QUINSTREET, INC
Form 10-Q
February 09, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended December 31, 2016

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 No. 001-34628

QuinStreet, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	77-0512121
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

950 Tower Lane, 6th Floor	
Foster City, California	94404
(Address of principal executive offices)	(Zip Code)

650-578-7700

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 (§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

Number of shares of common stock outstanding as of January 31, 2017: 45,419,451

QUINSTREET, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

QUINSTREET, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

(Unaudited)

	December 31, 2016	June 30, 2016
Assets		
Current assets:		
Cash and cash equivalents	$37,496	$53,710
Accounts receivable, net	41,118	47,218
Prepaid expenses and other assets	6,823	7,055
Total current assets	85,437	107,983
Property and equipment, net	6,930	7,678
Goodwill	56,118	56,118
Other intangible assets, net	6,674	10,081
Other assets, noncurrent	10,813	11,242
Total assets	$165,972	$193,102
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$20,422	$19,814
Accrued liabilities	23,306	27,705
Deferred revenue	1,249	1,200
Debt	—	15,000
Total current liabilities	44,977	63,719
Other liabilities, noncurrent	4,381	4,631
Total liabilities	49,358	68,350
Commitments and contingencies (See Note 9)		
Stockholders' equity:		
Common stock: $0.001 par value; 100,000,000 shares authorized; 45,606,272 and 45,557,295 shares issued and outstanding at December 31, 2016 and June 30, 2016	46	45
Additional paid-in capital	261,224	257,950
Accumulated other comprehensive loss	(412)	(418)
Accumulated deficit	(144,244)	(132,825)
Total stockholders' equity	116,614	124,752
Total liabilities and stockholders' equity	$165,972	$193,102

See notes to condensed consolidated financial statements

QUINSTREET, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2016	2015	2016	2015
Net revenue	$65,610	$64,961	$139,048	$137,350
Cost of revenue [1]	61,657	60,346	129,465	126,264
Gross profit	3,953	4,615	9,583	11,086
Operating expenses: [1]				
Product development	3,314	3,843	7,268	8,287
Sales and marketing	2,168	2,982	4,758	6,604
General and administrative	3,794	4,138	7,825	8,358
Restructuring charges	2,403	—	2,403	—
Operating loss	(7,726)	(6,348)	(12,671)	(12,163)
Interest income	36	10	57	16
Interest expense	(135)	(145)	(291)	(278)
Other (expense) income, net	(25)	65	110	8
Loss before income taxes	(7,850)	(6,418)	(12,795)	(12,417)
(Provision for) benefit from taxes	—	(40)	1,376	(405)
Net loss	$(7,850)	$(6,458)	$(11,419)	$(12,822)
Net loss per share:				
Basic	$(0.17)	$(0.14)	$(0.25)	$(0.29)
Diluted	$(0.17)	$(0.14)	$(0.25)	$(0.29)
Weighted-average shares used in computing net loss per share:				
Basic	45,731	45,127	45,700	44,982
Diluted	45,731	45,127	45,700	44,982

[1] Cost of revenue and operating expenses include stock-based compensation expense as follows:

Cost of revenue	$728	$930	$1,699	$1,857
Product development	471	527	1,007	1,185
Sales and marketing	220	509	577	981
General and administrative	681	768	1,424	1,500
Restructuring charges	42	—	42	—

See notes to condensed consolidated financial statements

QUINSTREET, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

(In thousands)

(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2016	2015	2016	2015
Net loss	$(7,850)	$(6,458)	$(11,419)	$(12,822)
Other comprehensive income (loss):				
Foreign currency translation adjustment	12	—	6	(7)
Total other comprehensive income (loss)	12	—	6	(7)
Comprehensive loss	$(7,838)	$(6,458)	$(11,413)	$(12,829)

