

INTEVAC INC

FORM 8-K (Current report filing)

Filed 02/06/08 for the Period Ending 02/06/08

Address	3560 BASSETT STREET SANTA CLARA, CA, 95054
Telephone	4089869888
CIK	0001001902
Symbol	IVAC
SIC Code	3559 - Special Industry Machinery, Not Elsewhere Classified
Industry	Industrial Machinery & Equipment
Sector	Industrials
Fiscal Year	12/31

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**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**

February 6, 2008
Date of Report (date of earliest event reported)

INTEVAC, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

0-26946
(Commission File Number)

94-3125814
(IRS Employer
Identification Number)

3560 Bassett Street
Santa Clara, CA 95054
(Address of principal executive offices)

(408) 986-9888
(Registrant's telephone number, including area code)

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:

- 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))
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EXHIBIT 99.1

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Item 7.01 Regulation FD Disclosure

Please find the February 2008 Thomas Weisel Partners Conference Presentation attached as Exhibit 99.1. This Current Report on Form 8-K and the attached exhibit are furnished to, but not filed with, the Securities Exchange Commission (“SEC”) and shall not be deemed to be incorporated by reference into any of the Company’s filings with the SEC under the Securities Act of 1933, as amended, or the Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 Thomas Weisel Partners Conference Presentation.

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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.

INTEVAC, INC.

Date: February 6, 2008

By: /s/ JEFFREY ANDRESON
Jeffrey Andreson
Vice President, Finance and Administration,
Chief Financial Officer, Treasurer and Secretary



INTEVAC

*Thomas Weisel Partners
Technology Telecom Internet Conference*

February 2008

Jeff Andreson
Chief Financial Officer

Joe Pietras
VP and GM Imaging



Cautionary Disclaimer

During the course of this presentation, we will comment upon future events and may make projections about our future financial performance, including statements related to our expected sales, product shipments and acceptance, gross margin, operating expense, profit, cash flow and income tax expense. We will discuss our business strategy, our products, the markets our products address, our position in those markets, expected market acceptance of those products and production capacity. We wish to caution you that these are forward looking statements that are based upon our current expectations, and that actual results could differ materially as a result of various risks and uncertainties, including, without limitation, the following: inability to develop and deliver new products as planned; inability to accurately forecast the demand for our products and services; the possibility that orders in backlog may be cancelled, delayed or rescheduled; inability to achieve gross margin and expense goals and other risk factors discussed in documents filed by us with the Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. We undertake no obligation to update the forward-looking statements made during this presentation.

