

INVITROGEN CORP
Form 10-K405/A
April 05, 2002

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-K/A

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2001

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number 0-25317

INVITROGEN CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

33-0373077

(I.R.S. Employer
Identification No.)

**1600 Faraday Avenue
Carlsbad, California 92008**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **760-603-7200**

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act:

Common Stock \$.01 Par Value

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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The aggregate market value of the voting and non-voting common equity held by nonaffiliates of the registrant as of March 1, 2002 was \$1,809,762,196 based on the last reported sale price of \$34.12 per share on March 1, 2002.

The number of outstanding shares of the registrant's common stock as of March 1, 2002 was 53,041,096.

DOCUMENTS INCORPORATED BY REFERENCE: Certain information called for by Part III of the Form 10-K will either be filed with the Commission under Regulation 14A under the Securities Exchange Act of 1934 or by amendment to this Form 10-K, in either case on or before April 30, 2002.

PART IV

ITEM 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a)

1. Financial Statements

The following consolidated financial statements of Invitrogen Corporation are included in Item 8.

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|---|-------------|
| Report of Independent Public Accountants | 38 |
| Consolidated Balance Sheets | 39 |
| Consolidated Statements of Operations | 40 |
| Consolidated Statements of Stockholders' Equity | 41 |
| Consolidated Statements of Cash Flows | 42 |
| Notes to Consolidated Financial Statements | 43 |

Financial Statements of Dexter Corporation and Life Technologies, Inc. for the years ended December 31, 1999 and 1998 are incorporated herein by reference to the Registrant's Current Report on Form 8-K (File No. 000-25317).

2.

Financial Statement Schedules: Schedule II Valuation and Qualifying Accounts

Financial statements and schedules other than those listed above are omitted for reason that they are not applicable, are not required, or the information is included in the Consolidated Financial Statements or the Notes to Consolidated Financial Statements.

3.

List of exhibits filed with this Annual Report on Form 10-K: For a list of exhibits filed with this Form 10-K, refer to the exhibit index beginning on page 64.

(b)

Reports on Form 8-K.

Current report on Form 8-K dated as of December 17, 2001 regarding the Company's issuance of 2¹/₄% Convertible Subordinated Notes Due 2006, with a principal amount of \$500,000,000.

(c) Exhibits: For a list of exhibits filed with this annual report, refer to the exhibit index beginning on page 78

(d) Financial Statement Schedules: Schedule II Valuation and Qualifying Accounts

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**Schedule II Valuation and Qualifying Accounts
For the Years Ended December 31, 2001, 2000 and 1999**

| | Balance at Beginning of Period | Net Additions Charged to Expense | Additions Acquired in Business Combinations | Deductions(1) | Foreign Currency Effect on Translation | Balance at End of Period |
|--|---|---|--|----------------------|---|---|
| (In Thousands) | | | | | | |
| Allowance for Doubtful Accounts | | | | | | |
| Year ended December 31, 2001 | \$ 5,535 | \$ 749 | \$ 410 | \$ (989) | \$ (424) | \$ 5,281 |
| Year ended December 31, 2000 | 835 | 593 | 4,680 | (688) | 115 | 5,535 |
| Year ended December 31, 1999 | 617 | 264 | | (46) | | 835 |
| Accrued Merger and Restructuring Related Costs | | | | | | |
| Year ended December 31, 2001 | \$ 14,803 | \$ 10,540 | \$ 38,325 | \$ (46,369) | | \$ 17,299 |
| Year ended December 31, 2000 | 1,678 | 8,027 | 1,849,543 | (1,844,445) | | 14,803 |
| Year ended December 31, 1999 | | 2,075 | | (397) | | 1,678 |
| Accrued Claims and Assessments | | | | | | |
| Year ended December 31, 2001 | \$ 7,964 | \$ | \$ 10,056 | \$ (1,659) | | \$ 16,361 |
| Year ended December 31, 2000 | | | 8,957 | (993) | | 7,964 |
| Year ended December 31, 1999 | | | | | | |
| Insurance, Environmental and Divestiture Reserves | | | | | | |
| Year ended December 31, 2001 | \$ 11,457 | \$ 1,420 | \$ | \$ (3,217) | | \$ 9,660 |
| Year ended December 31, 2000 | | 924 | 11,546 | (1,013) | | 11,457 |
| Year ended December 31, 1999 | | | | | | |

(1) Deductions for Allowance for Doubtful Accounts are for accounts written-off. Deductions for all other accounts are for amounts paid in cash, except for \$1.9 million and \$1.6 billion in accrued merger costs in 2001 and 2000, respectively, that represents common shares of the Company tendered to selling shareholders and \$15.0 million in accrued merger costs in 2001 for the write-off of fixed assets.

