

MICRUS ENDOVASCULAR CORP  
Form DFAN14A  
July 13, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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 (Amendment No. \_\_)

Filed by the Registrant

Filed by a Party other than the Registrant

Check 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

Micrus Endovascular Corporation

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(Name of Registrant as Specified in Its Charter)

Johnson & Johnson

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(Name of Persons Filing Proxy Statement, if Other than 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:

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

(3) Filing Party:

(4) Date Filed:

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The following presentation was delivered by representatives of Johnson & Johnson to employees of Micrus Endovascular Corporation on July 12, 2010.

#### Forward Looking Statements

This communication includes “forward-looking statements”, within the meaning of the Private Securities Litigation Reform Act of 1995, that are subject to risks, uncertainties and other factors, including the risks to both companies that the acquisition of Micrus Endovascular Corporation will not be consummated, as the transaction is subject to certain closing conditions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including statements regarding the expected timing of the completion of the transaction; the ability to complete the transaction considering the various closing conditions; any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements regarding product development, product extensions, product integration or product marketing; any statements of expectation or belief; any statements regarding general industry conditions and competition; any statements on trends toward healthcare cost containment; and any statements of assumptions underlying any of the foregoing. In addition, if and when the transaction is consummated, there will be risks and uncertainties related to Johnson & Johnson’s ability to successfully integrate the products and employees of Johnson & Johnson and Micrus Endovascular Corporation as well as the ability to ensure continued performance or market growth of Micrus Endovascular Corporation’s products. These risks, uncertainties and other factors, and the general risks associated with the respective businesses of Johnson & Johnson and Micrus Endovascular Corporation described in the reports and other documents filed by each of them with the Securities and Exchange Commission (the “SEC”), could cause actual results to differ materially from those referred to in the forward-looking statements. For example, general business conditions, the impact of healthcare reform and any other changes to applicable governmental laws and regulations, the introduction of competing products or pricing changes by competitors could impact the performance of the companies. The ability to complete a transaction in a timely fashion, if at all, will depend on regulatory consents which can be time consuming to obtain and are often hard to predict. The reader is cautioned not to rely on these forward-looking statements. All forward-looking statements are based on information currently available to Johnson & Johnson and Micrus Endovascular Corporation and are qualified in their entirety by this cautionary statement. Neither Johnson & Johnson nor Micrus Endovascular Corporation undertakes to update any such forward-looking statements or other statements included in this communication.

#### Additional Information about the Proposed Transaction and Where to Find It

In connection with the proposed acquisition, Micrus Endovascular Corporation will file a definitive proxy statement and Micrus Endovascular Corporation and Johnson & Johnson will file other relevant materials with the SEC. Investors and security holders of Micrus Endovascular Corporation are urged to read the proxy statement and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed acquisition because they will contain important information about the acquisition and the parties to the acquisition.

Investors and security holders may obtain a free copy of the proxy statement and other relevant materials when they become available and any other documents filed by Micrus Endovascular Corporation with the SEC, at the SEC’s web site at [www.sec.gov](http://www.sec.gov). The proxy statement and such other documents may also be obtained for free from Micrus Endovascular Corporation by contacting Micrus Endovascular Corporation at: 408-433-1400 or 821 Fox Lane, San Jose, California 95131.

Johnson & Johnson, Micrus Endovascular Corporation and their respective directors, executive officers and other members of management and employees, under SEC rules, may be deemed to be participants in the solicitation of

proxies of Micrus Endovascular Corporation stockholders in connection with the proposed acquisition. Investors and security holders may obtain more detailed information regarding the names, affiliations and interests of certain of Johnson & Johnson's executive officers and directors in the solicitation by reading the proxy statement for Johnson & Johnson's 2010 Annual Meeting of Shareholders, which was filed with the SEC on March 17, 2010, and the proxy statement relating to the acquisition and other relevant materials filed with the SEC when they become available. Investors and security holders may obtain more detailed information regarding the names, affiliations and interests of Micrus Endovascular Corporation's executive officers and directors in the solicitation by reading the proxy statement for Micrus Endovascular Corporation's 2009 Annual Meeting of Stockholders, which was filed with the SEC on July 29, 2009, and the proxy statement relating to the acquisition and other relevant materials to be filed with the SEC when they become available. Certain executives and directors of Micrus Endovascular Corporation have interests in the proposed acquisition that may differ from the interests of stockholders generally, including benefits conferred under severance, retention and change of control arrangements and continuation of director and officer insurance and indemnification. These interests and any additional benefits in connection with the proposed acquisition will be described in the proxy statement when it becomes available.

