

OMNICELL INC /CA/
Form 10-Q
November 09, 2006

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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 transition period from to

Commission File Number 000-33043

Omnicell, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation or organization)

94-3166458

(I.R.S. Employer
Identification No.)

1201 Charleston Road

Mountain View, CA 94043

(650) 251-6100

(Address, including zip code, of registrant's principal executive
offices and 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. (Check one):

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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

As of November 7, 2006, there were 28,080,688 shares of the Registrant's Common Stock outstanding.

OMNICELL, INC.

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

OMNICELL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	September 30, 2006 (Unaudited)	December 31, 2005(1)
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 50,081	\$ 29,536
Accounts receivable, net	32,667	29,456
Inventories	21,883	13,763
Receivables subject to a sales agreement	1,017	2,551
Prepaid expenses and other current assets	11,954	10,286
Total current assets	117,602	85,592
Property and equipment, net	4,742	4,727
Long-term receivables subject to a sales agreement	1,131	1,292
Purchased intangibles	1,672	2,504
Goodwill	3,127	3,127
Long-term notes receivable	8,167	325
Other assets	2,063	2,861
Total assets	\$ 138,504	\$ 100,428
LIABILITIES AND STOCKHOLDERS EQUITY:		
Current liabilities:		
Accounts payable	\$ 11,874	\$ 6,901
Accrued liabilities	12,457	9,822
Deferred service revenue	7,600	6,526
Deferred gross profit	14,241	7,981
Obligation resulting from sale of receivables	1,017	2,551
Total current liabilities	47,189	33,781
Long-term obligation resulting from sale of receivables	1,131	1,292
Long-term deferred service revenue	10,350	9,867
Other long-term liabilities	125	250
Stockholders equity	79,709	55,238
Total liabilities and stockholders equity	\$ 138,504	\$ 100,428

(1) Information derived from our December 31, 2005 audited Consolidated Financial Statements. The accompanying notes are an integral part of these condensed consolidated financial statements.

OMNICELL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts)

(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2006	2005	2006	2005
Revenues:				
Product	\$ 32,938	\$ 24,194	\$ 87,393	\$ 68,688
Services and other revenues	7,992	6,494	23,422	19,349
Total revenue	40,930	30,688	110,815	88,037
Cost of revenues:				
Cost of product revenues	15,383	10,572	40,511	32,157
Cost of services and other revenues	3,317	2,226	9,714	7,349
Total cost of revenues	18,700	12,798	50,225	39,506
Gross profits	22,230	17,890	60,590	48,531
Operating expenses:				
Research and development	2,878	2,143	7,858	7,584
Selling, general, and administrative	16,736	14,446		