

ACCESS INTEGRATED TECHNOLOGIES INC

Form S-3

May 06, 2008

As filed with the Securities and Exchange Commission on May 6, 2008

Registration No. 333-_____

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ACCESS INTEGRATED TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	7389	22-3720962
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

55 Madison Avenue, Suite 300
Morristown, NJ 07960
(973) 290-0080

(Address, including zip code, and telephone number, including area code, of
registrant's principal executive offices)

A. DALE MAYO
President and Chief Executive Officer
Access Integrated Technologies, Inc.
55 Madison Avenue, Suite 300
Morristown, NJ 07960
(973) 290-0080

(Name, address, including zip code and telephone number,
including area code, of agent for service)

With a copy to:

JONATHAN K. COOPERMAN, ESQ.
Kelley Drye & Warren LLP
101 Park Avenue

New York, New York 10178
(212) 808-7800

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box:

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box:

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Offering Price Per Share (2)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Class A common stock, par value \$0.001 per share	500,000	\$2.75	\$1,375,000	\$55

(1) Includes an estimated 500,000 shares of Class A common stock issuable as interest and additional kicker shares on three-year 10% notes due August 2010. Pursuant to

Rule 416 under the Securities Act of 1933, as amended, the registrant is also registering such additional indeterminate number of shares of Class A common stock as may become issuable as a result of stock splits or stock dividends.

- (2) The price is estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) and represents the average high and low trading prices of the Class A common stock as reported on NASDAQ on April 30, 2008.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Subject to Completion. Dated May 6, 2008.

PROSPECTUS

500,000 Shares

Class A Common Stock

This prospectus relates to the resale by certain selling security holders of Access Integrated Technologies, Inc. (the “Company”) of 500,000 shares of our Class A common stock, par value \$0.001 per share (the “Common Stock”), which may, at the Company’s option and subject to certain conditions, be issued from time to time on a quarterly basis as interest and additional kicker shares pursuant to the three-year 10% notes issued by the Company on August 27, 2007 (the “2007 Senior Notes”).

The selling security holders may offer to sell the shares of Common Stock being offered by this prospectus at fixed prices, at prevailing market prices at the time of sale, at varying prices, or at negotiated prices.

The shares of Common Stock are listed for trading on the NASDAQ Global Market (“NASDAQ”) under the symbol “AIXD”. On May 1, 2008, the last reported sale price of the Common Stock on NASDAQ was \$2.92 per share.

We will not receive any proceeds from the resale of shares of Common Stock by the selling security holders. We will pay the expenses of this offering.

See “Risk Factors” beginning on page 7 for a discussion of factors that you should consider before buying shares of the Common Stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

_____, 2008

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission (the “SEC” or the “Commission”) utilizing a shelf registration process. Under this shelf registration process, selling stockholders may, from time to time, offer and sell shares of the Common Stock pursuant to this prospectus. It is important for you to read and consider all of the information contained in this prospectus and any applicable prospectus supplement before making a decision whether to invest in the Common Stock. You should also read and consider the information contained in the documents that we have incorporated by reference as described in “Where You Can Find More Information” and “Incorporation of Certain Documents By Reference” in this prospectus.

You should rely only on the information provided in this prospectus and any applicable prospectus supplement, including the information incorporated by reference. We have not authorized anyone to provide you with additional or different information. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We are not offering to sell or soliciting offers to buy, and will not sell, any securities in any jurisdiction where it is unlawful. You should assume that the information contained in this prospectus or in any prospectus supplement, as well as information contained in a document that we have previously filed or in the future will file with the SEC and incorporate by reference in this prospectus or any prospectus supplement, is accurate only as of the date of this prospectus, the applicable prospectus supplement or the document containing that information, as the case may be. Our financial condition, results of operations, cash flows or business may have changed since that date.

WHERE YOU CAN FIND MORE INFORMATION

We are required to file periodic reports, proxy statements and other information relating to our business, financial and other matters with the SEC under the Securities Exchange Act of 1934 (the “Exchange Act”). Our filings are available to the public over the Internet at the SEC’s web site at <http://www.sec.gov>. You may also read and copy any document we file with the SEC at, and obtain a copy of any such document by mail from, the SEC’s public reference room located at 100 F Street, N.E., Washington, D.C. 20549, at prescribed charges. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room and its charges.

