

Waytronx, Inc.
Form 10-Q
May 08, 2009

WAYTRONX, INC.

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

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934

For quarter ended March 31, 2009

Commission File Number 0-29195

WAYTRONX, INC.

(Name of Small Business Issuer in Its Charter)

Colorado
(State or jurisdiction of
incorporation or organization)

(3990)
(Primary Standard Industrial
Classification Code Number)

84-1463284
(I.R.S. Employer
Identification No.)

20050 SW 112th Avenue
Tualatin, Oregon 97062
(503) 612-2300.

(Address and Telephone Number of Principal Executive Offices and Principal Place of Business)

William J. Clough, CEO/President
Waytronx, Inc.
20050 SW 112th Avenue
Tualatin, Oregon 97062
(503) 612-2300.

(Name, Address and Telephone Number of Agent for Service)

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 Website, 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 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.

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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

As of March 31, 2009, there were 166,698,406 shares of the Company's common stock outstanding, 50,543 shares of Series A Convertible Preferred Stock outstanding, no shares of Series B and Series C Convertible Preferred Stock outstanding.

WAYTRONX, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Waytronx, Inc.
Condensed Consolidated Balance Sheets

	March 31, 2009 (unaudited)	December 31, 2008
Assets:		
Current Assets:		
Cash and cash equivalents	\$ 168,891	\$ 599,200
Trade accounts receivable, net of allowance of \$135,000	2,549,035	2,762,416
Other accounts receivable	305,132	110,952
Other accounts receivable, related party	195,193	194,984
Inventories, net	3,629,464	4,077,367
Prepaid expenses and other	378,572	186,520
Total current assets	7,226,287	7,931,439
Property and equipment, net	1,173,633	1,245,203
Other assets:		
Investment - equity method	112,441	120,499
Technology rights, net	4,074,574	4,134,202
Patent costs, net	554,696	558,269
Other intangible assets, net	23,800	27,878
Deposits and other	20,934	40,411
Notes receivable, net	182,025	182,025
Debt offering costs, net	1,448,291	1,618,678
Goodwill, net	32,280,955	32,281,148
Total other assets	38,697,716	38,963,110
Total assets	\$ 47,097,636	\$ 48,139,752
Liabilities and stockholders' equity:		
Current liabilities:		
Accounts payable	\$ 665,136	\$ 1,106,114
Preferred stock dividends payable	5,054	5,054
Demand notes payable	1,510,210	1,373,993
Accrued expenses	1,880,382	1,912,592
Accrued compensation	710,001	770,625
Notes payable, current portion due	50,154	49,200
Notes payable, related party, current portion due	1,127,149	1,197,865
Convertible notes payable, net of discounts of \$0 and \$0, respectively	1,350,000	1,350,000
Total current liabilities	7,298,086	7,765,443
Long term notes payable, net of current portion due of \$50,154 and \$49,200,	6,082,838	6,095,740
Long term notes payable, related party, net of current portion due of \$127,149 and \$197,865 and discounts of \$571,071 and \$638,255,	13,057,013	13,022,465
Long term convertible notes payable, related party, net of discounts of \$5,110,196 and \$5,711,395, respectively	12,389,804	11,788,605
Total liabilities	38,827,741	38,672,253

Commitments and contingencies	-	-
Stockholders' equity:		