FORM 8-K

Current report filing

Filing Date: **2011-11-07** | Period of Report: **2011-11-07**
SEC Accession No. 0001193125-11-300057

(HTML Version on secdatabase.com)

FILER

PHARMACEUTICAL PRODUCT DEVELOPMENT INC

CIK:**1003124**| IRS No.: **561640186** | State of Incorp.:**NC** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-27570** | Film No.: **111185527**
SIC: **8731** Commercial physical & biological research

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)
November 7, 2011

PHARMACEUTICAL PRODUCT DEVELOPMENT, INC.
(Exact name of registrant as specified in its charter)

North Carolina
(State or other jurisdiction
of incorporation)

0-27570	**56-1640186**
(Commission File Number)	**(IRS Employer ID Number)**

929 North Front Street, Wilmington, North Carolina 28401
(Address of principal executive offices) (Zip Code)

Registrant' s telephone number, including area code: (910) 251-0081

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

Pharmaceutical Product Development, Inc., a North Carolina corporation (the "*Company*") is disclosing under Item 7.01 of this Current Report on Form 8-K the information attached to this report as Exhibit 99.1, which information is incorporated herein by reference. This information, which has not been previously reported, is excerpted from materials being disseminated to prospective debt financing sources that are expected to provide a portion of the financing for the proposed transactions contemplated by the previously announced Agreement and Plan of Merger, dated as of October 2, 2011, by and among the Company, Jaguar Holdings, LLC and Jaguar Merger Sub, Inc. (the "*Transactions*").

As provided in General Instruction B.2 of Form 8-K, the information included under this Item, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Forward-Looking Statements

This filing contains forward-looking statements, which may be identified by words such as "believes," "expects," "anticipates," "estimates," "projects," "intends," "should," "seeks," "future," "continue," or the negative of such terms, or other comparable terminology. Forward-looking statements are subject to risks, uncertainties, assumptions and other factors that are difficult to predict and that could cause actual results to vary materially from those expressed in or indicated by them. Factors that could cause actual results to differ materially include, but are not limited to statements regarding the consummation of the Transactions and the intent of any parties about future actions. Important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements are specified in the Company' s Annual Report on Form 10-K for the year ended December 31, 2010 and the Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 and in other filings and furnishings made by the Company with the Securities and Exchange Commission from time to time. Many of the factors that will determine the outcome of the subject matter of this filing are beyond the Company' s ability to control or predict. Except as required by law, the Company undertakes no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise. The Company is not responsible for updating the information contained in this filing beyond the published date, or for changes made to this filing by wire services or Internet service providers.

Item 9.01 Financial Statements and Exhibits.

(d)

The following exhibits are filed herewith:

Exhibit Number	Description
99.1	Certain Information to Be Provided to Prospective Debt Financing Sources

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHARMACEUTICAL PRODUCT DEVELOPMENT, INC.

Dated: November 7, 2011

By: /s/ Daniel G. Darazsdi

Name: Daniel G. Darazsdi

Title: Chief Financial Officer

EBITDA consists of net income (loss) attributable to shareholders before interest, taxes, depreciation and amortization. Adjusted EBITDA consists of EBITDA and (i) eliminates non-operating income or expense, (ii) eliminates the impact of certain non-cash, nonrecurring or other items that are included in net income and EBITDA that we do not consider indicative of our ongoing operating performance, (iii) eliminates certain unusual or non-recurring items impacting results in a particular period, and (iv) gives pro forma affect to operational charges impacting our results going forward, in each case if we believe that making such adjustments provides investors meaningful information to understand our operating results and ability to analyze financial and business trends on a period-to-period basis.

