

INTEVAC INC

FORM 8-K (Current report filing)

Filed 12/09/10 for the Period Ending 12/09/10

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

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

December 9, 2010

Date of Report (date of earliest event reported)

INTEVAC, INC.

(Exact name of Registrant as specified in its charter)

State of California
(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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Item 7.01 Regulation FD Disclosure

Please find the December 2010 Barclays Capital Global Technology 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 Barclays Capital Global Technology Conference Presentation

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: December 9, 2010

/s/ JEFFREY ANDRESON

Jeffrey Andreson
Executive Vice President, Finance and
Administration, Chief Financial Officer, Treasurer
and Secretary



INTEVAC

*Barclays Capital Global
Technology Conference*

December 2010

Kevin Fairbairn
Chief Executive Officer

Jeff Andreson
Chief Financial Officer



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.

Multiple Growth Drivers

Equipment Business

Hard Drive Media

- Market Share Leader
- New Systems Needed to Support Growth
- New Media Technologies Drive Significant Opportunities

Photovoltaic Cell Manufacturing and Inspection Equipment (New Served Market)

- Leveraging High Productivity Platform and Process Technology Portfolio for Silicon and Thin Film Cells
- Leveraging Photonics Business Unique Sensor Technology for High Speed Cell Inspection

Photonics Business

- Digital Low-Light Sensor Technology Leader
- Military Transitioning from Analog to Digital
- Products and Programs Ramping to Drive Ongoing Revenue Growth

Industry Leader with World Class Products



Media Technology Leader



- Shipped 1st Two Patterned Media Pilot Systems 2009
- Opportunity for Market Share Gains

World Class Platform



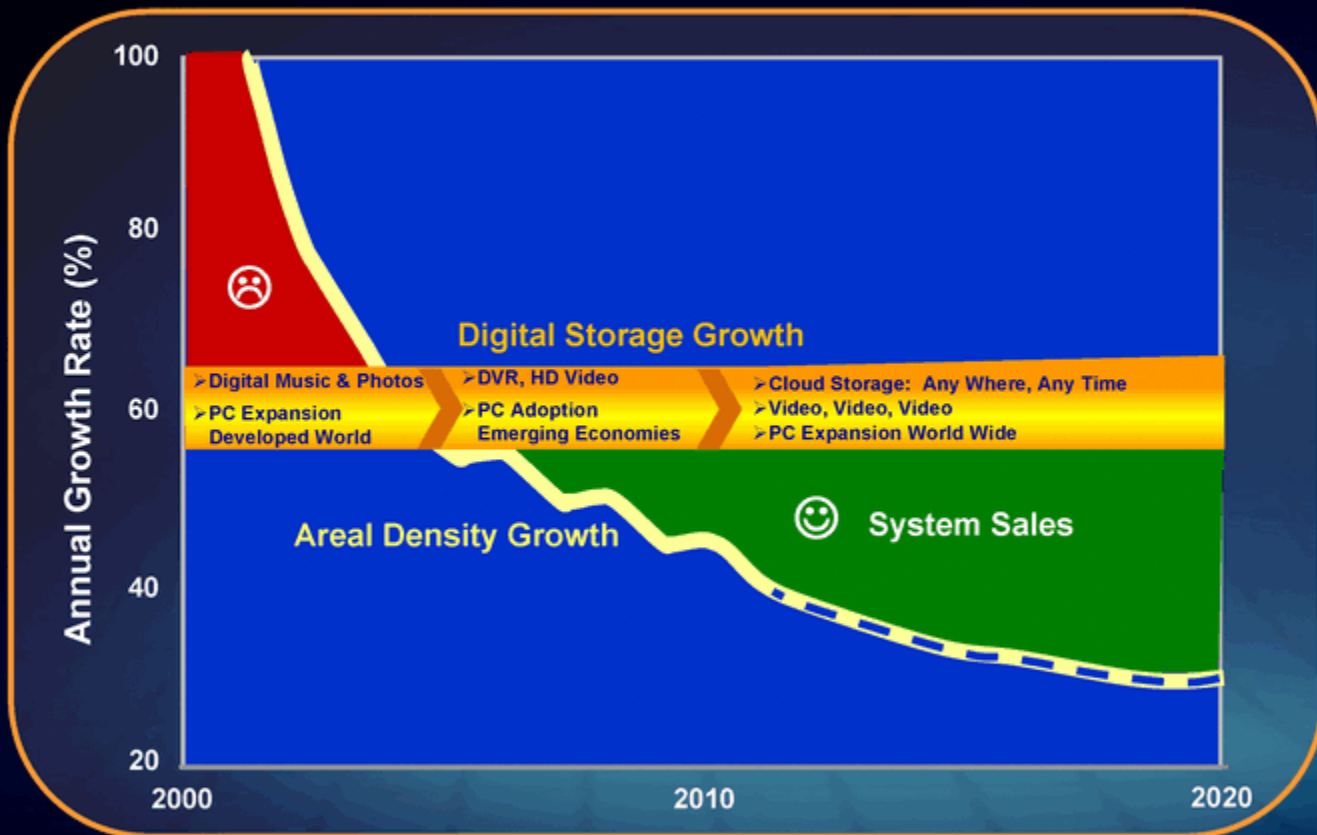
- Installed Base of 148 Systems*
- >60 Legacy Systems Yet to be Retired

