

CRAY INC
Form 8-K
September 08, 2008

**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 4, 2008

CRAY INC.

(Exact name of registrant as specified in its charter)

Washington

(State or other Jurisdiction of
Incorporation)

0-26820

(Commission File Number)

93-0962605

(IRS Employer Identification No.)

411 First Avenue South, Suite 600

Seattle, WA

(Address of Principal Executive Offices)

98104-2860

(Zip Code)

Registrant's telephone number, including area code: **(206) 701-2000**

Registrant's facsimile number, including area code: **(206) 701-2500**

None

(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))

Item 7.01 Regulation FD Disclosure

Under Rule 10b5-1, directors, officers and employees may adopt written pre-arranged stock trading plans when they are not in possession of material non-public information in order to diversify their investment portfolios and make market trades of our common stock regardless of any material, non-public information they may receive after adopting their plans. The actual transactions by directors and executive officers under these plans will be disclosed publicly through Form 144 and Form 4 filings with the Securities and Exchange Commission. As a matter of policy, we do not report on Rule 10b5-1 plans entered into by non-executive officers or other employees.

On December 20, 2005, we issued shares of restricted stock to executive officers and other officers and senior managers pursuant to a shareholder approved plan, including 87,500 shares to Margaret A Williams, Senior Vice President. The restrictions on Ms. Williams' shares lapsed on June 30, 2007, and at that time she sold 35,300 of those shares to raise funds for the associated income and other taxes due upon the lapse of those restrictions.

Ms. Williams has entered into a Rule 10b5-1 plan to permit sales of the remaining 52,200 shares. The purpose of these sales is to diversify Ms. Williams' investments. The sales will occur between October 1, 2008, and June 30, 2009, with 26,100 shares to be sold if the market price for our common stock is at least \$8.00 per share and all of those shares to be sold if the market price for our common stock is at least \$10.00 per share. All sales will be in the open market at prevailing market prices.

The information in Item 7.01 is furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

September 8, 2008

Cray Inc.

By: /s/ Kenneth W. Johnson
Kenneth W. Johnson
Senior Vice President and General Counsel