

VMWARE, INC.
Form SC 13D/A
November 03, 2008

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**SCHEDULE 13D/A
Under the Securities Exchange Act of 1934
(Amendment No. 1)***

VMware, Inc.
(Name of Issuer)

Class A Common Stock, par value \$0.01 per share
(Title of Class of Securities)

268648102
(CUSIP Number)

D. Bruce Sewell
Senior Vice President and General Counsel

Cary I. Klafter
Corporate Secretary
Intel Corporation

2200 Mission College Boulevard
Santa Clara, CA 95052
(408) 765-8080

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

October 30, 2008

(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g)), check the following box o.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be filed for the purpose of Section 18 of the Securities Exchange Act of 1934 (Act) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP No. 268648102 13D/A

1 NAMES OF REPORTING PERSONS INTEL
CORPORATION
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
94-1672743

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP:
(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEM 2(d) OR 2(e):

6 CITIZENSHIP OR PLACE OF ORGANIZATION:
Delaware

7 SOLE VOTING POWER:
NUMBER OF 8,500,000

8 SHARED VOTING POWER:
SHARES BENEFICIALLY OWNED BY 0

| | | |
|-----------------------------|-----------|--|
| EACH REPORTING PERSON | 9 | SOLE DISPOSITIVE POWER: 8,500,000 |
| WITH | 10 | SHARED DISPOSITIVE POWER: 0 |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY REPORTING PERSON:

8,500,000

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES:

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11):

9.58%*

14 TYPE OF REPORTING PERSON:

CO

* The calculation of the percentage is based on 88,682,977 shares of Class A Common Stock issued and outstanding on August 1, 2008, as reported in the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 8, 2008.

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AMENDMENT NO. 1 TO SCHEDULE 13D

This Amendment No. 1 amends and supplements that certain Schedule 13D filed on September 4, 2008 (the Schedule 13D) by Intel Corporation, a Delaware corporation (the Reporting Person), relating to the Class A Common Stock, par value \$0.01 per share (the Common Stock), of VMware, Inc., a Delaware corporation (the Company). Capitalized terms used herein and not otherwise defined in this Amendment No. 1 shall have the meanings set forth in the Schedule 13D. Except as specifically set forth herein, the Schedule 13D remains unmodified.

This Amendment No. 1 is being filed while the Reporting Person is in the process of verifying information required herein from their respective directors and executive officers. If the Reporting Person obtains information concerning such individuals which would cause a material change in the disclosure contained herein, an amendment to this statement will be filed that will disclose such change.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 of the Schedule 13D is hereby amended to add the following information:

On October 30, 2008, in connection with the Cisco Common Stock Purchase Agreement described in Item 4, Intel Capital Corporation, a Delaware corporation (Intel Capital, the Reporting Person's wholly-owned subsidiary) sold 500,000 shares of the Common Stock to Cisco Systems International B.V., a private limited liability company formed under the laws of the Netherlands (Cisco), for a total purchase price of \$13,259,400 million, or \$26.5188 per share.

On October 30, 2008, in connection with the EMC Common Stock Purchase Agreement described in Item 4, Intel Capital sold 500,000 shares of the Common Stock to EMC Corporation, a Massachusetts corporation (the Company's parent corporation), for a total purchase price of \$13,259,400 million, or \$26.5188 per share.

Item 4. Purpose of Transaction.

The first paragraph of Item 4 of the Schedule 13D is hereby amended and restated in its entirety by the following:

Common Stock Purchase Agreement

On July 9, 2007, Intel Capital and the Company entered into a Class A Common Stock Purchase Agreement (the Common Stock Purchase Agreement), which provided for the purchase by Intel Capital and sale by the Company of 9,500,000 shares of the Common Stock, subject to the satisfaction of certain conditions provided therein, including the execution of the Rights Agreement. On August 22, 2007, all closing conditions having been met, Intel Capital acquired 9,500,000 shares of the Common Stock for a total purchase price of \$218,500,000, or \$23.00 per share. The Common Stock Purchase Agreement entitled Intel Capital to designate an executive of the Reporting Person to be appointed to the Company's board of directors. On September 24, 2007, Renee J. James, an Intel Capital designee, was appointed to the board of directors of the Company.

Item 4 of the Schedule 13D is hereby further amended to add the following information:

Cisco Common Stock Purchase Agreement

On October 30, 2008, Intel Capital and Cisco entered into a Class A Common Stock Purchase Agreement (the Cisco Common Stock Purchase Agreement) providing for the purchase by Cisco and

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sale by Intel Capital of 500,000 shares of the Common Stock and containing customary representations and warranties by each party. On October 30, 2008, pursuant to the Cisco Common Stock Purchase Agreement, Intel Capital sold to Cisco 500,000 shares of the Common Stock for a total purchase price of \$13,259,400 million, or \$26.5188 per share.

EMC Common Stock Purchase Agreement

On October 30, 2008, Intel Capital and EMC Corporation entered into a Class A Common Stock Purchase Agreement (the EMC Common Stock Purchase Agreement) providing for the purchase by EMC Corporation and sale by Intel Capital of 500,000 shares of the Common Stock and containing customary representations and warranties by each party. On October 30, 2008, pursuant to the EMC Common Stock Purchase Agreement, Intel Capital sold to EMC Corporation 500,000 shares of the Common Stock for a total purchase price of \$13,259,400 million, or \$26.5188 per share.

