

INSIGHT ENTERPRISES INC

Form 8-K

August 15, 2002

**Table of Contents**

---

---

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)  
of the Securities and Exchange Act of 1934

---

Date of Report: August 15, 2002

INSIGHT ENTERPRISES, INC.

---

(Exact name of registrant as specified in its charter)

Delaware

---

(State or other jurisdiction  
of incorporation)

0-25092

---

(Commission  
File Number)

86-0766246

---

(I.R.S. Employer  
Identification No.)

1305 West Auto Drive, Tempe, Arizona

---

(Address of principal executive offices)

85284

---

(Zip Code)

Registrant's telephone number, including area code:  
(480) 902-1001

---

---

---

**TABLE OF CONTENTS**

Item 5. Other Events

Goodwill and other intangibles

Item 7a. Financial statements of business acquired.

CONDENSED COMBINED BALANCE SHEETS

CONDENSED COMBINED STATEMENTS OF INCOME

CONDENSED COMBINED STATEMENT OF RETAINED EARNINGS

CONDENSED COMBINED STATEMENTS OF CASH FLOWS

NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF EARNINGS

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SIGNATURES

---

**Table of Contents**

	Page
Item 5. Other Events	
Goodwill and other intangibles	
3	
Item 7. Financial Statements and Exhibits	
(a) Financial statements of business acquired	
Comark, Inc. and Affiliates	
Condensed Combined Balance Sheets March 30, 2002 (unaudited) and December 29, 2001	
4	
Unaudited Condensed Combined Statements of Income For the three months ended March 30, 2002 and March 31, 2001	
5	
Unaudited Condensed Combined Statement of Retained Earnings For the three months ended March 30, 2002 and March 31, 2001	
6	
Unaudited Condensed Combined Statements of Cash Flows For the three months ended March 30, 2002 and March 31, 2001	
7	

Notes to  
Unaudited  
Condensed  
Combined  
Financial  
Statements  
8  
(b) Pro forma  
financial  
information

Insight  
Enterprises, Inc.  
and subsidiaries

Unaudited Pro  
Forma  
Condensed  
Consolidated  
Financial  
Statements

Introduction to  
Unaudited Pro  
Forma  
Condensed  
Consolidated  
Financial  
Statements  
9

Unaudited Pro  
Forma  
Condensed  
Consolidated  
Balance Sheet  
March 31, 2002  
10

Unaudited Pro  
Forma  
Condensed  
Consolidated  
Statement of  
Earnings For the  
three months  
ended March 31,  
2002  
11

Notes to  
Unaudited Pro  
Forma  
Condensed  
Consolidated  
Financial  
Statements  
12

**Table of Contents**

Item 5. Other Events

Goodwill and other intangibles

The Company adopted the provisions of Statement of Financial Accounting Standards ( SFAS ) No. 142, Goodwill and Other Intangible Assets on January 1, 2002. SFAS No. 142 requires that goodwill and intangible assets with indefinite useful lives no longer be amortized, but instead be tested for impairment at least annually. SFAS No. 142 also requires that intangible assets with definite useful lives be amortized over the respective estimated useful lives to their estimated residual values, and reviewed for impairment in accordance with SFAS No. 144.

The Company s goodwill balance of \$108.7 million as of December 31, 2001 is in the Company s direct marketing segment. Goodwill was tested for impairment as of January 1, 2002 and will be tested for impairment annually in the fourth quarter. As of January 1, 2002, there was no impairment of goodwill. The fair value of the direct marketing segment was estimated using a valuation based on a market approach, which takes into consideration market values of comparable publicly traded companies.

