

TECHTEAM GLOBAL INC
Form 10-K/A
January 15, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
(Amendment No. 1)

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2008

Commission File Number: 0-16284

TECHTEAM GLOBAL, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

38-2774613
(I.R.S. Employer Identification No.)

27335 West 11 Mile Road, Southfield, MI 48033
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (248) 357-2866

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class
Common Stock, \$.01 par value

Name of each exchange on which registered
NASDAQ® Global Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. "

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 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 x Non-accelerated filer " Smaller reporting company "
(Do not check if smaller reporting company)

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

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant as of June 30, 2008 was approximately \$97,583,000 (based on the June 30, 2008 closing sales price of \$10.70 of the registrant's common stock, as reported on the NASDAQ® Global Market). For the sole purpose of making this calculation, the term "non-affiliates" has been interpreted to exclude directors and executive officers of the Company. Such interpretation is not intended to be, and should not be construed to be, an admission by TechTeam Global, Inc. or such directors or executive officers of the Company that such directors and executive officers of the Company are "affiliates" of TechTeam Global, Inc., as that term is defined under the Securities Exchange Act of 1934.

The number of shares outstanding of the registrant's common stock as of March 1, 2009 was 10,882,640.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement, to be filed on or before April 1, 2009, are incorporated by reference into Items 10, 11, 12, 13 and 14 of Part III of this report.

TECHTEAM GLOBAL, INC.

FORM 10-K/A

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EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A amends TechTeam Global, Inc.'s ("TechTeam" or the "Company") Annual Report on Form 10-K for the fiscal year ended December 31, 2008 ("Form 10-K"), as filed with the Securities and Exchange Commission ("SEC") on March 16, 2009, and is being filed solely for the purpose of amending Exhibit 23.1.

Except as described above, no other changes have been made to the initial filing of the Form 10-K, the initial filing of the Form 10-K continues to speak as of the date it was originally filed, and the Company has not updated the disclosures contained therein to reflect any events which occurred at a date subsequent to the initial filing of the Form 10-K. Accordingly, this Amendment should be read in conjunction with the initial filing and the Company's other filings made with the SEC on or subsequent to March 16, 2009.

PART IV

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Certain documents are filed as part of this Report on Form 10-K/A.

(1) See "Item 8 — Financial Statements and Supplementary Data."

(2) Financial Statement Schedules

Schedule II — Valuation and Qualifying Accounts for the years ended December 31, 2008, 2007 and 2006

(3) Exhibits.

| Exhibit Number | Exhibit | Reference * |
|----------------|---|-------------|
| 2.1 | Share Purchase Agreement between TechTeam Global AB and SQM Nordic AB dated January 19, 2007. | *10 |
| 2.2 | First Amendment of Share Purchase Agreement between TechTeam Global AB and SQM Nordic AB dated as of February 9, 2007. | *10 |
| 2.3 | Membership Interest Purchase Agreement between TechTeam Government Solutions, Inc., NewVectors Holding LLC, Altarum Supporting Organization, Inc. and Altarum Institute dated May 23, 2007. | *12 |
| 3.1 | Certification of Incorporation of TechTeam Global, Inc. filed with the Delaware Secretary of State on September 14, 1987. | *5 |
| 3.2 | Certificate of Amendment dated November 27, 1987 to our Certificate of Incorporation. | *5 |
| 3.3 | Certificate of Amendment dated May 8, 2002 to Certificate of Incorporation. | *5 |
| 3.4 | Bylaws of TechTeam Global, Inc. as Amended and Restated February 13, 2006. | *8 |

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| 10.1 | Lease Agreement for office space in Southfield, Michigan known as the Cumberland Tech Center between the Company and Eleven Inkster Associates dated September 27, 1993. | *2 |
| 10.2 | Seventh Amendment dated August 24, 2006 to the Lease Agreement for office space in Southfield, Michigan between Eleven Inkster L.L.C. and the Company. | *9 |
| 10.3 | Lease for office space in Dearborn, Michigan between the Company and Dearborn Atrium Associates Limited Partnership dated November 18, 1996. | *3 |

