ACACIA RESEARCH CORP Form 10-Q August 05, 2009

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 20549

FORM 10-Q

Mark One

x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2009

or

oTRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM

TO

Commission File Number: 0-26068

ACACIA RESEARCH CORPORATION (Exact name of registrant as specified in its charter)

DELAWARE (State or other jurisdiction of incorporation or organization) 95-4405754 (I.R.S. Employer Identification No.)

500 Newport Center Drive, Newport Beach, California 92660 (Address of principal executive offices)

(949) 480-8300 (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. x Yes o 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

(\$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). o Yes o 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:

Large accelerated filer o Non-accelerated filer o (Do not check if a smaller reporting company) Accelerated filer x

Smaller reporting company o

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

As of July 31, 2009, 31,832,404 shares of the registrant's common stock, \$0.001 par value, were issued and outstanding.

ACACIA RESEARCH CORPORATION

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ACACIA RESEARCH CORPORATION AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS (In thousands, except share and per share information) (Unaudited)

ASSETS Current assets: \$56,123 \$48,279 Cash and cash equivalents \$56,123 \$48,279 Accounts receivable 2,532 7,436 Deferred royalities and contingent legal fees 590 1,255 Total current assets 590 1,255 Total current assets 590 1,255 Total current assets 590 1,255 Property and equipment, net of accumulated depreciation 181 221 Patents, net of accumulated amortization 10,0706 12,419 Investments - noncurrent 3,123 3,239 Other assets 720 225 Variantifies 720 225 Current liabilities: Current liabilities: Variantifies Accounts payable and accrued expenses \$4,533 \$3,240 Royalities and contingent legal fees payable \$4,482 10,770 Deferred revenues, net of current portion 434 - Other liabilities 16,225 14,328 Deferred revenues, net of current portion 46,873 14,527 Commitments and contingencies (Note 6) -		June 30, 2009	December 31, 2008
Cash and cash equivalents \$56,123 \$48,279 Accounts receivable 2,532 7,436 Deferred royalties and contingent legal fees 1,604 - Prepaid expenses and other current assets 590 1,255 Total current assets 60,849 56,970 Property and equipment, net of accumulated depreciation 181 221 Patents, net of accumulated amortization 10,706 12,419 Investments - noncurrent 3,123 3,239 Other assets 720 225 Current liabilities: - - Accounts payable and accrued expenses \$4,533 \$3,240 Royalties and contingent legal fees payable 8,482 10,770 Deferred revenues 3,210 318 Total current liabilities: - - Accounts payable and accrued expenses \$4,533 \$3,240 Royalties and contingent legal fees payable 8,482 10,770 Deferred revenues, net of current portion 434 - Other liabilities 16,873 14,527 Commitments and contingencies (Note 6) - -	ASSETS		
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Total Acacia Research Corporation stockholders' equity56,58558,547		170,510	
		,	,
Noncontrolling interests in operating subsidiary 2,121 -	· · ·	,	58,547
	Noncontrolling interests in operating subsidiary	2,121	-

Total stockholders' equity	58,706	58,547
	\$75,579	\$73,074

The accompanying notes are an integral part of these consolidated financial statements.

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ACACIA RESEARCH CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS (In thousands, except share and per share information) (Unaudited)

		nree Months	For the Six Months Ended	
	June 30, 2009	June 30, 2008	June 30, 2009	June 30, 2008
License fee revenues	\$15,031	\$7,116	\$27,681	\$16,164
Operating costs and expenses: Cost of revenues:				
Inventor royalties				