

TigerLogic CORP
Form DEF 14A
January 20, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)
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

TigerLogic Corporation
(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):
 - (4) Proposed maximum aggregate value of transaction:
 - (5) Total fee paid:
- 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:
 - (4) Date Filed:

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

TIGERLOGIC CORPORATION
25A Technology Drive, Suite 100
Irvine, California 92618

Notice of Annual Meeting of Stockholders and Important Notice Regarding the
Availability of Proxy Materials for the Stockholder Meeting to Be Held on

February 23, 2012

To the Stockholders of TigerLogic Corporation:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of TigerLogic Corporation, a Delaware corporation (the "Company"), will be held at the Sheraton Sunnyvale Hotel located at 1100 North Mathilda Avenue, Sunnyvale, CA 94089, on Thursday, February 23, 2012 at 10:00 a.m. local time for the following purposes, as more fully described in the Proxy Statement accompanying this Notice:

1. To elect two (2) Class I directors of the Company to serve a term of three (3) years or until their successors are duly elected and qualified;
2. To approve and adopt the TigerLogic Corporation 2011 Amended and Restated Employee Stock Purchase Plan;
3. To ratify the appointment of KPMG LLP as independent auditors of the Company for the fiscal year ending March 31, 2012; and
4. To transact such other business as may properly come before the meeting or any adjournment thereof.

Only stockholders of record at the close of business on January 6, 2012 are entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement thereof. A list of such stockholders will be available for examination by any stockholder at the Annual Meeting, or at the office of the Secretary of the Company, 25A Technology Drive, Suite 100, Irvine, California 92618, for a period of ten (10) days prior to the Annual Meeting. A copy of the Company's Annual Report for the fiscal year ended March 31, 2011, containing consolidated financial statements, is included with this mailing. Your attention is directed to the accompanying Proxy Statement for the text of the matters to be proposed at the Annual Meeting and further information regarding each proposal to be made. **STOCKHOLDERS UNABLE TO ATTEND THE ANNUAL MEETING IN PERSON ARE ASKED TO COMPLETE, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED ENVELOPE. IF YOU ATTEND THE ANNUAL MEETING, YOU MAY REVOKE YOUR PROXY AND VOTE IN PERSON IF YOU WISH.**

The Proxy Statement and Annual Report are also available at www.cfpproxy.com/4347

By Order of the Board of Directors,

Richard W. Koe
Chairman of the Board
Irvine, California
January 20, 2012

TIGERLOGIC CORPORATION
25A Technology Drive, Suite 100
Irvine, California 92618

PROXY STATEMENT

INFORMATION CONCERNING SOLICITATION AND VOTING

This Proxy Statement is furnished by the Board of Directors of TigerLogic Corporation, a Delaware corporation (the “Board” and the “Company,” respectively), in connection with the solicitation of proxies to be voted at the Annual Meeting of Stockholders (the “Annual Meeting”) of the Company to be held on Thursday, February 23, 2012, at 10:00 a.m. local time, at the Sheraton Sunnyvale Hotel located at 1100 North Mathilda Avenue, Sunnyvale, CA 94089, and at any adjournments or postponements thereof. Our principal executive office is located at 25A Technology Drive, Suite 100, Irvine, California 92618 and our telephone number is (949) 442-4400. The purposes of the Annual Meeting are set forth in the accompanying Notice of Annual Meeting of Stockholders.

This Proxy Statement and the Notice of Annual Meeting and proxy are being mailed on or about January 20, 2012, to all stockholders entitled to vote at the Annual Meeting. ANY PROXY IN WHICH NO DIRECTION IS SPECIFIED WILL BE VOTED IN FAVOR OF EACH OF THE MATTERS FOR WHICH NO DIRECTION IS SPECIFIED.

GENERAL INFORMATION ABOUT THE MEETING

The close of business on January 6, 2012 has been fixed as the record date for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting. On that date, the Company's outstanding voting securities consisted of 28,164,347 shares of Common Stock, which were held by approximately 131 stockholders of record.

Holders of a majority of the Company's outstanding securities entitled to vote must be present, in person or by proxy, at the Annual Meeting in order to have the required quorum for the transaction of business. If the shares present, in person or by proxy, at the Annual Meeting do not constitute the required quorum, the Annual Meeting may be adjourned to a subsequent date for the purpose of obtaining a quorum. If a broker, bank or other nominee holds your shares, you will receive instructions from them that you must follow in order to have your shares voted.

Shares that are voted “FOR,” “AGAINST,” “WITHHOLD AUTHORITY” or “ABSTAIN” will be treated as being present at the Annual Meeting for purposes of establishing a quorum. Accordingly, if you have returned a valid proxy or attend the Annual Meeting in person, your shares will be counted for the purpose of determining whether there is a quorum, even if you wish to abstain from voting on some or all matters at the Annual Meeting. Broker “non-votes” (i.e., votes from shares held of record by brokers as to which the beneficial owners have given no voting instructions) will also be counted as present for purposes of determining the presence of a quorum.

Abstentions are included in determining the number of shares voted on the proposals submitted to stockholders (other than the election of directors) and will have the same effect as a vote against such proposals. Because directors are elected by a plurality of the votes of the shares represented at the Annual Meeting, abstentions will have no effect on the outcome of the election of directors. Although broker non-votes will be counted for the purpose of determining the presence of a quorum, broker non-votes will not be counted for the purpose of determining the number of shares voted on the proposals submitted to stockholders. Accordingly, broker non-votes will have no effect on the outcome of a vote on any of the proposals.

