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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 (Date of earliest event reported) January 2, 2008

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**MIPS TECHNOLOGIES, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation or Organization)

**000-24487**

(Commission File Number)

**77-0322161**

(IRS Employer Identification No.)

**1225 Charleston Road  
Mountain View, CA 94043**

(Address of Principal Executive Offices, including zip code)

**(650) 567-5000**

(Registrant's telephone number including area code)

**N/A**

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations 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 a Material Definitive Agreement.**

On January 2, 2008, MIPS Technologies, Inc. issued a press release announcing the engagement of John Derrick as President and General Manager of the Processor Business Group. A copy of the press release is attached as Exhibit 99.01 to this Current Report.

In addition, Mr. Derrick has entered into the Company's standard Indemnification Agreement and standard Change in Control Agreement, and a compensatory plan outlined in an offer letter. For more complete information, you are referred to the full text of the offer letter which is attached to this Form 8-K as Exhibit 99.02.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

99.01	Press Release, dated January 2, 2008, entitled "MIPS Technologies Appoints John Derrick President and General Manager of Processor Business Group"
99.02	Offer Letter

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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.

**MIPS TECHNOLOGIES, INC.**  
*(Registrant)*

Date: January 4, 2008

By: /s/ MERVIN S. KATO  
Name: Mervin S. Kato  
Title: Chief Financial Officer and Treasurer

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**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
99.01	Press Release, dated January 2, 2008, entitled "MIPS Technologies Appoints John Derrick President and General Manager of Processor Business Group"
99.02	Offer Letter

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## **MIPS Technologies Appoints John Derrick President and General Manager of Processor Business Group**

*Semiconductor Veteran to Manage Newly Formed Processor Business Group Following Chipidea Acquisition*

**MOUNTAIN VIEW, Calif. – January 2, 2008** – MIPS Technologies, Inc. (NASDAQ: MIPS), a leading provider of industry-standard architectures, processor cores and analog IP for digital consumer, home networking, wireless, communications and business applications, today announced that it has appointed industry veteran John Derrick to the newly created position of president and general manager of the company's Processor Business Group. Derrick will assume overall responsibility for directing and growing the microprocessor and architecture business worldwide, reporting to John Bourgoin, MIPS Technologies' President and CEO.

Following the acquisition of Chipidea in August 2007, MIPS Technologies formed the Processor Business Group alongside the Analog Business Group (formerly Chipidea). Derrick will work closely with Dr. Jose Franca, president and general manager of the Analog Business Group, to align key technologies and drive MIPS Technologies' business across top emerging digital consumer and home networking markets, where the company already enjoys a commanding presence.

"2007 was a pivotal year for MIPS Technologies, as we became the world's second largest design IP company and leading provider of analog IP worldwide," said Bourgoin. "As we enter our tenth anniversary as a public company, I couldn't imagine a stronger and more versatile leader to drive the Processor Business Group into its next phase of growth. John's rare combination of technical and business acumen, processor development expertise, deep domain knowledge and the ability to successfully align top performing marketing, sales, and technology teams will make him an invaluable addition to our growing business."

"MIPS Technologies has long been a world-class leader in the embedded market with proven technology that helps customers differentiate and win in key segments," said John Derrick. "This is one of the most exciting phases in the company's history, and we have an opportunity to extend MIPS' technology to new markets and offer an even more compelling, integrated solution for customers' next-generation SoC designs. I am thrilled to be joining the MIPS team, and look forward to driving the Processor Business Group to even higher levels of success and innovation."

Derrick began his career developing simulation models and modeling methodologies for microprocessor logic and high-frequency analog/RF devices at Texas Instruments. After that, he worked for IBM Corporation for eight years in a number of roles—including the implementation of system controllers for x86, PowerPC, and Power microprocessors. In 1999, he exclusively founded semiconductor IP startup, Chicory Systems, and was CEO until the company was sold to Parthus Technologies—where he served as an executive vice president.

Following a stint with Austin Ventures as an entrepreneur in residence, he became a founder and CEO of Conformative Systems, which was later acquired by Intel Corporation and where he was appointed general manager of the Acceleration Products Division. At these companies, Derrick led the development of businesses around hardware acceleration co-processors for Java, multimedia and XML leveraging leading processors such as MIPS as well as proprietary processor cores. Derrick was granted 19 patents for his work in systems, software and processors at IBM and has filed an additional two dozen patents at subsequent companies. He holds a bachelor's degree in electrical engineering from Iowa State University.

### **Processor Business Group**

MIPS Technologies provides the number one processor architecture across a wide array of high-growth markets, including digital television, broadband access, WiFi, cable set-top boxes, DVD recorders, HD DVDs, and VoIP. The company offers the most comprehensive line of processor cores available for the embedded market—ranging from high-performance to low power products with unique efficiencies and cost advantages for next-generation SoC designs. MIPS Technologies licenses its intellectual property to leading semiconductor companies, ASIC developers and system OEMs. As an industry-standard architecture for more than two decades, MIPS Technologies provides the most extensive range of scalable microprocessors in standard, custom, semi-custom and application-specific products worldwide. The MIPS@ Ecosystem provides a robust infrastructure of world-class standard tools, software suites and services to help ensure rapid, reliable, high-quality and cost-effective SoC development.

