
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

MAY 18, 2004

Date of report (Date of earliest event reported)

VALUEVISION MEDIA, INC.

(Exact Name of Registrant as Specified in
its Charter)

MINNESOTA

(State of Incorporation)

0-20243

(Commission File Number)

41-1673770

(I.R.S. Employer
Identification No.)

6740 SHADY OAK ROAD
EDEN PRAIRIE, MINNESOTA

(Address of principal executive offices)

55344-3433

(Zip Code)

Telephone Number: (952) 943-6000
(Registrant's Telephone Number, Including Area Code)

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

99 Press Release dated May 18, 2004.

ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 18, 2004 the registrant issued a press release discussing its results of operations and financial condition for its first fiscal quarter ended April 30, 2004. A copy of the press release is furnished as Exhibit 99 hereto.

The registrant defines EBITDA as operating income (loss) for the respective periods excluding depreciation and amortization expense, other non-operating income (expense), and income taxes. The registrant's management views EBITDA as an important alternative operating performance measure because it is commonly used by analysts and institutional investors in analyzing the financial performance of companies in the broadcast and television home shopping sectors. However, EBITDA should not be construed as an alternative to operating income or to cash flows from operating activities (as determined in accordance with generally accepted accounting principles) and should not be construed as a measure of liquidity. EBITDA, as presented, may not be comparable to similarly entitled measures reported by other companies.

The registrant's management uses EBITDA to evaluate operating performance and as a measure of performance for incentive compensation purposes.

For the quarter ended April 30, 2004, Exhibit 99 states that the net loss for such quarter was \$7.9 million. EBITDA for such quarter, which excludes depreciation and amortization expense, other non-operating income and income taxes, was \$(3.4) million. The difference between these measures includes \$(4.8) million of depreciation and amortization expense and \$.3 million of other non-operating income. For the quarter ended April 30, 2003, Exhibit 99 states that net income for such quarter was \$.5 million. EBITDA for such quarter, which excludes depreciation and amortization expense, other non-operating income and income taxes, was \$4.4 million. The difference between these measures includes \$(4.3) million of depreciation and amortization expense and \$.4 million of other non-operating income.

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.

Date: May 20, 2004

VALUEVISION MEDIA, INC.

By /s/ Nathan E. Fagre

*Nathan E. Fagre
Senior Vice President,
General Counsel and Secretary*

EXHIBIT INDEX

No.	Description	Manner of Filing
99	Press Release dated May 18, 2004.....	Filed Electronically

[VALUEVISION LETTERHEAD]

FOR IMMEDIATE RELEASE

**VALUEVISION MEDIA ANNOUNCES FINANCIAL RESULTS
FOR FISCAL FIRST QUARTER 2004
Company Achieves Record First Quarter Sales and Units Shipped**

MINNEAPOLIS - MAY 18, 2004 - VALUEVISION MEDIA (NASDAQ: VVTV) today announced financial results for its first quarter ended April 30, 2004.

Consolidated net sales were a first-quarter-record \$159 million, an increase of 11% over prior-year period. Internet net sales were a first-quarter-record \$34 million, up 37% over previous-year quarter. Net loss was \$8 million in the first quarter and EBITDA, as defined below, was (\$3.4) million.

QUARTERLY HIGHLIGHTS

- Unit volume was up a record 42%, the best shipping quarter in the Company's history.
- Average price points decreased by 23% to \$168 versus prior-year quarter.
- Home, apparel, and cosmetics as a category grew from 17% to 21% over year-ago quarter.
- New customer count was up 30% over last year's same period.
- Sales growth per full-time equivalent home was positive for the first time since 2002.
- ShopNBC.com continued strong growth, representing 21% of company sales.
- FanBuzz entered into an outsourced e-commerce and fulfillment services agreement with Elvis Presley Enterprises, and now manages all aspects of The Official Elvis Presley online store at <http://www.ShopElvis.com>.

"Our first quarter results signal a good start to the year," said William Lansing, president and CEO ValueVision Media. "I am pleased with the strategic improvements we achieved across a variety of company fronts, which are highlighted above. We are on the right path and making good progress."

2004 OUTLOOK

The following forward-looking statements reflect ValueVision Media's expectations for 2004.

- Consolidated net sales growth is expected to be in the low to mid teens. Unit growth is expected to be in the high teens as average price points decline.
- EBITDA will be negative in the first half of the year and positive in the second half as the Company's upfront investments to improve on-air quality, customer service levels, and test various marketing initiatives improve the business.
- Full-time equivalent (FTE) household growth is expected to be up approximately 7% to 8% driven predominantly by satellite and digital cable growth.
- Net sales per FTE is expected to be up approximately 3% to 6% on average, lower in the first half and higher in the second half of the year as marketing, product, and other initiatives gain traction.
- New customer acquisition is targeted to be up over 20%.

