

FORMFACTOR INC
Form 8-K
March 30, 2005

**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 (Date of earliest event reported): **March 24, 2005**

FORMFACTOR, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other
Jurisdiction
of Incorporation)

000-50307
(Commission File Number)

13-3711155
(IRS Employer
Identification No.)

7005 Southfront Road, Livermore, CA
(Address of Principal Executive Offices)

94551
(Zip Code)

Registrant's telephone number, including area code: **(925) 290-4000**

N/A

(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 (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))

Item 1.01. Entry into a Material Definitive Agreement.

On March 24, 2005, the Compensation Committee of the Board of Directors of FormFactor, Inc. (the Company) approved a Key Employee Bonus Plan under which eligible employees (including all of the Company's named executive officers) will have the potential to receive cash bonuses. The bonuses will be based on the Company achieving revenue, operating profit, on-time delivery and new factory ramp-up performance targets, as well as on individual performance. Awards will be measured and paid on an annual basis. The target bonus amount may be different for any individual, but ranges from 10% to 100% of base salary. In order for a participant in the bonus plan to receive the bonus, the Company must achieve certain minimum revenue and operating profit goals. Participants will have the potential to receive increasing bonus amounts if the Company exceeds the performance targets, up to a maximum of 200% of the target bonus.

The following table sets forth, for each of the Company's named executive officers, the target bonus for 2005 under the Key Employee Bonus Plan:

Name and Principal Position	2005 Target Bonus
Dr. Igor Y. Khandros Chief Executive Officer	\$ 345,000
Joseph R. Bronson President and Member of the Office of the Chief Executive Officer	\$ 300,000
Benjamin N. Eldridge Senior Vice President of Development and Chief Technical Officer	\$ 164,500
Ronald C. Foster Chief Financial Officer	\$ 192,500
Yoshikazu Hatsukano Senior Vice President of Asia-Pacific Operations and President of FormFactor K.K.	\$ 137,634(1)
Jens Meyerhoff Senior Vice President of Operations	\$ 238,000
Peter B. Mathews Senior Vice President of Worldwide Sales	\$ 141,000

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- (1) The U.S. dollar equivalent of the target bonus, which is to be paid to Mr. Hatsukano in Japanese Yen, is calculated using the exchange rate at March 24, 2005 of one U.S. dollar to 106.26 Japanese Yen.
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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.

FORMFACTOR, INC.

Date: March 30, 2005

By: /s/ STUART LOWELL MERKADEAU

Name: Stuart Lowell Merkadeau

Title: Sr. VP, General Counsel and
Secretary