

Edgar Filing: HAEMONETICS CORP - Form DEF 14A

HAEMONETICS CORP
Form DEF 14A
June 24, 2002

SCHEDULE 14A
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant [X]
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 Rule 14a-11(c) or Rule 14a-12

HAEMONETICS 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 transaction 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.
 - (1) Amount previously paid:

Edgar Filing: HAEMONETICS CORP - Form DEF 14A

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

(3) Filing party:

(4) Date Filed:

HAEMONETICS CORPORATION

Notice of Annual Meeting of Stockholders

July 23, 2002

To the Stockholders:

The Annual Meeting of the Stockholders of Haemonetics Corporation will be held on Tuesday, July 23, 2002 at 9:00 a.m. at the State Street Bank Building, 225 Franklin Street, Boston, Massachusetts for the following purposes:

1. To elect two Directors to serve for a term of three years and until their successors shall be elected and qualified, as more fully described in the accompanying Proxy Statement.
2. To consider and act upon any other business which may properly come before the meeting.

The Board of Directors has fixed the close of business on June 3, 2002 as the record date for the meeting. All stockholders of record on that date are entitled to notice of and to vote at the meeting.

PLEASE COMPLETE AND RETURN THE ENCLOSED PROXY IN THE ENVELOPE PROVIDED WHETHER OR NOT YOU INTEND TO BE PRESENT AT THE MEETING IN PERSON.

By Order of the Board of Directors

/s/ Alicia R. Lopez

Alicia R. Lopez
Clerk

Braintree, Massachusetts
June 24, 2002

HAEMONETICS CORPORATION

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation

Edgar Filing: HAEMONETICS CORP - Form DEF 14A

of proxies by the Board of Directors of Haemonetics Corporation (the "Company") for use at the Annual Meeting of Stockholders to be held on Tuesday, July 23, 2002, at the time and place set forth in the notice of meeting, and at any adjournment thereof. The approximate date on which this Proxy Statement and form of proxy are first being sent to stockholders is June 24, 2002.

If the enclosed proxy is properly executed and returned, it will be voted in the manner directed by the stockholder. If no instructions are specified with respect to any particular matter to be acted upon, the proxy will be voted in favor thereof. Any person giving the enclosed form of proxy has the power to revoke it by voting in person at the meeting or by giving written notice of revocation to the Clerk of the Company at any time before the proxy is exercised.

The holders of a majority in interest of all Common Stock issued, outstanding and entitled to vote are required to be present in person or be represented by proxy at the Meeting in order to constitute a quorum for transaction of business. The election of the nominees for Director will be decided by plurality vote. Abstentions and "non-votes" are counted as present in determining whether the quorum requirement is satisfied. A "non-vote" occurs when a nominee holding shares for a beneficial owner votes on one proposal, but does not vote on another proposal because the nominee does not have discretionary voting power and has not received instructions from the beneficial owner. Abstentions and broker non-votes will not be taken into account in determining the outcome of the election of directors.

The Company will bear the cost of this solicitation. It is expected that the solicitation will be made primarily by mail, but regular employees or representatives of the Company (none of whom will receive any extra compensation for their activities) may also solicit proxies by telephone, telegraph or in person and arrange for brokerage houses and their custodians, nominees and fiduciaries to send proxies and proxy materials to their principals at the expense of the Company.

The Company's principal executive offices are located at 400 Wood Road, Braintree, Massachusetts, USA 02184-9114, telephone number (781) 848-7100.

RECORD DATE AND VOTING SECURITIES

Only stockholders of record at the close of business on June 3, 2002 are entitled to notice of and to vote at the meeting. On that date, the Company had outstanding and entitled to vote 25,082,912 shares of Common Stock with a par value of \$.01 per share. Each outstanding share entitles the record holder to one vote.

ELECTION OF DIRECTORS

Pursuant to the Articles of Organization of the Company, the Board of Directors is divided into three classes, with each class being as nearly equal in number as possible. One class is elected each year for a term of three years. James L. Peterson and Benjamin L. Holmes are currently serving in the class of directors whose terms expire at this Annual Meeting. It is proposed that James L. Peterson and Benjamin L. Holmes be elected to serve terms of three years, and in each case until their successors shall be duly elected and qualified or until their death, resignation or removal. The persons named in the accompanying proxy will vote, unless authority is

Edgar Filing: HAEMONETICS CORP - Form DEF 14A

withheld, for the election of the nominees named below. If any such nominees should become unavailable for election, which is not anticipated, the persons named in the accompanying proxy will vote for such substitutes as management may recommend. Should management not recommend a substitute for any nominee, the proxy will be voted for the election of the remaining nominees. The nominees are not related to each other or to any executive officer of the Company or its subsidiaries.

