

CAMBREX CORP
Form DEF 14A
March 24, 2010

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION
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 under Rule 14a-12

Cambrex 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 transactions 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.

Edgar Filing: CAMBREX CORP - Form DEF 14A

(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

CAMBREX CORPORATION

March 29, 2010

Dear Stockholder,

You are cordially invited to attend the Annual Meeting of Stockholders of Cambrex Corporation. This year's meeting will be held on April 22, 2010, at 1:00 P.M. at the Metropolitan Center, One Meadowlands Plaza, East Rutherford, New Jersey. Your Board of Directors and management look forward to greeting personally those stockholders that are able to attend.

At this year's meeting, you will be asked to (1) elect nine directors; and (2) ratify the selection of BDO Seidman, LLP as the Company's independent registered public accountants for the fiscal year ending December 31, 2010.

Your vote is important. Whether you plan to attend the meeting or not, please complete the enclosed proxy card and return it as promptly as possible. The enclosed proxy card contains instructions regarding voting. If you attend the meeting, you may continue to have your shares voted as instructed in the proxy, or you may withdraw your proxy at the meeting and vote your shares in person.

Sincerely,
/s/ John R. Miller
John R. Miller
Non-Executive Chairman

CAMBREX CORPORATION
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS TO BE HELD APRIL 22, 2010

Notice Is Hereby Given that the 2010 Annual Meeting of Stockholders of Cambrex Corporation (“Company”) will be held at the Metropolitan Center, One Meadowlands Plaza, East Rutherford, New Jersey on April 22, 2010 at 1:00 P.M. for the following purposes:

1. To elect nine (9) directors to hold office until the 2011 Annual Meeting of Stockholders and until their successors shall be elected and qualified;
2. To consider and act upon the ratification of the appointment of BDO Seidman, LLP as independent registered public accountants for the fiscal year ending December 31, 2010; and
3. To transact such other business as may properly come before the meeting or any adjournment thereof.

Only stockholders of record of Common Stock of the Company at the close of business on March 15, 2010, will be entitled to vote at the meeting. The list of such stockholders will be available for inspection by stockholders during the ten days prior to the meeting in accordance with Section 219 of the Delaware General Corporation Law at One Meadowlands Plaza, East Rutherford, New Jersey 07073 and will also be available at the Annual Meeting. Stockholders may make arrangements for such inspection by contacting F. Michael Zachara, Vice President, General Counsel & Secretary, Cambrex Corporation, One Meadowlands Plaza, East Rutherford, New Jersey 07073.

By order of the Board of Directors,
/s/ F. Michael Zachara
F. Michael Zachara,
Secretary

March 29, 2010

THE VOTE OF EACH STOCKHOLDER IS IMPORTANT.
PLEASE DATE AND SIGN THE ACCOMPANYING PROXY CARD AND PROMPTLY
RETURN IT IN THE POSTAGE PAID ENVELOPE PROVIDED.

CAMBREX CORPORATION

2010 ANNUAL MEETING OF
STOCKHOLDERS
PROXY STATEMENT

PROXY SOLICITATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Cambrex Corporation (“Cambrex” or the “Company”) for use at the 2010 Annual Meeting of Stockholders to be held on April 22, 2010, and at any adjournment of the meeting. The address of the Company’s principal executive office is One Meadowlands Plaza, East Rutherford, New Jersey 07073. This Proxy Statement and the form of proxy are being mailed to stockholders commencing on or about March 29, 2010.

The costs of soliciting proxies will be borne by the Company. Brokerage houses, banks, custodians, nominees and fiduciaries are being requested to forward the proxy material to beneficial owners, and their reasonable expenses therefore will be reimbursed by the Company. Solicitation will be made by mail and also may be made personally, by telephone or electronic mail by the Company’s officers, directors and employees without special compensation for such activities.

REVOCABILITY AND VOTING OF PROXY

A proxy given by a stockholder may be revoked at any time before it is exercised by giving another proxy bearing a later date or by notifying the Company in writing of such revocation or by a vote in person at the Annual Meeting. The execution of a proxy will not affect a stockholder’s right to attend the Annual Meeting and vote in person, but attendance at the Annual Meeting will not, by itself, revoke a proxy. Properly executed proxies received by the Company will be voted in accordance with the instructions indicated thereon and if no instructions are indicated, will be voted for the election of the nine (9) nominees for director named herein and for the ratification of the appointment of BDO Seidman, LLP as independent registered public accountants for the Company. The Company knows of no reason why any of the nominees named herein would be unable to serve for the terms indicated. In the event, however, that any such nominee should, prior to the election, become unable to serve as a director, unless the Board of Directors decides to decrease the size of the Board, the proxy will be voted for such substitute nominee as the Board of Directors shall propose.

