

ACACIA RESEARCH CORP  
Form 10-Q  
August 05, 2009

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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 JUNE 30, 2009

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: 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.  Yes  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

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(§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 “smaller 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

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

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ACACIA RESEARCH CORPORATION

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

	June 30, 2009	December 31, 2008
<b>ASSETS</b>		
Current assets:		
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
	\$75,579	\$73,074
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
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	16,225	14,328
Deferred revenues, net of current portion	434	-
Other liabilities	214	199
Total liabilities	16,873	14,527
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Acacia Research Corporation stockholders' equity:		
Preferred stock, par value \$0.001 per share; 10,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock, par value \$0.001 per share; 100,000,000 shares authorized; 31,814,458 and 30,884,994 shares issued and outstanding as of June 30, 2009 and December 31, 2008, respectively	32	31
Additional paid-in capital	170,510	167,468
Accumulated deficit	(113,957 )	(108,952 )
Total Acacia Research Corporation stockholders' equity	56,585	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)

	For the Three Months Ended		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				