

MICROFLUIDICS INTERNATIONAL CORP

Form SC 14D9/A

February 25, 2011

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14D-9
SOLICITATION/RECOMMENDATION STATEMENT
UNDER SECTION 14(d)(4) OF THE
SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 4)
MICROFLUIDICS INTERNATIONAL CORPORATION
*(Name of Subject Company)***

**MICROFLUIDICS INTERNATIONAL CORPORATION
*(Name of Person Filing Statement)***

**Common Stock, par value \$0.01 per share
*(Title of Class of Securities)***

**595074105
*(CUSIP Number of Class of Securities)***

**Michael C. Ferrara
President and Chief Executive Officer
30 Ossipee Road
Newton, Massachusetts 02464
(617) 969-5452**

*(Name, Address, and Telephone Number of Person Authorized to Receive
Notices and Communications on Behalf of the Person Filing Statement)*

With a copy to:

**Jonathan L. Kravetz, Esq.
Megan N. Gates, Esq.
Daniel H. Follansbee, Esq.
Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
(617) 542-6000**

- Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

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This Amendment No. 4 amends and supplements the Solicitation/Recommendation Statement on Schedule 14D-9 initially filed with the Securities and Exchange Commission (the SEC) on January 25, 2011, as amended by Amendment No. 1 filed on January 31, 2011, Amendment No. 2 filed on February 8, 2011, and Amendment No. 3 filed on February 16, 2011 (as previously filed with the SEC, and as the same may further be amended or supplemented from time to time, the Schedule 14D-9), by Microfluidics International Corporation, a Delaware corporation (Microfluidics or the Company), relating to the offer (the Offer) by Nano Merger Sub, Inc., a Delaware corporation (Purchaser) and a wholly-owned subsidiary of IDEX Corporation, a Delaware corporation (IDEX), as set forth in a Tender Offer Statement filed by IDEX and Purchaser on Schedule TO, dated January 25, 2011, as amended by Amendment No. 1 filed on January 28, 2011, Amendment No. 2 filed on February 16, 2011, and Amendment No. 3 filed on February 25, 2011 (as previously filed with the SEC, and as the same may further be amended or supplemented from time to time, the Schedule TO), to purchase all outstanding shares of common stock, par value \$0.01 per share (the Shares) of Microfluidics, at a purchase price of \$1.35 per Share, net to the selling stockholders in cash, without interest thereon and less any required withholding taxes, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated January 25, 2011, and in the related Letter of Transmittal, copies of which are filed with the Schedule TO as Exhibits (a)(1)(A) and (a)(1)(B), respectively. Any capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Schedule 14D-9.

Item 8. Additional Information.

Item 8 of the Schedule 14D-9 is hereby amended and supplemented by inserting the following new subsection (j) at the end thereof:

(j) Expiration of Offer; IDEX Announces Subsequent Offering Period

At 12:00 midnight, New York City time, on Thursday, February 24, 2011, the Offer expired as scheduled. Upon expiration of the Offer, Purchaser accepted for payment in accordance with the terms of the Offer all Shares that were validly tendered and not withdrawn prior to expiration of the Offer, and payment for such Shares will be made promptly, in accordance with the terms of the Offer. Registrar and Transfer Company, the depository for the Offer, has advised the Company that, as of the expiration of the Offer, approximately 6,875,929 Shares were validly tendered and not withdrawn, representing approximately 65.92% of the outstanding Shares. The depository also has advised the Company that it has received commitments to tender approximately 64,802 additional Shares pursuant to the Offer's guaranteed delivery procedure. Therefore, the Minimum Condition (as defined in the Merger Agreement) and all other conditions to the Offer have been satisfied. Following Purchaser's acceptance for payment of the Shares (including those Shares tendered pursuant to the Offer's guaranteed delivery procedure), Purchaser owned approximately 6,940,731 Shares, representing approximately 66.54% of all issued and outstanding shares of the Company's common stock.

On February 25, 2011, IDEX issued a press release announcing that Purchaser has accepted for payment all Shares that were validly tendered and not withdrawn prior to the expiration of the Offer. IDEX also announced that the Purchaser has commenced a subsequent offering period to permit stockholders who have not yet tendered their Shares the opportunity to do so. The subsequent offering period will expire at 5:00 p.m., New York City time, on Thursday, March 3, 2011. The full text of the press release is filed as Exhibit (a)(1)(P) hereto and is incorporated herein by reference.

