

DEXCOM INC
Form 8-K
December 30, 2010

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) December 27, 2010

DexCom, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

000-51222
(Commission

file number)

33-0857544
(I.R.S. Employer

Identification No.)

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6340 Sequence Drive

San Diego, CA 92121

(Address of principal executive offices)

92121

(Zip Code)

Registrant's telephone number, including area code (858) 200-0200

N/A

(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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) On December 27, 2010, the Board of Directors of DexCom, Inc., which is referred to in this Report as the Company, DexCom, we, us, or our, approved a bonus plan for fiscal 2011 (the 2011 Plan) for the Company's management and select individual contributors, including its chief executive officer, chief financial officer and its other named executive officers (together, the Named Executive Officers) pursuant to which the Named Executive Officers are eligible for cash bonus awards if the Company attains specified financial and performance targets. The target bonus for the Chief Executive Officer (the CEO) is 100% of his base salary; the target bonus for each of the Company's Chief Operating Officer and Chief Technical Officer is 70% of their respective base salaries; the target bonus for the Company's Senior Vice President is 45% of his base salary; the target bonus for the Company's Vice Presidents is 35% of their respective base salaries, and the target bonus for the remainder of the Company's management employees and select contributors is up to 30% of their respective base salaries.

For the Company's eligible employees, the amount of any bonus awarded under the 2011 Plan will be predicated on achieving targeted revenue goals, targeted operating income, and performance milestones. Generally speaking, 60% of any bonus paid under the 2011 Plan is based on achieving certain annual revenue goals (the Revenue Component), 20% is based on achieving targeted operating income goals (the Operating Results Component) and 20% is based on achieving certain performance milestones (the Performance Component).

Under the 2011 Plan, no portion of the Revenue Component shall be paid unless the Company meets a specified minimum revenue target for fiscal 2011. Upon achievement of this minimum revenue target, each eligible participant will receive a bonus award of 80% of their targeted Revenue Component. Upon achievement of 100% of the Company's revenue target for fiscal 2011, each eligible participant will receive a bonus award of 100% of their targeted Revenue Component. If the Company exceeds its fiscal 2011 revenue target, the Named Executive Officers will receive bonuses at various stepped up amounts up to a maximum of 175% of their targeted Revenue Component.

Under the 2011 Plan, no portion of the Operating Results Component shall be paid unless the Company meets a specified operating income result for fiscal 2011. Upon achievement of this operating income target, each eligible participant will receive a bonus award of 80% of their targeted Operating Results Component. Upon achievement of 100% of the Company's operating income target for fiscal 2011, each eligible participant will receive a bonus award of 100% of their targeted Operating Results Component. If the Company achieves operating income results that are more favorable in fiscal 2011 than its operating income target, the Named Executive Officers will receive bonuses at various stepped up amounts up to a maximum of 175% of their targeted Operating Results Component.

Under the Performance Component, bonus amounts will also be paid to the Named Executive Officers for achieving specified corporate milestones. Eligible participants will receive 25% of their targeted Performance Component for achievement of each of four corporate milestones by the Company during fiscal 2011.

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.

DEXCOM, INC.

Date: December 30, 2010

By:	/s/ JOHN LISTER
Name:	John Lister
Title:	Vice President of Legal Affairs