

ENTROPIC COMMUNICATIONS INC  
Form DEF 14A  
April 03, 2013

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

ENTROPIC COMMUNICATIONS, INC.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:



6290 Sequence Drive  
San Diego, CA 92121

April 3, 2013

Dear Shareholder:

We hereby cordially invite you to attend our 2013 Annual Meeting of Shareholders, or Annual Meeting, which will be held at Entropic Communications' corporate headquarters located at 6290 Sequence Drive, San Diego, California, at 2:00 p.m., Pacific Daylight Time, on Tuesday, May 14, 2013. We hope you will plan to attend. You will find details regarding our Annual Meeting and the business to be conducted in the Notice of Internet Availability of Proxy Materials, or Notice, that you received in the mail and in this proxy statement. We have also made available a copy of our 2012 annual report to shareholders with this proxy statement. We encourage you to read our 2012 annual report. It includes our audited financial statements and provides information about our business.

We have elected to provide our proxy materials over the Internet under the Securities and Exchange Commission's "notice and access" rules. Providing our proxy materials to shareholders electronically allows us to conserve natural resources and reduce our printing and mailing costs related to the distribution of the proxy materials. If you wish to receive paper copies of the proxy materials you may do so by following the instructions contained in the Notice. Your vote is important. Whether or not you plan to attend the Annual Meeting we hope you will vote as soon as possible. You may vote over the Internet, as well as by telephone, or, if you received printed proxy materials, by mailing a proxy or voting instruction card. Please review the instructions on each of your voting options described in this proxy statement, as well as in the Notice that you received in the mail.

Thank you for your ongoing support of Entropic Communications. We look forward to seeing you at our Annual Meeting.

Sincerely,

Lance W. Bridges

Senior Vice President, General Counsel and Corporate Secretary

ENTROPIC COMMUNICATIONS, INC.  
6290 Sequence Drive  
San Diego, CA 92121

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**TIME AND DATE** 2:00 p.m., Pacific Daylight Time, on Tuesday, May 14, 2013

**PLACE** Entropic Communications, Inc.'s corporate headquarters, located at 6290 Sequence Drive, San Diego, CA 92121

**ITEMS OF BUSINESS** To elect the three nominees for director named in the accompanying proxy statement to hold office until our 2016 Annual Meeting of Shareholders.  
To cast a vote on advisory approval of Entropic's executive compensation, as disclosed in the accompanying proxy statement.  
To ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the 2013 fiscal year.  
To transact any other business that properly comes before the 2013 Annual Meeting of Shareholders, or Annual Meeting.

**ADJOURNMENTS AND POSTPONEMENTS** Any action on the items of business described above may be considered at the Annual Meeting or at any time and date to which the Annual Meeting may be properly adjourned or postponed.

**RECORD DATE** You can vote if you are a shareholder of record at the close of business on March 18, 2013.  
Your vote is important. Whether or not you plan to attend the Annual Meeting, we encourage you to read this proxy statement and submit your proxy or voting instruction as soon as possible. For specific instructions on how to vote your shares, please refer to the instructions on the Notice of Internet Availability of Proxy Materials, or Notice, that you received in the mail, the section titled Questions and Answers About Proxy Materials and the Annual Meeting beginning on Page 1 of this proxy statement or, if you requested to receive printed proxy materials, your enclosed proxy card.

**VOTING**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2013 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 14, 2013:** This proxy statement, the accompanying proxy card and Entropic Communications' annual report to shareholders are available at [www.proxyvote.com](http://www.proxyvote.com).

By Order of the Board of Directors

Lance W. Bridges  
Senior Vice President, General Counsel and Corporate Secretary  
San Diego, California  
April 3, 2013

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Entropic Communications, Inc.  
6290 Sequence Drive  
San Diego, California 92121

## PROXY STATEMENT

For the Annual Meeting of Shareholders  
To Be Held May 14, 2013

## QUESTIONS AND ANSWERS ABOUT PROXY MATERIALS AND THE ANNUAL MEETING

Why did I receive these proxy materials?

