

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2007-08-02** | Period of Report: **2007-08-02**

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FILER

WEBSITE PROS INC

CIK: **1095291** | IRS No.: **000000000** | State of Incorp.: **DE**
Type: **8-K** | Act: **34** | File No.: **000-51595** | Film No.: **071018337**
SIC: **7372** Prepackaged software

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JACKSONVILLE FL 32258*

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**UNITED STATES
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, 2007

Website Pros, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-51595
(Commission File Number)

94-3327894
(IRS Employer
Identification No.)

12735 Gran Bay Parkway West, Building 200, Jacksonville, FL
(Address of principal executive offices)

32258
(Zip Code)

Registrant's telephone number, including area code: **(904) 680-6600**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
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Item 8.01 Other Events

A copy of material which will be used in an investor presentation delivered by Website Pros, Inc. representatives from time to time is attached to this Current Report on Form 8-K as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

99.1 Investor Presentation Material

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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 hereunto duly authorized.

WEBSITE PROS, INC.
(Registrant)

Date: August 2, 2007

/s/ Matthew P. McClure

Matthew P. McClure, Assistant Secretary

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INDEX OF EXHIBITS

99.1 Investor Presentation Material

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Safe-Harbor Statement

This presentation includes forward-looking statements, including those regarding the proposed acquisition of Web.com by Website Pros and the anticipated reach, capabilities and opportunities for the combined company, future products and services, expected benefits to merchants and other customers, market opportunities, expected customer base, and the anticipated closing of the transaction. These statements are based on certain assumptions and reflect our current expectations. Statements including words such as "anticipate," "propose," "estimate," "believe" or "expect" and statements in the future tense are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements to differ materially from any future results, performance, or achievements discussed or implied by such forward-looking statements. Some of the factors that could cause results to differ materially from the expectations expressed in these forward-looking statements include the following: the risk that the proposed transaction may not be completed in a timely manner, if at all; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; risks related to the successful offering of the combined company's products and services; the risk that the anticipated benefits of the merger may not be realized; and other risks that may impact Website Pros' and Web.com's businesses, some of which are discussed in the companies' reports filed with the Securities and Exchange Commission (the "SEC") under the caption "Risks That Could Affect Future Results" or "Risk Factors" and elsewhere, including, without limitation, each of Website Pros' and Web.com's 10-Ks for the year ended December 31, 2006 and 10-Q's for the quarter ended March 31, 2007. Copies of Website Pros' and Web.com's filings with the SEC can be obtained on their websites, or at the SEC's website at www.sec.gov. You can also obtain Website Pros' report through its website at <http://www.websitepros.com> and Web.com's reports through its website at <http://www.web.com>. Any forward-looking statement is qualified by reference to these risks, uncertainties and factors. If any of these risks or uncertainties materializes, the acquisition may not be consummated, the potential benefits of the acquisition may not be realized, the operating results of Website Pros and Web.com could suffer, and actual results could differ materially from the expectations described in these forward-looking statements. Forward-looking statements speak only as of the date of the document in which they are made. These risks, uncertainties and factors are not exclusive, and Website Pros and Web.com undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date of this presentation.

Reconciliations of financial metrics

Adjusted net income from continuing operations is a non-GAAP financial measure and is defined as net income from continuing operations excluding interest income or expense, provision for income taxes, depreciation, amortization of intangibles, stock-based compensation, and fair value adjustment to purchased deferred revenue. A reconciliation of this non-GAAP measure to the GAAP measure, net income, can be found in our earnings release dated August 1, 2007.

Subscriber Acquisition Cost "SAC" is calculated as the cost of media spent during the period divided by gross subscriber addition during the period.

Average Revenue Per User "ARPU" is calculated using the GAAP revenue for the quarter reported divided by the average number of subscribers for the period.

Churn is calculated as the number of subscribers cancelled during the period divided by the sum of the number of subscribers at the beginning of the period and the gross number of subscribers added during the period.



- + Founded in 1997
- + Leading provider of comprehensive Web services and leads for small and medium-sized businesses
- + Proven expertise with over 400,000 websites and online marketing packages created
- + Offices in Jacksonville, Spokane, Virginia, Ontario, Nova Scotia and Scottsdale, Arizona.
- + Approximately 644 employees
- + Long-term growth and profitability track record:
 - + 38% 3 year revenue CAGR
 - + Profitable for 14 consecutive quarters



- Individual company overview
- Merger overview
- Benefits of the merger
- Growth opportunities for combined company
- Q2 Update from Website Pros
- Q&A





- Best in class DIFM web services
- Subscription-based model
- Lead generation services
- Search engine optimization tools
- Proven customer service
- Strong outbound telesales
- Large brand-name partners
- Operational expertise
- 80,700 Subscribers*



