

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

PAR TECHNOLOGY CORP
Form 8-K
July 26, 2007

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): July 26, 2007

PAR TECHNOLOGY CORPORATION

(Exact name of registrant as specified in its charter)

Delaware ----- (State or other jurisdiction of organization)	1-09720 ----- (Commission File Number)	16-1434688 ----- (I.R.S. Employer incorporation or Identification Number)
--------------------------------------------------------------------------	-------------------------------------------------	---------------------------------------------------------------------------------------

PAR Technology Park 8383 Seneca Turnpike New Hartford, NY ----- (Address of principal executive offices)	13413-4991 ----- (Zip Code)
----------------------------------------------------------------------------------------------------------------------	-----------------------------------

Registrant's telephone number, including area code: (315) 738-0600

Not Applicable

(Former Name or Former Address, if changed since Last Report)

Item 2.02 Results of Operations and Financial Condition.

- (a) The information, including Exhibits attached hereto, in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as otherwise expressly stated in such filing.
- (b) On July 26, 2007, PAR Technology Corporation issued a press release

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

announcing its results of operation for the quarterly period ending June 30, 2007. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

99.1 Press Release dated July 26, 2007.

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 thereunto duly authorized.

PAR TECHNOLOGY CORPORATION

(Registrant)

Date: July 26, 2007

/s/Ronald J. Casciano

Ronald J. Casciano
Vice President, Chief Financial Officer
and Treasurer

EXHIBIT INDEX

Exhibit Number	Description
-----	-----
99.1	Press Release dated July 26, 2007.

Exhibit 99.1 Press Release dated July 26, 2007.

RELEASE: NEW HARTFORD, NY, July 26, 2007
CONTACT: Christopher R. Byrnes (315) 738-0600 ext. 226
cbyrnes@partech.com, www.partech.com

PAR TECHNOLOGY CORPORATION

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

-REPORTS SECOND QUARTER RESULTS-

NEW HARTFORD, NY, PAR TECHNOLOGY CORPORATION (NYSE:PTC)

New Hartford, NY--July 26, 2007--PAR Technology Corporation (NYSE:PTC - News) today announced results for the second quarter ended June 30, 2007.

PAR reported second quarter revenues of \$49.9 million, a 6% decrease from the \$53.3 million reported in the same period a year ago. A net loss of \$1 million was reported for the second quarter 2007, compared with net income of \$2.3 million in the second quarter of 2006. Diluted loss per share was \$0.07 for the second quarter of 2007, compared to diluted earnings per share of \$0.16 for the second quarter of last year.

For the six months ended June 30, 2007, PAR Technology Corporation reported revenues of \$97.7 million, an 8% decrease from the \$106 million reported one year ago. The Company also reported a net loss of \$2.3 million for the first six months of 2007 versus net income of \$4.3 million reported for the first six months of 2006. Diluted loss per share was \$0.16 for the first six months of 2007 compared to diluted earnings per share of \$0.29 reported for the first six months of 2006.

John W. Sammon, PAR Chairman & CEO commented, "In the second quarter we continue to experience lower revenues due to ongoing software delays, both internal and by third parties. However, long-term, we are confident in our business and believe we will return to profitability when these software issues are resolved. During this time we will continue our corporate investment strategy to improve the Company's operating performance going forward as we invest in our business to expand future opportunities."

Sammon continued, "We continue to believe these strategic investments will produce value for shareholders that will outweigh the short-term impact. Our three-pronged investment plan of new hospitality software, international markets and expanding our distribution channel will allow PAR to be competitive as a market leader in hospitality technology for the foreseeable future and deliver the positive results our shareholders are expecting. "

Certain Company information in this release or by its spokespersons from time to time may contain forward-looking statements. Any statements in this document that do not describe historical facts are forward-looking statements. Forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that all forward-looking statements involve risks and uncertainties, including without limitation, delays in new product introduction, risks in technology development and commercialization, risks in product development and market acceptance of and demand for the Company's products, risks of downturns in economic conditions generally, and in the quick service sector of the restaurant market specifically, risks of intellectual property rights associated with competition and competitive pricing pressures, risks associated with foreign sales and high customer concentration, and other risks detailed in the Company's filings with the Securities and Exchange Commission.