Insurance and environmental liabilities are classified as follows at December 31:

| | 2001 | 2000 |
|-----------------------------|-----------------|------------------|
| | \$ | \$ |
| (In Thousands) | | |
| Current portion | 1,425 | 2,831 |
| Long-term portion | 8,235 | 8,626 |
| Total included above | \$ 9,660 | \$ 11,457 |

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Reconciliations of Net Additions Charged to Expense reported above to merger costs reported in the consolidated statements of operations are as follows:

| | 2001 | 2000 | 2000 |
|---|-----------|-----------|----------|
| (In Thousands) | | | |
| Accrued merger and restructuring related costs | \$ 10,540 | \$ 8,027 | \$ 2,075 |
| Non-cash merger related costs: | | | |
| Duplicate prepaid and fixed assets | 781 | 182 | 1,820 |
| Common shares tendered for finder's fees (see Note 2) | | 2,208 | |
| | \$ 11,321 | \$ 10,417 | \$ 3,895 |
| | \$ 11,321 | \$ 10,417 | \$ 3,895 |

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INVITROGEN CORPORATION

Date: April 4, 2002

By: /s/ JAMES R. GLYNN

 James R. Glynn
*Executive Vice President and Chief Financial Officer (Principal
 Financial Officer and Authorized Signatory)*

Pursuant to the requirements of the Securities Act, this report has been signed by the following persons in the capacities and on the dates indicated:

| Signature | Title | Date |
|--------------------------|---|---------------|
| /s/ LYLE C. TURNER | President, Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer) | April 3, 2002 |
| Lyle C. Turner | | |
| /s/ JAMES R. GLYNN | Executive Vice President, Chief Financial Officer and Director (Principal Financial Officer) | April 4, 2002 |
| James R. Glynn | | |
| /s/ C. ERIC WINZER | Vice President, Finance (Principal Accounting Officer) | April 4, 2002 |
| C. Eric Winzer | | |
| /s/ BALAKRISHNAN S. IYER | Director | April 4, 2002 |
| Balakrishnan S. Iyer | | |
| | Director | April , 2002 |

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| Signature | Title | Date |
|----------------------------|----------|---------------|
| William J. Mercer | | |
| /s/ THOMAS H. ADAMS, PH.D. | Director | April 4, 2002 |
| Thomas H. Adams, Ph.D. | | |
| | Director | April , 2002 |

David E. McCarty

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| | | |
|--------------------------|----------|---------------|
| /s/ BRADLEY G. LORIMIER | Director | April 4, 2002 |
| Bradley G. Lorimier | | |
| | Director | April , 2002 |
| Donald W. Grimm | | |
| /s/ RAYMOND V. DITTAMORE | Director | April 4, 2002 |
| Raymond V. Dittamore | | |
| | Director | April , 2002 |

Jay M. Short, Ph.D.

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INDEX TO EXHIBITS

(We have included in the list below all of the Material Contracts that we have filed to date. We have numbered the Material Contracts sequentially and will continue to number future Material Contracts sequentially for ease of reference.)

| Exhibit Number | Description of Document |
|----------------|---|
| 2.1 | Agreement and Plan of Merger, by and between Invitrogen and Life Technologies, Inc., dated July 7, 2000.(1) |
| 2.2 | Agreement and Plan of Merger, by and between Invitrogen and Dexter Corporation, dated July 7, 2000.(1) |
| 3.1 | Restated Certificate of Incorporation of Invitrogen, as amended.(2) |
| 3.2 | Amended and Restated Bylaws of Invitrogen.(3) |
| 3.3 | Certificate of Correction to the Restated Certificate of Incorporation of Invitrogen, dated February 21, 2001.(4) |
| 3.4 | Certificate of Designation, Preferences and Rights of the Terms of the Series B Preferred Stock, dated March 27, 2001.(4) |
| 4.1 | Specimen Common Stock Certificate.(5) |

