FORM 10QSB

Optional form for quarterly and transition reports of small business issuers under section 13 or 15(d)

Filing Date: **1999-07-27** | Period of Report: **1998-06-30**
SEC Accession No. 0001019687-99-000423

(HTML Version on secdatabase.com)

FILER

GLOBAL OUTDOORS INC

CIK:**760326**| IRS No.: **330074499** | State of Incorp.:**AK** | Fiscal Year End: **1231**
Type: **10QSB** | Act: **34** | File No.: **000-17287** | Film No.: **99670506**
SIC: **8600** Membership organizations

Business Address
43445 BUSINESS PARK DR
STE 113
TEMECULA CA 92590
9096994749

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended JUNE 30, 1998

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

For the transition period from ______________ to ______________

Commission file number : 0-17287

GLOBAL OUTDOORS, INC.

(Exact name of Registrant as specified in its charter)

Alaska	33-0074499
(State or other Jurisdiction of incorporation or organization)	(IRS Employer Identification Number)

43445 BUSINESS PARK DRIVE, SUITE 113
TEMECULA, CALIFORNIA 92590

(Address and zip code of principal executive offices)

(909) 699-4749

(Issuer's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Check whether the Issuer (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 the filing requirements for at least the past 90 days. Yes [ ] NO [X]

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

Class	Number of Shares Outstanding at June 24, 1999
Common Stock, $.02 par value	5,253,937

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-QSB

FINANCIAL STATEMENTS
PART I - ITEM 1

FOR THE QUARTER ENDED JUNE 30, 1998

GLOBAL OUTDOORS, INC.

GLOBAL OUTDOORS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

<TABLE>
<CAPTION>

<S>	June 30 1998 (unaudited) <C>	December 31 1997 <C>
Current assets:		
Cash and cash equivalents	$ 182,130	$ 373,368
Accounts receivables, net of allowance for doubtful accounts of $22,059 and $48,958	295,009	159,069
Inventories	82,563	105,735
Income tax refund receivable	217,451	310,215
Prepaid expenses	612,474	19,109
Current portion of receivable from stockholder	51,000	34,200
Stockholders' interest receivable	4,425	-
Total current assets	1,445,052	1,001,696
Property, plant and equipment, net:		
Membership recreational miming properties	1,009,271	1,020,239
Alaska recreational mining properties	1,424,325	1,466,095
Outdoor channel equipment and improvements	347,076	317,534
Other equipment and leasehold improvements	193,090	162,313
Property, plant and equipment, net	2,973,762	2,966,181
Receivable from stockholder, net of current portion	118,286	160,586
Trademark, net of accumulated amortization of $14,589 and $6,579	95,009	95,770

Deposits and other assets	58,341	34,000
Totals	$ 4,690,450	$ 4,258,233

</TABLE>

The accompanying notes are an integral part of these consolidated balance sheets.

GLOBAL OUTDOORS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' DEFICIT

<TABLE>
<CAPTION>

	June 30	December 31
	1998	1997
	(unaudited)	
<S>	<C>	<C>
Current liabilities:		
Accounts payable and accrued expenses	$ 770,170	$ 934,581
Customer deposits	589,012	30,231
Current portion of notes and capital lease obligations payable	1,159,473	1,131,301
Current portion of stockholder loans	463,041	463,041
Total current liabilities	2,981,696	2,559,154
Stockholders loans, less current portion	47,337	47,337
Other notes and capital lease obligations payable, net of current portion	380,237	502,692
Deferred revenue	1,975,566	2,215,114
Deferred satellite rent obligations	246,905	283,262
Deferred compensation	230,000	200,000
Total liabilities	5,861,741	5,807,559
Commitments and contingencies		
Minority interest in subsidiary	7,686	16,340
Stockholders' deficit:		
Convertible preferred stock, nonvoting, 10% noncumulative, no liquidation preference, $.001 par value; 10,000,000 shares authorized; 60,675 shares issued and outstanding:	61	61
Common stock, $.02 par value; 50,000,000 shares authorized; shares issued and outstanding: 4,248,937 at June 30, 1998; 4,248,561 at December 31, 1997.	84,979	84,971
Common stock subscriptions receivable	(221,250)	(221,250)
Additional paid-in capital	3,313,878	3,316,381
Accumulated deficit	(4,356,645)	(4,745,829)

Total stockholders' deficit	(1,178,977)	(1,565,666)
Totals	$ 4,690,450	$ 4,258,233

</TABLE>

The accompanying notes are an integral part of these consolidated balance sheets.

