

SIMTEK CORP
Form SC TO-C
August 04, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934

SIMTEK CORPORATION

(Name of subject company (Issuer))

CYPRESS SEMICONDUCTOR CORPORATION

COPPER ACQUISITION CORPORATION

(Name of Filing Persons (Offerors))

Common Stock, \$0.0001 par value per share
(Title of classes of securities)

829204106
(CUSIP number of common stock)

Edgar Filing: SIMTEK CORP - Form SC TO-C

T. J. Rodgers

President and Chief Executive Officer

Cypress Semiconductor Corporation

Chief Executive Officer

198 Champion Court

San Jose, California 95134

(408) 943-2600

(Name, address, and telephone number of person authorized to receive notices and communications on behalf of Filing Persons)

Copies to:

Todd Cleary, Esq.

Wilson Sonsini Goodrich & Rosati

Professional Corporation

650 Page Mill Road

Palo Alto, California 94304-1050

(650) 493-9300

Jason P. Sebring, Esq.

Wilson Sonsini Goodrich & Rosati

Professional Corporation

One Market Street

Spear Tower, Suite 3300

San Francisco, CA 94105

(415) 947-2000

CALCULATION OF FILING FEE

Transaction Valuation*
Not applicable*

Amount of Filing Fee*
Not applicable*

* A filing fee is not required in connection with this filing as it relates solely to preliminary communications made before the commencement of a tender offer.

Edgar Filing: SIMTEK CORP - Form SC TO-C

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

Amount Previously Paid:	N/A	Filing Party:	N/A
Form of Registration No.:	N/A	Date Filed:	N/A

Check the box if the filing relates solely to preliminary communications made before the commencement of the tender offer. Check the appropriate boxes below to designate any transactions to which the statement relates:

third party tender offer subject to Rule 14d-1

issuer tender offer subject to Rule 13e-4

going private transaction subject to Rule 13e-3

amendment to Schedule 13D under Rule 13d-2

Check the following box if the filing is a final amendment reporting the results of the tender offer:

The following presentation was presented to Simtek employess at a meeting held on August 1, 2008.

Simtek Employee
Communication
Cypress
Aug 1
st
, 2008
Bob Dunnigan

VP Non-Volatile Products Business unit

2
Cypress Q108 Ops Review --
Confidential
Forward Looking Statements
Forward
Looking
Statements

This presentation contains forward-looking statements that are subject to certain risks and uncertainties and are subject to change at any time.

Factors that could cause actual results to differ materially include, but are not limited to, costs related to the proposed tender offer and merger, the risk of failing to

meet
the
minimum
tender
condition
or
obtain
any
required
stockholder
or
regulatory
approvals
or
satisfy
other
conditions
to
the
transaction,
the
risk
that
the
transaction
will
not
close
or
that
closing
will
be
delayed,
the
risk
that
our
respective
businesses
will
suffer
due
to
uncertainty
related
to
the
transaction
and

other risks related to our respective businesses set forth in Cypress and Simtek's filings with the Securities and Exchange Commission, including our respective quarterly Reports on Form 10-Q for the quarter ended March 30, 2008 and March 31, 2008, respectively. There can be no assurance that the tender offer and

second-step
merger
or
any
other
transaction
will
be
consummated,
or
if
consummated,
that
it
will
increase
stockholder
value.
The
forward-looking
statements
involve
known
and
unknown
risks,
uncertainties
and
other
factors
that
are,
in
some
cases,
beyond
the
control
of
Cypress
and
Simtek.
We
caution
investors
that
any
forward-looking
statements
made

by
us
are
not
guarantees
of
future
performance
or
events.
We
disclaim
any
obligation
to
update
any
such
factors
or
to
announce
publicly
the
results
of
any
revisions
to
any
of
the
forward-
looking-
statements
to
reflect
future
events
or
developments,
except
to
the
extent
required
by
law.

