

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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BRIGHTSTAR INFORMATION TECHNOLOGY GROUP INC

CIK: **1050025** | IRS No.: **760553110** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-23889** | Film No.: **1696656**
SIC: **7373** Computer integrated systems design

Mailing Address
4900 HOPYARD ROAD
SUITE 200
PLEASANTON CA 94566

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4900 HOPYARD ROAD
SUITE 200
PLEASANTON CA 94566
9252510000

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED):
AUGUST 2, 2001 (JULY 26, 2001)

BRIGHTSTAR INFORMATION TECHNOLOGY GROUP, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

<Table>

<S>	<C>	<C>
DELAWARE	000-23889	76-0553110
(STATE OR OTHER JURISDICTION OF INCORPORATION)	(COMMISSION FILE NO.)	(IRS EMPLOYER IDENTIFICATION NO.)

</Table>

4900 HOPYARD ROAD, SUITE 200, PLEASANTON, CALIFORNIA 94588

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES, INCLUDING ZIP CODE)

(925) 251-0000

(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

N/A

(FORMER NAME OR FORMER ADDRESS, IF CHANGED SINCE LAST REPORT)

ITEM 5. OTHER EVENTS

Brightstar Information Technology Group, Inc. (Brightstar) announces \$1.1 million private placement and extension of bank credit facility.

ITEM 7. Financial Statements and Exhibits.

The Company files the following exhibit as part of this report:

Exhibit 99. Copy of the Company's press release dated July 26, 2001, publicly announcing the private placement reported herein.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

BRIGHTSTAR INFORMATION TECHNOLOGY GROUP, INC
(Registrant)

DATE: August 2, 2001

By: /s/ Kenneth A. Czaja

Name: Kenneth A. Czaja
Title: Vice President - Finance
and Chief Financial Officer

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EXHIBIT INDEX

Exhibit Number -----	Description -----
99	Press Release, dated July, 26, 2001

[BRIGHT STAR LOGO] FOR IMMEDIATE RELEASE
CONTACT:

Ken Czaja
BrightStar
(925) 224-7212
ken.czaja@brightstar.com

BRIGHTSTAR ANNOUNCES \$1.1 MILLION PRIVATE PLACEMENT AND
EXTENSION OF BANK CREDIT FACILITY

PLEASANTON, Calif.--July 26, 2001--BrightStar Information Technology Group, Inc. (OTC: BTRS.OB), a leading provider of Application Team Outsourcing services for Global 2000, mid-market and public sector clients, today announced that it has completed a private placement of approximately \$1.1 million, organized by Morgan Brewer Securities Co., a subsidiary of Brewer Capital Group, L.L.C., Houston, Texas, as placement agent. Contemporaneously with the closing today, Comerica Bank provided BrightStar with a \$3 million revolving line of credit for working capital purposes, due on January 26, 2002.

The private placement was accomplished through the issuance of convertible notes to a group of primarily individual investors, including members of BrightStar senior management. The notes are secured on a junior basis by certain assets of the Company, and are convertible into common stock, at the option of the investors, at a fixed price of \$0.23 per share, subject to anti-dilution provisions. The notes will be automatically converted into common stock at \$0.23 per share upon the occurrence of certain events. In addition, the investors received approximately 718,000 warrants, exercisable at \$0.50 per share. 70,000 warrants also are being issued to the placement agent at an exercise price of \$1.00 per share as a part of their compensation for organizing the transaction. BrightStar intends to register the common stock underlying the convertible notes and warrants as soon as practical.

Joseph A. Wagda, BrightStar Chairman and CEO, said, "The private-placement financing and the conversion of our current working capital facility from a demand facility to a 6-month term facility represent significant steps in our plan to improve our balance sheet and to help increase the financial health of the Company. We also are in a position to pursue additional financing. All of this financing will be used primarily to supplement our operating working capital requirements and to help support our planned future growth in the business."

"This is a significant step in the implementation of our turnaround plan," said

Kevin J. Murphy, President and Chief Operating Officer. "With the additional liquidity, we can increase our focus on top-line growth and superior service delivery to our valued clients."

"The investment by our senior management team reflects the level of confidence that we have in the future of the Company," Mr. Wagda added. "At the same time, we are extremely gratified to see sophisticated investors share our confidence in BrightStar."

ABOUT BRIGHTSTAR

BrightStar Information Technology Group, Inc. is a leading provider of Application Team Outsourcing services for Global 2000, mid-market and public sector clients, including packaged and custom application management, application hosting, custom-application development, integration of comprehensive enterprise and e-business solutions and staff augmentation. BrightStar helps companies achieve a competitive advantage through the outsourcing or implementation of leading-edge enterprise resource planning, supply chain management, customer relationship management, corporate portal, e-commerce and custom-application solutions. BrightStar has offices in the San Francisco Bay Area, Dallas, Texas, Little Rock, Arkansas, Quincy, Mass. and Lafayette, Louisiana and can be reached via the company's Web site at www.brightstar.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

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The statements in this release that relate to future plans, events, or performance, are forward-looking statements. Actual results might differ materially due to a variety of factors. Information about these factors is contained in our most recent report on Form 10K for the year 2000 under the sections pertaining to Risk Factors as well as in other reports filed with the Securities and Exchange Commission.

SOURCE: BrightStar Information Technology Group, Inc.

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