

# SECURITIES AND EXCHANGE COMMISSION

## FORM SC 13D/A

Schedule filed to report acquisition of beneficial ownership of 5% or more of a class of equity securities [amend]

Filing Date: **2001-04-02**  
SEC Accession No. **0000950117-01-000681**

([HTML Version](#) on [secdatabase.com](#))

### SUBJECT COMPANY

#### MEDPLUS INC /OH/

CIK: **922723** | IRS No.: **481094982** | State of Incorpor.: **OH** | Fiscal Year End: **0131**  
Type: **SC 13D/A** | Act: **34** | File No.: **005-49771** | Film No.: **1589389**  
SIC: **7389** Business services, nec

Mailing Address  
8805 GOVERNORS HILL DR  
SUITE 100  
CINCINNATI OH 45249

Business Address  
8805 GOVERNORS HILL DR  
STE 100  
CINCINNATI OH 45249  
5135830500

### FILED BY

#### QUEST DIAGNOSTICS INC

CIK: **1022079** | IRS No.: **161387862** | State of Incorpor.: **DE** | Fiscal Year End: **1231**  
Type: **SC 13D/A**  
SIC: **8071** Medical laboratories

Mailing Address  
ONE MALCOLM AVE  
TETERBORO NJ 07601

Business Address  
ONE MALCOLM AVE  
TETERBORO NJ 07608  
2013935000

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13D - Amendment No. 2

Under the Securities Exchange Act of 1934

MedPlus, Inc.  
(Name of Issuer)

Common Stock, No Par Value  
(Title of Class of Securities)

585 04P 103  
(CUSIP Number)

Leo C. Farrenkopf, Jr.  
Quest Diagnostics Incorporated  
One Malcolm Avenue  
Teterboro, NJ 07608  
(201) 393-5143

(Name, Address and Telephone Number of Person Authorized to  
Receive Notices and Communications)

April 1, 2001

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Section 240.13d-1(e), 240.13d- 1(f) or 240.13d-1(g), check the following box [ ].

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7(b) for other parties to who copies are to be sent.

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the

1) Names of Reporting Persons IRS Identification Nos. of Above Persons (entities only)

Quest Diagnostics Ventures LLC - (FEIN No. 22-3695707)

2) Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

3) SEC Use Only

4) Source of Funds (See Instructions)

WC

5) Check if Disclosure of Legal Proceedings is Required

Pursuant to Items 2(d) or 2(e)

6) Citizenship or Place of Organization

Delaware, USA (as to each Reporting Person--(entities only))

Number of  
Shares  
Beneficially  
Owned by  
Each Reporting  
Person With

(7) Sole Voting Power  
0

(8) Shared Voting Power  
1,918,465

(9) Sole Dispositive Power  
0

(10) Shared Dispositive Power  
4,802,978 shares (consists of  
1,918,465 shares owned at  
time of this filing, and  
2,884,513 shares that Quest  
Diagnostics Ventures has the  
right to acquire)

11) Aggregate Amount Beneficially Owned by Each Reporting Person

4,802,978 shares

12) Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

13) Percent of Class Represented by Amount in Row (11)

43.6%(1)

Type of Reporting Person (See Instructions)

14) OO

Quest Diagnostics Ventures LLC is a Delaware limited liability company

- (1) Actual ownership is 18.3% of the outstanding common stock and convertible preferred stock ignoring all other derivative securities including the warrants owned by Quest Diagnostics Ventures.

- 1) Names of Reporting Persons I.R.S. Identification Nos. of Above Persons (entities only)

Quest Diagnostics Incorporated - (FEIN No. 16-1387862)

- 2) Check the Appropriate Box if a Member of a Group (See Instructions)

(a)

(b)

- 3) SEC Use Only

- 4) Source of Funds (See Instructions)

WC

- 5) Check if Disclosure of Legal Proceedings is Required

Pursuant to Items 2(d) or 2(e)

- 6) Citizenship or Place of Organization

Delaware, USA (as to each Reporting Person-- (entities only))

