

MERRIMACK PHARMACEUTICALS INC
Form DEFA14A
January 18, 2017

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

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

Merrimack Pharmaceuticals, Inc.

(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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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:

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Fee paid previously with preliminary materials.

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

- (1) Amount previously paid:

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

- (3) Filing Party:

(4) Date Filed:

Explanatory Note

These materials, which were originally filed on January 9, 2017, under EDGAR filing code DFAN14A, are being refiled under EDGAR filing code DEFA14A solely to correct the EDGAR coding of DFAN14A.

* * *

Below is a transcript of an investor relations call held by Merrimack Pharmaceuticals, Inc. (Merrimack) on January 9, 2017.

Below is the text of a letter sent by Gary Crocker, Interim President and CEO of Merrimack, to Merrimack's employees on January 8, 2017.

Dear Merrimack Employees,

As you know, since October we have been undertaking a comprehensive review of our pipeline to identify the best opportunities to sharpen our focus, reduce costs and position Merrimack for long-term success. Today we announced transformative steps to advance our objective of creating stockholder value:

We have entered into an agreement with Ipsen under which Ipsen will acquire ONIVYDE and our generic DOXIL product for up to \$1.025 billion plus up to \$33 million in net milestone payments retained by Merrimack pursuant to Merrimack's exclusive licensing agreement with Shire; and

We determined that MM-121, MM-141 and MM-310 are the clinical programs with the highest probability of success and the highest return on investment and believe that focusing on these programs is in the best interests of Merrimack, its stockholders and cancer patients worldwide. In addition, we will be maintaining a focused research effort.

We believe the conclusion of the strategic review, the narrowing of our focus and the transaction with Ipsen represent the best path for Merrimack and its stakeholders. For all of us, this marks an inflection point in a four month period of transition. I know that this has been a difficult time of uncertainty. We now have clarity on the way forward.

While we believe that this transaction will deliver significant long-term benefits, we must also recognize that these changes in our strategy, as well as our ongoing cost reduction efforts, will have a significant impact on the people of Merrimack. Although some employees will be offered positions at Ipsen, and many will continue with Merrimack's more focused business pursuits, we will also further reduce headcount by roughly 30% once the transaction closes. Tomorrow, we will have meetings with each employee at the company individually or in groups to inform you of your individual status and of our plans to move forward. I want to assure you that we are committed to treating each of you fairly and with respect, regardless of your eventual disposition.

The transaction is expected to be completed in the next 60 days, subject to certain customary closing conditions including Merrimack stockholder approval and certain governmental regulatory clearances. Until that time, the best thing all of us can do is continue to focus on our normal responsibilities. It is important that we all continue to keep Merrimack operating at high standards while meeting and exceeding the expectations of doctors and cancer patients.

I have attached a copy of today's press release. Around 7 a.m. ET tomorrow morning, you will receive invitations to events that will clarify your individual status going forward.

I remain incredibly proud of all the hard work that you have done to build Merrimack. Passion for our mission and for cancer patients has shown through in all you do. While this transition will be challenging and disappointing for many of us, I hope you all can carry a deep pride for what we have built. Thank you for your continued dedication.

Sincerely,

Gary

Interim President and CEO, Merrimack Pharmaceuticals

Forward Looking Statements

This document contains forward-looking statements of the Company that involve substantial risks and uncertainties. All statements, other than statements of historical facts, contained in this document are forward-looking statements. Forward looking statements can be identified by the use of the words anticipate, believe, estimate, expect, intend, may, plan, predict, project, target, potential, will, would, could, should, continue, and similar words. Company's forward-looking statements include, among others, statements about the expected dividend, potential milestone payments, and Merrimack's expectations with respect to the consummation of the proposed transaction and its ability to fund its operations, including continued investment in its research and development pipeline. Actual events or results may differ materially from those described in this document due to a number of risks and uncertainties. Risks and uncertainties include, among other things, risks related to the satisfaction of the conditions to closing the asset sale (including the failure to obtain necessary approvals) in the anticipated timeframe or at all; whether stockholders approve the deal; whether any legal action is brought that results in a delay in or prohibition of the consummation of the transaction; whether the Company receives payments related to the milestone events under its contract with Shire, when expected or at all, or under the asset purchase agreement; whether the Company's expenses are as predicted; the amount of any working capital adjustment in the transaction; whether the Company is able to satisfy the necessary legal tests required to make the anticipated dividend; disruption from the transaction making it more difficult to maintain business and operational relationships; negative effects of this announcement or the consummation of the proposed transaction on the market price of the Company's common stock; significant transaction costs; unknown liabilities; other business effects, including the effects of industry, market, economic, political or regulatory conditions; and those risk factors discussed in the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016 filed with the Securities and Exchange Commission (SEC) on November 9, 2016 and its other filings with the SEC. The forward-looking statements in this document represent the Company's views as of the date of this document. The Company anticipates that subsequent events and developments will cause its views to change. However, while it may elect to update these forward-looking statements at some point in the future, it has no current intention of doing so except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing the Company's views as of any date subsequent to the date of this document.

Additional Information about the Transaction and Where to Find It

This disclosure is being made in respect of the asset sale contemplated by the Asset Purchase and Sale Agreement between the Company and Ipsen. The proposed asset sale will be submitted to the Company's stockholders for their consideration. In connection with the proposed asset sale, the Company will file a proxy statement with the SEC. This document does not constitute a solicitation of any vote or proxy from any stockholder of Merrimack's. **INVESTORS ARE URGED TO READ THE PROXY STATEMENT CAREFULLY AND IN ITS ENTIRETY WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS OR MATERIALS FILED OR TO BE FILED WITH THE SEC OR INCORPORATED BY REFERENCE IN THE PROXY STATEMENT, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE ASSET SALE.** The final proxy statement will be mailed to the Company's stockholders. In addition, the proxy statement and other documents will be available free of charge at the SEC's internet website, www.sec.gov. When available, the proxy statement and other pertinent documents also may be obtained free of charge at the Merrimack's website, www.merrimack.com, or by directing a written request to Merrimack Pharmaceuticals, Inc., One Kendall Square, Suite B7201, Cambridge, Massachusetts 02139, telephone number 617-441-1000.

Participants in the Solicitation

Merrimack and its directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed asset sale. Information about Merrimack's directors and executive officers is included in the Company's Annual Report on Form 10-K for the year ended

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December 31, 2015 filed with the SEC on February 26, 2016 and the proxy statement for Merrimack's 2016 annual meeting of stockholders, filed with the SEC on April 25, 2016. Additional information regarding these persons and their interests in the transaction will be included in the proxy statement relating to the proposed asset sale when it is filed with the SEC. These documents can be obtained free of charge from the sources indicated above.