

Kodak fate could hinge on selling patents

November 4 2011



Iconic US camera maker Kodak Eastman on revealed Thursday that surviving another year could hinge on selling patents or borrowing money.

Iconic US camera maker Kodak Eastman on revealed Thursday that surviving another year could hinge on selling patents or borrowing money.

The warning was filed with US regulators on the same day that Kodak reported it lost \$222 million in the quarter ending September 30 despite an encouraging 44 percent increase in its [inkjet printer](#) business.

Overall revenue in the quarter sank 17 percent to \$1.462 billion when compared to the same period a year earlier.

The New York State company said in a [Securities and Exchange Commission](#) filing that the ability to continue operations in the coming 12 months depended on an [infusion](#) of cash from selling patents or taking on debt.

The 131-year-old company said it could seek as much as \$500 million in financing. Kodak noted in the filing that it can not assure either method of raising cash will work.

Kodak chief executive Antonio Perez said during an earnings conference call that he was pleased with the interest expressed in a batch of patents the company targeted for the auction block about four months ago.

"These required statements shouldn't be misunderstood in any way as a dampening of my optimism in our ability to complete the sale of our digital-imaging [patent portfolio](#), which is very high," Perez said.

The company, which has hired a law firm for advice on a possible restructuring, said in late July that "exploring strategic alternatives" for its patents for digital imaging.

Kodak lowered its revenue forecast for the year and raised its expected operating loss to somewhere between \$400 and \$600 million.

The company's [stock price](#) slid more than six percent to \$1.12 per share in after hours trading that followed the release of the earnings report.

(c) 2011 AFP

Citation: Kodak fate could hinge on selling patents (2011, November 4) retrieved 30 April 2024

from <https://phys.org/news/2011-11-kodak-fate-hinge-patents.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.