

BIOGEN IDEC INC.  
Form DEFA14A  
May 06, 2009

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**  
**SCHEDULE 14A**  
**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF**  
**THE SECURITIES EXCHANGE ACT OF 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

**BIOGEN IDEC INC.**

(Name of Registrant as Specified In Its Charter)

**N.A.**

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
  - (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date Filed:

May 6, 2009

Dear Fellow Biogen Idec Stockholder:

We have enclosed important information regarding your investment in Biogen Idec and encourage you to review it carefully.

**We urge you to vote FOR your Company's highly regarded and accomplished Board of Director nominees.**

Please use the **WHITE** proxy card to vote **TODAY** by telephone, by Internet or by signing, dating and returning your **WHITE** proxy card in the enclosed postage-paid envelope.

On behalf of Biogen Idec's Board of Directors, we thank you for your continued support.

Sincerely,

Bruce Ross, Chairman

James Mullen, Chief Executive Officer

**Your Vote Is Important, No Matter How Many Or How Few Shares You Own.**

If you have questions about how to vote your shares, or need additional assistance, please contact the firm assisting us in the solicitation of proxies:

**INNISFREE M&A INCORPORATED**

**Stockholders Call Toll-Free: (877) 750-5836**

**Banks and Brokers Call Collect: (212) 750-5833**

**IMPORTANT:**

We urge you NOT to return any Gold proxy card sent to you by the Icahn Entities.

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YOUR VOTE IS EXTREMELY IMPORTANT VOTE THE WHITE PROXY CARD FOR DIRECTORS  
COMMITTED TO DELIVERING SHAREHOLDER VALUE!

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**FORWARD LOOKING AND PROXY SOLICITATION STATEMENTS** This presentation includes forward-looking statements about: our 2009 guidance and our financial and operational goals through the anticipated development and timing of programs in our clinical pipeline the sales potential of TYSABRI<sup>®</sup>. Each forward-looking statement is subject to risks and uncertainties that could cause our continued dependence on our two principal<sup>®</sup> and RITUXAN<sup>®</sup>, the uncertainty of success in commercializing products, AVONEX<sup>®</sup>, the occurrence of adverse safety events with our products, competitive pressures, changes collaborations over which we may not always have full control, failure to execute our with our manufacturing processes and our reliance on third parties, the impact of the portfolio of marketable securities, our significant investment in a manufacturing facility-nel, the risks of doing business internationally, the actions of activist shareholders, rights and the cost of doing so, product liability claims, fluctuations in our effective governance and collaborations and the other risks and uncertainties that are described reports we file with the Securities and Exchange Commission (SEC) These forward-looking statements speak only as of the date of this presentation, and we statements, whether as a result of new information, future events, or otherwise. On April 27, 2009, Biogen Idec filed a definitive proxy statement with the SEC in are strongly advised to read the definitive proxy statement carefully before making any important information. The Company's proxy statement and any other materials filed by the at [www.sec.gov](http://www.sec.gov) or from Biogen Idec at <http://investor.biogenidec.com>. The Company's by writing to Biogen Idec Inc., 14 Cambridge Center, Cambridge, MA 02142 or by contacting at (877) 750-5836.

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DELIVERING ON OUR COMMITMENT TO SHAREHOLDERS Consistently delivered strong EPS and FINANCIAL 2008 results exceeded guidance PERFORMANCE Solid growth projected for 2009; Q1 revenues Continuing to grow TYSABRI and effectively OPERATIONAL Viewed as having one of the most robust PERFORMANCE Progress in pipeline; 8 programs expected in Sustained R&D investment and operational efficiency Added two new directors after soliciting Adopting majority voting for uncontested CORPORATE Terminated the poison pill (shareholder GOVERNANCE Unilaterally waived standstill agreements \$3 billion share repurchase 56M shares Maintained active dialogue with leading ACCOUNTABILITY Enabled dialogue between shareholders and SHAREHOLDERS Actively engaged in soliciting shareholder

