

QUICKLOGIC CORPORATION

Form 424B5

November 12, 2013

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Registration No. 333-190277

The information in this preliminary prospectus supplement is not complete and may be changed. A registration statement relating to these securities has been declared effective by the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities, and we are not soliciting offers to buy these securities, in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 11, 2013

PROSPECTUS SUPPLEMENT

(to Prospectus dated August 30, 2013)

Shares of Common Stock

We are offering _____ shares of our common stock pursuant to this prospectus supplement and the accompanying prospectus. Our common stock is listed on The NASDAQ Global Market under the symbol **QUIK**. On November 8, 2013, the last reported sale price of our common stock on The NASDAQ Global Market was \$3.41 per share.

Investing in our common stock involves a high degree of risk. Please read **Risk Factors** beginning on page S-7 of this prospectus supplement and page 4 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	PER SHARE	TOTAL
Public Offering Price	\$ _____	\$ _____
Underwriting Discounts and Commissions	\$ _____	\$ _____
Proceeds to QuickLogic, before expenses	\$ _____	\$ _____

Delivery of the common stock is expected to be made on or about November _____, 2013. We have granted the underwriters an option exercisable one or more times at any time or from time to time, in whole or in part, for a period of 30 days from the date of this prospectus supplement to purchase up to an additional _____ shares of our common stock, less underwriting discounts and commissions, solely to cover overallotments, if any. If the underwriters exercises this option in full, the total underwriting discounts and commissions payable by us will be \$ _____ and the total proceeds to us, before expenses, will be \$ _____.

Sole Book-Running Manager

Roth Capital Partners

Co-Manager

The Benchmark Company

Prospectus Supplement dated November , 2013.

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and in any free writing prospectus that we have authorized for use in connection with this offering. We have not, and each underwriter has not, authorized anyone to provide you with different information. We are not, and each underwriter is not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, and in any free writing prospectus that we have authorized for use in connection with this offering, is accurate only as of the date of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this prospectus supplement, the accompanying prospectus, the documents incorporated by reference in this prospectus supplement and the accompanying prospectus, and any free writing prospectus that we have authorized for use in connection with this offering, in their entirety before making an investment decision. You should also read and consider the information in the documents to which we have referred you in the sections of this prospectus supplement entitled **Where You Can Find More Information and **Incorporation of Certain Information by Reference**.**

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About this Prospectus Supplement

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the securities being offered by us, and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference. The second part, the accompanying prospectus, including the documents incorporated by reference, provides more general information, some of which may not apply to this offering of securities. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or in any document incorporated by reference that was filed with the Securities and Exchange Commission, or SEC, before the date of this prospectus supplement, on the other hand, you should rely on the information in this prospectus supplement. If any statement in one of these documents is inconsistent with a statement in another document having a later date—for example, a document incorporated by reference in the accompanying prospectus—the statement in the document having the later date modifies or supersedes the earlier statement.

Unless the context requires otherwise, references in this prospectus supplement and the accompanying prospectus to QuickLogic, the company, we, us and our refer to QuickLogic Corporation.

This prospectus supplement and the accompanying prospectus are part of a registration statement on Form S-3 that we filed on July 31, 2013, with the SEC using a shelf registration process with respect to up to \$40,000,000 in securities that may be sold thereunder. The shelf registration statement was declared effective by the SEC on August 30, 2013.

Under the shelf registration process, we may offer and sell any combination of securities described in the accompanying prospectus in one or more offerings. The accompanying prospectus provides you with a general description of the securities we may offer. Each time we use the accompanying prospectus to offer securities, we will provide a prospectus supplement that will contain specific information about the terms of the offering. The prospectus supplement may also add, update or change information contained in the prospectus. The purpose of this prospectus supplement is to provide supplemental information regarding us in connection with this offering of common stock.

This prospectus supplement, the accompanying prospectus and the information incorporated herein and thereby by reference include trademarks, servicemarks and tradenames owned by us or other companies. The name QuickLogic and our logo are our trademarks. All trademarks, servicemarks and tradenames included or incorporated by reference in this prospectus supplement or the accompanying prospectus are the property of their respective owners.

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Prospectus Supplement Summary

*This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary does not contain all the information you should consider before investing in our securities. You should read and consider carefully the more detailed information in this prospectus supplement and the accompanying prospectus, including the factors described under the heading *Risk Factors* in this prospectus supplement and the financial and other information incorporated by reference in this prospectus supplement and the accompanying prospectus, as well as the information included in any free writing prospectus that we have authorized for use in connection with this offering, before making an investment decision.*

