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Quarterly Report -- Small Business · Form 10-QSB [Filing Table of Contents](#)

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3: <u>EX-31.2</u>	302 Certification of Chief Financial Officer	HTML	10K
4: <u>EX-32.1</u>	906 Certification of Chief Executive Officer	HTML	6K
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-QSB

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE QUARTERLY PERIOD ENDED [JUNE 30, 2007](#)
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number [001-33169](#)

WIRELESS RONIN TECHNOLOGIES, INC.

(Exact Name of Registrant as Specified in Its Charter)

[Minnesota](#)
(State or Other Jurisdiction
of Incorporation or Organization)

41-1967918
(I.R.S. Employer
Identification No.)

5929 Baker Road
[Minnetonka, Minnesota 55345](#)
(952) 564-3500

(Address of Principal Executive Offices and Issuer's
Telephone Number, including Area Code)

14700 Martin Drive
[Eden Prairie, Minnesota 55344](#)
(Former Address)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 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](#) is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of [August 1, 2007](#), the issuer had outstanding 14,320,151 shares of common stock.

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

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[Table of Contents](#)**PART I FINANCIAL INFORMATION****ITEM 1 Financial Statements****WIRELESS RONIN TECHNOLOGIES, INC.****BALANCE SHEETS**

	June 30, 2007	December 31, 2006
	(Unaudited)	(Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 31,864,038	\$ 8,273,388
Marketable securities — available-for-sale	6,556,726	7,193,511
Accounts receivable, net	2,320,336	1,128,730
Inventories	252,107	255,850
Prepaid expenses and other current assets	80,411	148,024
Total current assets	<u>41,073,618</u>	<u>16,999,503</u>
PROPERTY AND EQUIPMENT, net	<u>723,979</u>	<u>523,838</u>
OTHER ASSETS		
Restricted cash	450,000	—
Deposits	237,594	22,586
Total other assets	<u>687,594</u>	<u>22,586</u>
TOTAL ASSETS	<u>\$ 42,485,191</u>	<u>\$ 17,545,927</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current maturities of long-term obligations	\$ 106,762	\$ 106,311
Accounts payable	1,319,035	948,808
Deferred revenue	450,968	202,871
Accrued liabilities	338,182	394,697
Total current liabilities	<u>2,214,947</u>	<u>1,652,687</u>
LONG-TERM LIABILITIES		
Capital lease obligations, less current maturities	<u>106,377</u>	<u>155,456</u>
Total long-term liabilities	<u>106,377</u>	<u>155,456</u>
Total liabilities	<u>2,321,324</u>	<u>1,808,143</u>
COMMITMENTS AND CONTINGENCIES		

SHAREHOLDERS' EQUITY

Capital stock, \$0.01 par value, 66,666,666 shares authorized

Preferred stock, 16,666,666 shares authorized, no shares issued and outstanding at
[June 30, 2007](#) and [December 31, 2006](#)Common stock, 50,000,000 shares authorized; 14,260,151 and 9,825,621 shares issued
and outstanding at [June 30, 2007](#) and [December 31, 2006](#), respectively

Additional paid-in capital

Accumulated deficit

Accumulated other comprehensive income (loss)

Total shareholders' equity

142,601

77,487,624

(37,463,989)

(2,369)

40,163,867

98,256

49,056,509

(33,433,713)

16,732

15,737,784

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY**\$ 42,485,191****\$ 17,545,927**

See accompanying Notes to Financial Statements.

[Table of Contents](#)**WIRELESS RONIN TECHNOLOGIES, INC.****STATEMENTS OF OPERATIONS****(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Sales				
Hardware	\$ 2,484,133	\$ 270,235	\$ 2,520,238	\$ 568,082
Software	290,097	37,536	352,839	301,546
Services and other	280,633	24,889	378,222	64,598
Total sales	<u>3,054,863</u>	<u>332,660</u>	<u>3,251,299</u>	<u>934,226</u>
Cost of sales				
Hardware	1,685,579	189,262	1,735,708	396,471
Software	—	—	—	—
Services and other	187,445	17,481	240,579	37,462
Total cost of sales	<u>1,873,024</u>	<u>206,743</u>	<u>1,976,287</u>	<u>433,933</u>
Gross profit	<u>1,181,839</u>	<u>125,917</u>	<u>1,275,012</u>	<u>500,293</u>
Operating expenses:				
Sales and marketing expenses	653,526	347,913	1,278,175	778,817
Research and development expenses	257,858	196,935	507,289	430,540
General and administrative expenses	1,519,218	749,618	3,275,807	1,741,928
Termination of partnership agreement	—	—	653,995	—
Total operating expenses	<u>2,430,602</u>	<u>1,294,466</u>	<u>5,715,266</u>	<u>2,951,285</u>
Operating loss	<u>(1,248,763)</u>	<u>(1,168,549)</u>	<u>(4,440,254)</u>	<u>(2,450,992)</u>
Other income (expenses):				
Interest expense	(9,634)	(868,113)	(20,515)	(1,347,196)
Loss on debt modification	—	(195,199)	—	(367,153)
Interest income	278,686	6,284	431,984	6,488
Other	—	(74)	(1,491)	559
	<u>269,052</u>	<u>(1,057,102)</u>	<u>409,978</u>	<u>(1,707,302)</u>
Net loss	<u>\$ (979,711)</u>	<u>\$ (2,225,651)</u>	<u>\$ (4,030,276)</u>	<u>\$ (4,158,294)</u>
Basic and diluted loss per common share	<u>\$ (0.09)</u>	<u>\$ (2.80)</u>	<u>\$ (0.40)</u>	<u>\$ (5.27)</u>
Basic and diluted weighted average shares outstanding	<u>10,446,571</u>	<u>794,454</u>	<u>10,141,126</u>	<u>789,320</u>

See accompanying Notes to Financial Statements.

