

VERTEX PHARMACEUTICALS INC / MA

Form 4

July 29, 2015

# FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

### STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
Silva Paul M

2. Issuer Name and Ticker or Trading Symbol  
VERTEX PHARMACEUTICALS INC / MA [VRTX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
07/27/2015

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
SVP & Corp Controller

C/O VERTEX PHARMACEUTICALS INCORPORATED, 50 NORTHERN AVENUE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

BOSTON, MA 02210

(City) (State) (Zip)

#### Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	07/27/2015		M	1,125 A	\$ 48.74 19,500	D	
Common Stock	07/27/2015		S <sup>(1)</sup>	600 D	\$ 122.71 18,900 <u>(2)</u> <u>(3)</u>	D	
Common Stock	07/27/2015		S <sup>(1)</sup>	400 D	\$ 123.67 18,500 <u>(3)</u> <u>(4)</u>	D	



## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Transaction made pursuant to Mr. Silva's company approved trading plan under Rule 10b5-1.
- (2) Open market sales reported on this line occurred at a weighted average price of \$122.71 (range \$122.31 to \$123.25).
- (3) Mr. Silva undertakes to provide (upon request by the SEC staff, the issuer or a security holder of the issuer) full information regarding the number of shares sold at each separate price.
- (4) Open market sales reported on this line occurred at a weighted average price of \$123.67 (range \$123.37 to \$124.30).
- (5) The option vests in 16 quarterly installments from 07/25/2012.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. DER="0" CELLPADDING="0" CELLSPACING="0" WIDTH="100%">• EMC plans to operate Legato as a division of EMC led by David B. Wright, Legato's current Chairman and CEO, reporting to Joe Tucci

- Legato's sales, marketing and service will continue to focus on selling and servicing Legato's full line of products and solutions  
EMC intends to leverage Legato's extensive channel base
- EMC and Legato intend to leverage the strengths of their software development teams to accelerate the development and delivery of comprehensive storage management solutions
- EMC is committed to the open systems backup and restore market and EDM will continue to be a part of our portfolio  
EMC plans to evaluate the current and planned feature sets of EDM and NetWorker in order to develop an enhanced product roadmap incorporating the best of both products

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*Summary*

- Creates the ultimate information lifecycle management company
- Provides customers with end-to-end solutions to help lower TCO, improve service levels, improve information availability
- Accelerates commitment to openness
- Broadens sales and distribution capabilities and customer base

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[GRAPHIC]

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*Appendix Facts and Figures*

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*Legato/EMC Facts and Figures 2002 data*

Fact	EMC	Legato	Combined
Revenues 02	\$5.4B	\$262M	\$5.7B
Open Software Revenue Q1 03	\$98.8M	\$34.4M	\$133.2M The addition of Legato would have increased EMC's multi-platform software revenues by 35% in Q1.
Channel Mix	Slightly less than 2/3 Direct More than 1/3 Indirect	Direct 25% Indirect 75%	Slightly less than 2/3 Direct More than 1/3 Indirect Legato's direct sales force and extensive relationships with channel partners complement and extend EMC's go-to-market strategy and reach
Geographic Mix	NA 59% EMEA 24% ROW 17%	NA 54% Europe 35% ROW 11%	NA 59% EMEA 25% ROW 15% Legato will deepen EMC's software penetration in EMEA
Number of employees WW (Q1 03)	17,200	Approx. 1500	18,763
Total 2002 R&D spend	\$781M	\$69.2M	\$850m or 14% of combined 2002 revenues The two companies combined software R&D investment far outpaces the rest of the market and force others to seriously consider their ability to compete in the future.
Number of R&D employees	3000	450	3450 or 18% of total employee base.

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*Legato/EMC Facts and Figures 2002 data*

Fact	EMC	Legato	Combined
Number of sales reps	5600 (customer facing employees)	230 reps; 140 SEs/Consultants	5970 or 32% of total employee base.
Number of customers	Presence in majority of Fortune 1000 Approx. 9,900 customers at the parent company level	Mid market to enterprise focus 31,000 overall Over 350 of Global 500 (>70%)	Provides EMC access to new software opportunities within G2K and further extends our reach down market.
Product focus	Storage systems, software, services	Backup/Recovery, HSM/Archive, Replication, Email and Content management	EMC and Legato together will be the ultimate information lifecycle management company; helping customers get the maximum value from their information at the lowest TCO at every point in the information lifecycle.
Product Mix	55% Systems 23% Software 20% Services	49% services 51% software	53% Systems 24% Software 21% Services
Customer Satisfaction	>95%	92% cust sat and renewals over 90% (Q2 current)	>95%  EMC and Legato share a common vision for servicing the customer.
Number of channel partners	300	400 channel partners 1028 certified specialists	Legato's direct sales force and extensive relationships with channel partners complement and extend EMC's go-to-market strategy and reach