EBITDA and Adjusted EBITDA are not calculated or presented in accordance with U.S. GAAP and other companies in our industry may calculate EBITDA and Adjusted EBITDA differently than we do. As a result, these financial measures have limitations as analytical and comparative tools and you should not consider these items in isolation, or as a substitute for analysis of our results as reported under U.S. GAAP. EBITDA and Adjusted EBITDA should not be considered as measures of discretionary cash available to us to invest in the growth of our business. In calculating these financial measures, we make certain adjustments that are based on assumptions and estimates that may prove to have been inaccurate. Our presentation of EBITDA and Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

The following table reconciles net income (loss) attributable to shareholders to EBITDA and Adjusted EBITDA for the periods presented:

	Historical					Twelve months ended September 30,
	Year ended December 31,			Nine months ended September 30,		
(Dollars in thousands)	2008	2009	2010	2010	2011	2011
Net income (loss) attributable to shareholders	$187,519	$159,295	$124,041	$76,184	$119,556	$ 167,413
Interest (income) expense, net	(16,123)	(4,511)	(2,949)	(1,650)	(4,256)	(5,555)
Income taxes	91,469	62,892	60,840	41,303	54,039	73,576
Depreciation and amortization	59,150	63,855	65,138	49,877	50,504	65,765
EBITDA	$322,015	$281,531	$247,070	$165,714	$219,843	$ 301,199
Loss (income) from discontinued or divested operations(a)	(9,429)	869	15,453	15,453	–	–
Non-cash items(b)	23,491	19,857	19,801	21,921	226	(1,894)
(Gain) loss on investments(c)	17,741	2,076	1,339	(2,541)	18,808	22,688
BioAnalytical contract expansion(d)	–	–	–	–	4,920	7,381
Start-up and exit expenses(e)	–	400	4,820	1,590	2,163	5,392
Contract accrual and reserve reversal adjustments(f)	6,485	(2,317)	(2,580)	905	(788)	(4,272)
Other non-operating gains and losses(g)	(1,884)	2,025	(630)	(643)	(1,492)	(1,479)
Transaction-related expenses(h)	–	–	–	–	2,279	2,279
Adjusted EBITDA	$358,419	$304,441	$285,273	$202,398	$245,959	$ 331,294

(a) Reflects adjustments to eliminate the loss or income (i) from discontinued operations, net of provision for income taxes and (ii) from our divested Discovery Services business.

(b) Reflects adjustments for non-cash items, including (i) gains and losses from equity method investments, including losses of $1.3 million, $0.7 million and $8.4 million in the years ended December 31, 2009 and 2010, and the nine months ended September 30, 2010, respectively, and gains of $15.1 million and $22.8 million in the nine months ended September 30, 2011 and the LTM period, respectively; and (ii) equity-based incentive compensation expense of $23.5 million, $18.6 million, $19.1 million, $13.6 million, $15.3 million, and $20.9 million during the years ended December 31, 2008, 2009 and 2010, nine months ended September 30, 2010 and 2011, and LTM period, respectively.

(c) Reflects gains and losses on the sale of investments or changes in the impairment of our investments.

(d) Reflects additional EBITDA expected to be generated under an expanded contract with a strategic partner. We began recognizing revenues under the contract during the third quarter of 2011 and expect that it will generate approximately $9.8 million in EBITDA annually through the contract' s expiration in December 2013. We expect that prior to its expiration, we will enter into negotiations with our strategic partner to extend the contract, however, we cannot assure you that we will be able to agree to an extension that generates comparable EBITDA or at all.

(e) Reflects adjustments to eliminate (i) loss generating start-up expenses associated with a cGMP lab; and (ii) non-recurring facility exit and write off costs.

(f) During the second quarter of 2009, we recorded a gain of $4.9 million associated with a research and development tax credit that related to work completed during 2008. This adjustment reflects the reallocation of the gain from 2009 to 2008. During the fourth quarter of 2010, in connection with the resolution of a contract contingency we recognized $4.0 million of gain not previously recognized in periods during which services under the contract were performed. The adjustment reflects the reallocation of that gain ratably over the period during which the contract was performed. During the third quarter of 2011, we released a portion of our reserve for uncollectible balances established in prior periods resulting in a $1.2 million gain during that quarter. This adjustment reflects the reallocation of that gain ratably over the periods during which the reserve was in effect.

(g) Reflects adjustments for other non-operating gains and losses in other income and expense.

(h) Reflects adjustments to eliminate expenses incurred in connection with our sale process.