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WIRELESS RONIN TECHNOLOGIES, INC.
STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended	
	<u>June 30,</u>	
	<u>2007</u>	<u>2006</u>
	(unaudited)	(unaudited)
Cash flows from operating activities		
Net loss	\$ (4,030,276)	\$(4,158,294)
Adjustments to reconcile net loss to net cash used in operating activities		
Deprecation and amortization	140,773	310,959
Allowance for doubtful receivables	50,981	21,000
Debt discount amortization	—	538,509
Debt discount amortization — related party	—	428,107
Common stock issued for interest expense — related party	—	150,000
Issuance of warrants for short-term borrowings — related parties	—	39,499
Issuance of options and warrants as compensation expense	732,359	448,548
Repricing of warrants	—	81,126
Change in assets and liabilities		
Accounts receivable	(1,242,587)	71,985
Inventories	3,743	102,898
Prepaid expenses and other current assets	67,613	(10,564)
Other assets	2,500	(2,495)
Accounts payable	370,227	471,803
Deferred revenue	248,097	(519,042)
Accrued liabilities	(56,515)	256,751
Net cash used in operating activities	(3,713,085)	(1,769,210)
Cash flows used in investing activities		
Purchases of property and equipment	(340,914)	(157,447)
Deposits on purchases of property and equipment	(217,508)	—
Sales of marketable securities	9,517,167	—
Purchase of marketable securities	(8,899,483)	—
Net cash used in investing activities	59,262	(157,447)
Cash flows provided by financing activities		
Net change in restricted cash	(450,000)	—
Net proceeds from bank lines of credit and short-term notes payable	—	2,775,000
Payment for deferred financing costs	—	(525,202)
Payment for prepaid offering costs	—	(233,367)
Proceeds from short-term notes payable – related parties	—	400,000
Proceeds from long-term notes payable	—	93,319
Payments on long-term notes payable and capital leases	(48,628)	(503,342)
Proceeds from issuance of common stock and equity units	27,302,930	—
Proceeds from exercise of options and warrants	440,171	—
Net cash provided by financing activities	27,244,473	2,006,408
INCREASE IN CASH AND CASH EQUIVALENTS	23,590,650	79,751
Cash and cash equivalents at beginning of period	8,273,388	134,587
Cash and cash equivalents at end of period	<u>\$31,864,038</u>	<u>\$ 214,338</u>

See accompanying Notes to Financial Statements.

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WIRELESS RONIN TECHNOLOGIES, INC.
NOTES TO UNAUDITED FINANCIAL STATEMENTS

NOTE A — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***Basis of Presentation***

Wireless Ronin Technologies, Inc. (the “*Company*”) has prepared the condensed financial statements included herein, without audit, pursuant to the rules and regulations of the United States (“*U.S.*”) Securities and Exchange Commission (“*SEC*”). Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. However, [the Company](#) believes that the disclosures are adequate to ensure the information presented is not misleading. These unaudited condensed financial statements should be read in conjunction with the audited financial statements and the notes thereto included in the Company’s Annual Report on Form 10-KSB for the year ended [December 31, 2006](#).

[The Company](#) believes that all necessary adjustments, which consisted only of normal recurring items, have been included in the accompanying financial statements to present fairly the results of the interim periods. The results of operations for the interim periods presented are not necessarily indicative of the operating results to be expected for any subsequent interim period or for the year ending [December 31, 2007](#).

Nature of Business and Operations

[The Company](#) is a Minnesota corporation that has designed and developed application-specific wireless business solutions.

[The Company](#) provides dynamic digital signage solutions targeting specific retail and service markets. [The Company](#) has designed and developed RoninCast®, a proprietary content delivery system that manages, schedules and delivers digital content over a wireless or wired network. The solutions, the digital alternative to static signage, provide customers with a dynamic and interactive visual marketing system designed to enhance the way they advertise, market and deliver their messages to targeted audiences. [The Company](#) sells its products throughout North America.

Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Revenue Recognition

[The Company](#) recognizes revenue primarily from these sources:

- Multiple-element arrangements
- Software and software license sales
- System hardware sales
- Professional service revenue
- Software development services

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- Training and implementation
- Maintenance and support [contracts](#)

[The Company](#) applies the provisions of Statement of Position (“SOP”) 97-2, “Software Revenue Recognition,” as amended by SOP 98-9 “Modification of SOP 97-2, Software Revenue Recognition, With Respect to Certain Transactions” to all transactions involving the sale of software license. In the event of a multiple element arrangement, [the Company](#) evaluates if each element represents a separate unit of accounting taking into account all factors following the guidelines set forth in Emerging Issues Task Force Issue No. 00-21 (“EITF 00-21”) “Revenue Arrangements with Multiple Deliverables.”

[The Company](#) recognizes revenue when (i) persuasive evidence of an arrangement exists; (ii) delivery has occurred, which is when product title transfers to the customer, or services have been rendered; (iii) customer payment is deemed fixed or determinable and free of contingencies and significant uncertainties; and (iv) collection is probable.

Multiple-element arrangements

[The Company](#) enters into arrangements with customers that include a combination of software products, system hardware, maintenance and support, or installation and training services. The Company allocates the total arrangement fee among the various elements of the arrangement based on the relative fair value of each of the undelivered elements determined by vendor-specific objective evidence (“VSOE”). In software arrangements for which [the Company](#) does not have VSOE of fair value for all elements, revenue is deferred until the earlier of when VSOE is determined for the undelivered elements (residual method) or when all elements for which [the Company](#) does not have VSOE of fair value have been delivered.

[The Company](#) has determined VSOE of fair value for each of its products and services. The fair value of maintenance and support services is based upon the renewal rate for continued service arrangements. The fair value of installation and training services is established based upon pricing for the services. The fair value of software and licenses is based on the normal pricing and discounting for the product when sold separately. The fair value of its hardware is based on a stand-alone market price of cost plus margin.

Each element of [the Company](#)’s multiple element arrangements qualifies for separate accounting with the exception of undelivered maintenance and service fees. [The Company](#) defers revenue under the residual method for undelivered maintenance and support fees included in the price of software and amortizes fees ratably over the appropriate period. [The Company](#) defers fees based upon the customer’s renewal rate for these services.

