

MERGE TECHNOLOGIES INC  
Form 8-K  
February 14, 2008

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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):

February 14, 2008

MERGE TECHNOLOGIES INCORPORATED

(Exact name of registrant as specified in its charter)

Wisconsin

0-29486

39-1600938

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

6737 W. Washington Street, Milwaukee,  
Wisconsin

53214-5650

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(414) 977-4000

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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**Item 2.05 Costs Associated with Exit or Disposal Activities.**

On February 13, 2008, the Board of Directors of Merge Technologies Incorporated, a Wisconsin corporation doing business as Merge Healthcare (the "Registrant") approved a rightsizing initiative, effective immediately. Pursuant to the rightsizing, the Registrant will terminate a total of 45 positions in the United States and Canada and approximately 115 positions offshore, including consultants, in its North America Merge Healthcare and Cedara business units. The rightsizing initiative followed an extensive examination of the Registrant's expenses by its management. Based on the review, the Registrant's management recommended the rightsizing to better align the Registrant's costs with revenue-generating strategies.

In addition to the personnel reductions, the Registrant closed its offices in Burlington, Massachusetts.

The Registrant anticipates that it will incur restructuring costs of approximately \$2.0 million in the first quarter of 2008. The restructuring costs will include severance pay in the approximate amount of \$1.3 million and other costs including, primarily, rental payments on the Burlington lease in the amount of approximately \$0.7 million. The Registrant anticipates that it will make the cash severance payments in the first and second quarters of 2008, and rental payments for the Boston lease through October 2008.

A copy of the Registrant's News Release summarizing the rightsizing initiative is attached hereto as Exhibit 99.1, and the information contained therein is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

Exhibit No. 99.1 News Release of the Registrant dated February 14, 2008.

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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.

MERGE TECHNOLOGIES INCORPORATED

*February 14, 2008*

*By: Steven R. Norton*

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*Name: Steven R. Norton*

*Title: Executive Vice President & Chief Financial Officer*

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Exhibit Index

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	News Release of the registrant dated February 14, 2008