

CENVEO, INC
Form 10-Q
May 07, 2008

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 29, 2008

Commission file number 1-12551

CENVEO, INC.

(Exact name of Registrant as specified in its charter.)

COLORADO

(State or other jurisdiction of
incorporation or organization)

84-1250533

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

ONE CANTERBURY GREEN

201 BROAD STREET

STAMFORD, CT

(Address of principal executive offices)

06901

(Zip Code)

203-595-3000

(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

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of “accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act. Large accelerated filer Accelerated filer Non-accelerated filer

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

As of May 1, 2008 the registrant had 53,836,448 shares of common stock outstanding.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CENVEO, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (in thousands)
 (Unaudited)

	March 29, 2008	December 29, 2007
Assets		
Current assets:		
Cash and cash equivalents	\$ 13,055	\$ 15,882
Accounts receivable, net	307,505	344,634
Inventories	172,060	162,908
Assets held for sale	4,278	—
Prepaid and other current assets	66,320	73,358
Total current assets	563,218	596,782
Property, plant and equipment, net	416,281	428,341
Goodwill	668,738	669,802
Other intangible assets, net	268,447	270,622
Other assets, net	29,673	37,175
Total assets	\$ 1,946,357	\$ 2,002,722
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities of long-term debt	\$ 16,961	\$ 18,752
Accounts payable	160,192	165,458
Accrued compensation and related liabilities	48,732	47,153
Other current liabilities	88,667	79,554
Total current liabilities	314,552	310,917
Long-term debt	1,378,790	1,425,885
Deferred income taxes	47,540	55,181
Other liabilities	117,177	111,413
Commitments and contingencies		
Shareholders' equity:		
Preferred stock	—	—
Common stock	537	537
Paid-in capital	257,221	254,241
Retained deficit	(152,338)	(148,939)
Accumulated other comprehensive loss	(17,122)	(6,513)
Total shareholders' equity	88,298	99,326
Total liabilities and shareholders' equity	\$ 1,946,357	\$ 2,002,722

See notes to condensed consolidated financial statements.

CENVEO, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(Unaudited)

	Three Months Ended	
	March 29, 2008	March 31, 2007 As Restated
Net sales	\$ 534,328	\$ 414,714
Cost of sales	436,298	332,536
Selling, general and administrative	63,126	49,484
Amortization of intangible assets	2,175	1,830
Restructuring, impairment and other charges	9,749	2,625
Operating income	22,980	28,239
Interest expense, net	26,978	16,282
Loss on early extinguishment of debt	—	8,700
Other expense, net	461	222
(Loss) income from continuing operations before income taxes	(4,459)	3,035
Income tax (benefit) expense	(1,716)	1,255
(Loss) income from continuing operations	(2,743)	1,780
(Loss) income from discontinued operations, net of taxes	(656)	16,293
Net (loss) income	\$ (3,399)	\$ 18,073
(Loss) income per share - basic:		
Continuing operations	\$ (0.05)	\$ 0.03
Discontinued operations	(0.01)	0.31
Net (loss) income	\$ (0.06)	\$ 0.34
(Loss) income per share - diluted:		
Continuing operations	\$ (0.05)	\$ 0.03
Discontinued operations	(0.01)	0.30
Net (loss) income	\$ (0.06)	\$ 0.33
Weighted average shares:		
Basic	53,715	53,525
Diluted	53,715	54,572

See notes to condensed consolidated financial statements.

CENVEO, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)
Three Months Ended

March 29, 2008

March 31, 2007