Software and software license sales

[The Company](#) recognizes revenue when a fixed fee order has been received and delivery has occurred to the customer. [The Company](#) assesses whether the fee is fixed or determinable and free of contingencies based upon signed agreements received from the customer confirming terms of the transaction. Software is delivered to customers electronically or on a CD-ROM, and license files are delivered electronically. [The Company](#) assesses collectibility based on a number of factors, including the customer’s past payment history and its current creditworthiness. If it is determined that collection of a fee is not reasonably assured, [the Company](#) defers the revenue and recognizes it at the time collection becomes reasonably assured, which is generally upon receipt of cash payment. If an acceptance period is required, revenue is recognized upon the earlier of customer acceptance or the expiration of the acceptance period.

System hardware sales

[The Company](#) recognizes revenue on system hardware sales generally upon shipment of the product or customer acceptance depending upon contractual arrangements with the customer. Shipping charges billed to customers are included in sales and the related shipping costs are included in cost of sales.

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Professional service revenue

Included in services and other revenues are revenues derived from implementation, maintenance and support [contracts](#), content development, software development and training. The majority of consulting and implementation services and accompanying agreements qualify for separate accounting. Implementation and content development services are bid either on a fixed-fee basis or on a time-and-materials basis. Substantially all of [the Company](#)'s [contracts](#) are on a time-and-materials basis. For time-and-materials [contracts](#), [the Company](#) recognizes revenue as services are performed. For fixed-fee [contracts](#), [the Company](#) recognizes revenue upon completion of specific contractual milestones or by using the percentage of completion method.

Software development services

Software development revenue is recognized monthly as services are performed per fixed fee contractual agreements.

Training and implementation

Training revenue is recognized when training is provided.

Maintenance and support [contracts](#)

Included in services and other revenues are revenues derived from maintenance and support. Maintenance and support consists of software updates and support. Software updates provide customers with rights to unspecified software product upgrades and maintenance releases and patches released during the term of the support period. Support includes access to technical support personnel for software and hardware issues.

Maintenance and support revenue is recognized ratably over the term of the maintenance [contract](#), which is typically one to three years. Maintenance and support is renewable by the customer. Rates for maintenance and support, including subsequent renewal rates, are typically established based upon a specified percentage of net license fees as set forth in the arrangement.

2. Restricted Cash

In conjunction with the lease agreement for office space entered into in April 2007, the Company has obtained a letter of credit to support the landlord's upfront investments totaling \$492,000. The letter of credit is collateralized by \$400,000 of cash held by the issuing bank. The collateral is reduced over time as the letter of credit is reduced. The term of the letter of credit is 31 months.

In connection with [the Company](#)'s bank's credit card program, [the Company](#) is required to maintain a cash balance of \$50,000.

3. Accounts Receivable

Accounts receivable are unsecured and stated at net realizable value and bad debts are accounted for using the allowance method. [The Company](#) performs credit evaluations of its customers' financial condition on an as-needed basis and generally requires no collateral. Payment is generally due 90 days or less from the invoice date and accounts past due more than 90 days are individually analyzed for collectibility. In addition, an allowance is provided for other accounts when a significant pattern of uncollectibility has occurred based on historical experience and management's evaluation of accounts receivable. When all collection efforts have been exhausted, the account is written off against the related allowance. The allowance for doubtful accounts was \$74,481 and \$23,500 at [June 30, 2007](#) and [December 31, 2006](#), respectively.

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4. Inventories

[The Company](#) records inventories using the lower of cost or market on a first-in, first-out (FIFO) method. Inventories consist principally of finished goods, product components and software licenses. Inventory reserves are established to reflect slow-moving or obsolete products. There were no inventory reserves at [June 30, 2007](#) and [December 31, 2006](#).

5. Basic and Diluted Loss per Common Share

Basic and diluted loss per common share for all periods presented is computed using the weighted average number of common shares outstanding. Basic weighted average shares outstanding include only outstanding common shares. Diluted net loss per common share is computed by dividing net loss by the weighted average common and potential dilutive common shares outstanding computed in accordance with the treasury stock method. Shares reserved for outstanding stock warrants and options are not considered in the computation of diluted loss per share for the periods presented because the impact of the incremental shares is antidilutive.

6. Accounting for Stock-Based Compensation

[The Company](#)'s Board of Directors has adopted the 2006 Equity Incentive Plan and the 2006 Non-Employee Director Stock Option Plan, each of which was approved by [the Company](#)'s shareholders in February 2007. Participants in the Equity Incentive Plan may include employees, officers, directors, consultants, or independent contractors who the compensation committee determines shall receive awards under the plan. The Equity Incentive Plan authorizes the grant of options to purchase common stock intended to qualify as incentive stock options under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), the grant of options that do not qualify as incentive stock options, restricted stock, restricted stock units, stock bonuses, stock appreciation rights, performance awards, dividend equivalents, warrants and other equity based awards. The number of shares of common stock originally reserved for issuance under the Equity Incentive Plan was 1,000,000 shares. The Non-Employee Director Stock Option Plan provides for the grant of options to members of [the Company](#)'s Board of Directors who are not employees of the Company or its [subsidiaries](#). The number of shares of common stock originally reserved for issuance under the Non-Employee Director Stock Option Plan was 510,000 shares.

As of [June 30, 2007](#), [the Company](#) had 170,007 shares available for issuance under the Equity Incentive Plan and 280,000 shares available for issuance under the Non-Employee Director Stock Option Plan. The Equity Incentive Plan expires on [March 30, 2016](#) and the Non-Employee Director Stock Option Plan expires on [April 14, 2016](#). Prior to the approval of the plans, [the Company](#) issued options to purchase 724,333 shares of [the Company](#)'s common stock under the Equity Incentive Plan and options to purchase 230,000 shares of [the Company](#)'s common stock under the Non-Employee Director Stock Option Plan. On the date the plans were approved, [the Company](#) determined the final fair value related to these options. In the first six months of 2007, [the Company](#) issued options to purchase 130,660 shares of [the Company](#)'s common stock to employees under the Equity Incentive Plan. Share-based compensation expenses were \$136,339 and \$156,105 for the quarters ended [June 30, 2007](#) and [2006](#), respectively, and \$732,359 and \$529,673 for the six months ended [June 30, 2007](#) and [2006](#), respectively. [The Company](#) estimates that an additional \$285,363 of share-based compensation will be recognized for the remainder of 2007.

