

GRAY TELEVISION INC
Form 10-Q
November 05, 2014

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 September 30, 2014 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 1-13796

Gray Television, Inc.

(Exact name of registrant as specified in its charter)

Georgia

(State or other jurisdiction of
incorporation or organization)

58-0285030

(I.R.S. Employer
Identification Number)

4370 Peachtree Road, NE, Atlanta, Georgia 30319

(Address of principal executive offices) (Zip code)

(404) 504-9828

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report.)

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 periods 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 has submitted electronically and posted on its corporate website, 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. See the definitions of “large accelerated filer,” “accelerated filer” and “small reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	Accelerated filer
Non-accelerated filer (do not check if a smaller reporting company)	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

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

Common Stock (No Par Value)	Class A Common Stock (No Par Value)
52,534,178 shares outstanding as of October 31, 2014	5,989,314 shares outstanding as of October 31, 2014

INDEX

GRAY TELEVISION, INC.

		<u>PAGE</u>
<u>PART I.</u>	<u>FINANCIAL INFORMATION</u>	
Item 1.	Financial Statements	
	Condensed consolidated balance sheets (Unaudited) – September 30, 2014 and December 31, 2013	3
	Condensed consolidated statements of operations (Unaudited) – three months and nine months ended September 30, 2014 and 2013	5
	Condensed consolidated statement of stockholders' equity (Unaudited) - nine months ended September 30, 2014	6
	Condensed consolidated statements of cash flows (Unaudited) – nine months ended September 30, 2014 and 2013	7
	Notes to condensed consolidated financial statements (Unaudited) – September 30, 2014	8
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	25
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	34
Item 4.	Controls and Procedures	34
<u>PART II.</u>	<u>OTHER INFORMATION</u>	
Item 1A.	Risk Factors	34
Item 6.	Exhibits	35
<u>SIGNATURES</u>		36

PART I. FINANCIAL INFORMATION**Item 1. Financial Statements**

**GRAY
TELEVISION,
INC.
CONDENSED
CONSOLIDATED
BALANCE
SHEETS
(Unaudited)
(in thousands)**

	September 30, 2014	December 31, 2013
Assets:		
Current assets:		
Cash	\$79,807	13,478
Accounts receivable, less allowance for doubtful accounts of \$707 and \$730, respectively	95,934	70,047
Current portion of program broadcast rights, net	12,767	7,656
Deferred tax asset	34,112	34,113
Prepaid and other current assets	11,129	5,293
Total current assets	233,749	130,587
Property and equipment, net	217,146	143,621
Deferred loan costs, net	19,489	17,293
Broadcast licenses	1,023,491	838,982
Goodwill	371,995	184,409
Other intangible assets, net	48,414	2,644
Investment in broadcasting company	13,599	13,599
Other	3,956	3,289
Total assets (1)	\$1,931,839	\$1,334,424

See notes to condensed consolidated financial statements.

**GRAY
TELEVISION,
INC.
CONDENSED
CONSOLIDATED
BALANCE
SHEETS
(Unaudited)**

(in thousands except
for share data)

	September 30, 2014	December 31, 2013
Liabilities and stockholders' equity:		
Current liabilities:		
Accounts payable	\$5,297	\$2,256
Employee compensation and benefits	21,189	16,759
Accrued interest	30,459	12,703
Accrued network programming fees	5,068	2,467
Other accrued expenses	8,407	5,158
Federal and state income taxes	1,665	1,550
Current portion of program broadcast obligations	13,101	9,707
Deferred revenue	12,095	2,522
Acquisition related liabilities	9,978	9,739
Current portion of long-term debt	6,453	224
Total current liabilities	113,712	63,085
Long-term debt, less current portion	1,300,017	842,650
Program broadcast obligations, less current portion	2,292	1,520
Deferred income taxes	293,488	225,407
Accrued pension costs	26,823	26,925
Other	930	827
Total liabilities (1)	1,737,262	1,160,414
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Common stock, no par value; authorized 100,000,000 shares, issued 57,325,421 shares and 57,010,878 shares, respectively	485,717	483,055
Class A common stock, no par value; authorized 15,000,000 shares, issued 7,567,868 shares and 7,331,574 shares, respectively	16,709	15,321
Accumulated deficit	(234,192)	(251,000)
Accumulated other comprehensive loss, net of income tax benefit	(10,409)	(10,409)
	257,825	236,967
Treasury stock at cost, common stock, 4,791,481 shares and 4,768,925 shares, respectively	(40,850)	(40,559)