- Best in class DIY web services
- Subscription-based model
- Online / Affiliate marketing expertise
- Industry-leading technology
- 21 patents, with several pending
- Diversified inbound sales
- Large brand-name partners
- Significant cross-selling opportunities
- 158,000 Subscribers*

*as of June 30, 2007 for Website Pros and as of March 31, 2007 for Web.com



Large Partner Network



An Investment in Growth and Scale

- Creates a leader in the web services market
 - Over \$121 million annualized revenue run rate*
 - Over 238,000 paid subscribers*
- Natural combination of two highly complementary companies
- Combines comprehensive DIFM and DIY solutions
- Creates significant cross-sell opportunities
- Highly complementary sales channels
- Significant integration savings expected: \$5.0 - \$7.0 during CY2008
- Extensive intellectual capital
- Merger expected to be accretive in CY2008**

**as of June 30, 2007 for Website Pros and as of March 31, 2007 for Web.com*

*** non-GAAP diluted earnings per share basis*



Complete Web Services Provider for Customers & Partners



Online

Partners

Telesales

Affiliate

Industry Leading Technology, Customer Support, and Product Delivery

ONLINE MARKETING

Lead Generation | Affiliate Program | Pay-Per-Click | Local Search
E-mail Marketing | Auto Responders

E-COMMERCE

Online Stores | Shopping Portals | Transaction Gateways
Interactive Apps | eBay Auctions | Amazon Connectors

ONLINE OPTIMIZATION

Search Engine Optimization | Search Engine Submissions
Site Analytics | Website Statistics

WEBSITES

DIFM Design | DIY Design Tools | Microsoft Exchange Hosting
Website Maintenance | E-mail | Hosting



- Subject to pro-ration, Web.com shareholders may elect to receive for each WWWV share:
 - 0.6875 shares of WSPI stock or
 - \$6.5233 in cash
- Cash used for acquisition consideration shall equal \$25 million
- Aggregate purchase price of approximately \$129 million based on 6/26/07 WSPI closing price
- Approximately 9 million shares of WSPI



Combined Growth Strategy

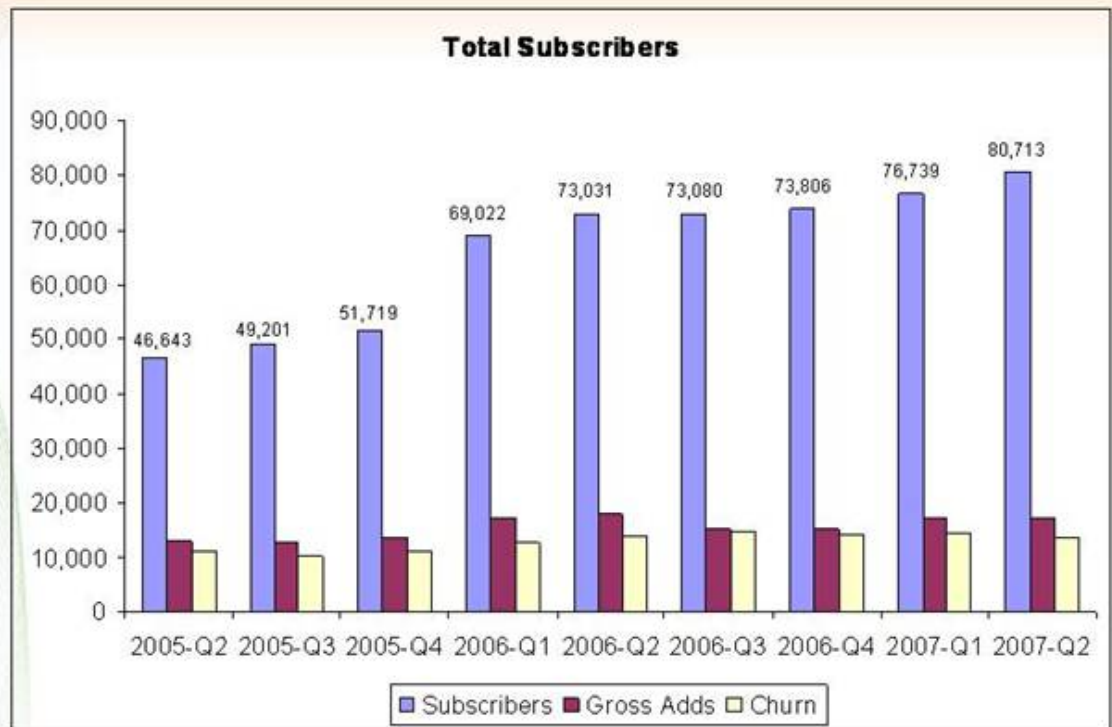
- The goal is to become the online service provider of choice for the 25 million SMB market; focus on Internet and lead generation services through strong brand awareness and superior products and execution
- Reach a broader range of SMB customers through complementary sales channels with full range of products and pricing options; more opportunities to lower churn
- Increase ARPU through both up-selling and cross-selling
- Provide greater partner opportunities through product offerings to accommodate DIY or DIFM requirements on a private-label, white-label, or co-branded basis
- Continue to develop or acquire complementary services and technologies