This Item 4 is qualified in its entirety by reference to the Cisco Common Stock Purchase Agreement and the EMC Common Stock Purchase Agreement, which are filed as Exhibits 99.1 and 99.2 hereto and are incorporated herein by reference.

Other Plans or Proposals

Intel Capital currently intends to sell up to 3,750,000 shares of the Common Stock in the open market commencing on or about November 4, 2008. The exact timing and amount of such sales are subject to a number of factors, including market conditions. Intel Capital may suspend or cease such sales at any time.

Item 5. Interest in Securities of the Issuer.

The first paragraph appearing after subsection (e) of Item 5 of the Schedule 13D is hereby amended and restated in its entirety by the following:

* The Reporting Person does not directly own the Common Stock of the Company. By reason of the provisions of Rule 13d-3 under the Securities Exchange Act, as amended (the Act), the Reporting Person is deemed to own beneficially 8,500,000 shares of the Common Stock that are owned beneficially by Intel Capital, a wholly-owned subsidiary of the Reporting Person.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Item 6 of the Schedule 13D is hereby amended and restated in its entirety by the following:

To the best of the knowledge of the Reporting Person without additional investigation, except for the arrangements described in Items 3, 4 or 5 of this Statement, as qualified by Exhibits 99.1 and 99.2 hereto and to the Schedule 13D, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among any person or entity referred to in Item 2, or between such persons and any other person, with respect to any securities of the Company, including, but not limited to, transfer or voting of any of the securities, finders fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

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Item 7. Material to Be Filed as Exhibits.

Item 7 of the Schedule 13D is hereby amended to add the following exhibits:

| Exhibit No. | Description |
|--------------------|--|
| 99.1 | Class A Common Stock Purchase Agreement, dated as of October 30, 2008, by and between Intel Capital Corporation and CISCO SYSTEMS INTERNATIONAL B.V. |
| 99.2 | Class A Common Stock Purchase Agreement, dated as of October 30, 2008, by and between Intel Capital Corporation and EMC Corporation. |

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SIGNATURES

After reasonable 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 3, 2008

INTEL CORPORATION

By: /s/Arvind Sodhani

Name:Arvind Sodhani

Title: Executive Vice President

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Schedule A
DIRECTORS AND EXECUTIVE OFFICERS

The name, citizenship, business address, and present principal occupation or employment of each of the directors and executive officers of the Reporting Person are as set forth below.

Directors:

| Name | Present Principal Occupation or Employment | Present Business Address | Citizenship |
|---------------------|---|--|-------------|
| Craig R. Barrett | Chairman of the Board | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Paul S. Otellini | President and Chief Executive Officer | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Charlene Barshefsky | Senior International Partner, Wilmer Cutler Pickering Hale & Dorr LLP | 1875 Pennsylvania Avenue, NW Washington, DC 20006 | U.S.A |
| Susan L. Decker | President, Yahoo! Inc. | 701 First Avenue Sunnyvale, CA 94089 | U.S.A |
| Reed E. Hundt | Principal, Charles Ross Partners, LLC | 1909 K Street NW, Suite 820 Washington, DC 20006 | U.S.A |
| James D. Plummer | John M. Fluke Professor of Electrical Engineering; Frederick E. Terman Dean of the School of Engineering, Stanford University | Stanford University Terman 214, Mail Code 4027 Stanford, CA 94305 | U.S.A |
| David S. Pottruck | Chairman and Chief Executive Officer, Red Eagle Ventures, Inc. | One California Street Suite 2630 San Francisco, CA 94111 | U.S.A |
| Jane E. Shaw | Retired Chairman and Chief Executive Officer, Aerogen, Inc. | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| John L. Thornton | Professor and Director of Global Leadership Tsinghua University in Beijing | 375 Park Avenue, Suite 1002 New York, NY 10152 | U.S.A |
| David B. Yoffie | Max and Doris Starr Professor of International Business Administration, Harvard Business School | Harvard Business School Morgan Hall 215, Soldiers Field Park Rd. Boston, MA 02163 | U.S.A |
| Carol A. Bartz | Executive Chairman of the Board of Directors of Autodesk, Inc. | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |

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| Name | Present Principal Occupation or Employment | Present Business Address | Citizenship |
|----------------------|---|---|-------------|
| Andy D. Bryant | Executive Vice President Chief Administrative Officer, Finance and Enterprise Services | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Sean M. Maloney | Executive Vice President General Manager, Sales and Marketing Group Chief Sales and Marketing Officer | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| David Perlmutter | Executive Vice President General Manager, Mobility Group | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Arvind Sodhani | Executive Vice President President, Intel Capital | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Robert J. Baker | Senior Vice President General Manager, Technology and Manufacturing Group | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Patrick P. Gelsinger | Senior Vice President General Manager, Digital Enterprise Group | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| William M. Holt | Senior Vice President General Manager, Technology and Manufacturing Group | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| D. Bruce Sewell | Senior Vice President General Counsel | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Stacy J. Smith | Vice President Chief Financial Officer | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |
| Thomas M. Kilroy | Vice President General Manager, Digital Enterprise Group | 2200 Mission College Blvd. Santa Clara, CA 95052 | U.S.A |