

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

Current report filing

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### FILER

#### US UNWIRED INC

CIK: **1024149** | IRS No.: **721457316** | State of Incorporation: **LA** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **000-22003** | Film No.: **05791246**  
SIC: **4812** Radiotelephone communications

#### Mailing Address

CM TOWER SUITE 1900  
ONE LAKESHORE DRIVE  
LAKE CHARLES LA 70629

#### Business Address

CM TOWER SUITE 1900  
ONE LAKESHORE DRIVE  
LAKE CHARLES LA 70629  
3184369000

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

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**FORM 8-K**

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**CURRENT REPORT**  
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): May 2, 2005**

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**US UNWIRED INC.**

(Exact name of registrant as specified in its charter)

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**Louisiana**  
(State or other jurisdiction  
of incorporation)

**000-22003**  
(Commission File Number)

**72-1457316**  
(IRS Employer  
Identification No.)

**901 Lakeshore Drive, Lake Charles, Louisiana**  
(Address of principal executive offices)

**70601**  
(Zip Code)

**(337) 436-9000**  
(Registrant's telephone number, including area code)

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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:

- 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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## Section 8 - Other Events

### Item 8.01 Other Events.

The unaudited consolidated financial information for the three-month periods ended March 31, 2005 and March 31, 2004 for US Unwired Inc. (“US Unwired”) contained in our Form 10-Q filing with the Securities and Exchange Commission (“SEC”) filed on May 2, 2005 are presented with our former subsidiary, IWO Holdings, Inc. (“IWO”), as a discontinued operation effective February 10, 2005. This is the date that US Unwired lost its ownership interest in IWO as a result of the consummation of IWO’s plan of reorganization under the bankruptcy code. As such, for periods prior to February 10, 2005, the expenses that US Unwired incurred that are associated with providing support services to IWO are reflected in operating expenses of US Unwired, but the management fees that US Unwired billed and collected from IWO were included as a part of discontinued operations. For periods subsequent to February 9, 2005, expenses incurred that were associated with providing support services to IWO were reflected in operating expenses of US Unwired, but the management fees billed and collected from IWO under the management agreement during the four-month transition period are included as Other revenues.

The following table sets forth certain unaudited consolidated financial information for US Unwired for the three-month periods ended March 31, 2005, March 31, 2004, June 30, 2004, September 30, 2004 and December 31, 2004 and the year ended December 31, 2004, with all management fees billed and collected from IWO reflected as Other revenues. The presentation is intended to provide the reader a comparative presentation for all periods in 2004 where the expenses incurred that were associated with providing support services to IWO were reflected in operating expenses of US Unwired, but the management fees that US Unwired billed and collected from IWO were included as a part of discontinued operations. No other IWO revenues or expenses are included. You should note that the following presentation of consolidated financial statements (and information derived from them) is not in accordance with U.S. generally accepted accounting principles, which require that we present the management fees billed and collected as income from discontinued operations.

The data set forth below should be read in conjunction with US Unwired’s consolidated financial statements and accompanying notes and “US Unwired’s Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in the Form 10-K for US Unwired for the year ended December 31, 2004, filed on March 14, 2005 with the SEC, and our unaudited consolidated financial statements and accompanying notes for the three-month period ended March 31, 2005 included in the Form 10-Q for US Unwired, filed on May 2, 2005 with the SEC.

The following unaudited consolidated financial information is not meant to be and may not be indicative of US Unwired financial results had US Unwired not billed and collected a management fee and did not incur expenses associated with providing certain support services.

