

ERESEARCHTECHNOLOGY INC /DE/
Form 10-Q
November 09, 2006

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, 2006.**

or

**Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transitional period from _____ to _____**

Commission file number 0-29100

eResearchTechnology, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

22-3264604
(I.R.S. Employer Identification No.)

30 South 17th Street
Philadelphia, PA
(Address of principal executive
offices)

19103
(Zip code)

215-972-0420

(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, or a non-accelerated filer. See definition of "accelerated filer" and "large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer

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.

The number of shares of Common Stock, \$.01 par value, outstanding as of October 31, 2006, was 49,895,399.

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(In thousands, except share and per share amounts)

	December 31, 2005	September 30, 2006
		(unaudited)
Assets		
Current Assets:		
Cash and cash equivalents	\$18,432	\$13,265
Short-term investments	33,569	38,805
Accounts receivable, net	15,178	15,265
Prepaid income taxes	27	2,524
Prepaid expenses and other	2,501	3,282
Deferred income taxes	841	843
Total current assets	70,548	73,984
Property and equipment, net	28,670	29,724
Goodwill	1,212	1,212
Long-term investments	3,008	1,248
Deferred income taxes	335	
Other assets	993	748
Total assets	\$104,766	\$106,916
Liabilities and Stockholders Equity		
Current Liabilities:		
Accounts payable	\$2,332	\$4,330
Accrued expenses	5,155	4,044
Income taxes payable	1,041	746
Current portion of capital lease obligations	153	79
Deferred revenues	16,072	7,415
Total current liabilities	24,753	16,614
Capital lease obligations, excluding current portion	40	
Commitments and contingencies		
Stockholders Equity:		

Preferred stock - \$10.00 par value, 500,000 shares authorized, none issued and outstanding		
Common stock - \$.01 par value, 175,000,000 shares authorized, 56,871,010 and 58,129,449 shares issued, respectively	569	581
Additional paid-in capital	73,290	82,842
Accumulated other comprehensive income	586	1,088
Retained earnings	61,915	67,981
Treasury stock, 7,847,119 and 8,247,119 shares at cost, respectively	(56,387)	(62,190)
	<hr/>	<hr/>
Total stockholders' equity	79,973	90,302
	<hr/>	<hr/>
Total liabilities and stockholders' equity	\$104,766	\$106,916
	<hr/>	<hr/>

The accompanying notes are an integral part of these statements.

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2006	2005	2006
Net revenues:				
Licenses	\$1,009	\$602	\$4,418	\$2,336
Services	15,037	14,493	42,184	42,040
Site support	4,880	7,131	14,815	22,067
Total net revenues	20,926	22,226	61,417	66,443