

UNITED STATES  
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): May 29, 2003  
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FORGENT NETWORKS, INC.  
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(Exact name of registrant as specified in its charter)

Delaware ----- (State or other jurisdiction of incorporation)	0-20008 ----- (Commission File Number)	74-2415696 ----- (IRS Employer Identification No.)
108 Wild Basin Road Austin, Texas ----- (Address of principal executive offices)		78746 ----- (Zip Code)

Registrant's telephone number, including area code: (512) 437-2700  
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Item 7. Financial Statements and Exhibits.

(c) Exhibits. The following exhibit to this Current Report on Form 8-K is not being filed, but is being furnished pursuant to Item 9 below in accordance with Item 601 of Regulation S-K:

99.1 Press Release dated May 29, 2003

Item 9. Regulation FD Disclosure.

In accordance with SEC Release No. 33-8216, the following information (including the attached exhibit), intended to be furnished under "Item 12. Results of Operations and Financial Condition," is instead furnished under "Item 9. Regulation FD Disclosure." As provided in General Instructions B.2 and B.6 of Form 8-K, such information shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

On May 29, 2003, the registrant announced its financial results for the quarter ended April 30, 2003 by issuing a press release. The full text of the press release issued in connection with the announcement is attached hereto as Exhibit No. 99.1. The press release contains and may implicate, forward-looking statements regarding the registrant and includes cautionary statements identifying important factors that could cause actual results to differ materially from those anticipated.

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, thereunto duly authorized.

Dated: May 29, 2003.

FORGENT NETWORKS, INC.

By: /s/ Richard N. Snyder

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Richard N. Snyder  
Chief Executive Officer

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INDEX TO EXHIBITS

Exhibit No.	Exhibit
99.1	Press Release

For Immediate Release

[FORGENT LOGO]

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Forgent Announces Results for the 2003 Fiscal Third Quarter  
Grew revenues by 37%

Increased earnings by over 30% to \$0.07 per share  
IP program added more than \$12 million in revenue

AUSTIN, Texas, May 29, 2003-- Forgent(TM) Networks (Nasdaq: FORG), a leading provider of enterprise meeting automation software and services, today announced the results of the 2003 fiscal third quarter ending April 30, 2003, marking the fifth consecutive quarter of profitability. During the 2003 fiscal third quarter, Forgent grew overall revenues by approximately 37%, achieved a 67% increase in intellectual property revenues and realized a 10% increase in software revenues as compared to the 2003 fiscal second quarter. Highlights for the fiscal third quarter include:

- o Achieved profitability for the fifth consecutive quarter
- o Realized more than \$12 million in revenue from the intellectual property licensing program
- o Obtained IP licensing revenue for the fifth consecutive quarter
- o Grew the software business by 10% to \$1.1 million

"We are pleased with our third quarter performance. For the fifth consecutive quarter, we achieved profitability as well as realized revenues from our intellectual property licensing program," said Richard Snyder chairman and CEO of Forgent. "We grew revenues, improved margins, increased earnings and our software business continues to show progress with solid customer wins. "

Software

Software revenues increased by approximately 10% to \$1.13 million for the fiscal third quarter compared to the prior quarter. The sales pipeline for the software business continues to grow.

Intellectual Property

Forgent realized patent license revenues totaling \$12.2 million. The intellectual property program continues to grow with the main effort on licensing Forgent's still-image compression technology, embodied in U.S. Patent No. 4,698,672 (672 patent). The company continues to believe that this program will produce additional licensing revenue in subsequent quarters.

Videoconferencing Hardware Services

Videoconferencing Hardware Service revenues were \$3.8 million for the third fiscal quarter of 2003. The business continues to focus on cost management through the transition phase.

Fiscal Third Quarter Results

Revenue grew approximately 37% to \$17.1 million for the 2003 fiscal third quarter compared to \$12.5 million for the 2003 fiscal second quarter reflecting growth in the intellectual property and software businesses. Operating expenses were \$5.6 million for the third fiscal quarter of 2003. Net income increased by approximately 31% to \$1.7 million or \$0.07 per share compared to \$1.3 million or \$0.05 per share for the second fiscal quarter of 2003. Cash, cash equivalents and short-term investments at the end of the fiscal third quarter were approximately \$14.3 million.

