

Google Inc.
Form 424B3
November 04, 2009
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Registration No. 333-161858

PROPOSED MERGER YOUR VOTE IS VERY IMPORTANT

Dear On2 Stockholder:

On August 5, 2009, On2 Technologies, Inc., referred to herein as On2, and Google Inc., referred to herein as Google, announced a business combination in which a direct, wholly owned subsidiary of Google will merge with and into On2, with On2 continuing as the surviving entity. If the merger is completed, each outstanding share of On2 Common Stock that you hold immediately prior to the merger will be converted into \$0.60 worth of Google Class A Common Stock, referred to herein as the stock consideration, in addition to cash payable in lieu of any fractional shares, which together with the stock consideration, we refer to as the merger consideration. The merger consideration represents a 58% premium above the closing price of \$0.38 per share of On2 Common Stock on August 4, 2009, the last trading day immediately prior to the announcement of the merger.

As described below, the fraction of a share of Google Class A Common Stock to be issued for each share of On2 Common Stock will be equal to the exchange ratio which will be calculated by dividing \$0.60 by the trading price, which is the volume weighted average trading price of a share of Google Class A Common Stock based on the sales price of every share of Google Class A Common Stock traded during the 20 trading days immediately up to and including the second trading day prior to the date of the special meeting at which the On2 stockholders will be able to vote on the merger proposal. However, no fractional shares of Google Class A Common Stock will be issued in connection with the merger. Instead, each On2 stockholder otherwise entitled to a fraction of a share of Google Class A Common Stock (after aggregating all fractional shares of Google Class A Common Stock issuable to such stockholder) will be entitled to receive an amount in cash (rounded to the nearest whole cent), without interest, determined by multiplying such fraction by the trading price. As a result, some On2 stockholders will not receive any shares of Google Class A Common Stock but only cash in connection with the merger. On2 and Google will promptly issue a joint press release disclosing the exchange ratio once it is calculated.

The market prices of both Google Class A Common Stock and On2 Common Stock will fluctuate before the stockholder meeting. You should obtain current stock price quotations for Google Class A Common Stock and On2 Common Stock. Google Class A Common Stock is quoted on The Nasdaq Global Select Market under the symbol GOOG. On2 Common Stock is quoted on the NYSE Amex under the symbol ONT. On November 2, 2009, the last trading day before the date of this proxy statement/prospectus, the closing price of Google Class A Common Stock was \$533.99 per share and the closing price of On2 Common Stock was \$0.59 per share.

We cannot complete the merger unless On2's stockholders adopt the merger agreement, referred to herein as the merger proposal. On2 will hold a special meeting of its stockholders to vote on the merger proposal at the Comfort Suites in Venetian Room I at 7 Northside Drive, Clifton Park, NY 12065, at 4:00 p.m., local time, on December 18, 2009. **Your vote is important. Regardless of whether you plan to attend the special meeting, please take the time to vote your shares in accordance with the instructions contained in this proxy statement/prospectus. Failing to vote will have the same effect as voting against the merger proposal. You will also have an opportunity to vote to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the approval of the merger proposal, referred to herein as the adjournment proposal.**

The On2 board of directors recommends that On2 stockholders vote FOR approval of the merger proposal and the adjournment proposal.

This proxy statement/prospectus describes the special meeting, the merger proposal, the adjournment proposal and other related matters. **Please carefully read this entire proxy statement/prospectus, including Risk Factors beginning on page 20, for a discussion of the risks relating to the merger proposal.** You also can obtain information about Google and On2 from documents that each of us has filed with the Securities and Exchange Commission.

Sincerely,

/s/ Matthew Frost

Matthew Frost

Interim Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Google securities to be issued in connection with the merger or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

The date of this proxy statement/prospectus is November 3, 2009, and it is first being mailed or otherwise delivered to On2 stockholders on or about November 5, 2009.

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On2 Technologies, Inc.

3 Corporate Drive, Suite 100

Clifton Park, NY 12065

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON DECEMBER 18, 2009

To the Stockholders of On2 Technologies, Inc.:

On2 Technologies, Inc. (On2) will hold a special meeting of stockholders at the Comfort Suites in Venetian Room I at 7 Northside Drive, Clifton Park, NY 12065 at 4:00 p.m., local time, on December 18, 2009 to consider and vote upon the following proposals:

1. To adopt the Agreement and Plan of Merger, by and among Google Inc., Oxide Inc. and On2 Technologies, Inc., dated as of August 4, 2009 (the merger proposal); and

2. If submitted to a vote, to approve the adjournment of the special meeting, if necessary, to solicit additional proxies, in the event that there are not sufficient votes at the time of the special meeting to approve the merger proposal (the adjournment proposal).

