

DOT HILL SYSTEMS CORP
Form 10-Q/A
February 07, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A
(Amendment No.1)

(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 1-13317

DOT HILL SYSTEMS CORP.
(Exact name of registrant as specified in its charter)

Delaware 13-3460176
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

1351 S. Sunset Street, Longmont, CO 80501
(Address of principal executive offices) (Zip Code)
(303) 845-3200
(Registrant's telephone number, including area code)
(Former name, former address and former fiscal year, if changed since last report)

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 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. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

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Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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The registrant had 58,615,969 shares of common stock, \$0.001 par value, outstanding as of April 30, 2013.

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Explanatory Note

The sole purpose of this Amendment No. 1 to Dot Hill Systems Corp.'s Quarterly Report on Form 10-Q (the "Form 10-Q") for the period ended March 31, 2013, as filed with the Securities and Exchange Commission on May 9, 2013, is to correct a clerical error in Exhibit 32.1 attached to the Form 10-Q.

In connection with the filing of this Amendment and pursuant to the rules of the Securities and Exchange Commission, we are including with this Amendment new certifications by our principal executive and principal financial officer.

Except as described above, no other changes have been made to the Original Filing. The Original Filing continues to speak as of the date of the Original Filing, and we have not updated the disclosures contained therein to reflect any events which occurred at a date subsequent to the filing of the Original Filing other than as expressly indicated in this Amendment.

DOT HILL SYSTEMS CORP.
FORM 10-Q
For the Quarter Ended March 31, 2013
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Part I. Financial Information

Item 1. Financial Statements

DOT HILL SYSTEMS CORP.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

AS OF DECEMBER 31, 2012 AND MARCH 31, 2013

(In thousands, except par value data)

	December 31, 2012	March 31, 2013
ASSETS		
Current Assets:		
Cash and cash equivalents	\$40,315	\$40,297
Accounts receivable, net	25,025	22,484
Inventories	5,037	4,944
Prepaid expenses and other assets	5,810	5,960
Total current assets	76,187	73,685
Property and equipment, net	7,147	7,645
Other assets	603	679
Total assets	\$83,937	\$82,009
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$22,659	\$23,055
Accrued compensation	4,863	3,443
Accrued expenses	8,690	6,888
Deferred revenue	2,889	3,559
Credit facility borrowings	2,800	2,800
Total current liabilities	41,901	39,745
Other long-term liabilities	3,261	3,385
Total liabilities	45,162	43,130
Commitments and Contingencies (Note 9)		
Stockholders' Equity:		
Preferred stock, \$.001 par value, 10,000 shares authorized, zero shares issued and outstanding at December 31, 2012 and March 31, 2013	—	—
Common stock, \$.001 par value, 100,000 shares authorized, 58,265 and 58,617 shares issued and outstanding at December 31, 2012 and March 31, 2013, respectively	58	58
Additional paid-in capital	326,575	327,516
Accumulated other comprehensive loss	(3,533) (3,389)
Accumulated deficit	(284,325) (285,306)
Total stockholders' equity	38,775	38,879
Total liabilities and stockholders' equity	\$83,937	\$82,009
See accompanying notes to unaudited condensed consolidated financial statements.		

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DOT HILL SYSTEMS CORP.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

FOR THE THREE MONTHS ENDED MARCH 31, 2012 AND 2013

(In thousands, except per share amounts)

	Three Months Ended		
	March 31,		
	2012	2013	
NET REVENUE	\$54,598	\$44,480	
COST OF GOODS SOLD	39,033	30,040	
GROSS PROFIT	15,565	14,440	
OPERATING EXPENSES:			
Research and development	9,197	8,713	
Sales and marketing	3,477	3,108	
General and administrative	2,834	3,137	
Total operating expenses	15,508	14,958	
OPERATING INCOME (LOSS)	57	(518)
OTHER INCOME:			
Interest income (expense), net	8	(7)
Other income (expense), net	4	(1)
Total other income (expense), net	12	(8)
INCOME (LOSS) BEFORE INCOME TAXES AND DISCONTINUED OPERATIONS	69	(526)
INCOME TAX EXPENSE (BENEFIT)	(91) 34	
INCOME (LOSS) FROM CONTINUING OPERATIONS	160	(560)
LOSS FROM DISCONTINUED OPERATIONS	(2,028) (421)
NET LOSS	\$(1,868) \$(981)
NET EARNINGS (LOSS) PER SHARE:			
Continuing operations:			
Basic and diluted earnings (loss) per share	\$—	\$(0.01)
Discontinued operations:			
Basic and diluted loss per share	\$(0.04) \$(0.01)
Net loss:			
Basic and diluted loss per share*	(0.03) (0.02)
WEIGHTED AVERAGE SHARES USED TO CALCULATE NET INCOME			
(LOSS) PER SHARE:			
Basic	56,030	58,001	
Diluted	56,558	58,001	
COMPREHENSIVE LOSS:			
Net loss	\$(1,868		