VMWARE, INC.

FORM 8-K
(Current report filing)

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Address	3401 HILLVIEW AVENUE
	PALO ALTO, CA, 94304
Telephone	(650) 427-5000
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UNITED STATES
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

Date of report (Date of earliest event reported): January 6, 2009

VMWARE, INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-33622**	**94-3292913**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification Number)

3401 Hillview Avenue, Palo Alto, CA	**94304**
(Address of Principal Executive Offices)	(Zip code)

Registrant's telephone number, including area code: (650) 427-5000

N/A
(Former Name or Former Address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐   Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐   Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐   Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐   Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02   **Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On January 6, 2009, VMware, Inc. (the "Company") issued a press release announcing the appointment of Tod Nielsen as the Chief Operating Officer of the Company, effective January 5, 2009.

Prior to his appointment as the Company's Chief Operating Officer, Mr. Nielsen, age 43, had served as President and Chief Executive Officer of Borland Software Corporation since November 2005. From June 2005 to November 2005, Mr. Nielsen served as Senior Vice President, Marketing and Global Sales Support for Oracle Corporation, an enterprise software company, where he was responsible for the marketing of the Oracle Database and Oracle Fusion Middleware product lines. From August 2001 to August 2004, Mr. Nielsen served in various positions at BEA Systems, Inc., a provider of application infrastructure software, including Chief Marketing Officer and Executive Vice President, Engineering. Mr. Nielsen joined BEA Systems after the acquisition of his private company, Crossgain, Inc., where he served as its Chief Executive Officer from June 2000 to August 2001. Mr. Nielsen also spent twelve years with Microsoft Corporation, in various roles, including general manager of database and developer tools, vice president of developer tools, and at the time of his departure, vice president of Microsoft's platform group. Throughout his tenure with Microsoft, he worked on many parts of the business, with an emphasis on infrastructure and developer oriented technologies. Mr. Nielsen is a member of the Board of Directors of Borland.

Mr. Nielsen will be paid an annual base salary of $600,000 per year and be eligible to earn a performance-based cash bonus with an annual target of 100% of his base salary. He will also receive a sign-on bonus in the amount of $120,000. Subject to approval by the Company's Compensation and Corporate Governance Committee, Mr. Nielsen will be awarded an option to purchase 400,000 shares of the Company's Class A common stock and 200,000 restricted stock units. One-quarter of the stock options will vest on the first annual anniversary of the grant date and the remaining shares will vest in equal monthly installments over the following three years, subject to Mr. Nielsen's continued service. One-quarter of the restricted stock units will vest on each anniversary of the grant date, subject to Mr. Nielsen's continued service. If within the first twelve months following a "change of control," Mr. Nielsen is terminated without "cause" or he terminates his employment for "good reason" (each as defined in Mr. Neilsen's offer letter), vesting in half of the above referenced stock options and restricted stock units that are then unvested will accelerate.

Mr. Nielsen was provided with a relocation package to move his primary residence to the San Francisco Bay area where the Company's headquarters are located. Mr. Nielsen's relocation package includes reimbursement of reasonable relocation expenses and a marketing assistance/home sale program which provides for the payment of closing costs and additional expenses related to the sale of his existing home and the purchase of a new residence. The relocation package also provides for "fall-through" protection in the event that an agreement for the sale of Mr. Nielsen's residence fails to close and a tax gross-up of relocation expenses. Mr. Nielsen is required to repay all relocation reimbursements and payments made on his behalf if he voluntarily terminates his employment with the Company or if he is terminated for cause within one year of his start date. Mr. Nielsen is required to repay 50% of such benefits if such termination occurs between one and two years of his start date.

As noted above, prior to joining the Company, Mr. Nielsen served as President and Chief Executive Officer of Borland Software Corporation. During 2008, the Company purchased approximately $250,000 of software products, support and maintenance from Borland.

A copy of the above-referenced press release is attached hereto as exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	
99.1	Press release of VMware, Inc. dated January 6, 2009

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: January 6, 2009

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VMWARE, INC.

By: /s/ Mark S. Peek
     Mark S. Peek
     Chief Financial Officer

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Exhibit 99.1

VMware Appoints Tod Nielsen as Chief Operating Officer

Veteran from Leading Software Companies Including Borland, BEA, Oracle and Microsoft Brings
Proven Executive Leadership to VMware

PALO ALTO, Calif. – January 6, 2009 – VMware Inc., (VMW: NYSE) the global leader in virtualization solutions from the desktop to the datacenter, announced today the appointment of Tod Nielsen to the newly created role of Chief Operating Officer. Nielsen will report directly to President and Chief Executive Officer Paul Maritz.

Nielsen, 43, joins VMware from Borland Software Corporation where he served as President and Chief Executive Officer since November 2005. Prior to Borland, Nielsen held several key executive management positions at leading software companies including Microsoft, BEA and Oracle.

"I am delighted to have Tod join VMware and bring his passion for software and wealth of leadership experience to our executive team," said VMware's President and CEO, Paul Maritz. "In this newly created role, Tod brings unique skills and capabilities that will help us improve our operational focus and enhance our execution across all areas of the business. With Tod on board, I will be able to devote more of my time to the product strategy and development, while Tod focuses more on business, marketing, and operations. Having worked closely with Tod in the past, I know that we will work effectively together and complement each other."

"VMware is an impressive company that is in the enviable position of giving customers a significant return on their IT investment which is becoming only more important in these challenging economic times," said Nielsen. "As an admirer of the company's strong track record of software innovation, I'm excited about working with my new colleagues at VMware to help our customers truly transform the way they manage their IT resources."

Nielsen brings more than 20 years of leadership experience in enterprise software and application development to VMware. Prior to Borland, Nielsen served as senior vice president, marketing and global sales support for Oracle Corporation. Prior to Oracle, Nielsen was the chief marketing officer and executive vice president of engineering at BEA Systems, where he had overall responsibility for BEA's worldwide marketing strategy and operations, as well as all research and development operations. Nielsen joined BEA after the acquisition of his private company, Crossgain Inc., where he served as its chief executive officer. Nielsen also spent twelve years with Microsoft Corporation, in various roles, including general manager of database and developer tools, vice president of developer tools, and, vice president of Microsoft's platform group.

About VMware

VMware (NYSE: VMW) is the global leader in virtualization solutions from the desktop to the datacenter. Customers of all sizes rely on VMware to reduce capital and operating expenses, ensure business continuity, strengthen security and go green. With 2007 revenues of $1.3 billion, more than 120,000 customers and more than 20,000 partners, VMware is one of the fastest growing public software companies. Headquartered in Palo Alto, California, VMware is majority-owned by EMC Corporation (NYSE: EMC). For more information, visit www.vmware.com.

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