

NexCen Brands, Inc.  
Form 10-Q  
November 05, 2009

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 10-Q

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

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

Commission File Number: 000-27707

NEXCEN BRANDS, INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

20-2783217  
(IRS Employer Identification Number)

1330 Avenue of the Americas, 34th Floor, New  
York, NY  
(Address of principal executive offices)

10019-5400  
(Zip Code)

(Registrant's telephone number, including area code): (212) 277-1100

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 o No x

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 (§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 x

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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

As of October 31, 2009, 56,951,730 shares of the registrant's common stock, \$.01 par value per share, were outstanding.

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NEXCEN BRANDS, INC.

QUARTERLY REPORT ON FORM 10-Q  
THE QUARTER ENDED JUNE 30, 2009

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PART I - FINANCIAL INFORMATION  
ITEM 1: FINANCIAL STATEMENTS

NEXCEN BRANDS, INC  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(IN THOUSANDS, EXCEPT SHARE DATA)

	June 30, 2009 (Unaudited)	December 31, 2008
<b>ASSETS</b>		
Cash and cash equivalents	\$ 8,037	\$ 8,293
Trade receivables, net of allowances of \$1,469 and \$1,367, respectively	4,158	5,617
Other receivables	940	834
Inventory	1,268	1,232
Prepaid expenses and other current assets	1,951	2,439
<b>Total current assets</b>	<b>16,354</b>	<b>18,415</b>
Property and equipment, net	3,278	4,395
Investment in joint venture	389	87
Trademarks and other non-amortizable intangible assets	78,422	78,422
Other amortizable intangible assets, net of amortization	5,668	6,158
Deferred financing costs and other assets	4,816	5,486
Long-term restricted cash	740	940
<b>Total assets</b>	<b>\$ 109,667</b>	<b>\$ 113,903</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Accounts payable and accrued expenses	\$ 7,692	\$ 9,220
Restructuring accruals	7	153
Deferred revenue	2,884	4,044
Current portion of long-term debt, net of debt discount of \$514 and \$541, respectively	1,768	611
Acquisition related liabilities	1,330	4,689
<b>Total current liabilities</b>	<b>13,681</b>	<b>18,717</b>
Long-term debt, net of debt discount of \$605 and \$852, respectively	139,714	140,262
Acquisition related liabilities	298	480
Other long-term liabilities	3,506	3,937
<b>Total liabilities</b>	<b>157,199</b>	<b>163,396</b>
<b>Commitments and Contingencies</b>		
<b>Stockholders' deficit:</b>		
Preferred stock, \$0.01 par value; 1,000,000 shares authorized; 0 shares issued and outstanding as of June 30, 2009 and December 31, 2008, respectively	—	—
Common stock, \$0.01 par value; 1,000,000,000 shares authorized; 56,951,730 and 56,670,643 shares issued and outstanding as of June 30, 2009 and December 31, 2008, respectively	571	569
<b>Additional paid-in capital</b>		