

PHOENIX TECHNOLOGIES LTD

Form 8-K

September 26, 2007

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): September 20, 2007

PHOENIX TECHNOLOGIES LTD.

(Exact name of registrant as specified in charter)

Delaware

0-17111

04-2685985

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(IRS Employer
Identification No.)

915 Murphy Ranch Road,
Milpitas, California

95035

(Address of principal executive
offices)

(Zip Code)

Registrant's telephone number, including area code: **(408) 570-1000**

Not Applicable

(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)).
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Section 2 Financial Information

ITEM 2.05 Costs Associated with Exit or Disposal Activities

On September 20, 2007, the Board of Directors of Phoenix Technologies Ltd. (the Company) approved a restructuring for the purpose of closing the Company's facility in Norwood, Massachusetts, which Company management has determined is no longer economical. The Company expects to record a restructuring charge in the aggregate amount of approximately \$750,000 in the fourth quarter of fiscal year 2007, all of which represents cash expenditures. It is estimated that the actions under this restructuring plan will be completed within the next four weeks.

The actions under this restructuring will involve reducing the Company's workforce by approximately 12 employees and vacating the Norwood facility. The estimated restructuring charges will consist of approximately (i) \$500,000 related to severance costs and (ii) \$250,000 related to on-going lease obligations for the Norwood facility.

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.

Date: September 26, 2007

Phoenix Technologies Ltd.

/s/ Timothy C. Chu

Timothy C. Chu

*Vice President, General Counsel and
Secretary*