Forgent was required to perform an impairment analysis of its software segment due to the tough economic environment and the associated negative impact on the company's software business. As a result of this analysis, the company recorded an asset impairment charge reflected in operating expenses for the write-down of goodwill totaling \$1.3 million or \$0.05 per share.

Other Items

The company anticipates filing its definitive proxy for the 2002 fiscal year with the Securities and Exchange Commission in the next few days. In addition, in the second fiscal quarter of 2003 the company had reported the operation of

its videoconferencing hardware services business as a discontinued operation. The company has determined that it will report these operations as a continuing operation until receiving a successful shareholder vote to divest the videoconferencing hardware services business at the company's annual meeting, after which time, the company will then report the business as a discontinued operation. Current and prior results of the company in this press release report the videoconferencing hardware services business as a continuing operation.

#### Outlook

"We continue to work on our sales execution and rolling out new products on time and on budget to support that sales effort," added Snyder. "We will focus on revenue, profitability, and managing our expenses."

Forgent expects to generate IP license revenue for the fourth fiscal quarter of 2003 marking the sixth consecutive quarter of results. Forgent believes that given current market conditions software revenue will remain flat on a sequential basis for the fourth fiscal quarter of 2003. Forgent expects videoconferencing hardware services revenue to be flat to declining for the remainder of fiscal 2003.

#### Conference Call and Webcast

Forgent will release actual results of its 2003 fiscal third quarter at 8 a.m. CT (9 a.m. ET) on May 29, 2003. Forgent has scheduled a conference call with the investment community at 10:00 a.m. CT (11:00 a.m. ET) on May 29, 2003, to discuss the quarter and outlook. Participating in the call will be Richard Snyder, chairman and chief executive officer; Jay Peterson, vice president finance and chief financial officer; Russ Caccamisi, senior vice president, sales and Ken Kalinoski, vice president development and chief technology officer.

To participate, dial 800-299-0148 ten minutes before the conference call begins, ask for the Forgent event, and use a pass code of 59120091. International callers should dial 617-801-9711 and use a pass code of 59120091. Investors, analysts, media and the general public will also have the opportunity to listen to the conference call over the Internet by visiting the investor relations page of Forgent's web site at [www.forgent.com](http://www.forgent.com). To listen to the live call, please visit the web site at least fifteen minutes early to register, download and install any necessary audio software. For those who cannot listen to the live broadcast, a replay will be available shortly after the call on the investor relations page of our web site at [www.forgent.com](http://www.forgent.com).

#### About Forgent

Forgent Networks is a leading provider of enterprise meeting automation software and services that enable organizations to schedule and automate their meeting environment. By streamlining the planning, scheduling and execution of meetings, organizations recognize increased productivity and reduced administrative overhead associated with their meeting environment. Our software provides one-stop scheduling of all resources necessary for complex conferences and automatically launches the communications media used for any meeting. For additional information, visit [www.forgent.com](http://www.forgent.com).

#### Safe Harbor

This release may include projections and other forward-looking statements that involve a number of risks and uncertainties and, as such, actual results in future periods may differ materially from those currently expected or desired. Some of the factors that could cause actual results to differ materially include changes in the general economy and the technology industry, rapid changes in technology, sales cycle and product implementations, risks associated with transitioning to a new business model and the subsequent limited operating history, the possibility of new entrants into the enterprise meeting automation market, the possibility that the market for the sale of certain software and services may not develop as expected, that development of these software and services may not proceed as planned, risks associated with the company's license

program, including risks of litigation involving intellectual property, patents and trademarks, acquisition integration, and the ability to consummate certain divestiture transactions. Additional discussion of these and other risk factors affecting the company's business and prospects is contained in the company's periodic filings with the SEC.

FORGENT NETWORKS, INC.  
CONSOLIDATED BALANCE SHEETS  
(Amounts in thousands, except per share data)