We have filed with the SEC a Registration Statement on Form S-3 under the Securities Act of 1933 (the “Securities Act”) with respect to our securities described in this prospectus. References to the “registration statement” or the “registration statement of which this prospectus is a part” mean the original registration statement and all amendments, including all schedules and exhibits. This prospectus does not, and any prospectus supplement will not, contain all of the information in the registration statement because we have omitted parts of the registration statement in accordance with the rules of the SEC. Please refer to the registration statement for any information in the registration statement that is not contained in this prospectus or a prospectus supplement. The registration statement is available to the public over the Internet at the SEC’s web site described above and can be read and copied at the location described above.

Each statement made in this prospectus or any prospectus supplement concerning a document filed as an exhibit to the registration statement is qualified in its entirety by reference to that exhibit for a complete description of its provisions.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to “incorporate by reference” in this prospectus the information contained in other documents filed separately with the SEC. This means that we can disclose important information to you by referring you to other documents filed with the SEC that contain such information. The information incorporated by reference is an important part of this prospectus and prospectus supplement. Information disclosed in documents that we file later with the SEC will automatically add to, update and change information previously disclosed. If there is additional information in a later filed document or a conflict or inconsistency between information in this prospectus or a prospectus supplement and information incorporated by reference from a later filed document, you should rely on the information in the later dated document.

We incorporate by reference the documents listed below (and the documents incorporated by reference therein) that we have previously filed, and any documents that we may file in the future, with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, until the offerings contemplated by this prospectus are completed:

- our annual report on Form 10-KSB for the fiscal year ended March 31, 2007, filed with the SEC on June 29, 2007 (the “2007 Form 10-KSB”);
- our quarterly report on Form 10-Q for the period ended June 30, 2007, filed with the SEC on August 9, 2007;
- our quarterly report on Form 10-Q for the period ended September 30, 2007, filed with the SEC on November 9, 2007;
- our quarterly report on Form 10-Q for the period ended December 31, 2007, filed with the SEC on February 8, 2008;
- our current report on Form 8-K, dated August 24, 2007, filed with the SEC on August 29, 2007;
- our current report on Form 8-K, dated September 18, 2007, filed with the SEC on September 24, 2007;
- our current report on Form 8-K, dated September 28, 2007, filed with the SEC on October 16, 2007;
- our current report on Form 8-K, dated January 24, 2008, filed with the SEC on January 29, 2008;
- our current report on Form 8-K, dated February 15, 2008, filed with the SEC on February 20, 2008;
- our current report on Form 8-K, dated March 31, 2008, filed with the SEC on April 3, 2008;
- our current report on Form 8-K, dated April 2, 2008, filed with the SEC on April 8, 2008;
- the portions of our annual proxy statement relating to our annual meeting of stockholders dated July 27, 2007, filed with the SEC on July 27, 2007, that have been incorporated by reference into the 2007 Form 10-KSB; and
- the description of our Class A common stock contained in our registration statement on Form 8-A (File No. 001-31810), filed with the SEC under Section 12 of the Exchange Act on April 12, 2006.

Any statement made in this prospectus, a prospectus supplement or a document incorporated by reference in this prospectus or a prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus and any applicable prospectus supplement to the extent that a statement contained in an amendment to the registration statement, any subsequent prospectus supplement or in any other subsequently filed document incorporated by reference herein or therein adds, updates or changes that statement. Any statement so affected will not be deemed, except as so affected, to constitute a part of this prospectus or any applicable prospectus supplement.

You may obtain a copy of these filings, excluding exhibits (but including exhibits that are specifically incorporated by reference in any such filing), free of charge, by oral or written request directed to: Access Integrated Technologies, Inc., 55 Madison Avenue, Suite 300, Morristown, NJ 07960, Attention: Gary S. Loffredo - General Counsel, Telephone (973) 290-0080.