Number of  
Shares  
Beneficially  
Owned by  
Each Reporting  
Person With

- 7) Sole Voting Power

0

- 8) Shared Voting Power

1,918,465

- 9) Sole Dispositive Power

0

- 10) Shared Dispositive Power

4,802,978 shares consists of  
1,918,465 shares owned at time  
of this filing; and 2,884,513  
shares that Quest Diagnostics  
Ventures has the right to acquire)

- 11) Aggregate Amount Beneficially Owned by Each Reporting Person

4,802,978 shares

- 12) Check Box if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

- 13) Percent of Class Represented by Amount in Row (11)

14) HC

- (1) Actual ownership is 18.3% of the outstanding common stock and convertible preferred stock ignoring all other derivative securities including the warrants owned by Quest Diagnostics Ventures.

SCHEDULE 13D - AMENDMENT NO. 2

The undersigned hereby amend their Schedule 13D dated June 30, 2000 (the "Statement"), relating to the common stock, no par value ("Share") of MedPlus, Inc., an Ohio corporation ("MedPlus"), as set forth below. Notwithstanding such amendment, each prior text of the Statement speaks as of the respective date thereof.

Schedule I to this Schedule 13D is amended and restated in its entirety as set forth in Schedule I hereto.

Item 3 of the Statement entitled "Source and Amount of Funds or Other Consideration" is hereby amended by the addition of the following paragraph:

"Quest Diagnostics has sufficient working capital to purchase the outstanding capital stock of MedPlus under the proposal referred to in Item 4."

Item 4 of the Statement entitled "Purpose of Transaction" is hereby amended by the addition of the following paragraph.

"Quest Diagnostics has submitted to MedPlus a proposal to acquire all outstanding common stock and preferred stock of MedPlus for \$2 per share. The proposal is attached as Schedule II hereto."

Signature

After reasonable inquiry and to the best knowledge and belief of the undersigned, the undersigned certify that the information set forth in this Statement is true, complete and correct.

Date: April 2, 2001

QUEST DIAGNOSTICS VENTURES LLC

By: /s/ Kenneth W. Freeman

-----  
 Name: Kenneth W. Freeman  
 Title: Chief Executive Officer

QUEST DIAGNOSTICS INCORPORATED

By: /s/ Kenneth W. Freeman

-----  
 Name: Kenneth W. Freeman  
 Title: Chairman and Chief Executive Officer

SCHEDULE I

A. Officers and Managers of Quest Diagnostics Ventures LLC (organized as a limited liability company in the State of Delaware):

<TABLE>  
<CAPTION>

Names	Business Address	Principal Occupation or Employment
<S> Kenneth W. Freeman	<C> One Malcolm Avenue Teterboro, NJ 07608	<C> Chief Executive Officer
Dr. Surya N. Mohapatra	One Malcolm Avenue Teterboro, NJ 07608	President
Robert A. Hagemann	One Malcolm Avenue Teterboro, NJ 07608	Manager; Vice President and Treasurer
Kenneth R. Finnegan	One Malcolm Avenue Teterboro, NJ 07608	Vice President
Stephen A. Calamari	One Malcolm Avenue Teterboro, NJ 07608	Assistant Treasurer
Leo C. Farrenkopf, Jr.	One Malcolm Avenue Teterboro, NJ 07608	Secretary
Jeanne C. Serocke	One Malcolm Avenue Teterboro, NJ 07608	Assistant Secretary

</TABLE>

B. Directors and Executive Officers of Quest Diagnostics Incorporated (incorporated in the State of Delaware): Principal Occupation or

<TABLE>  
<CAPTION>

Names	Business Address	Principal Occupation or Employment
<S> Kenneth W. Freeman	<C> One Malcolm Avenue Teterboro, NJ 07608	<C> Chairman of the Board and Chief Executive Officer
Dr. Surya N. Mohapatra	One Malcolm Avenue Teterboro, NJ 07608	President and Chief Operating Officer
Richard L. Bevan	One Malcolm Avenue Teterboro, NJ 07608	Corporate Vice President - Human Resources