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*Legato/EMC Facts and Figures 2002 data*

Fact	Gartner Categories	EMC	Legato
Market Segments (Segment Growth* and Share)	Storage Infrastructure Products**	Core Storage Management 2003-2007 CAGR: 3.3% Current Market Share: 32%	N/A
		Data Replication 2003-2007 CAGR: 9.3% EMC Current Market Share: 46%	Data Replication 2003-2007 CAGR: 9.3% Legato Current Mkt Share: 1.3%
EMC leads in 2 of the three Gartner storage management software categories.	Data Management Products	Backup/Recovery 2003-2007 CAGR: 0.5% EMC Current Market Share: 1.7%	Backup/Recovery 2003-2007 CAGR: 0.5% Legato Current Mkt Share : 9.3%
		HSM/Archive 2003-2007 CAGR: 18% EMC Current Market Share: 0.1%	HSM/Archive 2003-2007 CAGR: 18% Legato Current Mkt Share : 9.2%
Legato has a leadership position in the third.	Enterprise Storage Resource Management	Storage Resource Management 2003-2007 CAGR: 24% EMC Current Market Share: 46%	N/A
		Device Management 2003-2007 CAGR: 6.8% EMC Current Market Share: 55%	N/A
		Media Management 2003-2007 CAGR: 1.7% EMC Current Market Share: 0.1%	Media Management 2003-2007 CAGR: 1.7% Legato Current Mkt Share : 1.6%

\* Segment growth is based on CAGR 2002 - 2007; Source: Gartner May 5, 2003 Report // Share is based on 2002 market share in Gartner April 10, 2003 Report.

\*\* Gartner's Storage Infrastructure Products category contains 3 sub-segments: Core Storage Mgmt., Data Replication, and Volume Mgmt. & Virtualization. Volume Management and Virtualization is not included in this chart. EMC does have presence in this market in 2003 with PowerPath Volume Manager.

### **Additional Information and Where to Find it**

In connection with the proposed transaction, EMC and LEGATO intend to file a proxy statement/prospectus with the U.S. Securities and Exchange Commission (the "SEC"). Investors and security holders of EMC and LEGATO are advised to read the proxy statement/prospectus when it becomes available, because it will contain important information about EMC, LEGATO and the proposed transaction. Investors and security holders may obtain a free copy of the proxy statement/prospectus, when available, and other documents filed by EMC and LEGATO with the SEC at the SEC's website at [www.sec.gov](http://www.sec.gov). Free copies of the proxy statement/prospectus, when available, and each company's other filings with the SEC also may be obtained from the respective companies. Free copies of EMC's filings may be obtained by directing a request to EMC. You can request this information via the web at [www.EMC.com/IR/request](http://www.EMC.com/IR/request) or by sending a written request to EMC Investor Relations, EMC Corporation, 176 South Street, Hopkinton, MA 01748. Free copies of Legato's filings may be obtained by directing a request to Legato Investor Relations, LEGATO Systems, Inc., 2350 West El Camino Real, Mountain View, CA 94040. In addition, investors and security holders may access copies of the documents filed with the SEC by EMC on EMC's website at [www.emc.com](http://www.emc.com), and investors and security holders may access copies of the documents filed with the SEC by LEGATO on LEGATO's website at [www.legato.com](http://www.legato.com).

### **Forward Looking Statements**

This presentation contains forward-looking statements as defined under the Federal Securities Laws. EMC's actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors, including but not limited to: (i) risks associated with strategic investments and acquisitions, including the challenges and costs of closing, integration, restructuring and achieving anticipated synergies associated with the acquisition; (ii) adverse changes in general economic or market conditions; (iii) delays or reductions in information technology spending; (iv) the transition to new products, the uncertainty of customer acceptance of new product offerings, and rapid technological and market change; (v) insufficient, excess or obsolete inventory; (vi) competitive factors, including but not limited to pricing pressures; (vii) component quality and availability; (viii) the relative and varying rates of product price and component cost declines and the volume and mixture of product and services revenues; (ix) war or acts of terrorism; (x) the ability to attract and retain highly qualified employees; (xi) fluctuating currency exchange rates; and (xii) other one-time events and other important factors disclosed previously and from time to time in EMC's filings with the U.S. Securities and Exchange Commission.