SYNCHRONOSS TECHNOLOGIES INC
Form 424B5
August 07, 2014

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**Filed Pursuant to Rule 424(b)(5)**
**Registration No. 333-197871**

**Prospectus**

**$200,000,000**

# Synchronoss Technologies, Inc.

## 0.75% Convertible Senior Notes due 2019

We are offering $200.0 million aggregate principal amount of our 0.75% Convertible Senior Notes due 2019 (the "notes"). We will pay interest on the notes semi-annually, in arrears, on each February 15 and August 15, beginning on February 15, 2015, to the holders of record at the close of business on the preceding February 1 and August 1, respectively. The notes will mature on August 15, 2019, unless earlier purchased or converted.

Holders may convert their notes at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date. The notes may be converted into shares of our common stock at an initial conversion rate of 18.8072 shares of our common stock per $1,000 principal amount of notes, which is equivalent to an initial conversion price of approximately $53.17 per share. The initial conversion rate will be subject to adjustment upon the occurrence of certain events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date, we will increase the conversion rate for a holder who elects to convert its notes in connection with a corporate event in certain circumstances.

Upon the occurrence of a fundamental change, holders may require us to purchase some or all of their notes for cash at a price equal to 100% of the principal amount of the notes being purchased, plus accrued and unpaid interest, if any.

The notes will be our senior unsecured obligations and will rank equal in right of payment to all of our senior indebtedness, senior in right of payment to any of our subordinated indebtedness and effectively subordinated in right of payment to any of our secured indebtedness to the extent of the collateral securing such indebtedness. Our obligations under the notes will not be guaranteed by, and will be structurally subordinated in right of payment to, all obligations of our subsidiaries.

The notes will not be listed on any securities exchange. Our common stock is listed on The NASDAQ Global Select Market under the symbol "SNCR." The last reported sale price of our common stock on The NASDAQ Global Select Market on August 6, 2014 was $38.67 per share.

**See "Risk Factors" beginning on page 12 for a discussion of certain risks that you should consider in connection with an investment in the notes.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

| | **Price to Public(1)** | **Underwriting Discounts and Commissions** | **Proceeds to Issuer** |
|---|---|---|---|
| Per Note | 100.0% | 2.75% | 97.25% |
| Total | $200,000,000 | $5,500,000 | $194,500,000 |

(1) Plus accrued interest, if any, from August 12, 2014.

The offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from the date of original issuance, expected to be August 12, 2014.

To the extent that the underwriters sell more than $200.0 million in principal amount of notes, we expect to grant the underwriters the right to purchase within a 30 day period up to an additional $30.0 million principal amount of notes, solely to cover over-allotments, if any.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company on or about August 12, 2014.

**Credit Suisse** **J.P. Morgan**

**Raymond James** **Stifel** **Wells Fargo Securities**

The date of this prospectus is August 6, 2014.

**This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the notes offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.**

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**Neither we nor the underwriters have authorized anyone to provide you with any information other than that contained or incorporated by reference in this prospectus or any free writing prospectus prepared by or on behalf of us or to which we have referred you. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. Our business, financial condition, results of operations and prospects may have changed since those dates. You should read this prospectus, including the documents incorporated by reference in this prospectus, when making your investment decision. You should also read and consider the information in the documents we have referred you to in the section of the prospectus entitled "Where You Can Find More Information."**

## ABOUT THIS PROSPECTUS

**This prospectus contains summaries of certain provisions contained in some of the documents described herein, but reference is made to the actual documents for complete information. All of the summaries are qualified in their entirety by the actual documents. Some of the documents referred to herein have been filed as exhibits to the registration statement of which this prospectus is a part, while others are incorporated by reference from our previously filed periodic reports or our Registration Statement on Form 8-A (Commission File No. 000-52049), filed on June 13, 2006, and amendments thereto, including their exhibits, and you may obtain copies of these documents as described below under "Where You Can Find More Information."**

**General information about us can be found on our website at "*www. synchronoss.com*." The information on our website is for information only and should not be relied on for investment purposes. The information on our website is not incorporated by reference into this prospectus and should not be considered part of this or any other report filed with the Securities and Exchange Commission.**

**You should not assume that the information contained in, or incorporated by reference into, this document is accurate as of any date after the respective dates of the documents containing the information. Our business, financial condition, results of operations and prospects may have changed since that date.**

We incorporate important information into this prospectus by reference. You may obtain the information incorporated by reference into this prospectus without charge by following the instructions under "Where You Can Find More Information" in this prospectus. Generally, when we refer to "this prospectus," we are referring to this prospectus as well as to the information incorporated by reference herein. You should carefully read this prospectus and the additional information described under "Where You Can Find More Information" before investing in the notes.

