

SECURITIES AND EXCHANGE COMMISSION

FORM 10QSB

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

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FILER

WIDE BAND CORP

CIK: **1010579** | IRS No.: **870363656** | State of Incorporation: **NV** | Fiscal Year End: **0930**
Type: **10QSB** | Act: **34** | File No.: **000-28002** | Film No.: **02644540**
SIC: **3576** Computer communications equipment

Mailing Address	Business Address
124 SOUTH 600 EAST STE 100	401 WEST GRAND STREET
SALT LAKE CITY UT	GALLATIN MO 64640
84101-2006	8013590833

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-QSB

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the quarterly period ended 31 March 2002

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE EXCHANGE ACT

For the transition period from _____ to _____

Commission file number 0-28002

WideBand Corporation

(Exact name of small business issuer as specified in its charter)

Nevada

87-0363656

(State or other jurisdiction of
incorporation or organization)

(IRS Employer Identification No.)

401 West Grand, Gallatin, Mo 64640

(Address of principal executive offices)

(660) 663-3000

(Issuer's telephone number)

APPLICABLE ONLY TO CORPORATE ISSUERS

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

As of 30 April 2002 WideBand Corporation had 13,238,595 shares of Common
Stock outstanding.

Transitional Small Business Disclosure Format (Check one): Yes No

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Item 1. Financial Statements.

See the Company's financial statements attached to this 10-QSB report.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

THE FOLLOWING DISCUSSION OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS INCLUDES CERTAIN FORWARD-LOOKING STATEMENTS. WHEN USED IN THIS FORM 10-Q, THE WORDS "ESTIMATE," "PROJECTION," "INTEND," "ANTICIPATES" AND SIMILAR TERMS ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS THAT RELATE TO THE COMPANY'S FUTURE PERFORMANCE. SUCH STATEMENTS ARE SUBJECT TO SUBSTANTIAL UNCERTAINTY. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE FORWARD-LOOKING STATEMENTS SET FORTH BELOW. THE COMPANY UNDERTAKES NO OBLIGATION TO PUBLICLY UPDATE OR REVISE ANY OF THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN.

OVERVIEW

WideBand Corporation is a public company that develops, manufactures, and markets standards-based Gigabit Networking products. The Company's objective is to create high-quality products specifically designed to meet the demand for high-bandwidth networking solutions at an affordable price. The Company's flagship product line, its Professional Series of Gigabit Ethernet adapters and switches, are designed and manufactured in the United States and deliver Gigabit Ethernet over the current installed base of Category 5 cable on segments of up to 100 meters without rewiring. WideBand generates revenue primarily through the sale of its products to the Company's expanding network of Authorized Solution Providers and Direct Marketing Resellers.

The Company is focused on sales to Authorized Solution Providers and Direct Marketing Resellers - who sell WideBand products into the government, industry and education markets. In generating sales leads, the Company exhibits its products at several large international, and a number of smaller regional, computer shows throughout the year.

The Company recognizes revenues upon delivery and acceptance of the products or services by the customer. Costs associated with the manufacture of products are included in inventory and expensed to cost of goods sold as the respective revenue is recognized.

WideBand stock is traded on the OTC.BB Market (ZWBC), and on the Frankfurt Exchange (Stock symbol WBD; German Security No. WKN-764536).

COMPARISON OF THE THREE MONTHS ENDED MARCH 31, 2002 TO THE THREE MONTHS ENDED MARCH 31, 2001, AND THE SIX MONTHS ENDED MARCH 31, 2002 TO THE SIX MONTHS ENDED MARCH 31, 2001

Sales decreased for the six-months ended March 31, 2002 compared with the same six-month period for 2001 due to the general slump in the

technology market. Sales were up slightly for the three-months ended March 31, 2002, as compared with the three months ended March 31, 2001, as WideBand increased its marketing efforts and the market for technology products began to recover.

