

GLOBAL EAGLE ENTERTAINMENT INC.

FORM 8-K (Current report filing)

Filed 12/13/16 for the Period Ending 12/13/16

Address	4553 GLENCOE AVENUE LOS ANGELES, CA 90292
Telephone	310-437-6000
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Symbol	ENT
SIC Code	4899 - Communications Services, Not Elsewhere Classified
Industry	Broadcasting
Sector	Consumer Cyclical
Fiscal Year	12/31

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

FORM 8-K

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

Date of Report (Date of earliest event reported): December 13, 2016

GLOBAL EAGLE ENTERTAINMENT INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35176
(Commission
File Number)

27-4757800
(IRS Employer
Identification No.)

4553 Glencoe Avenue, Suite 300, Los Angeles, California 90292
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: 310-437-6000

Not Applicable
(Former name or former address, if changed since last report)

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 (see General Instruction A.2. below):

- 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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Item 7.01. Regulation FD Disclosure.

On December 14, 2016 at 8:30 a.m. Eastern time, as previously announced, Global Eagle Entertainment Inc. (“we,” the “Company” or “GEE”) will host a webcast regarding its entry into a new supply and services agreement with Southwest Airlines Co. and related details.

We have furnished herewith as Exhibit 99.1 a copy of the presentation that the Company will reference on that webcast.

Exhibit 99.1 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

We incorporate by reference herein the Exhibit Index following the signature page to this Current Report on Form 8-K.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GLOBAL EAGLE ENTERTAINMENT INC.

By: /s/ Tom Severson

Name: Tom Severson

Title: Chief Financial Officer

Dated: December 13, 2016

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation.



Aviation Connectivity Update

December 14, 2016

Safe Harbor Statement

We make forward-looking statements in this presentation within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be preceded by, followed by or include the words “may,” “might,” “will,” “will likely result,” “should,” “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “continue,” “target” or similar expressions. These forward-looking statements are based on information available to us as of the date they were made, and involve a number of risks and uncertainties which may cause such statements to turn out to be wrong, such as (i) our ability to maintain the necessary systems and infrastructure to satisfy minimum service and network performance requirements, (ii) changes in demand for our products and services by Southwest’s customers, (iii) the ability of Southwest to terminate the New Southwest Agreement prior to the expiration of the term, (iv) the extent to which Southwest uses a second-source supplier for its connectivity systems and/or elects to de-install our equipment from its aircraft and the effect of such second-source supplier and/or de-installations on our financial results, (v) our ability to achieve and capitalize on additional revenue opportunities relating to ancillary hardware, portal and engineering services for Southwest, and (vi) our ability to consummate the transponder purchase on the contemplated terms or at all. Accordingly, forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they are made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. A detailed discussion of risks and uncertainties related to GEE’s business is included in the section entitled “Risk Factors” in our most recent Annual Report on Form 10-K and subsequently filed Quarterly Reports on Form 10-Q.



Southwest Contract Extension

GEE and Southwest (“SWA”) have entered into new contract

- Term extension from 2020 to 2025
- GEE installations continue into at least 2018 on Boeing 737NG and 737 MAX aircraft; GEE’s fleet at SWA is largest satellite Wi-Fi equipped fleet in the world, and growing
- Full-term commitment for live television
- New capacity and patented technology for industry-leading passenger experience
- Transition to monthly recurring charge with additional ancillary services from 3Q 2017
- Adoption of GEE’s next-generation portal platform and other new services
- New agreement limits downside risk and allows competition for future aircraft
- SWA decided on multi-vendor model as number of Wi-Fi-equipped aircraft grow and passenger expectations increase



Southwest Contract Extension

Change in revenue model

- From 3Q 2017, model transitions to predictable monthly recurring charge per aircraft
 - Includes both Wi-Fi and television services
 - Upside from additional engineering services, hardware, and advertising
- Preserves GEE economics for the foreseeable future

GEE has agreed in principle to terms for a major transponder purchase to support SWA

- Greatly enhances connectivity experience
- Outstanding economics per megahertz improves margins
- Transponder investment plus other capacity additions will support enhanced performance on SWA fleet in years ahead



Southwest Contract Extension

“We are pleased to extend and grow our relationship, including continuing to install GEE's Airconnect system, Wi-Fi and television services on Southwest Airlines aircraft. We're committed to continuously improving the inflight connectivity experience for Southwest's passengers with our next-generation high performance network, our live television portfolio, and our new passenger experience platform. Global Eagle's new agreement and contract extension with Southwest Airlines highlights our long-term commitment to enhancing inflight entertainment and connectivity.”

- Dave Davis, GEE CEO

“In mid-2017, Customers will be able to browse the Internet at increased speeds as a result of an expected bandwidth increase of at least three times more than what they currently experience, with an additional expected bandwidth increase in mid-2018.”

- Southwest Press Release
December 13, 2016



Question & Answer

