
**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)

December 21, 2004

FORGENT NETWORKS, INC.

(Exact name of registrant as specified in charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

0-20008
(Commission File Number)

74-2415696
(IRS Employer
Identification No.)

108 Wild Basin Road
Austin, Texas 78746
(Address of principal executive offices and zip code)

(512) 437-2700
(Registrant's telephone number, including area code)

N/A
(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)).
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Section 1 – Registrant’s Business and Operations**Item 1.01 Entry into a Material Definitive Agreement**

The Registrant previously disclosed in its most recent Annual Report on Form 10-K that it had terminated its outside legal counsel, Jenkens & Gilchrist, a Professional Corporation (“Jenkens”). Jenkens had also represented the Registrant in its Patent Licensing Program. Furthermore, Registrant disclosed that it was in discussions with Jenkens regarding the termination.

As a result of those discussions, the Registrant and its wholly owned subsidiary, Compression Labs, Inc. (“CLI”), entered into a Resolution Agreement with Jenkens on December 21, 2004. Under the Resolution Agreement (attached to this Report as Exhibit 10.26), the Registrant and CLI agreed to pay Jenkens an initial amount of \$1 million, plus 50% of the first \$6 million in royalties, fees, settlements or judgments related to the Registrant’s Patent Licensing Program received by the Registrant or CLI (“Gross Recoveries”), plus 10% of all Gross Recoveries received by the Registrant or CLI thereafter. Additionally, Registrant, CLI and Jenkins entered into mutual releases regarding their prior relationship.

On the same date, the Registrant and CLI entered into a letter agreement with three law firms who previously served as local counsel in connection with the Registrant’s Patent Licensing Program. The Registrant agreed to pay the law firms an aggregate initial amount of \$37,500, plus 7.5% of the first \$6 million in settlements or judgments received by the Registrant or CLI from certain defendants against whom the Registrant brought suit under its Patent Leasing Program, plus 1.5% of all settlements or judgments received by the Registrant or CLI from such defendants thereafter.

Section 9 – Financial Statements and Exhibits**Item 9.01(c) Exhibits**

10.26* Resolution Agreement, dated December 21, 2004, by and between Forgent Networks, Inc., Compression Labs, Inc. and Jenkens & Gilchrist, a Professional Corporation.

* Filed herewith

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.

FORGENT NETWORKS, INC.

Date: December 28, 2004

By: /s/ Richard N. Snyder

Richard N. Snyder
Chairman and Chief Executive Officer

RESOLUTION AGREEMENT**Parties**

The parties to this agreement (the "Agreement"), dated this 21st day of December, 2004, are Jenkens & Gilchrist, a Professional Corporation, a Texas professional corporation ("Jenkins"), Forgent Networks, Inc. ("Forgent"), a Delaware corporation, and Compression Labs, Inc. ("CLI"), a Delaware corporation, who are, hereinafter, collectively called the "Parties" or, individually, a "Party" as the context requires.

Agreements

NOW, THEREFORE, for and in consideration of the mutual promises set forth herein and the performance of same, the Parties agree as follows:

1. The Parties agree that the Fee Agreement between Forgent and CLI, on the one hand, and Jenkins, on the other, dated April 23, 2001 (the "Fee Agreement") and the disputed Supplement thereto dated August 31, 2001 (the "Supplement") and all other engagements of Jenkins by Forgent or CLI (whether or not related to the matters which are the subject of the Fee Agreement), whether written or oral, are terminated in their entirety upon the execution hereof by all the Parties. Jenkins represents to Forgent and CLI that there are no other supplements or amendments to the Fee Agreement other than the Supplement.

2. On December 21, 2004, for and in consideration of the agreements contained herein, Forgent shall pay Jenkins the sum of one million dollars (\$1,000,000), in Dallas County, Texas, by wiring same to Jenkins pursuant to wiring instructions previously provided by Jenkins to Forgent.

3. In addition to the amount set forth in paragraph 2 above, Forgent and CLI, jointly and severally, promise to pay Jenkins 50% of the first six million dollars (\$6,000,000) of Gross Recoveries, received by Forgent and/or CLI on or after October 27, 2004 until the amount paid

to Jenkens under the terms of this paragraph totals three million dollars (\$3,000,000). No litigation or other expenses are to be deducted from Gross Recoveries. In calculating the amount due Jenkens, no litigation or other expenses are to be deducted before applying the percentage to a Gross Recoveries item. "Gross Recoveries," as used in this Agreement, means:

(i) all royalties, license fees and other payments made or accruing under all license agreements and similar agreements entered into in connection with the Patents for the right to use or practice any claimed inventions described therein, and (ii) all amounts recovered in enforcement actions, whether by way of judgment or compromise and settlement, relating to the Patents.