Whether or not you are able to attend the Annual Meeting, the Company urges you to submit your proxy, which is solicited by the Board. You are urged to give instructions as to how to vote your shares. All properly executed proxies delivered pursuant to this solicitation and not revoked will be voted at the Annual Meeting in accordance with the directions given. Any proxy for which no instructions are given will be voted in accordance with the following recommendations of our Board:

“FOR” the election of Douglas G. Marshall and Philip D. Barrett as Class I directors to serve a term of three (3) years expiring at the Annual Meeting of Stockholders following the fiscal year ending on March 31, 2014 or until their successors are duly elected and qualified.

“FOR” approval and adoption of the TigerLogic Corporation 2011 Amended and Restated Employee Stock Purchase Plan.

“FOR” ratification of KPMG LLP as our independent auditors for the fiscal year ending March 31, 2012.

We are not aware of any matters to be presented other than those described in this Proxy Statement. If any matters not described in the Proxy Statement are properly presented at the Annual Meeting, the persons designated in the enclosed proxy (the “Proxy Agents”) will use their own judgment to determine how to vote your shares. If the Annual Meeting is adjourned, the Proxy Agents can vote your shares on the new meeting date as well, unless you have revoked your proxy.

You may revoke your proxy at any time prior to its use by (i) delivering a written notice of revocation to the chief financial officer of the Company; (ii) filing a duly executed proxy bearing a later date with the Company; or (iii) attending the Annual Meeting and voting in person.

The costs of this solicitation, including the preparation, assembly, web hosting, printing and mailing of this Proxy Statement and the proxy, will be borne by the Company. The Company will request brokerage houses and other nominees, custodians and fiduciaries to forward soliciting material to beneficial owners of the Company's voting securities. The Company may reimburse brokerage firms and other persons representing beneficial owners for their expenses in forwarding solicitation materials to beneficial owners. Proxies may also be solicited by certain of the Company's directors, officers and regular employees, without additional compensation, either personally or by telephone or facsimile. Except as described above, the Company does not intend to solicit proxies other than by mail.

PROPOSAL ONE
ELECTION OF DIRECTORS

General

The Amended and Restated Bylaws of the Company provide that the Board is to be composed of no less than five (5) and no more than nine (9) directors divided into Classes I, II and III, each with as nearly equal a number of directors as possible. The exact number of directors is currently set at six (6) by resolution of the Board. The directors are elected to serve staggered three-year terms, with the term of one class of directors expiring each year at the Annual Meeting of Stockholders.

At the Annual Meeting, two (2) individuals will be elected as Class I directors to serve for a three (3) year term or until their successors are duly elected and qualified. The Board has nominated Douglas G. Marshall and Philip D. Barrett for election as Class I directors at the Annual Meeting.

The Board knows of no reason why the nominee would be unable or unwilling to serve, but if the nominee should, for any reason, be unable or unwilling to serve, the proxies will be voted for the election of such other person to the office of director as the Board may recommend in the place of the nominee.

THE BOARD RECOMMENDS A VOTE "FOR" APPROVAL OF THE NOMINEES FOR ELECTION AS MEMBERS OF THE BOARD.

Voting Information

Proxies solicited by the Board will, unless otherwise directed, be voted to elect the nominees proposed by the Board. A stockholder submitting a proxy may vote for the nominees for election to the Board or may withhold his or her vote from the nominees. Each stockholder will be entitled to one (1) vote for each share of Common Stock held by the stockholder on the record date. Directors are elected by a plurality of votes, and, therefore, if a quorum is present and voting, the two nominees receiving the highest number of affirmative votes will be elected to the Board. Abstentions and broker non-votes, while included for the purpose of determining the presence of a quorum at the Annual Meeting, will have no effect on the vote. The Proxy Agents will vote your shares "FOR" the nominees unless instructions to the contrary are indicated in the enclosed proxy.

Each nominee has agreed to serve the Company as a director if elected. However, should a nominee become unwilling or unable to serve if elected, the Proxy Agents will exercise their voting power in favor of such other person as the Board may recommend. The Company's Amended and Restated Certificate of Incorporation does not provide for cumulative voting in the election of directors.

Nominees and Current Directors

The following table sets forth the names, ages, as of December 31, 2011, and committee memberships of the current directors of the Company, the dates they joined the Board and the years in which their terms expire:

Name of Director	Age	Director Since	Term Expires(1)
Douglas G. Marshall (2,3,4).....	55	1998	2011
Philip D. Barrett (3).....	55	2007	2011
Richard W. Koe (2,4,5).....	55	2003	2012
Douglas G. Ballinger (2,4).....	52	2009	2012
Gerald F. Chew.....	51	1998	2013
Nancy M. Harvey (3).....	58	2011	2013

(1) Each term ends on the date of the Annual Meeting of Stockholders held following the fiscal year ending on March 31 of such year.

- (2) Member of the Compensation Committee.
 - (3) Member of the Audit Committee.
 - (4) Member of the Nominating and Corporate Governance Committee.
 - (5) Member of the Stock Committee, a subcommittee of the Compensation Committee.
-

The following is a brief summary of the background of each director:

Mr. Koe was appointed Interim President and Chief Executive Officer on February 26, 2009. Mr. Koe joined the Board of Directors in January 2003 and has served as Chairman since December 2004. Mr. Koe has served as Managing General Partner for Astoria Capital Partners, L.P. and Montavilla Partners, L.P., both of which are investment partnerships, and as President of Astoria Capital Management (“ACM”), since July 1991. Astoria Capital Partners, L.P. (“Astoria”) is a significant stockholder of the Company, holding a majority of the Company's outstanding Common Stock. Mr. Koe holds a B.A. in History from the University of Oregon. Mr. Koe serves as Chairman of the Compensation Committee and the Nominating and Corporate Governance Committee and is the sole member of the Stock Committee, a subcommittee of the Compensation Committee. Mr. Koe has significant executive leadership experience having served as President of ACM and Managing General Partner for Astoria and Montavilla Partners, L.P., for over 20 years. This experience, combined with almost 11 years relationship with us as a major shareholder, and over eight years service on our Board of Directors, including as Chairman, uniquely qualifies Mr. Koe to continue to serve as our Interim President and Chief Executive Officer, and as our director.

