

DERMA SCIENCES, INC.
Form SC TO-T/A
February 23, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

SCHEDULE TO
Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934
(Amendment No. 3)

DERMA SCIENCES, INC.

(Name of Subject Company)

INTEGRA DERMA, INC.

(Offeror)

INTEGRA LIFESCIENCES HOLDINGS CORPORATION

(Parent of Offeror)

(Names of Filing Persons)

COMMON STOCK, \$0.01 PAR VALUE

SERIES A CONVERTIBLE PREFERRED STOCK, \$0.01 PAR VALUE

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SERIES B CONVERTIBLE PREFERRED STOCK, \$0.01 PAR VALUE

(Title of Class of Securities)

Common Stock: 249827502

(CUSIP Number of Class of Securities)

Richard D. Gorelick, Esq.

Corporate Vice President, General Counsel, Administration and Secretary

Integra LifeSciences Holdings Corporation

311 Enterprise Drive

Plainsboro, New Jersey 08536

(609) 275-0500

**(Name, Address, and Telephone Number of Person Authorized to Receive Notices and Communications on
Behalf of Filing Person)**

Copies to:

Edward Sonnenschein, Jr. Esq.

Bradley C. Faris, Esq.

Latham & Watkins LLP

330 N. Wabash Ave.

Suite 2800

Chicago, IL 60611

(312) 876-7700

CALCULATION OF FILING FEE

Transaction Valuation*

\$207,598,609.52

Amount of Filing Fee**

\$24,060.56

* Estimated for purposes of calculating the filing fee only. The transaction valuation was calculated by adding the sum of: (i) 28,677,312 shares of common stock, par value \$0.01 per share (the Common Shares), of Derma Sciences, Inc. (Derma Sciences) outstanding (including 399,300 Common Shares underlying restricted stock units but excluding Common Shares issuable pursuant to outstanding stock options), multiplied by the offer price of \$7.00 per Common Share; (ii) 18,598 shares of Series A Convertible Preferred Stock, par value \$0.01 per share (the Series A Preferred Shares), of Derma Sciences outstanding, multiplied by the offer price of \$32.00 per Series A Preferred Share; (iii) 54,734 shares of Series B Convertible Preferred Stock, par value \$0.01 per share (the Series B Preferred Shares), of Derma Sciences outstanding, multiplied by the offer price of \$48.00 per Series B Preferred Share; and (iv) 1,362,670 Common Shares issuable pursuant to outstanding stock options with an exercise price less than the offer price of \$7.00 per Common Share, multiplied by \$2.67, representing the difference between the offer price of \$7.00 per share and the \$4.33 weighted average exercise price for such stock options. The calculation of the filing fee is based on information provided by Derma Sciences.

**The filing fee was calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, and Fee Rate Advisory No. 1 for Fiscal Year 2017, issued August 31, 2016, by multiplying the Transaction Valuation by 0.0001159.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$24,060.56

Filing Party: Integra LifeSciences
Holdings Corporation and Integra
Derma, Inc.

Form or Registration No. Schedule TO

Date Filed: January 25, 2017

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

This Amendment No. 3 (this *Amendment*) amends and supplements the Tender Offer Statement on Schedule TO, originally filed with the Securities and Exchange Commission (the *SEC*) on January 25, 2017 (together with any amendments and supplements thereto, including Amendment No. 1 filed with the SEC on February 6, 2017, Amendment No. 2 filed with the SEC on February 10, 2017 and this Amendment, this *Schedule TO*), which relates to the offer by Integra Derma, Inc., a Delaware corporation (the *Purchaser*) and an indirect wholly-owned subsidiary of Integra LifeSciences Holdings Corporation, a Delaware corporation (*Parent*), to purchase for cash (i) all outstanding shares of common stock of Derma Sciences, Inc., a Delaware corporation (*Derma Sciences*), par value \$0.01 per share (the *Common Shares*), at a purchase price of \$7.00 per Common Share (the *Common Offer Price*), (ii) all outstanding shares of Series A Convertible Preferred Stock of Derma Sciences, par value \$0.01 per share (the *Series A Preferred Shares*), at a purchase price of \$32.00 per Series A Preferred Share (the *Series A Offer Price*), and (iii) all outstanding shares of Series B Convertible Preferred Stock of Derma Sciences, par value \$0.01 per share (the *Series B Preferred Shares*) and, collectively with the Series A Preferred Shares and the Common Shares, the *Shares*, at a purchase price of \$48.00 per Series B Preferred Share (the *Series B Offer Price*), in each case, net to the seller thereof in cash, without interest thereon and less any applicable withholding taxes, upon the terms and subject to the conditions set forth in the Offer to Purchase, dated as of January 25, 2017 (as it may be amended or supplemented from time to time, the *Offer to Purchase*), and the related Letter of Transmittal (as it may be amended or supplemented from time to time, the *Letter of Transmittal*), which, together with the Offer to Purchase, collectively constitute the *Offer*), copies of which were previously filed with the Schedule TO as Exhibits (a)(1)(A) and (a)(1)(B), respectively. This Amendment is being filed to amend and supplement the Schedule TO. Except as amended hereby to the extent specifically provided herein, all terms of the Offer and all other disclosures set forth in the Schedule TO and the Exhibits thereto remain unchanged and are hereby expressly incorporated into this Amendment by reference. Capitalized terms used and not otherwise defined in this Amendment shall have the meanings assigned to such terms in the Schedule TO and the Offer to Purchase.