The On2 board of directors has fixed the close of business on October 20, 2009 as the record date for determining which On2 stockholders are entitled to notice of the special meeting, referred to herein as the notice record date, and the close of business on December 3, 2009 as the record date for determining which On2 stockholders are entitled to vote at the special meeting in person or by proxy, referred to herein as the voting record date. Only On2 stockholders of record at the time of the notice record date are entitled to notice of the special meeting, and only stockholders of record at the time of the voting record date are entitled to vote at the special meeting or any adjournment of the special meeting. If the special meeting is adjourned, notice of such adjournment will be sent to the stockholders of record on the notice record date and the voting record date. The holders of at least a majority of the shares of On2 Common Stock outstanding and entitled to vote thereon must vote in favor of approval of the merger proposal in order to adopt the merger proposal. In the event that a quorum is not present in person or represented by proxy at the special meeting, or for any other proper purpose described in On2 s bylaws, the chairman of the meeting may adjourn the meeting to another place, date or time. If a quorum is present in person or represented by proxy at the special meeting, approval of the adjournment proposal requires the affirmative vote of the majority of the outstanding shares that are present in person or represented by proxy and entitled to vote at the special meeting.

Regardless of whether you plan to attend the special meeting, please submit your proxy with voting instructions. Please vote as soon as possible. Regardless of when you submit your proxy, only those shares of On2 Common Stock held by you as of the voting record date will be voted in accordance with your instructions. If you hold stock in your name as a stockholder of record, please submit a proxy to have your shares voted at the special meeting by (i) completing, signing, dating and returning the enclosed proxy card, (ii) using the telephone number on your proxy card and following the recorded instructions or (iii) using the internet voting instructions on your proxy card. If you hold your stock in street name through a bank, broker or other nominee, please direct your bank, broker or other nominee to vote in accordance with the instructions you have received from your bank, broker or other nominee. Submitting a proxy will not prevent you from voting in person, but it will help to secure a quorum and avoid additional solicitation costs. Any holder of record as of the voting record date of On2 Common Stock who is present at the special meeting may vote in person instead of by proxy, thereby canceling any previous proxy. In any event, a proxy may be revoked in writing at any time before the special meeting in the manner described in the accompanying proxy statement/prospectus.

The On2 board of directors has unanimously approved the merger proposal (with one director abstaining in light of an arrangement with one of On2 s financial advisors that is unrelated to the proposed merger) and recommends that On2 stockholders vote FOR approval of the merger proposal and FOR approval of the adjournment proposal.

BY ORDER OF THE BOARD OF DIRECTORS,

Sincerely,

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/s/ Matthew Frost

Matthew Frost

Interim Chief Executive Officer

November 3, 2009

YOUR VOTE IS IMPORTANT. PLEASE PROMPTLY SUBMIT A PROXY TO HAVE YOUR SHARES VOTED AT THE SPECIAL MEETING, REGARDLESS OF WHETHER YOU PLAN TO ATTEND THE SPECIAL MEETING.

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about Google and On2 from documents that are not included in this proxy statement/prospectus. If you are an On2 stockholder of record as of the notice record date, you will not receive copies of the documents incorporated by reference herein, unless you request such documents from Google and On2, as described below. If you become an On2 stockholder of record between the notice record date and the voting record date and still hold your shares of On2 Common Stock as of the voting record date, the documents (excluding certain exhibits) incorporated by reference as of the voting record date will be delivered to you along with this proxy statement/prospectus. On2 stockholders may also obtain documents incorporated by reference in this proxy statement/prospectus, other than certain exhibits to those documents, or filed as exhibits to the registration statement of which this proxy statement/prospectus is a part, by requesting them in writing or by telephone from the appropriate company at the following addresses:

Google Inc.

1600 Amphitheatre Parkway

Mountain View, CA 94043

Attention: Investor Relations

Telephone: (650) 253-0000

On2 Technologies, Inc.

3 Corporate Drive, Suite 100

Clifton Park, NY 12065

Attention: Investor Relations

Telephone: (518) 348-0099

You will not be charged for any of these documents that you request. On2 stockholders requesting documents should do so by December 11, 2009 (which is five business days prior to the date of the special meeting) to ensure that you receive them before the special meeting.

See Where You Can Find More Information on page 118.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus, which forms a part of a registration statement, as amended, on Form S-4 filed with the Securities and Exchange Commission, referred to herein as the SEC, by Google constitutes a prospectus of Google under Section 5 of the Securities Act of 1933, as amended, referred to herein as the Securities Act, with respect to the shares of Google Class A Common Stock to be issued to On2 stockholders in connection with the merger. This document also constitutes a proxy statement under Section 14(a) of the Securities Exchange Act of 1934, as amended, referred to herein as the Exchange Act, and the rules thereunder, and a notice of meeting with respect to the special meeting of On2 stockholders to consider and vote upon the merger proposal and the adjournment proposal.

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING

Q: Why am I receiving these materials?

A: Google Inc., referred to herein as Google, has agreed to acquire On2 Technologies, Inc., referred to herein as On2, by means of a merger of On2 with a direct, wholly owned subsidiary of Google. Please see The Merger beginning on page 44 and The Merger Agreement beginning on page 85 for a description of the merger and the merger agreement. A copy of the merger agreement is attached to this proxy statement/prospectus as Appendix A.

To complete the merger, among other conditions, On2 stockholders must vote to approve the merger proposal. On2 will hold a special meeting of stockholders to obtain this approval. You will also be given an opportunity to vote to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in favor of the merger proposal, referred to herein as the adjournment proposal.

