

VOCERA COMMUNICATIONS, INC.

Form 10-Q

August 13, 2013

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UNITED STATES  
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, 2013

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: 001-35469

VOCERA COMMUNICATIONS, INC.  
(Exact name of registrant as specified in its charter)

Delaware	94-3354663
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Vocera Communications, Inc.	
525 Race Street	
San Jose, CA 95126	
(408) 882-5100	
(Address and telephone number of principal executive offices)	

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 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  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.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 6, 2013
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Common Stock, \$0.0003 par value per share

24,721,049

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QUARTERLY REPORT ON FORM 10-Q  
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2013

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Signatures

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## PART I: FINANCIAL INFORMATION

## Item 1. Financial Statements (Unaudited)

Vocera Communications, Inc.

Condensed Consolidated Balance Sheets

(In Thousands, Except Share and Par Amounts)

(Unaudited)

	June 30, 2013	December 31, 2012
Assets		
Current assets		
Cash and cash equivalents	\$40,739	\$92,521
Short-term investments	84,532	34,989
Accounts receivable, net of allowance of \$3 and \$0 at June 30, 2013 and December 31, 2012, respectively	19,093	21,697
Other receivables	439	550
Inventories	4,213	2,772
Prepaid expenses and other current assets	3,277	2,808
Total current assets	152,293	155,337
Property and equipment, net	5,560	3,631
Intangible assets, net	1,907	2,267
Goodwill	5,575	5,575
Other long-term assets	709	495
Total assets	\$166,044	\$167,305
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$3,181	\$2,854
Accrued payroll and other current liabilities	8,490	11,754
Deferred revenue, current	23,491	22,451
Total current liabilities	35,162	37,059
Deferred revenue, long-term	5,569	5,882
Other long-term liabilities	1,640	1,239
Total liabilities	42,371	44,180
Commitments and contingencies (Note 7)		
Stockholders' equity		
Preferred stock, \$0.0003 par value - 5,000,000 shares authorized as of June 30, 2013 and December 31, 2012; zero shares issued and outstanding	—	—
Common stock, \$0.0003 par value - 100,000,000 shares authorized as of June 30, 2013 and December 31, 2012; 24,715,261 and 24,229,356 shares issued and outstanding as of June 30, 2013 and December 31, 2012, respectively	7	7
Additional paid-in capital	183,242	177,081
Accumulated other comprehensive income	(87	) 5
Accumulated deficit	(59,489	) (53,968
Total stockholders' equity	123,673	123,125
Total liabilities and stockholders' equity	\$166,044	\$167,305

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

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Vocera Communications, Inc.  
Condensed Consolidated Statements of Operations  
(In Thousands, Except Per Share Amounts)  
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2013	2012	2013	2012
Revenue				
Product	\$ 15,340	\$ 16,155	\$ 28,300	\$ 30,792
Service	9,956	8,723	19,409	17,205
Total revenue	25,296	24,878	47,709	47,997
Cost of revenue				
Product	5,336	5,472	9,946	10,901
Service	4,170	3,822	8,254	7,391
Total cost of revenue	9,506	9,294	18,200	18,292
Gross profit	15,790	15,584	29,509	29,705
Operating expenses				
Research and development	3,418	2,694	7,032	5,205
Sales and marketing	10,679	8,002	20,911	15,532
General and administrative	3,629			