The Board of Directors (“Board”) knows of no matters to be presented at the meeting other than those set forth in the foregoing Notice of Annual Meeting. The Proxy Card conveys discretionary authority to vote on any other matter not presently known by management that may properly come before the Annual Meeting. If other matters properly come before the meeting, the persons named in the accompanying form of proxy intend to vote the shares subject to such proxies in accordance with their best judgment.

RECORD DATE AND VOTING RIGHTS

The Company has only one class of voting securities, which is the Common Stock, par value \$0.10 (“Common Stock”). Only holders of Common Stock of the Company of record at the close of business on March 15, 2010, will be entitled to vote at the meeting. On such record date there were outstanding and entitled to vote 29,319,872 shares of Common Stock and each such share is entitled to one vote.

PRINCIPAL STOCKHOLDERS

The following sets forth information with respect to the only persons of which the Company is aware as of February 15, 2010, who may be deemed to beneficially own more than 5% of the outstanding Common Stock of the Company:

Name and Address	Number of Shares	
	Beneficially Owned(1)	Percent of Class(2)
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	2,444,458 (3)	8.35 %
Royce & Associates, LLC 745 Fifth Avenue New York, New York 10151	2,218,763 (4)	7.58 %
Snyder Capital Management, L.P. Snyder Capital Management, Inc. One Market Plaza Steuart Tower, Suite 1200 San Francisco, CA 94105	2,089,174 (5)	7.10 %
Wentworth, Hauser & Violich, Inc. 301 Battery Street, Suite 400 San Francisco, CA 94111-3203	1,875,456 (6)	6.40 %
Neuberger Berman Inc. Neuberger Berman, LLC 605 Third Avenue New York, NY 10158	1,562,759 (7)	5.34 %
Bank of America Corporation 100 North Tryon Street Floor 25 Bank of America Corporate Center Charlotte, NC 28255	1,472,011 (8)	5.00 %

- (1) Unless otherwise indicated (a) share ownership is based upon information furnished to the Company as of February 15, 2010, by the beneficial owner and (b) each beneficial owner has sole voting and investment power with respect to the shares shown.
- (2) For the purpose of this table, the percent of issued and outstanding shares of Common Stock of the Company held by each beneficial owner has been calculated on the basis of 29,319,872 shares of Common Stock issued and outstanding (excluding treasury shares) on February 15, 2010.
- (3) Based on information as of December 31, 2009, obtained from a Schedule 13G filed with the SEC on or about January 20, 2010, by BlackRock, Inc. ("BlackRock"). The foregoing information has been included solely in reliance upon and without independent investigation of the disclosures contained in BlackRock's Schedule 13G.

- (4) Based on information as of December 31, 2009, obtained from a Schedule 13G filed with the SEC on or about January 22, 2010, by Royce & Associates, LLC (“Royce”). The foregoing information has been included solely in reliance upon and without independent investigation of the disclosures contained in Royce’s Schedule 13G.
- (5) Based on information as of December 31, 2009, obtained from a Schedule 13G filed with the SEC on or about February 12, 2010, by Snyder Capital Management, L.P. (“SCMLP”) and Snyder Capital Management, Inc. (“SCMI”). The foregoing information has been included solely in reliance upon, and without independent investigation of the disclosures contained in SCMLP’s and SCMI’s Schedule 13G.
- (6) Based on information as of December 31, 2009, obtained from a Schedule 13G filed with the SEC on or about February 16, 2010, by Wentworth, Hauer & Violich, Inc. (“Wentworth”). The foregoing information has been included solely in reliance upon and without independent investigation of the disclosures contained in Wentworth’s Schedule 13G.
- (7) Based on information as of December 31, 2009, obtained from a Schedule 13G filed with the SEC on or about February 16, 2010, by Neuberger Berman Group LLC and Neuberger Berman, LLC (“Neuberger”). The foregoing information has been included solely in reliance upon and without independent investigation of the disclosures contained in Neuberger’s Schedule 13G.
- (8) Based on information as of December 31, 2009, obtained from a Schedule 13G filed with the SEC on or about January 28, 2010, by Bank of America Corporation, Bank of America, N.A., Columbia Management Advisors, LLC, Banc of America Investment Advisors, Inc., IQ Investment Advisors LLC and Merrill Lynch, Pierce, Fenner & Smith, Inc. under a Joint Filing Agreement in accordance with Rule 13d-a(k)(1) (“BOA”). The foregoing information has been included solely in reliance upon and without independent investigation of the disclosures contained in BOA’s Schedule 13G.