Mr. Chew was appointed as our Senior Vice President, Corporate and Product Development in September 2011. Mr. Chew joined the Board in July 1998. Since October 2003, Mr. Chew has served as Managing Director of Bridgetown Associates LLC, an investment advisory firm. From September 2008 to June 2010, Mr. Chew served as a Senior Vice President at IHS, Inc. (NYSE: IHS), a leading global source of critical information and insight. Mr. Chew served as President and Chief Operating Officer of MDSI Mobile Data Solutions Inc. (Nasdaq: MDSI), a provider of mobile workforce management solutions, from April 2001 to March 2002, and served as a director of MDSI from 1995 until April 2001. Mr. Chew holds a B.S. in Electrical Engineering from the University of California, Davis and an M.B.A. from the Amos Tuck School of Business Administration at Dartmouth College. Mr. Chew is also an advisor to several private companies. Until joining the Company as an employee in September 2011, Mr. Chew served as Chairman of the Audit Committee and served on the Compensation Committee and the Nominating and Corporate Governance Committee. The Board believes Mr. Chew's extensive senior executive experience in publicly listed technology companies, combined with his 13 years of service as a director on our Board, qualifies Mr. Chew to continue to serve as our director.

Mr. Marshall joined the Board in July 1998. Mr. Marshall is the Chief Membership Officer of First Tech Federal Credit Union, a financial services company formed from the merger of Addison Avenue Federal Credit Union and First Tech Credit Union in January 2011. Mr. Marshall joined Addison Avenue Federal Credit Union as its Chief Marketing Officer in July 2008. From November 2001 to June 2008, Mr. Marshall held senior management positions at Washington Mutual, a financial services company, most recently as Senior Vice President of Deposit Strategy and Product Management. From August 1994 to November 2001, Mr. Marshall held a number of marketing positions at Bank of America (NYSE: BAC), a financial services company, most recently as Senior Vice President of Brand Management. Mr. Marshall holds a B.A. in English from Seattle Pacific University and an M.B.A. from the University of Washington. Mr. Marshall serves on the Audit Committee, Compensation Committee and the Nominating and Corporate Governance Committee. The Board believes Mr. Marshall's significant senior management and marketing experience, combined with his 13 years of service as a director on our Board, qualifies Mr. Marshall to continue to serve as our director.

Mr. Barrett joined the Board in November 2007. Mr. Barrett is the Chairman and co-owner of Machine Sciences Corporation, a private company he co-founded in July 2001 that specializes in the manufacturing of high precision machine parts for the aerospace and optics industries. Mr. Barrett also serves as Managing Partner of Barrett Hill Vineyards and Winery, a private wine company he founded in March 2005. In addition, Mr. Barrett has been a private investor since 1995. In July 1998, Mr. Barrett was appointed a director of the Company and served as our Chairman from December 1998 until our merger with PickAx, Inc. in November 2000. From January 1995 to November 1998, Mr. Barrett served as President and Owner of Oregon Pro Sport, a company that managed professional sports teams. From January 1991 to February 1994, Mr. Barrett served as President and co-owner of Supra Products, Inc., a manufacturer of high technology access control systems that was sold to Berwind Industries and General Electric in September 1994. Mr. Barrett received his B.A. in Accounting from Seattle Pacific University and his M.B.A. from the University of Rhode Island. Mr. Barrett currently teaches a Business Leadership course at Corban University as an

adjunct professor. Mr. Barrett serves on the Audit Committee. The Board believes Mr. Barrett's broad entrepreneurship and technology experience qualifies Mr. Barrett to continue to serve as our director. Mr. Ballinger joined the Board in September 2009. Mr. Ballinger is President of PageDNA, a privately held company based in Redwood City, CA specializing in web-to-print software. Mr. Ballinger founded PageDNA in April 1997. From September 1991 to March 1997, Mr. Ballinger was a principal of Metagraphic, Inc., a Palo Alto based digital pre-media firm, and prior to that he was in sales with Pacific Lithograph Company of San Francisco. Mr. Ballinger holds a B.A. in History from Stanford University. Mr. Ballinger serves on the Compensation Committee and the Nominating and Corporate Governance Committee. The Board believes Mr. Ballinger's executive and management experience in the technology industry qualifies Mr.

Ballinger to continue to serve as our director.

Ms. Harvey joined the Board in September 2011. Ms. Harvey currently serves as an Executive-in-Residence at UChicagoTech, the Office of Technology and Intellectual Property of the University of Chicago, and has been an independent management consultant since April 2010. From January 2008 to March 2010, Ms. Harvey served as Executive Director at Wolfram Research Inc., a developer of technical computing software and other resources, and as Chief Executive Officer of Wolfram Solutions, which provides comprehensive solutions bundling professional services and Wolfram technologies. From December 2005 to December 2007, Ms. Harvey was an independent management consultant. Ms. Harvey served as President and Chief Executive Officer of TenFold Inc. (Nasdaq and OTC Bulletin Board: TENF), a provider of enterprise software solutions and an applications development platform, from January 2001 to November 2005, as a director of TENF from January 2001 to May 2006, as Chief Financial Officer of TENF from April 2002 to November 2005, and as Chief Operating Officer of TENF from July 2000 to January 2001. From October 1997 to May 2000, Ms. Harvey served as Executive Vice President of CSC Health Care Group, a global business vertical within the Computer Sciences Corporation (NYSE:CSC). Ms. Harvey holds a B.A. in Biology and Chemistry from the College of Creative Studies of the University of California, Santa Barbara; a Ph.D. in Chemical Physics from the University of Minnesota; and an M.B.A. from the Wharton School of the University of Pennsylvania. Ms. Harvey serves as Chairperson of the Audit Committee. The Board believes Ms. Harvey's extensive senior executive experience in publicly listed technology companies, combined with her previous directorship experience in a publicly listed technology company, qualifies Ms. Harvey to serve as our director.