The fair value of each award is estimated on the date of the grant using the Black-Scholes option-pricing model, assuming no expected dividends and the following assumptions:

	<u>2007 Grants</u>	<u>2006 Grants</u>
Expected volatility factors	97.0 to 97.2%	61.7%
Approximate risk free interest rates	5.0%	5.0%
Expected lives	3.45 to 3.75 Years	5 Years

[The Company](#) accounts for equity instruments issued for services and goods to non-employees under SFAS 123(R), "Share-Based Payment"; EITF 96-18, "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services"; and EITF 00-18, "Accounting Recognition for Certain Transactions Involving Equity Instruments Granted to Other Than

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Employees.” Generally, the equity instruments issued for services and goods are for shares of [the Company](#)’s common stock or warrants to purchase shares of [the Company](#)’s common stock. These shares or warrants generally are fully-vested, nonforfeitable and exercisable at the date of grant and require no future performance commitment by the recipient. [The Company](#) expenses the fair market value of these securities over the period in which the related services are received.

7. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant estimates of [the Company](#) are the allowance for doubtful accounts, deferred tax assets, deferred revenue, depreciable lives and methods of property and equipment, valuation of warrants and other stock-based compensation. Actual results could differ from those estimates.

NOTE B — CONCENTRATION OF CREDIT RISK

[The Company](#) maintains its cash balances with several financial institutions. At times, deposits may exceed federally insured limits.

A significant portion of [the Company](#)’s revenues are derived from a few customers. Customers with greater than 10% of total sales are represented on the following table:

Customer	Six Months Ended June 30, 2007	Year Ended December 31, 2006
A	72.4%	*
B	*	11.6%
C	*	15.9%
D	*	11.4%
	<u>72.4%</u>	<u>38.9%</u>

* Sales to this customer were less than 10% of total sales for the period reported.

Financial instruments which potentially subject [the Company](#) to concentrations of credit risk consist principally of accounts receivable. As of [June 30, 2007](#), a significant portion of the Company’s accounts receivable was concentrated with one customer. Customers with greater than 10% of total accounts receivable are represented on the following table:

Customer	June 30, 2007	December 31, 2006
A	75.6%	*
B	*	17.7%
C	*	13.1%
D	*	11.5%
E	*	11.4%
	<u>75.6%</u>	<u>53.7%</u>

* Accounts receivable from this customer were less than 10% of total accounts receivable for the period reported.

[Table of Contents](#)**NOTE C — INVENTORIES**

Inventories consisted of the following:

	<u>June 30,</u> <u>2007</u>	<u>December 31,</u> <u>2006</u>
Finished goods	\$175,301	\$ 158,051
Product components and supplies	76,806	97,799
	<u>\$252,107</u>	<u>\$ 255,850</u>

[The Company](#) has recorded lower of cost or market adjustments on certain finished goods, product components and supplies. [The Company](#) recorded expense of \$0 for the quarter ended [June 30, 2007](#) and \$37,410 during the year ended [December 31, 2006](#), respectively, related to this adjustment to cost of sales.

NOTE D — DEFERRED REVENUE

Deferred revenue consisted of the following:

	<u>June 30,</u> <u>2007</u>	<u>December 31,</u> <u>2006</u>
Deferred customer billings	\$277,488	\$ —
Deferred maintenance	118,429	149,555
Customer deposits	55,052	53,316
	<u>\$450,968</u>	<u>\$ 202,871</u>

During the three months ended [March 31, 2007](#), [the Company](#) billed initial deposits for \$832,167 for new business. [The Company](#) recognized \$554,679 of the \$832,167 of deposits during the three months ended [June 30, 2007](#) when all elements of [the Company](#)'s revenue recognition policy were met. [The Company](#) will recognize the remaining balance upon completion of the projects.

NOTE E — ACCRUED LIABILITIES

Accrued liabilities consisted of the following:

	<u>June 30,</u> <u>2007</u>	<u>December 31,</u> <u>2006</u>
Compensation	\$243,300	\$ 347,083
Deferred gain on sale leaseback	10,968	30,241
Sales tax and other	83,914	17,373
	<u>\$338,182</u>	<u>\$ 394,697</u>

During 2004, [the Company](#) entered into a sale-leaseback transaction relating to certain of its property and equipment. The transaction resulted in a gain of \$78,973. [The Company](#) deferred this gain and is recognizing it ratably over the three year term of the lease.

NOTE F – TERMINATION OF PARTNERSHIP AGREEMENT

On [February 13, 2007](#), [the Company](#) terminated the strategic partnership agreement with Marshall by signing a Mutual Termination, Release and Agreement. By entering into the Mutual Termination, Release and Agreement, [the Company](#) regained the rights to directly control its sales and marketing process within the gaming industry and will obtain increased margins in all future digital signage sales in such industry. Pursuant to the terms of the mutual Termination, Release and Agreement, [the Company](#) paid Marshall \$653,995 in consideration of the termination of all of Marshall's rights under the strategic partnership agreement and in full satisfaction of any future obligations to Marshall under the strategic partnership agreement. The termination payment of \$653,995 was recognized as a charge to [the Company](#)'s first quarter 2007 earnings. Pursuant to the Mutual Termination, Release and Agreement, [the Company](#) will pay

Marshall a fee in connection with sales of [the Company](#)'s software and hardware to customers, distributors and resellers for use exclusively in the ultimate operations of or for use in a lottery ("*End Users*"). Under such agreement, the Company will pay Marshall (i) 30% of the net invoice price for the sale of [the Company](#)'s software to End Users, and (ii) 2% of the net invoice price for sale of hardware to End Users, in each case collected by [the Company](#) on or before [February 12, 2012](#), with a minimum payment of \$50,000 per year for the first three years. Marshall will pay 50% of the costs and expenses incurred by [the Company](#) in relation to any test installations involving sales or prospective sales to End Users.

