

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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Sector	Technology
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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): October 8, 2019

VMWARE, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-33622
(Commission
File Number)

94-3292913
(IRS Employer
Identification Number)

3401 Hillview Avenue, Palo Alto, CA
(Address of Principal Executive Offices)

94304
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock	VMW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01. Other Events.

On October 8, 2019, VMware, Inc., a Delaware corporation (“VMware”), completed the previously announced acquisition of Carbon Black, Inc., a Delaware corporation (“Carbon Black”), pursuant to the Agreement and Plan of Merger (the “Merger Agreement”), dated as of August 22, 2019, by and among VMware, Carbon Black and Calistoga Merger Corp., a Delaware corporation and wholly owned subsidiary of VMware (the “Purchaser”).

As previously disclosed, pursuant to the Merger Agreement, on September 6, 2019, the Purchaser commenced a cash tender offer (the “Offer”) for all of the outstanding shares of common stock (“Shares”), of Carbon Black, at a price of \$26.00 per Share, without interest, net to the seller in cash, and less any applicable withholding of taxes. The Offer and withdrawal rights expired at 5:00 p.m., New York City Time, on October 7, 2019 and were not extended. A total of 64,173,721 Shares were validly tendered and not validly withdrawn pursuant to the Offer, representing approximately 85.1% of the outstanding Shares. With all conditions to the Offer satisfied, on October 8, 2019, the Purchaser accepted for purchase all Shares that were validly tendered pursuant to the Offer and not validly withdrawn.

As a result of its acceptance of the Shares tendered in the Offer, Purchaser acquired a sufficient number of Shares to complete the acquisition of Carbon Black, pursuant to the terms of the Merger Agreement, by merging the Purchaser with and into Carbon Black, with Carbon Black surviving (the “Merger”). The Merger was effected without a vote of the stockholders of Carbon Black pursuant to Section 251(h) of the Delaware General Corporation Law and was consummated on October 8, 2019. Pursuant to the terms of the Merger Agreement, each Share that was issued and outstanding immediately prior to the effective time of the Merger was converted automatically into the right to receive \$26.00 in cash, without interest and less any applicable withholding of taxes (the same amount per Share paid in the Offer).

As a result of the acquisition, Shares of Carbon Black ceased to be traded on the Nasdaq Stock Market, effective as of market open on October 8, 2019.

VMware issued a press release announcing the completion of the acquisition on October 8, 2019, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The foregoing descriptions of the Offer, the Merger and the Merger Agreement in this Item 8.01 do not purport to be complete and are qualified in their entirety by reference to the full text of the Merger Agreement, a copy of which was filed as Exhibit 2.1 to VMware’s Current Report on Form 8-K, filed with the Securities and Exchange Commission on August 22, 2019, and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release of VMware, Inc., dated October 8, 2019
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURE

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: October 9, 2019

VMware, Inc.

By: /s/ Craig Norris

Craig Norris

Vice President, Deputy General Counsel and Assistant
Secretary

VMware Completes Acquisition of Carbon Black

*Combined Solutions Help Transform the Industry with a Modern Security Cloud Platform
Built for Any Application, Running on Any Cloud, on Any Device*

PALO ALTO, Calif., October 8, 2019 – VMware, Inc. (NYSE: VMW), a leading innovator in enterprise software, today announced it has completed its acquisition of Carbon Black, a leader in cloud-native endpoint protection, in an all-cash transaction for \$26 per share, representing an enterprise value of \$2.1 billion.

“Carbon Black brings us an industry-leading endpoint and workload security platform, with a cloud-native architecture, an AI-powered data lake and a smart, lightweight agent,” said Sanjay Poonen, chief operating officer, Customer Operations, VMware. “The Carbon Black platform, along with VMware NSX, VMware Workspace ONE, VMware Secure State and our future innovations, will deliver a highly-differentiated intrinsic security platform across network, endpoint, workload, identity, cloud and analytics. We believe this will bring a fundamentally new paradigm to the security industry.”

With the close of the acquisition, VMware is launching a new Security Business Unit within the company. Carbon Black CEO Patrick Morley will be serving as the general manager of this new group reporting to Sanjay Poonen, chief operating officer, Customer Operations, VMware. Carbon Black will form the nucleus of VMware’s Security offering, focused on helping VMware customers with advanced cybersecurity protection, and in-depth behavioral insight to help stop sophisticated attacks and accelerate response.