**Market Share
Leadership**



* 2010 End

Drivers for Capacity Systems



Technology System Sales and Upgrades

Thermal Assisted Magnetic Recording



Impact

- New Systems Require Additional Stations
→ Higher ASPs
- ~ \$ 1M Upgrade Per Installed System
→ Installed Base of 148 Systems at Year End

Patterned Media



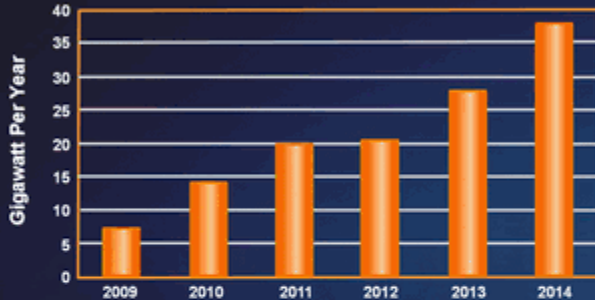
Magnetic Media
Deposition System

Patterned Media
Etch System

- Doubles Size of Future Served Available Market Size
- Each Installed Deposition System Will Require an Etch System

Significant Opportunity Photovoltaic Solar Cell Market

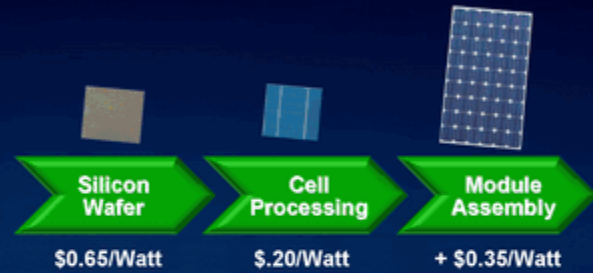
Photovoltaic Module Installations



Source: iSuppli Corp, Oct. 2010 Forecast

- Large and Growing Equipment Market Opportunity
 - > \$1.5B Cell Processing Equipment 2010
 - Majority of Equipment is Non-Vacuum Today
- >85% of Market is Based Upon Silicon Cells
- Grid Parity (< \$1/Watt Module Cost) by 2013 Enables Sustainable Growth

Typical Silicon Module Cost Chain



**Total Cost \$1.20 Per Watt
(17% Cell Efficiency)**

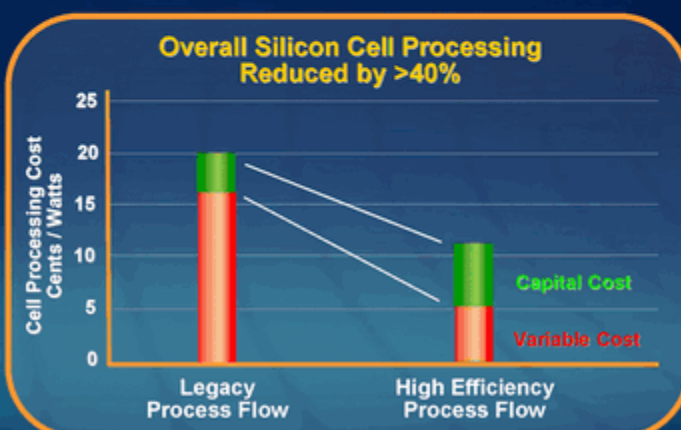
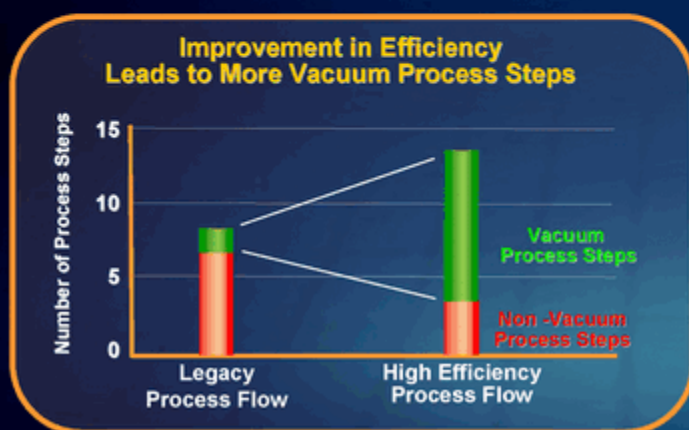
Improve Cell Efficiency
>21%

