

OptimizeRx Corp
Form 10-Q
May 22, 2009
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

Quarterly Report pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

For the quarterly period ended March 31, 2009

Transition Report pursuant to 13 or 15(d) of the Securities
Exchange Act of 1934

For the transition period to _____

Commission File Number: 000-53605

OptimizeRx Cororation
(Exact name of small business issuer as specified in its charter)

Nevada
(State or other jurisdiction of incorporation or organization)

26-1265381
(IRS Employer Identification No.)

407 6th Street
Rochester, MI, 48307

(Address of principal executive offices)

248-651-6558
(Issuer's telephone number)

(Former name, former address and former fiscal year, if changed since last report)

Check whether the issuer (1) 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 issuer 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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer Accelerated filer Non-accelerated filer
 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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State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 12,422,958 Common Shares as of March 31, 2009.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our consolidated financial statements included in this Form 10-Q are as follows:

F-1 Consolidated Balance Sheets as of March 31, 2009 (unaudited) and December 31, 2008 (audited);

F-2 Unaudited Consolidated Statements of Operations for the three months ended March 31, 2009 and 2008 and for the period from January 31, 2006 (Inception) to March 31, 2009;

F-3 Consolidated Statement of Stockholders' Equity (unaudited) for the period from January 1, 2007 to March 31, 2009

F-4 Unaudited Consolidated Statements of Cash Flow for the three months ended March 31, 2009 and 2008 and for the period from January 31, 2006 (Inception) to March 31, 2009;

F-5 Notes to Consolidated Financial Statements

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the SEC instructions to Form 10-Q. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. Operating results for the interim period ended March 31, 2009 are not necessarily indicative of the results that can be expected for the full year.

OPTIMIZER_x CORPORATION
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2009 AND DECEMBER 31, 2008

ASSETS

	3/31/09 (unaudited)	12/31/08 (audited)
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,822,771	\$ 2,502,657
Prepaid expenses	3,205	3,292
Loan receivable - employee	0	1,346
TOTAL CURRENT ASSETS	1,825,976	2,507,295
PROPERTY AND EQUIPMENT		
Furniture and equipment	16,888	16,888
Less accumulated depreciation	(2,040)	(1,617)
NET PROPERTY AND EQUIPMENT	14,848	15,271
OTHER ASSETS		
Website development costs, net	113,030	120,737
TOTAL OTHER ASSETS	113,030	120,737
	\$ 1,953,854	\$ 2,643,303

**LIABILITIES AND STOCKHOLDERS'
EQUITY**

CURRENT LIABILITIES		
Accounts payable - trade	\$ 182,800	\$ 172,796
Payroll taxes payable	0	24,091
Accrued expenses	6,273	16,939
Note payable - related parties	4,000	4,000
TOTAL CURRENT LIABILITIES	193,073	217,799
LONG TERM LIABILITIES		
Notes payable - related parties	0	0
TOTAL LONG TERM LIABILITIES	0	0
TOTAL LIABILITIES	193,073	217,799
STOCKHOLDERS' EQUITY		

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Common stock, \$.001 par value, 500,000,000 shares authorized, 12,422,958 shares issued and outstanding	12,423	12,263
Series A Convertible Preferred stock, \$.001 par value 1,000 shares authorized, 35 shares issued and outstanding. Redemption date September 5, 2010.	0	0
Stock warrants	16,905,280	16,905,280
Additional paid-in-capital	695,840	0
Deficit accumulated during the development stage	(15,852,762)	(14,492,039)
STOCKHOLDERS' EQUITY	1,760,781	2,425,504
	\$ 1,953,854	\$ 2,643,303

The accompanying notes are an integral part of the financial statements.

OPTIMIZER_x CORPORATION
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2009 AND 2008
FOR THE PERIOD FROM JANUARY 31, 2006 (INCEPTION) TO MARCH 31, 2009

	3/31/09 (unaudited)	3/31/08 (unaudited)	Inception through 3/31/09 (unaudited)
REVENUE			
Sales	\$ 1,271	\$ 50,527	\$ 185,275
TOTAL REVENUE	1,271	50,527	185,275
EXPENSES			
Operating expenses	1,376,304	266,109	3,608,612
TOTAL EXPENSES	1,376,304	266,109	3,608,612
OPERATING LOSS	(1,375,033)	(215,582)	(3,423,337)
OTHER INCOME (EXPENSE)			
Interest income	13,088	0	18,178
Other income	1,471	100	1,471
Interest expense	(249)	0	(6,385)
Stock warrant expense	0	(333,004)	(2,745,280)
TOTAL OTHER INCOME (EXPENSE)	14,310	(332,904)	(2,732,016)
NET LOSS	\$ (1,360,723)	\$ (548,486)	\$ (6,155,353)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING			
	12,296,736	10,400,500	
NET LOSS PER SHARE	\$ (0.11)	\$ (0.05)	

The accompanying notes are an integral part of the financial statements.

OPTIMIZER_x CORPORATION
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (unaudited)
AS OF MARCH 31, 2009

	Common Stock Shares	Common Stock Amount	Preferred Stock Shares	Preferred Stock Amount	Stock Warrants	Additional Paid-in Capital	Equity (Deficit)	Stockholders' Equity
Balance, January 1, 2007	0	\$ 0	0	\$ 0	0	\$ 0	40,289	\$ 40,289
Member contributions							180,000	180,000
Member distributions							(253,750)	(253,750)
Issuance of common stock to former LLC members	10,000,000	10,000				(10,000)		0
Issuance of common stock, private offering	300,000	300				299,700		300,000
Net loss							(361,466)	(361,466)
Balance, December 31, 2007	10,300,000	10,300	0	0	0	289,700	(394,927)	(94,927)
Issuance of common stock for cash	636,000	636				635,364		636,000
Outstanding common stock prior to reverse merger	1,256,958	1,257				(1,257)		0
Common stock issued for services	70,000	70				69,930		70,000
						333,004		333,004

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Issuance of stock options				
Issuance of preferred stock less issuance costs	35	0	2,985,000	2,985,000
Stock warrants issued		14,160,000	(4,311,741)	(9,848,259)
Stock warrants issued for services		2,745,280		2,745,280