3
Cypress Q108 Ops Review --
Confidential
Additional Information
Additional
Information
and

Where
to
Find
it:
The
tender
offer
for
the
outstanding
common
stock
of
Simtek
has
not
yet
commenced.
This
presentation
is
for
informational
purposes
only
and
is
not
an
offer
to
buy
or
the
solicitation
of
an
offer
to
sell
any
securities.
The
solicitation
and
the
offer
to
buy
shares

of
Simtek
common
stock
will
be
made
only
pursuant
to
an
offer
to
purchase
and
related
materials
that
Cypress
intends
to
file
with
the
SEC
on
Schedule
TO.
Simtek
also
intends
to
file
a
solicitation/recommendation
statement
on
Schedule
14D-9
with
respect
to
the
offer.
Simtek
stockholders
and
other
investors
should

read
these
materials
carefully
because
they
contain
important
information,
including
the
terms
and
conditions
of
the
offer.
Simtek
stockholders
and
other
investors
will
be
able
to
obtain
copies
of
these
materials
without
charge
from
the
SEC
through
the
SEC's
Web
site
at
www.sec.gov,
from
the
Information
Agent
named
in
the

tender
offer
documents,
from
Cypress
(with
respect
to
documents
filed
by
Cypress
with
the
SEC),
or
from
Simtek
(with
respect
to
documents
filed
by
Simtek
with
the
SEC).

4
Cypress Q108 Ops Review --
Confidential
What has happened?

Cypress and Simtek have signed a Definitive Agreement for Cypress
to Acquire Simtek

This is a tender offer to buy all of the outstanding Simtek stock

This is a cash only offer

Stock purchase price is \$2.60 per share, the Tender Offer

Current Stock price SMTK = \$1.62

Current premium per share = \$ 0.98

Outstanding shares of Simtek stock

17.55M Shares

Cypress owns 674,082 shares acquired in connection with its previous JV investment with Simtek

Total purchase price is approximately \$45.6M

5
Cypress Q108 Ops Review --
Confidential
What are the Next Steps?

Communication of offer to all sites & employees

SEC Filings
Tender Offer

If required majority of shares are tendered, Cypress will proceed with merger

If Cypress and any subsidiary of Cypress owns at least 90% of outstanding shares of Simtek, merger to be completed without Simtek stockholder meeting

Closing of the deal expected to occur late Q3 or early Q408

Subject to customary closing conditions and regulatory approvals

Future communications & Integration Planning will be forthcoming

6

Cypress Q108 Ops Review --

Confidential

What will happen with Agiga Tech?

After the closing, Agiga

Tech will be a subsidiary of

Cypress Semiconductor

Cypress intends to continue this exciting Technology development and deployment effort

Ron Sartore will remain the CEO of Agiga Tech

7
Cypress Q108 Ops Review --
Confidential
Value of Acquisition

To
Leverage

and
focus
the
Synergistic
&
Technological
Capabilities
of
both
companies

The
Simtek
nvSRAM
Product
&
IP
offer
a
unique
and
differentiated
solution
to
Cypress
customers
high
speed
non-volatile
storage
needs

Secure
Storage
Solves

Speed,
Endurance
and
Environmental
problems

Design
&
System
knowledge

Advanced
architectures
and

system
level
solutions
(Agiga
Tech)

Product
and
test
Expertise

Established
Customer
Base

The
Cypress
SONOS
technology
provides
a
cost
effective,
scalable
CMOS
Process
that
will
enable
not
only
standalone
nvSRAM
products,
but
fully
embedded
SOC s

PSOC
Leadership

Programmable
System
on
a
Chip
(analog
/
mixed

signal)

SONOS
is
the
basis
for
all
of
Cypress
Programmable
products

Manufacturing
leadership

Fabrication,
Assembly,
and
Test

Extensive
Sales
and
Marketing
reach

Market
penetration
&
Adoption

8
Cypress Q108 Ops Review --
Confidential
What happens until deal is closed

Both companies remain separate and independent

Business as Usual

Maintain customer support and Revenue efforts

Continue with all product development efforts

Maintain Confidentiality between parties

Minimize speculation and communications regarding the deal

Be patient
we are limited in what can be disclosed

9
Cypress Q108 Ops Review --
Confidential
Closing Information

Final details of the Acquisition will be shared

Cypress Integration teams arrive on-site

Cypress IT
Network integration

Project & Sales reviews

Establish and communicate 90-day plan

Explain Cypress Benefits & compensation plans

Customer Visits and communications

10
Cypress Q108 Ops Review --
Confidential
Final Comments

Cypress is very excited about this potential acquisition

It will extend our leadership position in the Memory market

It will enable better competitive solutions against MRAM, FRAM and other Battery based technologies

