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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of report: October 20, 2008**  
(Date of earliest event reported)

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**AKAMAI TECHNOLOGIES, INC.**

(Exact Name of Registrant as Specified in Charter)

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**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**0-27275**  
(Commission File Number)

**04-3432319**  
(IRS Employer  
Identification No.)

**8 Cambridge Center, Cambridge, Massachusetts**  
(Address of Principal Executive Offices)

**02142**  
(Zip Code)

**Registrant's telephone number, including area code: (617) 444-3000**

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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 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 1.01 Entry into Material Definitive Agreement**

On October 21, 2008, Akamai Technologies, Inc., a Delaware corporation (“Akamai”), announced that it had entered into an Agreement and Plan of Merger dated October 20, 2008 (the “Merger Agreement”) by and among Akamai, Arrow Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of Akamai (the “Merger Sub”), iB Holdco Inc, a Delaware corporation (“HoldCo”), I-Behavior Inc., a Delaware corporation and a wholly-owned subsidiary of HoldCo (“I-Behavior”), aCerno Inc., a Delaware corporation and a wholly-owned subsidiary of I-Behavior (“acerno”), IB Spinco LLC, a Delaware limited liability company (“SpinCo”), the sole member of which is HoldCo, and Shareholder Representative Service, LLC, a Colorado limited liability company. Pursuant to the Merger Agreement, Merger Sub will merge with and into HoldCo (the “Merger”) and at the time of the closing of the Merger, Akamai will acquire all of the outstanding equity of HoldCo in exchange for approximately \$92 million in cash, subject to certain closing adjustments. In addition, Akamai has agreed to pay up to an additional \$8 million in the event acerno meets certain performance metrics during the fourth quarter of 2008.

The Merger Agreement further provides that, upon the closing of the Merger, all (i) outstanding vested options to purchase Holdco’s common stock granted pursuant to Holdco’s stock option plan will be cancelled in exchange for the right to receive a cash payment in connection with the Merger, (ii) unvested options to purchase Holdco’s common stock held by acerno employees who will be employed by Akamai following the Merger will be assumed by Akamai and represent the right to receive common stock of Akamai in accordance with the terms set forth in the Merger Agreement and (iii) unvested options to purchase Holdco’s common stock held by individuals who will not be employed by Akamai following the Merger will be cancelled.

Holdco, I-Behavior, acerno and Spinco (collectively, the “Holdco Entities”) have made certain representations and warranties to Akamai in the Merger Agreement and agreed to comply with certain covenants in the Merger Agreement. Subject to certain limitations, Akamai is entitled to be indemnified for any breach of these representations, warranties and covenants.

Immediately prior to the closing of the Merger, (1) certain of the assets and liabilities associated with I-Behavior will be transferred and assigned to SpinCo and (2) the equity interests in Spinco will be distributed to the shareholders of Holdco as part of a recapitalization and redemption transaction (the “Distribution”). As a result of the Distribution, in the Merger, Akamai will acquire only the acerno online advertising cooperative business. The current Holdco stockholders will continue to own the I-Behavior business. The closing of the Merger is subject to customary closing conditions. The HoldCo stockholders have already approved the Merger.

A copy of the press release announcing the signing of the Merger Agreement is filed herewith as Exhibit 99.1.

**Item 5.02 Departure of Directors of Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

(d) On October 20, 2008, Akamai’s Board of Directors elected C. Kim Goodwin as a director to fill a newly-created vacancy on its Board of Directors. Ms. Goodwin was designated as a Class III member of the Board of Directors and was elected to serve until the 2011 Annual Meeting of Stockholders or her successor is duly appointed and qualified. Ms. Goodwin most recently served as Managing Director and Head of Equities, Globally for Credit Suisse’s Asset Management Division, responsible for the management of all Credit Suisse equity products in the Americas, Europe and Asia

Pacific. Ms. Goodwin was recommended to the Board of Directors by the Nominating and Corporate Governance Committee in accordance with the provisions of the Nominating and Corporate Governance Committee Charter. Ms. Goodwin previously served as a director of Akamai from February 2004 to November 2006, when she joined Credit Suisse.