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit to any document that is incorporated by reference in this prospectus were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreements, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations and warranties or covenants may not have been accurate when made or if accurate, were accurate only as of the date when made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

Unless we have indicated otherwise, or the context otherwise requires, references in this prospectus to "Synchronoss," "the Company," "we," "us" and "our" refer to Synchronoss Technologies, Inc., a Delaware corporation and its consolidated subsidiaries.

Synchronoss®, the Synchronoss® logo, ConvergenceNow® and ActivationNow® are our registered trademarks. Other trademarks, tradenames or service marks of other companies appearing in this prospectus are the property of their respective owners.

We reserve the right to withdraw this offering of notes at any time. We and the underwriters also reserve the right to reject any offer to purchase the notes offered hereby, in whole or in part, for any reason, or to sell less than the amount of notes offered hereby.

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## PROSPECTUS SUMMARY

*This summary highlights selected information contained elsewhere or incorporated by reference in this prospectus. This summary may not contain all the information that you should consider before investing in our notes. You should read the entire prospectus carefully, including "Risk Factors" and the financial statements incorporated by reference in this prospectus, before making an investment decision.*

### Synchronoss Technologies, Inc.

We are a mobile innovation leader that provides cloud solutions and software-based activation for connected devices globally. Such services include intelligent connectivity management and content synchronization, backup and sharing, as well as device and service procurement, provisioning, activation, and support, that enable communications service providers ("CSPs"), cable operators/multi-services operators ("MSOs"), original equipment manufacturers ("OEMs") with embedded connectivity (e.g., smartphones, laptops, tablets and mobile Internet devices, such as automobiles, wearables for personal health and wellness, and connected homes), multi-channel retailers and other customers to accelerate and monetize their go-to-market strategies for connected devices. This includes automating subscriber activation, order management, upgrades, service provisioning and connectivity and content management from any sales channel to any communication service (wireless or wireline), across any connected device type and managing the content transfer, synchronization and share. Our global solutions touch all aspects of connected devices on the mobile Internet.

Our Synchronoss Personal Cloud solution targets individual consumers while our Synchronoss WorkSpace solution focuses on providing a secure, integrated file sharing and collaboration solution for small and medium businesses. In addition, our Synchronoss Integrated Life platform is specifically designed to power the activation of the devices and technologies that seamlessly connect today's consumer and leverage our cloud assets to manage these devices and contents associated with them. The Synchronoss Integrated Life platform enables us to drive a natural extension of our mobile activations and cloud services with leading wireless networks around the world to link other non-traditional devices (i.e., automobiles, wearables for personal health and wellness, and connected homes).

Our Activation Services, Synchronoss Personal Cloud, Synchronoss WorkSpace, and Synchronoss Integrated Life platforms provide end-to-end seamless integration between customer-facing channels/applications, communication services, or devices and "back-office" infrastructure-related systems and processes. Our customers rely on our solutions and technology to automate the process of activation and content and settings management for their customers' devices while delivering additional communication services. Our Synchronoss Integrated Life platform brings together the capabilities of device/service activation with content and settings management to provide a seamless experience of activating and managing non-traditional devices. Our platforms also support automated customer care processes through use of accurate and effective speech processing technology and enable our customers to offer their subscribers the ability to store in and retrieve from the Cloud their personal and work content and data to their connected mobile devices, such as personal computers, smartphones and tablets. Our platforms are designed to be carrier-grade, high availability, flexible and scalable to enable multiple converged communication services to be managed across multiple distribution channels, including e-commerce, m-commerce, telesales, customer stores, indirect and other retail outlets, allowing us to meet the rapidly changing and converging services and connected devices offered by our customers. We enable our customers to acquire, retain and service subscribers quickly, reliably and cost-effectively by enabling backup, restore, synchronization and sharing of subscriber content. Through the use of our platforms, our customers can simplify the processes associated with managing the customer experience for procuring, activating, connecting, backing-up, synchronizing and using social media as well as enterprise-wide sharing/collaboration connected devices (including content from these devices and associated services). The extensibility, scalability, reliability and relevance of our platforms enable new revenue streams and retention opportunities for our customers through new subscriber acquisitions, sale of new devices, accessories and new value-added service offerings in the Cloud, while optimizing their cost of operations and enhancing customer experience.