“From the beginning, Carbon Black has been all about collecting and analyzing key endpoint data to understand attacker behaviors, and help make our customers more resilient against advanced cyberattacks,” said Patrick Morley, general manager, Security Business Unit, VMware. “Joining VMware helps us reach a broader range of organizations, and enables us to build security into the underlying fabric of the compute stack. We are thrilled to join forces as we further our vision of creating a world safe from cyberattacks and see and stop modern attacks.”

Under the terms of the transaction, which was structured as a cash tender offer, Carbon Black shareholders who validly tendered (and did not properly withdraw) their shares in Carbon Black, received \$26 per share in cash, representing an enterprise value of \$2.1 billion. The transaction was funded through cash on the balance sheet, and by accessing short-term borrowing capacity.

About VMware

VMware software powers the world’s complex digital infrastructure. The company’s cloud, networking and security, and digital workspace offerings provide a dynamic and efficient digital foundation to customers globally, aided by an extensive ecosystem of partners. Headquartered in Palo Alto, California, VMware is committed to being a force for good, from its breakthrough innovations to its global impact. For more information, please visit <https://www.vmware.com/company.html>.

About Carbon Black

Carbon Black is a leader in cloud-native endpoint protection dedicated to keeping the world safe from cyberattacks. The CB Predictive Security Cloud® (PSC) consolidates endpoint protection and IT operations into an endpoint protection platform (EPP) that prevents advanced threats, provides actionable insight and enables businesses of all sizes to simplify operations. By analyzing billions of security events per day across the globe, Carbon Black has key insights into attackers' behaviors, enabling customers to detect, respond to and stop emerging attacks.

More than 5,600 global customers, including approximately one third of the Fortune 100, trust Carbon Black to protect their organizations from cyberattacks. The company's partner ecosystem features more than 500 MSSPs, VARs, distributors and technology integrations, as well as many of the world's leading IR firms, who use Carbon Black's technology in more than 500 breach investigations per year. Carbon Black and CB Predictive Security Cloud are registered trademarks or trademarks of Carbon Black, Inc. in the United States and other jurisdictions.

Additional Resources

- For an executive perspective from Sanjay Poonen and Patrick Morley, read the VMware Newsroom post: "[Delivering Intrinsic, Intelligent, and Informed Security](#)"
- Learn more about the initial announcement here: "[VMware and Carbon Black](#)"
- Read Carbon Black's blog post on the initial announcement: "[The Next Chapter in Our Story: VMware + Carbon Black](#)"

Forward-Looking Statements

This press release contains forward-looking statements including, among other things, statements regarding the growth opportunities and expansion of VMware's offerings associated with the acquisition, accelerating the delivery by VMware of a modern security platform, potential benefits to VMware and its customers. These forward-looking statements are subject to the safe harbor provisions created by the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors, including but not limited to: (1) the ability to realize the anticipated benefits of the proposed acquisition, including the possibility that the expected benefits from the proposed acquisition will not be realized or will not be realized within the expected time period; (2) the ability to successfully integrate Carbon Black into VMware; (3) disruption from the transition making it more difficult to maintain business and operational relationships; (4) negative effects of the consummation of the acquisition on the market price of VMware's common stock, credit ratings and operating results; (5) ongoing and potential litigation and regulatory actions related to the acquisition; (6) other business effects, including the effects of industry, market, economic, political or regulatory conditions; and (7) other unexpected costs or delays in connection with the acquisition; (7) VMware's customers' ability to accept emerging technology and to transition to new products and computing strategies; (8) competitive factors, including but not limited to VMware's ability to compete in new industries, the entry of new competitors into the industries in which VMware competes, and the success of new product and marketing initiatives by VMware and VMware's competitors; (9) VMware's ability to enter into and maintain strategically effective partnerships; (10) rapid technological changes in the virtualization

software and cloud, end user and mobile computing and security industries; (11) changes to product and service development timelines; (12) VMware's ability to protect its proprietary technology; (13) VMware's ability to attract and retain highly qualified employees; (14) adverse changes in general economic or market conditions; (15) changes in VMware's financial condition; and (16) VMware's relationship with Dell Technologies and Dell's ability to control matters requiring stockholder approval. These forward-looking statements are made as of the date of this press release, are based on current expectations and are subject to uncertainties and changes in condition, significance, value and effect as well as other risks detailed in documents filed with the Securities and Exchange Commission, including VMware's most recent reports on Form 10-K and Form 10-Q and current reports on Form 8-K that we may file from time to time, which could cause actual results to vary from expectations. VMware assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this press release.

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