

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Support.com, Inc.

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**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): September 2, 2004

SUPPORTSOFT, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

000-30901
(Commission File Number)

94-3282005
(I.R.S. Employer
Identification Number)

575 Broadway, Redwood City, CA
(Address of principal executive offices)

94063
(Zip Code)

(650) 556-9440
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations 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))
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Item 2.01 Completion of Acquisition or Disposition of Assets.

On September 2, 2004, SupportSoft, Inc. ("SupportSoft") completed its acquisition of substantially all of the assets of Core Networks Incorporated ("Core"), for approximately \$16,850,000 in cash and the assumption of certain operating liabilities of Core, a developer of software products for network monitoring, management and activation of digital services for DSL and cable broadband providers.

The acquisition was consummated in accordance with the terms of an Asset Purchase Agreement, dated July 20, 2004, by and among Core, Core Networks (US), Inc., Core Networks (Europe) B.V., SupportSoft Canada, Inc. and SupportSoft (the "Acquisition Agreement"). Of the \$16,850,000 purchase price, \$2,550,000 is being held in escrow in accordance with the terms and conditions of an escrow agreement by and among BNY Trust Company of Canada, as escrow agent, SupportSoft and Core to satisfy any obligations of Core to indemnify SupportSoft against any claims made by SupportSoft against Core for any breaches of its representations or warranties contained in or made pursuant to the Acquisition Agreement and certain other matters set forth in the Acquisition Agreement.

The purchase price was funded with SupportSoft's available cash.

The purchase price for Core was determined through negotiations between SupportSoft and Core. Prior to the acquisition, there were no material relationships between Core and SupportSoft, any of SupportSoft's affiliates, directors or officers or any associate of such directors or officers.

Item 8.01. Other Events

On September 2, 2004, SupportSoft, Inc. issued a press release announcing the completion of the acquisition of substantially all of the assets of Core Networks Incorporated. A copy of the press release is furnished herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits**(a) Financial Statements of Business Acquired**

Financial statements of Core have not been included herein but are expected to be included in an amendment to this Current Report on Form 8-K to be filed not later than 71 days after the date that this Current Report on Form 8-K is required to be filed.

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated September 2, 2004 announcing acquisition of substantially all of the assets of Core Networks Incorporated.

EXHIBIT INDEX

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99.1	Press Release dated September 2, 2004 announcing acquisition of substantially all of the assets of Core Networks Incorporated.

FOR IMMEDIATE RELEASE

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SupportSoft Completes Core Networks Acquisition

Redwood City, Calif. – September 3, 2004 – SupportSoft, Inc. (Nasdaq: SPRT), a leading provider of Real-Time Service Management (RTSM™) software, today announced that it has completed the acquisition of substantially all of the assets of Core Networks Incorporated under the terms of the agreement previously announced on July 20, 2004.

Core Networks specializes in technologies for network monitoring, management and activation of advanced digital services for DSL and cable broadband providers. Core Networks' software products are evolving into a comprehensive portfolio of solutions for network management and monitoring, usage policy management, firmware upgrade management and remote management of home network devices.

The transaction closed on September 2, 2004 and is subject to receipt by SupportSoft of all lien releases from certain Core creditors, which releases are expected to be received in the next several days.

About SupportSoft

SupportSoft (Nasdaq: SPRT) is a leading provider of Real-Time Service Management (RTSM™) software designed to accelerate and automate enterprise technical support, customer service and IT infrastructure management. Enterprises that have purchased our products and services include: ADP, Bank of America, Cisco Systems, IBM, Procter & Gamble, Siebel Systems, Sony and Thomson Financial. Managed service providers that have purchased our products to provide outsourced services to enterprises include: Accenture, ACS, CGE&Y, CGI, CSC and IBM Global Services. Digital service providers incorporating our software into their service offerings include: Adelphia Communications, BellSouth, Charter Communications, Comcast Communications, Cox Communications, Time Warner, TeliaSonera and UPC. For more information visit www.supportsoft.com.

Except for the historical matters contained herein, the statements in this press release are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These are statements that relate to future events and include, but are not limited to, statements related to the receipt of lien releases and the evolution of Core Network's

products. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those discussed in these forward-looking statements. These risks and uncertainties include, but are not limited to: the satisfaction of lien releases, the ability to successfully integrate the business, personnel, products and technologies of both companies, SupportSoft's ability to manage growth effectively, the ability of the software to operate with hardware and software platforms that are used by its customers now or in the future, the loss of the services of its key personnel, system failures that may cause an interruption in the customers' ability to use the products or services, the ability to obtain sufficient patent protection, and the uncertain economic conditions in the United States and in international markets as well as other risks detailed in SupportSoft's Quarterly Report on Form 10-Q for the quarter ended June 30, 2004 and from time to time in its SEC filings. Statements included in this release are based upon information known to SupportSoft as of the date of this release, and SupportSoft assumes no obligation to update information contained in this press release.