

SOUTHWALL TECHNOLOGIES INC /DE/
Form SC TO-T/A
November 01, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO
TENDER OFFER STATEMENT UNDER SECTION 14(D)(1) OR 13(E)(1)
OF THE SECURITIES EXCHANGE ACT OF 1934

Amendment No. 1

SOUTHWALL TECHNOLOGIES INC.

(Name of Subject Company (Issuer))

BACKBONE ACQUISITION SUB, INC.

A Wholly-Owned Subsidiary of

SOLUTIA INC.

(Names of Filing Persons (Offerors))

COMMON STOCK, \$0.001 PAR VALUE

(Title of Class of Securities)

844909200

(CUSIP Number of Class of Securities)

Paul J. Berra, III

Senior Vice President, Legal and Governmental Affairs

and General Counsel

Solutia Inc.

575 Maryville Centre Drive

P.O. Box 66760

St. Louis, Missouri 63166-6760

(314) 674-1000

(Name, address, and telephone number of person authorized to receive notices and communications on behalf of filing persons)

Copies to:

William B. Sorabella, Esq.

Kirkland & Ellis LLP

601 Lexington Avenue

New York, NY 10022

(212) 446-4800

CALCULATION OF FILING FEE

**Transaction Valuation(1)
\$113,530,747**

**Amount of Filing Fee(2)
\$13,011**

- (1) Calculated solely for purposes of determining the filing fee. The calculation assumes the purchase of 7,462,688 shares of common stock, par value \$0.001 per share, at \$13.60 per share (which number includes 1,650,850 shares of common stock issuable pursuant to the conversion of preferred stock, par value \$0.001 per share). The transaction value also includes the aggregate offer price for 1,489,875 shares issuable pursuant to outstanding options with an exercise price less than \$13.60 per share, which is calculated by multiplying the

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number of shares underlying such outstanding options by an amount equal to \$13.60 minus the weighted average exercise price of such options.

(2) Calculated in accordance with Exchange Act Rule 0-11 by multiplying the transaction value by 0.00011460.

x Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

A Amount Previously Paid: \$13,011
F Form or Registration No.: Schedule TO

Filing Party: Solutia Inc.
Date Filed: October 25, 2011

.. Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.
Check the appropriate boxes below to designate any transactions to which the statement relates:

x Third-party tender offer subject to Rule 14d-1.

.. Issuer tender offer subject to Rule 13e-4.

.. Going-private transaction subject to Rule 13e-3.

x Amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer. ..

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

.. Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

.. Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

This Amendment No. 1 (this Amendment) to the Tender Offer Statement on Schedule TO (the Schedule TO) amends and supplements the Schedule TO relating to the tender offer by Backbone Acquisition Sub, Inc., a Delaware corporation (Purchaser) and a wholly-owned subsidiary of Solutia Inc., a Delaware corporation (Parent), for all of the outstanding common stock, par value \$0.001 per share (the Shares), of Southwall Technologies Inc., a Delaware corporation (the Company), at a price of \$13.60 per Share, net to the seller thereof in cash, without interest, less any applicable withholding taxes, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated October 25, 2011 (the Offer to Purchase), a copy of which is attached as Exhibit (a)(1)(A), and in the related letter of transmittal (the Letter of Transmittal), a copy of which is attached as Exhibit (a)(1)(B), which, together with any amendments or supplements thereto, collectively constitute the Offer. Except as specifically provided herein, this Amendment does not modify any of the information previously reported on the Schedule TO.

All the information set forth in the Offer to Purchase, including all schedules and annexes thereto, is incorporated herein by reference in response to Items 1 through 9 and Item 11 in this Schedule TO, and is supplemented by the information specifically provided in this Schedule TO.

Item 5. Past Contacts, Transactions, Negotiations and Agreements.
Regulation M-A Item 1005

Item 5 of the Schedule TO is hereby amended as follows:

In Section 11 of the Offer to Purchase entitled The Merger Agreement, the last sentence of the third paragraph on page 49 is hereby deleted in its entirety and replaced with the following:

Notwithstanding the foregoing, in the event that the Company Board effects a Company Adverse Recommendation Change, the stockholders party to the Support Agreements shall be obligated to vote in the aggregate only 35% of the outstanding Shares (on an as-converted basis) (a) in support of the Merger and (b) against any action or agreement that would materially interfere with or prevent the Offer or the Merger from being consummated.