Application of the provisions of SFAS No. 142 has affected the comparability of current period results of operations with prior periods because the goodwill in the direct marketing segment is no longer being amortized over a twenty-year period. Thus, the following transitional disclosures present net earnings and earnings per share adjusted as shown below:

	Years Ended December 31,				
	2001	2000	1999	1998	1997
	(in thousands, except per share data)				
Net earnings	\$33,887	\$56,672	\$33,587	\$20,450	\$13,218
Add back: amortization of goodwill, net of taxes *					
1,910 1,642 1,211 418					
<hr/>					
<hr/>					
<hr/>					
<hr/>					
<hr/>					
<hr/>					
Adjusted net earnings					
\$35,797 \$58,314 \$34,798 \$20,868 \$13,218					

Edgar Filing: INSIGHT ENTERPRISES INC - Form 8-K

Basic earnings per share

\$0.82 \$1.40 \$0.87 \$0.56 \$0.38

Add back: amortization of goodwill, net of taxes \*

0.05 0.04 0.03 0.01

---

---

---

---

---

Adjusted basic earnings per share

\$0.87 \$1.44 \$0.90 \$0.57 \$0.38

---

---

---

---

---

Diluted earnings per share

\$0.80 \$1.35 \$0.83 \$0.54 \$0.37

Add back: amortization of goodwill, net of taxes \*

0.05 0.04 0.03 0.01

---

---

---

---

---

Adjusted diluted earnings per share

\$0.85 \$1.39 \$0.86 \$0.55 \$0.38

---

---

---

---

---

---

\* Amortization of goodwill was non-deductible for tax purposes; therefore, the tax component of the adjustment for amortization of goodwill is \$0.

-3-

---



**Table of Contents**

Item 7a. Financial statements of business acquired.

**COMARK, INC. AND AFFILIATES  
CONDENSED COMBINED BALANCE SHEETS  
(in thousands)**

	<u>March</u>	<u>December</u>
	30,	29,
	2002	2001
	(unaudited)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents		
\$17,981	\$	
Accounts receivable, net		
147,758	155,115	
Inventory, net		
34,947	43,342	
Prepaid expenses		
2,700	2,091	
<hr/>		
<hr/>		
Total current assets		
203,386	200,548	
Property and equipment, net		
14,624	15,112	
Other assets		
43	43	
<hr/>		
<hr/>		
\$218,053	\$215,703	
<hr/>		
<hr/>		
<b>LIABILITIES AND SHAREHOLDERS EQUITY</b>		
Current liabilities:		
Accounts payable		

Edgar Filing: INSIGHT ENTERPRISES INC - Form 8-K

\$104,900	\$100,800
Accrued liabilities	
11,610	19,020

---

---

Total current liabilities	
116,510	119,820
Deferred compensation	
2,977	2,890
Shareholders' equity:	

Common stock	
8	8
Paid-in capital	
5,202	5,202
Retained earnings	
93,356	87,783

---

---

Total shareholders' equity	
98,566	92,993

---

---

\$218,053	\$215,703
-----------	-----------

---

---

See accompanying notes to condensed combined financial statements.

Table of Contents

**COMARK, INC. AND AFFILIATES**  
**CONDENSED COMBINED STATEMENTS OF INCOME**  
(in thousands)  
(unaudited)

	Three Months Ended	
	March 30, 2002	March 31, 2001
Net sales	\$ 345,859	\$ 379,438
Cost of sales		
312,390 349,267		
<hr style="border: 0.5px solid black;"/> <hr style="border: 0.5px solid black;"/>		
Gross profit		
33,469 30,171		
Selling, general and administrative expenses		
25,642 25,177		
<hr style="border: 0.5px solid black;"/> <hr style="border: 0.5px solid black;"/>		
Income from operations		
7,827 4,994		
Non-operating expenses, net		
127 1,115		
<hr style="border: 0.5px solid black;"/> <hr style="border: 0.5px solid black;"/>		
Income before state income taxes		
7,700 3,879		
State income tax expense		
150 70		
<hr style="border: 0.5px solid black;"/> <hr style="border: 0.5px solid black;"/>		
Net income		
\$7,550 \$3,809		



See accompanying notes to condensed combined financial statements.

