

J2 GLOBAL, INC.

FORM 8-K (Current report filing)

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Address	6922 HOLLYWOOD BLVD LEGAL DEPT - 5TH FLOOR LOS ANGELES, CA, 90028
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Sector	Telecommunication Services
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**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) October 12, 2017

j2 Global, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

0-25965
(Commission
File Number)

47-1053457
(IRS Employer
Identification No.)

6922 Hollywood Blvd.
Suite 500
Los Angeles, California 90028
(Address of principal executive offices)

(323) 860-9200
(Registrant's telephone number, including area code)

(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

On October 5, 2017, j2 Global, Inc. (the “Company”) completed the sale of Tea Leaves Health, LLC (“Tea Leaves”), a subsidiary of Everyday Health, Inc., for a purchase price of approximately \$90 million (subject to valuation) consisting of a combination of cash and various equity securities.

In light of the divestiture of Tea Leaves, and the additional divestitures of Cambridge BioMarketing LLC, another subsidiary of Everyday Health, Inc., and Web24, the Company’s Australian hosting business, the Company issued a press release today (the “Press Release”) announcing, among other things, an adjustment to its revenue guidance for fiscal year 2017.

A copy of the Press Release is furnished as Exhibit 99.1 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated October 12, 2017.

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such forward-looking statements are subject to numerous assumptions, risks and uncertainties that could cause actual results to differ materially from those described in such statements. Such forward-looking statements are based on management’s expectations or beliefs as of October 12, 2017. Factors that might cause such differences include, but are not limited to, a variety of economic, competitive, and regulatory factors, many of which are beyond the Company’s control and are described in the Company’s Annual Report on Form 10-K filed by the Company on March 1, 2017 with the Securities and Exchange Commission (the “SEC”) and the other reports the Company files from time to time with the SEC. The Company undertakes no obligation to revise or publicly release any updates to such statements based on future information or actual results.

INDEX TO EXHIBITS

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99.1	Press Release dated October 12, 2017.

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.

j2 Global, Inc.
(Registrant)

Date: October 12, 2017

By: /s/ Jeremy Rossen

Jeremy Rossen
Vice President and General Counsel

j2 Global Completes Two Acquisitions in Q3 2017; Announces Two Additional Divestitures; Updates 2017 Guidance

LOS ANGELES—(BUSINESS WIRE)— j2 Global, Inc. (NASDAQ: JCOM), the global provider of Internet services and digital media, announced today that the Company completed two acquisitions in the third quarter of 2017, spanning two business units and two countries.

The acquisitions listed below grow the Company’s global customer base, provide access to new markets and expand j2’s product lineup. The acquisitions include:

backupsonline	Cloud – Backup (The Netherlands)
StreamSend	Cloud – Email Marketing (USA)

Terms of the individual acquisitions were not disclosed, and the financial impact to j2 is not expected to be material with respect to those acquisitions.

As previously announced, j2 sold Cambridge BioMarketing LLC, a subsidiary of Everyday Health, Inc. In addition, j2 announced that it has sold Web24, its Australian hosting business, and Tea Leaves Health, LLC, a subsidiary of Everyday Health, Inc.

In light of the three divestitures described above, which reduce the Company’s revenue by approximately \$23 million in the second half of the year, j2 announced that it is adjusting its revenue guidance for fiscal year 2017 as follows: for fiscal 2017, j2 estimates that it will achieve revenues between \$1.107 billion and \$1.147 billion. j2 reaffirms its Adjusted non-GAAP earnings per diluted share of between \$5.60 and \$6.00.

Adjusted non-GAAP earnings per diluted share for 2017 excludes share-based compensation of between \$21 million and \$23 million, amortization of acquired intangibles and the impact of any currently unanticipated items, in each case net of tax. The increase in share-based compensation is due to the recent announcement of Hemi Zucker’s retirement from j2 and the expected acceleration of equity related thereto.

It is anticipated that the non-GAAP effective tax rate for 2017 (exclusive of the release of reserves for uncertain tax positions) will be between 28.5% and 30.5%.

The Company has not reconciled the Adjusted non-GAAP earnings per diluted share and tax rate guidance included in this release to the most directly comparable GAAP measure because this cannot be done without unreasonable effort due to the variability with respect to costs related to acquisitions and taxation, which are potential adjustments to future earnings. We expect the variability of these items to have a potentially unpredictable and significant impact on our future GAAP financial results.

About j2 Global

j2 Global, Inc. (NASDAQ: JCOM) provides Internet services through two segments: Business Cloud Services and Digital Media. The Business Cloud Services segment offers Internet fax, virtual phone, unified communications, hosted email, email marketing, online backup and CRM solutions. It markets its services principally under the brand names eFax[®], eVoice[®], Onebox[®], FuseMail[®], Campaigner[®], KeepItSafe[®], Livedrive[®] and LiveVault[®], and operates a messaging network spanning 50 countries on six continents. The Digital Media segment offers technology, gaming, lifestyle and healthcare content through its digital properties, which include PCMag, IGN, AskMen, Speedtest, Offers, ExtremeTech, Geek, Toolbox, Techbargains, emedia, Salesify, Everyday Health and others. As of December 31, 2016, j2 had achieved 21 consecutive fiscal years of revenue growth. For more information about j2, please visit www.j2global.com.

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