Item 11. Additional Information.
Regulation M-A Item 1011

Item 11 of the Schedule TO is hereby amended and supplemented as follows:

In Section 16 of the Offer to Purchase entitled Certain Legal Matters; Regulatory Approvals, the third paragraph on page 56 is hereby amended and supplemented by adding the following sentence to the end of the paragraph:

At 11:59 p.m., New York City time, on Monday, October 31, 2011, the waiting period applicable to the Offer and the Merger under the HSR Act expired. Accordingly, the condition of the Offer relating to the expiration of the HSR Act waiting period has been satisfied.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: November 1, 2011

BACKBONE ACQUISITION SUB, INC.

By: /s/ D. John Srivisal
Name: D. John Srivisal
Title: Vice President

SOLUTIA INC.

By: /s/ Paul J. Berra, III
Name: Paul J. Berra, III
Title: Senior Vice President, Legal and

Governmental Affairs and General
Counsel

EXHIBIT INDEX

Exhibit No.	Description
(a)(1)(A)	Offer to Purchase, dated October 25, 2011.*
(a)(1)(B)	Letter of Transmittal (including Internal Revenue Service Form W-9).*
(a)(1)(C)	Notice of Guaranteed Delivery.*
(a)(1)(D)	Letter from the Information Agent to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.*
(a)(1)(E)	Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.*
(a)(1)(F)	Summary Advertisement as published on October 25, 2011.*
(a)(5)(A)	Joint Press Release issued by Solutia Inc. and Southwall Technologies Inc. on October 7, 2011 (incorporated by reference to Exhibit 99.3 to the Form 8-K filed by Solutia Inc. with the Securities and Exchange Commission on October 11, 2011).*
(a)(5)(B)	Press Release issued by Solutia Inc. on October 25, 2011.*
(b)	None.
(d)(1)	Agreement and Plan of Merger, dated as of October 6, 2011, by and among Solutia Inc., Backbone Acquisition Sub, Inc. and Southwall Technologies Inc. (incorporated by reference to Exhibit 2.1 to the Form 8-K filed by Solutia Inc. with the Securities and Exchange Commission on October 11, 2011).*
(d)(2)	Tender and Support Agreement, dated as of October 6, 2011, by and among Solutia Inc., Backbone Acquisition Sub, Inc., Southwall Technologies Inc. and certain funds affiliated with Needham Funds (incorporated by reference to Exhibit 99.1 to the Form 8-K filed by Solutia Inc. with the Securities and Exchange Commission on October 11, 2011).*
(d)(3)	Tender and Support Agreement, dated as of October 6, 2011, by and among Solutia Inc., Backbone Acquisition Sub, Inc., Southwall Technologies Inc. and Dolphin Direct Equity Partners, L.P. (incorporated by reference to Exhibit 99.2 to the Form 8-K filed by Solutia Inc. with the Securities and Exchange Commission on October 11, 2011).*
(d)(4)	Disclosure Agreement, dated as of November 18, 2010, by and between Solutia Inc. and Southwall Technologies Inc.*
(d)(5)	Letter Agreement, dated June 26, 2011, by and between Solutia Inc. and Southwall Technologies Inc.*
(d)(6)	Amendment, dated August 16, 2011, to the Letter Agreement, dated June 26, 2011, by and between Solutia Inc. and Southwall Technologies Inc.*
(d)(7)	Amendment, dated September 20, 2011, to the Letter Agreement, dated June 26, 2011, by and between Solutia Inc. and Southwall Technologies Inc.*

- (d)(8) Amendment, dated September 29, 2011, to the Letter Agreement, dated June 26, 2011, by and between Solutia Inc. and Southwall Technologies Inc.*
- (d)(9) Distribution Agreement, dated January 1, 2002, by and between Globamatrix Holdings Pte. Ltd., a subsidiary of Solutia Inc., and Southwall Technologies Inc. (incorporated by reference to Exhibit 10.116 to the Form 10-Q filed by Southwall Technologies Inc. with the Securities and Exchange Commission on May 17, 2002).*
- (g) None.
- (h) None.

* Previously filed.