

VOCERA COMMUNICATIONS, INC.

Form 10-Q

May 14, 2013

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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 March 31, 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: 001-35469

VOCERA COMMUNICATIONS, INC.
(Exact name of registrant as specified in its charter)

Delaware	94-3354663
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Vocera Communications, Inc.	
525 Race Street	
San Jose, CA 95126	
(408) 882-5100	
(Address and telephone number of principal executive offices)	

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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

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 May 2, 2013
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Common Stock, \$0.0003 par value per share

24,501,724 shares

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FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2013
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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)

	March 31, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$116,407	\$92,521
Short-term investments	10,000	34,989
Accounts receivable, net of allowance of \$23 and \$0 at March 31, 2013 and December 31, 2012, respectively	14,886	21,697
Other receivables	333	550
Inventories	4,565	2,772
Prepaid expenses and other current assets	3,719	2,808
Total current assets	149,910	155,337
Property and equipment, net	4,713	3,631
Intangible assets, net	2,087	2,267
Goodwill	5,575	5,575
Other long-term assets	515	495
Total assets	\$162,800	\$167,305
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	\$3,021	\$2,854
Accrued payroll and other liabilities	7,572	11,754
Deferred revenue, current	21,748	22,451
Total current liabilities	32,341	37,059
Deferred revenue, long-term	5,410	5,882
Other long-term liabilities	1,269	1,239
Total liabilities	39,020	44,180
Commitments and contingencies (Note 7)		
Stockholders' equity		
Preferred stock, \$0.0003 par value - 5,000,000 shares authorized as of March 31, 2013 and December 31, 2012; zero shares issued and outstanding	—	—
Common stock, \$0.0003 par value - 100,000,000 shares authorized as of March 31, 2013 and December 31, 2012; 24,481,612 and 24,229,356 shares issued and outstanding as of March 31, 2013 and December 31, 2012, respectively	7	7
Additional paid-in capital	181,239	177,081
Accumulated other comprehensive income	1	5
Accumulated deficit	(57,467) (53,968
Total stockholders' equity	123,780	123,125
Total liabilities and stockholders' equity	\$162,800	\$167,305

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 March 31,		
	2013	2012	
Revenue			
Product	\$12,960	\$14,637	
Service	9,453	8,482	
Total revenue	22,413	23,119	
Cost of revenue			
Product	4,610	5,429	
Service	4,084	3,569	
Total cost of revenue	8,694	8,998	
Gross profit	13,719	14,121	
Operating expenses			
Research and development	3,614	2,511	
Sales and marketing	10,232	7,530	
General and administrative	3,298	3,087	
Total operating expenses	17,144	13,128	
(Loss) income from operations	(3,425) 993	
Interest income	24	12	
Interest expense and other finance charges	—	(71)
Other expense, net	(47) (1,597)
Loss before income taxes	(3,448) (663)
Provision for income taxes	(51) (173)
Net loss	\$(3,499) \$(836)
Net loss per share attributable to common stockholders			
Basic and diluted	\$(0.14) \$(0.23)
Weighted average shares used to compu			