

PALL CORP  
Form DEFA14A  
June 11, 2015

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

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SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934

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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

Pall Corporation  
(Name of Registrant as Specified In Its Charter)

(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:

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- (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:
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.. 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.

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| (1) | Amount Previously Paid:                       |
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| (3) | Filing Party:                                 |
| (4) | Date Filed:                                   |

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The following materials were made available to employees of Pall Corporation on Pall Corporation's intranet on June 10, 2015:

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The Message from DANAHER  
June 10, 2015

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Forward Looking Statements

Statements in this presentation that are not strictly historical, including statements regarding the proposed acquisition of Pentagon, the expected timetable for completing the acquisition, future financial and operating results, benefits and synergies of the acquisition, future opportunities for the combined businesses, the anticipated separation of the Company into two independent companies, the expected timetable for completing the separation, future financial and operating performance of each company, benefits and synergies of the separation, strategic and competitive advantages of each company, the leadership of each company, future opportunities for each company and any other statements regarding events or developments that we believe or anticipate will or may occur in the future are "forward-looking" statements within the meaning of the federal securities laws. There are a number of important factors that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things: economic conditions affecting the industries in which Danaher's businesses and Pentagon operate, the uncertainty of regulatory approvals, Danaher's and Pentagon's ability to satisfy the merger agreement conditions and consummate the transaction on a timely basis or at all, Danaher's ability to successfully integrate Pentagon's operations and employees with Danaher's existing business, the ability to realize anticipated growth, synergies and cost savings from the acquisition, Pentagon's performance and maintenance of important business relationships, Danaher's ability to satisfy the necessary conditions to consummate the separation on a timely basis or at all, Danaher's ability to successfully separate the two companies and realize the anticipated benefits from the separation, the maintenance of important business relationships, deterioration of or instability in the economy, the markets we serve and the financial markets, the impact of our restructuring activities on our ability to grow, contractions or growth rates and cyclicity of markets we serve, competition, our ability to develop and successfully market new products and technologies and expand into new markets, the potential for improper conduct by our employees, agents or business partners, our ability to successfully identify, consummate and integrate appropriate acquisitions and successfully complete divestitures and other dispositions, contingent liabilities relating to acquisitions and divestitures, our ability to close the anticipated merger of our Communications business with NetScout, Inc. and achieve the desired benefits of that transaction, our compliance with applicable laws and regulations (including regulations relating to medical devices and the healthcare industry) and changes in applicable laws and regulations, our ability to effectively address cost reductions and other changes in the healthcare industry, risks relating to potential impairment of goodwill and other intangible assets, currency exchange

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rates, tax audits and changes in our tax rate and income tax liabilities, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, risks relating to product, service or software defects, product liability and recalls, risks relating to product manufacturing, the impact of our debt obligations on our operations and liquidity, our relationships with and the performance of our channel partners, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, labor matters, international economic, political, legal, compliance and business factors, disruptions relating to man-made and natural disasters, security breaches or other disruptions of our information technology systems and pension plan costs. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our 2014 Annual Report on Form 10-K and Quarterly Report on Form 10-Q for the first quarter of 2015. These forward-looking statements speak only as of the date of this release and the Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

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Welcome to Danaher!

We value your past efforts, the company you've built and the customer relationships you've developed.

We're excited to have you on our team.

We look forward to working and growing with you!

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Overview

About Danaher

Our Portfolio with Pall

Our Values

Danaher Business System (DBS)

Success stories - acquisitions and innovation

The weeks ahead

What you can expect from Danaher



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Danaher with Pall

Founded in 1984

Headquartered in Washington, DC

New York Stock Exchange Ticker: DHR

Global team of ~57,400 associates (including Pall)

Danaher

2014 Revenue: \$16.5B\*

Life Sciences

\$2.5B

Diagnostics

\$4.8B

Water Quality

\$2.0B

Product ID

\$1.6B

Pall

\$2.8B

Dental

\$2.9B

\* Reflects aggregate revenues from constituent businesses (including with respect to "Future Danaher," Pall) for the respective, most recently completed fiscal year. Pall revenues are based on 2014 FYE ended July 31, 2014. Includes \$0.7B of annual revenues for Nobel Biocare and \$0.2B of annual revenues for Devicor, each of which was acquired in December 2014.

You are joining other fantastic companies

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Our Core Values

The Best Team Wins

Customers Talk, We Listen

Kaizen is Our Way of Life

Innovation Defines our Future

We Compete for Shareholders

Danaher Business System

Don't Translate This Art

THE BEST TEAM WINS

INNOVATION DEFINES OUR FUTURE

PEOPLE

PLAN

PROCESS

PERFORMANCE

QUALITY

INNOVATION

CUSTOMERS

CUSTOMERS TALK, WE LISTEN

DANAHER

KAIZEN IS OUR WAY OF LIFE

WE COMPETE FOR SHAREHOLDERS

DBS Toolkit Today

Don't Translate This Table

DBS FUNDAMENTALS

Voice of the customer

Value stream mapping

Standard work

Transactional process improvement

Kaizen basics

5S

Problem solving process

Visual and daily management

GROWTH

LEAN

LEADERSHIP

Dream

Develop

Deliver

Reliability

Transactional

Operations

Business process

Leadership development

Associate development

Breakthrough ideation / open innovation

Speedy Design Review (SDR)

Inside sales

Reliability PD boot Camp

Transactional lean conversion and Daily Mgmt.