All Shares properly tendered during the subsequent offering period will be accepted and stockholders who tender their Shares during the subsequent offering period will receive the same Offer Price paid to tendering stockholders who tendered their Shares pursuant to the Offer. The procedures for tendering Shares during the subsequent offering period are the same as those described for the Offer, except that (i) the guaranteed delivery procedures may not be used during the subsequent offering period and (ii) Shares tendered during the subsequent offering period may not be withdrawn.

Item 9. Exhibits.

Item 9 of the Schedule 14D-9 is hereby supplemented by adding the following exhibit:

Exhibit No. Description

(a)(1)(P) Press Release issued by IDEX, dated February 25, 2011 (incorporated herein by reference to Exhibit (a)(1)(M) to Amendment No. 3 to the Schedule TO of IDEX and Purchaser filed with the SEC on February 25, 2011).

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SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 25, 2011

**MICROFLUIDICS INTERNATIONAL
CORPORATION**

By: /s/ Michael C. Ferrara
Michael C. Ferrara
President and Chief Executive Officer

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- (a)(1)(A)* + Letter to Stockholders of the Company, dated January 25, 2011, from Michael C. Ferrara, President and Chief Executive Officer of the Company.
- (a)(1)(B)* Information Statement Pursuant to Section 14(f) of the Securities Exchange Act of 1934, as amended, and Rule 14f-1 thereunder (included as Annex I to the Schedule 14D-9 filed with the SEC on January 25, 2011).
- (a)(1)(C) Offer to Purchase, dated January 25, 2011 (incorporated herein by reference to Exhibit (a)(1)(A) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (a)(1)(D) Form of Letter of Transmittal (incorporated herein by reference to Exhibit (a)(1)(B) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (a)(1)(E) Form of Notice of Guaranteed Delivery (incorporated herein by reference to Exhibit (a)(1)(C) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (a)(1)(F) Form of Letter to Brokers, Dealers, Banks, Trust Companies and other Nominees (incorporated herein by reference to Exhibit (a)(1)(D) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (a)(1)(G) Form of Letter to Clients for use by Brokers, Dealers, Banks, Trust Companies and other Nominees (incorporated herein by reference to Exhibit (a)(1)(E) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (a)(1)(H)* Opinion of America's Growth Capital, LLC, to the Board of Directors of the Company dated January 10, 2011 (included as Annex II to the Schedule 14D-9 filed with the SEC on January 25, 2011).
- (a)(1)(I) Joint Press Release issued by the Company and IDEX, dated January 11, 2011 (incorporated herein by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the SEC on January 11, 2011).
- (a)(1)(J) Summary Advertisement as published on January 25, 2011 in Investor's Business Daily (incorporated herein by reference to Exhibit (a)(1)(G) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (a)(1)(K) Press Release issued by IDEX, dated January 25, 2011 (incorporated herein by reference to Exhibit (a)(1)(H) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (a)(1)(L) + Complaint filed in the Court of Chancery of the State of Delaware, captioned Joseph P. Daly v. Michael Ferrara, George Uveges, Leo Roy, Eric Walters, Henry Kay, Stephen Robinson, Microfluidics International Corporation, IDEX Corporation, and Nano Merger Sub, Inc., C.A. No. 6126, dated January 14, 2011.
- (a)(1)(M) + Complaint filed in the Massachusetts Superior Court for Middlesex County, captioned Paul Shumsky v. Microfluidics International Corporation; George Uveges; Eric G. Walters; Henry

Kay; Leo Pierre Roy; Michael C. Ferrara, dated January 20, 2011.

