

ALKERMES INC
Form 8-K
March 24, 2011

**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): March 22, 2011
ALKERMES, INC.
(Exact Name of Registrant as Specified in its Charter)**

PENNSYLVANIA
(State or Other Jurisdiction of
Incorporation)

1-14131
(Commission
File Number)

23-2472830
(I.R.S. Employer
Identification No.)

852 Winter Street
Waltham, Massachusetts
(Address of principal executive offices)

02451-1420
(Zip Code)

Registrant's telephone number, including area code: **(781) 609-6000**

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 (*see* General Instruction A.2. below):

- 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 22, 2011, the Compensation Committee of the Board of Directors (the Committee) of Alkermes, Inc. (the Company) approved the Alkermes Fiscal 2012 Reporting Officer Performance Pay Plan (the Plan) and established performance pay awards that may be earned for the Company's fiscal year 2012 (April 1, 2011 to March 31, 2012) by the Company's executive officers. The Company's executive officers under the Plan are currently the President, Chief Executive Officer and Chairman of the Board of Directors; Senior Vice President, Chief Financial Officer and Treasurer; Senior Vice President, Corporate Development; Senior Vice President, Government Relations and Public Policy, General Counsel, Secretary and Chief Compliance Officer; Senior Vice President, Research and Development and Chief Medical Officer; and Senior Vice President, Chief Operating Officer and Chief Risk Officer (each a Participant). The performance awards will be paid based on the achievement of Company objectives and the individual performance of the Participants, as determined by the Committee. The Committee set the following as Company objectives under the Plan for fiscal year 2012: i) manage relationships with key business partners, ii) successfully launch VIVITROL® into the opioid indication, iii) execute on the expanded development of our late stage product portfolio, iv) rapidly advance our emerging proprietary pipeline, v) efficiently supply clinical and commercial products, vi) achieve financial performance against guidance and vii) respond to changing business conditions (Performance Objectives). These Performance Objectives serve as the performance objectives for each Participant. The Committee reserves the right to modify the Plan, Performance Objectives or overall payouts under the Plan at any time during the course of the fiscal year, including in response to changing business goals, needs and operations. To be eligible to participate in the Plan, Participants must be actively employed by the Company at the time awards are paid by the Company. The performance awards will be paid within two and one-half months after the end of the Company's fiscal year 2012. The Plan is filed with this report as Exhibit 10.1.

For each Participant, the Committee established a performance pay range and target as a percentage of such Participant's base salary based generally on comparable market data. The Committee set the range of the fiscal year 2012 performance pay award under the Plan for Richard F. Pops, the Company's President, Chief Executive Officer and Chairman of the Board of Directors, at between 0% and 150% of base salary, with a target performance pay award of 75% of base salary. The Committee set the range of the fiscal year 2012 performance pay awards under the Plan for Participants other than the President, Chief Executive Officer and Chairman of the Board of Directors at between 0% and 100% of base salary, with a target performance pay award of 50% of base salary.

In addition, the Committee set the range of performance pay equity compensation for fiscal year 2012 for the Company's President, Chief Executive Officer and Chairman of the Board of Directors at 0 to 600,000 share units. The same weighting as is used under Alkermes' 2008 Stock Option and Incentive Plan (2008 Plan) for purposes of determining the number of shares of common stock available for issuance under the 2008 Plan is to be used to determine the number of share units awarded to the President, Chief Executive Officer and Chairman of the Board of Directors for purposes of this limitation. Under the 2008 Plan, each full value award, such as the grant of restricted stock, is counted as two shares of common stock (or two share units) for each share of common stock actually subject to the award and each grant of a stock option is counted as an award of one share of common stock (or one share unit) for each share of common stock actually subject to the award.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit

| No. | Description |
|------|---|
| 10.1 | Alkermes Fiscal 2012 Reporting Officer Performance Pay Plan |

SIGNATURE

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

ALKERMES, INC.

Date: March 24, 2011

By: /s/ James M. Frates
James M. Frates
Senior Vice President, Chief Financial
Officer and Treasurer

Exhibit Index

| Exhibit No. | Description |
|--------------------|---|
| 10.1 | Alkermes Fiscal 2012 Reporting Officer Performance Pay Plan |