

VERMILLION, INC.
Form 10-Q/A
May 28, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q/A

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the quarterly period ended March 31, 2010.

OR

Transition Report under Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the transition period from _____ to _____.

Commission File Number: 000-31617

Vermillion, Inc.

(Debtor-in-Possession)

(Exact name of registrant as specified in its charter)

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Delaware
(State or other jurisdiction of
incorporation or organization)

33-0595156
(I.R.S. Employer
Identification No.)

47350 Fremont Blvd., Fremont, California
(Address of principal executive offices)

94538
(Zip Code)

Registrant's telephone number, including area code: (510) 226-2800

Former name, former address and former fiscal year, if changed since last report: Not applicable

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months (or for shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

As of March 31, 2010, the Registrant had 10,298,696 shares of common stock, par value \$0.001 per share, outstanding.

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EXPLANATORY NOTE

Vermillion, Inc. (the Company) is filing this amendment (the Form 10-Q/A) to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (the Form 10-Q), filed with the U.S. Securities and Exchange Commission (SEC) on May 24, 2010, to revise in full the risk factor specified below on page 30 of the Form 10-Q in Part II-Item 1A-Risk Factors.

This Form 10-Q/A should be read in conjunction with the original Form 10-Q, continues to speak as of the date of the Form 10-Q, and does not modify or update disclosures in the original Form 10-Q except as noted above. Accordingly, this Form 10-Q/A does not reflect events occurring after the filing of the Form 10-Q or modify or update any related disclosures. In particular, any forward-looking statements included in this Form 10-Q/A represent management's view as of the filing date of the Form 10-Q.

PART II - OTHER INFORMATION

Item 1A. Risk Factors

You should carefully consider the following risk factors and uncertainties together with all of the other information contained in the Quarterly Report on Form 10-Q, as amended by the Quarterly Report on Form 10Q/A, Vermillion, Inc. (Vermillion) and subsidiaries (collectively referred to as the Company) Annual Report on Form 10-K for the year ended December 31, 2009, including the audited consolidated financial statements and accompanying notes, and the Company's other filings from time to time with the Securities and Exchange Commission. The risks and uncertainties management (we, us or our) describes below are the only ones the Company faces. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also adversely affect the Company's business.

Risks Related to the Company's Business

We expect to incur a net loss for 2010. If we are unable to generate significant diagnostic products revenue, the Company may never achieve profitability.

From the Company's inception through March 31, 2010, the Company has generated cumulative revenue from the sale of products and services to customers of \$229,424,000 and has incurred net losses of \$291,061,000. The Company has experienced significant operating losses each year since its inception and we expect these losses to continue for at least this year ending December 31, 2010. For example, the Company experienced net losses of \$11,586,000 for the three months ended March 31, 2010 and \$22,048,000, \$18,330,000 and \$21,282,000 for the years ended December 31, 2009, 2008 and 2007, respectively. The Company's losses have resulted principally from costs incurred in research and development, sales and marketing, litigation, and general and administrative costs associated with the Company's operations. The losses incurred in 2009 were the result, in part, of costs and expenses related to the Company's reorganization.

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Item 6. Exhibits

- 31.1* Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2* Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.0** Certification of the Chief Executive Officer and Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Filed herewith.

** Furnished 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, thereunto duly authorized.

Vermillion, Inc.

Date: May 28, 2010

/s/ Gail S. Page
Gail S. Page

Executive Chairperson, President and Chief Executive Officer

(Principal Executive Officer)

Date: May 28, 2010

/s/ John H. Tran
John H. Tran

Vice President of Finance and Chief Accounting Officer

(Principal Financial Officer)