[Table of Contents](#)**NOTE G — SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION**

	Six Months Ended June 30, 2007	Six Months Ended June 30, 2006
Cash paid for:		
Interest	\$ 20,515	\$ 243,317
Noncash Investing and Financing Activities:		
Common stock issued for notes payable		
Related parties	—	202,645
Warrants issued for notes payable:		
Related parties	—	268,873
Non-related parties	—	942,125
Beneficial conversion of short-term notes payable	—	749,991
Conversion of accrued interest into long-term notes payable	—	7,500
Non-cash purchase of fixed assets through capital lease	—	5,910

NOTE H — FOLLOW-ON OFFERING

On [June 19, 2007](#), [the Company](#) sold 4,290,000 shares and a selling shareholder of [the Company](#) sold 1,000,000 shares of [the Company](#)'s common stock at \$7.00 per share pursuant to a registration statement on Form SB-2, which was declared effective by the SEC on [June 13, 2007](#). [The Company](#) obtained approximately \$27.3 million in net proceeds as a result of this follow-on offering.

NOTE I — SUBSEQUENT EVENT

On [August 1, 2007](#), [the Company](#) and Robert Whent, Alan Buterbaugh and Marlene Buterbaugh (collectively, the “*Sellers*”) entered into a Stock Purchase Agreement which provides for the Company’s purchase of all of the Sellers’ stock in holding companies that own McGill Digital Solutions, Inc. (“*McGill*”), based in Windsor, Ontario, Canada. McGill is a provider of custom interactive software solutions used primarily for e-learning and digital signage applications. Most of McGill’s revenue is derived from products and solutions provided to the automotive industry.

[The Company](#) has agreed to acquire the shares from the Sellers for an aggregate cash consideration of \$3,000,000 (CAD), subject to potential adjustments, and 50,000 shares of the Company’s common stock. In addition, [the Company](#) will pay earn-out consideration to the Sellers of up to \$1,000,000 (CAD) and 50,000 shares of [the Company](#)'s common stock if earn-out criteria are met. The earn-out criteria for 2007 are at least \$4,100,000 (CAD) gross sales and a gross margin equal to or greater than 50%. If the 2007 earn-out criteria are met, 25% of the earn-out consideration would be paid. The earn-out consideration for 2008 consists of gross sales of at least \$6,900,000 (CAD) and a gross margin equal to or greater than 50% which, if achieved, would allow the Sellers to earn the remainder of the earn-out consideration.

The transaction is expected to close in August 2007. Upon closing of the transaction, the holding companies acquired from the Sellers and McGill will be amalgamated into one wholly-owned subsidiary of [the Company](#). Closing of the transaction is subject to customary closing conditions.

On [July 9, 2007](#) [the Company](#) moved from its existing office space to a new location. During the quarter ended [September 30, 2007](#), [the Company](#) plans to recognize a liability for costs that will continue to be incurred under its operating lease that terminates in November 2009. The Company estimates the fair value of the liability at the cease-use date of [July 9, 2007](#) as remaining base rent, reduced by estimated sublease rentals to be approximately \$100,000.

[Table of Contents](#)**ITEM 2 Management's Discussion and Analysis or Plan of Operation****Forward-Looking Statements**

The following discussion contains various forward-looking statements within the meaning of Section 21E of the Exchange Act. Although we believe that, in making any such statement, our expectations are based on reasonable assumptions, any such statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. When used in the following discussion, the words "anticipates," "believes," "expects," "intends," "plans," "estimates" and similar expressions, as they relate to us or our management, are intended to identify such forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from those anticipated. Factors that could cause actual results to differ materially from those anticipated, certain of which are beyond our control, are set forth in this document and in our Annual Report on Form 10-KSB for the fiscal year ended [December 31, 2006](#), under the caption "Management's Discussion and Analysis or Plan of Operation — Cautionary Statement."

Our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking statements. Accordingly, we cannot be certain that any of the events anticipated by forward-looking statements will occur or, if any of them do occur, what impact they will have on us. We caution you to keep in mind the cautions and risks described in this document and in our Cautionary Statement and to refrain from attributing undue certainty to any forward-looking statements, which speak only as of the date of the document in which they appear. We do not undertake to update any forward-looking statement.

Overview

Wireless Ronin Technologies, Inc. is a Minnesota corporation that has designed and developed application-specific wireless business solutions. We provide dynamic digital signage solutions targeting specific retail and service markets. We have designed and developed RoninCast, a proprietary content delivery system that manages, schedules and delivers digital content over a wireless or wired network. The solutions, the digital alternative to static signage, provide customers with a dynamic and interactive visual marketing system designed to enhance the way they advertise, market and deliver their messages to targeted audiences. We sell our products throughout North America. As of [June 30, 2007](#), we had an accumulated deficit of \$37,463,989.

Significant Accounting Policies and Estimates

See "Notes to Unaudited Financial Statements – Note A – Summary of Significant Accounting Policies."

Three and Six Months Ended [June 30, 2007](#) Compared to Three and Six Months Ended [June 30, 2006](#)

Our results of operations and changes in certain key statistics for the three and six months ended [June 30, 2007](#) and [2006](#) were as follows:

	Three Months Ended			Six Months Ended		
	June 30, 2007	June 30, 2006	Increase (Decrease)	June 30, 2007	June 30, 2006	Increase (Decrease)
Sales	\$ 3,054,863	\$ 332,660	\$2,722,203	\$ 3,251,299	\$ 934,226	\$ 2,317,073
Cost of Sales	1,873,024	206,743	1,666,281	1,976,287	433,933	1,542,354
Gross Profit	1,181,839	125,917	1,055,922	1,275,012	500,293	774,719
Sales and marketing expenses	653,526	347,913	305,613	1,278,175	778,817	499,358

Research and development expenses	257,858	196,935	60,923	507,289	430,540	76,749
General administrative expenses	1,519,218	749,618	769,600	3,275,807	1,741,928	1,533,879
Termination of partnership agreement	—	—	—	653,995	—	653,995
Operating expenses	<u>2,430,602</u>	<u>1,294,466</u>	<u>1,136,136</u>	<u>5,715,266</u>	<u>2,951,285</u>	<u>2,763,981</u>
Operating loss	(1,248,763)	(1,168,549)	(80,214)	(4,440,254)	(2,450,992)	(1,989,262)
Other income (expenses):						
Interest expense	(9,634)	(868,113)	858,479	(20,515)	(1,347,196)	1,326,681
Loss on debt modification	—	(195,199)	195,199	—	(367,153)	367,153
Interest income	278,686	6,284	272,402	431,984	6,488	425,496
Other	—	(74)	74	(1,491)	559	(2,050)
	<u>269,052</u>	<u>(1,057,102)</u>	<u>1,326,154</u>	<u>409,978</u>	<u>(1,707,302)</u>	<u>2,117,280</u>
Net loss	<u>\$ (979,711)</u>	<u>\$(2,225,651)</u>	<u>\$1,245,940</u>	<u>\$(4,030,276)</u>	<u>\$(4,158,294)</u>	<u>\$ 128,018</u>

