

AVID TECHNOLOGY, INC.  
Avid Technology Park  
One Park West  
Tewksbury, MA 01876

October 16, 2003

Securities and Exchange Commission  
450 Fifth Street, N.W.  
Judiciary Plaza  
Washington, DC 20549

Re: Avid Technology, Inc.  
File No. 0-21174  
Form 8-K  
-----

Ladies and Gentlemen:

Pursuant to regulations of the Securities and Exchange Commission,  
submitted herewith for filing on behalf of Avid Technology, Inc. is the  
Company's Form 8-K dated the 16th day of October, 2003.

This filing is being effected by direct transmission to the Commission's  
EDGAR System.

Very truly yours,

/s/ Carol E. Kazmer

Carol E. Kazmer  
General Counsel

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTIONS 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): October 16, 2003

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

Delaware	0-21174	04-2977748
(State or Other Jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

Avid Technology Park, One Park West, Tewksbury, MA	01876
(Address of Principal Executive Offices)	(zip code)

Registrant's telephone number, including area code: (978) 640-6789

This is Page 1 of 4 pages  
Exhibit Index is on Page 4

Item 12. Disclosure of Results of Operations and Financial Condition

On October 16, 2003, the Registrant announced its financial results for the quarter ended September 30, 2003. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Form 8-K and the Exhibit attached hereto shall not be deemed "filed" for purposes of the Securities Exchange Act of 1934 (the "Exchange Act"), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

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.

Date: October 16, 2003

AVID TECHNOLOGY, INC.  
(Registrant)

By: /s/Paul Milbury

-----  
Paul Milbury  
Chief Financial Officer  
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit -----	Description -----
99.1	Press release of the Registrant dated October 16, 2003.

Contact: Dean Ridlon Investor Relations Director  
Phone: 978.640.5309  
Email: Investor\_Relations@avid.com

#### Avid Reports Strong Revenue and Profit Growth in Third Quarter

TEWKSBURY, Mass. (October 16, 2003) - Avid Technology, Inc. (Nasdaq: AVID) today reported strong revenue growth and increased profitability for the third quarter ended September 30, 2003. Revenues for the quarter increased by more than 10 percent to \$119.1 million compared to the \$107.8 million reported in the corresponding quarter in 2002. For the nine months ended September 30, 2003, revenues were \$344.6 million, an increase of almost 13 percent compared to \$305.9 million for the first three quarters of 2002.

Net income for the third quarter was \$11.8 million or \$.35 per diluted share compared to net income of \$2.3 million or \$.09 per diluted share for the corresponding quarter in 2002. Net income for the nine-month period ended September 30, 2003 was \$25.1 million or \$.78 per diluted share compared to a net loss of \$1.3 million or \$.05 per share for the same period in 2002.

Avid's cash and marketable securities increased during the third quarter by \$36.6 million to \$171.6 million on September 30, 2003. Approximately \$17 million of the increase was generated through operations and the balance from employee stock program activity. Since the beginning of 2003, the company's cash and marketable securities balance has nearly doubled.

"Our third quarter results are another indicator that our long-term strategy is paying off," said David Krall, Avid's president and chief executive officer. "Year-over-year, the combination of our increasing revenue, expanding gross margins, and cost containment efforts enabled us to generate more than five times the quarterly net income posted just one year ago. We believe we've put the essential building blocks in place in all areas of our business to enable further increases in Avid's revenue and profitability."

#### Conference Call

A conference call to discuss Avid's third quarter 2003 financial results and the company's outlook for the fourth quarter of 2003 and full year 2004 will be held today, October 16 at 5:00 p.m. ET. The call will be open to the public. The conference call can be accessed by dialing (913) 981-5542 and referencing confirmation code 770128. The call and subsequent replay will also be available on Avid's Web site. To listen via this alternative, go to the investor relations page at [www.avid.com](http://www.avid.com) for complete details 10-15 minutes prior to the start of the conference call.