We currently operate in and market our solutions and services directly through our sales organizations in North America, Europe and Asia-Pacific.

Our industry-leading customers include Tier 1 mobile service providers such as AT&T Inc., Verizon Wireless, Vodafone, Orange, Sprint, Telstra and U.S. Cellular, Tier 1 cable operators/MSOs and wireline operators like AT&T Inc., Comcast, Cablevision, Charter, CenturyLink, Mediacom and Level 3 Communications, and large OEMs such as Apple and Ericsson. These customers utilize our platforms, technology and services to service both consumer and business customers.

**Synchronoss' Platforms**

Our Activation Services, Synchronoss Personal Cloud , Synchronoss WorkSpace and Integrated Life platforms provide highly scalable automated on-demand, end-to-end order processing, transaction management, service provisioning, device activation, intelligent connectivity and content transfer, synchronization and social media as well as enterprise-wide sharing/collaboration through multiple channels including e-commerce, m-commerce, telesales, enterprise, indirect and retail outlets. Our global platforms are designed to be flexible and scalable across a wide range of existing communication services and connected devices, while offering a best-in-class experience for our customers and supporting traditional and non-traditional devices. The extensible nature of our platforms enables our customers to rapidly respond to the ever changing and competitive nature of the telecommunications and mobile marketplaces.

Our Activation Services and Synchronoss Integrated Life platforms orchestrate the complex and different back-end systems of communication service providers to provide a best-in-class ordering system by orchestrating the workflow and consolidated automated customer care services. This allows CSPs using our platforms to realize the full benefits of their offerings and analyze customer buying behavior. The platforms also support, among other automated transaction areas, credit card billing, inventory management and trouble ticketing. In addition to this, the platform supports the physical transactions involved in customer activation and service such as managing access service requests, local service requests, local number portability and directory listings. Our Synchronoss Integrated Life platform also enables our customers to activate non-traditional devices, such as wearables and automobiles, where activations could take place in environments totally out of a mobile operator's control, such as at an OEM or in the hands of an end-consumer in a car, as an example.

Our Synchronoss Personal Cloud and Synchronoss WorkSpace platforms extend features from our core platform into more transaction areas required to enable subscriber management for connected devices including directly on the device itself. In addition, the Synchronoss Personal Cloud platform is specifically designed to support connected devices, such as smartphones, mobile Internet devices ("MIDs"), laptops, tablets and wirelessly enabled consumer electronics such as wearables for health and wellness, cameras, tablets, e-readers, personal navigation devices and global positioning system ("GPS") enabled devices, as well as connected automobiles.

Our Synchronoss Personal Cloud platform is designed to deliver an operator-branded experience for subscribers to backup, restore, synchronize and share their personal content across smartphones, tablets, computers and other connected devices from anywhere at any time. A key element of the Synchronoss Personal Cloud platform is that it extends a carrier's or OEM's visibility and reach into all aspects of a subscriber's use of a connected device. It introduces the notion of Connect-Sync-Activate for all devices. Through our Activation Services platform, a device is activated via a variety of different channels; once activated, our solution enables the device to be connected to the best available network by enforcing policies that are managed from the Cloud by a carrier. Once connected, most users of mobile devices avail themselves of content synchronization from the Cloud using policies that are appropriate and applicable to each specific device.

Our Synchronoss WorkSpace platform is designed to deliver an operator branded or enterprise co-branded experience for employees of small and medium businesses to share and collaborate with documents and files through the use of any device from any place without violating corporate enterprise policies and adhering to compliance policies.