Research and development costs decreased for the three-months and the six-months ended March 31, 2002 compared with the three and six-months ended March 31, 2001 as the Company continues to put significant effort into ramping up manufacturing for its new products.

The increase experienced in selling and general and administrative expenses is due to the Company's increased marketing efforts.

LIQUIDITY AND CAPITAL RESOURCES

The Company generates cash through the sale of its networking products and its securities.

During the quarter ended December 31, 2001, the Company began a private placement offering of its common stock, which was completed in February 2002. This private placement resulted in an inflow of \$225,000 cash during the six months ended March 31, 2002. Proceeds from this private placement offering will be used to support operations.

Cash decreased as of March 31, 2002 compared to September 30, 2001 in part due to the purchase of new manufacturing equipment. Cash was also used to increase inventory as of March 31, 2002 compared with September 30, 2001 as the Company continues to ramp-up production.

Property and Equipment increased as a result of the purchase of additional manufacturing equipment, which increases the production capacity of WideBand's manufacturing plant. The equipment was purchased to expand the capability of the Company to support its marketing programs.

The Company has no financing through borrowings and as such has no long-term debt or associated interest expense.

The Company requires funds for continuing research and development. This requirement will continue as WideBand Corporation is committed to the research and development of new products to keep the Company vital.

PART II -- OTHER INFORMATION

Item 2. Changes in Securities - Sale of Securities Not Registered Under the Securities Act

During the period from December 5, 2001, to February 28, 2002, the registrant sold an aggregate of 56,250 common shares to 8 persons. No underwriters or other salespersons were utilized in the offering and no commissions or other remuneration was paid or given, directly or indirectly, to any person. The shares were offered for sale for \$4.00 per share and the registrant received an aggregate of \$225,000 cash consideration for the shares.

WideBand Corporation
Condensed Financial Statements

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WIDEBAND CORPORATION
CONDENSED BALANCE SHEETS
(UNAUDITED)

<TABLE>

	March 31, 2002	September 30, 2001
	-----	-----
ASSETS	<c>	<c>
Current Assets		
Cash and cash equivalents	\$ 294,915	\$ 502,359
Trade accounts receivables	39,633	15,729
Inventory	365,285	204,234
Prepaid expenses	1,549	631
	-----	-----
Total Current Assets	701,382	722,953
Property and Equipment	658,518	631,518
Less: accumulated depreciation	(129,799)	(115,676)
	-----	-----
Net Property and Equipment	528,719	515,842

Patents, Net of Amortization of \$6,901 and \$5,566, respectively	72,032	70,850
	-----	-----
Total Assets.	\$ 1,302,133	\$ 1,309,645
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Trade accounts payable	\$ 5,036	\$ 6,269
Accrued liabilities.	5,320	6,181
	-----	-----
Total Current Liabilities	10,356	12,450
	-----	-----
Stockholders' Equity		
Common Stock - \$0.01 par value; 20,000,000 shares authorized; 13,238,595 and 13,122,345 shares outstanding, respectively	132,386	131,223
Additional paid-in capital	4,863,102	4,399,264
Accumulated deficit.	(3,703,711)	(3,233,292)
	-----	-----
Total Stockholders' Equity.	1,291,777	1,297,195
	-----	-----
Total Liabilities and Stockholders' Equity.	\$ 1,302,133	\$ 1,309,645
	=====	=====

</TABLE>

See the accompanying notes to condensed financial statements.