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CONSISTENTLY TRACK RECORD DELIVERED ON THE BIOGEN IDEC RECORDS  
REVENUE EPS FREE CASH FLOW ( \$Billions) (\$) (\$ Millions) +7% 4.\_\_\_\_+5% 3.66 +37% \_\_,89  
CAGR CAGR CAGR 3.2 2.74 2.7 2.25 737 2.2 2.4 1.9 571 643 1.40 1.57 1.22 367 03 04 05 06 07 08 03 04  
05 06 07 08 04 05 06 07 08 Note: 2003 amounts represent pro forma information of the historical results  
of IDEC January 1, 2003. EPS numbers are diluted Non-GAAP, which excludes the impact of purchase  
related tax effects. Reconciliation of GAAP to non-GAAP diluted EPS and free cash flow amounts  
provided by operating activities less purchase of property, plant and equipment as disclosed k.

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PROdUCT REVENUES (\$ in millions)+4% \_,03 CAGR 1,707 <sup>1,868</sup> AVONEX 1,417 <sup>1,543</sup> 1,169 Leading  
MS Therapy 03 04 05 06 07 08 (\$ in millions) +8% \_,8 CAGR 926 811 RITUXAN 709 616 Standard of  
Care for NHL 493 03 04 05 06 07 08 (\$ in millions) +305% 589 CAGR TYSAbRI Powerful Efficacy 230  
36 06 07 08 Note: 2003 amounts represent pro forma information of the historical results of IDEC  
January 1, 2003.

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bROAD AND DEEP PIPELINE MOODY'S INVESTORS SERVICE RESEARCH RATES BIOGEN IDEC  
THE LEADER IN LATE-STAGE PIPELINE NEUROLOGY ONCOLOGY Pre-Clinical  
Phase\_\_\_Phase\_\_\_Phase 3 Market Pre-Clinical Phase\_\_\_Phase\_\_\_Phase 3 Market AVONEX<sup>®</sup>  
MULTIPLE SCLEROSIS RITUXAN<sup>®</sup> NHL & CLL COMPLETE) (Ph 3 TYSAbRI<sup>®</sup>  
MULTIPLE SCLEROSIS galiximab NHL bg-\_\_\_MULTIPLE SCLEROSIS Lumiliximab CLL daclizumab  
MULTIPLE SCLEROSIS Volociximab SOLID TUMORS Ocrelizumab MULTIPLE SCLEROSIS hSP90  
Inhibitors SOLID TUMORS CdP33 MULTIPLE SCLEROSIS gA0\_\_\_NHL & CLL bIIb04 PARKINSON'S  
TYSAbRI<sup>®</sup> MULTIPLE MYELOMA PEGylated-IFN\_\_\_a MULTIPLE SCLEROSIS Anti-IgF-<sub>R</sub> SOLID  
Neublastin PAIN Anti-Cripto-dM4 SOLID LINGO MS RAF Inhibitor SOLID S\_P\_\_\_MS Anti-Fn4 SOLID  
bART Ad IMMUNOLOGY CARDIOPULMONARY & MergIng REAS Pre-Clinical  
Phase\_\_\_Phase\_\_\_Phase 3 Market Pre-Clinical Phase\_\_\_Phase\_\_\_Phase 3 Market RITUXAN<sup>®</sup>  
RHEUMATOID ARTHRITIS Lixivaptan HEART FAILURE /HYPONATREMIA FUMAdERM  
PSORIASIS AdENTRI (IV) ACUTE HEART FAILURE TYSAbRI<sup>®</sup> CROHN'S DISEASE AdENTRI  
(oral) CHRONIC HEART FAILURE Ocrelizumab RHEUMATOID ARTHRITIS Long Acting rFactor IX  
HEMOPHILIA b RITUXAN<sup>®</sup> ANCA-SSOCIATED VASCULITIS Long Acting rFactor VIII hEMA  
AVONEX<sup>®</sup> ULCERATIVE COLITIS bg-\_\_\_RHEUMATOID ARTHRITIS Anti-TWEAK RA Anti-Cd40L  
SLE Anti-FcRn INFLAM divested discontinued Since January 007 or Marketed Amevive in Psoriasis,  
Zevalin in NHL January 2007 Phase 2 or 3<sup>R</sup> in PPMS, RITUXAN<sup>®</sup> RITUXAN in SLE, Baminercept in  
RA, Fontolizumab<sup>®</sup> in RA Inflammatory Disorders, Phase 1 or Preclinical ̀ in Solid Tumors, BAFF-R in  
LT ̀v ̀ Inflammatory 6 in IPF, ̀ Gene Delivery in Liver Mets IFN Disorders, 2007 and 2008

