

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

PAR TECHNOLOGY CORP
Form 8-K
October 26, 2009

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): October 26, 2009

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 October 26, 2009, 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 September 30, 2009. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

99.1 Press Release dated October 26, 2009.

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: October 26, 2009

/s/Ronald J. Casciano

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

EXHIBIT INDEX

Exhibit Number	Description
-----	-----
99.1	Press Release dated October 26, 2009.

Exhibit 99.1 Press Release dated October 26, 2009.

RELEASE: NEW HARTFORD, NY, October 26, 2009
CONTACT: Christopher R. Byrnes (315) 738-0600 ext. 226

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

cbyrnes@partech.com, www.partech.com

PAR TECHNOLOGY CORPORATION REPORTS THIRD QUARTER RESULTS

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

New Hartford, NY- October 26, 2009 -- PAR Technology Corporation (NYSE: PTC), a provider of integrated hardware, software and service solutions to the restaurant, hotel/resort, and hospitality industries along with information technology services to the United States Government, today reported third quarter financial results.

For the third quarter ended September 30, 2009, PAR Technology Corporation reported revenues of \$49.9 million compared to \$58 million in the third quarter 2008, a decrease of 13.9%. A net loss of \$778,000 was reported for the period compared to net income of \$828,000 in the third quarter last year. The Company reported diluted loss per share of \$0.05 for this past quarter, compared to the diluted earnings per share of \$0.06 reported for the same period a year earlier.

For the nine months ended September 30, 2009, PAR Technology Corporation reported revenues of \$164.8 million, a 1.5% decrease when compared to the \$167.3 million reported one year ago. The Company also reported a net loss of \$293,000 in the first nine months of 2009 versus net income of \$757,000 for the first nine months of 2008. Diluted loss per share for the first nine months of 2009 was reported at \$0.02, compared to diluted earnings per share of \$0.05 reported for the same period in 2008.

"Our third-quarter results reflect the effects of the recession and rising unemployment rates across the globe. While some economic indicators have shown improvement, the confidence level of the hospitality market continues to reflect the uncertainty of the current business environment. Simultaneously, certain customer accounts continue to have difficulty in obtaining access to capital," commented John W. Sammon, Chairman and CEO of PAR Technology. "While we are disappointed with our most recent quarterly results, we are never-the-less optimistic about our core business and future opportunities across all of our business segments. We are actively reducing costs which will not impair our ability to execute on our long term strategic plans. We are confident that our business will improve as credit eases and the industry confidence level improves. As we plan for 2010, we see a greatly improving pipeline of business which will restore both top line revenue along with earnings and we are committed to reducing expenses while investing in our future."

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

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

filings with the Securities and Exchange Commission.

ABOUT PAR TECHNOLOGY

PAR Technology Corporation creates and markets products that help hospitality operators around the world to better manage money, materials, people and the guest experience. PAR has provided hardware, software and services to the world's largest restaurant chains and their franchisees for almost 30 years. Today the Company's extensive offering include technology solutions for the full spectrum of hospitality operations, from boutique hotels and independent table service restaurants to international QSR chains, all backed by PAR's global service network. The Company has over 50,000 installations in 105 countries worldwide. PAR is also a leader in providing 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)

	September 30, 2009	December 31, 2008
	-----	-----
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,859	\$ 6,227
Accounts receivable-net	37,147	53,582
Inventories-net	40,125	41,132
Income tax refunds	767	208
Deferred income taxes	5,786	5,301
Other current assets	3,193	3,588
	-----	-----
Total current assets	91,877	110,038
Property, plant and equipment - net	6,523	6,879
Deferred income taxes	647	1,525
Goodwill	26,383	25,684
Intangible assets - net	7,366	8,251
Other assets	1,721	1,611
	-----	-----
Total Assets	\$ 134,517	\$ 153,988
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 1,402	\$ 1,079
Borrowings under lines of credit	3,000	8,800
Accounts payable	8,834	15,293
Accrued salaries and benefits	7,866	8,360

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

Accrued expenses	3,144	3,962
Customer deposits	2,098	6,157
Deferred service revenue	13,582	16,318
	-----	-----
Total current liabilities	39,926	59,969
	-----	-----
Long-term debt	4,863	5,852
	-----	-----
Other long-term liabilities	2,092	1,910
	-----	-----
Shareholders' Equity:		
Preferred stock, \$.02 par value, 1,000,000 shares authorized	--	--
Common stock, \$.02 par value, 29,000,000 shares authorized; 16,349,845 and 16,189,718 shares issued; 14,697,090 and 14,536,963 outstanding	327	324
Capital in excess of par value	40,975	40,173
Retained earnings	52,375	52,668
Accumulated other comprehensive loss	(532)	(1,399)
Treasury stock, at cost, 1,652,755 shares	(5,509)	(5,509)
	-----	-----
Total shareholders' equity	87,636	86,257
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 134,517	\$ 153,988
	=====	=====

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

	For the three months ended September 30,		For t ende
	2009	2008	2009
	-----	-----	-----
Net revenues:			
Product	\$ 15,222	\$ 20,918	\$ 52
Service	17,011	19,155	56
Contract	17,681	17,894	56
	-----	-----	-----
	49,914	57,967	164
	-----	-----	-----
Costs of sales:			
Product	10,025	12,016	34
Service	11,886	14,466	39
Contract	16,598	16,924	53
	-----	-----	-----
	38,509	43,406	127
	-----	-----	-----
Gross margin	11,405	14,561	37

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

Operating expenses:	-----	-----	-----
Selling, general and administrative	8,579	9,121	26
Research and development	3,771	3,560	10
Amortization of identifiable intangible assets	371	388	1
	-----	-----	-----
	12,721	13,069	38
	-----	-----	-----
Operating income (loss)	(1,316)	1,492	
Other income, net	12	216	
Interest expense	(106)	(275)	
	-----	-----	-----
Income (loss) before provision for income taxes ...	(1,410)	1,433	
(Provision) benefit for income taxes	632	(605)	
	-----	-----	-----
Net income (loss)	\$ (778)	\$ 828	\$
	=====	=====	=====
Earnings (loss) per share			
Basic	\$ (0.05)	\$.06	\$ (
Diluted	\$ (0.05)	\$.06	\$ (
Weighted average shares outstanding			
Basic	14,544	14,440	14
	=====	=====	=====
Diluted	14,832	14,823	14
	=====	=====	=====