

SCHICK TECHNOLOGIES INC
Form 10-Q
February 03, 2006

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 December 31, 2005.

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: 000-22673

SCHICK TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware **11-3374812**

(State or other jurisdiction of
incorporation or organization) (I.R.S. Employer
Identification Number)

30-00 47th Avenue **11101**
Long Island City, New York
(Zip Code)

(Address of principal executive offices)

Registrant's telephone number, including area code: **(718) 937-5765**

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 is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☐

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As of January 31, 2006, 16,259,199 shares of common stock, par value \$.01 per share, were outstanding.

SCHICK TECHNOLOGIES, INC.

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PART I. Financial Information**Item 1. Financial Statements**

Schick Technologies, Inc. and Subsidiary
Consolidated Balance Sheets
(In thousands, except share amounts)

	December 31,	March 31,
	2005	
	(unaudited)	
Assets		
Current assets		
Cash and cash equivalents	\$ 13,902	\$ 39,725
Short-term investments	35,100	
Accounts receivable, net of allowance for doubtful accounts of \$57	15,221	5,663
Inventories	5,160	3,545
Prepayments and other current assets	765	780
Deferred income taxes	4,329	5,681
	<hr/>	<hr/>
Total current assets	74,477	55,394
	<hr/>	<hr/>
Equipment, net	1,279	1,317
Goodwill, net	266	266
Deferred income taxes	365	270
Other assets	813	287
	<hr/>	<hr/>
Total assets	\$ 77,200	\$ 57,534
	<hr/>	<hr/>
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 2,518	\$ 1,903
Accrued salaries and commissions	2,171	1,590
Income taxes payable	1,726	
Deposits from customers	38	30
Warranty obligations	660	446
Deferred revenue	7,196	4,316
	<hr/>	<hr/>
Total current liabilities	14,309	8,285
	<hr/>	<hr/>
Commitments and contingencies		
Stockholders' equity		
Preferred stock (\$0.01 par value; 2,500,000 shares authorized; none issued and outstanding)		
Common stock (\$0.01 par value; 50,000,000 shares authorized; 16,202,405 and 16,034,230 shares issued and outstanding, respectively)	162	160
Additional paid-in capital	48,360	46,765
Retained earnings	14,369	2,324
	<hr/>	<hr/>
Total stockholders' equity	62,891	49,249

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	December 31,	March 31,
Total liabilities and stockholders' equity	\$ 77,200	\$ 57,534

The accompanying footnotes are an integral part of these consolidated financial statements

Schick Technologies, Inc. and Subsidiary
Consolidated Statements of Income (unaudited)
(In thousands, except share and per share amounts)

	Three months ended December 31,		Nine months ended December 31,	
	2005	2004	2005	2004
Revenue, net	\$ 22,105	\$ 16,813	\$ 51,899	\$ 38,564
Total cost of sales	6,426	4,144	15,586	10,325
Gross profit	15,679	12,669	36,313	28,239
Operating expenses:				
Selling and marketing	2,360	2,235	7,028	5,222
General and administrative	1,862	1,723	5,192	4,992
Research and development	1,204	1,456	3,563	3,873
Acquisition and merger related expenses	285		1,392	
Termination of consulting agreement	650		650	
Total operating costs	6,361	5,414	17,825	14,087
Income from operations	9,318	7,255	18,488	14,152
Other income (expense)				
Interest income	313	111	888	288
Other income	30		29	
Total other income	343	111	917	288
Income before income taxes	9,661	7,366	19,405	14,440
Provision for income taxes	3,651	2,968	7,360	5,757
Net income	\$ 6,010	\$ 4,398	\$ 12,045	\$ 8,683