

# CISCO SYSTEMS, INC.

## FORM 8-K (Current report filing)

Filed 11/20/98 for the Period Ending 11/02/98

Address	170 WEST TASMAN DR SAN JOSE, CA 95134-1706
Telephone	4085264000
CIK	0000858877
Symbol	CSCO
SIC Code	3576 - Computer Communications Equipment
Industry	Communications Equipment
Sector	Technology
Fiscal Year	07/28

# CISCO SYSTEMS INC

## FORM 8-K (Unscheduled Material Events)

Filed 11/20/1998 For Period Ending 11/2/1998

Address	170 WEST TASMAN DR SAN JOSE, California 95134-1706
Telephone	408-526-4000
CIK	0000858877
Industry	Communications Equipment
Sector	Technology
Fiscal Year	07/31

**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**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): NOVEMBER 2, 1998

**CISCO SYSTEMS, INC.**

(Exact name of registrant as specified in charter)

CALIFORNIA (State or other jurisdiction of incorporation)	0-18225 (Commission File Number)	77-0059951 (IRS Employer Identification No.)
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170 WEST TASMAN DRIVE, SAN JOSE, CALIFORNIA (Address of principal executive offices)	95134-1706 (Zip Code)
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Registrant's telephone number, including area code: (408) 526-4000

## **ITEM 5. OTHER EVENTS**

On November 2, 1998, Cisco Systems, Inc. (the "Registrant") acquired Clarity Wireless Incorporated, a California corporation ("Clarity") under the terms of a merger whereby shares of the Registrant's Common Stock with an aggregate value of approximately \$157 million were exchanged for all of the outstanding shares of Clarity. Copies of the press releases issued by the Registrant on September 15, 1998 and November 18, 1998 concerning the foregoing transaction are filed herewith as Exhibits 20.1 and 20.2, respectively, and are incorporated herein by reference.

## **Item 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS**

### **(a) Exhibits.**

20.1 Press Release of Registrant, dated September 15, 1998, announcing Registrant's agreement to acquire Clarity.

20.2 Press Release of Registrant, dated November 18, 1998, announcing the closing of Registrant's acquisition of Clarity.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

### CISCO SYSTEMS, INC.

Dated: November 18, 1998

By: /s/ LARRY R. CARTER

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*Larry R. Carter, Senior Vice President,  
Finance and Administration,  
Chief Financial Officer and Secretary*

## **EXHIBIT INDEX**

Exhibit Number	Description of Document
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20.1	Press Release of Registrant, dated September 15, 1998, announcing Registrant's agreement to acquire Clarity.
20.2	Press Release of Registrant, dated November 18, 1998, announcing the closing of Registrant's acquisition of Clarity.

## **EXHIBIT 20.1**

### **CISCO SYSTEMS TO ACQUIRE CLARITY WIRELESS CORPORATION**

SAN JOSE, Calif. - September 15, 1998 - Cisco Systems, Inc. today announced it has signed a definitive agreement to acquire privately-held Clarity Wireless Corporation of Belmont, CA. Clarity is a leading developer of wireless communication technology for computer networking and Internet service markets.

This acquisition provides Cisco with fixed wireless technology, which complements Cisco's current last mile solutions including dial, xDSL, and cable. Last mile technologies can be divided into two areas, narrow-band (dial) and broadband (xDSL, cable and wireless), which enables the integration of voice, data and video. Clarity's technology is the first to provide high-speed, reliable operation in obstructed environments, which have traditionally been challenging to wireless network communications.

Under the terms of the acquisition, shares of Cisco common stock with an aggregate value of approximately \$157 million will be exchanged for all outstanding shares and options of Clarity not already owned by Cisco. In connection with the acquisition, Cisco expects a one-time charge against after-tax earnings of between \$.06 to \$.09 per share for purchased in-process research and development expenses in the second fiscal quarter of 1999. These per share numbers take into account Cisco's three-for-two stock split effective today. Cisco has been a minority investor in earlier private placement funding of Clarity. The acquisition is expected to be completed by November 1998, and is subject to certain closing conditions.

### **CISCO EXTENDS BROADBAND ACCESS CAPABILITY INTO FIXED WIRELESS**

Clarity's technology extends Cisco's broadband access portfolio of DSL and cable to include fixed wireless access. Clarity's technology targets the point-to-point and point-to-multipoint markets. Clarity recently demonstrated its breakthrough, high-speed (90Mbps) microwave communication system that operates with fiber-like reliability in long distance, non-line-of-site links. In comparison, today's high-speed wireless communications require clear line-of-site paths between end points. For the past year, the two companies have been developing wireless systems that integrate into Cisco products. Clarity has 39 employees and was founded in 1996. The Clarity team will relocate to Cisco's San Jose campus and will report to Kevin Kennedy, senior vice president of the service provider line of business.

### **ABOUT CISCO SYSTEMS**

Cisco Systems (NASDAQ: CSCO) is the worldwide leader in networking for the Internet. Cisco news and information are available at <http://www.cisco.com>.

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## **EXHIBIT 20.2**

### **CISCO COMPLETES ACQUISITION OF CLARITY WIRELESS INCORPORATED**

SAN JOSE, Calif. -- November 18, 1998 -- Cisco Systems, Inc. today announced it has completed the acquisition of Clarity Wireless Incorporated of Belmont, Calif.

On September 15, 1998, Cisco Systems announced a definitive agreement to acquire privately held Clarity Wireless Incorporated. This acquisition provides Cisco with fixed wireless technology, which complements Cisco's current last mile solutions including dial, xDSL and cable. Under the terms of the acquisition, shares of Cisco common stock were exchanged for all outstanding shares and options of Clarity Wireless Incorporated. In connection with the acquisition, Cisco expects a one-time charge against after-tax earnings of between \$.06 to \$.09 per share for purchased in-process research and development expenses in the second fiscal quarter of 1999.

### **CISCO SYSTEMS**

Cisco Systems, Inc. (NASDAQ:CSCO) is the worldwide leader in networking for the Internet. For more information visit Cisco PR Contacts

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This release may contain forward-looking statements that involve risks and uncertainties. These statements may differ materially from actual future events or results. Readers are referred to the documents filed by Cisco with the SEC, specifically the most recent reports on Form 10-K and 10-Q, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including potential fluctuations in quarterly results, dependence on new product development, rapid technological and market change, acquisition strategy, manufacturing risks, risks associated with the Internet infrastructure, volatility of stock price, financial risk

management and future growth subject to risks.

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**End of Filing**

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