Q: What will happen in the merger?

A: Oxide Inc., a direct, wholly owned subsidiary of Google, will merge with and into On2, referred to herein as the merger, with On2 continuing as a direct, wholly owned subsidiary of Google. Upon completion of the merger, On2 Common Stock will cease trading on the NYSE Amex, and holders of On2 Common Stock will be entitled to receive the merger consideration for each outstanding share of On2 Common Stock held immediately prior to the merger.

Q: What will On2 stockholders receive in the merger?

A: In the merger, On2 stockholders are entitled to receive a fraction of a share of Google Class A Common Stock equal to the exchange ratio for each outstanding share of On2 Common Stock held by them, in addition to cash payable in lieu of any fractional shares, without interest. The exchange ratio will depend on the trading price of Google Class A Common Stock as described below.

The exchange ratio is equal to \$0.60 divided by the trading price, which is the volume weighted average trading price of a share of Google Class A Common Stock based on the sales price of every share of Google Class A Common Stock traded during the 20 trading days immediately up to and including the second trading day prior to the date of the special meeting, rounded to the nearest fourth decimal point.

Because no fractional shares of Google Class A Common Stock will be issued in connection with the merger, as a result of the formula used to calculate the exchange ratio, some On2 stockholders will not receive any shares of Google Class A Common Stock but only cash in connection with the merger.

For illustrative purposes only, if the trading price of Google Class A Common Stock were \$550.00, a holder of 500 shares of On2 Common Stock would receive a cash payment of \$302.50 in lieu of any fractional shares (i.e., $500 \times (\$0.60/\$550.00) = 0.55$ shares; $0.55 \times \$550.00 = \302.50).

If the trading price of Google Class A Common Stock were \$550.00, a holder of 1,000 shares of On2 Common Stock would receive one share of Google Class A Common Stock (i.e., $1,000 \times (\$0.60/\$550.00) = 1.1$; $1.1 - 0.1 = 1.0$ share) and a cash payment of \$55.00 in lieu of any fractional shares (i.e., $0.1 \times \$550.00 = \55.00).

If the trading price of Google Class A Common Stock were \$550.00, a holder of 5,000 shares of On2 Common Stock would receive five shares of Google Class A Common Stock (i.e., $5,000 \times (\$0.60/\$550.00) = 5.5$; $5.5 - 0.5 = 5.0$ shares) and a cash payment of \$275.00 in lieu of any fractional shares (i.e., $0.5 \times \$550.00 = \275.00).

Because of the effect of rounding in the exchange ratio calculation, a slight increase or decrease in the trading price, as defined, at certain values will impact the aggregate value of the shares and cash that an On2 stockholder receives in connection with the merger.

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On October 20, 2009, the closing price of Google Class A Common Stock was \$551.72. The following table illustrates different exchange ratios based on a range of potential trading prices (as defined in the merger agreement) and the effect on the resultant mix of stock and cash that a holder of 1,000 and 5,000 shares of On2 Common Stock would receive in connection with the merger:

Example: Consideration Received by Holder of 1,000 shares of On2 Common Stock

<i>Assumed Trading Price</i>	\$ 495.00	\$ 500.00	\$ 505.00	\$ 510.00	\$ 515.00	\$ 520.00	\$ 525.00	\$ 530.00	\$ 535.00	\$ 540.00	\$ 545.00
<i>Exchange Ratio</i>	0.0012	0.0012	0.0012	0.0012	0.0012	0.0012	0.0011	0.0011	0.0011	0.0011	0.0011
<i>Google shares received</i>	1	1	1	1	1	1	1	1	1	1	1
<i>Cash payment received in lieu of</i>											
<i>fractional shares</i>	\$ 99.00	\$ 100.00	\$ 101.00	\$ 102.00	\$ 103.00	\$ 104.00	\$ 52.50	\$ 53.00	\$ 53.50	\$ 54.00	\$ 54.50
<i>Total Consideration Value</i>	\$ 594.00	\$ 600.00	\$ 606.00	\$ 612.00	\$ 618.00	\$ 624.00	\$ 577.50	\$ 583.00	\$ 588.50	\$ 594.00	\$ 599.50
<i>Assumed Trading Price</i>	\$ 550.00	\$ 555.00	\$ 560.00	\$ 565.00	\$ 570.00	\$ 575.00	\$ 580.00	\$ 585.00	\$ 590.00	\$ 595.00	\$ 600.00
<i>Exchange Ratio</i>	0.0011	0.0011	0.0011	0.0011	0.0011	0.0010	0.0010	0.0010	0.0010	0.0010	0.0010
<i>Google shares received</i>	1	1	1	1	1	1	1	1	1	1	1
<i>Cash payment received in lieu of</i>											
<i>fractional shares</i>	\$ 55.00	\$ 55.50	\$ 56.00	\$ 56.50	\$ 57.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
<i>Total Consideration Value</i>	\$ 605.00	\$ 610.50	\$ 616.00	\$ 621.50	\$ 627.00	\$ 575.00	\$	\$	\$	\$	\$