

MARCHEX INC
Form 10-Q
November 09, 2018

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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 September 30, 2018

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 000-50658

Marchex, Inc.

(Exact name of Registrant as specified in its charter)

Delaware 35-2194038
(State or other jurisdiction of (I.R.S. Employer

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incorporation or organization) Identification No.)

520 Pike Street, Suite 2000

Seattle, Washington 98101

(Address of principal executive offices)

(206) 331-3300

(Registrant's telephone number, including area code)

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 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, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," or "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer

Accelerated filer

Non-accelerated filer

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Class	Outstanding at November 6, 2018
Class A common stock, par value \$.01 per share	5,056,136
Class B common stock, par value \$.01 per share	36,926,629

Marchex, Inc.

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PART I—FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

MARCHEX, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets

(in thousands)

(unaudited)

	December 31, 2017	September 30, 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 104,190	\$ 78,605
Accounts receivable, net	14,860	13,646
Prepaid expenses and other current assets	2,041	2,322
Total current assets	121,091	94,573
Property and equipment, net	2,405	2,797
Other assets, net	326	919
Total assets	\$ 123,822	\$ 98,289
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 4,928	\$ 5,258
Accrued expenses and other current liabilities	5,585	5,804
Deferred revenue and deposits	313	1,165
Dividends payable	21,907	—
Total current liabilities	32,733	12,227
Other non-current liabilities	1,090	1,155
Total liabilities	33,823	13,382
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.01 par value, Authorized 137,500 shares		
Class A: 12,500 shares authorized; 8,032 and 5,056 shares issued and		
outstanding, respectively, at December 31, 2017 and September 30, 2018	53	53
Class B: 125,000 shares authorized; 38,736 shares issued and		
outstanding at December 31, 2017, including 710 shares		