

COOPER TIRE & RUBBER CO  
Form DEFA14A  
June 12, 2013

**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**

**(Amendment No. )**

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

**COOPER TIRE & RUBBER COMPANY**

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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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:

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(1) Amount previously paid:

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

(3) Filing Party:

(4) Date Filed:

Acquisition: Creating a Global Tire Leader

Apollo to Acquire Cooper  
Apollo Tyres and Cooper Tire & Rubber combining to create a  
global leader in tire manufacturing and distribution

Agreement must be  
approved by regulators  
and shareholders

Assuming a timely process,

expected to take place in  
the coming months

Until agreement closes,  
we remain separate  
companies and operate  
as such

Business as usual!

1

2  
Combined Revenues of \$6.6 Billion  
2012 Global Tire Company Rankings  
Based on 2011 Sales  
2011  
2010  
2011  
RANK  
2010  
RANK

COMPANY / HEADQUARTERS

TIRE

SALES

% OF TOTAL

CORP. SALES

TIRE

SALES

% OF TOTAL

CORP. SALES

7

7

Yokohama Rubber Co. Ltd.

6,028.0

81.0%

4,750.4

Tokyo, Japan

6

6

Sumitomo Rubber Industries Ltd.

7,413.0

87.2%

5,850.0

85.0%

Kobe, Japan

5

5

Pirelli & C. S.p.A.

7,802.2

99.0%

6,320.5

98.4%

Milan, Italy

4

4

Continental A.G.

10,645.0

25.1%

8,100.0

23.5%

Hanover, Germany

3

3

Goodyear Tire & Rubber Co.

20,490.0

90.0%

16,950.0

90.0%

Akron, Ohio

2

2



Group Michelin

27,413.6

95.0%

22,515.0

95.0%

Clermont-Ferrand, France

1

1

Bridgestone Corp.

28,450.0

75.0%

24,425.0

75.0%

Tokyo, Japan

16

16

Apollo Tyres Ltd.

2,526.8

100.0%

1,943.4

100.0%

Kerala, India

15

14

Triangle Group Co. Ltd.

2,527.1

100.0%

2,258.9

100.0%

Shandong, China

14

15

GITI Tire Pte. Ltd.

2,893.6

100.0%

2,207.5

100.0%

Singapore

13

13

Toyo Tire & Rubber Co. Ltd.

3,064.6

75.4%

2,500.0

73.6%

Osaka, Japan

12

12

Kumho Tire Co. Inc.

3,522.1

99.4%  
3,025.9  
99.8%  
Seoul, South Korea  
11  
9  
Cooper Tire & Rubber Co.  
3,927.2  
100.0%  
3,361.0  
100.0%  
Findlay, Ohio  
10  
11  
Hangzhou Zhongce Rubber Co. Ltd.  
4,262.6  
95.1%  
3,226.1  
97.2%  
Hangzhou, China  
9  
10  
Maxxis International/Cheng Shin Rubber  
4,268.0  
100.0%  
3,356.4  
100.0%  
Yuanlin, Taiwan  
8  
8  
Hankook Tire Co. Ltd.  
5,744.2  
97.8%  
4,513.1  
Seoul, South Korea  
Combined Company  
8  
#7

NORTH AMERICA  
EUROPE  
AFRICA  
ASIA  
Durban, South Africa  
Ladysmith, South Africa  
3  
Guadalajara, Mexico

Texarkana, AR  
Clarksdale, MS  
Tupelo, MS  
Findlay, OH  
Enschede, Netherlands  
Melksham, England  
Kruševac, Serbia  
Rongcheng City, China  
Kunshan, China  
Limda, India  
Oragadam, India  
Perambra, India  
Kalamassery, India  
Significant Presence in the Largest  
and Fastest Growing Geographies  
Apollo  
Cooper

Track Record of Driving Sales Growth

4

COOPER  
NET SALES

(in billions)

APOLLO  
NET SALES

(INRbn)

2009

2010  
2011  
2012  
2.78  
3.36  
3.93  
4.20  
\$ 5B  
4  
3  
2  
1  
0  
2009  
2010  
2011  
2012  
49.8  
81.2  
88.7  
121.5  
125B  
100  
75  
50  
25  
0

5

Diversified Product Offering

LIGHT VEHICLE

TIRES

Both companies primarily focus on the replacement tire business

PASSENGER

TIRES

COMMERCIAL  
TRUCK TIRES  
FARM VEHICLE  
TIRES



Key OE Relationships  
COOPER  
APOLLO  
6

Strong Brands Respected for Quality

7

NORTH AMERICA  
EUROPE  
ASIA  
Melksham, England  
Pearsall, Texas  
Shanghai, China  
Findlay, OH

Enschede, Netherlands

Limda, India

Oragadam, India

Perambra, India

Kalamassery, India

Apollo

Cooper

Committed to Innovation and Technology

8

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9

Third-Party Recognition

Shared Values

10

Both companies commit equally to employee safety and development as well as sustainability and giving back to communities.