To the Company's knowledge, with the exception of Mr. Chew and Mr. Koe, who are cousins, there are no family relationships between any of our directors and executive officers.

The Board's Leadership Structure

The Board believes the interests of all stockholders are best served at the present time through a leadership model with a combined Chairman/Chief Executive Officer position. Mr. Koe, our current Interim President and Chief Executive Officer was our Chairman prior to his appointment as an executive officer and possesses an in-depth knowledge of the Company and its operations in the United States and Europe, and has been instrumental in identifying various growth opportunities. The Board believes that, at least until the successor Chief Executive Officer is identified and appointed, these experiences and other insights put Mr. Koe in the best position to provide broad leadership for the Board as it considers strategy and as it exercises its fiduciary responsibilities to our stockholders. We do not have a Lead Independent Director. A majority of the Board is comprised of independent directors who provide strong leadership for the Board and each of the committees of the Board. Each independent director has access to the Company's executives, may call meetings of the independent directors, and may request agenda topics to be added or dealt with in more detail at meetings of the full Board or an appropriate Board committee. The independent directors meet from time to time, as deemed appropriate in their discretion, in their various capacities, and the Audit Committee members meet with our outside auditors on a regular basis. Further, the Board periodically reviews the Company's leadership structure and retains authority to separate the positions of Chairman and Chief Executive Officer at any time.

The Board's Role in Risk Oversight

The Board oversees that the assets of the Company are properly safeguarded, that the appropriate financial and other controls are maintained, and that the Company's business is conducted in compliance with applicable laws and regulations and proper governance. Included in these responsibilities is the Board's oversight of the various risks facing the Company, including strategic and competitive risks, financial risks, legal risks and operational risks. While the Board is responsible for appropriate risk oversight, Company management is responsible for the day-to-day risk management. The Company has robust processes and a strong internal control environment to identify and manage risks and to communicate with the Board. The Board and the Audit Committee monitor and evaluate the effectiveness of the internal controls and the risk management programs. Management communicates routinely with the Board, Board committees and individual directors on the significant risks identified and how they are being managed. Directors are free to, and often do, communicate directly with senior management.

The Board implements its risk oversight function both as a whole and through committees. Much of the work is delegated to the committees, which meet regularly and report back to the full Board. All committees, and especially the Audit Committee, play significant roles in carrying out the risk oversight function. In particular:

-

Edgar Filing: TigerLogic CORP - Form DEF 14A

The Audit Committee oversees risks related to the Company's financial matters, including credit and liquidity risks, the financial statements and reporting process, accounting and legal matters. The Audit Committee members meet separately with representatives of the independent auditors.

The Compensation Committee evaluates the risks and rewards associated with the Company's compensation philosophy and programs. The Compensation Committee reviews and approves compensation programs with

features that mitigate risk without diminishing the incentive nature of the compensation. Management discusses with the Compensation Committee the procedures that have been put in place to identify and mitigate potential risks in compensation.

The Nominating and Corporate Governance Committee oversees risk related to our overall governance, including Board and committee composition, Board size and structure, director independence, and corporate governance profile. The Nominating and Corporate Governance Committee oversees the Company's ethics programs, including the Code of Conduct, and is engaged in overseeing risks associated with succession planning for the Board and management.

Meetings and Committees of the Board of Directors

The Board currently has three (3) committees and one (1) subcommittee: an Audit Committee, a Compensation Committee, a Stock Committee, which is a subcommittee of the Compensation Committee, and a Nominating and Corporate Governance Committee. The following describes each committee, its current membership, the number of meetings held during the fiscal year ended March 31, 2011, and its function. Other than Mr. Koe, all members of these committees are non-employee directors.

The Board held four (4) meetings during the fiscal year ended March 31, 2011. Each director, during his term, attended more than 75% of the meetings of the Board and of the committees and subcommittees on which he served. The Board has determined that all of its directors, other than Mr. Koe and Mr. Chew, are "independent" for purposes of the applicable rules and regulations of the Securities and Exchange Commission ("SEC") and the applicable rules of the listing standards of the NASDAQ Stock Market ("NASDAQ"). Mr. Chew was an "independent" director prior to joining the Company as an employee in September 2011. The Company relies on the "Controlled Company" exemption set forth in Rule 5615(c)(2) of the NASDAQ listing standards because Mr. Koe serves on both the Compensation Committee and the Nominating and Corporate Governance Committee. The Company is a "Controlled Company" as defined in such Rule because more than 50% of the voting power of the Company is held by Astoria.

The members of the Audit Committee are Ms. Harvey, Mr. Marshall and Mr. Barrett. The Audit Committee held five (5) meetings during the fiscal year ended March 31, 2011. The functions of the Audit Committee include reviewing and supervising the financial controls of the Company, appointing, compensating and overseeing the work of the independent auditors, reviewing the books and accounts of the Company, meeting with the officers of the Company regarding the Company's financial controls, acting upon recommendations of the independent auditors and taking such further actions as the Audit Committee deems necessary to complete an audit of the books and accounts of the Company. The Board has adopted a written charter for the Audit Committee which is posted on our website at www.tigerlogic.com. The Board has determined that the members of the Audit Committee are "independent" for purposes of the applicable rules and regulations of the SEC and the applicable rules of the NASDAQ listing standards. The Board has determined that Nancy M. Harvey qualifies as an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K promulgated by the SEC.