Lean conversion

Strategic Planning

Executive champion orientation

Introduction to DBS

Customer segmentation

Accelerated product development

Value selling

Customer defect tracking and resolution

Production sales inventory

Set-up reduction

GM Policy Deployment \*

Leadership and organization communications\*

Training and facilitation

Demand generation

Toll Gate #2 kaizen

Sales force initiative

Supplier quality management

Value analysis/ value engineering

Production preparation process

Acquisition Integration

Developing growth leaders \*

Crucial conversations

Lean software design

Pricing margin management

Design for reliability

Just in time accounting

Total productive manufacturing

Risk assessment \*

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Financial acumen  
Project management  
Price leakage kaizen  
Failure mode effects analysis  
Accounts receivable best practices  
Danaher materials process (Includes kanban)  
Leveraging your impact \*  
Recruiting and selection  
Product life cycle management  
Product life cycle management  
Quality system basics  
Accounts payable best practices  
Heijunka  
ID, developing and communications\*  
DBS leader boot camp  
Intellectual property process  
Strategic negotiations  
Customer service and support  
DBS compliance for medical device manufacturing  
Energy conservation kaizen  
Advanced talent assessment \*  
DBS leader continuing education  
Product planning group  
Search engine optimization  
Personal review and team inspection  
Sourcing workshop and supply base management  
Variation reduction kaizen  
Adjusting your leadership style \*  
Development for growth  
User experience design  
Pay per click kaizen  
Commodity management  
Measurement system analysis  
Situational leadership  
DBS tool certification (MBB)  
On-Line nurturing kaizen  
Supply chain and logistics best practices  
Driving the Danaher culture  
Change management  
Positioning and Messaging Kaizen  
Lean supply chain (Strategic supplier productivity)  
Leading multiple P and Ls  
Leadership essentials

oWhat's unique about DBS tools?  
-Integrated and improved over time  
-Smart usage - pick for highest impact  
-Velocity of implementation  
-Commitment to use - everybody's job  
-Shared across Danaher companies  
-\* = Class in DHR Leadership Program

Core Value Drivers

Customer  
Quality  
On-Time Delivery

Associate  
Internal Fill Rate  
Turnover

Shareholder  
Core Growth  
OMX  
Cash Flow / Working Capital Turnover  
Return on Invested Capital

How we measure our success

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Why is Danaher an exciting opportunity?

Markets: Leading positions and outstanding global brands well positioned within markets with strong growth vectors

IP / Technology: Highly technical, rich IP environment provides opportunity for continued innovation leadership

People: DBS culture provides framework for continuous learning and professional development. Committed associates with great depth of insight into customers, markets and products

Growth opportunities: Well capitalized company provides organic and inorganic investment opportunities and resultant growth for both associates and customers

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### Water Quality Acquisition Success

Water testing equipment for municipal and industrial customers

WATER QUALITY PLATFORM Technology to test, analyze and treat ultra-pure, waste, ground, ocean and drinking water

1999 TODAY

Revenue: ~\$125M  
30% Other  
70% North America

Operating Margin: High teens

Associates ~550

Products

Acquisitions

Research and Development

Sales and Marketing

Geographic Footprint

Revenue: ~\$2.0B  
25% HGMS  
5% Other  
20% Europe  
50% North America

Operating Margin: ~25%

Associates ~6,800

Products

Growth investments made a good company even better ... still improving!



Focus in the Coming Weeks

Stay focused on serving customers well

Leverage the acquisition as an opportunity for growth

Be open to new ideas

Get to know Danaher and our formula for success

What You Can Expect from Danaher - In the Coming Months

Ongoing interaction, communication and engagement from Danaher and Pall leaders

Until close:

Danaher and Pall will continue to operate separately

Danaher will not be involved in Pall's day-to-day business activities

Start planning transition activities

Upon close:

From a publicly traded company to a wholly-owned subsidiary

Will run as a stand-alone operating company within Danaher, retaining the Pall brand

Changes in financial reporting

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What You Can Expect from Danaher - After Close

First 100 days

Pall leadership immersed in DBS

Pall leadership will work with Danaher to update your Strategic Plan

3 to 5 year planning horizon

Focused on growing the business, defining opportunities around costs and investments

Communication Lines are Open

It's normal to feel apprehension, uncertainty and mistrust

Danaher has done this before, but each situation is unique  
We don't have it all figured out yet

For now, there are more questions than answers, but we will  
keep lines of communication open

Communication is a two-way street and we welcome your  
questions and feedback

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Danaher

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ADDITIONAL INFORMATION ABOUT THE MERGER

A meeting of the shareholders of Pall will be announced to obtain shareholder approval of the proposed transaction. Pall intends to file with the SEC a proxy statement and other relevant documents in connection with the proposed transaction. The definitive proxy statement will be sent or given to the shareholders of Pall and will contain important information about the proposed transaction and related matters. PALL'S SHAREHOLDERS ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT AND OTHER RELEVANT MATERIALS WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT PALL, DANAHER AND THE PROPOSED TRANSACTION. Investors may obtain a free copy of these materials (when they are available) and other documents filed by Pall with the SEC at the SEC's website at [www.sec.gov](http://www.sec.gov), at Pall's website at [www.pall.com](http://www.pall.com) or by sending a written request to pall, Attn: Investor Relations, 25 Harbor Park Drive, Port Washington, NY, 11050.