Total Cost < \$1.00 Per Watt*
✓ Grid Parity Achieved

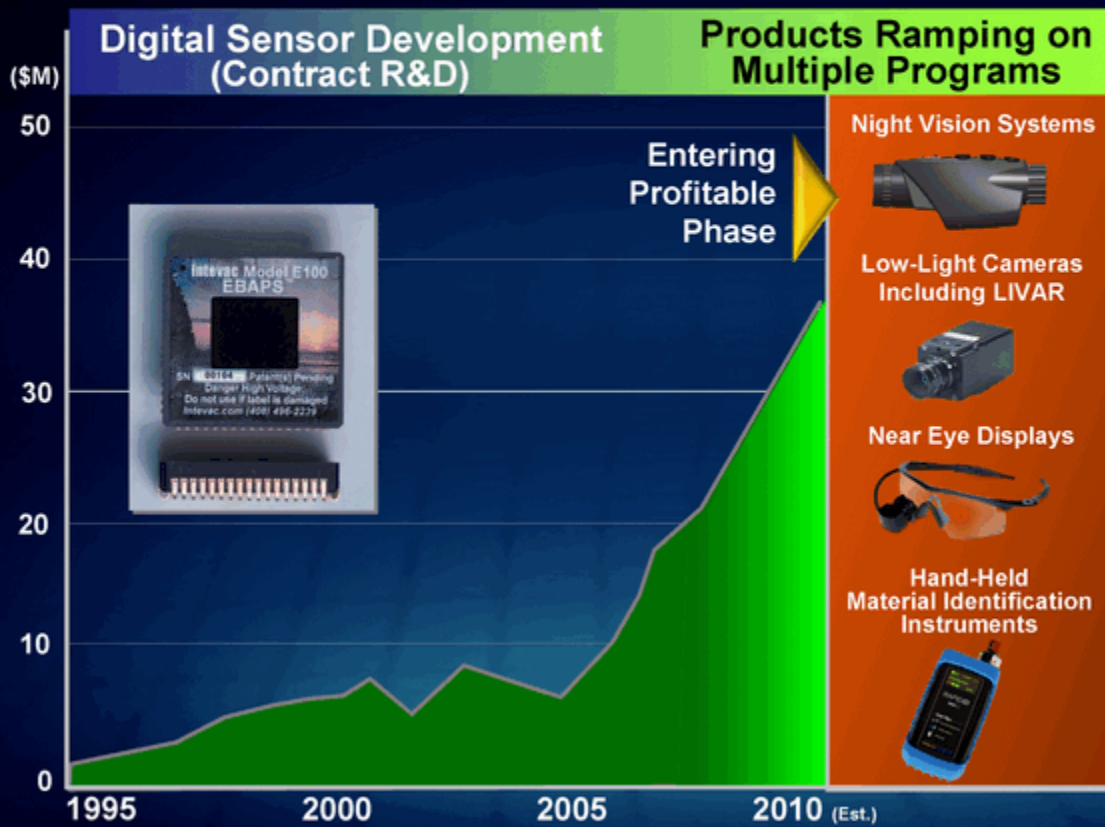
* Absolute Cell Processing Cost Unchanged

Enabling Higher Conversion Efficiency Cells and Lower Cost Photovoltaic Modules

Efficiency Improvement Approach	Potential Vacuum Process Steps		
	Deposition	Ion Implant	Etching
Improved Light Capture	Existing + New	New	New
Reduced Electrical Losses	New	New	New



Analog to Digital Transition Drives Photonics Business Growth



2010 Guidance and Long Term Operating Model

	2010 Guidance	Model	Achieve Model Performance on > \$250M Revenue
Revenue	\$202M – \$204M		
Gross Margin	~43%	45%	Record of Margin Expansion
Operating Expenses	~28%	< 25%	High Operating Leverage
Pre-Tax Profit	~16%	> 20%	
Free Cash Flow	~ 14%		

Free Cash Flow Defined as Net Income plus Stock Comp., Depr. & Amort. and Less CAPEX. Changes in Product Mix Will Impact Gross Margin and Pre-Tax Profit. Guidance as of 11/01/10 .

Source: Intevac SEC Filings (GAP)



Investment Rationale

Entered Large Photovoltaic Cell Manufacturing Equipment Market

- Shipped Thin Film CIGS System
- Silicon Cell Roadmaps Require Additional Vacuum Process Steps

Served Available Market Growing to \$1Billion by 2013

Technology Leader for Digital Night Vision

- Military Transitioning from Analog to Digital
- Major Technology Production Programs Ramping

Entering Profitability Phase Served Annual Market Growing to Over \$500M

Established Market Leader in Magnetic Media Process Systems

- Ongoing Need for New Capacity Systems
- Major Technology Upgrades Coming

Strong Record of Cash Generation

Strong Balance Sheet

- Lean Operational Model

~\$130M Cash & Investments
No Debt



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