	APRIL 30, 2003 ----	JULY 31, 2002 ----
	(Unaudited)	
<b>ASSETS</b>		
Current assets:		
Cash and equivalents	\$ 13,647	\$ 17,237
Short-term investments	701	2,715
Accounts receivable, net of allowance for doubtful accounts of \$1,269 and \$815 at April 30, 2003 and July 31, 2002	7,842	5,390
Notes receivable, net of reserve of \$643 and \$967 at April 30, 2003 and July 31, 2002	31	189
Inventories	635	563
Prepaid expenses and other current assets	1,004	609
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Total current assets	23,860	26,703
Property and equipment, net	5,097	5,734
Goodwill, net	13,972	15,833
Capitalized software, net	4,616	3,537
Other assets	341	415
	-----	-----
	\$ 47,886	\$ 52,222
	=====	=====
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 2,888	\$ 5,687
Accrued compensation and benefits	351	1,264
Other accrued liabilities	1,508	2,049
Notes payable, current portion	254	899
Deferred revenue	5,730	7,047
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Total current liabilities	10,731	16,946
Long-term liabilities:		
Deferred revenue	658	1,015
Other long-term obligations	1,140	1,983
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Total long-term liabilities	1,798	2,998
Stockholders' equity:		
Preferred stock, \$.01 par value; 10,000 Authorized; none issued or outstanding	--	--
Common stock, \$.01 par value; 40,000 authorized; 25,962 and 25,755 shares issued; 24,579 and 24,880 shares outstanding at April 30, 2003 and July 31, 2002, respectively	259	257
Treasury stock, 1,383 and 875 issued at April 30, 2003 and July 31, 2002, respectively	(3,707)	(2,857)
Additional paid-in capital	263,557	263,334
Accumulated deficit	(224,048)	(228,011)
Unearned compensation	(47)	(227)
Accumulated other comprehensive income	(657)	(218)
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Total stockholders' equity	35,357	32,278
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	\$ 47,886	\$ 52,222
	=====	=====

FORGENT NETWORKS, INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(Amounts in thousands, except per share data)

	FOR THE THREE MONTHS ENDED APRIL 30, 2003      2002 ----		FOR THE NINE MONTHS ENDED APRIL 30, 2003      2002 ----	
	(UNAUDITED)		(UNAUDITED)	
<b>REVENUES:</b>				
Software and professional services	\$ 1,134	\$ 852	\$ 3,379	\$ 1,309
Intellectual property licensing	12,150	15,000	25,618	15,000
Services and other	3,823		13,141	20,694
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Total revenues	17,107	6,465 22,317	42,138	37,003
COST OF SALES:				
Software and professional services	945	411	2,418	3,406
Intellectual property licensing	6,075	6,600	12,809	6,600
Services and other	2,790	3,598	9,008	12,195
Total cost of sales	9,810	10,609	24,235	22,201
GROSS MARGIN	7,297	11,708	17,903	14,802
OPERATING EXPENSE:				
Selling, general and administrative	3,524	2,926	10,878	8,539
Research and development	901	567	2,784	2,026
Impairment of assets	1,211	5,967	712	5,967
Restructuring expense	--	--	--	818
Total operating expenses	5,636	9,460	14,374	17,350
INCOME (LOSS) FROM OPERATIONS	1,661	2,248	3,529	(2,548)
OTHER INCOME (EXPENSE):				
Interest income	48	53	187	237
Gain on investment	--	--	--	1,670
Interest expense and other	75	169	351	106
Total other income (expense)	123	222	538	2,013
INCOME (LOSS) FROM CONTINUING OPERATIONS, BEFORE INCOME TAXES	1,784	2,470	4,067	(535)
Provision for income taxes	(61)	177	(104)	177
INCOME (LOSS) FROM CONTINUING OPERATIONS	1,723	2,647	3,963	(358)
Loss from discontinued operations, net of income taxes	--	(166)	--	(8,028)
Loss on disposal, net of income taxes	--	--	--	(255)
LOSS FROM DISCONTINUED OPERATIONS, NET OF INCOME TAXES	--	(166)	--	(8,283)
NET INCOME (LOSS)	<u>\$ 1,723</u>	<u>\$ 2,481</u>	<u>\$ 3,963</u>	<u>\$ (8,641)</u>
BASIC AND DILUTED INCOME (LOSS) PER SHARE:				
Income (loss) from continuing operations	<u>\$ 0.07</u>	<u>\$ 0.11</u>	<u>\$ 0.16</u>	<u>\$ (0.02)</u>
Income (loss) from discontinued operations	<u>\$ 0.00</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>	<u>\$ (0.33)</u>
Net income (loss)	<u>\$ 0.07</u>	<u>\$ 0.10</u>	<u>\$ 0.16</u>	<u>\$ (0.35)</u>
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Basic	24,629	24,761	24,693	24,807
Diluted	24,715	25,373	25,144	24,807