

Synacor, Inc.
Form 10-Q
May 15, 2017

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 March 31, 2017

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 001-33843

Synacor, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

16-1542712
(I.R.S. Employer Identification No.)

40 La Riviere Drive, Suite 300 14202

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Buffalo, New York
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (716) 853-1362

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 (§232.405 of this chapter) 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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

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

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

As of May 9, 2017, there were 38,019,005 shares of the registrant's common stock outstanding.

SYNACOR, INC. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SYNACOR, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS - UNAUDITED

AS OF MARCH 31, 2017 AND DECEMBER 31, 2016

(In thousands except for share and per share data)

	March 31, 2017	December 31, 2016
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 11,261	\$ 14,315
Accounts receivable, net of allowance of \$270 and \$263, respectively	17,235	27,386
Prepaid expenses and other current assets	5,117	4,862
Total current assets	33,613	46,563
PROPERTY AND EQUIPMENT, net	14,895	14,406
GOODWILL	15,944	15,943
INTANGIBLE ASSETS, net	14,301	14,837
OTHER LONG-TERM ASSETS	1,753	1,650
Total assets	\$ 80,506	\$ 93,399
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 15,040	\$ 18,769
Accrued expenses and other current liabilities	7,714	11,684
Current portion of deferred revenue	12,157	12,149
Current portion of capital lease obligations	1,158	982
Total current liabilities	36,069	43,584
LONG-TERM PORTION OF CAPITAL LEASE OBLIGATIONS	1,040	1,014
LONG-TERM DEBT	5,000	5,000
DEFERRED REVENUE	3,957	3,917
OTHER LONG-TERM LIABILITIES		