
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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)
January 5, 2012**

Pacific Biosciences of California, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34899
(Commission
File Number)

16-1590339
(IRS Employer
Identification No.)

**1380 Willow Road
Menlo Park, California 94025**
(Address of principal executive offices, including zip code)

(650) 521-8000
(Registrant's telephone number, including area code)

(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):

- 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 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

On January 5, 2012, Hugh Martin resigned from his positions as the President and Chief Executive Officer of Pacific Biosciences of California, Inc. (the "Company") effective immediately. Mr. Martin will remain as a director on the Board of Directors of the Company (the "Board") until the Company's 2012 annual meeting of stockholders and has agreed to resign from the Board effective as of the date of such meeting. The terms of Mr. Martin's separation include: (i) a lump sum payment equal to 12 months of his base salary, (ii) reimbursement for or continued COBRA coverage for 36 months after his termination date, subject to his continued eligibility, and (iii) six months of accelerated vesting with respect to any unvested options outstanding as of his termination date. Mr. Martin will also serve as a consultant to the Company for six months following his termination date and will receive a monthly consulting fee equal to \$20,000 during this period. In exchange for Mr. Martin's execution and non-revocation of a final separation agreement and release, Mr. Martin will receive an additional payment of \$30,000.

On January 5, 2012, the Board appointed Dr. Michael Hunkapiller as the Company's President and Chief Executive Officer effective immediately. Dr. Hunkapiller will also continue in his position as the Executive Chairman of the Board, to which he was appointed during October 2011. Dr. Hunkapiller, 63, has been a member of the Board since 2005. Since November 2004, Dr. Hunkapiller has been a General Partner at Alloy Ventures, a venture capital firm. Prior to Alloy, Dr. Hunkapiller spent 21 years at Applied Biosystems where he held various positions, most recently serving as president and general manager. Dr. Hunkapiller holds a Ph.D. in Chemical Biology from the California Institute of Technology and a B.S. in Chemistry from Oklahoma Baptist University. Dr. Hunkapiller will receive: (i) an annual base salary of \$400,000, (ii) a target bonus equal to 75% of his base salary, and (iii) an option grant to purchase up to 1,000,000 shares of the Company's common stock. Upon the occurrence of an involuntary termination without cause or resignation for good reason, Dr. Hunkapiller will receive: (i) severance equal to 12 months' annual base salary, (ii) continued COBRA coverage for 12 months, subject to his continued eligibility, and (iii) six months of accelerated vesting with respect to any unvested options outstanding as of his termination date. Upon the occurrence of an involuntary termination within 12 months of a change of control, Dr. Hunkapiller will receive: (i) severance equal to 12 months' annual base salary, (ii) continued COBRA coverage for 12 months, subject to his continued eligibility, and (iii) 100% vesting of any unvested equity grants outstanding as of his termination date.

The Company employs Dr. Hunkapiller's daughter, Kathryn Keho, as a Director, Scientific Collaborations. A description of Ms. Keho's compensation arrangement with the Company is contained in the Company's definitive proxy statement filed with the Securities and Exchange Commission on April 29, 2011 and is incorporated herein by reference.

ITEM 7.01. REGULATION FD DISCLOSURE

On January 6, 2012, the Company issued a press release announcing the management changes described in Item 5.02 of this Current Report on Form 8-K. A copy of the press release is included as Exhibit 99.1. This information is intended to be furnished under Item 7.01 of Form 8-K and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or 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 a filing.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Press release dated January 6, 2012 titled "Pacific Biosciences Names Michael W. Hunkapiller Chief Executive Officer" (furnished and not filed herewith solely pursuant to Item 7.01). |

SIGNATURE

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.

Pacific Biosciences of California, Inc.

By: _____ /s/ SUSAN K. BARNES
Susan K. Barnes
Executive Vice President and Chief Financial Officer

Date: January 6, 2012

EXHIBIT INDEX

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NEWS RELEASE

Pacific Biosciences Names Michael W. Hunkapiller Chief Executive Officer

MENLO PARK, Calif. – January 6, 2012 – Pacific Biosciences of California, Inc. (NASDAQ:PACB), provider of Single Molecule Real Time (SMRT®) sequencing products, today announced the appointment of Michael W. Hunkapiller, Ph.D., as President and Chief Executive Officer effective immediately. He succeeds Hugh Martin, who will remain on the Board of Directors through the company’s next annual meeting of shareholders.

Dr. Hunkapiller was named Executive Chairman of PacBio’s Board of Directors in October 2011. Dr. Hunkapiller spent 21 years of his career helping build Applied Biosystems (“ABI,” now part of Life Technologies Inc.) into a market leader in the life sciences industry. From 1995 to 2004 he served as ABI’s President and General Manager. In 2004 he joined Alloy Ventures as a General Partner, and in 2005 led Alloy’s investment in PacBio and joined the company’s Board of Directors. Dr. Hunkapiller will continue to represent Alloy Ventures as a Director of NuGEN, Verinata Health and RainDance Technologies.

“I am excited and honored to take on the role of President and CEO of PacBio,” said Dr. Hunkapiller. “Since joining the company’s Board, I have always believed that our SMRT technology would play a significant role in biological research and the advancement of medical therapies. Now that we have begun to deliver products to customers, I am more convinced than ever that we are on our way to fulfilling that promise. The company is in great position with the people, products, and cash to drive the adoption of its disruptive technology.”

Bill Ericson, PacBio’s lead independent Board Member and Mohr Davidow General Partner commented: “We are thankful for Hugh’s dedication and efforts in transforming PacBio from an early stage R&D company to a leader in single molecule technology. Mike brings unmatched expertise, experience and relationships with customers in the life science tools market and is uniquely qualified to lead the company through its next stage of growth.”

Mr. Martin commented: “Developing a technology as advanced as single molecule sequencing was a tremendous achievement for PacBio, and Mike is now the ideal person to drive the broader adoption of PacBio’s products. I am in support of this decision and am looking forward to identifying my next exciting career venture.”

For more information about Pacific Biosciences, please visit www.pacificbiosciences.com. You can also follow the company on Twitter www.twitter.com/pacbio.

About Pacific Biosciences

Pacific Biosciences’ mission is to transform the way humankind acquires, processes and interprets data from living systems through the design, development and commercialization of innovative tools for biological research. The company has developed a novel approach to studying the synthesis and regulation of DNA, RNA and proteins. Combining recent advances in nanofabrication, biochemistry, molecular biology, surface chemistry and optics, Pacific Biosciences has created a powerful technology platform called single molecule, real-time, or SMRT®, technology. SMRT technology enables real-time analysis of biomolecules with single molecule resolution, which has the potential to transform the understanding of biological systems by providing a window into these systems that has not previously been open for scientific study.

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements may contain words such as “believe,” “may,” “estimate,” “anticipate,” “continue,” “intend,” “expect,” “plan,” the negative of these terms, or other similar expressions, and include the assumptions that underlie such statements. Such statements include, but are not limited to, statements regarding the Company’s SMRT technology and the Company’s growth. These statements are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements, including but not limited to risks discussed from time to time in documents Pacific Biosciences of California, Inc. has filed with the Securities and Exchange Commission, including the risks identified under the section captioned “Risk Factors” in its recently filed Quarterly Report on Form 10-Q. All forward-looking statements are based on estimates, projections and assumptions as of the date hereof. Pacific Biosciences undertakes no obligation to update any forward-looking statements.

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