**Table of Contents**

**COMARK, INC. AND AFFILIATES**  
**CONDENSED COMBINED STATEMENT OF RETAINED EARNINGS**  
**(in thousands)**  
**(unaudited)**

	<b>Retained Earnings</b>
Balance at December 29, 2001	\$87,783
Net income	
7,550	
Subchapter S distributions paid	
(1,977)	
<hr/>	
Balance at March 30, 2002	
\$93,356	

See accompanying notes to condensed combined financial statements.

**Table of Contents**

**COMARK, INC. AND AFFILIATES**  
**CONDENSED COMBINED STATEMENTS OF CASH FLOWS**  
(in thousands)  
(unaudited)

	<b>Three Months Ended</b>	
	<b>March 30, 2002</b>	<b>March 31, 2001</b>
Cash flows from operating activities:		
Net income	\$7,550	\$3,809
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,206	1,310
Provision for losses on accounts receivable	534	456
Change in assets and liabilities:		
Decrease in accounts receivable	6,823	41,689
Decrease in inventory	8,395	7,439
Increase in prepaid expenses	(609)	(591)
Decrease in other assets	73	
Increase (decrease) in accounts payable	4,100	(38,405)
(Decrease) increase in accrued liabilities	(7,410)	12,283
Increase in deferred compensation	87	
Net cash provided by operating activities	20,676	28,063

---

Cash flows from investing activities:

Purchases of property and equipment  
(718) (2,054)

---

---

Net cash used in investing activities  
(718) (2,054)

---

---

Cash flows from financing activities:

Net repayment under notes payable to bank  
(22,900)  
Subchapter S distributions paid  
(1,977) (3,109)

---

---

Net cash used in financing activities  
(1,977) (26,009)

---

---

Increase in cash and cash equivalents  
17,981  
Cash and cash equivalents at beginning of period

---

---

Cash and cash equivalents at  
end of period  
\$17,981 \$

---

---

See accompanying notes to condensed combined financial statements.

-7-



**Table of Contents**

**COMARK, INC. AND AFFILIATES**  
**NOTES TO CONDENSED COMBINED FINANCIAL STATEMENTS**  
**(unaudited)**

**1. Basis of Presentation**

Effective April 19, 1994, Comark, Inc. spun-off in a non-cash distribution three separate companies: Comark Corporate Sales, Inc., Comark Government and Education sales, Inc., and W.C. Enterprises, Inc. (formerly known as USA Flex, Inc.). USA Fulfillment, Inc. was organized in 1996 and Comark Investments, Inc. was organized in 1998. On January 20, 2000, W.C. Enterprises, Inc. merged with Comark, Inc. in a non-cash transaction. Effective December 30, 2001, Comark Corporate Sales, Inc., Comark Government and Education Sales, Inc. and USA Fulfillment, Inc. became wholly-owned subsidiaries of Comark, Inc. Effective December 29, 2001, a new entity, 99% owned by Comark, Inc. and 1% owned by the shareholders of Comark, Inc. was also formed. This new entity, Comark Capital, LLC, was formed in a tax-free organization with all related assets and liabilities transferred from Comark, Inc. Comark Investments, Inc., formed in 1998, still remains a separate legal entity under common ownership with Comark, Inc. The accompanying financial statements combine the accounts of Comark, Inc. and Comark Investments, Inc., collectively referred to as Comark, due to common ownership.

All significant intercompany balances and transactions have been eliminated. Comark reports on a 52-53 week year-end.

**2. Description of Business**

Comark sells brand-name computers, peripherals, networking products, software and accessories principally in the United States of America using a multi-channel distribution strategy. Comark sells, through a dedicated sales force, to corporate and institutional customers, federal and state governments and agencies, and value-added dealers.

**3. Notes Payable to Bank**

Comark currently has an extended credit agreement with a bank expiring May 15, 2002, which provides for a revolving line of credit whereby Comark may borrow \$111,817,000. The line of credit bears interest, based on Comark's option, at the bank's corporate base rate, the swing line rate or the bank's LIBOR-based rate (3.60%, 3.0% and 3.125%, respectively at March 30, 2002). At March 30, 2002, no amounts were outstanding under the line of credit and \$111,817,000 of additional borrowings were available. The credit facility is secured by substantially all of the assets of Comark. The credit facility contains various covenants, including the requirement that Comark maintain a specific dollar amount of tangible net worth and certain leverage and interest coverage ratios. On April 25, 2002, Comark signed a new credit agreement. (see Note 4.)