Intevac Investment Thesis



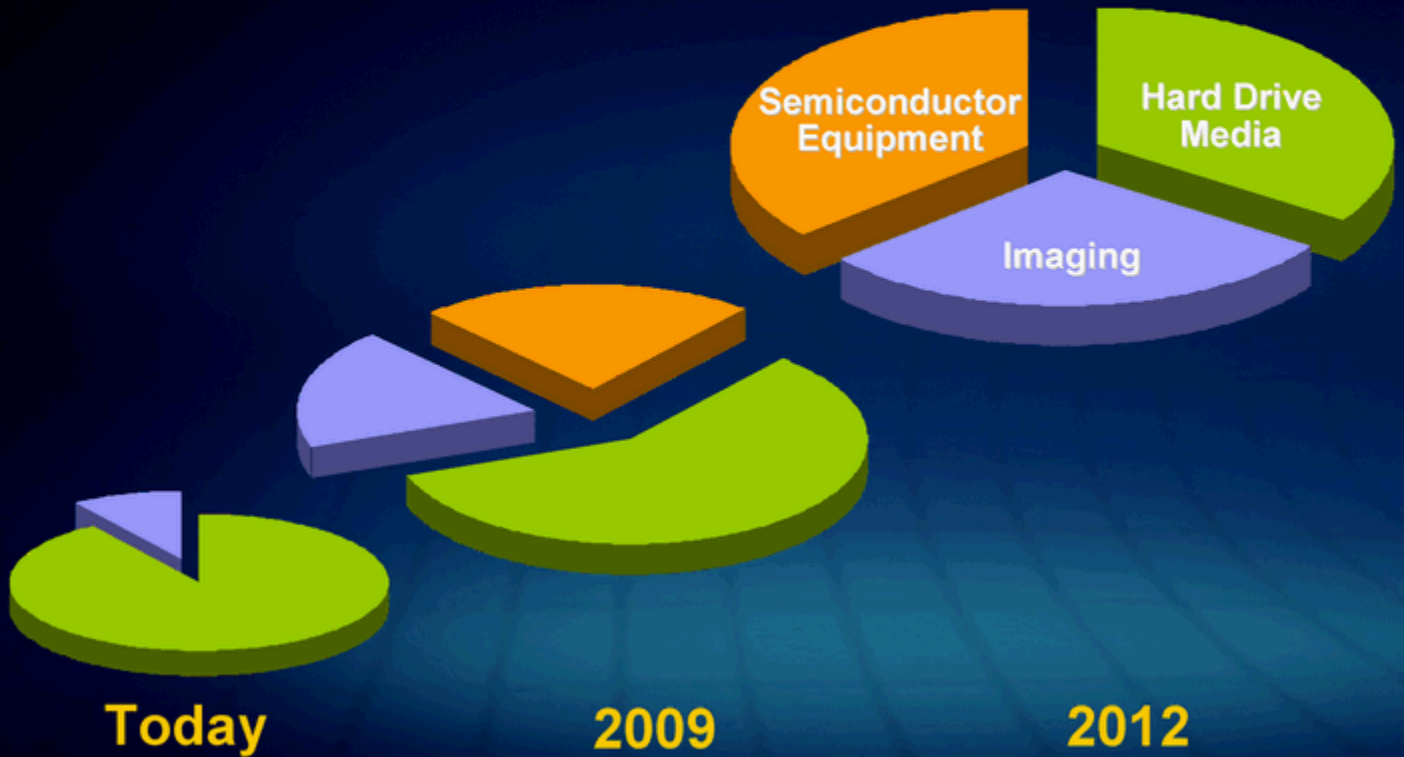
- **Established Company With Significant Opportunities for Growth**
- **Share Leader in ~\$350M¹ Disk Media Deposition Market**
 - Growth driven by continuously increasing demand for hard drives
- **Entering \$2B Semiconductor Dielectric Etch Market**
 - Revolutionary approach, competing on technology and cost
 - Team with proven track record in launching successful semiconductor equipment products
- **Achieving Rapid Growth in Imaging Instrumentation Business**
 - Profitable business serving markets exceeding \$2 billion
 - Successful record of both organic and acquisitive growth
- **Record of Operational Excellence**
 - Continued margin expansion in fluctuating market conditions
 - Record of generating significant cash flow from operations; \$6.50 per share in cash

¹ Estimate Average FY06 - 07

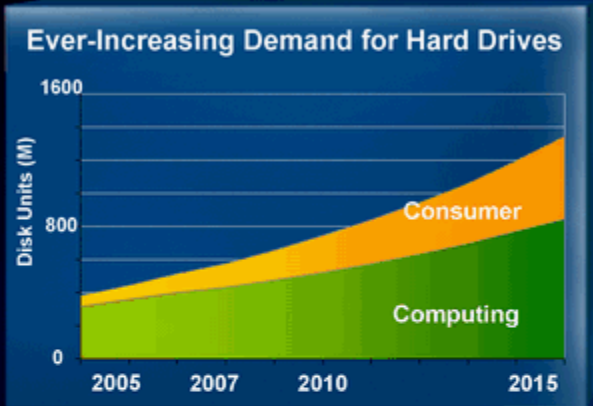
Multiple Growth Opportunities

Goal: 30% CAGR

Actual: 56% CAGR (2003 – 2007)



Leading Position in Media Deposition Market



Future Capacity Requirements

- Drive Demand 2010 750M*
- Disk Capacity Needed 1200M
- IVAC Customers' Share 800M
- # Leans, ea. Making 3.5M Disks/Yr: 235
- Less: 200 Lean® Tools Shipped (110)
- **200 Leans Deployed 2008-10 125**
- Leans >2010, at 10% Disk Growth Per Year 23

