

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT PURSUANT  
TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported) July 22, 2005

**ALIGN TECHNOLOGY, INC.**

*(Exact Name of Registrant as Specified in Its Charter)*

**Delaware**

*(State or Other Jurisdiction of Incorporation)*

**0-32259**

**94-3267295**

*(Commission File Number)*

*(IRS Employer Identification No.)*

**881 Martin Avenue, Santa Clara, California**

**95050**

*(Address of Principal Executive Offices)*

*(Zip Code)*

**(408) 470-1000**

*(Registrant's Telephone Number, Including Area Code)*

**Not applicable**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. 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))

**ITEM 1.01 Entry into a Material Definitive Agreement**

On July 22, 2005, the Compensation Committee of the Board of Directors of Align Technology, Inc. ("Align") approved the standard compensation arrangement for the lead independent director as follows:

Monthly retainer for lead independent director	\$	4,500
Each face to face meeting of the Board of Directors	\$	3,000
Each telephonic meeting of the Board of Directors	\$	1,500

The cash compensation for Align's other directors described in Align's Proxy Statement filed with the Securities and Exchange Commission on April 18, 2005 remains unchanged.

**ITEM 2.05 Costs Associated with Exit or Disposal Activities**

On July 27, 2005, as part of ongoing efforts to optimize operations, improve efficiency and reduce operating costs, Align announced the consolidation of key aspects of its manufacturing process in Juarez, Mexico (the "Consolidation"), which will take place in several phases during the remaining quarters of 2005 and the first quarter of 2006. A copy of the press release announcing the Consolidation is attached as Exhibit 99.1 to this Current Report.

The Consolidation consists of a phased relocation of Align's stereolithography (SLA) mold fabrication operations from Santa Clara to an existing facility managed by TECMA Group LLC ("TECMA") in Juarez. Since 2003, Align has outsourced key portions of its manufacturing process to TECMA. On July 26, 2005, as part of the Consolidation, Align notified approximately 21 employees in Santa Clara, California that their positions would be eliminated under a plan of termination. Align expects the Consolidation to result in annualized savings of approximately \$1.3 million beginning in mid- 2006.

Align expects to incur approximately \$0.8 million in expenses related to retention, severance and other costs associated with the termination of employees and approximately \$2.6 million in capital expenditures associated with the purchase of SLA manufacturing and related equipment, for an aggregate cost of \$3.4 million. Align expects to incur most of these costs in the third and fourth quarters of 2005 and the first quarter of 2006. The costs are attributable to the following items, which Align expects to incur in the applicable quarter set forth below.

<u>Nature and Amount of Cash Charge</u>	<u>Expected Timing</u>
Approximately \$2.2 million for the purchase of stereolithography manufacturing equipment	Third and fourth quarters of 2005
Approximately \$0.4 million for capital equipment costs associated with the relocation.	Fourth quarter of 2005
Approximately \$0.3 million for retention, severance and other costs relating to the termination of employees.	Third and fourth quarters of 2005 and the first quarter of 2006
Approximately \$0.5 million for relocation costs and other miscellaneous costs associated with the move.	Third and fourth quarters of 2005 and first quarter of 2006

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## Forward-Looking Statements

This report contains forward-looking statements, including statements regarding Align's belief regarding the timing of the relocation of the SLA mold fabrication operations, Align's statements regarding expected amount and timing of cost savings and the amount and timing of costs to be incurred in connection with the relocation. Forward-looking statements contained in this report relating to expectations about future events or results are based upon information available to Align as of the date hereof. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. As a result, actual results may differ materially and adversely from those expressed in any forward-looking statement. Factors that might cause such a difference include, but are not limited to, lower than anticipated reductions in headcount or expenses in connection with the relocation, a delay in the implementation of the relocation and greater than anticipated costs resulting from the relocation; risks relating to reliance on TECMA for key inputs to Align's manufacturing process, as well as Align's reliance on manufacturers of SLA machines. These and other risks are detailed from time to time in Align's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, its Annual Report on Form 10-K for the fiscal year ended December 31, 2004, which was filed with the Securities and Exchange Commission on March 3, 2005, and its Quarterly Reports on Form 10-Q, which was filed with the Securities and Exchange Commission on May 5, 2005. Align undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

### **ITEM 9.01. Financial Statements and Exhibits**

#### **(c) Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press release dated July 27, 2005
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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: July 27, 2005

**ALIGN TECHNOLOGY, INC.**

By: /s/ ELDON M. BULLINGTON

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Eldon M. Bullington  
Vice President of Finance and Chief Financial Officer

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## INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Press release dated July 27, 2005

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**Align Technology Optimizes Operations and Reduces Costs by Consolidating Manufacturing Processes**

SANTA CLARA, Calif., July 27 /PRNewswire-FirstCall/ -- Align Technology, Inc. (Nasdaq: ALGN), the inventor of Invisalign(R), a proprietary method of straightening teeth without wires and brackets, announced today that the Company will consolidate key aspects of its manufacturing process in Juarez, Mexico as part of ongoing efforts to optimize operations, improve efficiency and reduce operating costs.

