

ALEXANDERS J CORP
Form 10-Q
August 18, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For quarterly period ended July 4, 2010

or

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: 1-8766

J. ALEXANDER'S CORPORATION
(Exact name of registrant as specified in its charter)

Tennessee
(State or other jurisdiction of
incorporation or organization)

62-0854056
(I.R.S. Employer
Identification No.)

3401 West End Avenue, Suite 260
P.O. Box 24300
Nashville, Tennessee
(Address of principal executive offices)

37202
(Zip Code)

Registrant's telephone number, including area code: (615) 269-1900

Indicate by check mark 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 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 such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during

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the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).
Yes 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 definitions of "large accelerated filer", "accelerated filer", "non-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

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

As of August 17, 2010, 5,956,482 shares of the registrant's Common Stock, \$.05 par value, were outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

J. Alexander's Corporation and Subsidiaries

Condensed Consolidated Balance Sheets

(Unaudited in thousands, except share and per share amounts)

	July 4 2010	January 3 2010
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,499	\$ 5,613
Accounts and notes receivable	2,772	3,413
Inventories	1,252	1,293
Prepaid expenses and other current assets	1,573	1,496
TOTAL CURRENT ASSETS	11,096	11,815
OTHER ASSETS	1,691	1,601
PROPERTY AND EQUIPMENT , at cost, less accumulated depreciation and amortization of \$59,057 and \$56,220 at July 4, 2010 and January 3, 2010, respectively	75,988	77,914
DEFERRED INCOME TAXES	152	152
DEFERRED CHARGES , less accumulated amortization of \$852 and \$787 at July 4, 2010 and January 3, 2010, respectively	603	659
	\$ 89,530	\$ 92,141

	July 4 2010	January 3 2010
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 3,910	\$ 5,961
Accrued expenses and other current liabilities	5,280	5,860
Unearned revenue	1,193	1,752
Current portion of long-term debt and obligations under capital leases	3,529	1,621
TOTAL CURRENT LIABILITIES	13,912	15,194
LONG-TERM DEBT AND OBLIGATIONS UNDER CAPITAL LEASES, net of portion classified as current		
	19,008	21,796
OTHER LONG-TERM LIABILITIES		
	10,285	9,903
STOCKHOLDERS' EQUITY		
Common Stock, par value \$.05 per share: Authorized 10,000,000 shares; issued and outstanding 5,956,482 and 5,946,757 shares at July 4, 2010 and January 3, 2010, respectively	298	297
Preferred Stock, no par value: Authorized 1,000,000 shares; none issued	—	—
Additional paid-in capital	33,953	33,700
Retained earnings	12,074	11,251
TOTAL STOCKHOLDERS' EQUITY	46,325	45,248
Commitments and Contingencies	\$ 89,530	\$ 92,141

See notes to condensed consolidated financial statements.

J. Alexander's Corporation and Subsidiaries
Condensed Consolidated Statements of Operations
(Unaudited in thousands, except per share amounts)

	Quarter Ended		Six Months Ended	
	July 4 2010	June 28 2009	July 4 2010	June 28 2009
Net sales	\$ 36,336	\$ 34,710	\$ 75,061	\$ 72,775
Costs and expenses:				
Cost of sales	11,774	10,836	23,975	22,789
Restaurant labor and related costs	12,518	12,313	25,351	25,049
Depreciation and amortization of restaurant property and equipment	1,493	1,657	3,019	3,325
Other operating expenses	8,163	8,149	16,619	16,598
Total restaurant operating expenses	33,948	32,955	68,964	67,761
General and administrative expenses	2,278	2,729	4,439	5,077
Operating income (loss)	110			