It will provide a healthy Customer and revenue base

It will provide fundamental IP to enable embedded SOC s

It will leverage core competencies in a growing market

It will allow us to get better products to market, faster

This is the first step in a very exciting ride .more to come

11
Cypress Q108 Ops Review --
Confidential
Questions & Answers

12
Cypress Q108 Ops Review --
Confidential
Introduction to Cypress

13
Cypress Q108 Ops Review --
Confidential
Cypress Overview
Founded:
Listed:
Incorporated:

Headquarters:

Total Revenue:

Headcount:

Wafer Fab:

Assy & Test:

Regional Sales:

Worldwide Distribution

1982

NYSE (CY)

Delaware

San Jose, California

2007 -

\$1.6B

2006 -

\$1.092B

2005 -

\$886M

7,500 (1,500 Philippines)

Internal 87%; Foundry 13%

Internal/Subcon ~ 39%; 61%

Asia 40%, US 28%, EU 23%, Japan 9%

14
Cypress Q108 Ops Review --
Confidential
Cypress Worldwide
Wafer Fabs (3)
Direct Sales Office (32)
Representative Sales Offices (149)

Customer Design Centers (14)

Japan

CY Direct (2)

Rep (16)

Singapore/Malaysia
& Thailand

CY Direct (1)

Rep (10)

China/HK

CY Direct (3)

Rep (33)

India

CY Design (2)

Rep (6)

Taiwan ROC

CY Direct (1)

Rep (5)

S. Korea

CY Direct (1)

Rep (4)

Philippines

CY Fab (1)

Rep (1)

Australia

Rep (9)

GB, Ireland

CY Direct (1)

Design (1)

Rep (2)

Europe

CY Direct (6)

Rep (12)

Middle East

CY Design (1)

CY Direct (2)

Rep (3)

Brazil

Rep (1)

Mexico

Rep (1)

Canada

CY Direct (1)

Rep (5)

USA

CY Fab (2)

CY Design (10)

CY Direct (12)

Rep (45)

15
Cypress Q108 Ops Review --
Confidential
Organization
Ahmad Chatila
Vice President
MID

Shahin Sharifzadeh
Vice President
Technology & Fabs
Paul Keswick
Vice President
Design
Dinesh Ramanathan
Vice President
DCD
Brad Buss
CFO
Harry Sim
CEO
Cypress Systems
Norm Taffe
Vice President
CCD
Sabbas Daniel
Vice President
Quality
Chris Seams
Vice President
Sales, Mktg, Ops
Tom Werner
CEO
SunPower
TJ Rodgers
CEO

16

Cypress Q108 Ops Review --

Confidential

Our Mission

We will transform Cypress from a traditional broad-line semiconductor company to the leading supplier of programmable solutions in systems everywhere.

Mission Statement

17
Cypress Q108 Ops Review --
Confidential
Divisions and Products
Memory & Imaging
Datacom
Consumer &

computation

Sync. SRAMs

Async. SRAMs

μPower SRAMs

NVSRAMs

Multiport SRAMs

Image Sensors

West Bridge
Peripheral Controllers

Programmable
Clocks

PHYs

High-Perf. Video

Custom NSEs

PSoC
®
Mixed-Signal
Arrays

PSoC CapSense

PSoC Express

ColorLock

USB

WirelessUSB Radios

18
Cypress Q108 Ops Review --
Confidential
Subsidiaries
Company
Product
Benefit

Highest-efficiency
silicon solar cell
Leverages the techno-
logies within Cypress to
build systems and
solutions for sale to
end-customers

