

PFSWEB INC  
Form 10-Q  
May 11, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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, 2015

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 000-28275

PFSweb, Inc.

(Exact name of registrant as specified in its charter)

Delaware  
(State of Incorporation)

75-2837058  
(I.R.S. Employer I.D. No.)

505 Millennium Drive, Allen, Texas 75013  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (972) 881-2900

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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 checkmark whether the registrant has submitted electronically and posted on its corporate website, 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 or a non-accelerated filer.

Large accelerated filer  Accelerated filer

Non-accelerated filer  Smaller Reporting Company

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

At May 7, 2015 there were 17,308,123 shares of registrant's common stock outstanding.

PFSWEB, INC. AND SUBSIDIARIES

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## PART I. FINANCIAL INFORMATION

## ITEM 1. Financial Statements

## PFSweb, Inc. and Subsidiaries

## CONSOLIDATED BALANCE SHEETS

(In Thousands, Except Share Data)

	(Unaudited)	
	March 31, 2015	December 31, 2014
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 14,770	\$ 18,128
Restricted cash	293	521
Accounts receivable, net of allowance for doubtful accounts of \$445 and \$447 at March 31, 2015 and December 31, 2014, respectively	50,424	59,126
Inventories, net of reserves of \$639 and \$768 at March 31, 2015 and December 31, 2014, respectively	9,852	10,534
Other receivables	5,419	5,638
Prepaid expenses and other current assets	5,633	7,103
<b>Total current assets</b>	<b>86,391</b>	<b>101,050</b>
<b>PROPERTY AND EQUIPMENT, net</b>	<b>25,066</b>	<b>26,604</b>
<b>IDENTIFIABLE INTANGIBLES, net</b>	<b>1,940</b>	<b>2,170</b>
<b>GOODWILL</b>	<b>8,366</b>	<b>8,366</b>
<b>OTHER ASSETS</b>	<b>2,243</b>	<b>2,556</b>
<b>Total assets</b>	<b>\$ 124,006</b>	<b>\$ 140,746</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current portion of long-term debt and capital lease obligations	\$ 10,153	\$ 6,850
Trade accounts payable	28,396	38,842
Deferred revenue	7,880	9,098
Accrued expenses	26,084	28,473
<b>Total current liabilities</b>	<b>72,513</b>	<b>83,263</b>
<b>LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS, less current portion</b>	<b>3,949</b>	<b>4,062</b>
<b>DEFERRED REVENUE</b>	<b>4,504</b>	<b>5,355</b>
<b>DEFERRED RENT</b>	<b>4,720</b>	<b>4,870</b>
<b>OTHER LIABILITIES</b>	<b>38</b>	<b>3,091</b>
<b>Total liabilities</b>		