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CalAmp Corp.
Form 8-K
August 04, 2006

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): July 31, 2006

Exact Name of Registrant as Specified in Its Charter: CalAmp Corp.

DELAWARE	0-12182	95-3647070
State or Other Jurisdiction of Incorporation or Organization	Commission File Number	I.R.S. Employer Identification No.

Address of Principal Executive Offices: 1401 N. Rice Avenue
Oxnard, CA 93030

Registrant's Telephone Number, Including Area Code: (805) 987-9000

Former Name or Former Address, if Changed Since Last Report: Not applicable

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 425 under the Exchange Act (17 CFR 240.14.a-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 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On July 31, 2006, the Company's Board of Directors, upon the recommendation of the Compensation Committee, amended the Company's fiscal 2007 executive officer incentive compensation plan to modify the target and maximum bonuses and performance goals under the plan. The fiscal 2007 executive officer incentive compensation plan was originally approved by the Board of Directors on May 5, 2006, as reported in Item 9B of the Company's Annual Report on Form 10-K that was filed with the Securities and Exchange Commission on May 10, 2006. Following is a description of the Company's fiscal 2007 executive officer incentive compensation plan as amended.

The individuals covered by the fiscal 2007 executive officer incentive compensation plan as amended are:

- | | |
|--------------------|---|
| * Fred Sturm | President and Chief Executive Officer |
| * Patrick Hutchins | President, Products Division |
| * Steven L'Heureux | President, Solutions Division |
| * Richard Vitelle | Vice President Finance, CFO and Secretary |
| * Michael Burdick | Executive Vice President - Wireless Datacom
Strategy and Integration |
| * Garo Sarkissian | Vice President Corporate Development |

Mr. Sturm is eligible for target and maximum bonuses of up to 60% and 100%, respectively, of his annual salary. Messrs. Hutchins, L'Heureux and Vitelle are each eligible for target bonuses of up to 45% of annual salary, and maximum bonuses of up to 75% of annual salary. Messrs. Burdick and Sarkissian are each eligible for target bonuses of up to 30% of annual salary, and maximum bonuses of up to 60% of annual salary.

The target and maximum bonus amounts for Messrs. Sturm and Vitelle are based 70% upon the Company attaining certain levels of consolidated revenue and consolidated pretax income for fiscal 2007 and 30% upon achieving certain other business goals.

The target and maximum bonus amounts for Mr. Hutchins are based 70% on attaining certain levels of Products Division revenue and operating income for fiscal 2007 and 30% upon achieving certain other business goals.

The target and maximum bonus amounts for Mr. L'Heureux are based 60% on attaining certain levels of Solutions Division revenue and operating income for fiscal 2007 and 40% upon achieving certain other business goals.

The target and maximum bonus amounts for Messrs. Burdick and Sarkissian are based 50% on attaining certain levels of consolidated revenue and consolidated pretax income for fiscal 2007 and 50% upon achieving certain other business goals.

The consolidated pretax income goal amount for Messrs. Sturm, Vitelle, Burdick and Sarkissian excludes: (i) the fiscal 2007 intangible asset amortization expense associated with the May 2006 acquisitions of Dataradio Inc. and the TechnoCom Mobile Resource Management product line; (ii) the \$6.9 million write-off of in-process research and development costs associated with the Dataradio acquisition; and (iii) the Solutions Division goodwill impairment charge of \$29.8 million recorded in the fiscal 2007 first quarter.

The Products Division revenue goal amount for Mr. Hutchins excludes the

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fiscal 2007 revenue of Dataradio, and the Products Division operating income goal amount for Mr. Hutchins excludes the fiscal 2007 operating income of Dataradio and the fiscal 2007 intangible asset amortization expense associated with the TechnoCom product line acquisition.

The Solutions Division operating income goal amount for Mr. L'Heureux excludes the Solutions Division goodwill impairment charge.

SIGNATURE

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

CALAMP CORP.

August 4, 2006

By: /s/ Richard K. Vitelle

Date

Richard K. Vitelle,
Vice President-Finance
(Principal Financial Officer)