19
Cypress Q108 Ops Review --
Confidential
Flexible Manufacturing
No More Moore

CY Fab 2

Texas

35K 6
WS/QTR

0.35m -
1.2m

CY Fab 4
Minnesota

50K 8
WS/QTR

90nm
0.35m

65nm Capable

CY Assy & Test -
Manila

Equip Capacity: 93 Mu/qtr

Bldg Capacity: 185 Mu/qtr
OME
INDONESIA
Outsourced Fab
Outsourced Assembly

Bleeding-edge
technology not needed for programmable portfolio

\$17M per year savings and reduced R&D expenses

20
Cypress Q108 Ops Review --
Confidential
MOVED TO FLEXIBLE MANUFACTURING
GRACE
SHANGHAI, CHINA
TECH: S4, C8/R8, X9

OVER \$40M IN REVENUE SHIPPED IN 07
UMC
FAB 12A, TAINAN, TAIWAN
TECH: 65NM/55NM/S8/S10
SRAM PART TO TAPE OUT END OF 07
HHNEC
SHANGHAI, CHINA
TECH: S8/R8/C8
TRANSFER IN PROCESS
ASYNC SRAM
NVM
SYNC SRAMS

21
Cypress Q108 Ops Review --
Confidential
AUTOPSOC
MEMORY & IMAGING DIVISION
SYNC SRAMS
ASync SRAMS

SRAM
MULTIPORT
FIFO
SPCM
NVSRAM
SERIAL
EEPROM
NVPSOC
NANOPSOC
NVM & SOLUTIONS
MEMORY & SOLUTIONS
INDUSTRIAL
CUSTOM
CMOS SENSORS
MEMORIES
SRAM/NVM/ETC.
USB
CLOCK
HIREL
CMOS SENSOR/ HIREL
MEMORY & IMAGING DIVISION

22
Cypress Q108 Ops Review --
Confidential
Thank you

The following email was circulated to all Simtek employees on August 1, 2008.

CYPRESS SEMICONDUCTOR CORPORATION

Internal Correspondence

Dear Simtek Employee,

Today we announced that Cypress has signed a definitive agreement to acquire Simtek for approximately \$46M or \$2.60 per share. This acquisition is subject to customary closing conditions and regulatory approvals and is expected to be finalized in or prior to the fourth calendar quarter of 2008.

As many of you know, Cypress is one of the leading suppliers of static memory devices in the semiconductor industry today, having served this market for more than 25 years. It is also a leading supplier of USB and capacitive sensing based solutions and continues to grow and renew its business with its programmable product offerings including its PSoC[®] (Programmable System-on-Chip) device.

We are excited about the potential merger of these two companies, which we believe will help strengthen and expand the Cypress portfolio in the area of high-speed, nonvolatile memory solutions. This is a relatively new and growing market segment that continues to demand higher performance, higher density, increased speeds and near-infinite endurance, along with the high quality and reliability standards that we believe jointly we can provide.

Applications for these standalone nvSRAM and future embedded products range from desktop computing, server and storage systems, to industrial controls, medical and automotive-based solutions and even into the gaming and military product sectors. There are truly a wide range of applications and implementations where our Secure Storage solutions will provide significant value to our customers.

We believe the joint efforts of our companies will result in better customer-focused products and will enable a higher level of competition with the alternative technologies in this space. Both companies have been focused and committed to producing a CMOS-based, highly scalable and easily integrated solution, to solve our customer's nonvolatile needs. We are confident that the Simtek nvSRAM and Cypress SONOS processing and manufacturing leadership are the answers to this need. Alternative technologies utilizing FRAM, MRAM or battery-based technologies will just not be able to compete with our density, power, scaling and integration capabilities.

We thank the Simtek leadership team for working with Cypress through this tender offer process and are looking forward to the next steps in our engagement with Simtek. Thanks for your time, support and patience.

Regards,

Bob Dunnigan

VP NVP Business Unit

Additional Information and Where to Find it:

The tender offer for the outstanding common stock of Simtek has not yet commenced. This memorandum is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any securities. The solicitation and the offer to buy shares of Simtek common stock will be made only pursuant to an offer to purchase and related materials that Cypress intends to file with the SEC on Schedule TO. Simtek also intends to file a solicitation/recommendation statement on Schedule 14D-9 with respect to the offer. Simtek stockholders and other investors should read these materials carefully because they contain important information, including the terms and conditions of the offer. Simtek stockholders and other investors will be able to obtain copies of these materials without charge from the SEC through the SEC's Web site at www.sec.gov, from the Information Agent named in the tender offer documents, from Cypress (with respect to documents filed by Cypress with the SEC), or from Simtek (with respect to documents filed by Simtek with the SEC).