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INTRODUCTION TO CODMAN:  
A Global Medical Device Company  
Leading the Evolution in Neuroscience  
July, 2010

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**Our Mission:**

To Improve the quality of life in many  
more patients worldwide by  
developing innovative solutions  
across a broad spectrum of  
neurological conditions

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J&J's Global Presence

- One of the World's Largest Health Care Companies
  - 115,000 Employees
- 250 Operating Companies In 57 Countries
  - Selling Products in Over 175 Countries

Diversified Business

\$23.6B

\$15.8B

\$22.5B

Medical Devices  
& Diagnostics

38%

Consumer

26%

Pharmaceutical

36%

“Our final  
responsibility  
is to our  
stockholders...”

“We believe our  
first responsibility  
is to doctors,  
nurses  
and patients...”

“We are also  
responsible  
to our  
employees...”

“We are also  
responsible to  
the communities  
we serve...”



Sports Medicine and Minimally  
Invasive Joint Therapies  
Joint Reconstruction  
and Trauma  
Neurological and  
Neurovascular  
Treatment  
The DePuy Companies of  
Johnson & Johnson

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Add Images of  
R&D, product,  
physician with  
company,  
physician with  
patient

6

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7  
7

- Products sold in over 50 countries
    - Global workforce of over 500 people
    - Worldwide headquarters:
      - Raynham, MA
    - Manufacturing locations:
      - Massachusetts
      - Germany
      - Switzerland
      - Mexico
-

Codman & Shurtleff, Inc. is Creating a  
Global Presence in Neuroscience

- A Total Neuroscience Company with a broad product line
    - From a Foundation with Neurosurgeons worldwide
  - Integrated Cordis neurovascular (CNV) business into Codman in 2009
  - Launched MEDSTREAM neuromodulation drug pump in 2009 OUS
    - The combined business of Codman and Micrus:
    - Strong suite of solutions in Hemorrhagic Stroke
    - Promising products in development for Ischemic Stroke
  - Impact the treatment of stroke in ways that could not be realized by either company alone
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Vast Unmet Need Remains  
in Treating Neurological Disorders

- Ø Worldwide, 1-in-5, or 1.7billion people, suffer from neurological diseases, yet less than 1-in-5 of these people are treated
- § In the US, Stroke costs healthcare system over \$50 B per year\*
- § 3rd leading cause of death after heart disease and cancer
- § 750,000 strokes per year in the US
- § 87% ischemic - 13% hemorrhagic
- § 15-20% result in mortality in a week, 1/3 within a year but death rate falling due to better treatment
- § 4 million Americans live with effects of stroke with 15-30% of patients emerging with permanent disabilities

Each year, there are over 30 million newly diagnosed patients worldwide with neurological disease

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\* 1National Stroke Association, "Stroke 101", 2010.

\*\* World Health Organization, 2007

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Major Conditions / Diseases  
Products

- Acquired hydrocephalus  
(via. tumor, surgery, absorption)
- Normal Pressure Hydro (NPH)

Hydrocephalus

Treat

Valves: Fixed and CHPV®

BACTISEAL® Catheter

- Post-craniotomy care
- Traumatic Brain Injury (TBI)
- (post) Aneurysm/Stroke care

Neuro Critical Care

Access &

Treat

BACTISEAL®

EVD

Drainage

ICP Monitor

- Surgical access, intervention, and  
closure (general to specialized)

Instruments

Access &

Intervention

Retractors and instruments

- Aneurysms

- Arteriovenous Malformation (AVM's)

Neurovascular

Access &

Treat

Vascular reconstructive devices, embolics and  
access products

We Offer an Industry-leading Product Portfolio

- Tumors

- Cerebrovascular

- Functional/stereotactic

Operative

Neurosurgery

Neurodisposables,

Electro-surgery, Closure

Access &

Treat

Perforator

ISOCOOL® Forceps

DURAFORM®

CERTAS™

- Pain (Morphine)
- Spasticity (Baclofen)

Drug Delivery

Treat

MEDSTREAM™\*

GALAXY™ &

NEUROSCOUT™

\*MEDSTREAM™ is not approved for sale in the US.