COMMON STOCK OWNERSHIP BY DIRECTORS AND EXECUTIVE OFFICERS

The following table gives information concerning the beneficial ownership of the Company's Common Stock on February 15, 2010, by (i) each nominee for election as a director, (ii) each of the "named executive officers" set forth in the Summary Compensation Table (below) and (iii) all directors and executive officers of the Company as a group.

Beneficial Owners	Shares Beneficially Owned(1)	Percent of Class(2)
David R. Bethune	12,847(3)	*
Rosina B. Dixon, M.D.	33,693(4)	*
Roy W. Haley	77,817(5)	*
Kathryn Rudie Harrigan	38,532(6)	*
Leon J. Hendrix, Jr.	86,964(7)	*
Ilan Kaufthal	112,455(8)	*
Steven M. Klosk	277,524(12)	*
William B. Korb	75,352(9)	*
John R. Miller	29,120(10)	*
Peter Tombros	53,924(11)	*
Aldo Magnini	46,292(13)	*
Paolo Russolo	125,929(14)	*
Gregory P. Sargen	96,943(15)	*
F. Michael Zachara	16,250(16)	*
All Directors and Executive Officers as a Group (14 Persons)	1,083,642(17)	3.70%

*Beneficial Ownership is less than 1% of the Common Stock outstanding

(1) Except as otherwise noted, reported share ownership is as of February 15, 2010. Unless otherwise stated, each person has sole voting and investment power with respect to the shares of Common Stock he or she beneficially owns.

(2) For the purpose of this table, the percent of issued and outstanding shares of Common Stock of the Company held by each beneficial owner has been calculated on the basis of (i) 29,319,872 shares of Common Stock issued and outstanding (excluding treasury shares) on February 15, 2010, and (ii) all shares of Common Stock subject to stock options which are held by such beneficial owner and are exercisable within 60 days of February 15, 2010.

(3) The number of shares reported includes 6,000 shares issuable upon exercise of options granted under the Company's 1998 and 2004 stock option Plans and 1,356 restricted stock units.

(4) The number of shares reported includes 12,000 shares issuable upon exercise of options granted under the Company's 1994, 1996, 1998, 2001 and 2004 stock option Plans and 1,356 restricted stock units.

(5) The number of shares reported includes 16,000 shares issuable upon exercise of options granted under the Company's 1994, 1996, 1998, 2001 and 2004 stock option Plans, 1,356 restricted stock units and 54,970 share equivalents held at February 15, 2010, in the Company's Directors' Deferred Compensation Plan.

(6) The number of shares reported includes 10,000 shares issuable upon exercise of options granted under the Company's 1994, 1996, 1998, 2001 and 2004 stock option Plans and 1,356 restricted stock units.

(7)

The number of shares reported includes 16,000 shares issuable upon exercise of options granted under the Company's 1994, 1996, 1998, 2001 and 2004 stock option Plans, 1,356 restricted stock units and 56,617 share equivalents held at February 15, 2010, in the Company's Directors' Deferred Compensation Plan.

