

**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 6, 2013

AVID TECHNOLOGY, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

0-21174
(Commission File Number)

04-2977748
(I.R.S. Employer
Identification No.)

75 Network Drive, Burlington, Massachusetts 01803
(Address of Principal Executive Offices) (Zip Code)

(978) 640-6789
(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 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))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Mr. Greenfield

Effective February 11, 2013, Gary G. Greenfield, the Chairman of the Board, Chief Executive Officer and President of Avid Technology, Inc. (the "Company") voluntarily resigned as Chairman of the Board, Chief Executive Officer and President. Mr. Greenfield will continue to serve as a member of the Board of Directors.

In connection with Mr. Greenfield's resignation, the Company and Mr. Greenfield entered into a separation agreement, dated as of February 6, 2013 (the "Greenfield Agreement"). The Greenfield Agreement provides that following Mr. Greenfield's execution of a release of claims against the Company, he will be entitled, in connection with his existing employment agreement with the Company, to payment of his accrued benefits, salary continuation for twelve months in the aggregate amount of \$1,014,000, a payment in respect of annual bonus of \$1,123,200, payment in respect of COBRA premiums, outplacement services and thirteen months additional vesting on his outstanding time-vesting equity awards. All other unvested equity awards will be forfeited upon Mr. Greenfield's separation from the Company.

Appointment of Mr. Hernandez

Effective upon Mr. Greenfield's resignation, the Board of Directors appointed Louis Hernandez, Jr., a director of the Company, to also serve as the Company's Chief Executive Officer and President. In connection with his appointment, Mr. Hernandez resigned from his position as chairman of the Nominating and Governance Committee of the Board of Directors and as a member of the Compensation Committee of the Board of Directors and will no longer serve as the Company's lead independent director. There are no arrangements or understandings between Mr. Hernandez and any other persons pursuant to which he was selected as Chief Executive Officer and President. There are also no family relationships between Mr. Hernandez and any director or executive officer of the Company and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Mr. Hernandez, 46, became a director in February 2008. Most recently, Mr. Hernandez served as Chairman and Chief Executive Officer of Open Solutions Inc., a provider of enterprise-wide enabling technologies for the financial services marketplace ("Open Solutions"), positions he had held since 2000 and 1999, respectively. Prior to Open Solutions, he worked at several public and private growth-oriented technology-based companies. Mr. Hernandez also currently serves as a director of HSBC North America Holdings Inc., HSBC USA Inc. and HSBC Bank USA, N.A. and had previously served as a director of Unica Corporation and Mobius Management Systems, Inc., prior to their respective acquisitions. He also serves as an advisor to other technology-based companies and is a speaker and author on technology-related topics.

Effective as of February 11, 2013, Mr. Hernandez entered into an employment agreement with the Company in connection with his appointment, the Hernandez Agreement. The Hernandez Agreement provides for an annual base salary of \$650,000, an annual incentive bonus target equal to 100% of annual base salary and a long term equity award consisting of time vesting stock options and restricted stock unit awards and performance vesting options (which vest upon attainment of specified targets relating to the Company's return on equity). Mr. Hernandez received 100,000 time vesting options and 100,000 time vesting restricted stock unit awards, as well as 625,000 performance vesting options.

The agreement has a term of five years and will automatically renew for one-year periods so long as neither the Company nor Mr. Hernandez provides 180 days' prior written notice of intent to terminate. The term of the agreement will also be extended for an additional twelve months in the event of a change-in control of the Company or a potential change-in-control of the Company occurring within twelve months prior to the end of the then-current term. The agreement also provides that if Mr. Hernandez's employment is terminated by the Company without cause or by the executive for good reason other than in connection with a change-in-control of the Company, the executive will be entitled to receive, along with other payments set forth in the agreements, 12 months base salary, a bonus equal to the executive's target bonus and an amount equal to the company's portion of the executive's COBRA premiums for twelve months. In addition, any time-based vesting awards held by the Mr. Hernandez will vest as to an additional number of shares equal to the number of shares that would have been vested as of the end of the twelve-month period following the date of termination. Mr. Hernandez will also generally be entitled to exercise any options for twelve months after the termination of his employment.

The agreement also provides that if Mr. Hernandez's employment is terminated by the Company without cause or by him for good reason within twelve months after a change-in-control of the Company or during a potential change-in-control period, Mr. Hernandez will be entitled to receive an amount equal to 1.5 times the sum of his base salary plus the greater of Mr. Hernandez's highest annual incentive bonus for the prior two years or 100% of his base salary. Mr. Hernandez is also entitled to a pro-rata annual bonus for the year of termination. In addition, all outstanding options and other equity awards held by Mr. Hernandez will vest in full, and Mr. Hernandez will generally be entitled to exercise any options for 18 months after the termination of his employment. Mr. Hernandez will also be entitled to an amount equal to the Company's portion of Mr. Hernandez's COBRA premiums for 18 months following termination.