The members of the Compensation Committee are Mr. Koe, Mr. Marshall and Mr. Ballinger. The Compensation Committee held one (1) meeting during the fiscal year ended March 31, 2011. The Compensation Committee's scope and authority includes reviewing with management cash and other compensation policies for employees, making recommendations to the Board regarding compensation matters, including the annual goals, objectives and compensation of the Chief Executive Officer and our other executive officers, and administering the Company's equity compensation plans and approving grants of equity compensation under such plans. The Compensation Committee has the ability to delegate its authority to administer the Company's equity compensation plans to a subcommittee. The Compensation Committee has delegated to its Stock Committee the authority to grant equity incentives and to determine the terms and conditions of such grants within the terms of the equity compensation plan.

The Compensation Committee did not retain a compensation consultant to advise them on compensation issues in the 2011 fiscal year. When reviewing our overall compensation strategy and policies, the Compensation Committee reviews performance goals and objectives relating to compensation, reviews and advises the Board concerning regional and industry-wide compensation practices and trends to assess the adequacy and competitiveness of our executive compensation programs among comparable companies in our industry, and reviews the terms of any employment agreement, severance agreement and change of control protections for our executive officers. The Compensation Committee considers recommendations from the Chief Executive Officer regarding total compensation

Edgar Filing: TigerLogic CORP - Form DEF 14A

for directors and the other executive officers, but does not delegate authority for such compensation decisions which are determined by the Compensation Committee and the full Board. The Board has adopted a written charter for the Compensation Committee, which is posted on our website at www.tigerlogic.com. The Board has determined that the members of the Compensation Committee, other than Mr. Koe, are “independent” for purposes of the applicable rules and regulations of the SEC and the applicable rules of the NASDAQ listing standards.

The members of the Nominating and Corporate Governance Committee are Mr. Koe, Mr. Marshall and Mr. Ballinger. The Nominating and Corporate Governance Committee held one (1) meeting during the fiscal year ended March 31, 2011. The Nominating and Corporate Governance Committee makes recommendations to the Board regarding the size and composition of the Board, establishes procedures for the nomination process, recommends candidates for election to the Board and nominates officers for election by the Board. In addition, the Nominating and Corporate Governance Committee reviews and reports to the Board on a periodic basis with regard to matters of corporate governance. The Board has adopted a written charter for the Nominating and Corporate Governance Committee, which is posted on our website at www.tigerlogic.com. The Board has determined that the members of the Corporate Governance and Nominating Committee, other than Mr. Koe, are "independent" for purposes of the applicable rules and regulations of the SEC and the applicable rules of the NASDAQ listing standards.

The Nominating and Corporate Governance Committee will consider recommendations for candidates to the Board from stockholders holding no less than 2% of the outstanding shares of the Company's voting securities continuously for at least 12 months prior to the date of the submission of the recommendation for nomination. If the Nominating and Corporate Governance Committee wishes to identify new independent director candidates for Board membership, it is authorized to retain, and to approve the fees of, third party executive search firms to help identify prospective director nominees. A stockholder that desires to recommend a candidate for election to the Board shall direct the recommendation in writing to TigerLogic Corporation, attention: Corporate Secretary, 25A Technology Drive, Suite 100, Irvine, California 92618, and must include the candidate's name, home and business contact information, detailed biographical data and qualifications, information regarding any relationships between the candidate and the Company within the last three years and evidence of the nominating person's ownership of Company stock, a statement from the recommending stockholder in support of the candidate, references, particularly within the context of the criteria for Board membership, including issues of character, diversity, skills, judgment, age, independence, industry experience, expertise, corporate experience, length of service, other commitments and the like, and a written indication by the candidate of her/his willingness to serve, if elected. The Nominating and Corporate Governance Committee has not formally adopted any specific, minimum qualifications that must be met by each candidate for the Board, nor are there specific qualities or skills that are necessary for one or more of the members of the Board to possess. The Nominating and Corporate Governance Committee believes that candidates and nominees must reflect a Board that is comprised of directors who (i) are predominantly independent, (ii) are of high integrity, (iii) have or have had experience in positions with a high degree of responsibility, (iv) are or were leaders in the companies or institutions with which they are or were affiliated, (v) have qualifications that will increase overall Board effectiveness and (vi) meet other requirements as may be required by applicable rules, such as financial literacy or financial expertise with respect to audit committee members. In order to identify and evaluate nominees for director, the Nominating and Corporate Governance Committee regularly reviews the current composition and size of the Board, reviews qualifications of nominees, evaluates the performance of the Board as a whole, evaluates the performance and qualifications of individual members of the Board eligible for re-election at the annual meeting of stockholders, considers such factors as character; diversity; skills; judgment; age; independence; industry experience; expertise; corporate experience; length of service; other commitments and the like; and the general needs of the Board, including applicable independence requirements. The Nominating and Corporate Governance Committee considers each individual candidate in the context of the current perceived needs of the Board as a whole. The Nominating and Corporate Governance Committee uses the same process for evaluating all nominees, regardless of the original source of the nomination.

The Company encourages all incumbent directors and nominees for election as director to attend the annual meeting of stockholders. Mr. Koe, Mr. Chew, Mr. Marshall and Mr. Barrett attended the annual meeting of stockholders on February 24, 2011.

Stockholder Communications with the Board

A stockholder that desires to communicate directly with the Board or one or more of its members concerning the affairs of the Company shall direct the communication in written correspondence by letter to TigerLogic Corporation, attention Corporate Secretary, 25A Technology Drive, Suite 100, Irvine, California 92618. If such communication is intended for some, but not all, of the members of the Board, the intended recipients shall be clearly indicated in bold

type at the beginning of the letter. Alternatively, a stockholder may communicate anonymously with the non-employee members of the Board via the website www.mysafeworkplace.com.

