

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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) September 27, 2000

Titan Motorcycle Co. of America

(Exact Name of Registrant as Specified in Charter)

Nevada

000-24477

86-0776876

(State or Other Jurisdiction
of Incorporation)(Commission
File Number)(IRS Employer
Identification No.)

2222 West Peoria Avenue, Phoenix, Arizona

85029

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code

(602) 861-6977

(Former Name or Former Address, if Changed Since Last Report)

ITEM 5. OTHER ITEMS.

As described in a previous report on Form 8-K filed with the SEC on July 20, 2000, Titan was notified by Nasdaq that it was not in compliance with Nasdaq's continued SmallCap Market criteria. Specifically, Nasdaq noted that Titan did not have either \$2 million in net tangible assets, \$35 million of market capitalization or \$5 million in net income. Subsequent to Nasdaq's notification, Titan's Series A and Series B Convertible Preferred Stockholders agreed to modify the terms of their preferred stock so that the preferred stock would be characterized under generally accepted accounting principles as equity rather than as mezzanine instruments, which had the effect of increasing Titan's net tangible assets. On May 24, 2000, Titan submitted a plan of compliance and a request for extension to comply with Nasdaq's maintenance criteria. By a letter dated September 22, 2000, Nasdaq approved Titan's plan of compliance and granted the Company's request for an extension to regain compliance.

To demonstrate compliance with Nasdaq's net tangible asset requirement, Titan is filing this report together with an unaudited balance sheet and unaudited income statement giving effect, on a pro forma basis, to the recharacterization of the Series A and B Convertible Preferred Stock from mezzanine debt to equity. The balance sheet and income statement are set forth below.

Despite Titan's compliance with Nasdaq's net tangible assets requirement, Titan continues to be at risk of delisting by Nasdaq. As described in a previous report on Form 8-K filed with the SEC on August 23, 2000, Titan's two independent directors resigned on August 18, 2000. By a letter dated September 22, 2000, Nasdaq has informed Titan that it no longer meets the independent director and Audit Committee requirements currently applicable to the Company. Titan must submit a plan and timetable of compliance with Nasdaq by October 6, 2000, detailing how it intends to comply with these requirements.

As described in a previous report on Form 8-K filed with the SEC on September 7, 2000, Titan received a letter from Nasdaq on August 30, 2000 informing Titan that its common stock had failed to meet the minimum bid price of \$1.00 over the preceding 30 consecutive trading days, and that, as a result, Titan did not meet the maintenance criteria for continued listing on the Nasdaq SmallCap Market. Pursuant to the letter, Nasdaq has provided Titan 90 days to comply with the minimum bid price requirement. If Titan is unable to comply by November 28, 2000, its common stock will be delisted at the opening of business on November 30, 2000.

If the Company fails to maintain its Nasdaq SmallCap Market listing for its securities, trading in its stock is likely to be materially adversely effected. Among other things, the Company's common stock would then constitute "penny stock," which would place increased regulatory burden upon brokers, making them less likely to make a market in the stock.

In addition, if Titan is delisted, it will constitute a default under the terms of the Securities Purchase Agreements covering the 12% Convertible Debentures and the Series A, Series B and Series C Convertible Preferred Stock previously issued by Titan. As a result, Titan may be required to redeem the Debentures or the Convertible Preferred Stock at a time when it does not have sufficient funds to do so. In this case, Titan may be forced into liquidation or reorganization under the federal bankruptcy laws.

ITEM 7. FINANCIAL STATEMENTS.

