

ATHEROS COMMUNICATIONS INC
Form DEFA14A
January 05, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Section 240.14a-12

Atheros Communications, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11 and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Filed by Atheros Communications, Inc.

Pursuant to Rule 14a-12 under the Securities Exchange Act of 1934

Subject Company: Atheros Communications, Inc.

Commission File No.: 0-50534

January 5, 2011
Qualcomm Acquisition of Atheros
Atheros
Employee Discussions
Qualcomm Acquisition of Atheros
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Safe Harbor Statement

Safe Harbor Statement

Note on Forward-Looking Statements

Certain statements in this presentation, including, but not limited to, statements regarding the expected benefits and costs of the transaction; the expected timing of the completion of the transaction; any statements of the plans, strategies and objectives of management for future operations; and any statements of assumptions underlying any of the foregoing are forward-looking statements within the meaning of the Private Securities

Reform Act of 1995 that are subject to risks and uncertainties that could cause results to be materially different than those discussed in these forward-looking statements. These risks and uncertainties include, but are not limited to, the risk that the anticipated benefits of the proposed merger may not be realized; that the merger will not be consummated; failure to receive regulatory or stockholder approval for the acquisition; risks associated with acquisitions, including the ability to successfully integrate technologies, employees and operations; diversion of management's attention and retaining key employees; and other risks detailed from time to time in the reports Atheros files with the Securities and Exchange Commission including Atheros Form 10-K for the year ended December 31, 2009 and Form 10-Q for the quarter ended September 30, 2010. Copies of reports Atheros files with the SEC are posted on its Web site and are available from

Atheros
without
charge.

These
forward-looking statements are not guarantees of future performance and speak only as of the date hereof,
and,
except
as
required
by
law,
Atheros
disclaims
any
obligation
to
update
these
forward-looking
statements
to
reflect future events or circumstances.

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Important Additional Information and Where You Can Find It

Important Additional Information and Where You Can Find It

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Atheros will file a proxy statement with the Securities and Exchange Commission (the "SEC") in connection with the proposed transaction (the "Merger"). Investors and stockholders are urged to read the proxy statement when it becomes available and any other relevant documents filed with the SEC because they will contain important information regarding QUALCOMM, Atheros, the

proposed Merger, the persons soliciting proxies in connection with the proposed Merger on behalf of Atheros and the interests of those persons in the proposed Merger and related matters. Atheros intends to mail the proxy statement to its stockholders as soon as practicable. Investors and stockholders will be able to obtain a copy of the proxy statement (when available) and other documents filed by Atheros with the SEC free of charge at the Web site maintained by the SEC at <http://www.sec.gov>. In addition, documents filed with the SEC by Atheros are available free of charge by contacting Atheros Investor Relations (David Allen, 408-830-5762).

Participants in Solicitation

Atheros, and its directors, executive officers, and employees may be deemed to be participants in the solicitation of proxies from the Atheros stockholders in connection with the proposed Merger and related items. Information regarding the directors and executive officers of Atheros and their ownership of Atheros stock is set forth in Atheros proxy statement for Atheros 2010 annual meeting of stockholders, which was filed with the SEC on April 7, 2010. Additional information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the proposed transaction, and a description of their direct and indirect interests in the proposed transaction, which may differ from the interests of Atheros stockholders generally, will be set forth in the proxy statement to be filed in connection with the proposed Merger. Investors may obtain additional information regarding the interests of those participants by reading the proxy statement when it becomes available.