FORWARD-LOOKING STATEMENTS

Various statements contained in this prospectus or incorporated by reference into this prospectus constitute “forward-looking statements” within the meaning of the federal securities laws. Forward-looking statements are based

on current expectations and are indicated by words or phrases such as “believe,” “expect,” “may,” “will,” “should,” “seek,” “pl
“intend” or “anticipate” or the negative thereof or comparable terminology, or by discussion of strategy. Forward-looking
statements represent as of the date of this prospectus our judgment relating to, among other things, future results of
operations, growth plans, sales, capital requirements and general industry and business conditions applicable to
us. Such forward-looking statements are based largely on our current expectations and are inherently subject to risks
and uncertainties. Our actual results could differ materially from those that are anticipated or projected as a result of
certain risks and uncertainties, including, but not limited to, a number of factors, such as:

- successful execution of our business strategy, particularly for new endeavors;
- the performance of our targeted markets;
- competitive product and pricing pressures;
- changes in business relationships with our major customers;
- successful integration of acquired businesses;
- economic and market conditions;
- the effect of our indebtedness on our financial condition and financial flexibility, including, but not limited to, the ability to obtain necessary financing for our business; and
- the other risks and uncertainties that are described under “Risk Factors” and elsewhere in this prospectus and from time to time in our filings with the SEC.

Except as otherwise required to be disclosed in periodic reports required to be filed by public companies with the SEC pursuant to the SEC's rules, we have no duty to update these statements, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks and uncertainties, we cannot assure you that the forward-looking information contained in this prospectus will in fact transpire.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus, any prospectus supplement and the documents incorporated by reference. It does not contain all of the information that you should consider before making a decision to invest in the Common Stock. You should read carefully the entire prospectus, any applicable prospectus supplement and the documents incorporated by reference, including “Risk Factors” and the Consolidated Financial Statements and Notes thereto included elsewhere or incorporated by reference in this prospectus or any prospectus supplement.

In this prospectus, “AccessIT”, “we,” “us,” “our” and the “Company” refer to Access Integrated Technologies, Inc. and its subsidiaries unless the context otherwise requires.

OUR BUSINESS

OVERVIEW

AccessIT was incorporated in Delaware on March 31, 2000. We provide fully managed technology solutions, electronic delivery and software services for owners and distributors of digital content to movie theaters and other venues. In the past, we have generated revenues from two primary businesses, media services (“Media Services”) and internet data center (“IDC” or “data center”) services (“Data Center Services”), a business we no longer operated after May 1, 2007. Beginning April 1, 2007, we made changes to our organizational structure which impacted our reportable segments. These changes did not impact our consolidated financial position, results of operations or cash flows. We have realigned our focus to two primary businesses, media services (“Media Services”) and media content and entertainment (“Content & Entertainment”). Our Media Services business provides software, services and technology solutions to the motion picture and television industries, primarily to facilitate the transition from analog (film) to digital cinema and has positioned us at what we believe to be the forefront of an emerging industry opportunity relating to the delivery and management of digital cinema and other content to entertainment and other remote venues worldwide. Our Content & Entertainment business provides cinema advertising, film distribution services to movie exhibitors and motion picture exhibition to the general public.

The Media Services business consists of the following:

Operations of:
Hollywood Software, Inc.
d/b/a AccessIT Software
 (“AccessIT SW”)

Access Digital Media, Inc.
 (“AccessDM”) and FiberSat
Global Services, Inc. d/b/a
AccessIT Satellite and
Support Services, (“AccessIT
Satellite” and, together with
AccessDM, “DMS”)

Products and services provided:

- Develops and licenses software to the theatrical distribution and exhibition industries
- Provides services as an Application Service Provider
- Provides software enhancements and consulting services
- Stores and distributes digital content to movie theaters and other venues having digital projection equipment and provides satellite-based broadband video, data and Internet transmission, encryption management services, video network origination and management services

Christie/AIX, Inc. d/b/a
AccessIT Digital Cinema
("AccessIT DC" or
"Christie/AIX") and its
subsidiary, Access Digital
Cinema Phase 2 Corp. ("Phase
2 Corporation")

- Provides a virtual booking center to outsource the booking and scheduling of satellite and fiber networks
- Provides forensic recovery services for content owners
- Financing vehicles and administrators for our digital cinema roll-out to motion picture exhibitors (as described below)
- Collect virtual print fees ("VPFs") from motion picture studios (as described below)

Core Technology Services, Inc. ("Managed Services")

· Provides information technology consulting services and managed network monitoring services through its global network command center