Stockholder Nominations for Director

Our Amended and Restated Bylaws provide that nominations for election to the Board may be made by the Board, any nominating committee of the Board or any stockholder entitled to vote for election of directors at the meeting. A stockholder who wishes to make a nomination must comply with the notice procedures set forth in Section 2.10 of our Amended and Restated Bylaws. To be timely, such notice must be delivered to or mailed and received at the principal executive offices of the

Company, not less than ninety (90) days nor more than one hundred twenty (120) days prior to the first anniversary of the date on which the Company first mailed its proxy materials for the previous Annual Meeting of the Stockholders (or the date on which the Company mails its proxy materials for the current year if during the prior year the Company did not hold an Annual Meeting or if the date of the Annual Meeting was changed more than thirty (30) days from the prior year). In the case of our next Annual Meeting, this notice must be received by us no later than October 22, 2012 and no earlier than September 22, 2012. Such notice must include the information specified in Section 2.10 of our Amended and Restated Bylaws, which is posted on our website at www.tigerlogic.com.

PROPOSAL TWO
APPROVAL AND ADOPTION OF
2011 AMENDED AND RESTATED
EMPLOYEE STOCK PURCHASE PLAN

At the Annual Meeting, stockholders will be asked to vote on a proposed adoption of the Company's 2011 Amended and Restated Employee Stock Purchase Plan (the "Stock Purchase Plan"). A general description of the principal terms of the Stock Purchase Plan is set forth below. This description is qualified in its entirety by the terms of the Stock Purchase Plan, as proposed to be adopted, which is attached to this Proxy Statement as Appendix A and is incorporated herein by reference.

General Description

In October 2011, the Board adopted, subject to the approval of stockholders at the Annual Meeting, the Stock Purchase Plan by amending and restating the Company's 2001 Employee Stock Purchase Plan (the "2001 Plan"), which otherwise was scheduled to expire by its own terms. The main changes in the Stock Purchase Plan from the 2001 Plan are: (i) to eliminate the ten-year term limit; (ii) to amend the definition of compensation used under the Stock Purchase Plan to include deferrals made under qualified transportation benefit programs; and (iii) to increase the hours per week that an otherwise eligible employee must work in order to be able to participate in the Stock Purchase Plan from more than ten (10) to more than twenty (20). In addition, the Stock Purchase Plan clarifies certain provisions of the 2001 Plan and amends various technical provisions in order to comply with applicable laws.

The total number of shares of the Company's common stock reserved for issuance and available for purchase under Stock Purchase Plan shall not increase from the 2001 Plan and shall remain at 1,000,000 (less any shares already issued under the 2001 Plan). These shares will continue to be subject to adjustment in the event of a stock split, stock dividend or other similar change in the common stock or the capital structure of the Company, and subject to certain limitations under state securities regulations.

As of January 1, 2012, 644,928 shares were issued under the 2001 Plan since its inception, and the number of shares that would remain available for issuance under the Stock Purchase Plan was 355,072. As of January 1, 2012, approximately 64 employees were eligible to participate in the Stock Purchase Plan.

It is the intention of the Company to have the Stock Purchase Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Internal Revenue Code of 1986, as amended (the "Code"). The provisions of the Stock Purchase Plan, accordingly, shall be construed so as to extend and limit participation in a manner consistent with the requirements of that section of the Code.

Summary of the Stock Purchase Plan

Purpose. The purpose of the Stock Purchase Plan is to provide employees of the Company and its designated parents or subsidiaries with an opportunity to purchase common stock of the Company through accumulated payroll deductions.

Administration. The Stock Purchase Plan shall be administered by the Board of Directors of the Company or a committee of the Board appointed by the Board of Directors (the "Plan Administrator"). The Plan Administrator shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Stock Purchase Plan, to determine eligibility and to adjudicate all disputed claims filed under the Stock Purchase Plan. Every finding, decision and determination made by the Plan Administrator shall, to the full extent permitted by law, be final and binding upon all parties. Members of the Board receive no additional compensation for their services in connection with the administration of the Stock Purchase Plan.

Eligibility. All employees of the Company, and its designated parents or subsidiaries, whose customary employment is for more than five (5) months in any calendar year and more than twenty (20) hours per week are eligible to participate in the Stock Purchase Plan. Employees subject to rules or laws of a foreign jurisdiction that prohibit or make impractical the participation of such employees in the Stock Purchase Plan are not eligible to participate. Employees who have completed fewer than five (5) business days of service with the Company as of a given

enrollment date also are not eligible to participate. In addition, no employee will be granted an option under the Stock Purchase Plan if, (i) immediately after the grant, such employee, taking into account stock owned by any other person whose stock would be attributed to such employee pursuant to section 424(d) of the Code, would own stock and/or hold outstanding options to purchase stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Company or any of its designated parents or subsidiaries, or (ii) which permits the employee's rights to purchase stock under all employee stock purchase plans of the Company and its parents or subsidiaries to accrue at a rate which exceeds twenty-five thousand dollars (\$25,000) worth of stock, determined at the fair market value of the shares at the time such option is granted, for each calendar year in which such option is outstanding at any time.