Condensed consolidated statement of operations of US Unwired, with IWO as a discontinued operation but IWO management fees as Other Revenues (unaudited)

|                                | For the three months ended |                   |                  |                       |                      | Year ended           |
|--------------------------------|----------------------------|-------------------|------------------|-----------------------|----------------------|----------------------|
|                                | March 31,<br>2005          | March 31,<br>2004 | June 30,<br>2004 | September 30,<br>2004 | December 31,<br>2004 | December 31,<br>2004 |
|                                | (In thousands)             |                   |                  |                       |                      |                      |
| Revenue:                       |                            |                   |                  |                       |                      |                      |
| Subscriber                     | \$80,970                   | \$68,810          | \$72,210         | \$73,556              | \$75,202             | \$289,778            |
| Roaming                        | 22,391                     | 22,610            | 24,176           | 25,056                | 25,896               | 97,738               |
| Merchandise sales              | 6,120                      | 6,039             | 4,777            | 4,335                 | 4,057                | 19,208               |
| Other revenue (1)              | 5,311                      | 2,258             | 2,774            | 3,017                 | 2,781                | 10,830               |
| <b>Total revenue</b>           | <b>114,792</b>             | <b>99,717</b>     | <b>103,937</b>   | <b>105,964</b>        | <b>107,936</b>       | <b>417,554</b>       |
| Expense:                       |                            |                   |                  |                       |                      |                      |
| Cost of service                | 55,652                     | 46,929            | 54,329           | 56,568                | 57,778               | 215,604              |
| Merchandise cost of sales      | 9,259                      | 10,143            | 10,279           | 8,349                 | 9,894                | 38,665               |
| General and administrative     | 7,042                      | 6,613             | 5,856            | 6,362                 | 6,563                | 25,394               |
| Sales and marketing            | 16,031                     | 15,242            | 15,326           | 12,387                | 17,580               | 60,535               |
| Non-cash stock compensation    | 7                          | 45                | 44               | 182                   | 104                  | 375                  |
| Depreciation and amortization  | 14,939                     | 15,488            | 14,409           | 14,759                | 15,530               | 60,186               |
| <b>Total operating expense</b> | <b>102,930</b>             | <b>94,460</b>     | <b>100,243</b>   | <b>98,607</b>         | <b>107,449</b>       | <b>400,759</b>       |

|  |           |            |            |             |             |              |
|--|-----------|------------|------------|-------------|-------------|--------------|
| Operating income   | 11,862    | 5,257      | 3,694      | 7,357       | 487         | 16,795       |
| Other income (expense):  |           |            |            |             |             |              |
| Interest expense, net  | (8,032 )  | (13,206)   | (15,862)   | (10,198 )   | (8,408 )    | (47,674 )    |
| Gain (loss) on sale of assets  | 38        | (470 )     | (160 )     | (10 )       | (1,117 )    | (1,757 )     |
| Loss on extinguishment of debt   | –         | –          | (54,493)   | (4,484 )    | (3,365 )    | (62,342 )    |
| Total other expense  | (7,994 )  | (13,676)   | (70,515)   | (14,692 )   | (12,890 )   | (111,773 )   |
| Gain (loss) from continuing operations before equity in income (losses) of unconsolidated affiliates | 3,868     | (8,419 )   | (66,821)   | (7,335 )    | (12,403 )   | (94,978 )    |
| Equity in income (losses) of unconsolidated affiliates   | –         | 116        | 138        | (30 )       | (9 )        | 215          |
| Gain (loss) from continuing operations   | 3,868     | (8,303 )   | (66,683)   | (7,365 )    | (12,412 )   | (94,763 )    |
| Discontinued operations:   |           |            |            |             |             |              |
| Gain (loss) on disposal of discontinued operations   | 192,853   | 16,183     | (52 )      | –           | 187         | 16,318       |
| Loss from discontinued operations  | (2,630 )  | (18,281)   | (9,024 )   | (9,529 )    | (17,696 )   | (54,530 )    |
|  | 190,223   | (2,098 )   | (9,076 )   | (9,529 )    | (17,509 )   | (38,212 )    |
| Net income (loss)  | \$194,091 | \$(10,401) | \$(75,759) | \$(16,894 ) | \$(29,921 ) | \$(132,975 ) |