There are no arrangements or understandings between Ms. Goodwin and any other person pursuant to which Ms. Goodwin was elected as a director. Ms. Goodwin has been appointed to serve on the Audit Committee and the Compensation Committee of the Board of Directors. There are no transactions in which Ms. Goodwin has an interest requiring disclosure under Item 404(a) of Regulation S-K.

Ms. Goodwin was granted an option, pursuant to Akamai's 2006 Stock Incentive Plan, to purchase 6,250 shares of Akamai's common stock with an exercise price of \$14.85, the closing share price of Akamai's common stock on the date of grant, October 21, 2008. Such option will vest over a four-year period so long as Ms. Goodwin remains a member of the Board of Directors.

A copy of the press release announcing Ms. Goodwin's election is filed herewith as Exhibit 99.2.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

Exhibit 99.1 Press Release dated October 21, 2008

Exhibit 99.2 Press Release dated October 21, 2008

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**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.

Date: October 23, 2008

AKAMAI TECHNOLOGIES, INC.

By: /s/ Melanie Haratunian

Melanie Haratunian,  
Vice President and General Counsel

**EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated October 21, 2008
99.2	Press Release dated October 21, 2008

**FOR IMMEDIATE RELEASE**

**Contacts:**

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**Akamai Introduces Advertising Decision Solutions;  
Announces Agreement to Acquire acerno**

*Akamai to offer enhanced solutions for enabling more precise  
and efficient online advertising decisions*

**CAMBRIDGE, MA and NEW YORK, NY – October 21, 2008** – Akamai Technologies, Inc. (NASDAQ: AKAM) and acerno announced today that the two companies have signed a definitive agreement for Akamai to acquire acerno in a merger transaction. The transaction, which is subject to customary closing conditions, including the approval of acerno's stockholders, is anticipated to close later this quarter. The acquisition is not expected to have a material impact on Akamai's normalized earnings\* in 2008.

The acquisition of acerno, a unique online co-operative of shopping and purchase data for enabling more relevant online advertising, is expected to greatly enhance Akamai's Advertising Decision Solutions, a new product line also being announced today. These new Akamai solutions will enable online advertising businesses to boost the performance of their online marketing investments by driving smarter advertising decisions based on relevant audience segments.

**Real-Time Solution for Online Advertising Decision-Making**

Akamai's Advertising Decision Solutions are designed to help buyers and sellers of online advertising create attractive audience segments with the necessary scale to achieve better results from campaigns and investments. acerno's powerful technology will complement the ability of Akamai's Advertising Decision Solutions to seamlessly incorporate real-time anonymous Web browsing information with anonymous online purchasing data from advertisers' websites to present the most relevant ad. In addition, Akamai's Advertising Decision Solutions can be enabled without costly and time consuming implementation, leading to faster time to market and increased ad revenue.

As a result, publishers will be able provide advertisers with better access to relevant consumers, strengthening the relationship with those advertisers and driving increased advertising revenue. In addition, advertisers will benefit by seeing greater return on investment and improved ad campaign performance, while cutting waste from their ad budgets by reaching their intended audience at the right time. Finally, consumers, often faced with irrelevant online advertising clutter, will enjoy greater advertising relevance and continued growth in the amount of content that is available for free because it is supported by advertising.

## **Protecting Consumer Privacy**

Akamai already powers the online efforts of many of the Internet's largest publishers and ad networks, as well as hundreds of leading consumer brands. Akamai's Advertising Decision Solutions will build on the company's unique and trusted position in the online industry.

As members of the Network Advertising Initiative (NAI), Akamai and acerno are committed to maintaining both user privacy and customer confidentiality. All of Akamai's Advertising Decision Solutions, as well as acerno's services, rely solely on anonymous and non-personally identifiable end user information.

