

Transcript of
Issuer Direct Corporation
Q3 2022 Earnings Conference Call
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Participants

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation
Tim Pitoniak - Chief Financial Officer, Issuer Direct Corporation

Analysts

Mike Grondahl - Northland Securities
Luke Horton - Northland Securities

Presentation

Operator

Thank you for standing by, and welcome to the Issuer Direct Corporation Third Quarter 2022 Earnings Conference Call. Today's call will be conducted by the company's Founder and Chief Executive Officer, Brian Balbirnie; and its Chief Financial Officer, Tim Pitoniak.

Before I turn the call over to Mr. Brian Balbirnie, I'd like to read you the company's abbreviated safe harbor statements. I'd like to remind you that statements made in this conference call concerning future revenues, results from operations, financial positions, markets, economic conditions, product releases, partnerships and any other statements that may be construed as a prediction of future performance or events are forward-looking statements, which may involve known and unknown risks, uncertainties and other factors, which may cause actual results to differ materially from those expressed or implied by such statements.

Non-GAAP results will also be discussed on the call. The company believes the presentation of non-GAAP information provides useful supplementary data concerning the company's ongoing operations and is provided for informational purposes only.

With that said, Mr. Balbirnie?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Thank you, operator. And good afternoon, everyone, and thank you for joining us today to discuss the company's third quarter 2022 results. Today is a special day for us. I recognize that we need to cover the quarterly results. But we intend to spend a good bit of time talking about the recent transaction of Newswire, how it impacts your business, and what's in store for us in the coming years.

While total revenue in the third quarter was less than we expected, resulting in a 3% decrease year-over-year, we worked hard to drive margin improvements to 77% from 75% in the prior-year. We also saw deferred revenue remains strong and bookings over the prior periods grow because of our success in multi-year contracts. ACCESSWIRE grew 6% over the prior-year and compared to the market continues to outpace incremental growth compared to the bigger three Newswires in the quarter. Before I turn the call over to Tim for his prepared remarks on the quarter, I wanted to cover a couple of important items.

When we first announced our repurchase program in the years past, it was clearly illustrated and it was part of our capital allocation strategy to utilize cash flow from operations and not capital raised in prior offerings to repurchase our shares. The capital had to be used to drive strategic growth for long-term and demonstrate transformational qualities be accretive and help us continue to drive greater cash flows and operating leverage. With that said, early this quarter, we completed the repurchase plan and retired the remaining 38,563 shares, repurchased in the period, completing the entire purchase plan.

Moreover, when we think about strategic growth, specifically M&A, we have always said that we're focused on finding complementary products in the investor relations and public relations communication space. These complementary products, as previously stated, need to be media database, media monitoring and analytics, and or advanced news and media rooms, as well as social technologies are possible. Today's announcement not only meets these requirements, but also gives us further scale in our press release distribution business. The acquisition of Newswire has just beyond excited. We can't wait to get our new team members and customers integrated over the next couple of months. There's a lot to talk about. So I'll turn the call over to Tim. So he can go through the third quarter at a high level and then we can discuss Newswire in greater detail, Tim?

Tim Pitoniak - Chief Financial Officer, Issuer Direct Corporation

As Brian just mentioned, quarterly results were primarily driven by our ACCESSWIRE news brand, increasing 6% over the prior-year, while contributing increased gross margins and enabling us to maintain our overall gross margin levels of 77%. During the third quarter of 2022, we achieved quarterly revenues of \$5.3 million, a 3% decrease from \$5.5 million in Q3 of 2021. For the nine months ended September 30 of 2022, total revenue was \$16.4 million, a 1% increase from \$16.2 million for the first nine months of 2021.

The decrease in the quarter was primarily driven by our communication revenue stream, specifically our event and webcasting business due to less demand for our virtual products, as well as the delay in certain events, which pushed into fourth quarter of 2022. The increase in total revenue for the first nine months of 2022 was due to increases in both communications and compliance revenue during the period.

Communication revenue increased \$0.2 million or 2% over the same period of the prior-year. The increase once again was driven by ACCESSWIRE, which increased 13% compared to the same period of 2021. We also had increased revenues from our Investor Relations website and news feeds products. These increases were offset by declines in revenue from our event and

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webcasting business due to lower demand and delay of events I previously mentioned. For the third quarter of 2022, and the nine months ended September 30 2022, communication revenue accounted for 66% and 65% of total revenue respectively.

