

SOUTHWALL TECHNOLOGIES INC /DE/

Form 3

October 17, 2011

FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
 Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *

^ SOLUTIA INC

(Last) (First) (Middle)

575 MARYVILLE CENTRE DRIVE, ^ P.O. BOX 66760

(Street)

ST. LOUIS, ^ MO ^ 63166-6760

(City) (State) (Zip)

2. Date of Event Requiring Statement

(Month/Day/Year)

10/06/2011

3. Issuer Name and Ticker or Trading Symbol

SOUTHWALL TECHNOLOGIES INC /DE/ [SWTX]

4. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer Other
 (give title below) (specify below)

5. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)

2. Amount of Securities Beneficially Owned (Instr. 4)

3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)

4. Nature of Indirect Beneficial Ownership (Instr. 5)

Common Stock

0

I

See footnote (1) (2)

Common Stock

27,509

D (3)

^

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)

2. Date Exercisable and Expiration Date (Month/Day/Year)

3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)

4. Conversion or Exercise Price of

5. Ownership Form of Derivative

6. Nature of Indirect Beneficial Ownership (Instr. 5)

Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Derivative Security	Security: Direct (D) or Indirect (I) (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SOLUTIA INC 575 MARYVILLE CENTRE DRIVE P.O. BOX 66760 ST. LOUIS, MO 63166-6760	Â	Â X	Â	Â

Signatures

Paul J. Berra, III, Senior Vice President,
Legal and Governmental Affairs and
General Counsel

10/17/2011

__Signature of Reporting Person

Date

D. John Srivisal, Vice President

10/17/2011

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 5(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On October 6, 2011, Solutia Inc., a Delaware corporation ("Parent"), Backbone Acquisition Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of Parent ("Purchaser"), and Southwall Technologies Inc., a Delaware corporation (the "Company"), entered into an Agreement and Plan of Merger (the "Merger Agreement"). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof, Parent has agreed to cause Purchaser to commence a tender offer to acquire all of the shares of the Company's common stock for a purchase price of \$13.60 per share in cash.

Parent and Purchaser may be deemed to have shared voting power of 62.9% (4,694,780 shares) of the Company's outstanding common stock pursuant to the Tender and Support Agreements (the "Support Agreements"), dated as of October 6, 2011, by and among Parent, Purchaser, the Company and certain stockholders of the Company. See the Schedule 13D filed by Parent on October 17, 2011. Neither Parent nor Purchaser has any pecuniary interest in any shares of common stock of the Company covered by the Support Agreements and each expressly disclaims beneficial ownership of any such shares.

(3) Parent acquired 27,509 shares of the Company's common stock in open market purchases on or prior to May 28, 1999 using cash on hand.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure.

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