

ION GEOPHYSICAL CORP
Form 8-K
June 22, 2009

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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): June 22, 2009
ION Geophysical Corporation
(Exact name of registrant as specified in its charter)**

Delaware
(State or other jurisdiction of
incorporation)

1-12691
(Commission file number)

22-2286646
(I.R.S. Employer Identification No.)

**2105 CityWest Blvd, Suite 400
Houston, Texas 77042-2839**
(Address of principal executive offices, including Zip Code)
(281) 933-3339

(Registrant's telephone number, including area code)

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:

- 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 8.01. Other Events.

On June 22, 2009, ION Geophysical Corporation (the Company) issued a press release announcing that it had filed an answer and counterclaims against WesternGeco L.L.C. (WesternGeco) in the lawsuit styled *WesternGeco L.L.C. v. ION Geophysical Corporation*, originally filed by WesternGeco in the United States District Court for the Southern District of Texas, Houston Division, on June 12, 2009. A copy of the press release is attached as Exhibit 99.1.

In its original complaint filed against the Company, WesternGeco alleges that the Company has infringed several United States patents regarding marine seismic streamer steering devices that are owned by WesternGeco. WesternGeco is seeking unspecified monetary damages and an injunction prohibiting the Company from making, using, selling, offering for sale or supplying any infringing products in the United States. Based on the Company s review of the lawsuit filed by WesternGeco and the WesternGeco patents at issue, the Company believes that its products do not infringe any WesternGeco patents, that the claims asserted by WesternGeco are without merit and that the ultimate outcome of the claims will not result in a material adverse effect on the Company s financial condition or results of operations. The Company intends to defend the claims against it vigorously.

In its answer and counterclaims, the Company denies that it has infringed WesternGeco s patents and asserts that the WesternGeco patents are invalid or unenforceable. The Company also asserts that WesternGeco s Q-Marine system, components and technology infringe upon a United States patent owned by the Company related to marine seismic streamer steering devices. The claims by the Company also assert that WesternGeco misappropriated the Company s proprietary technology and breached a confidentiality agreement between the parties by using the Company s technology in its patents and products and that WesternGeco tortiously interfered with the Company s relationship with its customers. In addition, the Company claims that the lawsuit against it by WesternGeco is an illegal attempt by WesternGeco to control and restrict competition in the market for marine seismic surveys performed using laterally steerable streamers. In its counterclaims, the Company is requesting various remedies and relief, including a declaration that the WesternGeco patents are invalid or unenforceable, an injunction prohibiting WesternGeco from making, using, selling, offering for sale or supplying any infringing products in the United States, a declaration that the WesternGeco patents should be co-owned by the Company, and an award of unspecified monetary damages.

The information in this Current Report on Form 8-K (including Exhibit 99.1) shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

- (a) *Financial statements of businesses acquired.*

Not applicable.

- (b) *Pro forma financial information.*

Not applicable.

- (c) *Shell company transactions.*

Not applicable.

- (d) *Exhibits.*

| Exhibit Number | Description |
|-------------------|-------------|
|-------------------|-------------|

99.1 Press Release dated June 22, 2009.

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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.

Date: June 22, 2009

ION GEOPHYSICAL CORPORATION

By: /s/ DAVID L. ROLAND

David L. Roland

Senior Vice President, General Counsel
and Corporate Secretary

EXHIBIT INDEX

| Exhibit Number | Description |
|-------------------|------------------------------------|
| 99.1 | Press Release dated June 22, 2009. |