Additionally, Comark has an inventory-based line of credit, which allows Comark to borrow the lesser of \$15,000,000 or 60% of eligible inventory. The line bears interest at 3.125% and is collateralized by certain inventory. There was no availability or outstanding balance on the line of credit at March 30, 2002.

**4. Subsequent Events**

On April 25, 2002, Comark entered into a Stock Purchase Agreement to sell Comark to Insight Enterprises, Inc.

Effective February 1, 1999, Comark adopted the Comark, Inc. Long-Term Incentive Plan that provides long-term incentive awards to certain employees of Comark. Amounts granted to employees are determined annually at the sole discretion of the board of directors and vest in 20% increments over a 5-year period. Employees are eligible to receive their yearly awards upon full vesting, and in certain instances, may receive the vested portion of their account upon termination. In addition, Comark has entered into employment contracts with certain employees, which provide for deferred compensation measured by the value of Comark and a portion of which is earned and vested over periods ending in 2004. Accelerated vesting of the deferred compensation can be triggered only upon certain events including a change in control. The sale of Comark to Insight Enterprises, Inc. triggered the change of control provisions under the Comark, Inc. Long-term Incentive Plan and under certain employment contracts, resulting in accelerated incentive compensation payments totaling \$7,376,371.

On April 25, 2002, Comark signed a new credit agreement extending the existing credit agreement to April 23, 2003, at a maximum credit amount of \$100,000,000. As part of the credit agreement, \$50,000,000 was immediately borrowed against the facility and loaned to Insight Enterprises, Inc. as an additional source of funds for its acquisition of Comark.

**Table of Contents**

Item 7b. Pro forma financial information.

**INSIGHT ENTERPRISES, INC. AND SUBSIDIARIES  
INTRODUCTION TO UNAUDITED PRO FORMA  
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2002**

On April 25, 2002, Insight Enterprises, Inc. ( the Company ) acquired all of the outstanding stock of Comark, Inc. and Comark Investments, Inc. (collectively, Comark ). The purchase price was paid by delivery of \$100,000,000 in cash and 2,306,964 shares of Insight Enterprises, Inc. common stock valued at \$50,000,000. The original purchase price of \$150,000,000 has subsequently been reduced by \$780,388 due to Comark not meeting the minimum net book value requirement of \$85,500,000 on the date of acquisition. The reduction in the purchase price will be refunded in cash.

The following Unaudited Pro Forma Condensed Consolidated Balance Sheet as of March 31, 2002 assumes the completion of the Company s acquisition of Comark as of March 31, 2002. The Unaudited Pro Forma Condensed Consolidated Statement of Earnings for the three months ended March 31, 2002 gives effect to the business combination involving the Company and Comark as if the combination occurred on January 1, 2002.

The following unaudited pro forma condensed consolidated financial information is presented for illustrative purposes only and does not purport to present the consolidated financial position or consolidated results of operations of Insight Enterprises, Inc. and Comark had the acquisition and the other events assumed therein occurred on the dates specified, nor is it necessarily indicative of the results of operations as they may be in the future or as they may have been had the acquisition and such other events been consummated on the dates shown. The Unaudited Pro Forma Condensed Consolidated Financial Statements are based on certain assumptions and adjustments described in the related Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements and should be read in conjunction with the Stock Purchase Agreement, the unaudited historical consolidated financial statements and related notes thereto of Insight Enterprises, Inc., included in our Quarterly Report on Form 10-Q for the three months ended March 31, 2002 and the unaudited historical condensed combined financial statements and related notes thereto of Comark, Inc. and Affiliates for the three months ended March 30, 2002, included in Item 7(a) of this Form 8-K.

