
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 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 9, 2011

Lattice Semiconductor Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

000-18032
(Commission File Number)

93-0835214
(IRS Employer
Identification No.)

5555 N. E. Moore Court
Hillsboro, Oregon 97124-6421
(Address of principal executive offices, including zip code)

(503) 268-8000
(Registrant's telephone number, including area code)

(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))
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Item 1.01. Entry Into a Material Definitive Agreement.

On December 9, 2011, Lattice Semiconductor Corporation, a Delaware corporation ("Lattice Corp."), Lattice Semiconductor, Ltd., a Bermuda exempted company and a wholly owned subsidiary of Lattice Corp. ("Lattice Ltd."), Aff Inv Acquisition Corporation, a Cayman Islands exempted company and a wholly owned subsidiary of Lattice Ltd. ("Merger Sub"), SiliconBlue Technologies Ltd., a Cayman Islands exempted company ("SiliconBlue"), and Fortis Advisors LLC, as the representative for SiliconBlue's securityholders, entered into an Agreement and Plan of Merger (the "Merger Agreement") pursuant to which Merger Sub will, subject to the satisfaction or waiver of the conditions therein, merge with and into SiliconBlue (the "Merger"), with SiliconBlue surviving the Merger as a wholly owned subsidiary of Lattice Ltd. and an indirect subsidiary of Lattice Corp.

Pursuant to the terms of the Merger and subject to the conditions thereof, at the effective time of the Merger (the "Effective Time"), the issued and outstanding share capital of SiliconBlue, including warrants and options, will be converted into the right to receive from Lattice Ltd. aggregate cash consideration of approximately \$62 million, as adjusted pursuant to the Merger Agreement. The per share cash consideration is determined by certain formulas as set forth in the Merger Agreement.

The Merger Agreement contains customary representations, warranties and covenants by Lattice Corp., Lattice Ltd., Merger Sub and SiliconBlue. SiliconBlue has agreed, among other things, not to knowingly solicit any offer or proposal for a competing or alternative transaction, or to knowingly enter into communications concerning, or provide non-public information with respect to, any competing or alternative transaction. SiliconBlue also agreed to conduct its business in the ordinary course and to use commercially reasonable efforts to retain its current officers and key employees during the interim period between the execution of the Merger Agreement and the Effective Time. The SiliconBlue shareholders are providing limited indemnification for breaches of representations and warranties.

In connection with the transactions contemplated by the Merger Agreement, the holders of SiliconBlue preference shares entered into a support and voting agreement with Lattice Ltd. and Merger Sub, pursuant to which such individuals have undertaken to vote their shares in favor of the Merger.

The completion of the Merger is subject to various customary closing conditions, including, among other things, the adoption of the Merger Agreement by the shareholders of SiliconBlue entitled to vote thereon, the absence of any law or order prohibiting or restraining the Merger, and the absence of any material adverse effect with respect to SiliconBlue.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

Any financial statements required by Item 9.01(a) of Form 8-K will be filed by amendment to this Current Report on Form 8-K no later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(b) Pro Forma Financial Information.

Any pro forma financial information required by Item 9.01(b) of Form 8-K will be filed by amendment to this Current Report on Form 8-K no later than 71 days after the date on which this Current Report on Form 8-K is required to be filed.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated December 9, 2011 (furnished, not filed, herewith)

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.

LATTICE SEMICONDUCTOR CORPORATION

By: /s/ Byron Milstead

Byron Milstead

Corporate Vice President, General Counsel and Secretary

Date: December 9, 2011

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated December 9, 2011 (furnished, not filed, herewith)



News Release

For more information contact:

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LATTICE SEMICONDUCTOR TO ACQUIRE SILICONBLUE

Acquisition Will Extend Lattice's Leadership Position

in the Highly Attractive Mobile Consumer and Handheld Market

HILLSBORO, OR - December 9, 2011 - Lattice Semiconductor Corporation (NASDAQ: LSCC) today announced it has entered into a definitive agreement to acquire SiliconBlue Technologies, a pioneer and leader in Custom Mobile Device™ solutions for the consumer handheld market. Utilizing a single chip, ultra-low power Field Programmable Gate Array (FPGA) fabric, SiliconBlue's mobileFPGA™ devices enable mobile designers to quickly add features to their mobile platform in areas such as connectivity, memory / storage, sensor management, and video / imaging. SiliconBlue's mobile FPGA devices have already shipped in the millions of units to top tier consumer OEM's.