Name	Age	Year First Elected Director	Position with the Company or Prin Occupation During the Past Five
------	-----	-----------------------------------	--

Nominated for a term ending in 2005:

James L. Peterson	59	1985	Since January 1998, President and Chief Officer of the Company. From May 1994, International Operations, and Vice Chair Board of Directors of the Company. From 1994, Executive Vice President of the C Previously, Vice President with respons all international activities of the Com
-------------------	----	------	---

Benjamin L. Holmes	67	1998	Since December 1994, President of the H specializing in health care with a focu device industry. From 1985 to 1994, Vic of the Hewlett-Packard Company. From 19 General Manager of the Medical Products Hewlett-Packard. Serves as Director for Medical Systems, a publicly traded comp Director of not-for-profit organization HOPE, UCLA Foundation, and St. Luke's W Medical Center Foundation.
--------------------	----	------	--

2

Name	Age	Year First Elected Director	Position with the Company or Prin Occupation During the Past Five
------	-----	-----------------------------------	--

Serving a term ending in 2003:

Sir Stuart Burgess	73	1992	Since January 1998, Chairman of the Com Since 1995, Chairman of Finsbury Worldw Pharmaceutical Trust plc, an investment specializing in the pharmaceutical indu 1990 to 1997, Chairman of the Anglia & Region of the U.K. National Health Serv and member of the NHS Policy Board. Fro 1997, Director of Anagen plc and from 1 1996, Director of Immuno U.K. Ltd. From 1989, Chief Executive Officer and from
--------------------	----	------	---

Edgar Filing: HAEMONETICS CORP - Form DEF 14A

			1989, Director of Amersham International, a world leader in nuclear medicine.
Ronald G. Gelbman	55	2000	From 1971 to 1999 with Johnson and Johnson, most recently as Johnson and Johnson Executive Committee Member and Worldwide Chairman of Systems & Diagnostics. Previously, World Chairman, Pharmaceuticals and Diagnostics and Johnson. Member of the Board of Directors of Sensatex; the Board of Trustees at Rollins College, and the Board of Advisors at previously held CareGain, a healthcare management
N. Colin Lind	47	1998	Since 1986, with Blum Capital Partners, a strategic equity investment firm with approximately 13% ownership in Haemonetics. Currently Managing Partner for the firm responsible for \$2.7 billion in assets management. Currently serves as Director of privately-held companies, Kinetic Concepts and Smarte Carte. Previously a Director of and nine private companies.

3

Name	Age	Year First Elected Director	Position with the Company or Principal Occupation During the Past Five

Serving a term ending in 2004:			
Yutaka Sakurada	70	1991	Since 2001, Vice President of the Company Chairman and Chief Executive Officer of Haemonetics Japan. From 1991 to 2001, Vice President of the Company and President of Haemonetics Japan. From 1989 to 1991, Managing Director of Kuraray Plastics Co., Ltd., a diversified synthetic fiber manufacturer and distributor of the Company's products. From 1983 to 1996, Vice Chairman of the Japanese Biomaterials.
Donna C. E. Williamson	50	1993	Since 2001, an independent consultant. From 2000 to 2001, Managing Director and Senior Vice President, ABN Amro Private Equity, an investing partnership. From 1996 to 1999, independent consultant. From 1993 to 1999, Corporate Senior Vice President of Caremark International, Inc., a leading provider of diversified health care services throughout U.S. and other countries. From 1992 to 1999, Corporate Vice President of Caremark International, Inc. From 1983 to 1992, Corporate Vice President of Baxter International responsible for strategic business development, and health cost management businesses. Director of PSS World Medic

Edgar Filing: HAEMONETICS CORP - Form DEF 14A

Harvey G. Klein, M.D.

60

1998

and the American Red Cross of Greater C

Since 1983, Chief of the Department of Medicine at the Warren G. Magnuson Clinic of the National Institutes of Health. He held other senior level positions with the American Association of Blood Banks; Chairman of the Panel for Blood and Blood Products Pharmacopeia; U.S. Health and Human Services Advisor Committee on Blood Safety and Availability, and, the Blood Products Advisory Committee of the Food and Drug Administration. Previously, he was Chairman of the American Society for Apheresis and a member of the World Apheresis Association.

4

INFORMATION CONCERNING THE BOARD OF DIRECTORS AND DIRECTOR COMPENSATION

During the last fiscal year, there were eight meetings of the Board of Directors of the Company. All of the Directors attended at least 75% of the aggregate of (i) the total number of meetings of the Board of Directors held while he or she was a director, and (ii) the total number of meetings held by Committees of the Board of Directors on which they served.