- (a)(1)(N) Amended Complaint filed in the Court of Chancery of the State of Delaware, captioned Joseph P. Daly v. Michael Ferrara, George Uveges, Leo Roy, Eric Walters, Henry Kay, Stephen Robinson, Microfluidics International Corporation, IDEX Corporation, and Nano Merger Sub, Inc., C.A. No. 6126-VCS, dated January 28, 2011 (incorporated herein by reference to Exhibit (a)(1)(J) to the Schedule TO of IDEX and Purchaser initially filed with the SEC on January 25, 2011, and amended on January 28, 2011).
- (a)(1)(O) ++ Amended Complaint filed in the Massachusetts Superior Court for Middlesex County, captioned Paul Shumsky v. Microfluidics International Corporation; IDEX Corporation; Nano Merger Sub, Inc.; George Uveges; Eric G. Walters; Henry Kay; Leo Pierre Roy; Michael C. Ferrara; and Stephen J. Robinson, C.A. No. 11-0186, dated February 1, 2011.
- (a)(1)(P) Press Release issued by IDEX, dated February 25, 2011 (incorporated herein by reference to Exhibit (a)(1)(M) to Amendment No. 3 to the Schedule TO of IDEX and Purchaser filed with the SEC on February 25, 2011).
- (a)(5)(A) ++ Notice to Microfluidics International Corporation's stock option holders, delivered by
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Microfluidics International Corporation on February 8, 2011.

- (a)(5)(B) Letter from Michael C. Ferrara, President and Chief Executive Officer of the Company, distributed on January 11, 2011 to the Company's stockholders regarding the proposed acquisition (incorporated herein by reference to the Schedule 14D-9C of the Company filed with the SEC on January 11, 2011).
- (a)(5)(C) E-mail from Michael C. Ferrara, President and Chief Executive Officer of the Company, distributed on January 11, 2011 to the Company's employees regarding the proposed acquisition (incorporated herein by reference to the Schedule 14D-9C of the Company filed with the SEC on January 11, 2011).
- (a)(5)(D) Letter from Michael C. Ferrara, President and Chief Executive Officer of the Company, distributed on January 11, 2011 to the Company's customers regarding the proposed acquisition (incorporated herein by reference to the Schedule 14D-9C of the Company filed with the SEC on January 11, 2011).
- (a)(5)(E) Letter from Michael C. Ferrara, President and Chief Executive Officer of the Company, distributed on January 11, 2011 to the Company's sales representatives regarding the proposed acquisition (incorporated herein by reference to the Schedule 14D-9C of the Company filed with the SEC on January 11, 2011).
- (a)(5)(F) Transcript of the Company's conference call held on January 11, 2011 at 8:30 a.m. (Eastern time) regarding the proposed acquisition (incorporated herein by reference to the Schedule 14D-9C of the Company filed with the SEC on January 11, 2011).
- (e)(1) Agreement and Plan of Merger, dated January 10, 2011, by and among IDEX, Purchaser and the Company (incorporated herein by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on January 11, 2011).
- (e)(2) Amended and Restated Employment Agreement, dated as of December 4, 2009, by and between Michael C. Ferrara and the Company (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on December 8, 2009).
- (e)(3) Employee Agreement by and between the Company and Peter F. Byczko dated September 1, 2010 (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on September 8, 2010).
- (e)(4) Employee Agreement by and between the Company and William J. Conroy dated September 3, 2010 (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on September 8, 2010).
- (e)(5) Summary of Compensation Arrangements including Discretionary Bonus Plan with the Company's named executive officers (incorporated herein by reference to Exhibit 10.109 to the Company's Annual Report on Form 10-K filed with the SEC on March 29, 2010).
- (e)(6)

Convertible Debenture and Warrant Purchase Agreement between the Company and Global Strategic Partners, LLC, dated as of November 14, 2008 (incorporated herein by reference to Exhibit 10.1 to the Company's Amendment No. 1 to Form S-3 filed with the SEC on January 14, 2009).

