

SONOSITE INC
Form 8-K
December 20, 2004

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

December 17, 2004

Date of Report
(Date of Earliest Event Reported)

SONOSITE, INC.

(Exact Name of Registrant as Specified in Charter)

Washington
(State or Other
Jurisdiction of Incorporation)

0-23791
(Commission
File No.)

91-1405022
(IRS Employer
Identification No.)

21919 30th Drive S.E., Bothell, Washington 98021-3904
(Address of Principal Executive Offices) (Zip Code)

(425) 951-1200
(Registrant's Telephone Number, Including Area Code)

None
(Former Name or Former Address, if Changed Since Last Report)

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 communication 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))

Item 1.01 Entry into a Material Definitive Agreement

On December 17, 2004, the Compensation Committee of the Board of Directors of SonoSite, Inc. ("Registrant") approved the SonoSite, Inc. FY2005 Variable Incentive Bonus Plan (the "Plan"), an incentive compensation program for fiscal year 2005. The Plan is designed to motivate, retain and reward the Company's executive officers based on the achievement of specified corporate revenue and operating profits objectives. The revenue and operating profits objectives are calculated with the revenue objective weighed slightly more heavily than operating profits in calculating bonus payments at 100% and greater achievement of the Plan targets. For payouts of Plan bonuses at less than 100% achievement of Plan targets, the operating profits objective is more heavily weighted than the revenue objective. Participants eligible under the Plan are certain executive level employees designated by the Compensation Committee, including the following executive officers: Kevin Goodwin, Bradley Garrett, Mike Schuh and Kathy Surace-Smith. Bonuses are calculated as a percentage of the participant's base salary and in any event cannot exceed for any one individual \$1 million during fiscal year 2005. The Company has the discretion to pay less than the full amount of any bonus otherwise earned under the Plan. The attached Exhibit 10.1, incorporated herein by reference, is the form of Plan so approved.

Item 9.01 Financial Statements and Exhibits

Exhibit No.	Description
10.1	SonoSite, Inc. FY2005 Variable Incentive Bonus Plan

SIGNATURE

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

SONOSITE, INC.

Dated: December 20, 2004

By: /s/ MICHAEL J. SCHUH

Michael J. Schuh
Chief Financial Officer

EXHIBIT INDEX

Exhibit Number	Description
10.1	SonoSite, Inc. FY2005 Variable Incentive Bonus Plan