The business of AccessIT DC consists of the ownership and licensing of digital systems to exhibitors and the collection of VPFs and alternative content fees ("ACFs") from motion picture studios and exhibitors, respectively when content is shown on exhibitors' screens. We have licensed the necessary software and technology solutions to the exhibitor and have facilitated its transition from analog (film) to digital cinema. As part of this first phase ("Phase I Deployment") of digital systems, AccessIT DC has agreements with six major motion picture studios, certain smaller independent studios and exhibitors allowing it to collect VPFs and ACFs when content is shown in theaters, in exchange for it having facilitated the deployment, and providing management services, of 3,723 digital systems and the other digital cinema assets. AccessIT DC has agreements with 16 domestic theater circuits that license our digital systems in order to show digital content distributed by the studios and other providers, including an AccessIT subsidiary, the Bigger Picture. AccessIT DC recently created a subsidiary, Phase 2 Corporation, in order to undertake the second phase of the deployment of digital systems ("Phase II Deployment"), for up to 10,000 additional digital systems. In connection with the Phase II Deployment, Phase 2 Corporation has entered into agreements with 4 major motion picture studios which will allow it to collect VPFs and ACFs once Phase 2 Corporation enters into license agreements with exhibitors, arranges suitable financing for the purchase of digital systems, and enters into vendor supply agreements for the necessary equipment.

The Content & Entertainment business consists of the following:

Operations of:
ADM Cinema Corporation ("ADM Cinema") d/b/a the Pavilion Theatre (the "Pavilion Theatre")
UniqueScreen Media, Inc. d/b/a AccessIT Advertising and Creative Services ("ACS")
Vistachiara Productions, Inc. d/b/a The Bigger Picture ("The Bigger Picture")

Products and services provided:
· A nine-screen movie theatre and showcase to demonstrate our integrated digital cinema solutions
· Provides cinema advertising services and entertainment
· Acquires, distributes and provides the marketing for programs of alternative content to theatrical exhibitors

The Other business consists of the following:

Operations of:
Data Centers
Access Digital Server Assets

Products and services provided:
· Provides services through its three IDCs (see below)
· Provides web hosting services

Effective May 1, 2007, our IDCs are being operated by a third party pursuant to a master collocation agreement. Although we are still the lessee of the IDCs, substantially all of the revenues and costs are being realized by the third party and not the Company.

OUR PRINCIPAL EXECUTIVE OFFICES

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Our principal executive offices are located at 55 Madison Avenue, Suite 300, Morristown, NJ 07960, and our telephone number there is (973) 290-0080. Our e-mail address is info@accessitx.com and our web site address is www.accessitx.com. Information accessed on or through our web site does not constitute a part of this prospectus.

THE OFFERING

Class A common stock offered by selling security holders	500,000 shares (1)
Common stock equivalents presently outstanding	26,973,816 shares (2)
Common stock equivalents to be outstanding immediately after this offering	26,973,816 shares (2)
Use of proceeds	We will not receive any proceeds from the resale of shares of Common Stock by the selling security holders.
NASDAQ symbol	AIXD

(1) This prospectus relates to the resale by certain selling security holders of the Company of 500,000 shares of our Common Stock, which may, at the Company's option and subject to certain conditions, be issued from time to time on a quarterly basis as interest and additional kicker shares pursuant to the three-year 10% notes issued by the Company on August 27, 2007 (the "2007 Senior Notes"). The selling security holders may offer to sell the shares of Common Stock being offered by this prospectus at fixed prices, at prevailing market prices at the time of sale, at varying prices, or at negotiated prices. Please see "Plan of Distribution" in this prospectus for a detailed explanation of how the shares of Common Stock may be sold.

(2) Reflects 26,240,005 outstanding shares of Common Stock as of May 1, 2008, and 733,811 outstanding shares of our Class B common stock as of April 17, 2008, which are convertible into 733,811 shares of Common Stock.

This prospectus contains our trademarks, tradenames and servicemarks and also contains certain trademarks, tradenames and servicemarks of other parties.