See notes to condensed consolidated financial statements

QUINSTREET, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Six Months Ended December 31, 2016	2015
Cash Flows from Operating Activities		
Net loss	$(11,419)	$(12,822)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	6,323	7,716
Provision for sales returns and doubtful accounts receivable	211	634
Stock-based compensation	4,749	5,523
Gain on sales of domain names	(143)	(116)
Other adjustments, net	(4)	—
Changes in assets and liabilities:		
Accounts receivable	5,889	5,062
Prepaid expenses and other assets	560	(3,945)
Deferred taxes	—	(8)
Accounts payable	627	(2,945)
Accrued liabilities	(4,502)	(3,883)
Deferred revenue	49	31
Other liabilities, noncurrent	(250)	(210)
Net cash provided by (used in) operating activities	2,090	(4,963)
Cash Flows from Investing Activities		
Capital expenditures	(604)	(1,143)
Internal software development costs	(1,182)	(1,931)
Proceeds from sales of domain names	143	91
Other investing activities	(97)	—
Net cash used in investing activities	(1,740)	(2,983)
Cash Flows from Financing Activities		
Proceeds from exercise of common stock options	—	26
Withholding taxes related to restricted stock, net of share settlement	(536)	(1,748)
Repurchases of common stock	(1,043)	—
Repayment of revolving loan facility	(15,000)	—
Net cash used in financing activities	(16,579)	(1,722)
Effect of exchange rate changes on cash and cash equivalents	15	(50)
Net decrease in cash and cash equivalents	(16,214)	(9,718)
Cash and cash equivalents at beginning of period	53,710	60,468
Cash and cash equivalents at end of period	$37,496	$50,750
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	272	365
Cash paid for income taxes	68	283

See notes to condensed consolidated financial statements

QUINSTREET, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. The Company

QuinStreet, Inc. (the “Company”) is a leader in performance marketing products and technologies. The Company was incorporated in California in April 1999 and reincorporated in Delaware in December 2009. The Company specializes in customer acquisition for clients in high value, information-intensive markets or “verticals,” including financial services, education, home services and business-to-business technology. The corporate headquarters are located in Foster City, California, with additional offices throughout the United States, Brazil and India. While the majority of the Company’s operations and revenue are in North America, the Company has emerging businesses in Brazil and India.

2. Summary of Significant Accounting Policies

Basis of Presentation

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company and its subsidiaries. The Company also evaluates its ownership in entities to determine if they are variable interest entities (“VIEs”), if the Company has a variable interest in those entities, and if the nature and extent of those interests result in consolidation. Refer to Note 4 for more information on VIEs. The Company applies the cost method of accounting for investments in entities if the Company does not have the ability to exercise significant influence over the entities. The interests held at cost are periodically evaluated for other-than-temporary declines in value. Intercompany balances and transactions have been eliminated in consolidation.

Revision of Previously Issued Financial Statements

During the quarter ended June 30, 2016, the Company identified errors related to its stock-based compensation expense included in the unaudited condensed consolidated financial statements for the quarterly periods ended September 30, 2015, December 31, 2015 and March 31, 2016. The stock-based compensation expense related to market-based restricted stock units was understated by $1.1 million through the nine months ended March 31, 2016. The Company assessed the materiality of the above errors individually and in the aggregate on prior periods’ financial statements in accordance with the Securities and Exchange Commission’s Staff Accounting Bulletin No. 99 and 108 and, based on an analysis of quantitative and qualitative factors, concluded that such amounts were not material to the September 30, 2015, December 31, 2015 and March 31, 2016 quarterly condensed consolidated financial statements. Therefore, these previously issued financial statements can continue to be relied upon and amendments of the previously filed Quarterly Reports on Form 10-Q were not required. In the Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2016, the Company has revised the previously issued quarterly condensed consolidated financial statements to correct the error for the quarterly period ended September 30, 2015 of $0.3 million. The Company has reflected the correction of the error of $0.4 million and $0.7 million in the condensed consolidated statement of operations and condensed consolidated statement of comprehensive loss for the three and six months ended December 31, 2015 and $0.7 million in the condensed consolidated statement of cash flows for the six months ended December 31, 2015 included herein. The Company will revise the previously issued quarterly condensed consolidated financial statements to correct the error of $0.4 million for the quarterly period ended March 31, 2016 in the future Quarterly Report on Form 10-Q when the quarterly condensed consolidated financial statements for such period is included.