In addition to handling large volumes of customer transactions quickly and efficiently, our platforms are designed to recognize, isolate and address transactions when there is insufficient information or other erroneous process elements. This knowledge enables us to adapt our solutions to automate a higher percentage of transactions over time, further improving the value of our solutions to our customers. Our platforms also offer a centralized reporting platform that provides intelligent, real-time analytics around the entire workflow related to any transaction. This reporting allows our customers to appropriately identify buying behaviors and trends, define their subscriber segments and pin-point areas where their business is changing or could be improved. These analytics enable our customers to upsell new and additional products and services in a targeted fashion that help increase their consumption of our product offerings. The automation and ease of integration of our platforms are designed to enable our customers to lower the cost of new subscriber acquisitions, enhance the accuracy and reliability of customer transactions thereby reducing the inbound service call volumes, and responding rapidly to competitive market conditions to create new revenue streams. Our platforms offer flexible, scalable, extensible and relevant solutions backed by service level agreements ("SLAs") and exception handling.

Our platforms manage transactions relating to a wide range of existing communications and digital content services across our customers. For example, we enable wireless providers to conduct business-to-consumer, or B2C, business-to-business, or B2B, enterprise and indirect channel (i.e., resellers/dealers) transactions. The capabilities of our platforms are designed to provide our customers with the opportunity to improve operational performance and efficiencies, dynamically identify new revenue opportunities and rapidly deploy new services. They are also designed to provide customers the opportunity to improve performance and efficiencies for activation, content migration and connectivity management for connected devices.

Our platforms are designed to be:

*Carrier Grade:* We designed our platforms to handle high-volume transactions from carriers (such as the launch of the new iPhone 5) rapidly and efficiently, with virtually no down-time. Our platforms are also capable of simultaneously handling millions of device content related transactions on a daily basis to ensure that personal content on all subscriber devices stays fresh and synchronized with the Cloud.

*Highly Automated:* We designed our platforms to eliminate manual processes and to automate otherwise labor-intensive tasks, thus improving operating efficiencies and order accuracy, and reducing costs. By tracking every order and identifying those that are not provisioned properly, our platforms are designed to substantially reduce the need for manual intervention and reduce unnecessary customer service center calls. The technology of our platforms automatically guides a customer's request for service through the entire series of required steps.

*Predictable and Reliable:* We are committed to providing high-quality, dependable services to our customers. To ensure reliability, system uptime and other service offerings, our transaction management is guaranteed through SLAs. Our platforms offer a complete customer management solution, including exception handling, which we believe is one of the main factors that differentiates us from our competitors. In performing exception handling, our platforms recognize and isolate transaction orders that are not configured to specifications, process them in a timely manner and communicate these

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orders back to our customers, thereby improving efficiency and reducing backlog. If manual intervention is required, our exception handling services are performed internally as well as outsourced to centers located in Canada and the United States and, where applicable, to other cost-effective geographies. Additionally, our database is designed to preserve data integrity while ensuring fast, efficient, transaction-oriented data retrieval methods.

*Seamless:* Our platforms integrate information across our customers' entire operation, including subscriber information, order information, delivery status, installation scheduling and content stored on the device to allow for the seamless activation and content transfer during the device purchase flow. Through our platforms, the device is automatically activated and consumer's content is available for use via the Cloud, ensuring continuity of service and reducing subscriber churn propensity. CSPs and multi-channel retailers can bundle additional applications during retail phone purchases, and also provide live updates to support new features and new devices. We have built our platforms using an open design with fully-documented software interfaces, commonly referred to as application programming interfaces ("APIs"). Our APIs enable our customers, strategic partners and other third parties to integrate our platforms with other software applications and to build best-in-class cloud-based applications incorporating third-party or customer-designed capabilities. Through our open design and alliance program, we believe we provide our customers with superior solutions that combine our technology with best-of-breed applications with the efficiency and cost-effectiveness of commercial, packaged interfaces.

*Scalable:* Our platforms are designed to process expanding transaction volumes reliably and cost effectively. While our transaction volume has increased rapidly since our inception, we anticipate substantial future growth in transaction volumes, and we believe our platforms are capable of scaling their output commensurately, requiring principally routine computer hardware and software updates. Our synchronization and activation platforms routinely support our customers' transactions at the highest level of demands when needed with our current production deployments. We continue to see the number of transactions for connected devices, such as smartphones, MIDs, laptops, tablets and wirelessly enabled consumer electronics such as cameras, tablets, e-readers, personal navigation devices, GPS enabled devices and other connected consumer electronics, to be one of the fastest growing transaction types across all our platforms, products and services. Our Synchronoss Personal Cloud platform is deployed across more than 65 million devices, managing 10 billion entities in the Cloud and performing more than 7 million synchronizations per day.

