

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

ACACIA RESEARCH CORP

Form: 8-K

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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): **February 25, 2020**

ACACIA RESEARCH CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	001-37721	95-4405754
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

**4 Park Plaza, Suite 550
Irvine, California**

92614

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: **(949) 480-8300**

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 (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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.001 par value per share	ACTG	The NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On February 25, 2020, Acacia Research Corporation (the "Company") issued a press release announcing (i) the final results (the "Stockholder Approval") of the stockholder vote at the special meeting of stockholders held on February 14, 2020 (the "Special Meeting"), and (ii) the Series B Warrant Closing (as defined below). At the Special Meeting, stockholders were asked to, among other things, vote on proposals to (i) approve, for purposes of Nasdaq Rules 5635(b) and 5635(d), as applicable, (A) the voting of the Company's Series A Convertible Preferred Stock (the "Preferred Shares") on an as-converted basis and (B) the issuance of the maximum number of shares of the Company's common stock, par value \$0.001 per share ("Common Stock") issuable in connection with the potential future (x) conversion of the Preferred Shares and (y) exercise of the Series A and Series B Warrants, in each case, without giving effect to the Exchange Cap, as defined and set forth in the Amended and Restated Certificate of Designations, Preferences, and Rights of Series A Convertible Preferred Stock and in the Series A Warrants, issued pursuant to the Purchase Agreement (as defined below), and (ii) approve an amendment to the Company's Amended and Restated Certificate of Incorporation to increase the total number of authorized shares of Common Stock by 200,000,000 shares, or from 100,000,000 shares to 300,000,000 shares. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K. The information in this Item 7.01 and in Exhibit 99.1 to this Current Report shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 8.01 Other Events.

As previously disclosed in a Current Report on Form 8-K filed with the Securities and Exchange Commission ("SEC") on November 19, 2019, and in a definitive proxy statement filed with the SEC on January 17, 2020, the Company entered into a Securities Purchase Agreement, dated as of November 18, 2019 (the "Purchase Agreement"), with Starboard Value LP and the Buyers (as defined in the Purchase Agreement), pursuant to which, among other things, the Company agreed to issue to the Buyers Series B Warrants to purchase up to 100,000,000 shares of Common Stock, promptly following the receipt of Stockholder Approval. The Series B Warrants may be exercised at an initial exercise price of either (i) \$5.25 per share, if exercising by cash payment, or (ii) \$3.65 per share, if exercising by cancellation of a portion of certain senior secured notes that may be issued to the Buyers pursuant to the Purchase Agreement.

On February 25, 2020, the Company issued the Series B Warrants to the Buyers for an aggregate purchase price of \$4.6 million, pursuant to the terms of the Purchase Agreement (the "Series B Warrant Closing").

The foregoing description of the Series B Warrants does not purport to be complete and is qualified in its entirety by reference to the Form of Series B Warrant to Purchase Common Stock, which was filed as Exhibit 4.3 to the Company's Current Report on Form 8-K filed with the SEC on November 19, 2019, and which is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	<u>Press release, dated February 25, 2020, issued by Acacia Research Corporation announcing (i) the final results of the stockholder vote at the special meeting of stockholders held on February 14, 2020, and (ii) the issuance of the Series B Warrants.</u>

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.

Date: March 3, 2020 /s/ Clifford Press

ACACIA RESEARCH CORPORATION

Chief Executive Officer



FOR RELEASE

February 25, 2020

Acacia Research Completes All Aspects of its Strategic Partnership with Starboard Value
Stockholders Vote in Favor of the Transaction; Company Closes Warrant Issuance
Company to Release Fourth Quarter and Full Year 2019 Financial Results on March 12, 2020

New York, NY – February 25, 2020 - Acacia Research Corporation (“we”, “Acacia” or “the Company”) (Nasdaq: ACTG) today announced that at a Special Meeting of Stockholders both proposals detailed in the company’s proxy statement dated January 17, 2020 were approved. More than 82 percent of the votes cast were in favor of the proposals for the issuance of securities in connection with the Transaction, as defined in the proxy statement, and amending Acacia’s Certificate of Incorporation to increase the number of authorized shares of common stock from 100 million to 300 million.