- (e)(7) Amendment No. 1 to Convertible Debenture and Warrant Purchase Agreement and Amendment No. 1 to Convertible Debenture, between the Company and Global Strategic Partners, LLC, dated as of November 17, 2008 (incorporated herein by reference to Exhibit 10.2 to the Company's Amendment No. 1 to Form S-3 filed with the SEC on January 14, 2009).
 - (e)(8) Registration Rights Agreement between the Company and Global Strategic Partners, LLC, dated as of November 14, 2008 and amended on December 3, 2008 (incorporated herein by reference to Exhibit 10.3 to the Company's Amendment No. 1 to Form S-3 filed with the SEC on January 14, 2009).
 - (e)(9) Security Agreement between the Company and Global Strategic Partners, LLC, dated as of November 14, 2008 (incorporated herein by reference to Exhibit 10.4 to the Company's Amendment No. 1 to Form S-3 filed with the SEC on January 14, 2009).
 - (e)(10) Convertible Debenture issued by the Company to Global Strategic Partners, LLC, dated as of
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- November 14, 2008, as amended (incorporated herein by reference to Exhibit 10.5 to the Company's Amendment No. 1 to Form S-3 filed with the SEC on January 14, 2009).
- (e)(11) Common Stock Purchase Warrant issued by the Company to Global Strategic Partners, LLC, dated as of November 14, 2008 (incorporated herein by reference to Exhibit 10.6 to the Company's Amendment No. 1 to Form S-3 filed with the SEC on January 14, 2009).
- (e)(12) Amendment No. 2 to Registration Rights Agreement, Amendment No. 2 to Convertible Debenture and Warrant Purchase Agreement and Amendment to Security Agreement dated March 11, 2009 by and between the Company and Global Strategic Partners, LLC (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on 8-K filed with the SEC on March 17, 2009).
- (e)(13) Amendment to Transaction Documents dated October 23, 2009 by and between the Company and Global Strategic Partners, LLC (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on October 26, 2009).
- (e)(14) Amendment No. 2 to that certain Debenture and Warrant Purchase Agreement dated as of November 14, 2008 (incorporated herein by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on August 14, 2009).
- (e)(15) + Confidentiality Agreement, dated November 4, 2010, by and between the Company, Celgene Corporation, Abraxis BioScience, Inc., and Global Strategic Partners, LLC.
- (e)(16) Confidentiality Agreement, effective November 24, 2009, by and between the Company and IDEX (incorporated herein by reference to Exhibit (d)(4) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (e)(17) Exclusivity Agreement, dated June 8, 2010, as amended on July 23, 2010, by and between the Company and IDEX (incorporated herein by reference to Exhibit (d)(5) to the Schedule TO of IDEX and Purchaser filed with the SEC on January 25, 2011).
- (e)(18) Form of Tender and Support Agreement entered into on January 10, 2011 by and among IDEX, Purchaser and each of Michael C. Ferrara, George Uveges, Henry Kay, Stephen J. Robinson, Leo Pierre Roy, Eric G. Walters, Peter F. Byczko, William J. Conroy, and Irwin J. Gruverman (incorporated herein by reference to Exhibit 2.2 to the Company's Current Report on Form 8-K filed with the SEC on January 11, 2011).
- (e)(19) + Tender and Support Agreement, dated as of January 12, 2011, by and among IDEX, Purchaser, and Marjorie Gruverman.
- (e)(20) Agreement Concerning Debenture, dated as of January 10, 2011, by and among IDEX, Purchaser, Global Strategic Partners, LLC, Abraxis BioScience, LLC and American Stock Transfer and Trust Company, LLC (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on January 11, 2011).
- (e)(21) 1986 Employee Stock Purchase Plan as amended (incorporated herein by reference to Exhibit 4 to the Company's Registration Statement on Form S-8 filed with the SEC on

April 10, 2002).

- (e)(22) 1988 Stock Plan as amended (incorporated herein by reference to Exhibit 4 to the Company's Registration Statement on Form S-8 filed with the SEC on September 6, 2002).
 - (e)(23) 1989 Non-Employee Directors Stock Option Plan (incorporated herein by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-8 filed with the SEC October 22, 1996).
 - (e)(24) 2006 Stock Plan (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on August 11, 2006).
 - (e)(25) Form of Notice of Grant of Stock Option and Employee Stock Option Agreement for Microfluidics International Corporation 2006 Stock Plan (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on June 10, 2009).
 - (e)(26) Certificate of Incorporation for the Company, as amended (incorporated herein by reference to Exhibit 2A to the Company's Registration Statement on Form 8-A and Exhibit 3.1(a) to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1999 filed with the SEC on November 15, 1999).
 - (e)(27) Certificate of Amendment to the Restated Certificate of Incorporation of the Company
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(incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on June 10, 2009).

(e)(28) Amended and Restated By-Laws for the Company (incorporated herein by reference to Exhibit 3(b) to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1996 filed with the SEC on March 31, 1997).

(g) Not applicable.

* Included in mailing to stockholders commenced as of January 25, 2011.

+ Previously filed as an exhibit to the Schedule 14D-9 on January 25, 2011.

++ Previously filed as an exhibit to Amendment No. 2 to the Schedule 14D-9 on February 8, 2011.