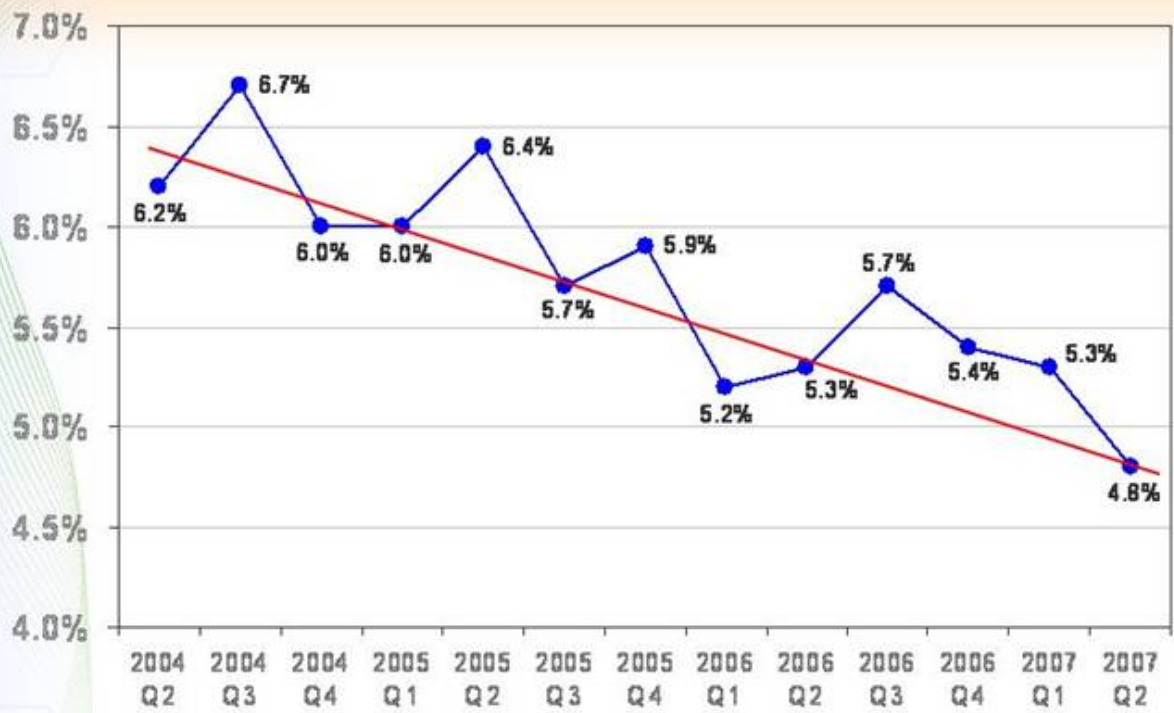
- SEC approval process
 - S-4 filed on 7/31/07
- Shareholder vote for each company
- Merger expected to close second half of 2007
- Once closed, more specific information will be available