"Akamai's new Advertising Decision Solutions are a critical advancement in our product portfolio, designed to stimulate the economic model of online advertising by bringing greater simplicity and effectiveness to both ad buyers and sellers," said Paul Sagan, president and CEO of Akamai. "As a trusted and strategic partner to today's leading online retailers, publishers, and advertisers, supporting an estimated \$84 billion in e-commerce transactions on our network for U.S. retailers alone, Akamai's goal is to offer the industry's most efficient online advertising solutions, while being a leader in upholding consumer privacy. Our investment in developing the Advertising Decision Solutions line over the past two years and acquiring acerno today, represent a strategic next step for Akamai."

Mike Afegan, Akamai's CTO and senior vice president of Advertising Decision Solutions, added, "We plan to leverage and grow acerno's unique industry co-operative to enhance our new solution line. Our combined capabilities with acerno should benefit the eco-system of ad networks, online publishers and Internet advertisers by providing them with real-time, actionable data to serve more relevant marketing messages. Our Advertising Decision Solutions have already been adopted by several key stakeholders in the online advertising industry, resulting in higher revenues and better results."

"This is a big win for the online advertising industry," said Tom Sperry, president and CEO of acerno. "Greater precision in the advertising world reduces inefficiency, so advertisers earn a higher return on their investment. Together, Akamai and acerno will be able to create a unique solution for advertisers to expand their reach of customers across multiple publishers and networks, while leveraging predictive and descriptive modeling for improving conversion rates. For acerno's customers, Akamai will bring instantaneous scale and increased efficiencies to further improve the value of the co-op."

Many of the Internet's leading retailers currently contribute anonymous data to acerno's information co-op. This data is used in acerno's predictive models to determine why online shoppers actually browse, add merchandise to carts and eventually buy. In turn, this allows co-op members access to the most comprehensive source of information about what millions of online shoppers are looking to purchase and when they are likely to buy.

"Tom Sperry and Dave Hinton, chief operating officer of acerno, have assembled a first-class team, designed a set of breakthrough services, and built trusted relationships with a valuable set of clients," Sagan added. "We look forward to welcoming the entire acerno team to Akamai and to working together to build even more value for our customers."

Under terms of the agreement, Akamai will acquire all of the outstanding equity of a holding company that owns acerno in exchange for approximately \$95 million in cash, subject to certain closing adjustments. The merger transaction is expected to be accounted for by Akamai under the purchase method of accounting.

#### **About acerno**

Using anonymous consumer shopping data from product manufacturers and multi-channel retailers, acerno's powerful analytics predict who these consumers are and what products or services they are interested in buying. acerno is a community of retailers, brand marketers and consumers whose interests align: brands create consumer demand for products; retailers promote those products for sale; consumers react positively to relevant advertising. acerno was founded in 2004 by an experienced team of direct marketing, online advertising and e-commerce professionals. acerno's financial advisor in the transaction was The Jordan, Edmiston Group, Inc.

**The Akamai Difference** Akamai® provides market-leading managed services for powering rich media, dynamic transactions, and enterprise applications online. Serving the world's most recognized brands across diverse industries, Akamai has revolutionized how online publishers can monetize their content, and how online advertisers can expand their customer reach. Transforming the Internet into a more viable place to inform, entertain, advertise, interact, and collaborate, Akamai's global network of tens of thousands of distributed servers provides the scale, reliability, insight and performance for businesses to succeed online. To experience The Akamai Difference, visit [www.akamai.com](http://www.akamai.com).

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The release contains information about future expectations, plans and prospects of Akamai's management that constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995, including statements about new services to be offered by Akamai, the anticipated closing of the acquisition, the expectations with respect to benefits and the expected future business and financial performance of Akamai resulting from and following the acquisition. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors including, but not limited to, inability to successfully integrate the technology of acerno or to develop services based on the technology, material adverse changes in the financial conditions or operations of acerno, substantial delay in the expected closing of the proposed merger, inability to secure all consents and stockholder approvals necessary to effect the proposed merger and other factors that are discussed in the Company's Annual Report on Form 10-K, quarterly reports on Form 10-Q, and other documents periodically filed with the SEC.