Condensed consolidated balance sheets of US Unwired (unaudited) (2)

|   | As of             |                   |                  |                       |                      |
|---|-------------------|-------------------|------------------|-----------------------|----------------------|
|   | March 31,<br>2005 | March 31,<br>2004 | June 30,<br>2004 | September 30,<br>2004 | December 31,<br>2004 |
| (In thousands)                                    |                   |                   |                  |                       |                      |
| Current assets:                                   |                   |                   |                  |                       |                      |
| Cash and cash equivalents                         | \$98,647          | \$108,085         | \$156,658        | \$126,343             | \$80,413             |
| Subscriber receivables, net                       | 24,070            | 23,369            | 25,043           | 23,506                | 25,349               |
| Other receivables                                 | 1,239             | 2,899             | 1,889            | 1,514                 | 1,437                |
| Inventory   | 3,566             | 3,106             | 2,977            | 3,055                 | 3,683                |
| Prepaid expenses and other assets                 | 11,424            | 11,993            | 10,704           | 9,962                 | 8,049                |
| Receivables from related parties                  | –                 | –                 | 645              | 645                   | –                    |
| Receivables from officers                         | 109               | 85                | 86               | 116                   | 156                  |
| Current assets related to discontinued operations | –                 | 63,194            | 68,117           | 60,605                | 54,408               |
| <b>Total current assets</b>                       | <b>139,055</b>    | <b>212,731</b>    | <b>266,119</b>   | <b>225,746</b>        | <b>173,495</b>       |
| Property and equipment, net                       | 195,108           | 227,111           | 220,038          | 213,678               | 205,376              |
| Goodwill  | 46,705            | 46,705            | 46,705           | 46,705                | 46,705               |
| Intangibles, net                                  | 12,881            | 13,730            | 13,518           | 13,305                | 13,093               |
| Notes receivable from unconsolidated affiliate    | –                 | 1,906             | 1,925            | 1,944                 | –                    |
| Other assets                                      | 18,904            | 17,679            | 22,680           | 20,337                | 19,349               |

|  |           |           |           |           |           |
|--|-----------|-----------|-----------|-----------|-----------|
| Non-current assets related to discontinued operations      | –         | 194,011   | 189,534   | 185,919   | 181,770   |
| Total assets   | \$412,653 | \$713,873 | \$760,519 | \$707,634 | \$639,788 |
| Current liabilities:                                       |           |           |           |           |           |
| Accounts payable   | \$45,415  | \$29,295  | \$34,940  | \$37,507  | \$43,649  |
| Accrued expenses   | 48,067    | 41,514    | 45,806    | 55,214    | 44,942    |
| Payable to related party                                   | 160       | –         | –         | –         | –         |
| Current maturities of long-term obligations                | 496       | 15,585    | 478       | 484       | 490       |
| Current liabilities related to discontinued operations     | –         | 405,669   | 415,382   | 412,758   | 419,885   |
| Total current liabilities                                  | 94,138    | 492,063   | 496,606   | 505,963   | 508,966   |
| Long-term obligations, net of current maturities           | 364,260   | 428,314   | 449,998   | 405,163   | 364,351   |
| Other long-term liabilities                                | 36,360    | 39,019    | 38,530    | 37,546    | 37,092    |
| Investments in and advances to unconsolidated affiliates   | 2,467     | 2,547     | 2,572     | 2,602     | 2,467     |
| Non-current liabilities related to discontinued operations | –         | 5,272     | 5,372     | 5,520     | 5,851     |
| Stockholders' deficit:                                     |           |           |           |           |           |
| Common stock   | 1,640     | 1,288     | 1,635     | 1,636     | 1,637     |
| Additional paid in capital                                 | 751,849   | 654,947   | 751,143   | 751,436   | 751,576   |

|                                       |           |           |           |             |             |
|---------------------------------------|-----------|-----------|-----------|-------------|-------------|
| Retained deficit                      | (838,051) | (909,567) | (985,327) | (1,002,222) | (1,032,142) |
| Treasury stock                        | (10 )     | (10 )     | (10 )     | (10 )       | (10 )       |
| Total stockholders' deficit           | (84,572 ) | (253,342) | (232,559) | (249,160 )  | (278,939 )  |
| Liabilities and stockholders' deficit | \$412,653 | \$713,873 | \$760,519 | \$707,634   | \$639,788   |