In the prior-year, communication revenue was 67% and 64% of total revenue. Revenue from our compliance business increased 1% for both the third quarter in the first nine months of 2022, compared to the same periods of 2021. The increase is primarily due to revenue from our proxy fulfillment service business due to larger transactions during the period. Revenue from our transfer agent service business also increased for the three months ended September 30 of 2022.

Due to an increase in subscription fees, however, continues to remain lower on a year-to-date basis. For the nine months ended September 30 of 2022, the increase in revenue from our print and proxy fulfillment service business was also partially offset by declines in disclosure services and software revenue, as well as our legacy ARS service business due to customer attrition.

Moving down to P&L, our overall gross margin percentage improved 200 basis points and 300 basis points during the three and nine months ended September 30 of 2022 compared to the same period of the prior-year. Gross margin percentage was 77% for both Q3 and the first nine months of 2022 compared to 75% and 74% for the same periods of last year.

Gross margin percentage from our communication business decreased one percentage point from Q3 of 2021 primarily driven by a decline in timing of event and webcasting revenue for the period, partially offset by an increase in ACCESSWIRE revenue as a percentage of total communication revenue. For the first nine months of 2022, gross margin percentage of the communication business increased three percentage points due to lower teleconferencing costs, coupled with an increase in ACCESSWIRE revenue as a percentage of total communication revenue.

Gross margin percentage from our compliance business increased eight percentage point for the three months ended September 30 2022 and three percentage points for the nine months ended September 30 2022 compared to the same periods of the prior-year.

These increases were primarily driven by lower amortization related to the capitalized costs associated with our disclosure software, which is now fully amortized partially offset by higher costs associated with our print proxy and fulfillment service business. Continued on to operating income. We posted operating income of \$800,000 for Q3 of 2022, compared to a \$1 million during Q3 of 2021. For the nine months ended September 30 2022, operating income was \$2.6 million, compared to \$3 million during the first nine months of 2021.

The decrease in operating income is primarily due to increase in SG&A expenses associated with the expansion of our corporate team in anticipation of the acquisition announced earlier today. G&A costs increased 32% and 25% for the three and nine months ended September 30 of 2022 compared to the prior-year due to an increase in stock compensation, recruiting fees, increased headcount, and one-time due diligence cost associated with the Newswire acquisition.

Sales and marketing costs decreased 9% for the third quarter of 2022, however, increased 6% for the first nine months of 2022, compared to the same period of 2021. The decrease for the quarter is primarily due to lower commission expense, partially offset by the increase in advertising and digital marketing spend. The increase for the first nine months of 2022 is related to the investment in our sales and marketing initiatives, with an increase in headcount, advertising, digital marketing, and system enhancements, partially offset by a decrease in commission expense.

Product development costs decreased 34% for the quarter and 16% for the first nine months of 2022 compared to the same periods of the prior-year. The decrease is due to fewer consultants to use on development projects during the current year, partially offset by costs capitalized in the prior-year, related to the development of our newsroom product.

On a GAAP basis, during Q3 of 2022 we generated net income of \$700,000 or \$0.19 per diluted share, compared to a \$1 million or \$0.27 per diluted share during Q3 of 2021. Net income was \$2 million, or \$0.55 per diluted share for the first nine months of 2022 compared to net income of \$2.7 million, or \$0.70 per diluted share for the first nine months of 2021.

Net income and diluted earnings per share for the three and nine months ended September 30 2021 included a benefit of \$366,000 related to the filing for the employee retention credit under the CARES Act. Looking at some non-GAAP metrics, EBITDA for the third quarter of 2022 was \$952,000 or 18% of revenue compared to \$1.6 million or 30% of revenue during Q3 of 2021. For the first nine months of 2022, EBITDA was \$3.1 million or 19% of revenue compared to \$4.3 million or 26% of revenue during the first nine months of 2021.