\* In addition to providing financial measurements based on generally accepted accounting principles in the United States of America (GAAP), Akamai has historically provided additional financial metrics that are not prepared in accordance with GAAP (non-GAAP). Recent legislative and regulatory changes discourage the use of and emphasis on non-GAAP financial metrics and require companies to explain why non-GAAP financial metrics are relevant to management and investors. We believe that the non-GAAP financial metrics we have mentioned are useful to management and investors because they provide additional insight into our operations as well as help us assess and monitor developments in our business. Set forth below are definitions of the non-GAAP term we used and explanation of some of the benefits provided by this metric.

Akamai defines "normalized earnings" as net income before amortization of intangible assets, equity-related compensation, depreciation of capitalized equity-related compensation, certain gains and losses on equity investments, utilization of tax NOLs/credits and release of the deferred tax asset valuation allowance. Akamai

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considers normalized earnings to be another important indicator of the overall performance of the Company because it eliminates the effects of events that are either not part of the Company's core operations or are non-cash.



**FOR IMMEDIATE RELEASE**

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**C. KIM GOODWIN REJOINS AKAMAI BOARD OF DIRECTORS**

**CAMBRIDGE, MA – October 21, 2008** – Akamai Technologies, Inc. (NASDAQ: AKAM), the leader in powering rich media, dynamic transactions and enterprise applications online, today announced that C. Kim Goodwin will rejoin the Company’s Board of Directors, having previously served as a Director from February 2004 to November 2006.

With over twenty years of experience in investment and financial services, Ms. Goodwin most recently served as Managing Director and Head of Equities, Globally for Credit Suisse’s Asset Management Division. Based in Europe, Ms. Goodwin had been responsible for the management of all Credit Suisse equity products in the Americas, Europe and Asia Pacific, as well as all multi-country equity products.

“We are very fortunate to welcome Kim back to the Akamai Board,” said Paul Sagan, president and CEO of Akamai. “She was a trusted advisor during her earlier service as a Board member, and her strategic guidance contributed directly to Akamai’s success. I am confident Kim will pick up right where she left off and bring her recent global business experience to bear as we consider Akamai’s options to expand around the world, including in the financial sector that Kim understands thoroughly.”

Ms. Goodwin commented, “I am looking forward to the opportunity to rejoin the dynamic group of individuals that make up the Akamai Board, many of whom I had the pleasure of serving with before. Akamai remains among an elite group of leading technology companies that are profoundly transforming how business is done on the Internet. It is exciting to once again participate as a Director.”

Prior to Credit Suisse, Ms. Goodwin’s career includes senior executive positions at State Street Research & Management Company, American Century Investments, Putnam Investments, Prudential Investments, and Mellon Bank.

Along with her business accomplishments, Ms. Goodwin appears frequently in the financial press, including *CNBC*, and has been featured in *Time Magazine*, *USA Today*, *Investment News*, and *Barron’s*.

Ms. Goodwin holds a bachelor's degree in politics from Princeton, and two master's degrees from the University of Texas at Austin – one in public affairs from The Lyndon B. Johnson School of Public Affairs, and an MBA degree in finance from The McCombs School of Business.

- more -

### **The Akamai Difference**

Akamai® provides market-leading managed services for powering rich media, dynamic transactions, and enterprise applications online. Having pioneered the content delivery market one decade ago, Akamai's services have been adopted by the world's most recognized brands across diverse industries. The alternative to centralized Web infrastructure, Akamai's global network of tens of thousands of distributed servers provides the scale, reliability, insight and performance for businesses to succeed online. Akamai has transformed the Internet into a more viable place to inform, entertain, interact, and collaborate. To experience The Akamai Difference, visit [www.akamai.com](http://www.akamai.com).

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