Company Overview

We develop and market low power customizable semiconductor solutions that enable customers to add new features, extend battery life, and improve the visual experience with their mobile, consumer and enterprise products. Our targeted mobile market segment includes Tablets, Smartphones, and Mobile Enterprise. Our solutions typically fall into one of three product categories: Display & Visual Enhancement, Smart Connectivity and Ultra-Low Power Sensor Hubs. We are a fabless semiconductor company that designs Customer Specific Standard Products, or CSSPs, which are complete, customer-specific solutions that include a combination of silicon solution platforms; Proven System Blocks, or PSBs; customer-specific logic; software drivers; and firmware. Our main platform families, ArcticLink and PolarPro, are standard silicon products. PSBs that have been developed and that are available to customers include our Visual Enhancement Engine, or VEE, Display Power Optimizer, or DPO, and Background Color Compensator (BCC) technologies; Flexible Fusion Engine, or FFE; Sensor Manager; Communication Manager; Camera Interface, or CAMIF; SDHD/eMMC Host Controllers; USB 2.0 On-The-Go with PHY; MIPI Host/Device with DPHY, LVDS, MDDI Client with PHY; High Speed UARTs; Pulse Width Modulators; SPI and I2C hosts, display-specific functions such as RGB-split and Frame Recyclers; and Data Performance Manager, or DPM, for accelerated sideloading times. The variety of PSBs offered by us allows system designers to combine multiple discrete chips onto a single CSSP, simplifying design and board layout, lowering BOM cost, and accelerating time-to-market. The programmable logic of the platforms is used for adding differentiated features and provides flexibility to address hardware-based product requirements quickly.

Utilizing a focused customer engagement model, we market CSSPs to Original Equipment Manufacturers, or OEMs, and Original Design Manufacturers, or ODMs, that offer differentiated mobile products, and to processor vendors wishing to expand their served available market through the deployment of reference designs to their customers. Our solutions enable OEMs and ODMs to add new features, extend battery life, and improve the visual experience of their handheld mobile devices. In addition to working directly with our customers, we partner with other companies with expertise in certain technologies to develop additional intellectual property, reference platforms and system software to provide application solutions. When we bring solutions to market with a partner company, we typically launch the solution as a Catalog CSSP. This enables us to sell the product as a catalog device to any customer. In this manner, we are able to broaden the served available market for our CSSP solutions and leverage our research and development across multiple end customers.

We also work with mobile processor manufacturers in the development of reference designs or Catalog CSSPs. Through reference designs that incorporate our CSSPs, we believe mobile processor manufacturers can expand the served available market for their processors. Furthermore, should a CSSP development for a processor manufacturer be applicable to a set of common OEMs or ODMs, we can amortize our research and development investment over that set of OEMs/ODMs. We call this type of solution a Catalog CSSP. The first such Catalog CSSP was developed in conjunction with Texas Instruments Incorporated, and introduced to the market during the second half of 2012. We are placing a greater emphasis on developing and marketing Catalog CSSPs in the future.

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In order to grow our revenue from its current level, we depend upon increased revenue from our new products including existing new product platforms and platforms currently in development. We expect our business growth to be driven by CSSPs and our CSSP revenue growth needs to be strong enough to enable us to sustain profitability while we continue to invest in the development, sales and marketing of our new solution platforms, PSBs and CSSPs. The gross margin associated with our CSSPs is generally lower than the gross margin of our FPGA products, due primarily to the price sensitive nature of the higher volume mobile consumer opportunities that we are pursuing with CSSPs.

During the third quarter of 2013, we generated total revenue of \$9.1 million which represents an increase of 77% over the prior quarter and an increase of 148% from the third quarter of 2012. Our new product revenue increased to \$7.1 million, up 131% sequentially and up 358% year over year. The increase in new product revenue was primarily due to production shipments of our ArcticLink III solution platform to a tier one tablet manufacturer. Revenue generated from this tier one tablet manufacturer accounted for 86% of our new product revenue and 68% of our total revenue. During the quarter, new products were shipped into the Tablet, Smartphone and Mobile Enterprise markets. Our mature product revenue was \$1.9 million, down 5% sequentially and down 8% year over year. Since we introduced CSSPs to the market in early 2007, we have devoted substantially all of our development, sales and marketing efforts to our new solution platforms, PSBs and CSSPs. We expect our revenue from mature products to continue to decline over time.

Corporate Information

We were founded in 1988 and reincorporated in Delaware in 1999. Our principal executive offices are located at 1277 Orleans Drive, Sunnyvale, California 94089-1138. Our telephone number is (408) 990-4000 and our website is www.quicklogic.com. The information available on or accessible through our website does not constitute a part of this prospectus supplement or the accompanying prospectus and should not be relied upon.

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Common stock offered by us	shares
Common stock outstanding before this offering	44,779,921 shares ⁽¹⁾
Common stock to be outstanding after this offering	shares

- (1) The number of shares of common stock to be outstanding immediately before and after this offering as shown above is based on 44,779,921 shares of common stock outstanding as of September 29, 2013 and excludes an aggregate of 6,751,037 shares of common stock subject to outstanding options and restricted stock awards, 3,086,584 shares of common stock reserved for issuance under our equity incentive plans, and 4,241,244 shares of common stock issuable upon exercise of outstanding warrants.

Overallotment Option

We have granted the underwriters an option to purchase up to _____ additional shares of our common stock to cover overallotments, if any. This option is exercisable one or more times at any time or from time to time, in whole or in part, for a period of 30 days from the date of this prospectus supplement.