*Value-add Reporting Tools:* Our platforms' attributes are tightly integrated into the critical workflows of our customers and have analytical reporting capabilities that provide near real-time information for every step of the relevant transaction processes. In addition to improving end-user customer satisfaction, these capabilities are designed to provide our customers with value-added insights into historical and current transaction trends. We also offer mobile reporting capabilities for users to receive critical data about their transactions on connected devices.

*Build Consumer Loyalty:* Our synchronization services help drive consumers to the CSPs, OEM or multi-channel retailers by presenting them with a branded application and fully-integrated Web portal that provides convenience, security, and continuity for end user customers, which we believe helps our customers by further building the loyalty of their subscribers. Our Synchronoss Personal Cloud solution helps reduce subscriber churn by making it easy for subscribers to migrate smartphone content from an old device to a new device.

*Efficient:* Our platforms' capabilities provide what we believe to be a more cost-effective, efficient and productive approach to enabling new activations across services and channels. Our solutions allow our customers to reduce overhead costs associated with building and operating their own customer transaction management infrastructure. With automated activation and integrated fall out support, our e-commerce platforms centralize customer service expectations, which we believe dramatically reduces

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our customers' subscriber acquisition/retention costs in addition to operating expenses for training and staffing costs. We also provide our customers with the information and tools intended to more efficiently manage marketing and operational aspects of their business, as well as business intelligence required to do targeted up-selling of their products and services.

*Quick Concept to Market Delivery:* The automation and ease of integration of our on-demand platform allows our customers to accelerate the deployment of their services and new service offerings by shortening the time between a subscriber's order and the provisioning of service or activation and enabling of a connected device(s).

*Extensible and Relevant:* Our customers operate in dynamic and fast paced industries. Our platforms and solutions are built in a modular fashion, thereby conducive to be extended dynamically and enabling our customers to offer solutions that are relevant to current market situations, with the goal of providing them with the competitive edge required for them to be successful. The platforms are also designed to be highly customizable to each carrier's specific back end systems as well as branding requirements.

Designed to integrate with back-office systems, our platforms allow work to flow electronically across our customers' organizations while providing ready access to performance and resource usage information in providing activation and subscriber management.

## Ratio of Earnings to Fixed Charges

The following table sets forth our ratio of earnings to fixed charges on a historical basis for the periods indicated. The ratios are calculated by dividing earnings by the fixed charges.

| | Year Ended December 31, | | | | | Six Months Ended June 30, |
|---|---|---|---|---|---|---|
| | **2009** | **2010** | **2011** | **2012** | **2013** | **2014** |
| Ratio of earnings to fixed charges(1) | 26.42x | 8.20x | 20.78x | 43.75x | 25.39x | 28.09x |

(1) For the purposes of computing ratio of earnings to fixed charges, earnings consist of income before income taxes plus fixed charges. Fixed charges consist of interest charges and that portion of rental payments under operating leases we believe to be representative of interest.

## Corporate and Available Information

We were incorporated in Delaware in 2000. Our Web address is *www.synchronoss.com*. On this Web site, we post the following filings as soon as reasonably practicable after they are electronically filed with or furnished to the U.S. Securities and Exchange Commission (SEC): our annual reports on Form 10-K, quarterly reports on Form 10-Q, our current reports on Form 8-K, our proxy statement on Form 14A related to our annual stockholders' meeting and any amendment to those reports or statements filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended. All such filings are available on the Investor Relations portion of our Web site free of charge. The contents of our Web site are not intended to be incorporated by reference into this Form 10-K or in any other report or document we file.

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## THE OFFERING

*The following summary contains basic information about the notes and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of the notes, you should read the section of this prospectus entitled "Description of Notes." For purposes of this summary and the "Description of Notes," references to "the Company," "we," "our" and "us" refer only to Synchronoss Technologies, Inc. and not to its subsidiaries.*