GLOBAL OUTDOORS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

<TABLE>
<CAPTION>

	Three Months Ended June 30 (unaudited) 1998	1997	Six Months Ended June 30 (unaudited) 1998	1997
<S>	<C>	<C>	<C>	<C>
REVENUES:				
Membership services	$ 1,108,082	$ 985,206	$ 1,803,777	$ 1,996,456
Advertising	615,006	415,887	1,040,117	710,557
Total revenues	1,723,088	1,401,093	2,843,894	2,707,013
EXPENSES:				
Satellite transmission fees	563,819	382,500	1,081,640	783,107
Advertising and programming	38,425	176,011	129,105	340,362
Selling, general and administrative	1,007,485	1,070,738	1,784,860	2,159,814
Total expenses	1,609,729	1,629,249	2,995,605	3,283,283
Income (loss) from operations	113,359	(228,156)	(151,711)	(576,270)
Other income (expense):				
Gain on sale of common stock of subsidiary	192,172	-	591,067	-
Interest, net	(85,242)	(44,712)	(116,759)	(83,330)
Income (loss) before provision (credit) for income taxes and minority interest	220,289	(272,868)	322,597	(659,600)
Provision (credit) for income taxes	-	-	-	-
Income (loss) before minority interest	220,289	(272,868)	322,597	(659,600)
Minority interest in net losses of consolidated subsidiaries	49,307	-	66,587	-
Net income (loss)	$ 269,596	$ (272,868)	$ 389,184	$ (659,600)
Earnings (loss) per common share:				
Basic	$ 0.06	$ (0.06)	$ 0.09	$ (0.16)
Diluted	$ 0.06	$ (0.06)	$ 0.09	$ (0.16)
Weighted average number of common shares outstanding				

Basic	4,248,874	4,226,090	4,248,749	4,216,410
	===============	===============	===============	===============
Diluted	4,298,961	4,226,090	4,299,836	4,216,410
	===============	===============	===============	===============

</TABLE>

The accompanying notes are an integral part of these consolidated financial statements

GLOBAL OUTDOORS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
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	Six Months Ended June 30	
	1998	1997
	(unaudited)	
<S>	<C>	<C>
Operating Activities:		
Net income (loss)	$ 389,184	$ (659,600)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	116,051	114,210
Common stock issued for services	1,504	-
Rent expense paid through offsets against stockholder receivable	25,500	40,200
Interest on stock subscription receivable	(4,425)	-
Gain on sale of subsidiary stock	(591,067)	-
Minority interest in net income (loss) of consolidated subsidiary	(66,587)	-
Cash supplied (used) by changes in operating assets:		
Accounts receivable	(135,940)	(83,425)
Inventories	23,172	2,340
Prepaid expenses	(593,365)	(440,674)
Income taxes receivable	92,764	-
Deposits and other assets	(24,341)	(244,776)
Accounts payable and accrued liabilities	(179,911)	51,352
Deferred revenue	(239,548)	-
Deferred rent obligations	(36,357)	-
Deferred compensation	45,500	-
Customer deposits	558,781	735,461
	---------------	---------------
Net cash provided by (used in) operating activities:	(619,085)	(484,912)
	---------------	---------------
Investing Activities:		
Purchase of property, plant and equipment	(120,341)	(137,142)
Expenditures for trademarks	(2,529)	-
	---------------	---------------
Net cash provided by (used in) investing activities	(122,870)	(137,142)
	---------------	---------------
Financing Activities:		
Principal payments on long-term debt and capital leases	(94,283)	(67,484)
Net proceeds from stockholder loans	-	390,000
Return of funds to investors	(4,000)	-