The above release includes forward-looking statements, as defined by the Private Securities Litigation Reform Act of 1996, including statements about Avid's financial outlook, products and functionality, and size and growth of existing markets. There are a number of factors that could cause actual events or results of operations to differ materially from those indicated by such forward-looking statements, such as market acceptance of Avid's products, further weakening of worldwide economic conditions and the other factors set forth under the caption "Certain Factors That May Affect Future Results" in Avid's Form 10-Q for the quarter ended June 30, 2003 and other filings with the Securities and Exchange Commission. In addition, any 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 forward-looking statements at some point in the future, Avid specifically disclaims any obligation to do so, even if the estimates change.

#### About Avid Technology, Inc.

Avid Technology, Inc. is the world leader in digital nonlinear media creation, management and distribution solutions, enabling film, video, audio, animation, games, and broadcast news professionals to work more efficiently, productively and creatively. For more information about the company's Oscar(R), Grammy(R), and Emmy(R) award-winning products and services, please visit: [www.avid.com](http://www.avid.com).

(C) 2003 Avid Technology, Inc. All rights reserved. Avid and Film Composer are either registered trademarks or trademarks of Avid Technology, Inc. in the United States and/or other countries. Avid received an Oscar statuette representing the 1998 Scientific and Technical Award for the concept, design and engineering of the Avid(R) Film Composer(R) system for motion picture editing. Oscar is a registered trademark and service mark of the Academy of Motion Picture Arts and Sciences. Emmy is a registered trademark of ATAS/NATAS. Grammy is a trademark of The National Academy of Recording Arts & Sciences, Inc. All other trademarks contained herein are the property of their respective owners.

AVID TECHNOLOGY, INC.  
Condensed Consolidated Statements of Operations  
(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net revenues	\$119,090	\$107,832	\$344,584	\$305,935
Cost of revenues	52,784	53,222	155,619	153,528
Gross profit	66,306	54,610	188,965	152,407
Operating expenses:				
Research and development	20,706	20,916	63,833	61,145
Marketing and selling	27,959	25,677	80,971	75,418
General and administrative	5,670	5,454	16,632	14,985
Restructuring and other costs, net	76		1,859	(327)
Amortization of acquisition-related intangible assets	341	257	975	861
Total operating expenses	54,752	52,304	164,270	152,082
Operating income	11,554	2,306	24,695	325
Interest and other income (expense), net	592	259	1,330	(192)
Income before income taxes	12,146	2,565	26,025	133
Provision for income taxes	300	300	900	1,400
Net income (loss)	\$11,846	\$2,265	\$25,125	(\$1,267)
Net income (loss) per common share - basic	\$0.40	\$0.09	\$0.88	(\$0.05)
Net income (loss) per common share - diluted	\$0.35	\$0.09	\$0.78	(\$0.05)
Weighted average common shares outstanding - basic	29,865	26,287	28,663	26,064
Weighted average common shares outstanding - diluted	33,380	26,550	32,059	26,064

AVID TECHNOLOGY, INC.  
Condensed Consolidated Balance Sheets  
(in thousands)

	September 30, 2003 ----- (unaudited)	December 31, 2002 -----
ASSETS:		
Current assets:		
Cash and marketable securities	\$171,649	\$89,034
Accounts receivable, net of allowances of \$9,646 and \$10,614 at September 30, 2003 and December 31, 2002, respectively	60,843	65,942
Inventories	38,558	38,047
Prepaid and other current assets	12,166	11,919
	-----	-----
Total current assets	283,216	204,942
Property and equipment, net	22,309	25,731
Acquisition-related intangible assets, net	2,205	2,600
Other assets	2,869	2,530
	-----	-----
Total assets	\$310,599 =====	\$235,803 =====
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$16,477	\$24,297
Accrued expenses and other current liabilities	53,789	51,032
Deferred revenues	42,115	35,483
	-----	-----
Total current liabilities	112,381	110,812
Long term liabilities, less current portion	759	1,427
Total stockholders' equity	197,459	123,564
	-----	-----
Total liabilities and stockholders' equity	\$310,599 =====	\$235,803 =====