| | |
|---|---|
| Issuer | Synchronoss Technologies, Inc., a Delaware corporation. |
| Notes | $200.0 million principal amount of 0.75% Convertible Senior Notes due 2019, plus up to an additional $30.0 million principal amount pursuant to the underwriters' over-allotment option. |
| Maturity | August 15, 2019, unless earlier purchased or converted. |
| Interest | 0.75% per year. Interest will accrue from August 12, 2014 and will be payable semiannually in arrears on February 15 and August 15 of each year, beginning on February 15, 2015. We will pay additional interest, if any, at our election as the sole remedy relating to the failure to comply with our reporting obligations as described under "Description of Notes Events of Default." |
| Conversion Rights | Holders may convert their notes into shares of our common stock at the applicable conversion rate, in multiples of $1,000 principal amount, at their option, at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date. The initial conversion rate for the notes is 18.8072 shares per $1,000 principal amount of notes (equivalent to an initial conversion price of approximately $53.17 per share), subject to adjustment.<br>In addition, following certain corporate events that occur prior to maturity, we will increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event in certain circumstances as described under "Description of Notes Conversion Rights Adjustment to the Conversion Rate Upon Conversion in Connection with a Make-whole Fundamental Change."<br>You will not receive any additional cash payment or additional shares representing accrued and unpaid interest, if any, upon conversion of a note, except in limited circumstances. Instead, interest will be deemed paid by the shares of our common stock, together with any cash payment for any fractional share, paid or delivered, as the case may be, to you upon conversion of a note. |
| No Redemption | The notes may not be redeemed by us at our option prior to maturity. |
| Covenants | Neither we nor any of our subsidiaries are subject to any financial covenants under the indenture governing the notes. In addition, neither we nor any of our subsidiaries are restricted under the indenture from incurring debt, paying dividends or issuing or repurchasing our securities. |

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| Fundamental Change | If we undergo a fundamental change (as defined in this prospectus), subject to certain conditions, you will have the option to require us to purchase all or any portion of your notes that is equal to $1,000 or a multiple thereof. The fundamental change purchase price will be 100% of the principal amount of the notes to be purchased, plus any accrued and unpaid interest to, but excluding, the fundamental change purchase date. We will pay the fundamental change purchase price in cash.<br>See "Description of Notes Fundamental Change Permits Holders to Require Us to Purchase Notes." |
| Ranking | The notes will be our senior unsecured obligations and will:<br><br>rank senior in right of payment to any of our indebtedness that is expressly subordinated in right of payment to the notes;<br><br>rank equal in right of payment to all of our senior indebtedness that is not so subordinated;<br><br>be effectively subordinated in right of payment to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and<br><br>be structurally subordinated in right of payment to all indebtedness and other liabilities of our subsidiaries.<br>As of June 30, 2014, our total consolidated indebtedness was $10.9 million, which consisted of capital leases and unsecured debt under our revolving credit facility. As of June 30, 2014, we had $100.0 million of availability remaining under senior unsecured revolving credit facility. On July 2, 2014, we borrowed $40.0 under such credit facility. After giving effect to the issuance of the notes (assuming no exercise of the underwriters' over-allotment option), our total consolidated indebtedness would have been $210.9 million as of June 30, 2014. In addition, our subsidiaries had $1.1 million of other liabilities (defined as trade payables but excluding intercompany obligations and liabilities of a type not required to be reflected on a balance sheet of such subsidiaries in accordance with GAAP) to which the notes would have been structurally subordinated as of June 30, 2014. In addition, certain of our subsidiaries guarantee our obligations under our credit facility, which guarantees are structurally senior to the notes. |
| Book-Entry Form | The notes will be issued in book-entry form and will be represented by permanent global certificates deposited with, or on behalf of, The Depository Trust Company ("DTC") and registered in the name of a nominee of DTC. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee, and any such interest may not be exchanged for certificated securities, except in limited circumstances. |