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Sales

Our sales increased by \$2,722,203 and \$2,317,073 for the three and six months ended [June 30, 2007](#), compared to the same periods in the prior year. The increases in revenue were due primarily to the timing of orders and the timing of satisfaction of all elements required for revenue recognition. In the second quarter of 2007, we recognized previously deferred revenue of \$554,679 for projects billed but not completed as of [March 31, 2007](#). In the first quarter of 2006, we recognized previously deferred revenue of \$236,000 for a restaurant industry license as a result of signing a new agreement with the customer in March 2006.

Cost of Sales

Our cost of sales increased by \$1,666,281 and \$1,542,355 for the three and six months ended [June 30, 2007](#) compared to the same periods in the prior year. The increases in cost of sales were a direct result of the increase in revenue during the first and second quarters of 2007.

Operating Expenses

Our operating expenses increased by \$1,136,136 and \$2,763,981 for the three and six months ended [June 30, 2007](#) compared to the same periods in the prior year. The two largest factors in these increases were the termination of a partnership agreement for \$653,995 in the first quarter of 2007 and salaries and related costs totaling \$516,162 and \$854,488 for the three and six months ended [June 30, 2007](#) directly related to our increase in headcount from 30 to 59 associates. We also increased our advertising costs by \$74,187 and \$223,583 for such periods, respectively, as a result of tradeshow participation and the continued marketing of RoninCast. Our expenses also increased due to higher professional fees of \$319,761 and \$442,365 for the three and six months ended [June 30, 2007](#), largely due to the expense of being a public entity and growth of our business.

On [February 13, 2007](#), we terminated a strategic partnership agreement with Marshall Special Assets Group, Inc., a company that provides financing services to the Native American gaming industry, by signing a Mutual Termination, Release and Agreement. We paid \$653,995 in consideration of the termination of all rights under the strategic partnership agreement and in full satisfaction of any further obligations under the strategic partnership agreement. Going forward, we will pay a fee in connection with sales of our software and hardware to customers, distributors and resellers for use exclusively in the ultimate operations of or for use in a lottery (“*End Users*”). Under such agreement, we will pay a percentage of the net invoice price for the sale of our software and hardware to End Users, in each case collected by us on or before [February 12, 2012](#), with a minimum annual payment of \$50,000 for three years. We will be reimbursed for 50% of the costs and expenses incurred by us in relation to any test installations involving sales or prospective sales to End Users.

Interest Expense

Interest expense decreased by \$858,479 and \$1,326,681 for the three and six months ended [June 30, 2007](#) compared to the same periods in the prior year. The decreases in interest expense were due to lower debt levels in the first two quarters of 2007 from the first two quarters of 2006. We either converted or paid off all outstanding debt as of [December 31, 2006](#), with the exception of capital leases.

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Interest Income

Interest income increased by \$272,402 and \$425,496 for the three and six months ended [June 30, 2007](#) compared to the same periods in the prior year. The increases in interest income were due to significantly higher cash balances as a result of our initial public offering in November 2006 and the follow-on offering we closed on [June 19, 2007](#).

Liquidity and Capital Resources

Operating Activities

We do not currently generate positive cash flow. Our investments in infrastructure have been greater than sales generated to date. As of [June 30, 2007](#), we had an accumulated deficit of \$37,463,989. The cash flow used in operating activities was \$3,713,085 and \$1,769,210 for the six months ended [June 30, 2007](#) and [2006](#), respectively. Based on our current expense levels, we anticipate that our cash will be adequate to fund our operations for the next twelve months.

Investing Activities

Using a portion of the net proceeds from our public offerings (described below), we purchased \$8,899,483 and sold \$9,517,167 of marketable securities during the six months ended [June 30, 2007](#). Such marketable securities consisted of debt securities issued by federal government agencies with maturity dates in 2007.

Financing Activities

We have financed our operations primarily from sales of common stock, exercise of warrants, and the issuance of notes payable to vendors, shareholders and investors. For the six months ended [June 30, 2007](#) and [2006](#), we generated \$27,244,473 and \$2,006,408 from these activities, respectively.

On [June 19, 2007](#), we sold 4,290,000 shares and a selling shareholder sold 1,000,000 shares of our common stock at \$7.00 per share pursuant to a registration statement on Form SB-2, which was declared effective by the SEC on [June 13, 2007](#). We obtained approximately \$27.3 million in net proceeds as a result of this follow-on offering.

In April 2007, we deposited \$400,000 cash in a bank as collateral for a letter of credit issued to support the landlord's upfront investments totaling \$492,000 in connection with a new lease for office space. The collateral is reduced over time as the letter of credit is reduced. The term of the letter of credit is 31 months.

On [April 17, 2007](#), we invested \$50,000 in a bank certificate of deposit that was required for our bank's credit card program. This cash is classified as restricted cash on our balance sheet.

As of [June 30, 2007](#), we did not have any significant debt, with the exception of capital leases. We plan to use our available cash to fund operations, which includes the continued development of our products, infrastructure and attraction of customers.

On [March 23, 2007](#), we contracted with an outside consulting firm to provide implementation assistance in connection with a new accounting system, customer relationship management software, and Sarbanes-Oxley documentation and testing. During the second quarter of 2007, we expanded our scope of services and anticipate these services will cost approximately \$300,000.

We believe we can continue to develop our sales to a level at which we will become cash flow positive. Based on our current expense levels and existing capital resources, we anticipate that our cash will be adequate to fund our operations for the next twelve months.