During fiscal year 2002, the Directors of the Company who were not employees of the Company, except Sir Stuart Burgess, received an annual cash fee of \$20,000 and an option to purchase up to 6,000 shares of Common Stock of the Company. Sir Stuart Burgess, as compensation for his duties performed as Chairman of the Board, was paid a cash fee of \$45,000 for 20 days of formal meetings throughout fiscal year 2002 and was also granted options to purchase up to 12,000 shares of Common Stock of the Company. The options granted to both the directors and to the Chairman vested immediately. Sir Stuart also received a consulting fee of \$1,500 per day for each additional day devoted to Chairman responsibilities, amounting to \$88,500, for the fiscal year ended March 30, 2002.

The Board of Directors has a Compensation and Management Development Committee (the "Compensation Committee") composed of independent directors who are not employees of the Company. The members of the Compensation Committee are Sir Stuart Burgess, Chairman, Ronald G. Gelbman, Benjamin L. Holmes, N. Colin Lind and Donna C.E. Williamson. The Compensation Committee determines the compensation to be paid to the key officers of the Company and administers the Company's 1990 Stock Option Plan and its 1992 and 2000 Long-term Incentive Plans. During the last fiscal year, there were four meetings of the Compensation Committee.

The Board of Directors has an Audit Committee composed of independent directors who are not employees of the Company. The members of the Audit Committee are Benjamin L. Holmes, Chairman, Sir Stuart Burgess, Ronald G. Gelbman and Donna C.E. Williamson. The Audit Committee provides general oversight of the Company's financial reporting and disclosure practices, system of internal controls, and the Company's processes for monitoring compliance by the Company with Company policies. The Committee reviews with the Company's independent auditors the scope of the audit for the year, the results of the audit when completed and the independent auditor's fee for services performed. The Audit Committee also recommends independent

Edgar Filing: HAEMONETICS CORP - Form DEF 14A

auditors to the Board of Directors and reviews with management, and internal audit, various matters related to its internal accounting controls. During the last fiscal year, there were five meetings of the Audit Committee.

At its April 30, 2002 meeting, the Board of Directors approved the formation of a Nominating Committee composed of independent directors who are not employees of the Company. The members of the Nominating Committee are Sir Stuart Burgess, Ronald G. Gelbman, Benjamin L. Holmes and, N. Colin Lind. The Nominating Committee recommends nominees for election as directors to the full Board of Directors. The Nominating Committee considers recommendations for nominees for directorships submitted by stockholders, directors and members of management. Stockholders who wish to submit candidates for consideration as nominees may submit an appropriate letter and resume to the Secretary of the Company at the Company's executive offices in Braintree, Massachusetts. There were no meetings of the Nominating Committee during fiscal year 2002, the committee having been constituted subsequent to the close of the fiscal year.

5

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of May 16, 2002, certain information with respect to beneficial ownership of the Company's Common Stock by: (i) each person known by the Company to own beneficially more than five percent of the Company's Common Stock; (ii) each of the Company's directors and each of the executive officers named in the Summary Compensation Table elsewhere in this Proxy Statement; and (iii) all directors and executive officers as a group.

Name of Beneficial Owner	Title of Class	Amount & Nature Beneficial Ownership	Per Of
Sir Stuart Burgess(1)	Common Stock	161,232	0
James L. Peterson(2)	Common Stock	1,521,927	6
Ronald J. Ryan(3)	Common Stock	154,687	0
Stephen C. Swenson(4)	Common Stock	25,000	0
Timothy Surgenor(5)	Common Stock	135,877	0
Thomas D. Headley(6)	Common Stock	50,842	0
Yutaka Sakurada(7)	Common Stock	91,047	0
Ronald G. Gelbman(8)	Common Stock	27,000	0
Donna C.E. Williamson(9)	Common Stock	61,300	0
Benjamin L. Holmes(10)	Common Stock	41,500	0
Harvey G. Klein M.D.(11)	Common Stock	37,000	0
N. Colin Lind(12)	Common Stock	3,366,400	13
Sterling Capital Management LLC(13)	Common Stock	1,595,423	6
Wellington Management(14)	Common Stock	2,818,050	11
Blum Capital Partners, L.P.(12)	Common Stock	3,366,400	13
Neuberger & Berman Inc.(15)	Common Stock	2,935,345	11
Vanguard Specialized Funds(16)	Common Stock	1,983,900	7
Massachusetts Financial Services(17)	Common Stock	2,773,113	10
All executive officers and directors as a group (12 persons)(18)	Common Stock	5,673,812	22