

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

PAR TECHNOLOGY CORP
Form 8-K
October 27, 2008

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 27, 2008

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 27, 2008, 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, 2008. 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 27, 2008.

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 27, 2008

/s/Ronald J. Casciano

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

EXHIBIT INDEX

Exhibit Number

Description

99.1

Press Release dated October 27, 2008.

Exhibit 99.1 Press Release dated October 27, 2008.

FOR RELEASE:

NEW HARTFORD, NY, October 27, 2008

CONTACT:

Christopher R. Byrnes (315) 738-0600 ext. 226

cbyrnes@partech.com, www.partech.com

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

PAR TECHNOLOGY CORPORATION REPORTS THIRD QUARTER RESULTS

- Revenues of \$58 million, a 12.4% increase over the third quarter 2007
- Earnings per diluted share (EPS) of \$0.06 vs. a \$0.06 loss per diluted share for Q3 2007

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

New Hartford, NY- October 27, 2008 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, 2008, PAR Technology Corporation reported revenues of \$58 million compared to \$51.6 million in the third quarter 2007, an increase of 12.4%. Net income of \$828,000 was reported for the period compared to a net loss of \$862,000 in the third quarter last year. The Company reported diluted earnings per share of \$0.06 for this past quarter, compared to the diluted loss per share of \$0.06 reported for the same period a year earlier.

For the nine months ended September 30, 2008, PAR Technology Corporation reported revenues of \$167.3 million, a 12.1% increase when compared to the \$149.3 million reported one year ago. The Company also reported net income of \$757,000 in the first nine months of 2008 versus a net loss of \$3.2 million for the first nine months of 2007. Diluted earnings per share for the first nine months of 2008 was reported at \$0.05, compared to diluted loss per share of \$0.22 reported for the same period in 2007.

"Overall, our businesses performed well in the third quarter as we navigated through uncertain economic environments. Revenues were driven by strong sales to our global quick serve restaurant accounts as well as to our hotel and spa customers. Our government revenues were up year over year due to new wins in the IT outsourcing sector," said John W. Sammon, Chairman and CEO of PAR Technology. "Our performance during difficult economic circumstances reflects the relevance of the business lines we have chosen to be in and the geographic priorities we have set. We will continue to monitor economic conditions for the foreseeable future but will not alter our concentration on PAR's longer-term growth initiatives of expanding our global reach, increasing revenue growth in the channel space and creating innovative software and technology products."

EARNINGS CONFERENCE CALL

PAR Technology Chairman and CEO John W. Sammon and Chief Financial Officer Ronald J. Casciano will discuss the Company's recent performance on a two-way conference call with investors at 10:00 a.m. Eastern today. Information for participating on that call can be found on the Company's website at www.partech.com.

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

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

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 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 includes 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, 2008	December 31, 2007
	-----	-----
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,892	\$ 4,431
Accounts receivable-net	46,865	43,608
Inventories-net	42,638	40,319
Income tax refunds	1,065	521
Deferred income taxes	5,298	5,630
Other current assets	3,892	3,370
	-----	-----
Total current assets	102,650	97,879
Property, plant and equipment - net	7,169	7,669
Deferred income taxes	746	503
Goodwill	26,618	26,998
Intangible assets - net	8,840	9,899
Other assets	1,846	3,570
	-----	-----
Total Assets	\$ 147,869	\$ 146,518
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 1,110	\$ 772
Borrowings under lines of credit	7,541	2,500
Accounts payable	14,448	16,978
Accrued salaries and benefits	8,942	9,919

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

Accrued expenses	4,073	3,860
Customer deposits	3,779	3,898
Deferred service revenue	13,825	14,357
	-----	-----
Total current liabilities	53,718	52,284
	-----	-----
Long-term debt	6,179	6,932
	-----	-----
Other long-term liabilities	2,167	2,315
	-----	-----
Shareholders' Equity:		
Preferred stock, \$.02 par value, 1,000,000 shares authorized	--	--
Common stock, \$.02 par value, 29,000,000 shares authorized; 16,186,718 and 16,047,818 shares issued; 14,533,963 and 14,395,063 outstanding	324	321
Capital in excess of par value	40,055	39,252
Retained earnings	51,208	50,451
Accumulated other comprehensive (loss) income	(273)	472
Treasury stock, at cost, 1,652,755 shares	(5,509)	(5,509)
	-----	-----
Total shareholders' equity	85,805	84,987
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 147,869	\$ 146,518
	=====	=====

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2008	2007	2008	2007
	-----	-----	-----	-----
Net revenues:				
Product	\$ 20,918	\$ 18,066	\$ 58,566	\$ 53,099
Service	19,155	17,006	53,299	48,633
Contract	17,894	16,505	55,443	47,555
	-----	-----	-----	-----
	57,967	51,577	167,308	149,287
	-----	-----	-----	-----
Costs of sales:				
Product	12,016	10,681	34,053	31,681
Service	14,466	13,238	39,826	37,299
Contract	16,924	15,256	52,477	44,466
	-----	-----	-----	-----
	43,406	39,175	126,356	113,446
	-----	-----	-----	-----
Gross margin	14,561	12,402	40,952	35,841
	-----	-----	-----	-----
Operating expenses:				
Selling, general and administrative	9,121	8,581	26,924	26,477

Edgar Filing: PAR TECHNOLOGY CORP - Form 8-K

Research and development	3,560	4,562	11,571	12,76
Amortization of identifiable intangible assets	388	397	1,167	1,18
	-----	-----	-----	-----
	13,069	13,540	39,662	40,42
	-----	-----	-----	-----
Operating income (loss)	1,492	(1,138)	1,290	(4,57
Other income, net	216	350	759	74
Interest expense	(275)	(310)	(745)	(76
	-----	-----	-----	-----
Income (loss) before provision for income taxes ...	1,433	(1,098)	1,304	(4,60
(Provision) benefit for income taxes	(605)	236	(547)	1,40
	-----	-----	-----	-----
Net income (loss)	\$ 828	\$ (862)	\$ 757	\$ (3,19
	=====	=====	=====	=====
Earnings (loss) per share				
Basic	\$.06	\$ (.06)	\$.05	\$ (.2
Diluted	\$.06	\$ (.06)	\$.05	\$ (.2
Weighted average shares outstanding				
Basic	14,440	14,351	14,404	14,34
	=====	=====	=====	=====
Diluted	14,823	14,351	14,787	14,34
	=====	=====	=====	=====