As noted earlier, EBITDA for the three and nine months ended September 30th of 2021 included a benefit of \$366,000 related to the filing for the employee retention credit under the CARES Act. EBITDA for the three and nine months ended September 30th of 2022 included increases in stock compensation expense of \$87,000 and \$327,000 respectively, as well as one-time due diligence costs associated with the Newswire acquisition, but \$77,000 and \$90,000 respectively.

Non-GAAP net income was a million dollars or \$0.27 per diluted share for Q3 of 2022 compared to \$900,000, or \$0.24 per diluted share during Q3 of 2021. For the first nine months of 2022, non-GAAP net income increased to \$2.9 million or \$0.77 per diluted share, compared to \$2.8 million or \$0.73 per diluted share during the same period of 2021.

Switching over to the balance sheet and the cash flow statement. Our deferred revenue balance, which is revenue we expect to recognize primarily over the next 12 months, increased to 3.4 million as of September 30th of 2022 compared to \$3.1 million as of December 31st of 2021, an increase of 11%.

And the cash flow statement, our cash flow from operations for the first nine months of 2022 was \$3 million dollars compared to \$3.3 million in the prior year. This marks the 31st consecutive quarter of positive cash flow for the company.

I will now turn the call back to Brian who will provide some updates on the business, our new products and everything else we have planned for the remainder of the year, and most importantly, discussed the newsletter transaction. Brian?

Brian Balbirnie - President & Chief Executive Officer, Issuer Direct Corporation

Thank you, Tim. The third quarter was a challenging period for our teams. From a top-line perspective, we continue to see revenues from our events and webcasting business experience shifts from quarter-to-quarter. Turning our results for the period. These shifts resulted in approximately \$350,000 in revenue that was pushed to Q4 from Q3. We do believe our events webcasting business will continue to experience shifts from period-to-period.

With that said our customers doing quarterly earnings calls remain strong and in fact has grown for the period, which is encouraging as this is a core product and our strategy. Additionally, and directly tied to macroeconomic environments press release volume slowed for the first half of the quarter. This decrease in volume was industry wide and not just us. Once volumes returned revenues were able to grow by year-over-year 6%. Far from our historical double-digit growth and the previously delivered. But on a standalone basis. We're back to double-digit growth in this quarter. And when you consider the customers of Newswire we're well on our way to achieving the 5% market share that we spoke about previously.

A key takeaway for the quarter was the work our sales organization has been able to drive further value in our press release distribution business, increasing the average per release price by over 20% for the quarter over the prior year. We firmly believe that we can continue to take market share and price as we continue to expand our customers and our products. The reduction in volume directly impact our customer counts for the larger portion of our customers come from the privates and more specifically directly attributable to our press release business.

Like in prior quarters, we'd have talked about customers that have active contracts who have prepaid, that did not perform any work for the period. As you know, we do not count those customers as they did not perform any work. This resulted in an additional 320 customers not appearing in the customer counts that we'll talk about in a second.

Therefore, we ended the quarter with 3,144 customers, not including the 320 just previously spoke about from the 3,498 in the prior period. As a result of the events and webcasting business being slightly difficult to predict and in many ways beyond our control, we did see customer counts decrease in this area as well. Conversely, direct public company customers did grow for the period by 1%.

In our subscription business, we finished the quarter up 10% to 971 from 886 customers subscribing to our products. Additionally, we have continued to drive average revenues per customer from 6,603 last year to 7,154 this quarter. Of the 971 subscribers, they accounted for approximately one-third of our overall revenues now, for the quarter on a standalone basis. ACCESSWIRE accounted for approximately 50% of total revenues up sequentially by about 5%. Further, our press release business accounted for approximately 75% of our communications revenue also for the quarter.

Before I move on to discuss Newswire, I want to discuss how we look at our business compared to our peer group. For clarity. This group of fellow listed companies develops, markets and sells products and services that align and our focus area of being a communications and compliance company. These companies are on 24 Q4 tracks in a data EQs and meltwater of the six companies really the only one that has generated positive cash flows for the last several years.

More specifically, we are still continuing our streak of 31 consecutive positive cash flow quarters from operations. We are also on top of the group when it comes to margins, and in our opinions ahead of our capital allocation strategy and balance sheet strength. At this point, I'd like to shift gears as we want very much to speak about Newswire and how it's going to help us transform our business into becoming a market leader in the IR PR communication space.