* Source: TrendFocus 03/07

Intevac Strategy: Become \$1 Billion Revenue Company by Expanding Served Markets



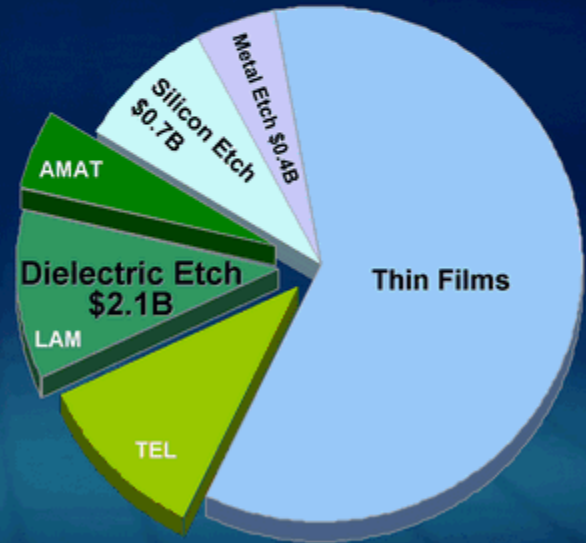
Current

Disk Media
Deposition Equipment
~\$350 Million SAM



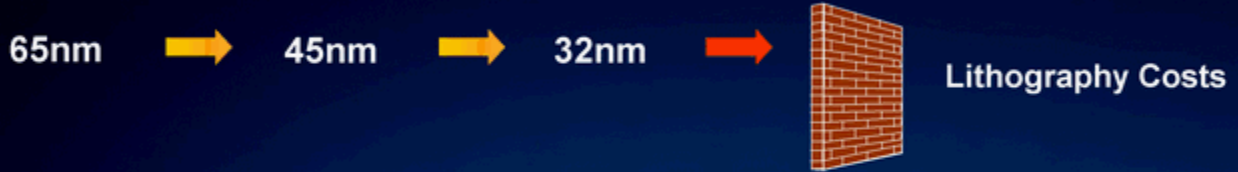
Future

Semiconductor Plasma
Process Equipment
~\$8 Billion SAM

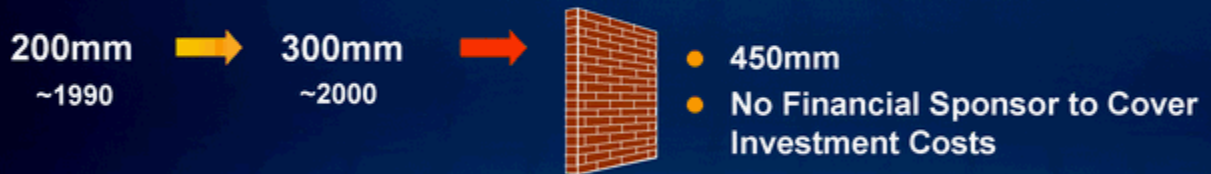


Addressing Market Need for Lower Semiconductor Costs

- Shrinks (Moore's Law) ~ 30% Reduction Per Generation



- Wafer Size Increase ~ 30% Reduction



- Productivity Innovation



LeanETCH

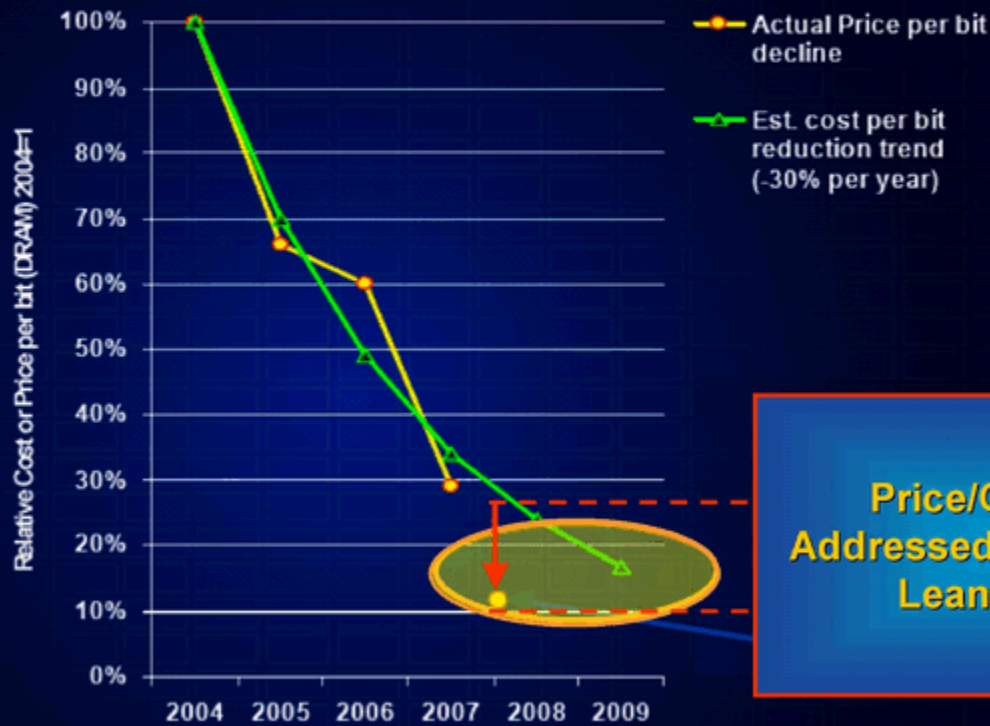
Enabling Technology, Double the Throughput