Agenda

Agenda

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Transaction Terms

Strategy and Value Proposition

Culture

Q&A

Summary
Overview

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The Companies

The Companies

A leader in next generation mobile
chipsets and technologies

Year founded: 1985

Headquarters: San Diego, CA

Product lines:

3G and 4G cellular technologies

Multi-core

Snapdragon®

applications

processors

Multimedia processors

3D graphics

Femtocell

technologies

Display technologies

Employees: ~17,500

Annual revenue: ~\$11B in FY2010

Innovative technologies for wireless and
wired communications

Year founded: 1998

Headquarters: San Jose, CA

Product lines:

WLAN

Networking & Computing

Mobile WLAN

Ethernet

GPS

Bluetooth

Powerline

PON

Employees: ~1,700

Annual revenue: ~\$900M+ in FY2010

Transaction Terms
Transaction Terms
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Anticipated closing
first half of 2011
Until closed, Atheros
continues to operate as an independent

company

Continued focus on execution

Consideration of \$45 per share in cash

Total equity value of ~\$3.5B and enterprise value (less cash) of

~\$3.1B

Vested and unvested stock options and RSUs

will convert to

Qualcomm equivalent

One

of

the

largest

fabless

semiconductor

acquisitions

in the industry's history

Transaction

Value

What's Next?

Enabling Richer Customer Solutions

Enabling Richer Customer Solutions

7

Expanding scale & capability

Driving innovation, performance, time-to-market and cost advantages

+

Bringing two leaders together

Combines the strengths of Keystone, the leading provider of mobile chipsets and wireless WAN technology with Tango, a leader in wired and wireless LAN connectivity

For richer customer solutions

Complementary strengths will bring significant benefits to our customers:

integrated, comprehensive platform offerings for multiple markets

Accelerating the Internet of everything

A shared vision that virtually all things will be connected, enabling converged experiences across devices and physical boundaries, including mobile cellular & consumer electronics, computing, home & enterprise networks, home consumer electronics, broadband access & backhaul, smart grid & smart home

Expand Qualcomm's semiconductor business into new

adjacent markets and build a more comprehensive

connectivity solutions roadmap.

Team Strength and Cultural Fit
Team Strength and Cultural Fit
Complementary technologies, customer channels and business ethic
Uniting significant talent and skills to drive connectivity leadership
A strong and tested collaboration between Qualcomm and Atheros
since 2005
Engineering-driven cultures with track records of strong execution

Focused on enabling customer success

Qualcomm: Fortune 100, 10 Great Places to work the past 12 years

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Q&A

Q&A

The BIG QUESTION: what does this mean for me?

Why is Keystone acquiring Tango?

Does Tango plan on keeping our name?

Will there be any layoffs at either company?

What will be the reporting relationships going forward?

How does this acquisition impact our current product roadmaps?

What impact will this deal have on customer relationships or other strategic partnerships that Tango may have in place?

How

will

our

upcoming

salary

reviews

be

handled

since

there

will

be

overlap with

formal Keystone offers?

Will I lose benefits or pay as a result of this acquisition of Tango?

Other questions?

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Summary

Summary

Atheros

will become bigger and stronger, and will have many more resources

Much greater ability to drive our combined success

Until close, it s business as usual

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+

An exceptional way to accelerate toward our goal of becoming a diversified communications company

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THANK YOU!
THANK YOU!

Additional Information and Where to Find It

Atheros will file a proxy statement with the Securities and Exchange Commission (the SEC) in connection with the proposed merger with T Merger Sub, Inc. (the Merger), pursuant to which Atheros would be the surviving corporation and become a wholly owned subsidiary of Qualcomm. Investors and stockholders are urged to read the proxy statement when it becomes available and any other relevant documents filed with the SEC because they will contain important information regarding Qualcomm, Atheros, the proposed Merger, the persons soliciting proxies in connection with the proposed Merger on behalf of Atheros and the interests of those persons in the proposed Merger and related matters. Atheros intends to mail the proxy statement to its stockholders as soon as practicable. Investors and stockholders will be able to obtain a copy of the proxy statement (when available) and other documents filed by Atheros with the SEC free of charge at the Web site maintained by the SEC at <http://www.sec.gov>. In addition, documents filed with the SEC by Atheros are available free of charge by contacting Atheros Investor Relations (David Allen, 408-830-5762).

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