We have made these proxy materials available to you over the Internet, or have delivered paper copies of these materials to you by mail, in connection with the solicitation by the board of directors of Entropic Communications, Inc., a Delaware corporation, of proxies to be voted at our 2013 Annual Meeting of Shareholders, or Annual Meeting, which is scheduled to take place on Tuesday, May 14, 2013, beginning at 2:00 p.m., Pacific Daylight Time, at our corporate headquarters located at 6290 Sequence Drive, San Diego, California 92121. These materials include information that we are required to provide to you under the rules of the U.S. Securities and Exchange Commission, or SEC, and are designed to assist you in voting on the matters presented at the Annual Meeting. Shareholders of record as of the close of business on March 18, 2013 may attend the Annual Meeting and are entitled and requested to vote on the proposals described in this proxy statement.

In our proxy materials, “Entropic,” the “Company,” “we,” “us” and “our” refer to Entropic Communications, Inc. and its subsidiaries.

What is included in the proxy materials?

The proxy materials include our proxy statement for the Annual Meeting, our 2012 annual report which includes our Annual Report on Form 10-K for the fiscal year ended December 31, 2012, and, if you received a paper copy of these materials, a proxy card or voting instruction card. If you received a Notice of Internet Availability of Proxy Materials, or Notice, please see “Why did I receive a Notice of Internet Availability of Proxy Materials instead of a paper copy of the proxy materials?” below.

Why did I receive a Notice of Internet Availability of Proxy Materials instead of a paper copy of the proxy materials?

In accordance with rules adopted by the SEC, we may furnish proxy materials, including this proxy statement and our 2012 annual report to shareholders, to our shareholders by providing access to such documents on the Internet instead of mailing printed copies. Most shareholders will not receive printed copies of the printed proxy materials unless they request them. Instead, the Notice, which was mailed to most of our shareholders commencing on or about April 4, 2013, will instruct you as to how you may access and review all of the proxy materials on the Internet. The Notice also instructs you as to how you may submit your proxy on the Internet. If you would like to receive a paper copy of our proxy materials, you should follow the instructions for requesting such materials in the Notice.

Who is eligible to vote at the Annual Meeting?

If your Entropic common stock is registered in your name in the records of our transfer agent, American Stock Transfer & Trust Company, LLC, or the Transfer Agent, as of the close of business on March 18, 2013, you are a “shareholder of record” for purposes of the Annual Meeting and are eligible to attend and vote. If you hold shares of our common stock indirectly through a broker, bank or similar institution, you are not a shareholder of record, but instead hold your shares in “street name” and the record owner of your shares is your broker, bank or similar institution. Instructions on how to vote shares held in street name are described under “How do I vote my shares?” below.

Is there a list of shareholders entitled to vote at the Annual Meeting?

The names of shareholders of record entitled to vote at the Annual Meeting will be available at the Annual Meeting and for ten days prior to the meeting for any purpose germane to the Annual Meeting, between the hours of 9:00 a.m. and 4:30 p.m., at our corporate headquarters at 6290 Sequence Drive, San Diego, California, by contacting our corporate secretary.

How many votes do I have?

You will have one vote for each share of our common stock owned by you, as a shareholder of record or in street name, at the close of business on March 18, 2013.

Is my vote confidential?

Proxy instructions, ballots and voting tabulations that identify individual shareholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within Entropic or to third parties, except: (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote, and (3) to facilitate a successful proxy solicitation. Occasionally, shareholders provide written comments on their proxy card, which are then forwarded to Entropic's management.

What am I being asked to vote on at the Annual Meeting?

You are being asked to vote on:

Item 1: the election of the three nominees for director named in this proxy statement, each to serve for a three-year term as a Class III director;

Item 2: advisory approval of Entropic's executive compensation, as disclosed in this proxy statement; and

Item 3: the ratification of the selection of Ernst & Young LLP as Entropic's registered public accounting firm for the fiscal year ending December 31, 2013.

How does the Board recommend that I vote?

The Board recommends that you vote:

FOR the election of the three nominees for director named in this proxy statement, each to serve for a three-year term as a Class III director;