Kenneth R. Finnegan	One Malcolm Avenue Teterboro, NJ 07608	Corporate Vice President - Business Development
Julie A. Clarkson	One Malcolm Avenue Teterboro, NJ 07608	Corporate Vice President - Communications and Public Affairs
Robert A. Hagemann	One Malcolm Avenue Teterboro, NJ 07608	Corporate Vice President and Chief Financial Officer
Gerald C. Marrone	One Malcolm Avenue Teterboro, NJ 07608	Senior Vice President Administration and Chief Information Officer

</TABLE>

<TABLE>		
<S>	<C>	<C>
Michael E. Prevoznik	One Malcolm Avenue Teterboro, NJ 07608	Corporate Vice President - Legal and Compliance & General Counsel
Kenneth D. Brody	Winslow Partners 1300 Connecticut Ave N.W. 8th Floor Washington, DC 20036	Director
William F. Buehler	Retired c/o Xerox Corporation 800 Long Ridge Road PO Box 1600 Stamford, CT 06904	Director
Van C. Campbell	Retired c/o Corning Incorporated One Riverfront Plaza Corning, NY 14831	Director
Mary A. Cirillo	Chairman and CEO OPCENTER 317 Madison Avenue Suite 500 New York, NY 10017	Director
William R. Grant	Chairman Galen Associates 610 Fifth Avenue New York, NY 10020	Director
Dan C. Stanzione	President Emeritus of Bell Laboratories Lucent Technologies Incorporated 600 Mountain Avenue	Director

Murray Hill, NJ 07974

Gail R. Wilensky

Senior Fellow  
Project HOPE  
Suite 600  
7500 Old Georgetown Road  
Bethesda, MD 20814-6133

Director

John B. Ziegler

President  
Worldwide Consumer  
Healthcare  
GlaxoSmithKline  
One Franklin Plaza  
Philadelphia, PA 19102

Director

</TABLE>

Citizenship: All are U.S. citizens.



QUEST DIAGNOSTICS INCORPORATED

April 1, 2001

Mr. Richard A. Mahoney  
Chairman of the Board and Chief Executive Officer  
MedPlus, Inc.  
8805 Governor's Hill Drive  
Cincinnati, Ohio 45249

Quest Diagnostics' Proposal

Dear Mr. Mahoney:

Quest Diagnostics Incorporated ("Quest Diagnostics") is pleased to make to MedPlus, Inc. (the "Company") a preliminary non-binding proposal with respect to a possible acquisition (the "Proposed Transaction") by Quest Diagnostics or its affiliate of all of the outstanding shares of common stock, with no par value per share ("Common Stock"), and Series A convertible preferred stock ("Preferred Stock") of the Company that Quest Diagnostics does not already own at a price of \$2.00 per share of Common Stock and Preferred Stock payable in cash. We contemplate that the Proposed Transaction will be structured as a merger of a subsidiary of Quest Diagnostics into the Company. For the purposes of this proposal we assume that prior to the effective time of the merger, all securities (other than Preferred Stock) convertible into or exercisable for shares of Common Stock will be converted or exercised. Simultaneously with the execution of a merger agreement with respect to the Proposed Transaction, the principal shareholders of the Company will enter into a voting agreement with Quest Diagnostics in which such principal shareholders will agree to vote all of their shares of capital stock of the Company in favor of the merger and against any alternative transaction and grant Quest Diagnostics an irrevocable proxy in this regard. We value the employees of the Company and are interested in retaining these employees. In this regard, we expect to discuss appropriate arrangements for the Company's employees going forward. In addition, at the time of executing the merger agreement, Quest Diagnostics or the Company will enter into new employment agreements with certain key employees of the Company, such agreements to be effective upon closing of the Proposed Transaction. This preliminary non-binding proposal is subject to the following terms and conditions:

1. Exclusivity. The Company shall immediately cease and cause to be terminated all existing discussions, negotiations and communications with any persons with respect to any