RISK FACTORS

An investment in our securities involves a high degree of risk and uncertainty. You should carefully consider the risks described below and in any prospectus supplement before deciding to invest in our securities. The risks described below are not the only ones facing our company. Additional risks not presently known to us or that we presently consider immaterial may also adversely affect our company. If any of the following risks occur, our business, financial condition, results of operations and prospects could be materially adversely affected. In that case, the trading price of our securities could decline, and you could lose all or part of your investment. In assessing these risks, you should also refer to the other information included or incorporated by reference in this prospectus, including the consolidated financial statements and notes thereto of our company included elsewhere in this prospectus.

Risks relating to our business

An inability to obtain necessary financing may have a material adverse effect on our financial position, operations and prospects if unanticipated capital needs arise.

Our capital requirements may vary significantly from what we currently project and be affected by unforeseen delays and expenses. We may experience problems, delays, expenses and difficulties frequently encountered by similarly-situated companies, as well as difficulties as a result of changes in economic, regulatory or competitive conditions. If we encounter any of these problems or difficulties or have underestimated our operating losses or capital requirements, we may require significantly more financing than we currently anticipate. We cannot assure you that we will be able to obtain any required additional financing on terms acceptable to us, if at all. An inability to obtain necessary financing could have a material adverse effect on our financial position, operations and prospects. Although we have entered into an agreement for a credit facility (the "GE Credit Facility") with General Electric Capital Corporation ("GECC"), pursuant to which GECC and certain other lenders agreed to provide AccessIT DC a \$217.0 million Senior Secured Multi Draw Term Loan, if we are unable to draw down additional loans from the GE Credit Facility or raise additional funds, we may not be able to fulfill our obligations under our framework agreement (the "Framework Agreement") with Christie Digital Systems USA, Inc. ("Christie"). The GE Credit Facility contains certain restrictive covenants that restrict AccessIT DC and its subsidiaries from making certain capital expenditures, incurring other indebtedness, engaging in a new line of business, selling certain assets, acquiring, consolidating with, or merging with or into other companies and entering into transactions with affiliates. In August 2007, we issued the 2007 Senior Notes which restrict the Company and its subsidiaries (other than AccessIT DC and its subsidiaries) from incurring other indebtedness, creating or acquiring subsidiaries which do not guarantee such notes, making certain investments and modifying authorized capital and which prohibits the Company and its subsidiaries from incurring indebtedness in an aggregate of \$315.0 million until certain conditions are met.

We have limited experience in our newer business operations, which may negatively affect our ability to generate sufficient revenues to achieve profitability.

We were incorporated on March 31, 2000. Our first data center, a part of our initial business, became operational in December 2000. Subsequent thereto, we added additional data centers and expanded into the following new business areas which are currently our primary focus: (a) providing satellite delivery services, through our wholly-owned subsidiary AccessIT Satellite; (b) operating a movie theater, through our wholly-owned subsidiary ADM Cinema; (c) placing digital cinema projection systems into movie theaters and collecting virtual print fees in connection with such placements, through our indirect wholly-owned subsidiary AccessIT DC; (d) providing pre-show on-screen advertising and entertainment, through our wholly-owned subsidiary ACS and (e) operating an alternate content distribution company, through our wholly-owned subsidiary, The Bigger Picture. Although we have retained certain

senior management of the acquired businesses and have hired other experienced personnel, we have little experience in these new areas of business and cannot assure you that we will be able to develop and market the services provided thereby. We also cannot assure you that we will be able to successfully operate these businesses. Our efforts to expand into these five business areas may prove costly and time-consuming and have become our primary business focus.

Our limited experience in the digital cinema industry and providing transactional software for movie distributors and exhibitors could result in:

- increased operating and capital costs;
- an inability to effect a viable growth strategy;
- service interruptions for our customers; and
- an inability to attract and retain customers.

We may not be able to generate sufficient revenues to achieve profitability through the operation of our digital cinema business or our entertainment software business. We cannot assure you that we will be successful in marketing and operating these new businesses or, even if we are successful in doing so, that we will not experience additional losses.

We face the risks of an early-stage company in a new and rapidly evolving market and may not be able successfully to address such risks and ever be successful or profitable.

We have encountered and will continue to encounter the challenges, uncertainties and difficulties frequently experienced by early-stage companies in new and rapidly evolving markets, including:

- limited operating experience;
- net losses;
- lack of sufficient customers or loss of significant customers;
- insufficient revenues and cash flow to be self-sustaining;
-