First, I want to extend a warm welcome to everyone in Newswire, who has been a part of the executing the strategy that has gotten the company to the level that is today, serving over 20,000 customers in its 15 year history. Kudos to each of you. I have personally know many members of the management team for years and share their entrepreneurial spirits and passion for growing an impressive business with brands like newswire.com, press release.com, and media database.com and several others that have helped establish one of the premier brands in the market.

The Newswire business on a GAAP basis delivered \$10.1 million in revenues in 2021 and is on pace to increase that by approximately 25% this year 2022. Most of their businesses comprise the press release distribution very similar to us sold individually or as a bundle over the year. Additionally, they have both newsrooms, media database and analytic systems that have been recently launched that we're very excited about.

And lastly, they have made headway in the last 18 months introducing to the market a media Advantage plan or map for short. This map outlines the entire communication strategy of a company builds the calendar provides a media strategist, also earned media and press release distribution into one single subscription. The map subscription accounted for 14% of revenue last year, and continues to increase through the first six months of this year, and should end the year approximately 20% of revenue from the prior year.

This acquisition addresses market share I have spoken about in prior quarters, where we have said we aspire to achieve 5% of the news distribution market in 2023. By the end of this year, on an annualized basis, we will meet this metric. Also, I had said that we felt like adding a communications product and/or an acquisition would get us there. But without it, we were still on pace to deliver this metric by the target of 2023 date that we said previously.

Adding Newswire it gets us to scale faster, which is great news for our shareholders, our customers and our employees. Adding new products, meaningful customers and a great brand is crucial to our overall long-term strategy. Point being we believe having products like media database analytics and proprietary product like the media advantage plan gives us an accelerated opportunity to increase customer revenues generate greater cash flows and earnings per share.

We expect the combination will result in a combined customer count of 6,500 that have worked with both organizations over the past 12 months. Press release distribution memories will increase a 100% expanded communication product lineups that align with the company's strategic direction. Also significant brand positioning and proven sales and marketing funnels, and customers now in over 50 countries.

The combination will result in natural cost savings of offices back office services and systems distribution costs and infrastructure. The result is one of the purest accretive transactions that we've ever done. Key members of the management team will be staying with us and taking critical roles as we continue to build the company together. Like in all transactions we have done people are the driving reason why and this one is no different.

The company CEO Joe Esposito has been an amazing person to get to know, he has demonstrated a remarkable ability to transform the business and under his leadership has grown the business by 50% in the last three years, that is valuable to us and Joe has agreed to serve as a key member of the NRA integration team.

Thank you to everyone who joined us today. And most of you know we'd love to talk about our business and where we're headed. We are equally happy to share our Newswire announcement with you something that we have been disciplined to achieve. Once we conclude today's call, we're going to move locations and spend some time with our employees to discuss further the acquisition and where we're headed. And what's next for us.

Operator, can we please begin the Q&A portion of the call.

Operator

Certainly. The floor is now open for questions. [Operator Instructions]. And the first question is coming from Mike Grondahl from Northland Securities. Mike your line is live.

Q: Hey, thanks guys. And Brian did I hear you say Newswire did \$10.1 million of revenues in '21. And it grew 25% in '22. Can you confirm that first? Did I hear that right?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

That's correct. That's correct, Mike. Yes.

Q: And would you characterize the growth rate of the business as 25% you know, 20%. How should we think about the growth rate of the acquired company?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Yes, I think it's probably we should look at growth rate on a combined basis. The most important thing for this transaction is to take the attributes and qualities of what the Newswire brands have

and ACCESSWIRE have and put them together. And historically, we've had very good year-over-year growth, at worst case, absent of this quarter has been 16%. And it has been high in the 30s. And so we really do believe that we'll see a combined operation growth on our Newswire business at 20% to 22% going forward.

Q: Got it, got it. What about the margin profile of the business? Is it similar to roughly that 20% plus EBITDA margin, how would you characterize the margin?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Yes and that's one of the things that we loved about Newswire, right. Joe, and the team and Eric, and everyone's done a great job operating the business. Growing revenues are very important. But being a steward of capital allocation and generating good EBITDA and good gross margins, they are in line with us that every attribute is very, very similar.

