

JAKKS PACIFIC INC
Form 8-K
June 16, 2004

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**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):
June 16, 2004 (June 10, 2004)

JAKKS PACIFIC, INC.

(Exact Name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-28104
(Commission File Number)

95-4527222
(I.R.S. Employer
Identification No.)

22619 Pacific Coast Highway
Malibu, California
(Address of principal
executive offices)

90265
(Zip Code)

Registrant's telephone number, including area code: (310) 456-7799

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FILED WITH THE SECURITIES AND EXCHANGE COMMISSION
JUNE 16, 2004**

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Item 2. Acquisition or Disposition of Assets.

On June 10, 2004, we, through our two wholly-owned acquisition subsidiaries, JPI/V Acquisition Corp. and JP-PA (HK) Limited (collectively, the Purchasers), acquired substantially all of the assets and liabilities of Play Along (Hong Kong) Limited, Play Along, Inc. and PA Distribution, Inc. (collectively, the Sellers), three privately-held toy companies engaged in the manufacture, development and sale of the Play Along® toy line, pursuant to an Asset Purchase and Sale Agreement (the Agreement) by and among the Purchasers, the Sellers, the stockholders of the Sellers (the Stockholders) and our Company.

The purchase price paid at the closing of the acquisition was approximately \$85.1 million, subject to post-closing adjustments, and consisted of (i) \$70.2 million in cash and (ii) 749,005 shares of our common stock. In addition, the Sellers have the right to earn up to an additional \$30.0 million in the aggregate contingent upon the achievement of certain financial performance criteria regarding the Play Along assets through 2007.

In connection with the acquisition, we have agreed to guarantee the financial obligations of the Purchasers and to register with the Commission, within 150 days after the closing, the shares of our common stock issued at closing.

The amount of consideration payable was determined as a result of arm's length negotiations between the Stockholders and us. No prior material relationship existed between the Sellers or any Stockholder and us or any of our affiliates, any director or officer of our Company, or any associate of any such director or officer.

We funded the cash payment component of the consideration for the acquisition, and expect to make any earn-out payments to Sellers, from our available working capital.

The Sellers manufactured traditional toys, including plush, dolls, action figures, and preschool and construction toys and held a number of licenses including Cabbage Patch Kids® for dolls, Care Bears® for plush and preschool learning, Teletubbies® for preschool and playsets and DC Comics® Batman® and Justice League of America® for construction toys.

We issued a press release on June 14, 2004 announcing the closing of this transaction, which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The foregoing description of the transaction does not purport to be complete and is qualified in its entirety by reference to the Agreement, a copy of which is attached as an exhibit hereto.

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Item 7. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The financial information required by this item will be filed by amendment to this Current Report on Form 8-K not later than August 24, 2004 (which is 60 days after the date this Form 8-K must be filed with the Commission).

(b) Pro Forma Financial Information

The financial information required by this item will be filed by amendment to this Current Report on Form 8-K not later than August 24, 2004 (which is 60 days after the date this Form 8-K must be filed with the Commission).

(c) Exhibits

Exhibit

Number

Description

10.1* June 10, 2004 Asset Purchase and Sale Agreement

99.1* June 14, 2004 Press Release

* Filed herewith

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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.

Dated: June 16, 2004

JAKKS PACIFIC, INC.

By: /s/ Jack Friedman
Jack Friedman
Chairman and Chief Executive Officer

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Exhibit Index

Exhibit Number	Description
10.1*	June 10, 2004 Asset Purchase and Sale Agreement
99.1*	June 14, 2004 Press Release

* Filed herewith