</TABLE>

<TABLE>
<CAPTION>

<S>	<C>	<C>
Net proceeds from sale of common stock	-	232,312

Sale of subsidiary stock to minority interests	649,000	-
Net cash provided by financing activities	550,717	554,828
Net increase (decrease) in cash	(191,238)	(67,226)
Cash and cash equivalents at beginning of period	373,368	82,027
Cash and cash equivalents at end of period	$ 182,130	$ 14,801

</TABLE>

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

GLOBAL OUTDOORS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 - ORGANIZATION, BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Global Outdoors, Inc. (the "Company") owns a majority interest in The Outdoor Channel, Inc. ("The Outdoor Channel" or the "Channel"), a national television network devoted solely to traditional outdoor activities, such as hunting, fishing, shooting sports, rodeo and recreational gold prospecting. The Company's other business activities consist of the promotion and sale of an "Alaska trip", a recreational gold mining expedition to the Company's Cripple River property located near Nome, Alaska, and the sale of Lost Dutchman's (LDMA-AU, Inc.) memberships which entitle members to engage in recreational prospecting on its California, Oregon, Alaska, Nevada, Arizona, Colorado, Georgia, North Carolina and South Carolina properties. The Company has also signed a mutual use agreement with another organization whose members are entitled to engage in recreational mining on certain of each other's properties. The Company also receives revenues from the sale of memberships in a gold prospecting club, Gold Prospectors' Association of America, Inc. ("GPAA"), revenue from advertisers in a bi-monthly magazine, advertising revenues through cable television programming dba The Outdoor Channel, Inc. and through merchandise sales. Effective July 23, 1996, the Company changed its name from Global Resources, Inc. to Global Outdoors, Inc.

On February 10, 1995, the Company acquired 100% of the stock of GPAA in exchange for 2,500,000 shares of its Common Stock. For accounting purposes, the assets of GPAA are recorded at their historical cost basis in a manner similar to a pooling of interest. The acquisition agreement provided for the issuance of up to an additional 1,500,000 shares of Common Stock ("Earn Out Shares") to the former stockholders of GPAA if GPAA achieved certain earnings or valuation milestones. The former stockholders of GPAA, Perry T. Massie, Thomas H. Massie, and Wilma M. Massie, are stockholders of the Company and Messrs. Perry and Thomas Massie are officers of the Company. On December 21, 1998, the Company issued 1,000,000 shares of Common Stock as Earn Out Shares to the former shareholders of GPAA.

Basis of Presentation

During 1997, the Company experienced significant operating losses, principally due to The Outdoor Channel. As a result of losses in 1997 and prior years, at December 31, 1997, the Company had negative working capital and a stockholders' deficit. In November 1997, the Company commenced a plan to make The Outdoor Channel self supporting. In furtherance of that plan, The Outdoor Channel conducted a private placement of common stock with approximately $2 million in common stock sold through March 5, 1999. Of this amount, approximately $300,000 was from the sale of shares of the Channel owned by the Company and approximately $1.7 million was from previously unissued shares of the Channel. The private placement ended effective March 5, 1999.

In April 1998, the Company entered into agreements with Perry T. Massie and Wilma M. Massie (the "Principal Stockholders"), whereby the Principal Stockholders agreed to provide for the cash flow requirements of the Company over the next twelve months by means of loans or equity investments, if needed. The Company's financial condition and future results of operations could be adversely affected should the Company continue to generate operating losses and not be able to raise sufficient additional equity funds through private placements or through the stockholder commitment, as noted above.

GLOBAL OUTDOORS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Management Statement

The interim financial statements for the periods reported include all adjustments which in the opinion of management are necessary in order to make the financial statements not misleading.

Reference to Form 10-KSB

Please refer to the Company's Form 10-KSB, and any amendments thereto, for the year ended December 31, 1997 for additional information and disclosures which may be of interest to the reader hereof.

NOTE 2. GAIN FROM THE SALE OF SUBSIDIARY'S STOCK

During the quarter ended June 30, 1998, The Outdoor Channel sold 190,000 shares of its Common Stock at $1.00 per share and 16,000 shares of its Common Stock at $1.50 per share , reducing the Company's ownership from 92% to 90%. Pursuant to SAB 51 and SAB 84, changes in a parent's ownership percentage in a subsidiary caused by issuances of the subsidiary's stock can be recognized in consolidation as gains or losses under certain conditions. Such gains have been included in the Company's Statement of Operations where the Company is reporting a consolidated gain.