Q: Got it, great. I didn't see in the press release, though I think it might be in the 8-K. Can you talk about how much you're paying for Newswire? And sort of how you're funding it?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Yes, absolutely. That's a great question, the total transaction value ends up at \$43.9 million. And so it's broken up into three components. The smaller component was an issuance of common shares of ISDR equal to 4.99% of the issued and outstanding, which totals about 180,000 shares. The second component is \$18 million of cash paid at closing, and \$22 million sellers note, that is essentially a one year seller's note of 6% interest. So those are the three components that are drivers of the total transaction.

Q: Got it. So \$43.9 million and hey, I think I just saw in your press release, you had like, almost \$22 million in cash. So \$18 million in your cash will go to fund this, and then you'll have other sellers note out there.

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

That's correct. Yes and look, you know this as well as our shareholders, and everybody has looked at Issuer Direct for, how many years of positive cash flow from operations, we generate good cash here. And so being in a position to utilize the cash that we raised on an equity round, in the past was important to us to continue to make that commitment, everybody. We're more than confident of operating the combined business on the current cash left.

However, with that said, we have a bank facility, we have a line of credit with them, we've continued to have that, it's available as a facility to us. So if we see opportunities to execute quicker in growth, we've got access to additional capital to do that, and as well as other allocation strategies that we continue to think about into next year.

Q: Got it. And then lastly, if you could maybe, I think in the press release, it says that it's accretive in the first full quarter after close, which I think would be the March quarter, just maybe, what do you mean, exactly by that?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Yes, look I think that there's going to be some transaction costs related to the business, we're going to add on two months of revenue here in Q4, right? We're going to see that revenue fall nicely, it is going to absolutely help. I think where you're going to see the biggest benefit, meaning let me restate that. I think you're going to see an additional EBITDA power as a result of the transaction given two of the three months in this quarter, you're going to see the full power of that coming in Q1. So I think it's fair to say that it's almost immediately accretive. But you're going to see the full benefits to it in Q1.

Q: Sure, any one-time costs to call out in September December quarters?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Tim, there was a small amount wasn't there?

Tim Pitoniak - Chief Financial Officer, Issuer Direct Corporation

There were yes, in total was about 90,000 year-date 77 for the quarter.

Q: I could barely hear [indiscernible].

Tim Pitoniak - Chief Financial Officer, Issuer Direct Corporation

On \$77,000 for the quarter and then 90 year-to-date.

Q: Got it, yes, that's pretty small. Well, anything else, I should be bugging me about on the acquisition? You mentioned sort of new products or anything on the new product front or synergies to call out on the cost side?

Tim Pitoniak - Chief Financial Officer, Issuer Direct Corporation

Yes, I mean as we talked about a little bit here in the prepared remarks, right. There's going to be the obvious things that there are some back office systems of duplication, there's facilities, insurances, but we've got a very clear area that we're going to be able to have immediate cost savings there as the teams go through the integration here beginning tomorrow. That's the first part. Right. The second part is there's going to be distribution opportunities for us to increase the gross margin levels on distribution. We're going to see that benefiting us coming into Q1 of next year, here very quickly.

I think most important for us is we want to settle in, integrate well, love the customers, and do our best there first, to keep these folks coming back to us and sticking and loving the combined brands. I think conversely, the other part of the question, Mike is that, as you know, we've talked about this to everybody, publicly, it has been an initiative for us to buy and or build complementary PR IR communication products.

We did it last year with our newsroom product. We've looked at media database analytics and the like from an M&A standpoint. When we looked at Newswire, we felt like they had the beginnings of these additional products that we needed to built into our ecosystem. Obviously, the great benefit is the volume of PR that they do in the news distribution world that they've got a couple that with us gives us significant amount of strength in the market, to take these other products that they've got the Media Advantage plan, the Media database and analytics, and bring it to our Issuer Direct and ACCESSWIRE customers, which we've never been able to do before.

And so I think from a product perspective, that's going to be significant. I think there'll be other smaller benefits, the reverse way, meaning we may have some webcasting products and other event products, that could be very, very interesting to the majority of the private customers that use wire services. So I think it's important. We're building a really interesting story telling ecosystem.

