CPS TECHNOLOGIES CORP/DE/
Form DEFA14A
April 26, 2017

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 14A

INFORMATION REQUIRED IN PROXY STATEMENT

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary proxy statement

Confidential, for use of the Commission only (as permitted by Rule 14a-6(e)(2))

Definitive proxy statement

Definitive additional materials

Soliciting material pursuant to §240.14a-12

CPS TECHNOLOGIES CORP.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of filing fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-(6)(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, schedule or registration statement no.:

(3) Filing party:

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Dear fellow CPS Technologies Shareholder,

My wife is accustomed to me unexpectedly pointing at a sophisticated piece of equipment and saying, we are in there . We are in there is my shorthand for a component manufactured by CPS Technologies Corp. is in that equipment.

Let s start with products out of this world: *we are in* the Mars Rover, the International Space Station and in all current-generation US GPS satellites. *We are in* the F15 and F35 jet fighter aircraft. *We are in* the Airbus A380 aircraft.

We are in high speed trains in Europe and China, and *we are in* commuter railway systems around the world. *We are in* New York subway cars. *We are in* many F1 race cars. *We are in* hybrid and electric automobiles manufactured by Audi, BMW, Mercedes, Renault and Smart Car.

In these applications CPS AlSiC metal-matrix composite components enable greater performance and/or greater reliability. These applications are engineering-intensive, exacting applications with long timelines for development. To be in there today , we had to be in the development pipeline at our customers for these applications two, three, four or even five years earlier.

What is the state of the development pipeline today? **The pipeline is fuller today than it has ever been.** Why? Because in the past two years we have:

Doubled the number of sales representatives worldwide;

Taken action to resolve a patent dispute in Japan, and enter the China market; and

Brought on board our Senior Vice President Sales and Marketing, Tom Breen, to provide greater focus and efficiency in our business development, sales and marketing initiatives.

What are we going to do differently going forward to further expand our pipeline and generate growth? We are:

Accelerating our actions to become a vendor to, and working closely with, US defense contractors on their next-generation products;

Developing next-generation products for our current markets, such as power electronics used in hybrid and electric vehicles; and

Diversifying our product offerings to reduce our dependence on any single market segment. In addition to power electronics, we are marketing products in the armor and oil and gas segments.

Not every project in a customer s development pipeline reaches fruition some are cancelled, some fail and many come to fruition and succeed. At fruition, some projects are high volume, some low volume. These dynamics, among others, underlie the quarter-to-quarter volatility in our revenues.

The benefits of metal-matrix composites, today understood primarily by early adopters , are becoming known by mainstream customers that will lead to use in higher volume applications in the future.

We are building long-term value for shareholders. As such, we are not a quarter-to-quarter company and, as a result, it is difficult for those outside the Company to see the pipeline growing due to the investments we have been making in the future. We have demonstrated our ability to manage through difficult times while simultaneously focusing on the pipeline which will, we believe, lead to substantial, sustainable long-term growth.

Moreover, your Board of Directors has put its money where its mouth is. Your Board and management team **own over 32%** of the outstanding shares of the Company s stock. Three times more than the Company s largest outside investor. No one has more at stake in the Company s success than your Board and management team.

Over the last decade, your Board has been a careful steward of the Company s capital and invested in the technology and products rather than chasing deals or engaging in the latest Wall Street corporate finance gimmicks.

As your representatives on the Board, we are very enthusiastic about the Company s prospects. We are confident that our current strategy offers shareholders the opportunity for substantial value creation.

Whether or not you plan to attend the 2017 Annual Meeting, you have an opportunity to protect your investment in the Company by voting the proxy card FOR ALL of our director nominees. Your vote is extremely important. We urge you to vote today by telephone or Internet by using the easy-to-follow instructions on the enclosed proxy card.

Thank you for becoming an owner of CPS Technologies.

On behalf of the CPS Technologies Board of Directors,

Grant Bennett

CEO

Your Vote Is Important, No Matter How Many or How Few Shares You Own

If you have questions about how to vote your shares, or need additional assistances,

please contact the firm assisting us in the solicitation of proxies:

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Shareholders Call Toll-Free (877) 750-5834

Banks and Brokers Call Collect: (212) 750-5833