Acquisition Proposal (as defined below). From the date of this letter through midnight on April 9, 2001 (the "Restricted Period"), the Company shall not, and shall not permit any of its Representatives (as defined below) to, (i) solicit, initiate, consider, facilitate, encourage or accept any Acquisition Proposal or (ii) participate in any discussions, negotiations or other communications regarding, or furnish to any other person any information with respect to the Company or its affiliates or the Proposed Transaction, or otherwise cooperate in any way, assist or participate in, facilitate or encourage any effort or attempt by any other person to make, any Acquisition Proposal. It is understood that any violation of the foregoing restrictions by any of the Company's Representatives, whether or not such Representative is so authorized and whether or not such Representative is purporting to act on behalf of the Company or otherwise, shall be deemed to be a breach of this obligation by the Company. During the Restricted Period, the Company shall promptly advise Quest Diagnostics of the Company's receipt of any Acquisition Proposal and any request for information, inquiry or contact that may reasonably be expected to lead to or is otherwise related to any Acquisition Proposal, the identity of the person making such Acquisition Proposal, request for information, inquiry or contact and the terms and conditions of such Acquisition Proposal or the substance of such inquiry or contact.

As used in this letter, (i) the term "person" shall be broadly interpreted to include, without limitation, any corporation, company, partnership or other legal or business entity or any individual, as well as any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, (ii) the term "Representative" means, as to any person, such person's affiliates and its and their directors, officers, employees, agents, advisors (including, without limitation, financial advisors, counsel and accountants) and other representatives, and (iii) the term "Acquisition Proposal" means any inquiry, proposal or offer (whether written or oral) from any person (other than Quest Diagnostics or any of its affiliates) relating to any direct or indirect acquisition of all or any portion of the Company's capital stock, assets or properties (other than purchases of Company's inventory or other assets in the ordinary course of business consistent with past practice), merger, consolidation, recapitalization, any other business combination or extraordinary transaction involving the Company or any of its subsidiaries.

2. Public Disclosure. Neither the Company nor Quest Diagnostics shall make any public announcement or disclosure with respect to the Proposed Transaction, the terms thereof or the status of discussions between the Company

and Quest Diagnostics , or otherwise disclose such information to any person (other than its Representatives who need to know such information for purposes of the Proposed Transaction), without the other party's prior written consent, unless such disclosure is required by law, rules and regulations of the Securities and Exchange Commission or other regulatory requirements or rules of securities exchanges. The parties shall consult with each other prior to making any public announcement or disclosure with respect to the Proposed Transaction, and the content of any such announcement or disclosure shall be approved by the non-disclosing party.

3. Access and Cooperation. During the Restricted Period, the Company shall provide Quest Diagnostics and its Representatives with full access to the Company, its Representatives and its and its subsidiaries' books and records and shall, and shall cause its Representatives to, fully cooperate with Quest Diagnostics and its Representatives in their due

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diligence investigation of the Company's and its subsidiaries' assets, properties, liabilities, operations, financial condition and prospects.

4. Credit Facility. Simultaneously with the execution of a merger agreement with respect to the Proposed Transaction, Quest Diagnostics and the Company will enter into a senior revolving credit agreement (the "Credit Agreement") secured by all of the tangible and intangible assets of the Company and containing covenants and events of default customary for such agreements. The Company will have the right to borrow up to \$5,000,000 under the Credit Agreement upon demonstrating to Quest Diagnostics' satisfaction its need for funds based on its projected cash flow over the succeeding 30 days. Interest on any unpaid principal amount borrowed under the Credit Agreement will accrue at the rate of 10% per annum, computed daily, during the first three months after the date of the Credit Agreement, increasing by 1% during each subsequent three-month period. Upon occurrence of any event of default, the rate of interest will be increased by 5% above the applicable rate set forth in the immediately preceding sentence. All amounts of principal and interest outstanding under the Credit Agreement will be payable in a single payment 12 months after the date of the Credit Agreement. In addition, all amounts of principal and interest outstanding under the Credit Agreement will be prepayable from the proceeds of the issuance of shares of capital stock or warrants, options or other securities exercisable for or convertible into capital stock.

5. Conduct of Business by the Company. During the Restricted Period, the Company shall conduct its business in the ordinary course consistent with past practice and shall not enter into, agree to enter into or consummate

(whether or not in the ordinary course of business) any transaction material to the Company or any of its subsidiaries. Without limiting the generality of the foregoing, the Company shall not (i) incur any indebtedness, (ii) enter into any operating or capital lease arrangements, (iii) enter into any new employment or severance agreements or (iv) change any compensation or employee benefits arrangements.

