTERVOICE-BRITE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<Table>
<Caption>

	(In Thousands) Three Months Ended	
	May 31, 2002	May 31, 2001
<S>	<C>	<C>
Operating Activities		
Income (loss) before the cumulative effect of a change in accounting principle	\$ (8,679)	\$ 1,408
Adjustments to reconcile income (loss) before the cumulative effect of a change in accounting principle to net cash provided by (used in) operating activities:		
Depreciation and amortization	4,176	6,446
Other changes in operating activities	3,696	(4,801)
Net cash provided by (used in) operating activities	(807)	3,053
Investing Activities		
Proceeds from sale of assets	1,852	--
Purchases of property and equipment	(601)	(1,374)
Net cash provided by (used in) investing activities	1,251	(1,374)
Financing Activities		
Paydown of debt	(26,000)	(5,784)
Debt issuance costs	(1,632)	--
Borrowings	24,000	--
Exercise of stock options	88	565
Net cash used in financing activities	(3,544)	(5,219)
Effect of exchange rates on cash	(553)	(108)
Decrease in cash and cash equivalents	(3,653)	(3,648)
Cash and cash equivalents, beginning of period	17,646	15,901
Cash and cash equivalents, end of period	\$ 13,993	\$ 12,253

</Table>

INTERVOICE-BRITE, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)

<Table>
<Caption>

	Common Stock		Additional Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount				
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at February 28, 2002	34,029,180	\$ 17	\$ 61,725	\$ 19,618	\$ (5,926)	\$ 75,434
Net income	--	--	--	(24,470)	--	(24,470)
Foreign currency translation adjustment	--	--	--	--	855	855
Valuation adjustment of interest rate swap hedge, net of tax effect of \$(118)	--	--	--	--	192	192
Exercise of stock options	18,036	--	88	--	--	88
Tax benefit from exercise of stock options	--	--	2,171	--	--	2,171
Issuance of warrants	--	--	1,056	--	--	1,056
Balance at May 31, 2002	34,047,216	\$ 17	\$ 65,040	\$ (4,852)	\$ (4,879)	\$ 55,326

</Table>

INTERVOICE-BRITE, INC.
RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA
For the Quarter Ended May 31, 2002

<Table>

<Caption>

	(\$000s)	Per Share
	-----	-----
<S>	<C>	<C>
Net loss	\$ (24,470)	\$ (0.72)
Add back EBITDA elements		
Interest	1,465	0.04
Taxes	(2,681)	(0.08)
Depreciation and amortization	4,176	0.12
Other (income) expense	48	0.00
Cumulative effect of a change in accounting principle	15,791	0.46
	-----	-----
EBITDA	(5,671)	(0.17)
Add back proforma adjustments	2,588	0.08
	-----	-----
Adjusted EBITDA	\$ (3,083)	(0.09)
	=====	=====

Basic shares used in per share calculation:

34,039

</Table>

<Table>

<Caption>

Recap of Proforma Adjustments to Operations	COGS	R&D	SG&A	Total
-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Severance payments and related benefits	\$ 1,095	\$ 395	\$ 960	\$ 2,450
Adjustments to severance accruals from fiscal 2002	--	--	(231)	(231)
Facility closure	244	125	--	369
	-----	-----	-----	-----
Total	\$ 1,339	\$ 520	\$ 729	\$ 2,588
	=====	=====	=====	=====

</Table>