TITAN MOTORCYCLE CO. OF AMERICA
PRO FORMA BALANCE SHEET
AS OF JULY 1, 2000

| ASSETS | JULY 1, 2000 ----- (Unaudited) | ADJUSTMENTS ----- | PRO FORMA JULY 1, 2000 ----- |
|---|--------------------------------------|----------------------|------------------------------------|
| Current assets: | | | |
| Cash | \$ 163,822 | | \$ 163,822 |
| Accounts receivable, net | 1,977,203 | | 1,977,203 |
| Accounts receivable - related party, net | 425,000 | | 425,000 |
| Inventory, net | 14,606,893 | | 14,606,893 |
| Prepaid expenses | 256,653 | | 256,653 |
| | ----- | | ----- |
| TOTAL CURRENT ASSETS | \$ 17,429,571 | | \$ 17,429,571 |
| Property and equipment, net | \$ 1,823,035 | | \$ 1,823,035 |
| Other assets | 17,317 | | 17,317 |
| Trademarks, net | 84,516 | | 84,516 |
| | ----- | | ----- |
| TOTAL ASSETS | \$ 19,354,439 | | \$ 19,354,439 |
| | ===== | | ===== |
| LIABILITIES, REDEEMABLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY | | | |
| Current liabilities: | | | |
| Bank Overdraft | \$ -- | | \$ -- |
| Accounts payable | 3,930,753 | | 3,930,753 |
| Accrued expenses | 1,368,426 | (449,491) A | 918,935 |
| Note Payable - Line of Credit | 6,028,228 | | 6,028,228 |
| Repurchase Obligation | 1,262,092 | | 1,262,092 |
| Current portion of notes payable | 941,782 | | 941,782 |
| | ----- | | ----- |
| TOTAL CURRENT LIABILITIES | \$ 13,531,281 | | \$ 13,081,790 |
| Notes payable | 2,583,212 | (600,000) A | 1,983,212 |
| | ----- | | ----- |
| TOTAL LIABILITIES | \$ 16,114,493 | | \$ 15,065,002 |
| Redeemable Preferred Stock | | | |
| Cumulative preferred stock, 7,273 share outstanding | \$ 5,608,836 | (4,809,831) B | \$ 799,005 |
| Stockholders' Equity | | | |
| Preferred Stock | \$ -- | 4,809,831 B | \$ 4,809,831 |
| Common stock, par value \$.001; 100,000,000 shares authorized | 18,005 | 725 A | 18,730 |
| Additional paid in capital | 10,735,424 | 1,048,766 A | 11,784,190 |
| Unearned compensation | (27,843) | | (27,843) |
| Accumulated deficit | (13,094,476) | | (13,094,476) |
| | ----- | | ----- |
| TOTAL STOCKHOLDERS' DEFICIT | \$ (2,368,890) | 5,859,322 | \$ 3,490,432 |
| TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT | \$ 19,354,439 | | \$ 19,354,439 |
| | ===== | | ===== |
| NET WORTH ANALYSIS: | | | |
| PRO FORMA NET WORTH AS OF JULY 1, 2000 | \$ (2,368,890) | 5,859,322 | \$ 3,490,432 |

A = Conversion of subordinated debt and related accrued interest to common stock.

B = Reclassification of Redeemable Preferred Stock to Preferred Stock based upon amendment of agreements.

Twenty-Six Weeks Ended
July 1, 2000

| | |
|-------------------------------------|----------------|
| | ----- |
| Sales, net | \$ 19,146,421 |
| Cost of goods sold | 17,958,060 |
| | ----- |
| Gross profit | \$ 1,188,361 |
| | ----- |
| Operating expenses: | |
| Selling, general and administrative | \$ 3,654,987 |
| Research and development | 76,450 |
| | ----- |
| Total operating expenses | \$ 3,731,437 |
| | ----- |
| Income (loss) from operations | \$ (2,543,076) |
| Other income (expense): | |
| Other income (expense) | \$ 3,522 |
| Non recurring finance costs | (185,000) |
| Interest expense | (520,154) |
| | ----- |
| Total other income (expense) | \$ (701,632) |
| | ----- |
| Income (loss) before income taxes | \$ (3,244,708) |
| Income taxes | -- |
| | ----- |
| Net loss | \$ (3,244,708) |
| | ===== |

(c) Exhibits.

| EXHIBIT NUMBER | DESCRIPTION |
|-------------------|-------------|
|-------------------|-------------|

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.

Titan Motorcycle Co. of America

/s:/Francis S. Keery/

Francis S. Keery
Chief Executive Officer

Dated: September 27, 2000