[Table of Contents](#)**2007 Outlook**

We have been advised by NewSight Corporation, our largest customer during the first six months of 2007, that NewSight has re-prioritized various elements of its planned digital signage system implementations. In particular, NewSight has delayed the rollout of network installations into large, upscale malls, and the launch, installation and operation of digital signage networks in physicians' offices throughout the U.S. As a new top digital signage priority for NewSight, we have entered into an agreement to provide digital signage to a large grocery store chain in the mid-Atlantic region. In particular, we will retrofit their existing network and newly configure approximately 75 stores. NewSight plans to allocate certain equipment purchased from us during the second quarter of 2007 for these installations. Despite the addition of the grocery store chain installations, NewSight's re-prioritization of pending projects will negatively impact our 2007 revenue from NewSight. However, our continued focus on other customer opportunities and the implementation of other customers' digital signage systems, prompts us to maintain our full year sales guidance in the range of \$18 million to \$21 million. We also continue to target our gross margin at 40% or higher.

Contractual Obligations*Operating and Capital Leases*

We lease certain equipment under three capital lease arrangements. The leases require monthly payments in the aggregate of \$11,443, including interest imputed at 16% to 22% per year through December 2009.

We lease approximately 8,610 square feet of office and warehouse space under a five-year operating lease that extends through [November 30, 2009](#). The monthly lease obligation is currently \$6,237 and adjusts annually with monthly payments increasing to \$6,560 in August 2009. We are currently attempting to sub-lease this facility. In addition, we lease additional warehouse space of approximately 2,160 square feet. This lease expires in September 2007 and has a monthly payment obligation of \$1,350.

On [April 26, 2007](#), we entered into a lease arrangement for office space. The lease commenced [July 9, 2007](#). The lease is for 67 months for approximately 19,000 square feet located in Minnetonka, Minnesota. The lease contains financial terms that adjust over time and extends through January 2013.

We lease equipment under a non-cancelable operating lease that requires monthly payments of \$441 through December 2008.

The following table summarizes our obligations under contractual agreements as of [June 30, 2007](#) and the time frame within which payments on such obligations are due.

Contractual Obligations	Payments due by period				
	Total	Less than One Year	One to Three Years	Three to Five Years	More than Five Years
Capital lease obligations, including interest	\$ 253,575	\$ 137,305	\$ 116,270	\$ —	\$ —
Operating lease obligations	\$1,080,853	\$ 152,316	\$ 456,530	\$ 364,218	\$107,789
Total obligations	\$1,334,428	\$ 289,621	\$ 572,800	\$ 364,218	\$107,789

Based on our working capital position at [June 30, 2007](#), we believe we have sufficient working capital to meet our current obligations.

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Off-Balance Sheet Arrangements

Other than as set forth above in “*Overview – Restricted Cash*” and “*Contractual Obligations*,” we do not have any off-balance sheet arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Recent Accounting Pronouncements

In July 2006, the Financial Accounting Standards Board (“FASB”) issued FASB Interpretation No. 48, “*Accounting for Uncertainty in Income Taxes*,” (“FIN 48”) an interpretation of FASB Statement No. 109, “*Accounting for Income Taxes*.” FIN 48 requires that a position taken or expected to be taken in a tax return be recognized in the financial statements when it is more likely than not (i.e. a likelihood of more than 50%) that the position would be sustained upon examination by tax authorities. A recognized tax position is then measured at the largest amount of benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. FIN 48 also requires expanded disclosures including identification of tax positions for which it is reasonably possible that total amounts of unrecognized tax benefits will significantly change in the next 12 months, a description of tax years that remain subject to examination by a major tax jurisdiction, a tabular reconciliation of the total amount of unrecognized tax benefits at the beginning and end of each annual reporting period, the total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate and the total amounts of interest and penalties recognized in the statements of operations and financial position. FIN 48 is effective for public companies for fiscal years beginning after [December 15, 2006](#). Effective [January 1, 2007](#), we adopted FIN 48. Upon adoption, there were no unrecognized income tax benefits and the adoption of FIN 48 had no effect on shareholders’ equity. We do not expect any material change or liability associated with uncertain tax positions through [December 31, 2007](#). We recognize accrued interest and penalties related to uncertain tax positions in income tax expense. At [January 1, 2007](#), we had no accruals for the payment of tax related interest and there were no tax interest or penalties recognized in the statement of operations. Our federal and state tax returns are potentially open to examinations for years 2003-2006.

In February 2007, the FASB issued SFAS No. 159, “*The Fair Value Option for Financial Assets and Financial Liabilities-Including an Amendment of FASB Statement No 115*.” SFAS No. 159 permits an entity to choose to measure many financial instruments and certain other items at fair value. Most of the provisions of SFAS No. 159 are elective; however, the amendment of SFAS No. 115, “*Accounting for Certain Investments in Debt and Equity Securities*,” applies to all entities with available-for-sale or trading securities. For financial instruments elected to be accounted for at fair value, an entity will report the unrealized gains and losses in earnings. SFAS No. 159 is effective for fiscal years beginning after [November 15, 2007](#). We are currently assessing the impact SFAS No. 159 will have on our financial statements.

Quantitative and Qualitative Disclosures about Market Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash and cash equivalents, marketable securities, and accounts receivables. We maintain our accounts for cash and cash equivalents and marketable securities principally at one major bank. We invest our available cash in United States government securities and money market funds. We have not experienced any losses on our deposits of our cash, cash equivalents, and marketable securities.

We currently have outstanding \$213,139 of capital lease obligations at a fixed interest rate. We do not believe our operations are currently subject to significant market risks for interest rates or other relevant market price risks of a material nature.

Subsequent Event

On [August 1, 2007](#), [our company](#) and Robert Whent, Alan Buterbaugh and Marlene Buterbaugh entered into a Stock Purchase Agreement which provides for our purchase of all of the Sellers’ stock in holding companies that own McGill Digital Solutions, Inc., based in Windsor, Ontario, Canada. McGill is a provider of custom

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interactive software solutions used primarily for e-learning and digital signage applications. Most of McGill's revenue derives from products and solutions provided to the automotive industry.