NOTE 3. STOCKHOLDERS' EQUITY

In February of 1992, the Board of Directors authorized a one-for-twenty reverse stock split which reduced the number of outstanding common shares from 12,250,435 to 612,521. The par value of the Company's common stock was simultaneously increased from $.001 a share to $.02 a share. All per share amounts for prior years have been restated to give retroactive effect to the reverse stock split.

In August 1994, the Board of Directors authorized a two-for-one forward stock split which increased the number of outstanding shares from 1,920,955 to 3,841,910. The par value of the Company's common stock was not changed.

NOTE 4. SUBSEQUENT EVENTS

>From July 1, 1998 and through March 5, 1999, 418,084 shares of The Outdoor Channel, Inc.'s Common Stock were sold by the Channel to investors for $662,751 and 182,084 shares of The Outdoor Channel, Inc.'s Common Stock were sold by the Company to investors for $308,751, decreasing the Company's ownership interest in The Outdoor Channel to 84%.

In December 1998, 1,000,000 shares of Common Stock were issued to the former shareholders of GPAA as Earn Out Shares pursuant to the agreement whereby the Company acquired GPAA on February 10, 1995.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

This report on Form 10-QSB contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The Company intends that such forward-looking statements be subject to the safe harbors created thereby. This report should be read in conjunction with the Company's report on Form 10-KSB for the year ended December 31, 1997.

COMPARISON OF QUARTERS ENDED JUNE 30, 1998 AND JUNE 30, 1997

REVENUES. The Company's revenues include revenues from advertising fees, GPAA and Lost Dutchman's membership sales, product sales and the Trips and Outings Division sales. Advertising fees result from the sale of advertising time on The Outdoor Channel and from advertising space in publications such as the Gold Prospector magazine. Revenues for the quarter ended June 30, 1998 were $1,723,088, an increase of $321,995, or 23%, compared to revenues of $1,401,093 for the quarter ended June 30, 1997. This increase was the result of changes in several items composing revenue. Advertising increased significantly to $615,006 for the quarter ended June 30, 1998 from $415,887 for the quarter ended June 30, 1997, primarily due to an increase in advertising revenue on The Outdoor Channel. Membership services increased modestly to $1,108,082 for the quarter ended June 30, 1998 from $985,206 for the quarter ended June 30, 1997.

EXPENSES. The Company's expenses consist primarily of the cost of satellite transponder and uplink facilities, programming, advertising and promotion, sales and administrative salaries, office expenses and general overhead. Expenses for the quarter ended June 30, 1998 were $1,609,729 a decrease of $19,520, or 1%, compared to $1,629,249 the quarter ended June 30, 1997. This decrease was the result of changes in several items composing expenses. Selling, general and administrative expenses decreased to $1,007,485 for the quarter ended June 30, 1998, compared to $1,070,738 for the quarter ended June 30, 1997, due to several factors including the Company paring down executive salaries, further attention to controlling expenses and due to closing American Prospecting Equipment Company. Advertising and programming decreased substantially to $38,425 for the quarter ended June 30, 1998, compared to $176,011 for the quarter ended June 30, 1997, due to less emphasis in this area by management. On the other hand, Satellite transmission fees increased significantly to $563,819 for the quarter ended June 30, 1998 compared to $382,500 for the quarter ended 31, 1997 due to increased satellite transponder expenses.