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WIDEBAND CORPORATION
CONDENSED STATEMENTS OF OPERATIONS
(UNAUDITED)

<TABLE>

	For the Three Months Ended March 31,		For the Six Months Ended March 31,	
	2002	2001	2002	2001
	-----	-----	-----	-----
<s>	<c>	<c>	<c>	<c>
Sales	\$ 39,307	\$ 38,191	\$ 51,842	\$ 189,756
Cost of Sales	30,895	25,245	36,548	119,157
	-----	-----	-----	-----
Gross Profit	8,412	12,946	15,294	70,599
Expenses				
Research and development	40,201	52,794	73,289	100,438
Selling and general and administrative	340,383	49,713	415,683	203,211
	-----	-----	-----	-----
Total Expenses	380,584	102,507	488,972	303,649
	-----	-----	-----	-----
Loss From Operations.	(372,172)	(89,561)	(473,678)	(233,050)
Interest income	1,190	5,724	3,259	11,458
	-----	-----	-----	-----

Net Loss.	\$ (370,982)	\$ (83,837)	\$ (470,419)	\$ (221,592)
	=====	=====	=====	=====
Basic and Diluted Loss Per Share.	\$ (0.03)	\$ (0.01)	\$ (0.04)	\$ (0.02)
	=====	=====	=====	=====
Weighted Average Number of Common Shares Used in Per Share Calculation. .	13,191,595	13,122,345	13,156,590	13,122,345
	=====	=====	=====	=====

</TABLE>

See the accompanying notes to condensed financial statements.

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WIDEBAND CORPORATION
CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)

<TABLE>

	For the Six Months Ended March 31, 2002	For the Six Months Ended March 31, 2001
	-----	-----
<s>	<c>	<c>
Cash Flows From Operating Activities		
Net loss	\$ (470,419)	\$ (221,592)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation and amortization	15,458	15,652
Common stock issued for services.	240,000	-
Changes in operating assets and liabilities:		
Trade receivables	(23,904)	(6,859)
Prepaid assets.	(918)	43,042
Inventory	(161,051)	(42,275)
Accounts payable.	(1,232)	13,763
Accrued liabilities	(861)	(6,098)
	-----	-----
Net Cash and Cash Equivalents Used in Operating Activities.	(402,927)	(204,367)
	-----	-----
Cash Flows From Investing Activities		
Payments for patents	(2,517)	(788)
Purchase of equipment.	(27,000)	(105,000)
	-----	-----

Net Cash and Cash Equivalents Used In		
Investing Activities.	(29,517)	(105,788)
	-----	-----
Cash Flows From Financing Activities		
Common stock issued for cash	225,000	-
	-----	-----
Cash and Cash Equivalents Provided by		
Financing Activities.	225,000	-
	-----	-----
Net Decrease in Cash.	(207,444)	(310,155)
Cash and Cash Equivalents At Beginning of Period. .	502,359	988,310
	-----	-----
Cash and Cash Equivalents At End of Period.	\$ 294,915	\$ 678,155
	=====	=====

</TABLE>

See the accompanying notes to condensed financial statements.
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WIDEBAND CORPORATION
NOTES TO CONDENSED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 - INTERIM FINANCIAL STATEMENTS

The accompanying financial statements have been prepared by WideBand Corporation (the Company) and are unaudited. In the opinion of management, the accompanying unaudited financial statements contain all necessary adjustments for fair presentation, consisting of normal recurring adjustments except as disclosed herein.

The accompanying unaudited interim financial statements have been condensed pursuant to the rules and regulations of the Securities and Exchange Commission; therefore, certain information and disclosures generally included in financial statements have been condensed or omitted. These financial statements should be read in connection with the Company's annual financial statements included in the Company's annual report on Form 10-KSB as of September 30, 2001. The financial position and results of operations of the interim periods presented are not necessarily indicative of the results to be expected for the year ended September 30, 2002.

NOTE 2 - STOCKHOLDERS' EQUITY

In February 2002, the Company issued 60,000 shares of restricted common stock to Capital Research Group for advertising services. The 60,000 shares were valued at \$240,000 or \$4.00 per share.

During March 2002, the Company made a private placement of 56,250 shares of common stock. The shares were sold for a price of \$4.00 per share, resulting in \$225,000 cash, which will be used to support operations. No commissions were paid in connection with this offering.