**Table of Contents**

**INSIGHT ENTERPRISES, INC. AND SUBSIDIARIES**  
**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET**  
**March 31, 2002**  
**(in thousands)**

<b>ASSETS</b>	<b>Insight</b>	<b>Comark,</b>	<b>Pro</b>	<b>Forma</b>
	<b>Inc.</b>	<b>Inc.</b>	<b>and Adjustments</b>	<b>Pro</b>
	<b>and</b>	<b>and</b>	<b>(Note 2)</b>	<b>Forma</b>
	<b>subsidiaries</b>	<b>affiliates</b>	<b>As</b>	<b>Adjusted</b>
	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>
Current assets:				
Cash and cash equivalents				
\$62,006	\$17,981	\$	\$79,987	
Accounts receivable, net				
307,356	147,758		455,114	
Inventories, net				
32,795	34,947		67,742	
Prepaid expenses and other current assets				
9,069	2,700	1,400(a)	13,169	
_____				
_____				
_____				
_____				
Total current assets				
411,226	203,386	1,400	616,012	
Property and equipment, net				
104,174	14,624	(15)(b)	118,783	
Goodwill, net				
106,730	56,840(c)		163,570	
Other assets				
71	43		114	
_____				
_____				
_____				
_____				
\$622,201	\$218,053	\$58,226	\$898,479	

---



---



---



---

**LIABILITIES AND STOCKHOLDERS EQUITY**

Current liabilities:

Current portion of long-term debt and capital leases

\$3,041 \$ \$ 3,041

Lines of credit

32,737 99,220(d) 131,957

Accounts payable

197,549 104,900 302,449

Accrued expenses and other current liabilities

31,782 11,610 3,172(e) 46,564

Deferred compensation

7,376(f) 7,376

---



---



---



---

Total current liabilities

265,109 116,510 109,769 491,387

Deferred compensation

2,977 (2,977)(f)

Long-term debt and capital leases, less current portion

14,901 14,901

---



---



---



---

280,010 119,487 106,792 506,288

Stockholders equity:

Preferred stock

Common stock

434 8 15(g) 457

Additional paid-in capital

182,599 5,202 44,775(g) 232,576

Edgar Filing: INSIGHT ENTERPRISES INC - Form 8-K

Retained earnings	186,353	93,356	(93,356)(g)	186,353
Accumulated other comprehensive income			foreign	
currency translation adjustment	(3,886)		(3,886)	
Treasury stock	(23,309)		(23,309)	

---

---

---

---

Total stockholders equity	342,191	98,566	(48,566)	392,191
---------------------------	---------	--------	----------	---------

---

---

---

---

\$622,201 \$218,053 \$58,226 \$898,479

---

---

---

---

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

**Table of Contents**

**INSIGHT ENTERPRISES, INC. AND SUBSIDIARIES  
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF EARNINGS  
THREE MONTHS ENDED MARCH 31, 2001  
(in thousands, except per share amounts)**

	Insight Enterprises, Inc. and subsidiaries	Comark, Inc. and affiliates	Pro Forma Adjustments (Note 2)	Pro Forma as Adjusted
Net sales	\$527,963	\$345,859	\$(11,566)(h)	\$862,256
Cost of goods sold				
462,393 312,390 (11,251)(h) 763,532				
<hr/>				
<hr/>				
<hr/>				
<hr/>				
Gross profit				
65,570 33,469 (315) 98,724				
Operating expenses:				
Selling and administrative expenses				
45,732 25,642 71,374				
Amortization				
467(i) 467				
<hr/>				
<hr/>				
<hr/>				
<hr/>				
Earnings from operations				
19,838 7,827 (782) 26,883				
Non-operating expense, net				
797 127 864(j) 1,788				
<hr/>				
<hr/>				
<hr/>				

---

Earnings before income taxes  
19,041 7,700 (1,646) 25,095  
Income tax expense  
6,976 150 2,180(k) 9,306

---

---

---

---

Net earnings  
\$12,065 \$7,550 \$(3,826) \$15,789

---

---

---

---

Earnings per share:

Basic  
\$0.29 \$ \$ 0.35

---

---

---

---

Diluted  
\$0.28 \$ \$ 0.34

---

---

---

---

Shares used in per share calculation:

Basic

42,173 2,307 44,480

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Diluted

43,620 2,307 45,927

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

See accompanying notes to unaudited pro forma condensed consolidated financial statements.