6. Confidentiality. Quest Diagnostics recognizes that in the course of its due diligence investigation it will receive certain confidential information (the "Confidential Information") with respect to the Company and agrees, except as required by applicable law, regulation or valid legal process ("Law"), to keep the Confidential Information confidential, not to disclose it to any third party, and to use the Confidential Information solely for the purpose of evaluating the Proposed Transaction. Notwithstanding the foregoing, Quest Diagnostics may make the Confidential Information available to its Representatives and third parties which owe to Quest Diagnostics an obligation of confidentiality, provided that such parties are informed of the confidentiality obligations of this paragraph 6. If Quest Diagnostics is required by Law to disclose any Confidential Information, it will provide the Company with prompt notice of any such requirement and will use its reasonable efforts to disclose only that portion of the Confidential Information that is legally required to be disclosed and to ensure that all Confidential Information so disclosed will be accorded confidential treatment. The obligations of this paragraph 6 do not apply to information that (a) is or becomes publicly available (other than as a result of a breach of confidentiality obligations hereunder), (b) was disclosed by the Company to third parties without restrictions on disclosure, (c) was received by Quest Diagnostics from a third party not known to Quest Diagnostics at the time of disclosure by such third party as owing a confidentiality obligation to the Company, (d) was known to Quest

Diagnostics or any of its Representatives prior to disclosure by the Company or the Company's Representatives or (e) was independently developed by Quest Diagnostics or its Representatives without reference to the Confidential Information. Upon the request of the Company, Quest Diagnostics shall promptly deliver to the Company all Confidential Information furnished to it by or on behalf of the Company. In the event of such request, all other written materials prepared by Quest Diagnostics or its Representatives that contain any Confidential Information shall be destroyed. Upon request by the Company, Quest Diagnostics will confirm in writing the fact of such destruction. Notwithstanding the return or destruction of the Confidential Information, Quest Diagnostics will continue to be bound by its confidentiality obligations

hereunder. The confidentiality obligations contained herein will terminate on the first anniversary of the date of this letter.

7. Legal Effect. Quest Diagnostics' proposal with respect to the Proposed Transaction contained in this letter is preliminary and non-binding and is subject to completion by Quest Diagnostics to its satisfaction of the due diligence investigation of the Company and its subsidiaries, negotiation and execution of definitive agreements (including a merger agreement, the Credit Agreement and the voting and employment agreements described above) with respect to the Proposed Transaction satisfactory in form and substance to Quest Diagnostics and the Company and approval by the Board of Directors of each of Quest Diagnostics and the Company of the Proposed Transaction. Until the definitive agreements are executed by Quest Diagnostics and the Company, neither party will be under any legal obligation to enter into the Proposed Transaction. Notwithstanding anything to the contrary in this paragraph 7, the specific provisions contained in paragraphs 1 through 9 of this letter are legally binding on and enforceable against Quest Diagnostics and the Company, as applicable.

8. Expenses. All costs and expenses (including, without limitation, all fees and disbursements of counsel, accountants, financial advisors, experts and consultants) incurred by a party hereto or on its behalf in connection with or related to negotiation of the Proposed Transaction shall be paid by the party incurring such expenses.

9. Governing Law. This letter agreement shall be governed by and construed in accordance with the laws of the State of New York, applicable to contracts executed in and to be performed entirely in that State.

Please indicate your acceptance of the terms of this letter (which terms are intended to be legally binding on the parties hereto as, and to the extent, set forth herein) by signing in the space provided below. We look forward to working with you on this transaction.

Very truly yours,

QUEST DIAGNOSTICS INCORPORATED

By: \_\_\_\_\_

Name: Surya N. Mohapatra  
Title: Chief Operating Officer

Accepted and agreed as of  
the date first written above:

MEDPLUS, INC.

By:

-----  
Name: Richard A. Mahoney  
Title: Chief Executive Officer