

Edgar Filing: VISX INC - Form DEFA14A

VISX INC
Form DEFA14A
April 12, 2001

SCHEDULE 14A
(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION

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 Under Rule 14a-12

VISX, INCORPORATED

(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:
common stock, \$.01 par value per share

(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.

Edgar Filing: VISX INC - Form DEFA14A

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

[VISX Logo]

NEWS RELEASE
For Immediate Release

Company Contact:
Lola Wood: (877) 463-6847
E-Mail: ir@visx.com
Web: <http://www.visx.com>

VISX ANNOUNCES FIRST QUARTER EARNINGS

Earnings Increased 62% on a Comparable Basis

Comments on Icahn's Revised Preliminary Proxy Filing

SANTA CLARA, CALIFORNIA, APRIL 12, 2001 - VISX, INCORPORATED (NYSE Symbol: EYE) today announced financial results for the first quarter ended March 31, 2001.

Revenue for the first quarter of 2001 was \$51,576,000 compared to \$63,997,000 for the comparable period of the prior year. Net income was \$12,620,000, or \$0.21 per share, in the first quarter of 2001 compared to net income of \$19,558,000, or \$0.30 per share, in the comparable period of the prior year. Assuming a \$100 per procedure fee for the entire first quarter 2000, earnings for the first quarter 2000 would have been \$0.13 per share on an adjusted basis as compared to \$0.21 per share actual for the current quarter, an increase of 62% on a comparable basis.

Commenting on the results, Liz Davila, Chief Executive Officer of VISX, said, "This first quarter was strong for VISX on all major fronts. Compared to Q4 2000, licensing revenues grew 23%, systems sales were up 29%, and we increased market share. In ever-greater numbers, customers are advertising to consumers the benefits of the VISX STAR S3 ActiveTrak, and consumers are responding. Additionally, we continued to bring innovative technologies to market. During the quarter VISX received FDA approval for wider ablation zones using Variable Spot Scanning (VSS(TM)). We also initiated our FDA clinical trials for wavefront-driven ablations."

Ms. Davila continued, "Looking ahead, we are confident that VISX is positioned more strongly than ever to lead the industry through many more years of growth. MarketScope(R) has projected that the U.S. laser vision correction procedure market will grow at a compound annual growth rate of 28% over the next four years. Undoubtedly growth in some years will be greater than others. Because of softness in the current economic environment, we project 20% growth in 2001. We expect growth to accelerate as the economy recovers."

Edgar Filing: VISX INC - Form DEFA14A

VISX also commented on the revised preliminary proxy materials filed by Carl Icahn relating to his proposed proxy contest. With regard to the Icahn group's revised platform to auction the Company, VISX believes Mr. Icahn continues to offer nothing new to VISX stockholders. VISX has already implemented a thorough review of its strategic alternatives. While a well-organized process led by its financial advisor Goldman, Sachs & Co. has not resulted in any specific transaction, the VISX Board of Directors and management remain receptive to any opportunity that recognizes VISX's record of profitable performance, its global leadership position and strong future prospects.

VISX believes its stock repurchase program, including the recently announced 10 million share authorization, is a prudent use of its capital and represents a compelling investment opportunity. The Company views Mr. Icahn's proposal to raise more than \$300 million of new debt to finance his proposed buy-back as detrimental to both the short-term and long-term value of VISX. VISX believes the Icahn group's proposed plan would dilute earnings, severely weaken VISX's balance sheet, and deprive VISX of the financial and strategic flexibility that it needs to invest in R&D. In short, VISX believes Mr. Icahn's scheme would plunge the Company into debt and restrict its ability to invest in its future.

The Company sees no benefit to stockholders in Mr. Icahn's revised platform.

The foregoing statements are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based on management's current expectations and actual results could differ materially. Additional discussion of factors affecting the Company's business is contained in the Company's most recent filings with the Securities and Exchange Commission, including VISX's Annual Report and Form 10-K for the year ended December 31, 2000.

VISX is the worldwide leader in the development of refractive laser technology. VISX systems are commercially available in the United States and markets worldwide.

VISX, Incorporated Condensed Consolidated Statement of Operations (In thousands, except per share amounts.)

	(Unaudited) Three Months Ended	
	3/31/2001	3/31/2000
System sales.....	\$ 17,096	\$ 19,877
License, service and other revenue.....	34,480	44,120
Total revenue.....	51,576	63,997
Cost of revenues.....	17,828	16,969
Marketing, general and administrative.....	11,780	14,588
Research, development and regulatory.....	4,550	3,510

Edgar Filing: VISX INC - Form DEFA14A

Total costs and expenses.....	34,158	35,067
Income from operations.....	17,418	28,930
Interest and other income, net.....	3,442	3,667
Income before provision for income taxes.....	20,860	32,597
Provision for income taxes.....	8,240	13,039
Net income.....	\$ 12,620	\$ 19,558
Earnings Per Share		
Basic.....	\$ 0.21	\$ 0.31
Diluted.....	\$ 0.21	\$ 0.30
Shares Used For Earnings Per Share		
Basic.....	59,522	63,617
Diluted.....	61,018	66,147

Condensed Consolidated Balance Sheet (in thousands)

	(Unaudited) 3/31/2001	12/31/2000
Cash, cash equivalents and short-term investments.....	\$ 180,073	\$ 229,453
Accounts receivable.....	40,488	34,540
Inventories.....	14,837	14,762
Other current assets.....	19,441	19,642
Current assets.....	254,839	298,397
Property and equipment, net.....	4,268	4,996
Long-term deferred tax and other assets.....	18,553	18,114
Total assets.....	\$ 277,660	\$ 321,507
Accounts payable.....	\$ 11,340	\$ 7,353
Accrued liabilities.....	52,500	45,382
Current liabilities.....	63,840	52,735
Stockholders' equity.....	213,820	268,772
Total liabilities and stockholders' equity.....	\$ 277,660	\$ 321,507

#####