In order to be eligible to receive any of the above payments and benefits, Mr. Hernandez must execute a general release of claims against the Company.

The Board of Directors appointed George H. Billings, a director of the Company, to replace Mr. Greenfield as the Company's Chairman of the Board and to replace Mr. Hernandez as chairman of the Nominating and Governance Committee of the Board of Directors.

A copy of the press release announcing the transition is attached to this Current Report on Form 8-K as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release issued February 11, 2013

SIGNATURE

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.

AVID TECHNOLOGY, INC.
(Registrant)

Date: February 11, 2013

By: /s/ Ken Sexton
Name: Ken Sexton
Title: Executive Vice President, Chief Financial
Officer and Chief Administrative Officer

EXHIBIT INDEX

The following exhibit is filed as part of this current report on Form 8-K.

**Exhibit
Number**

Description

99.1

Press Release issued February 11, 2013



Avid Names Louis Hernandez Chief Executive Officer
*Proven growth-oriented technology executive to lead company through
 next wave of innovation and growth*

BURLINGTON, MA- February 11, 2013- Avid® (NASDAQ: AVID) today announced that its Board of Directors appointed Louis Hernandez as president and chief executive officer, effective today. Mr. Hernandez succeeds former president and chief executive officer Gary Greenfield, who will remain on Avid's Board of Directors. Mr. Hernandez has been a member of the Avid Board since 2008. Most recently, he was also Chairman of the Board and Chief Executive Officer of Open Solutions, Inc., a technology provider to financial institutions worldwide, which was acquired in January 2013 by Fiserv, Inc.

"Louis is a visionary, inspirational leader with a stellar track record of driving the operations and growth of technology companies in a variety of industries," said George Billings, speaking on behalf of Avid's Board. "As lead director, he spent years developing a deep familiarity with Avid's customers, markets, and products that will allow him to quickly make a positive impact as chief executive."

"It is an exciting opportunity to lead Avid at this very important juncture in the company's history," said Mr. Hernandez. "As the industry leader for more than 25 years, Avid continues to set the standard for non-linear-editing, media management, and collaboration in the audio, video, and broadcast markets. The company is well positioned for growth and global expansion in this fast-moving marketplace. It is exciting to be working with the Avid team, as we drive results and value for our customers, employees, and shareholders."

Mr. Hernandez added, "On behalf of the Avid community, I want to thank Gary Greenfield for his outstanding leadership and lasting contributions to Avid and our industry."

Forward Looking Statements

Statements in this press release that relate to future results or events are forward-looking statements and are based on Avid's current estimates and assumptions. Forward-looking statements may be identified by the use of forward-looking words, such as "anticipate," "believe," "should," "estimate," "expect," "intend," "confidence," "may," "plan," "feel," "could," "will," and "would," or similar expressions. Actual results and events in future periods may differ materially from those expressed or implied by these forward-looking statements because of a number of risks, uncertainties and other factors, including: Avid's ability to execute its strategic plan and meet customer needs; Avid's ability to realize operational and financial benefits from the sale of its consumer audio and video product lines and the reduction in workforce announced last quarter; Avid's ability to sell its professional products through retail sales channels following the divestiture of consumer products sold through those sales channels; its ability to produce innovative products in response to changing market demand, particularly in the media industry; competitive factors; fluctuations in its revenue, based on, among other things, Avid's performance in particular geographies or markets, fluctuations in foreign currency exchange rates, and seasonal factors; adverse changes in economic conditions; Avid's liquidity; and other risk factors and uncertainties disclosed previously and from time to time in Avid's filings with the U.S. Securities and Exchange Commission. In addition, the forward-looking statements contained herein represent Avid's estimates only as of today and should not be relied upon as representing the company's estimates as of any subsequent date. While Avid may elect to update these forward-looking statements at some point in the future, Avid specifically disclaims any obligation to do so, even if the estimates change.

About Avid

Avid creates the digital audio and video technology used to make the most listened to, most watched and most loved media in the world – from the most prestigious and award-winning feature films, music recordings, television shows, to live concert tours and news broadcasts. Some of Avid’s most influential and pioneering solutions include Media Composer®, Pro Tools®, Interplay®, ISIS®, VENUE, Sibelius®, and System 5. For more information about Avid solutions and services, visit www.avid.com, connect with Avid on Facebook, Twitter, YouTube, LinkedIn, Google+; or subscribe to Avid Buzz.

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