

HICKORY TECH CORP
Form 10-Q
October 30, 2008
[Table of Contents](#)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 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, 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 0-13721

HICKORY TECH CORPORATION

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction of
incorporation or organization)

41-1524393
(I.R.S. Employer
Identification No.)

Edgar Filing: HICKORY TECH CORP - Form 10-Q

221 East Hickory Street

Mankato, Minnesota 56002-3248

(Address of principal executive offices and zip code)

(800) 326-5789

(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 is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definition of "large accelerated filer," "accelerated filer," "non-accelerated filer" or "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one): Large accelerated filer Accelerated filer Non-accelerated filer 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

The total number of shares of the Registrant's common stock outstanding as of Oct 29, 2008: 13,367,019.

Table of Contents

TABLE OF CONTENTS

PART I

<u>Item 1.</u>	<u>Financial Statements</u>	3
	<u>Consolidated Statements of Operations (unaudited) for the Three Months and Nine Months Ended September 30, 2008 and 2007</u>	3
	<u>Consolidated Balance Sheets (unaudited) as of September 30, 2008 and December 31, 2007</u>	4
	<u>Consolidated Statements of Cash Flows (unaudited) for the Nine Months Ended September 30, 2008 and 2007</u>	5
	<u>Condensed Notes to Consolidated Financial Statements (unaudited)</u>	6
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	15
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	26
<u>Item 4.</u>	<u>Controls and Procedures</u>	26

PART II

<u>Item 1.</u>	<u>Legal Proceedings</u>	26
<u>Item 1A.</u>	<u>Risk Factors</u>	26
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	27
<u>Item 3.</u>	<u>Defaults Upon Senior Securities</u>	27
<u>Item 4.</u>	<u>Submission of Matters to a Vote of Security Holders</u>	27
<u>Item 5.</u>	<u>Other Information</u>	27
<u>Item 6.</u>	<u>Exhibits Listing</u>	27
	<u>Signatures</u>	28
	Exhibits	

Table of Contents

Item 1. Financial Statements

HICKORY TECH CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(Dollars in thousands, except share and per share amounts)	Three Months Ended September 30		Nine Months Ended September 30	
	2008	2007	2008	2007
Operating revenue:				
Telecom Sector	\$ 18,758	\$ 18,647	\$ 55,051	\$ 58,132
Enventis Sector				
Equipment	11,725	10,092	34,602	39,395
Services	9,377	7,120	25,852	20,861
Total Enventis Sector	21,102	17,212	60,454	60,256
Total operating revenue	39,860	35,859	115,505	118,388
Costs and expenses:				
Cost of sales, equipment, excluding depreciation and amortization	10,190	8,705	29,605	35,578
Cost of services, excluding depreciation and amortization	13,443	11,137	37,760	32,832
Selling, general and administrative expenses	5,637	5,900	16,786	17,627
Depreciation	4,945	4,254	14,371	13,190
Amortization of intangibles	285	289	863	867
Total costs and expenses	34,500	30,285	99,385	100,094
Operating income	5,360	5,574	16,120	18,294
Other income and expense:				
Interest and other income	39	68	81	199
Interest expense	(1,874)	(2,028)	(5,049)	(6,241)
Total other (expense)	(1,835)	(1,960)	(4,968)	(6,042)
Income from continuing operations before income taxes	3,525	3,614	11,152	12,252
Income tax provision	1,453	1,532	4,802	5,148
Income from continuing operations	2,072	2,082	6,350	7,104
Discontinued operations:				
Loss from operations of discontinued component		(12)		(27)
Income tax benefit		(4)		(10)
Loss on discontinued operations		(8)		(17)

MARGIN-RIGHT:

0pt"

align="left">Item

5. Ownership
of Five Percent

or Less of a
Class.

Not applicable.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Not Applicable

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported by the Parent Holding Company.

Not applicable.

Item 8. Identification and Classification of Members of the Group.

Not applicable.

Item 9. Notice of Dissolution of Group.

Not applicable.

Item 10. Certifications.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 13, 2015

By: /s/ Barry Honig
Barry Honig

Barry and Renee Honig Charitable
Foundation, Inc.

Date: February 13, 2015

By: /s/ Barry Honig
Barry Honig, President

GRQ Consultants, Inc.

Date: February 13, 2015

By: /s/ Barry Honig
Barry Honig, President

GRQ Consultants, Inc. 401k Plan

Date: February 13, 2015

By: /s/ Barry Honig
Barry Honig, Trustee

GRQ Consultants, Inc. Defined
Benefit Plan

Date: February 13, 2015

By: /s/ Barry Honig
Barry Honig, Trustee

GRQ Consultants, Inc. Roth 401K
Plan FBO Barry Honig

Date: February 13, 2015

By: /s/ Barry Honig
Barry Honig, Trustee