Unaudited Interim Financial Information

The accompanying condensed consolidated financial statements and the notes to the condensed consolidated financial statements as of December 31, 2016 and for the three and six months ended December 31, 2016 and 2015 are unaudited. These unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2016, as filed with the SEC on August 19, 2016. The condensed consolidated balance sheet at June 30, 2016 included herein was derived from the audited financial statements as of that date, but does not include all disclosures, including notes, required by GAAP.

The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and, in the opinion of management, include all adjustments (consisting only of normal recurring adjustments) necessary for the fair statement of the Company's condensed consolidated balance sheet at December 31, 2016, its

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

condensed consolidated statements of operations for the three and six months ended December 31, 2016 and 2015, its condensed consolidated statements of comprehensive loss for the three and six months ended December 31, 2016 and 2015, and its condensed consolidated statements of cash flows for the six months ended December 31, 2016 and 2015. The results of operations for the three and six months ended December 31, 2016 are not necessarily indicative of the results to be expected for the fiscal year ending June 30, 2017, or any other future period.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. On an ongoing basis, management evaluates these estimates, judgments and assumptions, including those related to revenue recognition, stock-based compensation, goodwill, long-lived assets, contingencies, and income taxes. The Company bases these estimates on historical and anticipated results and trends and on various other assumptions that the Company believes are reasonable under the circumstances, including assumptions as to future events. These estimates form the basis for making judgments about the carrying values of assets and liabilities and recorded revenue and expenses that are not readily apparent from other sources. Actual results could differ from those estimates, and such differences could affect the results of operations reported in future periods.

Accounting Policies

The significant accounting policies are described in Note 2, Summary of Significant Accounting Policies, to the consolidated financial statements included in the Annual Report on Form 10-K for the fiscal year ended June 30, 2016. There have been no significant changes in the accounting policies subsequent to June 30, 2016.

Concentrations of Credit Risk

The Company had one client that accounted for 10% and 11% of net revenue for the three and six months ended December 31, 2016. No other client accounted for 10% or more of net revenue for the three and six months ended December 31, 2016 and no client accounted for 10% or more of net revenue for the three and six months ended December 31, 2015. No client accounted for 10% or more of net accounts receivable as of December 31, 2016 or June 30, 2016.

Fair Value of Financial Instruments

The Company’s financial instruments consist principally of cash equivalents, accounts receivable and accounts payable. The fair value of the Company’s cash equivalents is determined based on quoted prices in active markets for identical assets for its money market funds. The recorded values of the Company’s accounts receivable and accounts payable approximate their current fair values due to the relatively short-term nature of these accounts.

Recent Accounting Pronouncements

In May 2014, the FASB issued a new accounting standard update on revenue from contracts with clients. The new guidance provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In March and April 2016, the FASB amended this standard to clarify implementation guidance on principal versus agent considerations and the identification of performance obligations and licensing. In May 2016, the FASB amended this standard to address improvements to the guidance on collectability, noncash consideration, and completed contracts at transition as well as provide a practical expedient for contract modifications at transition and an accounting policy election related to the presentation of sales taxes and other similar taxes collected from customers. The new standards become effective for fiscal years beginning after December 15, 2017, and interim periods within those years with early adoption permitted. Entities have the option of using either a full retrospective or a modified retrospective approach to adopt the new standards. The Company is currently assessing the impact of this new guidance.