Purchase of Shares. The Stock Purchase Plan designates offer periods and exercise dates. The Stock Purchase Plan shall be implemented through consecutive offer periods of six (6) months' duration commencing each February 15 and August 15, except that the initial offer period shall commence on the later of (i) February 15, 2012 or the date stockholders' approval of the Stock Purchase Plan has been received by the Company. On the first day of each offer period, a participating employee is granted a purchase right which is a form of option to be automatically exercised on the last day of the offer period. When the purchase right is exercised, the employee's withheld salary is used to purchase shares of common stock of the Company. The price per share at which shares of common stock are to be purchased under the Stock Purchase Plan during any offer period is eighty-five percent (85%) of the fair market value of the common stock on the first day of the offer period or eighty-five percent (85%) of the fair market value of the common stock on the last day of the offer period, whichever is lower. If there is a change in the capitalization during an offer period due, for example, to a stock split, stock dividend or stock reclassification, the price per share on the first day of the offer period is proportionally increased or decreased. No fractional shares will be purchased; any payroll deductions accumulated in a participant's account which are not sufficient to purchase a full share shall be carried over to the next offer period or returned to the participant, if the participant withdraws from the Stock Purchase Plan. Payroll deductions may range from one percent (1%) to ten percent (10%) in whole percentage increments of an employee's regular base salary, overtime, bonuses, annual awards and other incentive payments from the Company or one or more designated parents or subsidiaries. Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code, a participant's payroll deductions may be decreased to zero percent (0%).

Grant of Option. On the first day of each offer period, each participant shall be granted an option to purchase 1,500 shares of the Company's common stock, (subject to certain limitations described in "Eligibility" and "Purchase of Shares" above). This amount represents the maximum number of shares that a participant may purchase during an offer period and is further limited by the \$25,000 limit set forth above under "Eligibility."

In addition, the maximum number of shares all participants will be able to purchase in an offer period is the number of shares remaining under the Stock Purchase Plan on the enrollment date for that offer period.

Equal Rights and Privileges. All employees granted an option under the Stock Purchase Plan shall have the same rights and privileges.

Withdrawal. A participant may either (1) withdraw all but not less than all the payroll deductions credited to his or her account and not yet used to exercise his or her option under the Stock Purchase Plan or (2) terminate future payroll deductions, but allow accumulated payroll deductions to be used to exercise the participant's option under the Stock Purchase Plan. If a participant elects the first withdrawal alternative, all of the participant's payroll deductions credited to his or her account will be paid to such participant promptly after receipt of notice of withdrawal, the participant's option for the offer period will be automatically terminated and no further payroll deductions for the purchase of shares will be made during the offer period. If a participant elects the second withdrawal alternative, no further payroll deductions for the purchase of shares will be made during the offer period, all of the participant's payroll deductions credited to the participant's account will be applied to the exercise of the participant's option on the last day of that offer period and the participant's option for the offer period will be automatically terminated. If a participant withdraws from an offer period, payroll deductions will not resume at the beginning of the succeeding offer period unless the participant delivers to the Company a new subscription agreement.

Termination of Employment. Upon termination of a participant's employment relationship, at a time more than three (3) months from the last day of the current offer period, the payroll deductions credited to such participant's account during the offer period but not yet used to exercise the option will be returned to such participant or, in the case of his or her death, to the person or persons entitled thereto, and such participant's option will be automatically terminated. Upon termination of a participant's employment relationship within three (3) months of the last day of the current offer period, the payroll deductions credited to such participant's account during the offer period, but not yet used to exercise the option, will be applied to the purchase of common stock on the last day of the current offer period, unless the participant, or in the case of participant's death, the person or persons entitled to the participant's account balance, withdraws from the Stock Purchase Plan. In such a case, no further payroll deductions will be credited to the participant's account following the participant's termination of employment and the participant's option under the Stock Purchase Plan will be automatically terminated after the purchase of common stock on the last day of the current offer period.

Death. In the event of the death of a participant and in the absence of a beneficiary validly designated under the Stock Purchase Plan who is living at the time of such participant's death, the Company shall deliver shares and/or cash to the executor or administrator of the estate of the participant, or if no such executor or administrator has been appointed to the knowledge of the Plan Administrator, then the Plan Administrator shall deliver such shares and/or cash to the spouse (or domestic partner, as determined by the Plan Administrator) of the participant, or if no spouse (or domestic partner) is known to the Plan Administrator, then to the issue of the participant, such distribution to be made by the law of descent and distribution.

Nontransferability of Options. Neither payroll deductions credited to a participant's account nor any rights with regard to the exercise of an option to receive shares under the Stock Purchase Plan may be assigned, transferred, pledged or otherwise disposed of in any way other than by will, the laws of descent and distribution or by designation of a beneficiary as discussed

above. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Plan Administrator may treat such act as an election to withdraw funds from an offer period as discussed above.

Adjustments. In the event of any change in the Company's capitalization, such as a stock split, reverse stock split or stock dividend, which results in an increase or decrease in the number of outstanding shares of common stock without receipt of consideration by the Company, or as the Plan Administrator may determine, in its discretion, an appropriate adjustment shall be made in the number of shares under the Stock Purchase Plan, the number of shares covered by each option which have not yet been exercised, the number of shares which have been authorized for issuance but not yet placed under option and the price per share covered by each outstanding option. Except as the Plan Administrator determines, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment shall be made with respect to, the number of shares of common stock covered by each option under the Stock Purchase Plan which have not yet been exercised, the number of shares of common stock which have been authorized for issuance under the Stock Purchase Plan, but not yet placed under option or the purchase price.

Corporate Transactions. In the event (1) of the consummation of (i) a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or the entity that controls the Company or such surviving entity) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or the entity that controls the Company or such surviving entity outstanding immediately after such merger or consolidation, or (ii) the sale or disposition by the Company of all or substantially all the Company's assets, (2) of the complete liquidation of the Company or (3) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (but excluding any "person" who is the "beneficial owner" of an aggregate of 50% or more of the total voting power of the Company's outstanding securities as of the October 15, 2011 effective date of the Stock Purchase Plan, or any affiliate thereof), each option under the Stock Purchase Plan shall be assumed by such successor corporation or a parent or subsidiary of such successor corporation, unless the Plan Administrator determines, in the exercise of its sole discretion and in lieu of such assumption, to shorten the offer period then in progress by setting a new exercise date or an earlier date for termination of the offer period (the "New Exercise Date").