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| Exhibit Number | Exhibit | Reference * |
|----------------|---|-------------|
| 10.4 | Fourth Amendment to Lease between the Company and Dearborn Atrium Acquisition, L.L.C. (successor in interest of Dearborn Atrium Associates Limited Partnership) dated September 25, 2008. | |
| 10.5 | Lease Agreement for office space in Davenport, Iowa known as the 1010 Shopping Center between the Company and Partnership 1010, L.L.P. dated August 28, 1999. | *4 |
| 10.6 | Office Lease Agreement by and between FJ Dulles Business Park II, L.L.C., as Landlord, and TechTeam Government Solutions, Inc., (formerly known as Digital Support Corporation) as Tenant, dated December 21, 2000. | *6 |
| 10.7 | Lease Contract between IMMOBILIERE DE LA RUE DE STRASBOURG SA and TechTeam Global NV/SA, as amended, dated April 4, 2003. | *6 |
| 10.8 | Amendment to Contract between EVERE REAL ESTATE (successor in interest to IMMOBILIERE DE LA RUE STRASBOURG SA) and TechTeam Global NV/SA, as amended, dated May 10, 2004 | |
| 10.9 | Office Building Lease between Elizabethean Court Associates III L.P., as landlord, and TechTeam Global, Inc., as tenant, dated May 18, 2006. | *11 |
| 10.10 | Lease Agreement for office space in Bucharest, Romania between S.C. Italian-Romanian Industrial Development Enterprises – IRIDE SA and TechTeam Global SRL dated February 2, 2005. | *7 |
| 10.11 | 1990 Nonqualified Stock Option Plan. | *1 |
| 10.12 | 2004 Incentive Stock and Awards Plan. | |
| 10.13 | 2006 Incentive Stock and Awards Plan. | |
| 10.14 | TechTeam Global, Inc. Non-Employee Directors Equity Fee Guidelines under 2006 Incentive Stock and Awards Plan. | *13 |
| 10.15 | TechTeam Global, Inc. Non-Employee Directors Deferred Compensation Plan. | *13 |
| 10.16 | TechTeam Global, Inc. Compensation Policy for Non-Employee Directors. | *13 |
| 10.17 | TechTeam Global, Inc. Executive Annual Incentive Plan. | *18 |
| 10.18 | TechTeam Global, Inc. Executive Long Term Incentive Program. | *18 |
| 10.19 | Supplemental Retirement Plan dated October 1, 2000. | *4 |
| 10.20 | Employment Agreement Relating to Change of Control. | |

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| 10.21 | Employment Agreement between TechTeam Europe, NV and Christoph Neut dated October 2, 1996. | *6 |
| 10.22 | Employment and Noncompetition Agreement between TechTeam Global, Inc. and William C. Brown, dated February 3, 2006. | *8 |
| 10.23 | Amendment to Employment and Noncompetition Agreement between TechTeam Global, Inc. and William C. Brown. | *14 |
| 10.24 | Employment and Noncompetition Agreement between TechTeam Global, Inc. and Gary J. Cotshott, dated February 11, 2008. | *15 |
| 10.25 | Amendment to Employment and Noncompetition Agreement between TechTeam Global, Inc. and Gary J. Cotshott | |
| 10.26 | Option Agreement between TechTeam Global, Inc. and Gary J. Cotshott | |
| 10.27 | Employment and Non-Competition Agreement of Kamran Sokhanvari | *16 |
| 10.28 | Amendment to Employment and Non-Competition Agreement of Kamran Sokhanvari | |