INCOME (LOSS) BEFORE PROVISION (CREDIT) FOR INCOME TAXES AND MINORITY INTEREST. Income (loss) before provision (credit) for income taxes and minority interest increased substantially as a percentage of revenues to 13% for the quarter ended June 30, 1998 from a loss of (19)% for the quarter ended June 30, 1997. This was due primarily to the Company having income from operations of $113,359 for the quarter end June 30, 1998, compared to a loss from operations of $(228,156) for the quarter ended June 30, 1997. Also, gain on sale of common stock of subsidiary was $192,172 for the quarter ended June 30, 1998 compared to $0 for the quarter ended June 30, 1997. During the quarter ended June 30, 1998, the subsidiary, The Outdoor Channel, sold 190,000 shares of common stock at $1.00 per share and 16,000 shares of common stock at $1.50 per share in a private placement, resulting in the nonoperating gain and reducing the Company's ownership in the subsidiary from 92% to 90%. Subsequent to June 30, 1998, the subsidiary continued to sell shares of its common stock in a private placement. The sale of subsidiary stock was the result of the Company's execution of its plan to place The Outdoor Channel on a self supporting basis which was effectuated, in part, by selling a part of The Outdoor Channel to outside investors. These sales occurred for the first time in the fourth quarter of 1997 and ended effective March 5, 1999.

GENERAL

Global Outdoors, Inc. (the "Company" or "Global") is the principal owner of The Outdoor Channel, Inc. which owns and operates The Outdoor Channel ("The Outdoor Channel" or "Channel"), the first national television network devoted primarily to traditional outdoor activities, such as hunting, fishing, shooting sports, rodeo and recreational gold prospecting. The Company also owns and operates related businesses which serve the interests of viewers of The Outdoor Channel and other outdoor enthusiasts. These related businesses include, LDMA-AU, Inc. ("Lost Dutchman's"), Gold Prospectors' Association of America, Inc. ("GPAA") and the Trips Division. Lost Dutchman's is a national recreational gold prospecting campground club with over 5,000 members and properties in California, Alaska, Oregon, Nevada, Arizona, Colorado, Georgia, South Carolina and North Carolina. GPAA is the largest recreational gold prospecting club in the world with approximately 35,000 active members. GPAA also sells products and services related to recreational gold prospecting and is the publisher of the Gold Prospector magazine. Prior to being a wholly-owned subsidiary of the Company, GPAA was an affiliated company which owned the Outdoor Channel. As discussed below, the Company acquired 100% of the stock of GPAA in February 1995. The Company's Trips Division sponsors unique recreational prospecting trips to the historic Mother Lode area of California and to the Company's 2300 acre camp, located 11 miles west of Nome, Alaska.

The Company has been selling its GPAA club memberships since its incorporation in 1984. From 1968 to 1984, GPAA memberships were sold by the proprietorship owned by the Company's founders. GPAA membership sales took a marked upswing in 1992 in conjunction with the airing of the "Gold Prospector Show," a show the Company has owned and produced since 1990. During 1992, the "Gold Prospector Show" was broadcast on various television and cable channels, for which the Company purchased air time. In 1993, GPAA launched The Outdoor Channel and, since then, broadcasts of the "Gold Prospector Show" and related sales of GPAA memberships have occurred almost exclusively on The Outdoor Channel. The Company intends that The Outdoor Channel be used as a primary vehicle to promote the Company's services and products and anticipates that it will be a factor in the future growth of GPAA, Lost Dutchman's and the Trips Division. In that regard, the Company entered into a long term contract with The Outdoor Channel whereby the Company has the rights to ten hours of programming time and thirty sixty second advertising spots per week.

On February 10, 1995, Global acquired 100% of the stock of GPAA in exchange for 2,500,000 shares of its Common Stock and potential Earn Out Shares issuable contingent upon specified levels of earnings or appraised value. In December 1998, 1,000,000 Earn Out Shares were issued to the former shareholders of GPAA pursuant to the agreement whereby Global acquired GPAA. The primary basis for issuing the Earn Out Shares was the value of The Outdoor Channel further described herein. Since GPAA was a commonly controlled company, its assets and liabilities were recorded in 1995 at their historical cost basis in a manner similar to a pooling of interest, and the additional shares issued in 1998 were recorded at their par value

Although The Outdoor Channel is not aligned with any sizable entertainment or cable company, as are many emerging channels, it has, to date, achieved substantial visibility in the cable industry. The Outdoor Channel is committed to converting visibility for the Channel's programming into greater distribution into cable households. Greater distribution will allow The Outdoor Channel to charge higher advertising rates, command higher subscriber fees from cable affiliates, attract more advertisers and receive greater revenues for the Company's products.