### **About MIPS Technologies, Inc.**

MIPS Technologies, Inc. (NASDAQ: MIPS) is the world's second largest semiconductor design IP company and the number one analog IP company worldwide. With more than 250 customers around the globe, MIPS Technologies powers some of the world's most popular products for the digital consumer, broadband, wireless, networking and portable media markets—including broadband devices from Linksys, DTVs and entertainment systems from Sony, DVD recordable devices from Pioneer, digital set-top boxes from Motorola, network routers from Cisco, 32-bit microcontrollers from Microchip Technology and laser printers from Hewlett-Packard. Today, the company owns more than 400 patent properties (patents and applications) worldwide. Founded in 1998, MIPS Technologies is headquartered in Mountain View, California, with offices worldwide. For more information, contact (650) 567-5000 or visit [www.mips.com](http://www.mips.com).

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*MIPS is a registered trademark of MIPS Technologies, Inc in the United States and other countries. All other trademarks referred to herein are the property of their respective owners.*

December 12, 2007

John E. Derrick

Dear John,

Subject to authorization and approval of the Board of Directors of MIPS Technologies, Inc., ("MIPS") we will be pleased to offer you the position of President and General Manager, Processor Business Group, reporting to me, subject to the terms and conditions contained herein. This offer includes a base salary of \$290,000 annualized, paid bi-weekly and an Executive Bonus with a target of 40% of salary, or \$116,000, and an upside to 80% of salary, or \$232,000. Your Total Target Cash Compensation, annualized will be \$406,000 with a potential upside, which could bring your actual total compensation to \$522,000.

Upon acceptance of this and in addition to your base compensation, you will be granted an employment bonus of \$50,000 to be paid at the time of your first paycheck. The bonus is earned at the rate of 1/24<sup>th</sup> per month for a two year period commencing with your date of hire. Should you terminate your employment prior to the bonus being fully earned, you agree to reimburse the company on a prorated basis, the unamortized amount of this bonus. Any amount you owe back to the company will be reported as a reduction to your W-2 income and taxes will be adjusted accordingly. This bonus is subject to applicable state and federal tax withholding when paid.

Additionally, your Employee Benefits Plan will include Medical, Dental, Life/AD&D/LTD and Vision insurance plans, 401(k), Non-Qualified Deferred Compensation Plan, Flex Spending Accounts, Employee Stock Purchase Plan, Vacation and Holiday Pay.

Subject to authorization and approval of the Board of Directors of MIPS Technologies, Inc., the terms of the applicable stock option plan and award documents, and compliance with all applicable federal and state securities laws, you will be granted an option to purchase 250,000 shares of MIPS Technologies, Inc. common stock. The grant date and per share exercise price for new hire option grants is set by the Committee designated by the Board of Directors to administer the applicable stock plan. Currently, new hire options are granted on the last Thursday of each month ("Grant Date") and are priced using the market closing price on that date. Unless otherwise notified, your option will be granted either on the Grant Date immediately following your start date, provided you commenced your employment on or before the Monday preceding that Grant Date, or on the Grant Date in the following month. Specific terms and conditions will be included in the definitive stock option award documents and will include your right to purchase your shares according to a vesting schedule. The vesting schedule will provide for one-third of the total shares to become vested 12 months from your grant date with 1/36th of the total shares vesting each month thereafter for the remaining 24 months. Unless earlier terminated, your option may be exercised only during a term of seven (7) years from your grant date and may be exercised during such term only in accordance with the terms of the plan and the definitive award documents.

In accordance with the requirements of the Immigration Reform and Control Act of 1986, you are required to provide verification of your identity and legal right to work in the United States.

You may accept this position by signing below and returning a signed copy to MIPS Human Resources by Monday, December 17, 2007.

The team and I are looking forward to you joining us and making a major contribution to the success of MIPS.

Sincerely,

/s/ JOHN BOURGOIN

John Bourgoin  
President & Chief Executive Officer  
MIPS Technologies, Inc.

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I accept this offer of employment with the understanding that it is not an employment contract. I understand that my employment with the company is not for any fixed term and constitutes at-will employment in which either I or the company may terminate at any time, for any reason, with or without notice. I also understand that upon commencement of employment, I will be expected to sign the Confidential Information and Inventions Agreement. The provisions stated in the offer of employment supersede all prior discussions and negotiations, and no other writing published by the company is intended to modify the presumptions of at-will employment status.

/s/ JOHN E. DERRICK \_\_\_\_\_  
Employee Signature

12/12/07 \_\_\_\_\_  
Today's Date

1/2/08 \_\_\_\_\_  
Start Date