- Enabling Etch Technology for 45nm and Beyond
- Addressing Need for Significant Productivity Improvements
- Designed With “Lean Thinking” Principles
- Universal Etch System



Memory Market Most in Demand of Aggressive Cost Reduction Strategies



Source: Lam Research, ISS January 2008

Formula for Success in Dielectric Etch



● **LeanETCH** Value Proposition

- Leading-Edge Process Technology
- Revolutionary Approach to System Productivity
- Lowering the Cost Equation for Markets With Accelerating Price Declines

● **Intevac Strategy**

- Focus on Leading Memory Companies
- Assemble World-Class Team With Proven Track Record in the Industry
- Work Closely With Customers to Address Their Needs
- Achieve Tool Qualification in 2008
- Revenue Ramp 2009
- Add Other Applications on Lean Mainframe to Expand Served Market

Intevac Imaging Instrumentation

Successful Record of Organic and Acquisitive Growth

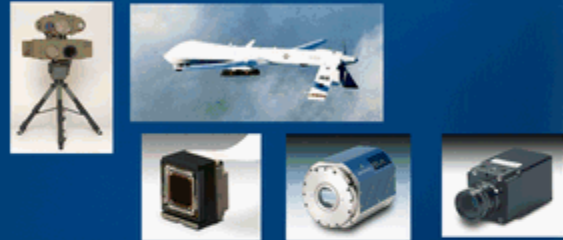


NIGHT VISION SYSTEMS



- Intevac Solution Used for 1st Major Deployment (NATO Country)
- U.S. Army - Engaged on Multi Fronts
- Potential Market >\$400M Per Year