In June 2014, the FASB issued a new accounting standard update on accounting for share-based payments when the terms of an award provide that a performance target could be achieved after the requisite service period, which amends ASC 718, “Compensation - Stock Compensation.” The amendment provides guidance on the treatment of share-based payment awards with a specific performance target, requiring that a performance target that affects vesting and that could be achieved after the requisite service period

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(Unaudited)

be treated as a performance condition. The new guidance became effective in the current fiscal year and did not have an impact on the Company’s condensed consolidated financial statements.

In February 2015, the FASB issued a new accounting standard update on consolidating legal entities in which a reporting entity holds a variable interest. The amended guidance modifies the evaluation of whether limited partnerships and similar legal entities are VIEs and affects the consolidation analysis of reporting entities that are involved with VIEs that have fee arrangements and related party relationships. The new guidance became effective in the current fiscal year and did not have an impact on the Company’s condensed consolidated financial statements.

In February 2016, the FASB issued a new accounting standard update which replaces ASC 840, “Leases.” The new guidance requires a lessee to recognize on its balance sheet a right-of-use asset representing its right to use the underlying asset for the lease term and a lease liability representing its lease payment obligations. The guidance also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, on a generally straight-line basis. The guidance becomes effective for fiscal years beginning after December 15, 2018, and interim periods within those years, with early adoption permitted. The Company is currently assessing the impact of this new guidance.

In March 2016, the FASB issued a new accounting standard update on the accounting for share-based payments. The new guidance simplifies several aspects of the accounting for employee share-based payment transactions, including the accounting for income taxes, forfeitures and statutory tax withholding requirements, as well as classification in the statement of cash flows. The guidance becomes effective for fiscal years beginning after December 15, 2016, and interim periods within those years, with early adoption permitted. The Company is currently assessing the impact of this new guidance.

In January 2017, the FASB issued a new accounting standard update to simplify the measurement of goodwill by eliminating the Step 2 impairment test. Step 2 measures a goodwill impairment loss by comparing the implied fair value of a reporting unit’s goodwill with the carrying amount of that goodwill. The new guidance requires an entity to compare the fair value of a reporting unit with its carrying amount and recognize an impairment charge for the amount by which the carrying amount exceeds the reporting unit’s fair value. Additionally, an entity should consider income tax effects from any tax deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment loss, if applicable. The new guidance becomes effective for goodwill impairment tests in fiscal years beginning after December 15, 2019, with early adoption permitted. The Company is currently assessing the impact of this new guidance.

3. Net Loss per Share

Basic net loss per share is computed by dividing net loss by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by using the weighted-average number of shares of common stock outstanding, including potential dilutive shares of common stock assuming the dilutive effect of outstanding stock options and restricted stock units using the treasury stock method.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

The following table presents the calculation of basic and diluted net loss per share:

	Three Months Ended December 31,		Six Months Ended December 31,	
	2016	2015	2016	2015
	(In thousands, except per share data)		(In thousands, except per share data)	
Numerator:				
Basic and Diluted:				
Net loss	$ (7,850)	$ (6,458)	$ (11,419)	$ (12,822)
Denominator:				
Basic and Diluted:				
Weighted-average shares of common stock used in computing basic and diluted net loss per share	45,731	45,127	45,700	44,982
Net loss per share:				
Basic and Diluted [1]	$ (0.17)	$ (0.14)	$ (0.25)	$ (0.29)
Securities excluded from weighted-average shares used in computing diluted net loss per share because the effect would have been anti-dilutive: [2]	7,040	5,207	7,075	5,328

(1) Diluted net loss per share does not reflect any potential common stock relating to stock options or restricted stock units due to net losses incurred for the three and six months ended December 31, 2016 and 2015. The assumed issuance of any additional shares would be anti-dilutive.

(2) These weighted-shares relate to anti-dilutive stock options and restricted stock units as calculated using the treasury stock method and could be dilutive in the future.

