

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)

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**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**

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**Palo Alto, California 94304-1050**

**(650) 493-9300**

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**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.

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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

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Cypress Q108 Ops Review --  
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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.

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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](http://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).

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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

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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

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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

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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

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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

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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

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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

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Questions & Answers

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Introduction to Cypress

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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%

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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)

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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

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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

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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

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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

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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

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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

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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

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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<sup>®</sup> (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](http://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).