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00 WEMADE SUBSTANTIAL PROGRESS OVER THE PAST GOALS  
YEAR TOWARD ACHIEVING OUR 2010 GOALS GOAL PROGRESS REVENUE GROWTH 15% top line  
CAGR from 2007 to + FINANCIAL EPS GROWTH 20% bottom line CAGR from 2007 to + TYSABRI<sup>R</sup>  
TYSABRI patients on therapy AVONEX maintains its patient AVONEX<sup>®</sup> in the ABCR market  
PRODUCTS Anti-CD20 franchise growth fueled ANTI-CD20 RANCHISE F in at least 2 additional  
indications GEOGRAPHIC MIX Over 40% of revenue from NEW PRODUCTS 2 new products or  
indications + PIPELINE DEVELOPMENT STATUS 6 programs in late stage + Continued execution of  
disciplined ACQUISITION STRATEGY external growth strategy Note: The bottom line, or EPS,  
reference in this slide refers to non-GAAP diluted EPS. Non-stock option expense, and other items and  
their related tax effects. GAAP to non-GAAP EPS

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BIOGEN IDEC BOARD OF DIRECTORS HAS OWNERS RESPECTIVE STEWARD OF  
SHAREHOLDER VALUE Largest merger of 2 independent biotech \$3B share repurchase/Dutch Auction  
Disciplined execution of business development strategy Review of strategic alternatives; including sale of  
the company STRONG CORPORATE GOVERNANCE Added 2 new directors after from major  
shareholders 5 new directors out of 13 Adopting majority voting director elections  
FINANCIAL DISCIPLINE Terminated the poison pill Achieved 17% top-line and 25% bottom-line  
growth from merger through 2008 <sup>(1)</sup> 2005 reduction in force (17%) Divestiture of non-core assets Credit  
rating upgrade by S&P to BBB+ Cash position <sup>(2)</sup> as of March 31, 2009 of \$2.5B (1) The bottom line, or  
EPS, reference in this slide refers to non-GAAP diluted EPS. Non-GAAP stock option expense, and other  
items and their related tax effects. GAAP to non-GAAP EPS (2) Includes \$764 million of cash &  
equivalents and \$1,698 million of marketable securities

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BIOGEN IDEC BOARD hASbROAdbASEd XPERIENCE CUSTOMER NOBEL LAUREATE  
gENERAL FINANCE / NTERNATIONAL PUBlIC R&d PERSPECTIVE // NATL CAdeMY  
MANAgEMENT M&A bUSINESS POLICY MARKET &ALES OF CIENCES larry Best\*  
Alanglassberg, M.D.\* Robert Pangia\* Bill Young\* Jim Mullen Bruce Ross Phil Sharp, Ph.D. lynn  
Schenk RECENT ADDITIONS Cecil Pickett, Ph.D.(2006) Marijn Dekkers, Ph.D.(2007) Nancy leaming  
(2008) Stelios Papadopoulos, Ph.D.(2008) Brian Posner (2008) \* Recommended for election to Biogen  
Idc board

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CONCLUSION biogen Idec has a proven track delivering exceptional performance The business is poised to create Pursuing a well-defined strategy for future Broad and deep pipeline with 8 late stage programs expected by year end 2009 Theboard is best positioned to deliver value to our shareholders Active, engaged Proactively evaluate ways to maximize Exceptional steward of value and capital Vote FOR our Nominees on theWhITE proxy card