4. Fair Value Measurements, Cash Equivalents and Variable Interest Entities

Fair value is defined as the price that would be received on sale of an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. The FASB has established a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity’s own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under the guidance for fair value measurement are described below:

Level 1 —	Inputs are unadjusted quoted prices in active markets for identical assets or liabilities. Pricing inputs are based upon quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. The valuations are based on quoted prices of the underlying security that are readily and regularly available in an active market, and accordingly, a significant degree of judgment is not required. As of December 31, 2016, the Company used Level 1 assumptions for its money market funds.
Level 2 —	Pricing inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities. As of December 31, 2016, the Company did not have any Level 2 financial assets or liabilities.
Level 3 —	Pricing inputs are generally unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques. As of December 31, 2016, the Company did not have any Level 3 financial assets or liabilities.

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QUINSTREET, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

The Company's financial instruments as of December 31, 2016 and June 30, 2016 were categorized as follows in the fair value hierarchy (in thousands):

	Fair Value Measurements as of December 31, 2016 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Assets:			
Money market funds	$ 20,709	$ —	$ 20,709

	Fair Value Measurements as of June 30, 2016 Using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Assets:			
Money market funds	$ 20,203	$ —	$ 20,203
Liabilities:			
Revolving loan facility (1)	$ —	$ 15,000	$ 15,000

(1) Carried at historical cost on the Company's condensed consolidated balance sheet.

Cash Equivalents

All liquid investments with maturities of three months or less at the date of purchase are classified as cash equivalents on the Company's condensed consolidated balance sheets. The Company holds money market funds of $20.7 million as of December 31, 2016 and $20.2 million as of June 30, 2016 which are classified as cash equivalents.

Variable Interest Entities

A VIE is consolidated by its primary beneficiary. The primary beneficiary has both the power to direct the activities that most significantly impact the entity's economic performance and the obligation to absorb losses or the right to receive benefits from the entity that could potentially be significant to the VIE. The assessment of whether the

Company is the primary beneficiary of the VIE requires significant assumptions and judgments, including the identification of significant activities and an assessment of the Company's ability to direct those activities. The Company has an equity interest in a privately held entity that is a VIE, of which the Company is not the primary beneficiary. Accordingly, the interest of $2.5 million as of December 31, 2016 and June 30, 2016 is recognized at cost within other assets, noncurrent on the Company's condensed consolidated balance sheets. The Company's interest was evaluated for impairment as of December 31, 2016 and June 30, 2016 which did not result in any indications of impairment. The Company's maximum exposure to loss as a result of the unconsolidated VIE is $2.5 million at December 31, 2016, which represents the carrying value of the Company's investment in the VIE.

5. Prepaid Expenses and Other Assets

During the three months ended December 31, 2015, the Company entered into a 10-year partnership agreement with a large online customer acquisition marketing company focused on the U.S. insurance industry to be their exclusive click monetization partner for the majority of their insurance categories. The agreement included a one-time upfront cash payment of $10.0 million. The payment is being amortized on a straight-line basis over the life of the contract. As of December 31, 2016, the Company has recorded $1.0 million within prepaid expenses and other assets and $7.7 million within other assets, noncurrent on the condensed consolidated balance sheet. As of June 30, 2016, the Company had recorded $1.0 million within prepaid expenses and other assets and $8.3 million within other assets, noncurrent on the condensed consolidated balance sheet. Amortization expense was $0.3 million and $0.6 million for the three and six months ended December 31, 2016 and $0.2 million in both the three and six months ended December 31, 2015.

QUINSTREET, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

6. Intangible Assets

Intangible assets, net, consisted of the following (in thousands):

	December 31, 2016			June 30, 2016		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer/publisher/advertiser relationships	$36,901	$ (36,384)	$ 517	$36,669	$ (35,648)	$ 1,021
Content	61,486	(59,122)	2,364	61,717	(57,778)	3,939
Website/trade/domain names	31,274	(28,149)	3,125	31,470	(27,288)	4,182
Acquired technology and others	36,733	(36,065)	668	36,733	(35,794)	939
Total	$166,394					