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| Exhibit Number | Description of Document |
|-------------------|--|
| 4.2 | 5 ^{1/2} % Convertible Subordinated Notes Due 2007, Registration Rights Agreement, by and among Invitrogen, and Donaldson, Lufkin & Jenrette Securities Corporation et al., as Initial Purchasers, dated March 1, 2000.(6) |
| 4.3 | Indenture, by and between Invitrogen and State Street Bank and Trust Company of California, N.A, dated March 1, 2000.(6) |
| 4.4 | 2 ^{1/4} % Convertible Subordinated Notes due 2006, Registration Rights Agreement, by and among Invitrogen and Credit Suisse First Boston Corporation et al., as Initial Purchasers, dated December 11, 2001.* |
| 4.5 | Indenture, by and between Invitrogen and State Street Bank and Trust Company of California, N.A. and Table of Contents of Indenture, including Cross-Reference Table to the Trust Indenture Act of 1989, dated December 11, 2001.* |
| 10.1 | License Agreement, by and between Molecular Chimercics Corporation and Invitrogen, dated May 10, 1990.(5) |
| 10.2 | Purchase Agreement, by and between Cayla and Invitrogen, as amended, effective as of July 1, 1994.(5) |
| 10.3 | 1995 Invitrogen Stock Option Plan.(5) |
| 10.4 | 1996 Novel Experimental Technology Stock Option/Stock Issuance Plan.(5) |
| 10.5 | 1997 Invitrogen Stock Option Plan, as amended, and forms of Incentive Stock Option Agreement and Nonstatutory Stock Option Agreement thereunder.(7) |
| 10.6 | License Agreement, by and between Sloan-Kettering Institute for Cancer Research and Invitrogen, dated January 22, 1997.(5) |
| 10.7 | Change in Control Agreement, by and between C. Eric Winzer and Life Technologies, Inc., as assumed by Invitrogen, dated February 13, 1997.(2) |
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| 10.8 | Novel Experimental Technology Employee Stock Ownership Plan and Trust Agreement, as amended, effective as of April 1, 1997.(8) |
| 10.9 | Stock Purchase and Stockholders Agreement, by and among Invitrogen, Lyle C. Turner and Joseph Fernandez, dated June 20, 1997.(5) |
| 10.10 | Stock Purchase Agreement, by and among Invitrogen and MorphaGen, Inc., a Delaware Corporation, dated November 3, 1998.(5) |
| 10.11 | 1998 Novel Experimental Technology Stock Option/Stock Issuance Plan.(9) |
| 10.12 | 1998 Invitrogen Employee Stock Purchase Plan, as amended, and form of subscription agreement thereunder.(1) |
| 10.13 | Patent License Agreement, by and among F. Hoffmann-La Roche Ltd., Roche Molecular Systems, Inc. and Invitrogen, effective as of July 1, 1998.(5) |
| 10.14 | Assignment of Intellectual Property Conditional On Payment, by and between Molecular Biology Resources and Invitrogen, dated May 31, 1999.(10) |
| 10.15 | Agreement and Plan of Merger, by and among Invitrogen, INVO Merger Corporation and NOVEX, dated June 14, 1999.(10) |
| 10.16 | Lease, by and between CalWest Industrial Properties, LLC, a California limited liability company, and Invitrogen, dated as of May 31, 2001. |
| 10.17 | Lease, by and between Blackmore Signal Hill, a California Limited Partnership, and Invitrogen, dated October 7, 1999.(11) |