A conference call will be Webcast live Wednesday, May 19, 2004, at 11 a.m. ET / 8 a.m. PT and will be available through Wednesday, June 2 at www.valuevisionmedia.com. This call will contain forward-looking statements and other material information regarding the Company's financial and operating results.

The Company defines EBITDA as operating income (loss) for the respective periods excluding depreciation and amortization expense, other non-operating income (expense), and income taxes. Management views EBITDA as an important alternative operating performance measure because it is commonly used by analysts and institutional investors in analyzing the financial performance of companies in the broadcast and television home shopping sectors. However, EBITDA should not be construed as an alternative to operating income or to cash flows from operating activities (as determined in accordance with generally accepted accounting principles) and should not be construed as a measure of liquidity. EBITDA, as presented, may not be comparable to similarly entitled measures reported by other companies. Management uses EBITDA to evaluate operating performance and as a measure of performance for incentive compensation purposes.

This release contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are accordingly subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): consumer spending and debt levels; interest rates; competitive pressures on sales, pricing and gross profit margins; the level of cable distribution for the Company's programming and the fees associated therewith; the success of the Company's e-commerce and rebranding initiatives; the performance of its equity investments; the success of its strategic alliances and relationships; the ability of the Company to manage its operating expenses successfully; risks associated with acquisitions; changes in governmental or regulatory requirements; litigation or governmental proceedings affecting the Company's operations; and the ability of the Company to obtain and retain key executives and employees. More detailed information about those factors is set forth in the Company's filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. The Company is under no obligation (and expressly disclaims any such obligation to) update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

ValueVision Media is an integrated direct marketing company that sells products directly to consumers through television, the Internet, and direct mail. The television home shopping industry is a \$7 billion industry growing at a double-digit rate annually. The e-commerce space is even larger and growing faster. The Company owns and operates the nation's third largest home shopping network, ShopNBC, with fiscal 2003 sales of \$617 million. At the close of fiscal 2003, ShopNBC was broadcast into approximately 56 million full-time equivalent cable and satellite homes. The Company also operates ShopNBC.com, which contributed \$111 million in sales in fiscal 2003. Through its wholly-owned subsidiary FanBuzz, the Company provides e-commerce solutions to sports, entertainment, and media brands, such as the National Hockey League, Elvis Presley, Peanuts, and ESPN. GE Equity and NBC own approximately 40% of ValueVision Media. For more information, please visit the Company's website at www.valuevisionmedia.com.

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VALUEVISION MEDIA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands except share and per share data)

	APRIL 30, 2004 ---- (Unaudited)	JANUARY 31, 2004 ----
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 36,462	\$ 81,033
Short-term investments	89,512	46,148
Accounts receivable, net	68,041	71,166
Inventories	65,713	67,620
Prepaid expenses and other	6,355	5,017
	-----	-----
Total current assets	266,083	270,984
PROPERTY AND EQUIPMENT, NET	53,911	54,511
FCC BROADCASTING LICENSE	31,943	31,943
NBC TRADEMARK LICENSE AGREEMENT, NET	21,107	21,914
CABLE DISTRIBUTION AND MARKETING AGREEMENT, NET	4,222	4,445
GOODWILL	9,442	9,442
OTHER INTANGIBLE ASSETS, NET	544	661
INVESTMENTS AND OTHER ASSETS	2,500	2,691
	-----	-----
	\$ 389,752	\$ 396,591
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 50,325	\$ 51,482
Accrued liabilities	34,222	33,267
Income taxes payable	57	88
	-----	-----
Total current liabilities	84,604	84,837
LONG-TERM CAPITAL LEASE OBLIGATIONS	1,830	2,002
SERIES A REDEEMABLE CONVERTIBLE PREFERRED STOCK, \$.01 PAR VALUE, 5,339,500 SHARES AUTHORIZED; 5,339,500 SHARES ISSUED AND OUTSTANDING	42,816	42,745
SHAREHOLDERS' EQUITY:		
Common stock, \$.01 par value, 100,000,000 shares authorized; 36,788,528 and 36,487,821 shares issued and outstanding	368	365
Warrants to purchase 8,035,343 and 8,235,343 shares of common stock ..	46,683	47,638
Additional paid-in capital	248,427	246,143
Deferred compensation	(565)	(646)
Note receivable from former officer	(4,173)	(4,158)
Accumulated deficit	(30,238)	(22,335)
	-----	-----
Total shareholders' equity	260,502	267,007
	-----	-----
	\$ 389,752	\$ 396,591
	=====	=====

