

BRUKER CORP
Form 8-K
February 21, 2019

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 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 14, 2019**

BRUKER CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-30833
(Commission
File Number)

04-3110160
(IRS Employer
Identification No.)

40 Manning Road

Billerica, MA 01821

(Address of principal executive offices)(Zip Code)

Registrant's telephone number, including area code: **(978) 663-3660**

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Check the appropriate box if the Form 8-K filing is intended to simultaneously satisfy the reporting 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Section 5 Corporate Governance and Management

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

(e) On February 14, 2019, the Compensation Committee of the Board of Directors (the "Compensation Committee") of Bruker Corporation (the "Company") approved 2019 salaries and cash incentive plans for the Company's executive officers, including the currently serving named executive officers as defined in Item 402 of Regulation S-K under the Securities Act of 1933, as amended. Under the Company's 2019 Short-Term Incentive Compensation Program (the "2019 Short-Term ICP"), the Company's executive officers and management personnel may be awarded cash incentive bonuses based on Company and individual performance in 2019.

The 2019 Short-Term ICP award target levels and base salaries approved for the Company's current executive officers are as indicated below:

Executive Officer	Title	2019 Base Salary	2019 Short-Term Incentive Award Target	2019 Short-Term Incentive Award Target as % of Base Salary
Frank H. Laukien, Ph.D.	President and Chief Executive Officer	\$ 758,544	\$ 1,061,961	140.0%
Gerald N. Herman	Vice President and Chief Financial Officer	\$ 451,500	\$ 270,900	60.0%
Falko Busse, Ph.D.	President, Bruker BioSpin Group	\$ 353,495(1)	\$ 183,817(1)	52.0%
Mark R. Munch, Ph.D.	Executive Vice President and President, Bruker Nano Group and Bruker Nano, Inc.	\$ 578,689	\$ 376,148	65.0%
Burkhard Prause, Ph.D.	President and Chief Executive Officer, Bruker Energy & Supercon Technologies, Inc. ("BEST")	\$ 304,434(2)	\$ 182,660(2)	60.0%
Juergen Srega	President, Bruker CALID Group	\$ 395,701(3)	\$ 237,422(3)	60.0%

(1) Represents U.S. Dollar value of Dr. Busse's 2019 base salary of CHF 355,948 and incentive award target of CHF 185,093, respectively, based on a conversion rate of CHF 1:\$0.9931 as of February 14, 2019.

(2) Represents U.S. Dollar value of Dr. Prause's 2019 base salary of 269,292 and incentive award target of 161,575, respectively, based on a conversion rate of 1:\$1.1305 as of February 14, 2019.

(3) Represents U.S. Dollar value of Mr. Srega's 2019 base salary of 350,024 and incentive award target of 210,015, respectively, based on a conversion rate of 1:\$1.1305 as of February 14, 2019.

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The 2019 Short-Term ICP provides that financial performance goals will provide 70% of total cash incentive award potential for each of the executive officers, with the remaining 30% allocated to individual performance goals established by the Compensation Committee.

The financial goals portion of the cash incentive awards to Dr. Laukien and Mr. Herman will be determined based on achievement of specified 2019 performance goals allocated to the following corporate financial objectives: currency-adjusted organic revenue growth, non-GAAP operating profit improvement, non-GAAP earnings per share growth and reduction in the Company's working capital ratio.

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The financial goals portion of the cash incentive awards to each of the Company's Group Presidents, Drs. Busse and Munch and Mr. Srega, will be determined based on achievement of specified 2019 financial performance goals for their respective Group, as well as corporate financial performance relative to the Company's non-GAAP earnings per share growth objective. Performance goals for each Group, which represent approximately 85% of the respective Group President's target bonus opportunity based on financial goals (i.e., 60% of each Group President's total target bonus opportunity), are allocated to the following Group-level objectives: currency-adjusted revenue growth, non-GAAP gross profit improvement, non-GAAP operating profit improvement and working capital ratio improvement. Approximately 15% of the respective Group President's target bonus opportunity allocated to financial goals (i.e., 10% of each Group President's total target bonus opportunity) will be determined based on the Company's non-GAAP earnings per share growth.

The financial goals portion of the cash incentive award to Dr. Prause will be determined based on achievement of specified 2019 financial performance goals for the BEST operating segment, as well as corporate financial performance relative to the Company's non-GAAP earnings per share growth objective. Performance goals for the BEST segment, which represent approximately 85% of Dr. Prause's target bonus opportunity based on financial goals (i.e., 60% of his total target bonus opportunity), are allocated to the following BEST segment objectives: currency-adjusted revenue growth, non-GAAP gross profit improvement, non-GAAP operating profit improvement and working capital ratio improvement. Approximately 15% of Dr. Prause's target bonus opportunity allocated to financial goals (i.e., 10% of his total target bonus opportunity) will be determined based on the Company's non-GAAP earnings per share growth.

Portions of the incentive awards linked to the achievement of financial performance goals will be calculated based on percentage achievement of each financial target goal, with no threshold or maximum. However, the incentive award payout for performance attributable to financial performance goals is subject to a maximum aggregate payout of 200% of the respective executive officer's total target bonus opportunity linked to such goals.

The individual goals portion of the cash incentive payments to be awarded under the 2019 Short-Term ICP will be determined based on measures of the respective executive officer's contributions to the achievement of certain strategic and operational management objectives, as approved by the Compensation Committee. Under the 2019 Short-Term ICP, payments for individual goals will be made in a range of 0% to 125% of their respective targets, subject to satisfaction of certain minimum performance expectations.

A copy of the 2019 Short-Term Incentive Compensation Program approved by the Compensation Committee is attached hereto as Exhibit 10.1.

Section 9 Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d)	Exhibits
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Number

10.1

<u>2019 Short-Term Incentive Compensation Program</u>

SIGNATURES

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.

BRUKER CORPORATION
(Registrant)

Date: February 21, 2019

By:

/s/GERALD N. HERMAN

Gerald N. Herman
Chief Financial Officer