And today, as most folks know, we're down the hall to C suite, right? We're talking to the CXO, the CFO, the EO. And those are the decision makers. This opportunity in combination is what we're really excited about is it takes us down the hall even further. And that's where the real value is to unlock additional opportunities to increase revenue per customer to get into the marketing and comm parts of the business and really brings the life with a map and immediate advantage plan has to offer those folks. And that's where we're going to spend a good amount of our time next year.

Q: Great. Well, congratulations, and thanks for all the color Brian and Tim.

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Thank you, Mike.

Operator

Thank you. [Operator Instructions]. And the next question is coming from Luke Horton from Northland Securities. Luke, your line is live.

Q: Hey, guys, so it sounds like the combined customer count here is going to double in the TR business with the Newswire acquisition. I was just wondering if you could give any insight on what the customer profile is from Newswire is that pretty similar to what your guidance is working with smaller companies, private versus public and do you look to go after maybe some

bigger companies now with the addition of them or just kind of anything around that would be great?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

A good question. Look, I -- look the number of customers that Newswire have, I'd say 98% of them are private companies. These are customer profile, that's a 100 million and below. So in some ways, very similar to this microcap nano cap size that we tend to look at from the public company side.

When you start to think about 6,500 customers, 5,500 of them are communication customers, right. That's where the real interest is here for us as building this communications powerhouse. And the IRM PR suites to really focus there. So there's no customer overlap at all, right. There's no doubt that the strength of the brands together, we're going to be able to take that private company, kind of company size from 100 to go to 500 and continue to grow it. We're absolutely going to go back to the public company side of the business and bring the Newswire additional products into and with our subscription business. So that we can continue to leverage what we've been doing the last several quarters of moving up market, right and going and getting these new clients that we've talked to you about and the most recent corner folks like Insperity that turned their Investor Relations platform and Corporate Communications platform into the access wire system and are now working with us.

So we're going to continue to want to do those things and take the best of what Joe and his team has been able to do there and apply to our customer base and vice versa, take the best of what we're doing and apply it to theirs. So hope that is helpful, Luke.

Q: Yeah, that's very helpful. Appreciate that. Then just kind of pivoting over to I know you guys announced earlier in the quarter about the ADA and ACA compliance. Just wondering if the Newswire acquisition will have any effect on this or if that's just those stays separate. We still compliance with that?

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

No, look, ADA and ACA is important to us. And I know that that the development and tech teams have spent a good amount of time in the Newswire side addressing this, they care passionately about that like we do. We're going to merge together those newsrooms here over time to ensure that we continue to meet those compliance requirements for our customers and their underlying prospects, shareholders and interested parties.

And so I think there's two parts of that. One is, there is a definite integration plan that needs to happen with that. And we've identified that already early on in our discussions. The second part of it is two more pointed about our core business is that our average subscription prices continue to increase. That is one of the benefactor reasons why we have been able to go into a good

amount of our customers and a new investor relation platform sales is incorporate our ADA solutions and ACA solutions for both folks in Canada here in the U.S.

So that continues to benefit us, it will continue for a given period of time in the next several years, as all customers should be able to adopt these new principles and regulations as we go for. So I think there's two sides to it.

Q: Okay, great. Well, that helps a lot. Congrats, again on the acquisition. And thanks for taking the questions guys.

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Thank you, Luke.

Operator

Thank you. There were no other questions in queue at this time. I would now like to hand the call back to Brian Balbirnie for closing remarks.

Brian Balbirnie - Founder, President and Chief Executive Officer, Issuer Direct Corporation

Well, thank you very much. As always, I appreciate each of our shareholders, interested parties and employees for being a part of this. We have a lot to do here. And we are going to have a heck of a lot of fun doing it. Now we're going to go spend some time with our new team members of Newswire and our entire employee base to talk more about the transaction so that we can fill them in and all the great wonderful details that we have planned.

As always, Tim and I are available for follow-up. We'd love to do some additional questions and answers and discuss both the quarterly results and Q4 as well as the Newswire transaction. Thank you all so much and have a great night.

Operator

Thank you. Ladies and gentlemen, this does conclude today's conference. You may disconnect your lines at this time. Have a wonderful day. Thank you for your participation.