Under terms of the agreement, Lattice Semiconductor will pay approximately \$62 million in cash for SiliconBlue Technologies. The acquisition is subject to standard closing conditions, with a targeted close in the fourth quarter of 2011. Lattice Semiconductor ended the third quarter of 2011 with a cash, cash equivalents and short-term marketable securities balance of \$267.2 million.

Darin G. Billerbeck, Lattice Semiconductor's President and Chief Executive Officer, said, "The acquisition of SiliconBlue is aligned with our Strategic Long Range Plan and will help accelerate our growth strategy in the Mobile Consumer market. Silicon Blue will further strengthen our product roadmap by adding a scalable, low cost, low power nonvolatile memory FPGA, along with key personnel and blue chip customers. Kapil Shankar, SiliconBlue's Chief Executive Officer, will join Lattice Semiconductor as Corporate Vice President of the Mobility Business Unit and will be responsible for the Company's mobility product lines."

The mobile consumer market for PLD's includes digital cameras, smartphones, eReaders, tablets, notebooks and netbooks. Key market growth trends include the drive for longer battery life, more natural interfaces, increased functionality, lower cost and reduced weight.

Mr. Shankar commented, "We are excited to be joining the Lattice Semiconductor family. Lattice gives us the global scale, proven market credibility and financial backing to take SiliconBlue to the next phase of its growth. We think our existing customers will immediately benefit from our new global reach and support. We also expect Lattice's added resources and financial strength will give potential new customers confidence in designing in our mobileFPGA solutions as we work to more fully realize the potential of our pioneering technology."

About SiliconBlue:

Founded in 2006, privately held [SiliconBlue Technologies](#) is the leader in Custom Mobile Device (CMD) solutions, with over 250 active end customers and more than 40 patents. The company offers a total solution for handset applications, including IP, design services and a new class of ultra-low power, single-chip, CMOS SRAM mobileFPGA devices with patented non-volatile configuration memory (NVCM). The company is headquartered in Santa Clara, California, with offices in China, Taiwan, Korea and Japan. SiliconBlue is a privately held company and includes the following investors; BlueRunVentures, Crosslink Capital, NEA, Apex Venture Partners, TSMC and Atlantic Bridge. For more information, please visit our website at www.siliconbluetech.com.

About Lattice Semiconductor:

Lattice is the source for innovative [FPGA](#), [PLD](#), programmable [Power Management](#) solutions. For more information, visit www.latticesemi.com. Follow Lattice via [Facebook](#), [RSS](#) and [Twitter](#).

Forward-Looking Statements Notice:

The foregoing paragraphs contain forward-looking statements that involve estimates, assumptions, risks and uncertainties. Such forward-looking statements include statements relating to: the targeted closing date, the Company's ability to accelerate its growth strategy in the Mobile Communications market, the Company's ability to strengthen its product roadmap, and SiliconBlue's ability to achieve the next phase of its growth.. Other forward-looking statements may be indicated by words such as "will," "could," "should," "would," "expect," "plan," "anticipate," "intend," "forecast," "believe," "estimate," "predict," "propose," "potential," "continue" or the negative of these terms or other comparable terminology.

Lattice believes the factors identified below could cause actual results to differ materially from the forward-looking statements: the risk that SiliconBlue's business will not be successfully integrated with the Company's business; the costs associated with the acquisition; matters arising in connection with the parties' efforts to comply with and satisfy the closing conditions relating to the transaction; increased competition and technological changes in the industries in which SiliconBlue and the Company compete and other events that could negatively impact the completion of the transaction, including industry, economic or political conditions outside of the parties' control; and the other risks that are described in this press release and that are otherwise described from time to time in our filings with the Securities and Exchange Commission. The Company does not intend to update or revise any forward-looking statements, whether as a result of events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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SiliconBlue is a registered trademark and Custom Mobile Device, mobileFPGA, iCE65, iCE40, iCEman and iCEcube2 are trademarks of SiliconBlue Technologies Corporation. All other trademarks and registered trademarks are the property of their respective owners.