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- 10.18 Lease, by and between Blackmore Lot 99 Investment, a California Limited Partnership, and Invitrogen, dated December 20, 1999.(11)
- 10.19 Employment Agreement, by and between Invitrogen and Anthony F. Martin, Ph.D., dated January 1, 2000.(11)
- 10.20 Agreement and Plan of Merger, by and among Invitrogen, RG Merger Corporation and Research Genetics, Inc, dated February 1, 2000.(12)
- 10.21 5¹/₂% Convertible Subordinated Note Due 2007.(11)
- 10.22 5¹/₂% Convertible Subordinated Notes due 2007, Purchase Agreement, dated February 25, 2000.(11)
- 10.23 Employment Agreement, by and between Invitrogen and Lewis J. Shuster, dated February 16, 2000.(11)
- 10.24 Contract of Sale, by and between Invitrogen and Human Genome Sciences, Inc., dated March 7, 2001.(4)
- 10.25 Indemnification Agreement, by and between Invitrogen and Thomas H. Adams, Ph.D., dated September 14, 2000.(11)
- 10.26 2¹/₄% Convertible Subordinated Notes due 2006.*
- 10.27 2¹/₄% Convertible Subordinated Notes due 2006, Purchase Agreement, dated December 11, 2001.*
- 10.28 Description of Non-Employee Director Compensation Arrangements, adopted April 26, 2001.(2)

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- 10.29 Change in Control Agreement, by and between Invitrogen and Lyle C. Turner, dated June 1, 2001.(13)
 - 10.30 Change in Control Agreement, by and between Invitrogen and James R. Glynn, dated June 1, 2001.(13)
 - 10.31 Change in Control Agreement, by and between Invitrogen and Victor N. Nole, Jr., dated June 1, 2001.(13)
 - 10.32 Change in Control Agreement, by and between Invitrogen and John D. Thompson, dated June 1, 2001.(13)
 - 10.33 Change in Control Agreement, by and between Invitrogen and Lewis J. Shuster, dated June 1, 2001.(13)
 - 10.34 Rights Agreement, by and between Invitrogen and Fleet National Bank Rights Agent, dated February 27, 2001.(12)
 - 10.35 2000 Nonstatutory Stock Option Plan, as amended and restated on July 19, 2001.(13)
 - 10.36 Letter to Mr. Raymond Dittamore, regarding Non-Employee Director Compensation, dated November 5, 2001.(13)
 - 10.37 Invitrogen 401(k), as amended and restated, effective as of January 1, 2002.*
 - 21.1 List of Subsidiaries.*
 - 23.1 Consent of Arthur Andersen LLP, Independent Public Accountants.*

*

Previously filed

(1)

Incorporated by reference to the Registrant's Registration Statement on Form S-4 (File No. 333-43674).

(2)

Incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the Quarterly Period Ended September 30, 2000 (File No. 000-25317).

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- (3) The Amended and Restated Bylaws are incorporated by reference to the Registrant's Registration Statement on Form S-1 (File No. 333-68665). A further amendment to the Bylaws adopted by a Resolution of the Board of Directors dated July 19, 2001 is incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the Quarterly Period Ended June 30, 2001 (File No. 000-25317).
- (4) Incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the Quarterly Period Ended March 31, 2001 (File No. 000-25317).
- (5) Incorporated by reference to Registrant's Registration Statement on Form S-1 (File No. 333-68665).
- (6) Incorporated by reference to the Registrant's Registration Statement on Form S-3 (File No. 333-37964).
- (7) The 1997 Stock Option Plan, as amended, is filed herewith. The forms of Incentive Stock Option Agreement and Nonstatutory Stock Option Agreement thereunder are incorporated by reference to the Registrant's Registration Statement on Form S-1 (File No. 333-68665).
- (8) Incorporated by reference to Registrant's Registration Statement on Form S-1A (File No. 333-87085).

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- (9) Incorporated by reference to Registrant's Registration Statement on Form S-1 (File No. 333-87085).
- (10) Incorporated by Reference Registrant's Registration Statement on Form S-4 (File No. 333-82593).
- (11) Incorporated by reference to the Registrant's Annual Report on Form 10-K for the Year Ended December 31, 2000, (File No. 000-25317).
- (12) Incorporated by reference to the Registrant's Current Report on Form 8-K (File No. 000-25317).
- (13) Incorporated by reference to the Registrant's Quarterly Report on Form 10-Q for the Quarterly Period Ended September 30, 2001 (File No. 000-25317).

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