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| Absence of a Public Market for the Notes | The notes are new securities and there is currently no established market for the notes. Accordingly, we cannot assure you as to the development or liquidity of any market for the notes. The underwriters have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so, and they may discontinue any market making with respect to the notes without notice. We do not intend to apply for a listing of the notes on any securities exchange or any automated dealer quotation system.<br>Our common stock is quoted on The NASDAQ Global Select Market under the symbol "SNCR." |
| Trustee | The Bank of New York Mellon. |
| Use of Proceeds | We estimate that the net proceeds from this offering, after payment of the underwriters' discounts and estimated offering expenses payable by us, will be approximately $193.7 million (or approximately $222.9 million if the underwriters exercise their over-allotment option in full).<br>We intend to use the net proceeds from this offering to repay $40.0 million of our outstanding indebtedness under our revolving credit facility, for general corporate purposes and potential acquisitions and strategic transactions. See "Use of Proceeds." |
| Conflicts of Interest | Affiliates of J.P. Morgan Securities LLC and Wells Fargo Securities LLC will receive more than 5% of the net proceeds of this offering in connection with the repayment of a portion of our revolving credit facility. See "Use of Proceeds." Because J.P. Morgan Securities LLC and Wells Fargo Securities LLC are underwriters in this offering and their respective affiliates are expected to receive more than 5% of the net proceeds of this offering, J.P. Morgan Securities LLC and Wells Fargo Securities LLC are each deemed to have a "conflict of interest" under Financial Industry Regulatory Authority Rule 5121 ("FINRA Rule 5121"). Accordingly, this offering is being made in compliance with the requirements of FINRA Rule 5121. This rule requires, among other things, that a "qualified independent underwriter" has participated in the preparation of, and has exercised the usual standards of "due diligence" with respect to, the registration statement and this prospectus. Credit Suisse Securities (USA) LLC has agreed to act as a qualified independent underwriter for this offering and to undertake the legal responsibilities and liabilities of an underwriter under the Securities Act, specifically including those inherent in Section 11 of the Securities Act. See "Underwriting (Conflicts of Interest)." |
| Risk Factors | Investment in the notes involves risk. You should carefully consider the information under the section titled "Risk Factors" and all other information included in this prospectus and the documents incorporated by reference before investing in the notes. |

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## SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables present our summary consolidated statements of operations data for the years ended December 31, 2013, 2012 and 2011 and for the six months ended June 30, 2014 and 2013, and our summary consolidated balance sheet data as of December 31, 2013, 2012 and 2011 and June 30, 2014 and 2013. The summary consolidated statement of operations data for the years ended December 31, 2013, 2012 and 2011 have been derived from our audited consolidated financial statements incorporated by reference into this prospectus. The summary consolidated balance sheet data as of December 31, 2013, 2012 and 2011 have been derived from our audited consolidated financial statements. The summary consolidated balance sheet data as of December 31, 2013 and 2012 is incorporated by reference into this prospectus. The summary consolidated statement of operations data and balance sheet data for the six months ended June 30, 2014 and 2013 and as of June 30, 2014 have been derived from our unaudited consolidated financial statements. Our historical results are not necessarily indicative of the results that may be expected in any future period, and our results for the six months ended June 30, 2014 are not necessarily indicative of results to be expected for the full year. You should read this information in conjunction with our consolidated financial statements, including the related notes, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2013 and our

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Quarterly Report on Form 10-Q for the quarters ended March 31, 2014 and June 30, 2014, which are incorporated by reference into this prospectus.

| | Year Ended December 31, | | | Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2011 | 2012 | 2013 | 2013 | 2014 |
| | (in thousands, except per share data) | | | | |
| | | | | (unaudited) | |
| **Consolidated Statement of Operations Data:** | | | | | |
| Revenue | $ 229,084 | $ 273,692 | $ 349,047 | $ 162,124 | $ 201,928 |
| Cost of services(1) | 106,595 | 115,670 | 146,238 | 67,658 | 81,269 |
| Operating expenses: | | | | | |
| Research and development(1) | 41,541 | 52,307 | 64,845 | 33,076 | 32,845 |
| Selling, general and administrative(1) | 44,886 | 46,680 | 62,096 | 29,595 | 34,274 |
| Net change in contingent consideration obligation | 2,954 | (6,235) | (5,324) | 2,176 | 1,326 |
| Restructuring charges | | | 5,172 | 5,172 | |
| Depreciation and amortization | 14,739 | 23,812 | 41,126 | 18,579 | 26,024 |
| Total costs and expenses | 210,715 | 232,234 | 314,153 | 156,256 | 175,738 |
| Income (loss) from operations | 18,369 | 41,458 | 34,894 | 5,868 | 26,190 |
| Interest and other income | 918 | 2,204 | 774 | 326 | 1,163 |
| Interest expense | (928) | (998) | (1,089) | (479) | (699) |
| Income before income taxes | 18,359 | 42,664 | 34,579 | 5,715 | 26,654 |
| Income tax expense | (3,233) | (15,581) | (11,228) | (1,827) | (10,705) |
| Net income (loss) | $ 15,126 | $ 27,083 | $ 23,351 | $ 3,8 | |