**VALUEVISION MEDIA, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS**
(In thousands, except share and per share data)

(Unaudited)

	FOR THE THREE MONTHS ENDED APRIL 30, -----	
	2004 ----	2003 ----
NET SALES	\$ 159,197	\$ 143,475
COST OF SALES	106,113	90,386
	-----	-----
Gross profit	53,084	53,089
	-----	-----
OPERATING (INCOME) EXPENSE:		
Distribution and selling	50,802	47,677
General and administrative	5,675	5,398
Depreciation and amortization	4,784	4,253
Gain on sale of television stations	--	(4,417)
	-----	-----
Total operating (income) expense	61,261	52,911
	-----	-----
OPERATING INCOME (LOSS)	(8,177)	178
	-----	-----
OTHER INCOME:		
Interest income	274	354
	-----	-----
Total other income	274	354
	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES	(7,903)	532
Income tax provision	--	--
	-----	-----
NET INCOME (LOSS)	(7,903)	532
ACCRETION OF REDEEMABLE PREFERRED STOCK	(71)	(71)
	-----	-----
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	\$ (7,974)	\$ 461
	=====	=====
NET INCOME (LOSS) PER COMMON SHARE	\$ (0.22)	\$ 0.01
	=====	=====
NET INCOME (LOSS) PER COMMON SHARE ---ASSUMING DILUTION	\$ (0.22)	\$ 0.01
	=====	=====
Weighted average number of common shares outstanding:		
Basic	36,640,477	35,981,187
	=====	=====
Diluted	36,640,477	42,500,565
	=====	=====

SUBSCRIBER INFORMATION (ESTIMATED IN MILLIONS)

(Unaudited)

	ENDING APRIL 30, 2004 ----	ENDING JANUARY 31, 2004 ----	ENDING APRIL 30, 2003 ----
Full-time Equivalent Subscribers ...	56.6	55.6	52.6
Total Subscribers	60.9	61.9	58.6
Full-time Subscribers	50.4	49.0	45.8

VALUE VISION MEDIA, INC.
KEY PERFORMANCE METRICS*
(Unaudited)

	Q1		
	FOR THE THREE MONTHS ENDING 4/30		
	F04	F03	%
	---	---	-
PROGRAM DISTRIBUTION			
Cable FTE's	35,896	33,610	7%
Satellite FTE's	20,151	17,892	13%
	-----	-----	-----
Total FTE's (Average 000's)	56,047	51,502	9%
Net Sales per FTE (Annualized)	\$ 10.79	\$ 10.65	1%
New Customer Count	148,570	114,508	30%
Customer Penetration - 12 month rolling ..	1.4%	1.3%	n/a
PRODUCT MIX			
Jewelry	65%	68%	
Apparel	5%	1%	
Health & Beauty	3%	2%	
Computer & Electronics	14%	15%	
Fitness	2%	1%	
Home	11%	13%	
Shipped Units (000's)	1,316	929	42%
Average Price Point - shipped units	\$ 168	\$ 219	(23%)

* Includes ShopNBC TV and ShopNBC.com only.

RECONCILIATION OF EBITDA TO NET INCOME (LOSS):

	FIRST QUARTER 30-APR-04	FIRST QUARTER 30-APR-03
EBITDA (AS DEFINED) (000'S) (A)	\$ (3,393) =====	\$ 4,431 =====
A reconciliation of EBITDA to net income (loss) is as follows:		
EBITDA, as presented	\$ (3,393)	\$ 4,431
Less:		
Depreciation and amortization	(4,784)	(4,253)
Other non-operating income (expense)	274	354
Income taxes	--	--
	-----	-----
Net income (loss)	\$ (7,903) =====	\$ 532 =====

(a) EBITDA as defined for this statistical presentation represents operating income (loss) for the respective periods excluding depreciation and amortization expense, other non-operating income (expense) and income taxes. Management views EBITDA as an important alternative operating performance measure because it is commonly used by analysts and institutional investors in analyzing the financial performance of companies in the broadcast and television home shopping sectors. However, EBITDA should not be construed as an alternative to operating income or to cash flows from operating activities (as determined in accordance with generally accepted accounting principles) and should not be construed as a measure of liquidity. EBITDA, as presented, may not be comparable to similarly entitled measures reported by other companies. Management uses EBITDA to evaluate operating performance and as a measure of performance for incentive compensation purposes.