

OMNICELL, Inc
Form 8-K
February 07, 2014

**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): **February 4, 2014**

OMNICELL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

000-33043
(Commission File Number)

94-3166458
(IRS Employer
Identification Number)

590 East Middlefield Road

Mountain View, CA 94043

(Address of principal executive offices, including zip code)

(650) 251-6100

(Registrant's telephone number, including area code)

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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:

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

On February 4, 2014, at a meeting of the Compensation Committee (the Committee) of the Board of Directors of Omnicell, Inc. (the Company), the Committee approved the 2014 annualized base salaries for the Company's executive officers as set forth below. The annualized base salaries are effective July 1, 2014. In addition, the Committee granted long-term equity compensation awards to the Company's executive officers in the amounts set forth below.

Name	Title	2014 Annualized Base Salary	Stock Option Grant(1)	Long-Term Cash and Equity Compensation		
				Restricted Stock Units (time based)	Restricted Stock Units (performance based)	Maximum Payout of Long Term Cash Incentive (performance based) (2)
Randall A. Lipps	Chairman, President and Chief Executive Officer	\$ 600,000	42,500	21,250	42,500	\$ 1,000,000
Robin G. Seim	Executive Vice President, Finance, Administration and Manufacturing and Chief Financial Officer	\$ 320,000	25,000	12,500	25,000	\$ 400,000
J. Christopher Drew	Executive Vice President, Field Operations	\$ 330,000	25,000	12,500	25,000	\$ 500,000
Marga Ortigas-Wedekind	Executive Vice President, Global Marketing and Product Development	\$ 295,000	8,750	4,375	8,750	\$ 450,000
Nhat Ngo	Executive Vice President, Strategy and Business Development	\$ 280,000	12,500	6,250	12,500	\$ 400,000
Dan S. Johnston	Executive Vice President and General Counsel	\$ 275,000	10,000	5,000	10,000	\$ 300,000
Jorge Taborga	Executive Vice President, Engineering	\$ 265,000	8,750	4,375	8,750	\$ 300,000

(1) The exercise price of each of the stock option grants is equal to closing price of the Company's stock on the date of grant, February 4, 2014, as reported on The NASDAQ Global Market, which was \$25.08 per share.

The shares subject to each of the stock option grants vest as to 25% of the shares subject to the grant on the first anniversary of the vesting commencement date of such grants, February 4, 2014, with the remainder of the shares subject to the grant vesting in equal monthly installments over the following thirty-six months. The time-based restricted stock unit awards vest on a semi-annual basis over a period of four years commencing on June 15, 2014. The performance-based restricted stock unit awards vest as to 25% of the shares on the date of the Committee meeting in 2015 when the Committee reviews the performance-based metrics and determines if they were met or not, with the remaining shares vesting on a semi-annual basis over a period of thirty-six months commencing on June 15, 2015 if the Company meets certain stock performance objectives compared to the NASDAQ Healthcare Index. The actual number of shares that vest may be 0% to 100% of the numbers reflected above, depending upon the Company's performance.

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(2) The Committee also approved a long-term performance cash incentive pursuant to the Company's 2009 Equity Incentive Plan that will pay a cash bonus to each of the Executive Officers listed in the table above upon the Company's achievement of certain revenue goals (subject to a threshold operating margin) for the fiscal year ending December 31, 2015. For Messrs. Lipps, Seim, Drew, Johnston and Taborga, and for Ms. Ortigas-Wedekind, the long-term cash incentive is weighted 2/3rds on the achievement of specified levels of revenue generated from all product lines excluding those brought into the Company through acquisition during 2014 and 2015 (organic revenue growth) and 1/3rd on the achievement of a specified level of revenue run rate generated from acquisitions of other companies or technologies through December 31, 2015 (inorganic revenue run rate). For Mr. Ngo, the long-term cash incentive is weighted 2/3rds on the achievement of the inorganic revenue run rate, and 1/3rd on the achievement of the organic revenue growth. The inorganic revenue run rate is calculated by summing the quotients derived by dividing the actual 2015 revenue generated from each acquisition completed during the 2014 and 2015 years by the number of days that the Company owned the acquired entity in 2015 and multiplying that sum by 365. The actual amount of cash incentive that may be paid may be from 0% to 100% of the maximum payout numbers reflected above, depending upon the Company's performance. Performance below thresholds would result in no payouts and performance above the maximum would result in no additional payout. To be eligible for a payment under the long-term cash incentive, our executive officers must also be employed continuously through December 31, 2015.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	2014 Executive Officer Annual Base Salaries

SIGNATURE

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

OMNICELL, INC.

Dated: February 7, 2014

By:

/s/ Dan S. Johnston
Dan S. Johnston,

Executive Vice President

and General Counsel

INDEX TO EXHIBITS

Exhibit Number	Description
10.1	2014 Executive Officer Annual Base Salaries