LIVAR AND LOW-LIGHT CAMERAS



- Qualifying on Multiple Programs
- Potential Sales of > \$100M Over Ten Years

DELTA NU Acquired Q1'07



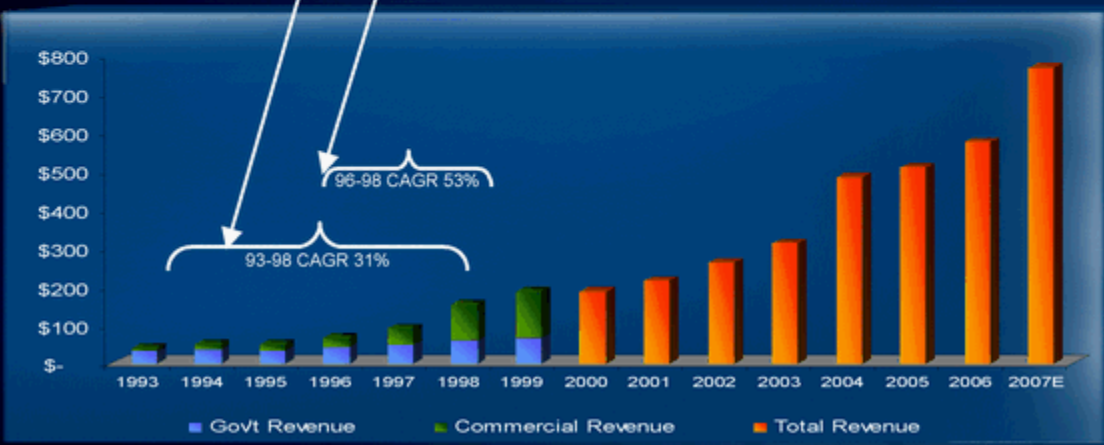
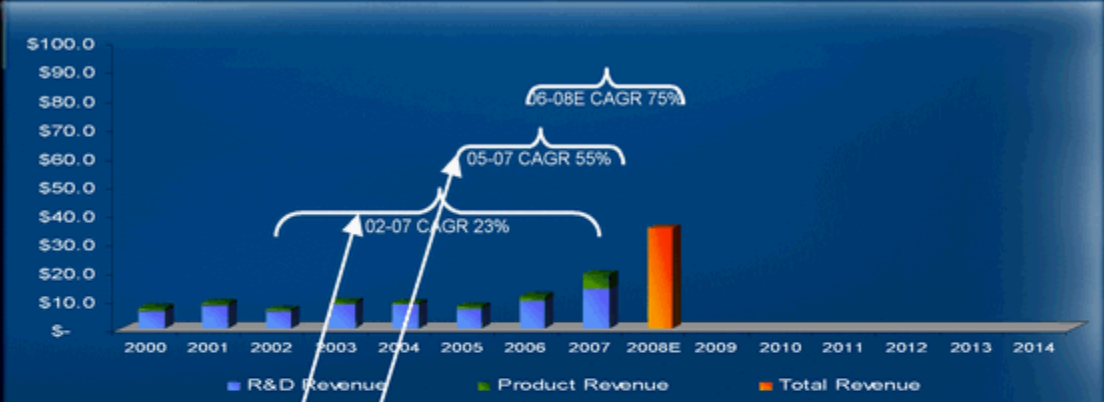
- Raman Systems and Chemical Analyzers
- Medical, Life Sciences, Military, Industrial Markets
- Accretive to Earnings in 2H'07

CREATIVE DISPLAY SYSTEMS Acquired Q4'07



- Low-Power, High-Resolution Display Technology
- Medical, Sim/Training, Veterinary, Military Markets
- Accretive to Earnings by Year End 2008

Imaging Business Ramping



Intevac
Imaging
Instrumentation
Business

Leading
Thermal
Imaging
Company

Significant Value in Imaging Business



**Intevac
Imaging
Instrumentation
Business**



**Leading
Thermal
Imaging
Company**

Intevac Record of Operational Excellence



Significant Gross Margin Expansion in Fluctuating Market Conditions



12 Percentage Points Added to Gross Margin Q1'06-Q4'07

Generated \$100M In Cash From Operations '06 - '07

Consistently Generating Cash in Fluctuating Market Conditions



Business Model Trends and Goals



	2006	2007	2008 Est. ¹	Long Term Goal	Improvement Initiatives
Revenue (\$M)	260	216	120-150		
Gross Margin	39%	45%	41-44%	>45%	<ul style="list-style-type: none"> Continued Margin Expansion in Equipment and Imaging Products Continue to Increase Manufacturing in Asia
Operating Expense	20%	32%	45-53%	<25%	<ul style="list-style-type: none"> Lean Thinking Business Principles <ul style="list-style-type: none"> Consistently eliminate waste Reduce cycle times
Other Income	1%	4%	3%		
Profit / (Loss) Before Tax	20%	16%	(8%)- 2%	> 20%	

¹ Based Upon February 5, 2008 Conference Call

Investment Rationale

- **Significant Growth Opportunities**

- Growth in Digital Storage Requires Continued Capacity Additions
- Entering Large Semiconductor Equipment Market
- Imaging Instrumentation Products Ramping

- **Team with Proven Track Record**

- Developing and Managing Global Billion Dollar Businesses
- Developing Advanced Equipment and Imaging Solutions
- Marketing to Industry Leaders
- Grew Business by 500% Since 2003

- **Attractive Value Proposition**

- Record of Expanding Gross Margins and Cash Flow Generation
- \$6.50 Per Share in Cash, Tangible Book \$8.20 Per Share
- Semiconductor and Imaging Investments Offer Opportunity for Future Enhanced Valuations



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