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NETWORK INSTALLATION CORP
Form 424B3
August 17, 2004

FILED PURSUANT TO RULE 424(b)(3)
FILE NO. 333-117691

PROSPECTUS
NETWORK INSTALLATION CORPORATION
OFFERING UP TO 2,290,318 COMMON SHARES

This prospectus relates to the resale of up to 2,290,318 shares of our common stock. 1,420,001 shares of common stock covered by this prospectus are to be sold by 29 selling shareholders who will receive all of the proceeds from such sales. We will not receive any proceeds from the sale of the 1,420,001 shares. However, we may receive proceeds from the sale of 100,000 common shares to C.C.R.I. if C.C.R.I. exercises warrants that it currently holds. The warrants held by C.C.R.I. can be exercised at either \$5.00 or \$7.50 and expire in September 2008. Additionally, 24 of our selling shareholders hold a total of 770,317 warrants. Each warrant allows the holder to purchase one share of our common stock at an exercise price of \$5.00. The warrants expire in May 2009. However, we do not believe C.C.R.I. or the other selling shareholders will exercise the warrants in the near future because the exercise prices of \$5.00 and \$7.50 are higher than the current trading price of our stock. All costs associated with this registration will be borne by us.

The shares of common stock are being offered for sale by the selling stockholders at prices established on the Over-the-Counter Bulletin Board or in negotiated transactions during the term of this offering. Our common stock is quoted on the Over-the-Counter Bulletin Board under the symbol NWIS.OB. On July 25, 2004, the last reported sale price of our common stock was \$3.00 per share.

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK.
YOU SHOULD PURCHASE SECURITIES ONLY IF YOU CAN AFFORD A COMPLETE LOSS.

SEE "RISK FACTORS" BEGINNING ON PAGE 8.

You should rely only on the information provided in this prospectus or any supplement to this prospectus and information incorporated by reference. We have not authorized anyone else to provide you with different information. Neither the delivery of this prospectus nor any distribution of the shares of common stock pursuant to this prospectus shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. It is a criminal offense to make any representation to the contrary.

The date of this prospectus is August 17, 2004.

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PROSPECTUS SUMMARY

The following information is a summary of the prospectus and it does not contain all of the information you should consider before making an investment decision. You should read the entire prospectus carefully, including the financial statements and the notes relating to the financial statements.

OUR COMPANY

We are a project engineering company that designs and installs specialty communication systems for data, voice, video and telecom. We determine our clients' requirements by doing a need analysis and site audit. Then we implement our design and specification of the specialty communication system, which may include Wireless Fidelity, or Wi-Fi, with the deployment of a fixed Wireless Local Area Network. We believe we can integrate superior solutions across a vast majority of communication requirements because we have experts in each aspect of communication services from the design, project management, and the installation of our products through the maintaining of our products. We earn revenue for services rendered which include: (i) the installation of data, voice, video and telecom networks; (ii) the sale of networking products that are installed and (iii) consulting services in the assessment of existing networks.

We have a multi-faceted approach to our business model. One is the continued focus on our core competency of project management in wired networking infrastructure, design, installation and support of data, voice and video communications solutions. Second, is to leverage that expertise in our pursuit of the infrastructure build-out of Wi-Fi, Wireless Local Area Networks and Voice over Internet Protocol, or VoIP, applications.

With our experience and expertise in the wired networking infrastructure industry, we can design, manage, install and service our wireless customers with the same processes, personnel and management. Many of our competitors are new to deploying wireless infrastructure and have never installed any type of infrastructure. We believe we can leverage our expertise to compete in this new technology. We conduct operations through our subsidiaries.

On March 1, 2004, we acquired Del Mar Systems International, Inc., a telecommunications solutions provider. We now have the ability to provide integrated telecom solutions to customers ranging in size from 10 to 30,000

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users. Del Mar provides Avaya Enterprise Class IP Solutions to customers as a way to capitalize on the benefits of IP (Internet Protocol) Telephony. Avaya offers a complete communications architecture that provides software, infrastructure and services to help enterprises stay efficient. Del Mar Systems offers both onsite and remote administration of systems equipped with remote access dial up lines. Del Mar has delivered communication solutions to many well known companies including General Electric, Western Digital, Bank of America, Marriott, Holiday Inn, Sheraton and Hilton Hotels throughout the U.S.

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HOW TO CONTACT US

Our executive offices are located at 18 Technology Drive, Suite 140A, Irvine, California, 92618. Our phone number is (949) 753-7551. Our website address is www.networkinstallationcorp.net. Information contained on our website does not constitute part of this report and our address should not be used as a hyperlink to our website.

SALES BY OUR SELLING STOCKHOLDERS

This prospectus relates to the resale of up to 2,290,318 shares of our common stock by current stockholders and by C.C.R.I., who may acquire shares of our common stock by exercising warrants.

The table below sets forth the shares that we are registering pursuant to the Registration Statement to which this prospectus is a part:

| Stockholder | Number of Shares |
|---|------------------|
| Jared Shaw and Candice Shaw | 33,334 shares |
| Northbar Capital | 16,666 shares |
| Camille Henry | 16,666 shares |
| Luca Minna | 16,666 shares |
| Professional Traders Fund | 133,334 shares |
| David Fisher | 33,334 shares |
| William Ballay | 16,666 shares |
| Wexford Clearing c/f Chuck Mangione IRA | 33,334 shares |
| Gryphon Master Fund, LP | 166,666 shares |
| Henry Robertelli | 10,000 shares |
| Generic Trading Of Philadelphia, LLC | 33,334 shares |
| Rock II, LLC | 80,000 shares |
| Spectra Capital Management, LLC | 133,334 shares |
| Otape Investments, LLC | 66,666 shares |
| SRG Capital, LLC | 133,334 shares |
| Mark M. Mathes and Teri Mathes | 100,000 shares |
| Robert Gayner | 133,334 shares |
| CAMMAD | 66,666 shares |
| John Wykoff | 133,334 shares |
| David Wykoff | 133,334 shares |
| Dutchess Advisors, LLC | 200,000 shares |
| Dutchess Private Equities Fund, LP | 200,000 shares |
| Michael Cummings | 100,000 shares |
| Marketbyte, LLC (1) | 125,000 shares |
| C.C.R.I Corp. | 100,000 shares |
| Eclips Ventures International | 50,000 shares |
| Michael Hamblett | 600 shares |
| Anthony Spatacco | 300 shares |

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|-------------------------------------|------------------|
| Starboard Capital Markets, LLC | 300 shares |
| Corpfin | 24,116 shares |
| Total common stock being registered | 2,290,318 shares |