

HARMONIC INC
Form 8-K
March 09, 2011

**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: March 3, 2011
(Date of Earliest Event Reported)**

HARMONIC INC.

(Exact name of registrant as specified in its charter)

Delaware

000-25826

77-0201147

**(State or other jurisdiction of
incorporation or organization)**

Commission File Number

**(I.R.S. Employer
Identification No.)**

**4300 North First Street
San Jose, CA 95134
(408) 542-2500**

**(Address, including zip code, and telephone number, including area code,
of registrant's principal executive offices)**

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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 3, 2011, the Compensation and Equity Ownership Committee (the Compensation Committee) of the Board of Directors of Harmonic Inc. (the Company) approved the adoption of the Harmonic 2011 Executive and Key Contributor Bonus Plan (the Plan). The participants in the Plan include the following named executive officers of the Company (the Executive Officers):

| <u>Name</u> | <u>Position</u> |
|---------------------|--|
| Patrick J. Harshman | President and Chief Executive Officer |
| Carolyn V. Aver | Chief Financial Officer |
| Charles J. Bonasera | Vice President, Operations |
| Mark Carrington | Vice President, Worldwide Sales |
| Neven Haltmayer | Vice President, Research and Development |

Under the Plan, payment of a bonus to each of the Executive Officers will be based on the Company's performance against revenue and non-GAAP operating income targets. A percentage of the target bonus for each of the Executive Officers is split between each of the applicable components, with the percentage being higher for the revenue component. A minimum threshold must be exceeded for each component before any bonus payment will be made with respect to that component to any Executive Officer, other than the Vice President, Worldwide Sales. In addition, operating income must exceed a minimum threshold before any bonus payments are made with respect to the revenue component to any Executive Officer, other than the Vice President, Worldwide Sales. In the event that the target metrics are surpassed, each of the Executive Officers, other than the Vice President, Worldwide Sales, may be awarded a bonus payment up to a maximum of 200% of such participant's target bonus payment.

The Vice President, Worldwide Sales will be entitled to receive a bonus under the Plan as follows: (1) a substantial majority of his bonus will be based on the Company's revenue; (2) the rate of his bonus based on revenue differs below and above the target revenue amount, but the amount of his bonus is 100% of his salary at the target revenue amount; and (3) a material portion of his target bonus will be based on the Company achieving a non-GAAP income level above a threshold.

The target bonus of each executive officer is as follows:

- Patrick J. Harshman 100% of base salary;
- Carolyn V. Aver 61.54% of base salary;
- Charles J. Bonasera 60% of base salary;
- Mark Carrington 100% of base salary; and
- Neven Haltmayer 60% of base salary.

Participants in the Plan must remain employed through the date that a bonus is paid in order to qualify for a bonus payment. The Compensation Committee, in its sole discretion, retains the right to amend, supplement, supersede or cancel the Plan for any reason, and reserves the right to determine whether and when to pay out any bonus amounts, regardless of the achievement of the performance targets.

SIGNATURES

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.

HARMONIC INC.

Date: March 9, 2011

By: /s/Carolyn V. Aver

Carolyn V. Aver
Chief Financial Officer