ABOUT PAR TECHNOLOGY

PAR Technology Corporation is a leading provider of professional services and enterprise business intelligence software and hardware to the hospitality industry. PAR develops, markets and supports hardware and software products that improve the ability of hospitality business professionals to make timely, fact-based business decisions. The Company is a premier provider of I/T management solutions to hotel and restaurant companies, with over 45,000 installations worldwide in over 100 countries. PAR is a leader in providing

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

computer-based system design and engineering services to the Department of Defense and Federal Government Agencies. PAR Technology Corporation's stock is traded on the New York Stock Exchange under the symbol PTC. For more information visit the Company's website at www.partech.com.

=====

PAR TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts)
(Unaudited)

	June 30, 2007	December 31, 2006
	-----	-----
Assets		
Current Assets:		
Cash and cash equivalents	\$ 3,320	\$ 4,273
Accounts receivable-net	39,567	46,791
Inventories-net	38,012	35,948
Income tax refunds	357	1,103
Deferred income taxes	6,295	5,139
Other current assets	2,874	2,737
	-----	-----
Total current assets	90,425	95,991
Property, plant and equipment - net	7,277	7,535
Goodwill	26,339	25,734
Intangible assets - net	10,508	10,695
Other assets	3,370	2,841
	-----	-----
	\$ 137,919	\$ 142,796
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 542	\$ 240
Borrowings under lines of credit	6,043	7,713
Accounts payable	9,923	12,470
Accrued salaries and benefits	7,978	8,279
Accrued expenses	2,009	1,861
Customer deposits	3,969	3,656
Deferred service revenue	12,342	12,254
	-----	-----
Total current liabilities	42,806	46,473
	-----	-----
Long-term debt	7,357	7,708
	-----	-----
Deferred income taxes	499	653
	-----	-----
Other long-term liabilities	2,594	1,879
	-----	-----
Shareholders' Equity:		
Preferred stock, \$.02 par value, 1,000,000 shares authorized	--	--
Common stock, \$.02 par value, 29,000,000 shares authorized; 16,017,285 and 15,980,486 shares issued; 14,364,530 and 14,327,731 outstanding	320	320
Capital in excess of par value	38,982	38,602
Retained earnings	50,830	53,159

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

Accumulated other comprehensive income (loss)	40	(489)
Treasury stock, at cost, 1,652,755 shares ...	(5,509)	(5,509)
	-----	-----
Total shareholders' equity	84,663	86,083
	-----	-----
	\$ 137,919	\$ 142,796
	=====	=====

PAR TECHNOLOGY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)
(unaudited)

	For the three months ended June 30,		For the six months ended June 30,	
	2007	2006	2007	2006
	-----	-----	-----	-----
Net revenues:				
Product	\$ 18,320	\$ 22,710	\$ 35,026	\$ 40,000
Service	16,100	14,886	31,629	29,000
Contract	15,452	15,747	31,053	30,000
	-----	-----	-----	-----
	49,872	53,343	97,708	100,000
	-----	-----	-----	-----
Costs of sales:				
Product	10,699	13,074	21,007	20,000
Service	11,886	10,840	24,052	20,000
Contract	14,652	14,518	29,206	20,000
	-----	-----	-----	-----
	37,237	38,432	74,265	70,000
	-----	-----	-----	-----
Gross margin	12,635	14,911	23,443	30,000
	-----	-----	-----	-----
Operating expenses:				
Selling, general and administrative	9,186	8,194	17,895	15,000
Research and development	4,387	2,836	8,201	7,000
Amortization of identifiable intangible assets	394	308	784	0
	-----	-----	-----	-----
	13,967	11,338	26,880	22,000
	-----	-----	-----	-----
Operating income (loss)	(1,332)	3,573	(3,437)	8,000
Other income, net	154	218	394	0
Interest expense	(237)	(167)	(459)	0
	-----	-----	-----	-----
Income (loss) before provision for income taxes ...	(1,415)	3,624	(3,502)	8,000
Benefit (provision) for income taxes	394	(1,286)	1,173	0
	-----	-----	-----	-----
Net income (loss)	\$ (1,021)	\$ 2,338	\$ (2,329)	\$ 8,000
	=====	=====	=====	=====
Earnings (loss) per share				
Basic	\$ (.07)	\$.16	\$ (.16)	\$.16
Diluted	\$ (.07)	\$.16	\$ (.16)	\$.16

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

Weighted average shares outstanding				
Basic	14,345	14,173	14,333	1
	=====	=====	=====	=====
Diluted	14,345	14,776	14,333	1
	=====	=====	=====	=====