Beginning now and concluding in late Q1 of 2006, Align will execute a phased relocation of stereolithography (SLA) mold fabrication operations from Santa Clara to an existing facility managed by TECMA Group LLC in Juarez. This transition is in line with Align's long-term plan to consolidate and automate SLA and aligner fabrication, and will result in a two-day reduction in cycle time as well as lower operating costs. Align expects annualized savings of approximately \$1.3 million beginning in mid-2006.

"Integration and automation of physical manufacturing has been a core part of Align's corporate strategy, and will ultimately allow us to improve product quality, gross margins, and customer satisfaction," said Thomas M. Prescott, Align President and Chief Executive Officer. "Consolidating SLA and aligner fabrication is an important step forward in that initiative."

Since 2003, Align has outsourced key portions of its manufacturing processes to TECMA, an El Paso, Texas-based turnkey manufacturing company which operates FDA and ISO certified facilities in Mexico.

As part of the consolidation, Align will expense approximately \$0.8 million in retention and severance, equipment move and other start-up costs as incurred through Q1 2006. Align will also purchase \$2.6 million in capital equipment in order to facilitate the phased relocation, resulting in no anticipated downtime or delays for customers. Align will eliminate twenty-one positions at the Santa Clara facility over the course of the transition.

Align reaffirms financial guidance previously given on the July 20, 2005 financial results conference call which can be heard on [investor.aligntech.com](http://investor.aligntech.com).

About Align Technology, Inc.

Align Technology designs, manufactures and markets Invisalign, a proprietary method for treating malocclusion, or the misalignment of teeth. Invisalign corrects malocclusion using a series of clear, nearly invisible, removable appliances that gently move teeth to a desired final position. Because it does not rely on the use of metal or ceramic brackets and wires, Invisalign significantly reduces the aesthetic and other limitations associated with braces. Invisalign is appropriate for treating adults and older teens. Align Technology was founded in March 1997 and received FDA clearance to market Invisalign in 1998.

To learn more about Invisalign or to find a certified Invisalign doctor in your area, please visit [www.invisalign.com](http://www.invisalign.com) or call 1-800-INVISIBLE.

#### Forward-Looking Statements

This news release contains forward-looking statements, including statements regarding Align's belief that the relocation of the SLA mold fabrication operations will be concluded late in the first quarter of 2006, its expectation that the relocation will result in two-day reduction in cycle time as well as lower operating costs, Align's statements regarding the amount and timing of the expected annualized savings, the amount and timing of charges to be incurred in connection with the relocation, Align's statement reiterating guidance for the third quarter ending September 30, 2005 and for the full fiscal year ending December 31, 2005, Align's expectation that the relocation will not result in downtime or delays for customers, as well as Mr. Prescott's statement that the relocation will result in the improvement of product quality, gross margins, and customer satisfaction. Forward-looking statements contained in this news release relating to expectations about future events or results are based upon information available to Align as of the date hereof. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. As a result, actual results may differ materially and adversely from those expressed in any forward-looking statement. Factors that might cause such a difference include, but are not limited to, lower than anticipated reductions in headcount or expenses in connection with the relocation, a delay in the implementation of the relocation and greater than anticipated costs resulting from the relocation; risks relating to Align's reliance on TECMA for key inputs to Align's manufacturing process, as well, as Align's reliance on manufacturers of key machines, Align's ability to sustain or increase profitability or revenue growth in future periods while controlling expenses, competition from manufacturers of traditional braces and new competitors, including OrthoClear, demand for Invisalign and acceptance of Invisalign and any new enhancements or new products by consumers and dental professionals, our ability to develop and successfully introduce new products, Align's ability to protect its intellectual property rights, potential intellectual property or product liability claims or litigation, and the loss of key personnel including members of Align's direct sales force. These and other risks are detailed from time to time in Align's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, its Annual Report on Form 10-K for the fiscal year ended December 31, 2004, which was filed with the Securities and Exchange Commission on March 3, 2005, and its Quarterly Reports on Form 10-Q. Align undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

CONTACT: investors, Barbara Domingo of Align Technology, Inc., +1-408-470-1000, or [investorinfo@aligntech.com](mailto:investorinfo@aligntech.com); or media, Shannon Mangum Henderson of Ethos Communication, Inc., +1-678-417-1767, or [shannon@ethoscommunication.com](mailto:shannon@ethoscommunication.com), for Align Technology, Inc.

SOURCE Align Technology, Inc.

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/Web site: <http://www.invisalign.com/>

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