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Neurostimulators  
SNS Selective nerve stimulation for  
under-treated diseases, including  
epilepsy, depression, stroke

Drug Delivery  
Build on MEDSTREAM pump with  
new compounds for neurologic  
conditions

We are investing in Transformational Technologies\*

Neuromodulation

Biologics

Placental stem cell focused  
treatment of stroke

Stroke Therapeutics &

Diagnostics

Neuromodulation

Post-Stroke

Neurovascular

Hemorrhagic Stroke

Ischemic Stroke

Valves with Sensing Technology

Advanced Monitoring

Automated detection of cerebral  
vasospasm and emboli

Neurosurgery &

NeuroCritical Care

These areas of research are not approved products  
in the US at this time.

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Competitive Advantages  
ENTERPRISE Stent Platform  
Global Footprint & Alignment  
World-class Prof Ed Capabilities  
Codman: Total Neurosciences  
Approach

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- Hydrocephalus
- Neurovascular
- Neuro Critical Care
- Raising Awareness
- NPH Patient Campaign
- NPH Referral Development
- Professional Education
  - Hydro Symposia
- Embolic Training Courses
  - New DePuy Institute

DePuy  
Institute, LLC  
State-of-the-art  
70,000 sq ft facility

Addressing the unmet educational and clinical needs in a rapidly  
changing and expanding health care environment for  
professionals and our sales teams

- Training across a continuum of care and a wide range of  
stakeholders
  - World-class faculty across disciplines
- Undergo collaborative efforts with medical societies
  - State-of-the-art labs, training rooms, rapid-  
prototyping

Our Commitment  
Strengthen Global Presence in Neuroscience  
Offer an Industry-leading Product Portfolio  
Advance Breakthrough Future Therapies

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Forward Looking Statements

This presentation contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from Johnson & Johnson’s and Micrus Endovascular Corporation’s expectations and projections. Risks and uncertainties include: the possibility that the transaction will not be completed, or if completed, not completed on a timely basis; the possibility that the expected benefits of the acquisition will not be achieved; general industry conditions and competition; business and economic conditions, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; domestic and foreign health care reforms and governmental laws and regulations; and trends toward health care cost containment. A further list and description of these risks, uncertainties and other factors can be found in Exhibit 99 of Johnson & Johnson’s Annual Report on Form 10-K for the fiscal year ended January 3, 2010 and in Micrus Endovascular Corporation’s Annual Report on Form 10-K for the fiscal year ended March 31, 2010. Copies of these filings, as well as subsequent filings, are available online at [www.sec.gov](http://www.sec.gov), [www.jnj.com/connect](http://www.jnj.com/connect) or [micrusendovascular.com](http://micrusendovascular.com). Neither company undertakes to update any forward-looking statements as a result of new information or future events or developments.

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In connection with the proposed transaction, Micrus Endovascular Corporation intends to file a definitive proxy statement and other relevant materials with the Securities and Exchange Commission (the "SEC").

Before making any voting decision with respect to the proposed transaction, stockholders of Micrus Endovascular Corporation are urged to read the proxy statement and other relevant materials because these materials will contain important information about the proposed transaction. The proxy statement and other relevant materials, and any other documents filed by Micrus Endovascular Corporation with the SEC, may be obtained free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, stockholders of Micrus Endovascular Corporation may obtain free copies of the documents filed with the SEC at [micruscorp.com](http://micruscorp.com) or by contacting Micrus Endovascular Corporation at: 408-433-1400 or 821 Fox Lane, San Jose, CA 95131. Micrus Endovascular Corporation and Johnson & Johnson and each of their executive officers and directors may be deemed to be participants in the solicitation of proxies from Micrus Endovascular Corporation's stockholders in favor of the proposed transaction. A list of the names of Johnson & Johnson's executive officers and directors and a description of their respective interests in Johnson & Johnson are set forth in the proxy statement for Johnson & Johnson's 2010 Annual Meeting of Shareholders, which was filed with the SEC on March 17, 2010, and in any documents subsequently filed by its directors and executive officers under the Securities and Exchange Act of 1934, as amended. A list of the names of Micrus Endovascular Corporation executive officers and directors and a description of their respective interests in Micrus Endovascular Corporation are set forth in the proxy statement for Micrus Endovascular Corporation's 2009 Annual Meeting of Stockholders, which was filed with the SEC on July 29, 2009, and in any documents subsequently filed by its directors and executive officers under the Securities and Exchange Act of 1934, as amended. Certain executive officers and directors of Micrus Endovascular Corporation have interests in the proposed transaction that may differ from the interests of stockholders generally, including benefits conferred under retention, severance and change in control arrangements and continuation of director and officer insurance and indemnification. These interests and any additional benefits in connection with the proposed transaction are described in the definitive proxy statement.

Additional Information About the Proposed Transaction and Where to Find It