JAMBA, INC. Form 10-Q August 02, 2012

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 XACT OF 1934

For the quarterly period ended July 3, 2012

OR

..TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Jamba, Inc.

(Exact name of registrant as specified in its charter)

Delaware 001-32552 20-2122262 (State or other jurisdiction (Commission (I.R.S. Employer

of incorporation) File No.) Identification No.)

6475 Christie Avenue, Suite 150, Emeryville, California 94608

(Address of principal executive offices)

Registrant's telephone number, including area code: (510) 596-0100

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 the filing requirements for the past 90 days. Yes x 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 x 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. See definition of "accelerated filer", "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer"		Accelerated filer	х
Non-accelerated filer "	(Do not check if a smaller reporting company)	Smaller reporting company	y

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

The number of shares of common stock of Jamba, Inc. issued and outstanding as of July 25, 2012 was 68,046,318

JAMBA, INC.

QUARTERLY REPORT ON FORM 10-Q

QUARTERLY PERIOD ENDED JULY 3, 2012

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PART I - FINANCIAL INFORMATION

ITEM 1. UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

JAMBA, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(Dollars in thousands, except share and per share amounts)	July 3, 2012	January 3, 2012
ASSETS		
Current assets:	¢ 00 525	¢ 10 607
Cash and cash equivalents Restricted cash	\$28,535	\$19,607
Receivables, net of allowances of \$324 and \$294	8,401	1,352 13,040
Inventories	2,601	2,228
Prepaid and refundable taxes	2,001	2,228 574
Prepaid rent	2,877	2,761
Prepaid expenses and other current assets	1,491	1,509
repaid expenses and other current assets	1,471	1,507
Total current assets	44,137	41,071
Property, fixtures and equipment, net	40,214	44,760
Goodwill	1,308	
Trademarks and other intangible assets, net	1,466	1,130
Other long-term assets	1,346	1,332
Total assets	\$88,471	\$88,293
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$6,043	\$4,155
Accrued compensation and benefits	7,812	6,566
Workers' compensation and health insurance reserves	1,144	1,092
Accrued jambacard liability	27,951	33,256
Other current liabilities	8,942	9,961
Total current liabilities	51,892	55,030
Deferred rent and other long-term liabilities	13,273	13,079
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Total liabilities	65,165	68,109
Commitments and contingencies (Note 10) Series B redeemable preferred stock, \$0.001 par value, 304,348 shares authorized; 168,389 and 168,389 shares issued and outstanding at July 3, 2012 and January 3, 2012, respectively Stockholders' equity:	18,050	17,880
Common stock, \$0.001 par value, 150,000,000 shares authorized; 67,617,393 and 67,280,485 shares issued and outstanding at July 3, 2012 and January 3, 2012, respectively	68	68
Additional paid-in capital	368,871	369,027
Accumulated deficit	(363,683)	(366,791)
Total stockholders' equity	5,256	2,304
Total liabilities and stockholders' equity See accompanying notes to condensed consolidated financial statements.	\$88,471	\$88,293

JAMBA, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	13 Week Period Ended	12 Week Period Ended	26 Week Period Ended	28 Week Period Ended	
(Dollars in thousands, except share and per share amounts)	July 3, 2012	July 12, 2011	July 3, 201	2 July 12, 2011	
Revenue: Company Stores Franchise and other revenue	\$62,530 3,514	\$55,969 2,886	\$112,555 6,536	\$119,172 5,858	
Total revenue	66,044	58,855	119,091	125,030	
Costs and operating expenses: Cost of sales Labor Occupancy Store operating Depreciation and amortization General and administrative Impairment of long-lived assets Other operating, net Total costs and operating expenses Income (loss) from operations	13,975 17,148 7,326 8,955 2,813 10,823 175 (200 61,015 5,029	12,807 16,610 6,725 7,668 2,860 8,038 326) (68 54,966 3,889	25,586 32,556 14,743 16,830 5,736 19,462 562) 232 115,707 3,384	28,020 38,574 16,905 17,189 6,816 18,483 902 579 127,468 (2,438)
Other income (expense), net: Interest income Interest expense	20 22	27 (106	39) (94	27) (339)
Total other income (expense), net	42	(79) (55) (312)
Income (loss) before income taxes Income tax (expense) benefit	5,071 (453	3,810) 123	3,329 (221	(2,750) 163)
Net income (loss)	4,618	3,933	3,108	(2,587)

Preferred stock dividends and deemed dividends	(472) (538) (953)) (1,365)
Net income available (loss attributable) to common stockholders	\$4,146	\$3,395	\$2,155	\$(3,952)
Weighted-average shares used in the computation of					
earnings (loss) per share:					
Basic	67,385,699	65,961,425	67,339,917	65,588,21	8
Diluted	85,709,417	85,436,405	67,339,917	65,588,21	8
Earnings (loss) per share:					
Basic	\$0.06	\$0.05	\$0.03	\$(0.06)
Diluted	\$0.05	\$0.05	\$0.03	\$(0.06)
See accompanying notes to condensed consolidated finan	cial statements				

See accompanying notes to condensed consolidated financial statements.

JAMBA, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Unaudited)

	Common Sto	ock			
(Dollars in thousands, except share amounts)	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Stockholders' Equity
Balance as of December 28, 2010	63,734,961	\$ 64	\$ 365,817	\$ (358,493) \$ 7,388
Share-based compensation expense	_		568		568
Issuance of common stock pursuant to stock plans	417,415	1	728	—	729
Conversion of preferred stock	2,409,600	2	2,769		2,771
Accretion of Series B preferred shares			(459))	(459)
Redeemable preferred stock dividends			(906))	(906)
Net loss				(2,587) (2,587)
Balance as of July 12, 2011	66,561,976	\$ 67	\$ 368,517	\$ (361,080) \$ 7,504
Balance as of January 3, 2012	67,280,485	\$ 68	\$ 369,027	\$ (366,791) \$ 2,304
Share-based compensation expense	_		773		773
Issuance of common stock pursuant to stock plans Conversion of preferred stock	44,906	_	24	—	24