

OVERSTOCK.COM, INC
Form 10-Q
August 04, 2008
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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 June 30, 2008

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: 000-49799

OVERSTOCK.COM, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

87-0634302
(I.R.S. Employer
Identification Number)

6350 South 3000 East
Salt Lake City, Utah 84121

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(Address, including zip code, of

Registrant's principal executive offices)

Registrant's telephone number, including area code: **(801) 947-3100**

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), (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. See definitions of large accelerated filer, accelerated filer, and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if a smaller reporting company)

Smaller reporting company

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

There were 22,812,317 shares of the Registrant's common stock, par value \$0.0001, outstanding on August 1, 2008.

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	December 31, 2007	June 30, 2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 101,394	\$ 56,679
Marketable securities	46,000	30,020
Cash, cash equivalents and marketable securities	147,394	86,699
Accounts receivable, net	12,304	15,186
Notes receivable (Note 4)	1,506	250
Inventories, net	25,933	14,036
Prepaid inventory	3,572	2,648
Prepaid expenses	7,572	10,481
Total current assets	198,281	129,300
Property and equipment, net	27,197	21,318
Goodwill	2,784	2,784
Other long-term assets, net	86	30
Notes receivable (Note 4)	4,181	4,453
Total assets	\$ 232,529	\$ 157,885
Liabilities and Stockholders Equity		
Current liabilities:		
Accounts payable	\$ 70,648	\$ 31,217
Accrued liabilities	35,241	24,248
Deferred revenue	17,357	15,417
Capital lease obligations	3,796	
Total current liabilities	127,042	70,882
Other long-term liabilities	3,034	2,975
Convertible senior notes	75,623	75,795
Total liabilities	205,699	149,652
Commitments and contingencies (Notes 7 and 8)		
Stockholders equity:		
Preferred stock, \$0.0001 par value, 5,000 shares authorized, no shares issued and outstanding as of December 31, 2007 and June 30, 2008		
Common stock, \$0.0001 par value, 100,000 shares authorized, 25,423 and 25,496 shares issued as of December 31, 2007 and June 30, 2008, respectively	2	2
Additional paid-in capital	333,909	337,659
Accumulated deficit	(243,709)	(254,081)
Treasury stock, 1,605 and 2,713 shares at cost as of December 31, 2007 and June 30, 2008, respectively	(63,278)	(75,218)
Accumulated other comprehensive loss	(94)	(129)

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Total stockholders' equity		26,830		8,233
Total liabilities and stockholders' equity	\$	232,529	\$	157,885

The accompanying notes are an integral part of these consolidated financial statements.

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Overstock.com, Inc.

Consolidated Statements of Operations (unaudited)

(in thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2007	2008	2007	2008
Revenue				
Direct revenue	\$ 43,578	\$ 39,939	\$ 89,279	\$ 91,422
Fulfillment partner revenue	105,389	148,903	217,618	298,165
Total revenue	148,967			