Continuity and Business as Usual  
11

Apollo to retain and grow  
existing Cooper facilities

Cooper to continue  
to recognize unions

Cooper to continue  
to honor collective  
bargaining agreements

Compensation and benefit  
levels for non-union  
employees generally  
maintained

Management continuity



Key Takeaways A Great Match  
12

Combined organization will  
be world's seventh-largest  
tire company with sales of  
\$6.6B

More options for customers;  
growth opportunities for  
employees

Existing Cooper facilities  
maintained

No plan to outsource  
manufacturing from  
North America

Cooper will generally  
maintain current  
employee compensation  
and benefit levels

Cooper will recognize  
labor unions and honor  
collective bargaining  
agreements

Management continuity

13

**ADDITIONAL INFORMATION**

In connection with the proposed transaction, Cooper will file a proxy statement with the SEC. INVESTORS ARE URGED TO READ THE PROXY STATEMENT WHEN IT BECOMES AVAILABLE BECAUSE IT WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND COOPER. You will be able to obtain the proxy statement, as well as other filings containing information about Cooper, free of charge, at the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). Copies of the proxy statement and other filings made by Cooper with the SEC can also be obtained free of charge, by directing a request to Cooper Tire & Rubber Company, 701 Lima Avenue, Findlay, Ohio 45840, c/o Jerry Long ([investorrelations@coopertire.com](mailto:investorrelations@coopertire.com)).

**Participants in the Solicitation**

Cooper and its directors and officers may be deemed to be participants in the solicitation of proxies from Cooper's stockholders with respect to the special meeting of stockholders that will be held to consider the proposed transaction.

Information about Cooper's directors and officers and their ownership of Cooper's common stock is set forth in its Form 10-K which was filed with the SEC on February 25, 2013 and the proxy statement for Cooper's Annual Meeting of stockholders, which was filed with the SEC on March 26, 2013. Stockholders may obtain additional information regarding the interests of Cooper and its directors and executive officers in the proposed transaction, which may be different than those of Cooper's stockholders generally, by reading the proxy statement and other relevant documents regarding the proposed transaction, when filed with the SEC.

14

#### FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are statements that are not historical facts but instead reflect Cooper's and Apollo's expectations, estimates or projections concerning future results or events. They are identified by the use of forward-looking words or phrases such as believe, expect, anticipate, project, may, could, intend, plan, likely, will, should or similar words or phrases. These statements are not guarantees of performance and are subject to various risks, uncertainties and assumptions that are difficult to predict and could cause our actual results, performance or achievement to differ materially from those expressed or indicated by those statements. We cannot assure you that any of our expectations, estimates or projections will be realized. The forward-looking statements included in this presentation are only made as of the date of this document and we disclaim any responsibility for any forward-looking statement to reflect subsequent events or circumstances.

Numerous factors could cause our actual results and events to differ materially from those expressed or implied by forward-looking statements. One such factor is the limitation: volatility in raw material and energy prices, including those of rubber, steel, petroleum based products and natural gas.

materials or energy sources; the failure of Cooper's or Apollo's suppliers to timely deliver products in accordance with contracts and business conditions in the world; failure to implement information technologies or related systems, including failure by Cooper's ERP system; increased competitive activity including actions by larger competitors or lower-cost producers; the failure to achieve in Cooper's or Apollo's customer relationships, including loss of particular business for competitive or other reasons; litigation including products liability claims, which could result in material damages against Cooper or Apollo; changes to tariffs or the imposition of trade restrictions; changes in pension expense and/or funding resulting from investment performance of Cooper's pension plan assets, salary increase rate, and expected return on plan assets assumptions, or changes to related accounting regulations; government initiatives including environmental and healthcare matters; volatility in the capital and financial markets or changes to the credit markets; changes in interest or foreign exchange rates; an adverse change in Cooper's or Apollo's credit ratings, which could hamper access to the credit markets; the risks associated with doing business outside of the United States; the failure to develop products needed to support consumer demand; technology advancements; the inability to recover the costs to develop and test products; the impact of labor problems, including labor disruptions at Cooper or Apollo or at one or more of their large customers or suppliers; personnel; consolidation among competitors or customers; inaccurate assumptions used in developing Cooper's or Apollo's strategies; inability or failure to successfully implement such plans; failure to successfully integrate acquisitions into operations or their operations and capital resources; changes in Cooper's relationship with joint-venture partners; the inability to obtain and maintain price increases or material costs; inability to adequately protect Cooper's or Apollo's intellectual property rights; inability to use deferred tax assets; in management's discussion and analysis of Cooper's most recently filed reports with the SEC; and uncertainties associated with the Cooper by Apollo, including uncertainties relating to the anticipated timing of filings and approvals relating to the transaction, the transaction and the ability to complete the transaction. This list of factors is illustrative, but by no means exhaustive. All factors are evaluated with the understanding of their inherent uncertainty.