Use of Proceeds

We expect to use the net proceeds from this offering for working capital and other general corporate purposes. We may also use a portion of the net proceeds for licensing or acquiring intellectual property or technologies to incorporate in our products, capital expenditures, to fund possible investments in and acquisitions of complementary businesses, partnerships, minority investments or to repay debts. See Use of Proceeds.

NASDAQ Global Market Listing

Our common stock is listed on The NASDAQ Global Market under the symbol **QUIK**.

Risk Factors

Investing in our securities involves a high degree of risk. See Risk Factors beginning on page S-7 of this prospectus supplement and beginning on page 12 of our Annual Report on Form 10-K for the year ended December 30, 2012, which Annual Report is incorporated herein by reference.

Outstanding Shares

The number of shares of common stock to be outstanding immediately after this offering is based on 44,779,921 shares outstanding as of September 29, 2013 and excludes as of this date:

6,733,637 shares of common stock issuable upon the exercise of stock options outstanding as of September 29, 2013 with a weighted-average exercise price of \$2.5458 per share;

17,400 unvested restricted stock units as of September 29, 2013; and

3,086,584 shares of common stock reserved for future issuance under our equity incentive plans as of September 29, 2013.

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4,241,244 shares of common stock issuable upon exercise of outstanding warrants.

Except as otherwise indicated, all information in this prospectus assumes no exercise by the underwriters of their overallotment option.

Certain of our executive officers and directors, including our Executive Chairman of the Board, have plans meeting the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, which may lead to the sale of a number of shares of our common stock during the 90 days following the date of this prospectus supplement.

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The table below presents summary statements of operations and balance sheet data. The summary financial data for the years ended January 2, 2011 through December 29, 2012 are derived from our audited financial statements for those periods. We derived the summary financial data as of September 30, 2012 and September 29, 2013 and for the nine months ended September 30, 2012 and September 29, 2013 from our unaudited financial statements. The unaudited financial statement data includes, in our opinion, all adjustments (consisting only of normal recurring adjustments) that are necessary for a fair presentation of our financial position and results of operations for these periods. This information is only a summary. You should read this data in conjunction with our historical financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report filed on Form 10-K, Quarterly Reports filed on Form 10-Q and other information on file with the SEC that is incorporated by reference in this prospectus supplement and the accompanying prospectus. For more details on how you can obtain our SEC reports and other information, you should read the section of this prospectus supplement entitled "Where You Can Find More Information." Our results of operations are for historical periods and are not necessarily indicative of results of operations for future periods.

Consolidated Statements of Operations Data

(In thousands, except share data)

	January 2, 2011	Year Ended		Nine Months Ended	
		January 1, 2012	December 30, 2012	September 30, 2012	September 29, 2013
Revenue	\$ 26,199	\$ 20,969	\$ 14,944	\$ 11,858	\$ 17,209
Cost of revenue, excluding inventory write-down and related charges	9,609	8,517	7,878	6,313	11,210
Gross profit	16,590	12,452	7,066	5,545	5,999
Operating expenses:					
Research and development	7,458	9,836	8,743	7,119	5,902
Selling, general and administrative	10,073	9,965	10,481	8,104	8,648
Restructuring costs					181
Income (loss) from operations	(941)	(7,349)	(12,158)	(9,678)	(8,732)
Interest expense	(67)	(36)	(61)	(49)	(37)
Interest income and other (expense), net	947	(159)	(77)	(45)	51
Income (loss) before income taxes	(61)	(7,544)	(12,296)	(9,772)	(8,718)
Provision for (benefit from) income taxes	(184)	50	18	(17)	369
Net income (loss)	\$ 123	\$ (7,594)	\$ (12,314)	\$ (9,755)	\$ (9,087)
Net income (loss) per share:					
Basic	\$ 0.00	\$ (0.21)	\$ (0.29)	\$ (0.24)	\$ (0.20)
Diluted	\$ 0.00	\$ (0.21)	\$ (0.29)	\$ (0.24)	\$ (0.20)
Weighted average shares:					
Basic	35,729	36,792	41,831	40,975	44,640
Diluted	39,038	36,792	41,831	40,975	44,640

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	January 2, 2011	As of January 1, 2012	December 30, 2011	As of September 30, 2011	September 29, 2013
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 21,956	\$ 20,203	\$ 22,578	\$ 24,948	\$ 14,871
Short-term investment in TowerJazz Semiconductor Ltd.	909	406	345	380	
Accounts receivable, net	4,143	1,585	1,242	1,335	4,995
Inventories	3,344	3,764	3,028	2,516	2,851
Other current assets	772	613	986	951	672
Total current assets	31,124	26,571	28,179	30,130	23,389
Property and equipment, net	2,312	2,181	2,659	2,915	3,007
Other assets	192	211	186	202	238
TOTAL ASSETS	\$ 33,628	\$ 28,963	\$ 31,024	\$ 33,247	\$ 26,634
LIABILITIES AND STOCKHOLDERS EQUITY					
Current liabilities:					
Revolving line of credit	\$	\$	\$	\$	