"Patents", as used in this Agreement, means any one or more of U.S. Patent No. 4,698,672; any foreign counterpart of U.S. Patent No. 4,698,672; U.S. Patent No. 6,181,784 and U.S. Patent No. 6,285,746 (which a continuation of U.S. Patent No. 6,181,784).

4. In addition to any amounts paid under paragraphs 2 and 3 of the Agreement, and after payments of all amounts due under paragraphs 2 and 3 of this Agreement, for and in consideration of the agreements contained herein, Forgent and CLI, jointly and severally, promise to pay Jenkens 10% of all Gross Recoveries, received by Forgent and/or CLI on or after October 27, 2004 which are over and above the first six million dollars (\$6,000,000) in Gross Recoveries. No litigation or other expenses are to be deducted from Gross Recoveries. In calculating the amount due Jenkens, no litigation or other expenses are to be deducted before applying the percentage to a Gross Recovery item. For example, if there are \$20,000,000 of Gross Recoveries after October 27, 2004, Jenkens would receive \$4,400,000 as follows: 50% of \$6,000,000, constituting \$3,000,000, under paragraph 3 plus 10% of Gross Recoveries exceeding \$6,000,000 (\$20,000,000 - \$6,000,000), constituting \$1,400,000, under this paragraph 4.

5. The payments contemplated by paragraph 3 and 4 of this Agreement shall be made by Forgent and/or CLI within ten (10) days of receipt of an item of Gross Recoveries by

wiring such payment to Jenkens, in Dallas County, Texas pursuant to wiring instructions provided by Jenkens. Beginning with Forgent's fiscal quarter ending January 31, 2005, and continuing as to each fiscal quarter ending April 30, July 31, October 30, and January 31 of each fiscal year through the life of the last of the Patents to expire plus six (6) years, Forgent and CLI shall provide, within 30 days following the end of the applicable quarter, to Jenkens, a certification from Forgent's chief financial officer stating:

- a. The date and amount of each receipt of an item of Gross Recoveries during the applicable prior quarter and the party from whom each Gross Receipt was obtained; and
- b. The date and amount of the disbursement to Jenkens related to such receipt.

Each such certification shall be accompanied by a copy of each license or settlement agreement not previously provided to Jenkens. Annually, Forgent's public accounting firm shall confirm in writing to Jenkens the accuracy of such certifications. The public accounting firm's confirmation shall be mailed to Jenkens by not later than the later to occur of (i) 90 days after the close of Forgent's fiscal year ending July 31 (or such other fiscal year as may be adopted), or (ii) 30 days after issuance of the public accounting firm's opinion regarding Forgent's annual financial statements, as follows:

Jenkins & Gilchrist, P.C. c/o Chairman
1445 Ross Avenue, Suite 3200
Dallas, Texas 75202-2799

6. This Agreement is performable in Dallas County, Texas and shall be governed by the laws of the State of Texas. Further, this Agreement cannot be amended except by an agreement in writing signed by all the Parties hereto or the Party to be charged. This Agreement is binding upon, and inures to the benefit of the Parties hereto, their heirs, successors, assigns and

representatives and is binding upon any party with, or who acquires, an interest in any of the Patents and Forgent shall require any acquirer (but excluding therefrom any entity that is solely a licensee of any of the Patents) to assume the obligations herein to Jenkens. This Agreement may be executed in several counterparts by one or more of the Parties, and all such counterparts when so executed shall together be deemed to constitute one final Agreement as if one document had been signed by all Parties hereto; and each such counterpart, upon execution and delivery, shall be deemed a complete original, binding upon the Party or Parties executing this Agreement.

7. Each Party acknowledges that this Agreement has been negotiated and reviewed by counsel for each of them, and each of them understand its terms, and enter this Agreement voluntarily and willingly and of their own free will. Each of the Parties acknowledges that it is fully and completely informed of the facts relating to the subject matter of this Agreement, and of the respective rights and liabilities it imposes on all Parties. This Agreement was drafted by input from counsel for all Parties and, therefore, should not be construed against any Party hereto.

8. Each signatory hereto represents and warrants they have the authority to execute this Agreement for and on behalf of the Parties and other entities for whom they purport to sign this Agreement.

DATED this 21st day of December, 2004.

Jenkins & Gilchrist, a Professional Corporation

By: /s/ Thomas H. Cantrill

Its: President

Forgent Networks, Inc.

By: /s/ Richard N. Snyder

Its: Chief Executive Officer and Chairman

Compression Labs, Inc.

By: /s/ Richard N. Snyder

Its: President