

MACE SECURITY INTERNATIONAL INC
Form 10-Q
August 13, 2008

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

FORM 10-Q

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

**FOR THE QUARTER ENDED JUNE 30, 2008
COMMISSION FILE NO. 0-22810**

**MACE SECURITY INTERNATIONAL, INC.
(Exact name of Registrant as specified in its charter)**

DELAWARE
(State or other jurisdiction of
incorporation or organization)

03-0311630
(I.R.S. Employer
Identification No.)

240 Gibraltar Road, Suite 220, Horsham, Pennsylvania 19044
(Address of Principal Executive Offices)

Registrant's Telephone No., including area code: **(267) 317-4009**

401 East Las Olas Boulevard, Suite 1570, Fort Lauderdale, Florida 33301
(Former Address)

Indicate by checkmark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 the (" Exchange Act") during the preceding 12 months (or for such shorter period that the registrant was required to file such report), and (2) has been subject to such filing requirements for the past 90 days. Yes x No "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer" "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check One):

Large accelerated filer " Non-accelerated filer " (Do not check if a smaller reporting company)
Accelerated filer " Smaller reporting company x

Indicate by checkmark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No x

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock:

As of August 7, 2008, there were 16,465,253 Shares of the registrant's Common Stock, par value \$.01 per share, outstanding.

Mace Security International, Inc.
Form 10-Q
Quarter Ended June 30, 2008

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PART I
FINANCIAL INFORMATION

Item 1. Financial Statements

Mace Security International, Inc.
Consolidated Balance Sheets

(In thousands, except share information)

	June 30, 2008	December 31, 2007
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 10,922	\$ 8,103
Short-term investments	4,323	4,249
Accounts receivable, less allowance for doubtful accounts of \$893 and \$791 in 2008 and 2007, respectively	2,316	2,920
Inventories	9,798	9,296
Prepaid expenses and other current assets	1,707	2,241
Assets held for sale	4,600	5,665
Total current assets	33,666	32,474
Property and equipment:		
Land	8,914	12,322
Buildings and leasehold improvements	14,628	17,418
Machinery and equipment	5,797	6,353
Furniture and fixtures	700	558
Total property and equipment	30,039	36,651
Accumulated depreciation and amortization	(7,400)	(8,477)
Total property and equipment, net	22,639	28,174
Goodwill	8,231	8,231
Other intangible assets, net of accumulated amortization of \$1,262 and \$1,123 in 2008 and 2007, respectively	3,874	5,565
Other assets	943	992
Total assets	\$ 69,353	\$ 75,436

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

	June 30, 2008	December 31, 2007
	(Unaudited)	
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 1,569	\$ 2,022
Accounts payable	3,215	4,661
Accrued expenses and other current liabilities	3,253	2,581
Income taxes payable	733	778
Deferred revenue	140	174
Liabilities related to assets held for sale	1,842	4,494
Total current liabilities	10,752	14,710
Long-term debt, net of current portion	4,810	7,160
Commitments	-	-
Stockholders' equity:		
Preferred stock, \$.01 par value:		
Authorized shares of 10,000,000		
Issued and outstanding shares - none	-	-
Common stock, \$.01 par value:		
Authorized shares - 100,000,000		
Issued and outstanding shares of 16,465,253 at June 30, 2008 and December 31, 2007	165	165
Additional paid-in capital	93,979	93,685
Accumulated other comprehensive income	209	322
Accumulated deficit	(40,451)	(40,495)
	53,902	53,677
Less treasury stock at cost-53,909 shares	(111)	(111)
Total stockholders' equity	53,791	53,566
Total liabilities and stockholders' equity	\$ 69,353	\$ 75,436

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

Mace Security International, Inc.
Consolidated Statements of Operations
(Unaudited)

(In thousands, except share and per share information)

	Three Months Ended	
	June 30,	
	2008	2007
Revenues:		
Security	\$	5,555