If the Plan Administrator shortens the offer period then in progress in lieu of assumption in the event of a sale of assets, merger or acquisition of securities as described above, the Plan Administrator shall notify each participant in writing, at least ten (10) business days prior to the New Exercise Date, that the exercise date for the participant's option has been changed to the New Exercise Date and that either (i) the participant's option will be exercised automatically on the New Exercise Date or (ii) the Company will pay to the participant on the New Exercise Date an amount in cash, cash equivalents, or property as determined by the Plan Administrator that is equal to the difference in the fair market value of the shares subject to the option and the purchase price due had the participant's option been exercised automatically on the New Exercise Date, unless prior to such date he or she has withdrawn from the offer period.

Amendment and Termination of the Stock Purchase Plan. The Plan Administrator may at any time and for any reason terminate or amend the Stock Purchase Plan without approval of the stockholders; provided, however, that stockholder approval is required for any amendment to the Stock Purchase Plan for which stockholder approval would be required under applicable law, as in effect at the time. However, no action by the Plan Administrator or stockholders may alter or impair any option previously granted under the Stock Purchase Plan without the consent of affected participants. Without stockholder consent and without regard to whether any participant rights may be considered to have been "adversely affected," the Plan Administrator shall be entitled to limit the frequency and/or number of changes in the amount withheld during offer periods, change the length of offer periods, determine whether subsequent offer periods shall be consecutive or overlapping, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. Dollars, establish additional terms, conditions, rules or procedures to accommodate the rules or laws of applicable foreign jurisdictions, permit payroll withholding in excess of the amount designated by a participant in

order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of common stock for each participant properly correspond with amounts withheld from the participant's compensation, and establish such other limitations or procedures as the Plan Administrator determines in its sole discretion advisable and which are consistent with the Stock Purchase Plan.

Certain Federal Tax Information

A participant who disposes of any shares received pursuant to the Stock Purchase Plan within two years after the enrollment date (which is the first day of the offer period during which the participant purchased such shares) or within one year after the exercise date (which is the date the shares are purchased), (a "disqualifying disposition") will be treated for

federal income tax purposes as having received ordinary income at the time of such disqualifying disposition in an amount equal to the excess of the fair market value of the shares at the time such shares were delivered to the participant over the price which the participant paid for the shares. A participant who disposes of any shares received pursuant to the Stock Purchase Plan at any time after the expiration of the 2-year and 1-year holding periods described above, will be treated for federal income tax purposes as having received income only at the time of such disposition, and such income will be taxed as ordinary income only to the extent of an amount equal to the lesser of (i) the excess of the fair market value of the shares at the time of such disposition over the purchase price which the participant paid for the shares, or (ii) fifteen percent (15%) of the fair market value of the shares on the first day of the offer period. The remainder of the gain, if any, recognized on such disposition will be taxed as capital gain. The Company will be entitled to a tax deduction in the same amount as the ordinary income recognized by a participant in the event of a disqualifying disposition with respect to shares acquired upon exercise of an option. Otherwise, the Company will not be entitled to a tax deduction with respect to the participant's disposition of the purchased shares. The foregoing summary of the federal income tax consequences of Stock Purchase Plan transactions is based upon federal income tax laws in effect on the date of this proxy statement. This summary does not purport to be complete, and does not discuss foreign, state or local tax consequences. Therefore, no one should rely on this summary for individual tax compliance, planning or decisions. Participants in the Stock Purchase Plan should consult their own professional tax advisors concerning tax aspects of rights under the Purchase Plan.

New Plan Benefits

The Board has approved the Stock Purchase Plan, however continuance of the Stock Purchase Plan is subject to approval by the stockholders of the Company. The number of purchases, if any, to be made after approval of the Stock Purchase Plan by specific employees or groups thereof, cannot currently be determined as they will depend on the actual purchase price of shares of the Company's common stock in future offering periods, the market value of the Company's common stock on various future dates, the amount of contributions eligible employees elect to make under the Stock Purchase Plan, and similar factors.

THE BOARD RECOMMENDS A VOTE "FOR" THE APPROVAL AND ADOPTION OF THE 2011 AMENDED AND RESTATED EMPLOYEE STOCK PURCHASE PLAN.

Voting Information

The Board has approved the adoption of the 2011 Amended and Restated Employee Stock Purchase Plan, subject to the requisite approval by the Company's stockholders. The affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting is required to approve and adopt the 2011 Amended and Restated Employee Stock Purchase Plan. No rights shall be granted under the 2011 Amended and Restated Employee Stock Purchase Plan until and unless stockholders approval is obtained.

Abstentions, while included for the purpose of determining the presence of a quorum at the Annual Meeting, will have the effect of a vote against the proposal to approve and adopt the 2011 Amended and Restated Employee Stock Purchase Plan. Broker non-votes, while included for the purpose of determining the presence of a quorum at the Annual Meeting, will have no effect on the vote, The Proxy Agents will vote your shares "FOR" approval of the proposal unless instructions to the contrary are indicated in the enclosed proxy.

Information Regarding Equity Compensation Plans

All of the Company's equity compensation plans have been approved by stockholders. The Company's equity compensation plans and activities are more fully discussed in the notes to the consolidated financial statements in Item 8 of the Annual Report on Form 10-K filed on June 22, 2011.

Equity Compensation Plan Information

March 31, 2011