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| Exhibit Number | Exhibit | Reference * |
|----------------|--|-------------|
| 10.29 | Employment and Non-Competition Agreement of Armin Pressler | *16 |
| 10.30 | Amendment to Employment and Non-Competition Agreement of Armin Pressler | |
| 10.31 | Employment Separation Agreement and Release of Marc J. Lichtman | *18 |
| 10.32 | Employment and Non-Competition Agreement of Margaret M. Loeb | *19 |
| 10.33 | Amendment to Employment and Non-Competition Agreement of Margaret M. Loeb | |
| 10.34 | Option Agreement between TechTeam Global, Inc. and Margaret M. Loeb | |
| 10.35 | Employment Agreement Relating to Change of Control of Michael A. Sosin | |
| 10.36 | Employment Agreement Relating to Change of Control of Christopher Donohue | |
| 10.37 | Employment Agreement Relating to Change of Control of David A. Kriegman | |
| 10.38 | Credit Agreement dated as of June 1, 2007 among TechTeam Global, Inc., the Lenders Party Hereto, JPMorgan Chase Bank, NA, as Administrative Agent and J.P. Morgan Securities, Inc., as Sole Bookrunner and Sole Lead Arranger. | *12 |
| 10.39 | Pledge and Security Agreement dated June 1, 2007 between TechTeam Global, Inc., TechTeam Cyntergy, LLC, TechTeam Government Solutions, Inc., Sytel, Inc. and JPMorgan Chase Bank, N.A. as Administrative Agent. | *12 |
| 10.40 | First Amendment to Credit Agreement and Consent | *17 |
| 10.41 | Second Amendment Credit Agreement | *18 |
| 21.1 | List of subsidiaries of TechTeam Global, Inc. | |
| 23.1 | Consent of Independent Registered Public Accounting Firm. | x |
| 31.1 | Certification of Gary J. Cotshott Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | x |
| 31.2 | Certification of Margaret M. Loeb Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. | x |
| 32.1 | Certification of Gary J. Cotshott Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | x |
| 32.2 | Certification of Margaret M. Loeb Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. | x |

99.1 Strategy Committee Charter.
x –Filed Herewith

Exhibits 10.10 through 10.12 and Exhibits 10.16 through 10.23 represent management contracts and compensatory plans.

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Exhibit

- *1 Incorporated by reference to our Annual Report on Form 10-K for the year ended December 31, 1990, filed as Exhibit 4.14 thereto.
- *2 Incorporated by reference to our Annual Report on Form 10-KSB for the year ended December 31, 1993.
- *3 Incorporated by reference to our Annual Report on Form 10-K dated December 31, 1996.
- *4 Incorporated by reference to our Annual Report on Form 10-K dated March 31, 2001.
- *5 Incorporated by reference to our Annual Report on Form 10-K dated March 18, 2003.
- *6 Incorporated by reference to our Report on Form 10-K dated March 24, 2004.
- *7 Incorporated by reference to our Annual Report on Form 10-K dated March 18, 2005.
- *8 Incorporated by reference to our Annual Report on Form 10-K dated March 16, 2006.
- *9 Incorporated by reference to our Report on Form 10-Q dated November 9, 2006.
- *10 Incorporated by reference to our Report on Form 8-K dated February 9, 2007.
- *11 Incorporated by reference to our Annual Report on Form 10-K dated March 16, 2007.
- *12 Incorporated by reference to our Report on Form 8-K dated June 5, 2007.
- *13 Incorporated by reference to our Report on Form 10-Q dated August 9, 2007.
- *14 Incorporated by reference to our Report on Form 8-K dated November 7, 2007.
- *15 Incorporated by reference to our Report on Form 8-K dated February 14, 2008.
- *16 Incorporated by reference to our Report on Form 8-K dated June 5, 2008.
- *17 Incorporated by reference to our Report on Form 8-K dated June 11, 2008.
- *18 Incorporated by reference to our Report on Form 8-K dated June 18, 2008.
- *19 Incorporated by reference to our Report on Form 8-K dated October 7, 2008.
- *20 Incorporated by reference to our Report on Form 10-Q dated November 10, 2008.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TechTeam Global, Inc.

Date: January 15, 2010

By: /s/ Gary J. Cotshott

Gary J. Cotshott
Chairman of the Board,
President and Chief Executive
Officer (Principal Executive
Officer)

By: /s/ Margaret M. Loeb

Margaret M. Loeb
Vice President, Chief Financial
Officer and Treasurer
(Principal Financial Officer and
Principal Accounting Officer)