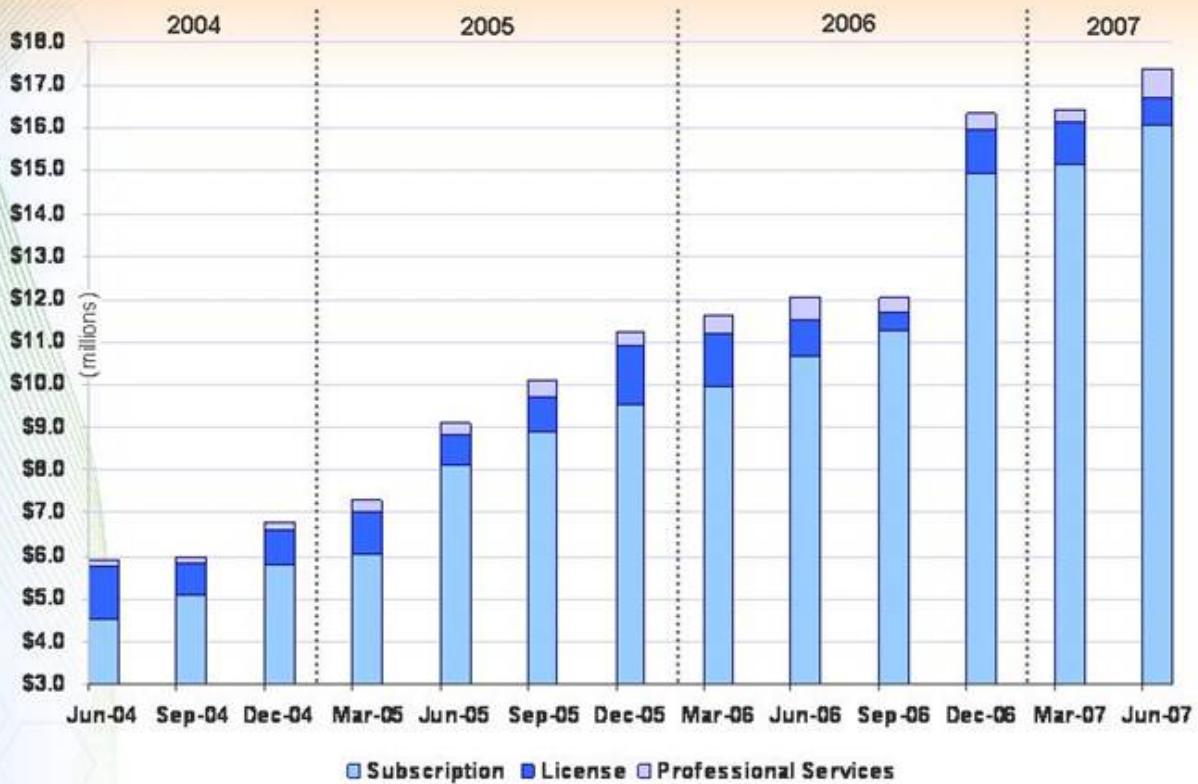
Website Pros Q2 2007 Financial Highlights



Customer Churn

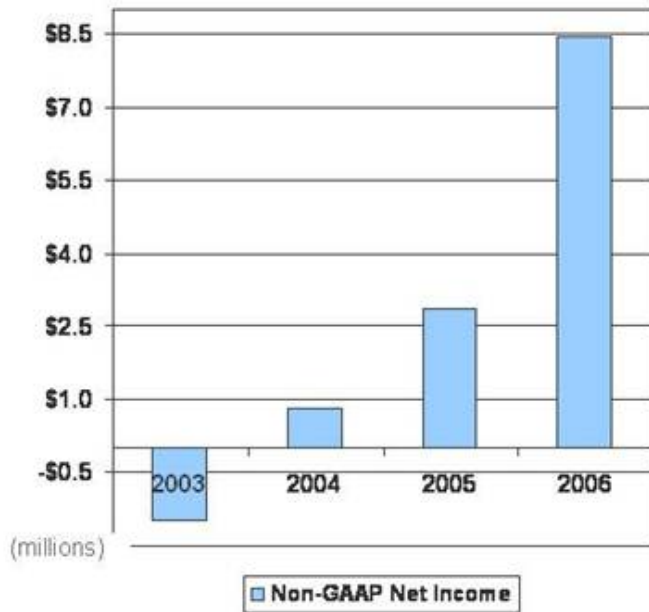


Quarterly Revenue Growth

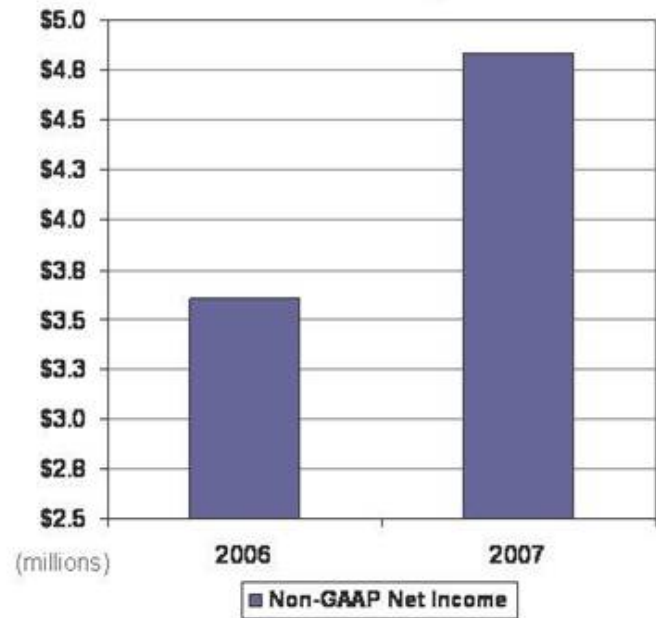


Non-GAAP Net Income

Annual



6 Months Ending June 30





websitepros[®]

web.
com[®]

ThinkEquity Partners, LLC

August 2, 2007