We agreed to acquire the shares from the Sellers for an aggregate cash consideration of \$3,000,000 (CAD), subject to potential adjustments, and 50,000 shares of our common stock. In addition, we will pay earn-out consideration to the Sellers of up to \$1,000,000 (CAD) and 50,000 shares of our common stock if earn-out criteria are met. The earn-out criteria for 2007 are at least \$4,100,000 (CAD) gross sales and a gross margin equal to or greater than 50%. If the 2007 earn-out criteria are met, 25% of the earn-out consideration would be paid. The earn-out consideration for 2008 consists of gross sales of at least \$6,900,000 (CAD) and a gross margin equal to or greater than 50% which, if achieved, would allow the Sellers to earn the remainder of the earn-out consideration.

The transaction is expected to close in August 2007. Upon closing of the transaction, the holding companies acquired from the Sellers and McGill will be amalgamated into one wholly-owned subsidiary of [our company](#). Closing of the transaction is subject to customary closing conditions.

ITEM 3 Controls and Procedures

Disclosure Controls and Procedures

We maintain a system of disclosure controls and procedures that is designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, as of [June 30, 2007](#), our disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended [June 30, 2007](#), that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II OTHER INFORMATION

ITEM 1 Legal Proceedings

Not applicable.

ITEM 2 Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities during the Second Quarter of 2007

On [April 6, 2007](#), a former employee who held (a) a seven-year warrant for the purchase of 5,555 shares of common stock at \$0.45 per share, (b) a seven-year warrant for the purchase of 5,444 shares of common stock at \$2.25 per share, and (c) a seven-year warrant for the purchase of 4,944 shares of common stock at \$2.25 per share, exercised these warrants. We obtained gross proceeds of an aggregate of \$25,873 in connection with these warrant exercises.

On [April 17, 2007](#), a former employee exercised an option to purchase 1,000 shares at \$6.02 per share. We obtained gross proceeds of \$6,020 in connection with this option exercise.

On [April 18, 2007](#), an accredited investor who held a seven-year warrant for the purchase of 10,000 shares of common stock at \$3.20 per share exercised such warrant. We obtained gross proceeds of \$32,000 in connection with this warrant exercise.

On [May 29, 2007](#), an accredited investor who held a seven-year warrant for the purchase of 47,587 shares of common stock at \$3.20 per share exercised such warrant. We obtained gross proceeds of \$152,278 in connection with this warrant exercise.

On [June 19, 2007](#), an accredited investor who held a seven-year warrant for the purchase of 20,000 shares of common stock at \$3.20 per share exercised such warrant. We obtained gross proceeds of \$64,000 in connection with this warrant exercise.

On [June 28, 2007](#), four accredited investors who each held a seven-year warrant for the purchase of 10,000 shares of common stock at \$3.20 per share exercised such warrants. We obtained gross proceeds of an aggregate of \$128,000 in connection with these warrant exercises.

The proceeds of each of the foregoing exercises were applied to working capital for general corporate purposes.

The foregoing issuances were made in reliance upon the exemption provided in Section 4(2) of the Securities Act and/or the safe harbor of Rule 506 under Regulation D. The certificates representing such securities contain restrictive legends preventing sale, transfer or other disposition, unless registered under the Securities Act. The recipients of such securities received, or has access to, material information concerning [our company](#), including, but not limited to, our periodic reports and current reports, as filed with the SEC. Except as set forth above, no discount or commission was paid in connection with the issuance of shares upon the exercise of such options or and warrants.

Use of Proceeds

The SEC declared our registration statement filed on Form SB-2 under the Securities Act (File No. [333-136972](#)) effective on [November 27, 2006](#), in connection with the initial public offering of our common stock, \$.01 par value per share.

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As of [June 30, 2007](#), we had applied the net proceeds we received from the offering as follows:

Net Proceeds	\$18,356,047
Repayment of Outstanding Debt and Accrued Interest	1,757,276
Inventory and Product Delivery Costs	2,474,731
Sales and Marketing	1,442,764
Research and Development	590,821
Maintain Facilities, including Lease Obligations	148,075
Management Compensation	288,301
Working Capital	<u>3,707,396</u>
Remaining Net Proceeds at June 30, 2007	<u>\$ 7,946,683</u>

As of [June 30, 2007](#), we held the remaining net proceeds in cash and cash equivalents.

ITEM 3 Defaults upon Senior Securities

Not applicable.

ITEM 4 Submission of Matters to a Vote of Security Holders

Not applicable.

ITEM 5 Other Information

Not applicable.

ITEM 6 Exhibits

See "[Index to Exhibits.](#)"

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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.

WIRELESS RONIN TECHNOLOGIES, INC.

Date: [August 13, 2007](#)

By: /s/ [John A. Witham](#)

John A. Witham

Executive Vice President and Chief Financial
Officer

[Table of Contents](#)**INDEX TO EXHIBITS**

<u>Exhibit Number</u>	<u>Description</u>
3.1	Articles of Incorporation , as amended of the Registrant (incorporated by reference to Pre-Effective Amendment No. 1 to our Registration Statement on Form SB-2 filed on October 12, 2006 (File No. 333-136972)).
3.2	Bylaws , as amended of the Registrant (incorporated by reference to our Registration Statement on Form SB-2 filed on August 29, 2006 (File No. 333-136972)).
4.1	Reference is made to Exhibits 3.1 and 3.2.
4.2	Specimen form of common stock certificate of the Registrant (incorporated by reference to Pre-Effective Amendment No. 1 to our Registration Statement on Form SB-2 filed on October 12, 2006 (File No. 333-136972)).
10.1	Lease Agreement with Utah State Retirement Investment Fund, effective July 9, 2007 (incorporated by reference to our Current Report on Form 8-K (File No. 001-33169) filed on April 30, 2007).
10.2	Underwriting Agreement by and between the Registrant , ThinkEquity Partners, LLC and Feltl and Company, Inc., as Representatives of the several underwriters dated June 13, 2007 (incorporated by reference to our Registration Statement on Form SB-2 (File No. 333-143725) filed on June 14, 2007).
31.1	Chief Executive Officer Certification, pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Chief Financial Officer Certification, pursuant to Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Chief Executive Officer Certification, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Chief Financial Officer Certification, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Dates Referenced Herein and Documents Incorporated by Reference

<u>This 10QSB Filing</u>	<u>Date</u>	<u>Other Filings</u>
	6/30/06	
	8/29/06	SB-2
	10/12/06	SB-2/A

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