

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

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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 16, 2008

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Tegal Corporation  
(Exact name of Registrant as Specified in its Charter)

Delaware  
(State or other jurisdiction  
of incorporation)  
000-26824  
(Commission  
File Number)  
68-0370244  
(I.R.S. Employer  
Identification No.)

2201 South McDowell Boulevard  
Petaluma, CA 94954  
(Address of Principal Executive Offices)

(707) 763-5600  
(Registrant's telephone number, including area code)

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(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 (see General Instruction A.2. below):

- Written communication 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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**ITEM 2.01.****Completion of Acquisition or Disposition of Assets.**

On September 16, 2008, Tegal Corporation (the “Company”) completed its previously announced acquisition (the “Acquisition”) from Alcatel Micro Machining Systems, a French corporation (“AMMS”), and Alcatel Lucent, a French Corporation (“Alcatel” and together with AMMS, the “Sellers”), of Deep Reactive Ion Etch (DRIE) and Plasma Enhanced Chemical Vapor Deposition (PECVD) products, and the related intellectual property (the “Assets”). Under the terms of the Asset Purchase Agreement, dated September 2, 2008, by and among the Company and the Sellers (the “Purchase Agreement”), the Company paid \$1,000,000 in cash and issued 1,044,386 shares of the Company’s common stock in consideration for the Assets.

**ITEM 9.01.****Financial Statements and Exhibits.**

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release issued by Tegal Corporation, dated September 16, 2008 announcing closing of the acquisition.

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## 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 17, 2008

TEGAL CORPORATION

By: /s/ Christine T. Hergenrother

Name: Christine T. Hergenrother

Title: Chief Financial Officer

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**EXHIBIT INDEX**

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**TEGAL COMPLETES AGREEMENT TO ACQUIRE ALCATEL MICRO MACHINING (AMMS)  
PRODUCT LINES AND IP FOR 3D PACKAGING AND MEMS DEVICES**

**Petaluma, Calif., September 16, 2008** — Tegal Corporation (NASDAQ: TGAL), a leading designer and manufacturer of plasma etch and deposition systems, today announced that it had completed its previously announced acquisition from Alcatel Micro Machining Systems (AMMS) and Alcatel Lucent, of their Deep Reactive Ion Etch (DRIE) and Plasma Enhanced Chemical Vapor Deposition (PECVD) products, and the related intellectual property. Under the terms of the Asset Purchase Agreement, dated September 2, 2008, Tegal paid \$1,000,000 in cash and issued 1,044,386 shares of Tegal common stock.

**About Tegal**

Tegal provides process and equipment solutions to leading edge suppliers of LED, optoelectronic, magnetic data storage, advanced semiconductor, MEMS, and nanotechnology devices. Incorporating unique, patented etch and deposition technologies, Tegal's system solutions are backed by over 35 years of advanced development and over 100 patents. Some examples of devices enabled by Tegal technology are energy efficient memories found in portable computers, cellphones, PDAs and RFID applications; megapixel imaging chips used in digital and cellphone cameras; power amplifiers for portable handsets and wireless networking gear; and MEMS devices like accelerometers for automotive airbags, microfluidic control devices for ink jet printers; and laboratory-on-a-chip medical test kits. For more information about Tegal Corporation, please visit: [www.tegal.com](http://www.tegal.com)

**About Alcatel Micro Machining Systems and Alcatel Lucent**

Alcatel Micro Machining Systems (AMMS) is a subsidiary of Alcatel-Lucent. AMMS is specialized in designing, manufacturing, marketing and servicing Deep Reactive Ion Etch (DRIE) systems as well as Plasma Enhanced Chemical Vapor Deposition (PECVD) systems for the fabrication of MEMS (Micro Electro Mechanical Systems) and Semiconductor devices. Its main application markets are the telecommunication, automotive, aerospace, computer peripheral, biomedical industries and semiconductors, including power devices and wafer level packaging. For more information about AMMS, please visit: [www.alcatelmicromachining.com](http://www.alcatelmicromachining.com)

Alcatel-Lucent provides solutions that enable service providers, enterprises and governments worldwide, to deliver voice, data and video communication services to end-users. As a leader in fixed, mobile and converged broadband access, carrier and enterprise IP technologies, applications, and services, Alcatel-Lucent offers the end-to-end solutions that enable compelling communications services for people at home, at work and on the move. With 77,000 employees and operations in more than 130 countries, Alcatel-Lucent is a local partner with global reach. The company has the most experienced global services team in the industry, and Bell Labs, one of the largest research, technology and innovation organizations focused on communications. Alcatel-Lucent achieved adjusted revenues of Euro 17.8 billion in 2007, and is incorporated in France, with executive offices located in Paris. For more information about Alcatel-Lucent, please visit: [www.alcatel-lucent.com](http://www.alcatel-lucent.com)

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