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ICN PHARMACEUTICALS INC
Form DEFA14A
May 15, 2001

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 Pursuant to Section 240.14a-12

ICN Pharmaceuticals, Inc.

(Name of Registrant as Specified in its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
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(1) Title of each class of securities to which transaction applies:

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Following is the text of a fight letter sent to ICN Shareholders on or about May 15,2001:

ICN SHAREHOLDERS: YOU HAVE A RIGHT TO KNOW

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Dear ICN Shareholder,

YOUR COMPANY, ICN, HAS FILED A LAWSUIT AGAINST TITO TETTAMANTI AND HIS "COMMITTEE" FOR VIOLATIONS OF FEDERAL SECURITIES LAWS. Included as defendants in the lawsuit are Tito Tettamanti, chairman of SSP-Special Situations Partners, Inc. (SSP), Herbert A. Denton, president of Providence Capital, Inc. and Eric Knight, managing director of SSP-Special Situations Partners, Inc. Other defendants include the Committee's nominees: Edward Burkhardt, Ronald R. Fogleman and Steven J. Lee.

In the lawsuit, ICN alleges that THERE ARE MATERIAL OMISSIONS AND MISREPRESENTATIONS IN THE COMMITTEE'S PROXY AND SOLICITATION LETTER. We believe you should have all the pertinent information on which to base your vote for directors, particularly as you compare the Tettamanti slate to the one presented by ICN. We want shareholders to be aware of the background, track record and experience of the Committee's nominees, including the relationships that exist with Denton, Providence Capital and the nominees.

ICN ALLEGES THAT THERE ARE MATERIAL OMISSIONS AND MISREPRESENTATIONS IN THE COMMITTEE'S PROXY AND SOLICITATION LETTER:

- o WHAT IS THE COMMITTEE'S TRUE GOAL? Their objectives change:
 - o Initially, they proposed a separation of the business by spin-offs, maintaining that a Ribapharm IPO was illegal.
 - o In October 2000, that changed to public offerings for Ribapharm and ICN International and spin-offs.
 - o In January 2001, SSP submitted a proposal to be presented at the 2001 shareholders meeting to "instruct the board of directors of ICN to arrange for the prompt sale of ICN to the highest bidder by means of an auction"
 - o In March 2001, SSP withdrew the proposal to sell ICN and urged a spin-off of Ribapharm and ICN International without any IPO's.
- o THE COMMITTEE CLAIMS THAT ICN IS WRONGFULLY DELAYING PREVIOUSLY ANNOUNCED PLANS TO RESTRUCTURE THE COMPANY. The Committee has not given a practical business solution to how their supposed alternative plan can be enacted without triggering a default under hundreds of millions of dollars of outstanding ICN senior notes.

TAKE A CLOSE LOOK AT TETTAMANTI'S NOMINEES:

- o CRITICAL BACKGROUND INFORMATION regarding two of Tettamanti's nominees was omitted, background which is vital to your voting decision:
 - o BURKHARDT RESIGNED UNDER PRESSURE AS CHAIRMAN AND CHIEF EXECUTIVE OFFICER of Wisconsin Central Transportation and, then, with the backing of Denton and Providence Capital, LED AN UNSUCCESSFUL PROXY FIGHT TO REGAIN CONTROL. Wisconsin Central stock declined substantially while Burkhardt was chairman and CEO.

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- o Lee is chairman and chief executive officer of PolyMedica, a NASDAQ company whose STOCK DROPPED SUBSTANTIALLY in one day last November amid press reports that the company was being investigated by the FBI for POSSIBLE HEALTHCARE FRAUD. In a press release last month, the company said, "PolyMedica recently learned that the FBI has contacted at least one employee and one ex-employee of Liberty [PolyMedica's principal subsidiary] to find out about Liberty's operations." DENTON IS A DIRECTOR OF POLYMEDICA BUT WAS NEVER ELECTED BY ITS SHAREHOLDERS. He was appointed by the board of directors just one week after the annual shareholders meeting.

WHO IS TETTAMANTI? He maintains a business office in London. The Committee's proxy says that he is a Swiss investor and industrialist. It also says that he is the controlling investor in SSP. WHO ARE THE OTHER INVESTORS? Eric Knight, the managing director of SSP, is disclosed in the proxy statement as having an office in Switzerland. However, solicitation materials mailed to shareholders stated that inquires can be made to him by telephone in Monte Carlo. We believe that shareholders are entitled to more information about SSP, Tettamanti and Knight.

COMPARE THE RECORDS:

JUST COMPARE THE BACKGROUNDS AND RECORDS OF THE COMMITTEE'S NOMINEES WITH THE SLATE PRESENTED BY ICN: ICN has always prided itself on BOARD MEMBERS WHO BRING BACKGROUNDS AND EXPERTISE that assist in guiding the strategic direction of the company. ICN's three nominees follow along in this policy and further strengthen our team.

- o Dr. Ray Irani, CHIEF EXECUTIVE OFFICE OF OCCIDENTAL PETROLEUM, A NEW YORK STOCK EXCHANGE LISTED COMPANY WITH A MARKET CAPITALIZATION OF APPROXIMATELY \$10.9 BILLION, FOR OVER TEN YEARS. Irani has spent his 30-year career in top managerial positions at Occidental. He brings to ICN his experience in running a Fortune 500 company and working in one of the world's major global sectors. Under Irani's leadership, Occidental was a pioneer in moving into new International markets.
- o The Right Honorable Kim Campbell, FORMER PRIME MINISTER OF CANADA. Ms. Campbell is trained as a lawyer and political scientist. Ms. Campbell's career spans academia, the practice of law, administration and elected official at various levels of government. Ms. Campbell was Consul General of Canada in Los Angeles from 1996 to 2000. In that capacity she was active in promoting trade development and investment especially in the areas of multimedia, information technology, biotechnology and the entertainment industry.
- o Charles T. Manatt, partner and founder of the law firm of Manatt, Phelps, Phillips and former U.S. AMBASSADOR TO THE DOMINICAN REPUBLIC. Mr. Manatt served as Chairman of the Democratic National Committee from 1981 to 1985 and as chairman of First Los Angeles Bank. Mr. Manatt is being nominated to return to the ICN Board on which he previously served for seven years. His level of knowledge about ICN and its industry is a valuable asset to the company, the management and other ICN board members. Mr. Manatt served as a director of Federal Express and COMSAT.

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Other current outside ICN Board members include a Noble Prize winner in Medicine, a former U.S. Senator, a former Chairman of First Interstate Bank, and a Former Treasurer of the Ford Foundation.

TAKE A CLOSE LOOK AT THE TRACK RECORDS AND QUALITY OF EXPERIENCE OF THE MEMBERS of the two slates. We believe the choice is clear.

ICN'S BOARD IS COMMITTED TO BUILDING SHAREHOLDER VALUE. ICN's record is clear. Our enhanced research and development program continues to add shareholder value to ICN. Our new state of the art facility and increasing pipeline is aimed at the development of new drugs.

Vote the ICN Proxy

Sincerely,

Board of Directors of ICN