SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): January 27, 2011

ARIBA, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware 000-26299 77-0439730
(State or Other Jurisdiction (Commission (IRS Employer
of Incorporation) File Number) Identification No.)

807 11th Avenue, Sunnyvale, California 94089
(Address of Principal Executive Offices) (Zip Code)

Registrant’s telephone number, including area code: (650) 390-1000

Not Applicable
(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 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 2.01.  Completion of Acquisition or Disposition of Assets.

On January 27, 2011 (the “Closing”), Ariba, Inc. (“Ariba”) completed its previously announced acquisition of the business (the “Business”) of Quadrem International Holdings, Ltd. (“Quadrem”) pursuant to the Stock Purchase Agreement, dated as of November 18, 2010 (the “Stock Purchase Agreement”) among Ariba, Quadrem International Holdings, Ltd. and Charlotte, Ltd., as Stockholders’ Representative.

On January 27, 2011, Ariba paid $133 million, consisting of approximately $61 million in Ariba stock and the rest in cash. The cash includes $40 million, which will be deposited in escrow to satisfy potential indemnification claims, and a working capital adjustment of $8 million. There is a contingent payment if certain performance conditions are met. The performance conditions include, subject to certain terms and conditions, certain customers (i) making specified cash payments to Ariba and (ii) using the Quadrem network to facilitate purchasing and invoicing activities with respect to specified customers or business and/or operating units. If the performance conditions are met in full, after the third anniversary Ariba will pay an additional $25 million in cash or, at its election, Ariba stock, and release $25 million of escrow cash, to the extent such cash is not used to satisfy indemnification claims.

On January 27, 2011, Ariba also paid $10.25 million pursuant to a separate agreement to modify and terminate aspects of a commercial arrangement previously entered into by a subsidiary of Quadrem.

The terms of the acquisition are more fully described in the Stock Purchase Agreement, which will be filed with Ariba’s Form 10-Q for the first quarter ended December 31, 2010. A copy of the press release announcing the closing of the acquisition is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 3.02.  Unregistered Sales of Equity Securities.

In connection with the acquisition of the Business, Ariba issued 2,582,911 shares of its common stock to Quadrem at the Closing. Such shares were issued in a private placement under Section 4(2) of the Securities Act of 1933, as amended (the “Securities Act”) and/or Regulation D under the Securities Act. Quadrem meets the accredited investor definition of Rule 501 of the Securities Act. The offering of such shares was not conducted in connection with a public offering and no public solicitation or advertisement was made or relied upon by the investor in connection with the offering.

In addition, Ariba may issue up to an additional 1,291,456 shares of its common stock to Quadrem to the extent that the performance conditions are met in full and Ariba elects to pay the additional consideration in Ariba stock rather than cash. Such shares would be issued in a private placement under Section 4(2) of the Securities Act and/or Regulation D under the Securities Act. The offering of such shares was not conducted in connection with a public offering and no public solicitation or advertisement was made or relied upon by the investor in connection with the offering.

Item 2.01 of this Form 8-K contains a more detailed description of the issuance of shares pursuant to the Stock Purchase Agreement, and is incorporated into this Item 3.02 by reference.

Item 9.01.  Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The audited consolidated financial statements of Quadrem International Holdings, Ltd. as of December 31, 2009 and for the year then ended will be filed by amendment not later than 71 calendar days after the date of this report pursuant to paragraph (a)(4) of Item 9.01 of Form 8-K.

The unaudited condensed consolidated financial statements of Quadrem International Holdings, Ltd. as of September 30, 2010 and for the nine months then ended will be filed by amendment not later than 71 calendar days after the date of this report pursuant to paragraph (a)(4) of Item 9.01 of Form 8-K.
(b) Pro Forma Financial Information

The pro forma financial information as of September 30, 2010 and for the twelve months then ended will be filed by amendment not later than 71 calendar days after the date of this report pursuant to paragraph (b)(2) of Item 9.01 of Form 8-K.

(d) Exhibits

Consent of independent registered public accounting firm to Quadrem International Holdings, Ltd.