- (8) The number of shares reported includes 16,000 shares issuable upon exercise of options granted under the Company's 1994, 1996, 1998, 2001 and 2004 stock option Plans and 1,356 restricted stock units.
- (9) The number of shares reported includes 16,000 shares issuable upon exercise of options granted under the Company's 1994, 1996, 1998, 2001 and 2004 stock option Plans, 1,000 shares held by a family member for which beneficial ownership of such shares is disclaimed, 1,356 restricted stock units and 39,960 share equivalents held at February 15, 2010, in the Company's Directors' Deferred Compensation Plan.
- (10) The number of shares reported includes 16,000 shares issuable upon exercise of options granted under the Company's 1996, 1998, 2001 and 2004 stock option Plans and 1,356 restricted stock units.
- (11) The number of shares reported includes 14,000 shares issuable upon exercise of options granted under the Company's 1996, 1998, 2001 and 2004 stock option Plans, 1,356 restricted stock units and 31,077 share equivalents held at February 15, 2010, in the Company's Directors' Deferred Compensation Plan.
- (12) The number of shares reported includes 106,000 shares issuable upon exercise of options granted under the Company's Stock Option Plans, 29,876 restricted stock units and 49,121 share equivalents held at February 15, 2010, in the Company's Deferred Compensation Plan.
- (13) The number of shares reported includes 11,750 shares issuable upon exercise of options granted under the Company's Stock Option Plans and 24,314 restricted stock units.
- (14) The number of shares reported includes 53,125 shares issuable upon exercise of options granted under the Company's Stock Option Plans and 30,738 restricted stock units.

- (15) The number of shares reported includes 31,125 shares issuable upon exercise of options granted under the Company's Stock Option Plans and 32,396 restricted stock units.
- (16) The number of shares reported includes 6,250 shares issuable upon exercise of options granted under the Company's Stock Option Plans.
- (17) The number of shares reported includes 330,250 shares issuable upon exercise of options that are currently exercisable or will become exercisable within 60 days, 130,528 restricted stock units, 194,169 share equivalents held at February 15, 2010, in the Director's Deferred Compensation Plan and 49,121 share equivalents held at February 15, 2010, in the Company's Deferred Compensation Plan. Shares held by immediate family members are not included and beneficial ownership of such shares is disclaimed.

PROPOSAL NO. 1
ELECTION OF DIRECTORS

Directors elected at this Annual Meeting shall hold office until the first annual meeting of stockholders following their election and until a successor shall have been elected and qualified or until the director's prior death, resignation or removal. That being the case, at this Annual Meeting nine (9) directors will be elected to hold office until the 2011 Annual Meeting and until their successors shall be elected and qualified. Each of the nominees has consented to serve as a director if elected. To be elected, each nominee for director requires a majority of the votes cast.

For purposes of electing directors, a "majority of the votes cast" means that the number of votes cast "for" a director exceeds the number of votes cast "against" that director. The Governance Committee has established procedures under which any director who is not elected (because the number of votes cast against such director's candidacy exceed the number of votes cast in favor of that candidacy) shall offer to tender his or her resignation to the Board. In such case, the Governance Committee will make a recommendation to the Board on whether to accept or reject the resignation, or whether other action should be taken. The Board will act on the Governance Committee's recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date of the certification of the election results.

An uncontested election of directors is no longer considered a "routine" item under the New York Stock Exchange rules. As a result, brokers holding shares beneficially owned by their clients will no longer have the ability to cast votes with respect to the election of directors unless they have received instructions from the beneficial owner of the shares. It is therefore important that you provide instructions to your broker if your shares are held by a broker so that your vote with respect to directors is counted. Abstentions and broker non-votes will not be counted in connection with the election of directors. The following sets forth with respect to the nine persons who have been nominated by the Board for election at this Annual Meeting certain information concerning their positions with the Company and principal outside occupations and other directorships held. Except as otherwise disclosed herein, none of the corporations or organizations listed below is a parent, subsidiary or other affiliate of the Company.

The Board of Directors recommends a vote FOR the election of the nine (9) Nominees named below.

Nominees for Election to Serve as Directors Serving
until the 2011 Annual Meeting

The Company's Corporate Governance Guidelines establish criteria for membership on the Board of Directors. Under these criteria, the Governance Committee seeks to identify a diverse group of candidates for the Board. These candidates should possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of the stockholders. In evaluating candidates, the Committee selects nominees

with a broad diversity of experience, profession, skills, geographic representations and backgrounds. The skills and backgrounds of the nominees should include, among other things, experience in making decisions, a track record of competent judgment, the ability to function rationally and objectively and experience in different businesses and professions. The Committee does not assign specific weight to particular criteria and not all criteria apply to every candidate. The Board believes that as a group the Board consists of a sufficiently diverse group in terms of experience, knowledge and abilities to allow the Board to fulfill its responsibilities to the stockholders and the Company. Based on the experiences, attributes and skills of each of the Board's nominees set forth below, which exemplify the sought-after characteristics