In April 1998, The Outdoor Channel signed an affiliation agreement with EchoStar Satellite Corporation ("EchoStar"), one of the largest direct broadcast satellite companies ("DBS") in the U.S. with approximately two and million subscribers. The Outdoor Channel's launch on EchoStar's Dish Network occurred in December 1998. Commencing February 1, 1999, The Outdoor Channel has been available on the Dish Network on an al a carte basis (i.e stand alone) for a fee of $1.99 per month. Through April, 1999, there were approximately 100,000 subscribers to The Outdoor Channel on the Dish Network. The Channel receives a significant portion of the monthly subscriber fees. For the month of April 1999 the Channel's portion was approximately $65,000.

In April 1998, The Outdoor Channel signed a cross promotion agreement with the Wild Life Legislative Fund of America ("WLFA"). The WLFA is affiliated with groups representing approximately 1.5 million sports men and women and will be encouraging them to request The Outdoor Channel. The Outdoor Channel intends to co-produce with the WLFA a new show "In the Crosshairs" which will discuss hunters and anglers' rights. The Outdoor Channel is also promoting memberships in the WLFA. Cross promotion agreements with the WLFA and other similar organizations give The Outdoor Channel a very effective means to increase viewer awareness and demand for The Outdoor Channel at no net cash cost to the Channel.

In August 1998, The Outdoor Channel signed a national carriage agreement with Time Warner Cable, a division of Time Warner Entertainment

Company ("Time Warner"), one of the largest MSOs in the U.S. The Company believes there will be significant distribution of The Outdoor Channel on Time Warner systems.

A primary objective of the Company is for The Outdoor Channel to obtain distribution. To accomplish this objective the Channel seeks to sign national carriage agreements with MSOs and thereafter carriage agreements with the MSOs' individual cable affiliates. Efforts to obtain distribution for The Outdoor Channel to date have largely been focused on areas where there are the greatest number of outdoor enthusiasts, mainly in rural areas of the United States. As of May 1999 The Outdoor Channel was launched on approximately 1,500 cable systems with approximately 3.5 million subscribers. The Outdoor Channel is under contract with or has signed national carriage agreements with over 75 of the top 100 multi-system cable operators representing over 40 million potential households.

In October 1998, The Outdoor Channel moved its satellite transmission to PanAmSat's, Galaxy 9 satellite pursuant to a long term lease agreement, as amended, originally executed in October 1996

In November 1998, The Outdoor Channel renewed its media placement agreement with Frederiksen Television, Inc. for the placement of direct response programming on The Outdoor Channel, primarily during off hours. The Outdoor Channel receives significant revenues under this agreement.

In 1998, the Channel retained BIA Consulting, Inc. ("BIA") to value The Outdoor Channel. In December 1998, BIA provided the Channel with a Prospective Fair Market valuation of The Outdoor Channel which included BIA's opinion that the estimated value of the Channel was $30 million as of December 31, 1998.

In December 1997, the Company instituted a plan to make The Outdoor Channel self supporting. Since that time the Company has not advanced significant funds to the Channel with The Outdoor Channel supporting itself primarily with its revenues and outside investor funds. The Outdoor Channel raised $214,000 for the quarter ended June 30, 1998. The Outdoor Channel raised $1,691,751 from private investors from December 1, 1997 through March 5, 1999 and during the same time period the Company received $308,751 from private

investors by the sale of a portion of its shares in The Outdoor Channel. As of March 5, 1999, when the offering was ended, the Company owned approximately 84% of The Outdoor Channel. Sales of Common Stock in the Channel are not presently contemplated in the near future. Therefore, after March 31, 1999, it is not presently anticipated that the Company's earnings will reflect gains resulting from such sales.

In the second quarter of 1998, the Company did not generate sufficient cash flow from operations to meet its cash flow requirements. In addition to cash generated from operations, the Company's cash flow needs in the second quarter of 1998 were primarily met by the funds from the private placement of The Outdoor Channel.