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GAAP NON-GAAP RECONCILIATION DILUTED EPS AND NET INCOME ATTRIBUTABLE TO BIOGEN IDEC INC. Condensed Consolidated Statements basis of Income Operating (unaudited, \$ in millions, except per share amounts) FY003 FY004 FY005 FY006 FY007 FY008 GAAP diluted EPS (4.92) 0.07 0.47 0.63 1.99 2.65 Adjustment to net income attributable to Biogen Idec 6.14 1.38 1.10 Inc. (see below) 1.62 0.75 1.01 Effect of SFAS No.128 and EITF 03-06 (0.05) - - Non-gAAP diluted EPS .40 .57 .5 .74 3.66 gAAP Net Income Attributable to Biogen Idec Inc. (\$M) (875.) 5.60.7 7.5 638.783. Revenue Pre-merger Biogen product, royalty and corporate partner 1,173.1 - revenue - COGS Fair value step up of inventory acquired from Biogen 295.5 and Fumapharm 34.2 7.8 - COGS Pre-merger Biogen cost of sales (179.2) - - COGS Royalties related to Corixa 1.8 - - COGS Amevive divestiture - 36.4 - R&D Pre-merger Biogen net R&D (301.1) - - R&D Severance and restructuring 3.1 20.3 0.3 1.2 1.2 R&D Sale of plant - 1.9 - R&D Expenses paid by Cardiokine - - 5.2 SG&A Pre-merger Biogen SG&A (346.7) - - SG&A Merger related and purchase accounting costs - 0.1 - SG&A Severance and restructuring 13.2 9.3 19.3 2.0 0.6 3.8 Amortization of intangible assets primarily related to Biogen merger 347.7 302.3 267.0 257.5 332.7 In-process R&D related to the Biogen Idec merger, acquisitions of Conforma, Syntonix, and Fumapharm, and consolidation of Cardiokine, Neurimmune and Escoublac and contingent consideration payment in 2008 associated with the 823.0 2006 Conforma acquisition - 330.5 84.2 25.0 Loss/(gain) on settlement of license agreements with Fumedica and Fumapharm - (6.1) - (Gain)/loss on sale of long lived assets - 111.8 (16.5) (0.4) (9.2) Other income, net: Pre-merger Biogen 32.9 - - Other income, net: Gain on sale of long lived assets - - (7.1) Write down of investments - 12.7 - - Charitable donations and legal settlements 30.7 - - Income taxes: Income tax effect primarily related to (205.8) (195.4) reconciling (145.2) items (70.3) (65.5) (81.9) Stock option expense - 44.5 35.6 26.2 Net Income Attributable to Non-Controlling Interests: Consolidation of Cardiokine and Neurimmune and expenses paid by Cardiokine - - (65.2) (5.2) Non-gAAP Net Income Attributable to Biogen Idec Inc. 43.7 498.0 54.7 776.8 879.08.0 Free Cash Flow Reconciliation (unaudited, \$ in millions) FY004 FY005 FY006 FY007 FY008 Net cash flows provided by operating activities 728.0 889.5 841.3 1,020. 1,564.5 Purchases of property, plant and equipment (Capital Expenditures) 361.0 318.4 198.3 284.1 276.0 Free Cash Flow 367.0 571.1 643.0 736.5 1,288.5 Notes: The non-GAAP financial measures presented in this table are utilized by Biogen Idec management to GAAP financial measures are defined as reported, or GAAP, values excluding (1) change relating to the initial adoption of SFAS No. 123R and (3) other items. Our management uses these comparative financial performance of the Company from year to year and quarter to quarter. Accordingly, we a result of our disclosing these non-GAAP financial measures. Non-GAAP net income attributable to Biogen reported, or GAAP, net income attributable to Biogen Idec Inc and diluted EPS. The GAAP figures reflect: \* 2004 and beyond the combined Biogen Idec Numbers may not foot due to rounding. \*2003 a full year of IDEC Pharmaceuticals and 7 weeks of the former Biogen, Inc. (for the period 11/13/03 through 12/31/03) Source: Biogen Idec Annual k filings and earnings press Reports, 10-

PROTECT YOUR Please Vote WhITE the Proxy Card dAY! Instructions for voting your shares by telephone, along with your WHITE proxy card and postage- We urge you NOT to gold proxy card sent to you byreturn any If you need assistance in voting your shares by please contact Innisfree M&A Incorporated, which toll-free at 877-750-5836.