Clifford Press, Acacia’s Chief Executive Officer, commented, “We are gratified that Acacia shareholders have expressed strong support for this transaction. Our partnership with Starboard provides us access to capital and resources that will significantly expand our ability to pursue investment opportunities of greater scale. Starboard is the ideal partner for Acacia as we work to leverage our substantial net tax assets and advance our absolute return investment strategy to create value for shareholders.”

Following the receipt of shareholder approval at its Special Meeting of Stockholders on February 14, 2020 and pursuant to the company’s proxy statement dated January 17, 2020, Acacia entered into a securities purchase agreement with one or more of Starboard Value’s affiliates and issued 100,000,000 Series B Warrants for aggregate purchase price of \$4.6 million.

Al Tobia, Acacia’s President and Chief Investment Officer, commented, “We are actively researching a wide range of investment opportunities. During this period our goal is to preserve intrinsic value while working to complete our investment opportunities. Our stock is trading at a steep discount to intrinsic value (\$3.54/share), represented by cash plus invested assets as of the

Third Quarter 2019. Based on our current operating plan, we would expect to use no more than 5% of our current cash balance on operating expenses and investment due diligence between now and the completion of an Approved Investment or the commencement of first redemption test period in August 2021, as outlined in the proxy.

Fourth Quarter and Full Year 2019 Earnings Release

The Company will release its fourth quarter and full year 2019 financial results on Thursday, March 12, 2020 at approximately 8:00 a.m. ET/ 5:00 a.m. PT.

Company management will host a conference call on the same day to discuss these results at 11:00 a.m. ET/ 8:00 a.m. PT.

To access the live call, please dial (800) 367-2403 (U.S. and Canada) or (334) 777-6978 (international) and reference conference ID 5163391. The conference call will also be simultaneously webcasted on the investor relations section of the Company's website at <http://acaciaresearch.com> under the events and presentations tab. Following the conclusion of the live call, a replay of the webcast will be available on the Company's website for at least 30 days.

About Acacia Research Corporation

Founded in 1993, Acacia Research Corporation (ACTG) invests in intellectual property and related absolute return assets and engages in the licensing and enforcement of patented technologies. Acacia bridges the gap between invention and application, facilitating efficiency and delivering monetary rewards to patent owners. Information about Acacia Research Corporation and its subsidiaries is available at www.acaciaresearch.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This news release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These statements are based upon our current expectations and speak only as of the date hereof. Our actual results may differ materially and adversely from those expressed in any forward-looking statements as a result of various factors and uncertainties, including the ability to successfully execute our growth strategy, the ability to successfully identify strategic acquisitions and investments by us and Starboard, our intention to conduct a rights offering to our stockholders, the potential additional investments by Starboard, the ability to obtain stockholder approval of the authorization and issuance of securities under the Transaction, general economic conditions and the success of our investments. Our Annual Report on Form 10-K, recent and forthcoming Quarterly Reports on Form 10-Q, recent Current Reports on Form 8-K, and any amendments to the foregoing, and other SEC filings discuss some of the important risk factors that may affect our business, results of operations and financial condition. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

The results achieved in the most recent quarter are not necessarily indicative of the results to be achieved by us in any subsequent quarters, as it is currently anticipated that Acacia Research Corporation's financial results will vary, and may vary significantly, from quarter to quarter. This variance is expected to result from a number of factors, including risk factors affecting our results of operations and financial condition referenced above, and the particular structure of our licensing transactions, which may impact the amount of inventor royalties and contingent legal fees expenses we incur from period to period.

Acacia Research Investor Contact:

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