<table>
<thead>
<tr>
<th>Exhibit Number</th>
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<tbody>
<tr>
<td>99.2</td>
<td>Audited consolidated financial statements of Quadrem International Holdings, Ltd. As of December 31, 2009 and for the year then ended*</td>
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<tr>
<td>99.3</td>
<td>Unaudited condensed consolidated financial statements of Quadrem International Holdings, Ltd. As of September 30, 2010 and for the nine months then ended*</td>
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<td>99.4</td>
<td>Unaudited pro forma condensed combined financial information*</td>
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* To be filed by amendment.
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.

ARIBA, INC.

DATE: January 27, 2011

By: ___________________________

/AHMED RUBAIE

Ahmed Rubaie
Executive Vice President and Chief Financial Officer
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SUNNYVALE, Calif., January 27, 2011 – Ariba, Inc. (Nasdaq: ARBA), the leading provider of collaborative business commerce solutions, today announced that it has completed the acquisition of Quadrem, a privately-held provider of one of the world’s largest supply networks and on-demand supply management solutions.

“The acquisition of Quadrem is a very positive move for Ariba that will enable us to help more buyers and sellers around the world optimize their commerce activities and the results that they deliver,” said Bob Calderoni, CEO, Ariba. “With the addition of Quadrem’s offerings, we can further expand the depth and breadth of our network and deliver scale and global reach that is unmatched in the marketplace.”

Originally announced on November 18, the acquisition of Quadrem will add approximately 70,000 suppliers in 65 countries and large buyer customers to the Ariba® Network, including Alcoa, Anglo American, BHP Billiton, Nestlé, Vale and Rio Tinto. It will also allow Ariba to further penetrate a range of industries, including: natural resources, oil & gas and manufacturing as well as key emerging markets in the Southern Hemisphere.

“At Ariba, our mission is to make it easier for businesses of all sizes and industries to buy, sell, and manage their cash,” Calderoni continued. “The acquisition of Quadrem gives us additional tools through which we can do this.”

About Ariba, Inc.

Ariba, Inc. is the leading provider of collaborative business commerce solutions. Ariba combines industry-leading technology with the world’s largest web-based trading community to help companies discover, connect and collaborate with a global network of partners – all in a cloud-based environment. Using the Ariba® Commerce Cloud, businesses of all sizes can buy, sell and manage cash more efficiently and effectively. Over 340,000 companies around the globe use the Ariba Commerce Cloud to simplify inter-enterprise commerce and enhance results. Why not join them? To get on the path to Better Commerce visit: www.ariba.com/commercecloud/

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Safe Harbor Statement under the Private Securities Litigation Reform Act 1995: Information and announcements in this release involve Ariba’s expectations, beliefs, hopes, plans, intentions or strategies regarding the future and are forward-looking statements that involve risks and uncertainties. All forward-looking statements included in this release are based upon information available to Ariba as of the date of the release, and we assume no obligation to update any such forward-looking statements. These statements are not guarantees of future performance and actual results could differ materially from our current expectations. Factors that could cause or contribute to Ariba’s operating and financial results to differ materially from current expectations include, but are not limited to: the impact of the credit crises on Ariba’s results of operations and financial condition; delays in development or shipment of new versions of Ariba’s products and services; lack of market acceptance of Ariba’s existing or future products or services; inability to continue to develop competitive new products and services on a timely basis; introduction of new products or services by major competitors; the impact of any acquisitions, including difficulties with the integration process or the realization of benefits of a transaction; the impact of our disposition, including the potential disruption of our ongoing business; the ability to attract and retain qualified employees; long and unpredictable sales cycles and the deferrals of anticipated orders; declining economic conditions, including the impact of a recession; inability to control costs; changes in the company’s pricing or compensation policies; significant fluctuations in our stock price; the outcome of and costs associated with pending or potential future regulatory or legal proceedings; the impact of our acquisitions and dispositions, including the disruption or loss of customer, business partner, supplier or employee relationships; and the level of costs and expenses incurred by Ariba as a result of such transactions. Factors and risks associated with its business, including a number of the factors and risks described above, are discussed in Ariba’s Form 10-K filed with the SEC on November 23, 2010.

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