Condensed consolidated statements of cash flows for US Unwired (2)

|   | For the three months ended |                   |                  |                       |                      |
|---|----------------------------|-------------------|------------------|-----------------------|----------------------|
|   | March 31,<br>2005          | March 31,<br>2004 | June 30,<br>2004 | September 30,<br>2004 | December 31,<br>2004 |
| (In thousands)                                      |                            |                   |                  |                       |                      |
| Cash flows from operating activities:               |                            |                   |                  |                       |                      |
| Net cash provided by (used in) operating activities | \$23,419                   | \$18,684          | \$21,398         | \$26,780              | \$4,351              |
| Cash flows from investing activities:               |                            |                   |                  |                       |                      |
| Payments for the purchase of equipment              | (5,570 )                   | (3,774 )          | (6,822 )         | (6,029 )              | (7,021 )             |
| Proceeds from sale of assets                        | 43                         | 41,560            | 1,595            | –                     | 30                   |
| Distribution from unconsolidated affiliates         | –                          | 500               | –                | –                     | 1,951                |
| Investments in unconsolidated affiliates            | –                          | –                 | –                | –                     | (1,298 )             |
| Net cash provided by (used in) investing activities | (5,527 )                   | 38,286            | (5,227 )         | (6,029 )              | (6,338 )             |
| Cash flows from financing activities:               |                            |                   |                  |                       |                      |
| Proceeds from long-term debt                        | –                          | –                 | 358,416          | –                     | –                    |
| Proceeds from exercised options                     | 462                        | –                 | 194              | 113                   | 131                  |
| Principal payments of long-term obligations         | (120 )                     | (13,741)          | (313,700)        | (51,179 )             | (44,014 )            |
| Debt issuance costs                                 | –                          | –                 | (12,508 )        | –                     | (60 )                |
| Net cash provided by (used in) financing activities | 342                        | (13,741)          | 32,402           | (51,066 )             | (43,943 )            |

|  |          |           |           |            |           |
|--|----------|-----------|-----------|------------|-----------|
| Net increase (decrease) in cash and cash equivalents | 18,234   | 43,229    | 48,573    | (30,315 )  | (45,930 ) |
| Cash and cash equivalents at beginning of period     | 80,413   | 64,856    | 108,085   | 156,658    | 126,343   |
| Cash and cash equivalents at end of period           | \$98,647 | \$108,085 | \$156,658 | \$ 126,343 | \$ 80,413 |

(1) Other revenues of US Unwired including IWO management fees billed and collected:

|   | For the three months ended |                   |                  |                       |                      | Year ended           |
|---|----------------------------|-------------------|------------------|-----------------------|----------------------|----------------------|
|   | March 31,<br>2005          | March 31,<br>2004 | June 30,<br>2004 | September 30,<br>2004 | December 31,<br>2004 | December 31,<br>2004 |
|   | (In thousands)             |                   |                  |                       |                      |                      |
| Other revenues, as reported                   | \$4,694                    | \$339             | \$324            | \$467                 | \$231                | \$1,361              |
| IWO management fees                           | 617                        | 1,919             | 2,450            | 2,550                 | 2,550                | 9,469                |
| Other revenues, including IWO management fees | \$5,311                    | \$2,258           | \$2,774          | \$3,017               | \$2,781              | \$10,830             |

(2) The condensed consolidated balance sheet and statements of cash flow of US Unwired with IWO as a discontinued operation are not impacted by the treatment of management fees as Other revenues to US Unwired.

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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.

**US UNWIRED INC.**

*Date: May 2, 2005*

By: /s/ Jerry E. Vaughn \_\_\_\_\_

*Jerry E. Vaughn*

*Chief Financial Officer*