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SPORTS CLUB CO INC
Form 8-K
October 14, 2003

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 13, 2003

THE SPORTS CLUB COMPANY, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

1-13290

(Commission File Number)

95-4479735

(IRS Employer Identification Number)

11100 Santa Monica Boulevard, Suite 300
Los Angeles, California 90025

(Address of Principal Executive Offices)

Registrant's telephone number, including area
code: 310-479-5200

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

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Item 5. Other Events and Regulation FD Disclosure

On October 13, 2003, The Company announced that it has mutually agreed with

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Palisade Concentrated Equity Partnership, L.P. ("Palisade") to set aside its previously announced intention of "going private." The Company expects to receive an amended letter of intent setting forth the revised terms and conditions under which Palisade would propose to make an \$18.5 million equity investment in the Company, subject to an additional investment by certain of the Company's existing stockholders, the proceeds of which would be retained by the Company to fund operations. There can be no assurance that the Company will receive the amended letter of intent, or that the proposed financing transaction with Palisade will be completed.

All statements in this report other than statements of historical fact are forward looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in this report. The forward looking statements speak only as of the date of this report, and the Company expressly disclaims any obligation to release publicly any update or revision to any forward looking statement contained herein if there are changes in the Company's expectations or in any events, conditions or circumstances on which any such forward looking statement is based.

Item 7. Financial Statements and Exhibits

(a) Financial Statements

Not Applicable

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(b) Pro Forma Financial Information

Not Applicable

(c) Exhibits

99.1 Press Release dated October 13, 2003.

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SIGNATURES

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

Dated: October 14, 2003

THE SPORTS CLUB COMPANY, INC.

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By: /s/ Timothy M. O'Brien

Timothy M. O'Brien
Chief Financial Officer

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EXHIBIT 99.1

NEWS RELEASE

For Immediate Release

CONTACT:
Rex Licklider, Co-CEO
(310) 479-5200

THE SPORTS CLUB COMPANY, INC. ANNOUNCES
TERMINATION OF GOING PRIVATE TRANSACTION;
EXPECTS REVISED PROPOSAL FROM PALISADE CAPITAL

LOS ANGELES, CA (October 13, 2003)-- The Sports Club Company, Inc. (AMEX: SCY) announced today that it has mutually agreed with Palisade Concentrated Equity Partnership, L.P. ("Palisade") to set aside its previously announced intention of "going private." The Company expects to receive an amended letter of intent setting forth the revised terms and conditions under which Palisade would propose to make an \$18.5 million equity investment in the Company, subject to an additional investment by certain of the Company's existing stockholders, the proceeds of which would be retained by the Company to fund operations. There can be no assurance that the Company will receive the amended letter of intent, or that the proposed financing transaction with Palisade will be completed.

"During the course of our discussions with Palisade and other principal stockholders, it became increasingly clear that the best and most effective use of any new capital infusion is to provide working capital rather than utilize those funds to repurchase outstanding shares," stated Rex A. Licklider, Co-Chief Executive Officer. "If we are unable to structure an acceptable arrangement with Palisade over the next few weeks, we intend to pursue other transactions that we believe will improve the Company's balance sheet and cash position, which, if accomplished, will inure to the benefit of all stockholders," Mr. Licklider added.

All statements in this press release other than statements of historical fact are forward

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looking statements within the meaning of the "safe harbor" provisions of the Private Litigation Reform Act of 1995. These statements are based on

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management's current expectations and beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in this press release. The forward-looking statements speak only as of the date of this press release, and the Company expressly disclaims any obligation to release publicly any update or revision to any forward looking statement contained herein if there are changes in the Company's expectations or if any events, conditions or circumstances on which any such forward looking statement is based.

The Sports Club Company, based in Los Angeles, California, owns and operates luxury sports and fitness complexes nationwide under the brand name "The Sports Club/LA."

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