In December 1998, The Outdoor Channel reopened its private placement to accredited investors who had previously invested in the Channel. 400,000 shares of Common Stock of the Channel were offered at $1.50 per share. Of this number, 200,000 shares were from the Channel and 200,000 shares were from shares of the Channel owned by Global. Effective February 1, 1999, The offering price per share was increased to $2.00 per share. The maximum offering amount of $600,000 was oversubscribed by $17,502 which over subscriptions The Outdoor Channel and Company elected to accept. The Channel decided to reopen the offering for several reasons including the fact that The Outdoor Channel did not have any working capital and the Channel had not repaid any of its debt to Global. Global elected to offer some of its stock in the reopened offering since the Company desired to obtain additional funds to be in a position to retire a portion of its debt to Wells Fargo Bank and to make further improvements on its Lost Dutchman's properties including its Stanton property.

As of May 1999, the Company is generating sufficient cash flow from operations to meet its short-term cash flow requirements. The Outdoor Channel is also meeting its short-term cash flow requirements. The Company intends on utilizing funds it receives from The Outdoor Channel's private placement primarily for working capital, to be in a position to retire debt and to make improvements on it Lost Dutchman's properties. The Outdoor Channel intends on utilizing funds it receives from its private placement primarily to make improvements to its equipment and facilities, augment personnel and retire debt. Management believes that the Company's existing cash resources and anticipated cash flow from operations will be sufficient to fund the Company's operations at current levels for the next twelve months. To the extent that such amounts are insufficient to finance the Company's working capital requirements, the Company could be required to seek financing. There can be no assurance that equity or debt financing will be available if needed, or, if available, will be on terms favorable to the Company or its shareholders. Significant dilution may be incurred by present shareholders as a result of any such financing. The primary source for short-term financing for The Outdoor Channel has been its private placement. There can be no assurance that this source will continue to be available, if needed, in the future. In the event, The Outdoor Channel is required to seek financing, there can be no assurance that equity or debt financing will be available if needed, or, if available, will be on terms favorable to The Outdoor Channel or its shareholders. At the current level of operations, the Company is retiring some of its existing debt and is planning to finish significant improvements on its Stanton Property and make further improvements to some of its other properties. The Company anticipates that The Outdoor Channel will commence retiring some of its debt with the Company in the second half of 1999. The Company presently intends to utilize such funds to be in a position to retire a portion of its bank loan and make Lost Dutchmans and GPAA acquisitions and improvements. There can be no assurance that The Outdoor Channel will commence retiring its debt with the Company in 1999.

Since July 30, 1997, the Company's Common Stock has been traded on the NASD's over the counter Bulletin Board. Price quotes on the Company's Common Stock can be obtained from any stockbroker. Also, price quotes can be obtained from a number of other sources including internet sites on American On Line, Yahoo Finance and Paww's Financial Network.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

Exhibit Number	
27	Financial Data Schedule (SEC filing only).

(b) Reports on Form 8-K

None.

SIGNATURES

In accordance with 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 thereunto duly authorized.

GLOBAL OUTDOORS, INC.
(Registrant)

Dated: July 22, 1999

By: /s/ PERRY T. MASSIE
PERRY T. MASSIE,

President and Chief
Executive Officer

Dated: July 22, 1999 By: /s/ RICHARD D. VERMEER

RICHARD D. VERMEER,
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 27

FINANCIAL DATA SCHEDULE

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<CASH>	182,130
<SECURITIES>	0
<RECEIVABLES>	567,885
<ALLOWANCES>	22,059
<INVENTORY>	82,563
<CURRENT-ASSETS>	1,445,052
<PP&E>	2,973,762
<DEPRECIATION>	0
<TOTAL-ASSETS>	4,690,450
<CURRENT-LIABILITIES>	2,981,696
<BONDS>	0
<PREFERRED-MANDATORY>	0
<PREFERRED>	61
<COMMON>	89,979
<OTHER-SE>	(1,269,017)
<TOTAL-LIABILITY-AND-EQUITY>	4,690,450
<SALES>	1,723,088
<TOTAL-REVENUES>	1,723,088
<CGS>	0
<TOTAL-COSTS>	0
<OTHER-EXPENSES>	1,609,729
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	85,242
<INCOME-PRETAX>	220,289
<INCOME-TAX>	0
<INCOME-CONTINUING>	269,596
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	269,596
<EPS-BASIC>	0.06
<EPS-DILUTED>	0.06

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