Items 1 through 9 and 11

The Offer to Purchase and Items 1 through 9 and Item 11 of the Schedule TO, to the extent such Items incorporate by reference the information contained in the Offer to Purchase, are hereby amended and supplemented by adding the following text:

The Offer and withdrawal rights expired as scheduled at 12:00 midnight New York City time, on Wednesday February 22, 2017, and was not extended. The Depositary advised Parent and the Purchaser that, as of such time, a total of 24,271,885 Common Shares, 17,440 Series A Preferred Shares and 53,059 Series B Preferred Shares were validly tendered in, and not properly withdrawn from, the Offer, representing approximately 85.68% of the outstanding voting power of the Shares, 93.77% of the outstanding Series A Preferred Shares and 96.94% of the outstanding Series B Preferred Shares.

The number of Shares tendered in the Offer satisfies the Minimum Condition and all of the other conditions to the Offer have been satisfied. Accordingly, all Shares that were validly tendered and not properly withdrawn prior to the expiration of the Offer have been accepted for purchase and will be paid for by the Purchaser.

As a result of the purchase of Shares in the Offer, the Purchaser has ownership sufficient to effect the Merger under Section 251(h) of the DGCL, without a vote of the stockholders of Derma Sciences. Accordingly, Parent will effect the Merger in which the Purchaser will merge with and into Derma Sciences, with Derma Sciences surviving the Merger and continuing as an indirect wholly-owned subsidiary of Parent. Pursuant to the Merger Agreement, each Share issued and outstanding immediately prior to the Effective Time, (other than Shares (a) irrevocably accepted for payment in the Offer, (b) Shares held in the treasury of Derma Sciences, (c) Shares owned by Parent or any direct or indirect subsidiary of Parent (including Purchaser) or Derma Sciences immediately prior to the Effective Time, or (d) Shares with respect to which appraisal rights were properly exercised under the DGCL), will be converted into the right to receive cash in the amount of the Common Share Offer Price, Series A Offer Price or Series B Offer Price, as

applicable, subject to any withholding of taxes required by applicable laws.

On February 23, 2016, Parent issued a press release announcing the expiration and results of the Offer. The full text of the press release is attached as Exhibit (a)(1)(H) hereto and is incorporated herein by reference.

Item 12

The Exhibit Index appearing after the signature page hereto is hereby amended and supplemented by adding the following:

- (a)(1)(H) Press Release issued by Integra LifeSciences Holdings Corporation on February 23, 2017, announcing the expiration and results of the Offer.

SIGNATURES

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Integra Derma, Inc.

By: /s/ Glenn G. Coleman
Name: Glenn G. Coleman

Title: Vice President, Treasurer and
Assistant Secretary

Integra LifeSciences Holdings Corporation

By: /s/ Glenn G. Coleman
Name: Glenn G. Coleman

Title: Corporate Vice President and
Chief Financial Officer

Date: February 23, 2017

INDEX TO EXHIBITS

- (a)(1)(A) Offer to Purchase, dated as of January 25, 2017.
- (a)(1)(B) Letter of Transmittal.
- (a)(1)(C) Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
- (a)(1)(D) Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees.
- (a)(1)(E) Form of Summary Advertisement published in the *Wall Street Journal* on January 25, 2017.
- (a)(1)(F) Press Release issued by Integra LifeSciences Holdings Corporation on January 10, 2017 (incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed by Integra LifeSciences Holdings Corporation with the SEC on January 11, 2017).
- (a)(1)(G) Press Release issued by Integra LifeSciences Holdings Corporation on January 25, 2017.
- (a)(1)(H)* Press Release issued by Integra LifeSciences Holdings Corporation on February 23, 2017, announcing the expiration and results of the Offer.
- (b)(1)(A) Third Amended and Restated Credit Agreement, dated as of December 7, 2016, by and among Integra LifeSciences Holdings Corporation, the other lenders party hereto, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, Securities, LLC, Citizens Bank, N.A., DNB Capital LLC, HSBC Bank PLC, HSBC Bank USA, N.A., The Bank of Tokyo-Mitsubishi UFJ, LTD., PNC Bank, N.A., Royal Bank of Canada, SunTrust Bank, TD Bank, N.A., JPMorgan and Chase Bank, N.A., Mizuho Bank, LTD., and Bank of Nova Scotia, as Co-Documentation Agents (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed by LifeSciences Holdings Corporation with the SEC on December 7, 2016).
- (d)(1) Agreement and Plan of Merger, dated as of January 10, 2017, by and among Derma Sciences, Inc., Integra LifeSciences Holdings Corporation and Integra Derma, Inc. (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by Integra LifeSciences Holdings Corporation with the SEC on January 11, 2017).
- (d)(2) Confidentiality Agreement, dated as of October 13, 2016, by and between Derma Sciences, Inc. and Integra LifeSciences Holdings Corporation.
- (d)(3) Letter, dated as of January 10, 2017, from Integra LifeSciences Holdings Corporation to Derma Sciences, Inc.
- (d)(4) Letter Agreement, dated as of January 9, 2017, by and among Derma Sciences, Inc. and the Galen Partnerships (as defined therein).

* Filed herewith