Participants in the Solicitation

Pall, Danaher and their respective directors and executive officers and other persons may be deemed to be participants in the solicitation of proxies from the shareholders of Pall in favor of the proposed merger. Information regarding the persons who may, under the rules of the SEC, be considered to be participants in the solicitation of Pall's shareholders in connection with the proposed transaction, and any interest they have in the proposed transaction, will be set forth in the definitive proxy statement when it is filed with the SEC. Additional information regarding Danaher's directors and executive officers is included in Danaher's Annual Report on Form 10-K for the year ended December 31, 2014, filed with the SEC on February 25, 2015 and the proxy statement for Danaher's 2015 Annual Meeting of Shareholders, filed with the SEC on March 27, 2015. Additional information regarding Pall's directors and executive officers is included in Pall's Annual Report on Form 10-K for the fiscal year ended July 31, 2014, filed with the SEC on September 8, 2014 and the proxy statement for Pall's 2014 Annual Meeting of Shareholders, filed with the SEC on October 31, 2014.

Pall Corporation

Better Lives. Better Planet. SM

Pall Corporation agrees to be acquired by Danaher Corporation

June 10, 2015

2015 Pall Corporation

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What was announced on May 13, 2015?

Pall agreed to be acquired by Danaher for \$127.20 per share in an all-cash transaction that values the company at \$13.8 billion

Separately, Danaher announced its intention to split into two independent companies

Pall, in its entirety, will fit within the "new" Danaher, a \$16.5 billion revenue company focused on science and technology

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Who is the "new" Danaher?

2014 Financials

Revenue \$16.5 bb\*  
Gross Margin >50%  
OP Margin Mid-teens  
% Rev. Aftermarket 60%

Revenue Breakdown

Product ID 10%  
Diagnostics 28%  
Life Sciences 15%  
Pall Life Sciences 9%  
Pall Industrial 8%  
Water Quality 12%  
Dental 18%

Leadership

Thomas P. Joyce Jr., President and CEO Daniel L. Comas,  
Executive Vice President and CFO

Company Characteristics

+MSD organic revenue growth  
Market leading positions and outstanding brands  
Resilient business models with large installed base and  
significant aftermarket exposure  
Attractive margin profile with runway to improve

Anticipated Capital Structure

Strong investment grade credit rating  
M and A primary focus of capital deployment

\* Reflects aggregate revenues from constituent businesses  
(including Pall) for the respective, most recently completed  
fiscal year. Pall revenues are based on 2014 FYE ended July  
31, 2014. Includes \$0.7 bb of annual revenues for Nobel  
Biocare which was acquired in December 2014.

How does Pall fit with Danaher?

Danaher values strong global brands with good growth opportunities as well as solid gross margins with strong consumable streams

Pall has created a strong global brand and leadership position in filtration and separation sciences, with a strong growth profile and attractive consumables focused business model

Pall provides Danaher with a solid foundation in the attractive filtration and separations market to continue to invest and build upon, both organically and inorganically

Danaher provides Pall with its proven management and business system to accelerate our improvement

How does this impact you?

Business as usual until this transaction closes

Continue to execute against our BU strategies

Achieve our Customer First company-wide objectives via the specific business unit and site initiatives

Pall will continue as a stand-alone brand under the new Danaher umbrella

Danaher is a world class company - one of the best

Opportunity to grow within one of the best

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What's next?

The transaction is expected to close by the end of calendar 2015, after customary regulatory approvals and approval by Pall's shareholders

Over the next few months, we do expect increasing interaction with Danaher; we will pass along updates as important information becomes available throughout the process

For now, our strategy remains unchanged; we remain a standalone company until the transaction closes

What is the external communication protocol?

If contacted by customers, suppliers or partners, share the key messages. To assist, we are preparing:

Draft generic letters you can customize

FAQ and other communication tools

If contacted by media, investors or other third-parties please refer them to:

Brent Jones  
brent\_jones@pall.com  
516-801-9871

Company Values

Pall's Core Values establish principles of ethical behavior:

Customer First is not a slogan; it is how we treat them.

We strive to be the Most Agile to meet customer needs before others do.

Our Stakeholder relationships are all built upon Mutual Respect.

The success of Pall Corporation depends on a culture of Personal Responsibility and Full Accountability.

Absolute Integrity is the cornerstone of our company and THE rule for how we do business.

CULTURE OF ABSOLUTE INTEGRITY

CUSTOMER FIRST

MUTUAL RESPECT

FULL ACCOUNTABILITY

PERSONAL RESPONSIBILITY

MOST AGILE

A reminder...

Questions

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