

MACE SECURITY INTERNATIONAL INC
Form 10-Q
July 09, 2007

**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 THE QUARTER ENDED MARCH 31, 2007

COMMISSION FILE NO. 0-22810

MACE SECURITY INTERNATIONAL, INC.
(Exact name of Registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

03-0311630
(I.R.S. Employer
Identification No.)

1000 Crawford Place, Suite 400, Mt. Laurel, NJ 08054
(Address of Principal Executive Offices)

Registrant's Telephone No., including area code: (856) 778-2300

Indicate by checkmark 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 ("the Exchange Act") during the preceding 12 months (or for such shorter period that the registrant was required to file such report), 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):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Indicate by checkmark 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 July 3, 2007, there were 15,275,382 Shares of the registrant's Common Stock, par value \$.01 per share, outstanding.

Mace Security International, Inc. and Subsidiaries
Form 10-Q
Quarter Ended March 31, 2007

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PART I
FINANCIAL INFORMATION

Item 1. Financial Statements

Mace Security International, Inc. and Subsidiaries
Consolidated Balance Sheets

(In thousands, except share information)

	March 31, 2007	December 31,
	(Unaudited)	2006
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 10,237	\$ 4,055
Short-term investments	3,705	3,571
Accounts receivable, less allowance for doubtful accounts of \$759 and \$690 in 2007 and 2006, respectively	2,103	2,223
Inventories	6,455	7,170
Prepaid expenses and other current assets	2,229	1,797
Assets held for sale	18,515	25,745
Total current assets	43,244	44,561
Property and equipment:		
Land	17,509	17,509
Buildings and leasehold improvements	23,348	23,291
Machinery and equipment	8,433	8,325
Furniture and fixtures	625	625
Total property and equipment	49,915	49,750
Accumulated depreciation and amortization	(11,818)	(11,443)
Total property and equipment, net	38,097	38,307
Goodwill	1,623	1,623
Other intangible assets, net of accumulated amortization of \$852 and \$779 in 2007 and 2006, respectively	2,854	2,923
Other assets	147	184
Total assets	\$ 85,965	\$ 87,598

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

	March 31, 2007 (Unaudited)	December 31, 2006
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	\$ 4,179	\$ 1,235
Accounts payable	3,410	4,087
Income taxes payable	352	315
Deferred revenue	286	319
Accrued expenses and other current liabilities	2,295	2,209
Liabilities related to assets held for sale	9,511	9,840
Total current liabilities	20,033	18,005
Long-term debt, net of current portion	9,832	13,087
Commitments	-	-
Stockholders' equity:		
Preferred stock, \$.01 par value:		
Authorized shares - 10,000,000		
Issued and outstanding shares - none	-	-
Common stock, \$.01 par value:		
Authorized shares - 100,000,000		
Issued and outstanding shares - 15,275,382 at March 31, 2007 and December 31, 2006, respectively	153	153
Additional paid-in capital	90,077	89,850
Accumulated other comprehensive income	438	413
Accumulated deficit	(34,568)	(33,910)
Total stockholders' equity	56,100	56,506
Total liabilities and stockholders' equity	\$ 85,965	\$ 87,598

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

Mace Security International, Inc. and Subsidiaries
Consolidated Statements of Operations
(Unaudited)

(In thousands, except share and per share information)

	Three Months Ended	
	March 31,	
	2007	2006
Revenues:		
Car and truck wash and detailing services	\$ 4,687	\$ 5,122
Lube and other automotive services	805	800
Fuel and merchandise sales	654	828
Security sales	5,435	6,527
	11,581	13,277
Cost of revenues:		