**Table of Contents**

**INSIGHT ENTERPRISES, INC. AND SUBSIDIARIES**  
**NOTES TO UNAUDITED PRO FORMA**  
**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**MARCH 31, 2002**

## (1) General Information

The Unaudited Pro Forma Condensed Consolidated Financial Statements reflect the payment of \$100,000,000 in cash and the issuance of 2,306,964 shares of Insight Enterprises, Inc. common stock valued at \$50,000,000, subject to adjustments for: (i) an \$85,500,000 minimum net book value requirement for Comark as of April 25, 2002; and (ii) certain contingent cash payments of up \$3,600,000 based on the post-closing performance of Comark, Inc. and affiliates ( Comark ) during the period from April 25, 2002 through December 31, 2003. The original purchase price of \$150,000,000 has subsequently been reduced by \$780,388 due to Comark not meeting the minimum net book value requirement of \$85,500,000 on the date of acquisition. The reduction in the purchase price will be refunded in cash. The acquisition has been recorded as a purchase transaction in accordance with accounting principles generally accepted in the United States of America and accordingly Comark's assets and liabilities are recorded at their estimated fair values at the date of the acquisition.

For pro forma purposes, the purchase price has been allocated to the assets acquired and liabilities assumed as follows (in thousands):

## Purchase price paid as:

Borrowings on lines of credit	\$99,220
Common stock	23
Additional paid-in capital	49,977
Acquisition costs	3,172

---

Total purchase price  
152,392

---

## Fair value of net assets acquired:

Current assets	\$203,386
Intangible assets - trade name	1,400
Property and equipment	14,609
Other assets	43
Current liabilities	(123,886)

---

Total fair value of net  
assets acquired  
95,552

---

Excess purchase price  
over fair value of net  
assets acquired  
(goodwill)  
\$56,840

---

(2) Pro forma Adjustments

The unaudited pro forma condensed consolidated financial statements reflect the acquisition and give effect to the following adjustments:

- (a) To reflect the preliminary fair market value of identifiable intangibles.
- (b) To reflect the decrease in fixed assets to reflect fair market value.
- (c) To reflect the excess purchase price over the estimated fair value of net assets acquired (goodwill).
- (d) To reflect the borrowings on lines of credit to finance the cash portion of the purchase price.
- (e) To reflect direct acquisition costs and severance costs of Comark employees.
- (f) To reflect the increase in amount and reclassification to current liabilities for the accelerated vesting of deferred compensation due to the acquisition.
- (g) To reflect the elimination of the stockholders' equity accounts of Comark and to reflect the issuance of Insight Enterprises, Inc. common stock as partial consideration for the purchase.
- (h) To reflect the elimination of sales and cost of sales for historical sales between Comark and Insight Enterprises, Inc.
- (i) To reflect amortization of identifiable intangibles.
- (j) To reflect the increase in interest expense resulting from the borrowings on lines of credit to finance the cash portion of the purchase price. The interest rate is assumed to be a blended rate of 3.48 percent. A change of 1/8 percent in the interest rate would result in a change in interest expense and net earnings of \$31,000 and \$19,000, respectively, for the three-month period.
- (k) To reflect the income tax effect of pro forma adjustments and to reflect income taxes on historical net earnings of Comark at an effective rate of 38.49 percent.

**Table of Contents**

The pro forma adjustments are based on the information and assumptions available as of the date of this Form 8-K. The unaudited pro forma condensed consolidated financial statements do not give effect to any cost savings or synergies that may result from the integration of the operations of Comark and Insight Enterprises, Inc.

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 hereunto duly authorized.

Date: August 15, 2002 /s/ Stanley Laybourne

---

Stanley Laybourne  
Chief Financial Officer,  
Secretary and Treasurer