

STRYKER CORP  
Form 10-K/A  
April 24, 2012

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K/A  
(Amendment No. 1)

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

For the fiscal year ended December 31, 2011

OR

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

Commission file number: 000-09165

STRYKER CORPORATION  
(Exact name of registrant as specified in its charter)

Michigan (State of incorporation)	38-1239739 (I.R.S. Employer Identification No.)
2825 Airview Boulevard, Kalamazoo, Michigan (Address of principal executive offices)	49002 (Zip Code)
Registrant's telephone number, including area code: (269) 385-2600	

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

Title of each class Common Stock, \$.10 par value	Name of each exchange on which registered New York Stock Exchange
--	--

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

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES  NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. YES  NO

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 and 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 whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES  NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) 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.

Edgar Filing: STRYKER CORP - Form 10-K/A

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of large “accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES   
NO

Based on the closing sales price of June 30, 2011, the aggregate market value of the voting stock held by non-affiliates of the registrant was approximately \$20,775,513,052. The number of shares outstanding of the registrant’s common stock, \$.10 par value, was 381,020,353 at January 31, 2012.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the proxy statement to be filed with the U.S. Securities and Exchange Commission relating to the 2012 Annual Meeting of Shareholders (the 2012 proxy statement) are incorporated by reference into Part III.

---

## EXPLANATORY NOTE

In connection with our Annual Report on Form 10-K for the year ended December 31, 2011 filed with the Securities and Exchange Commission (“SEC”) on February 13, 2012 (the “Original Filing”), Stryker Corporation's management assessed the effectiveness of its internal control over financial reporting as of December 31, 2011 and concluded that its internal control over financial reporting is effective as of December 31, 2011. This Amendment No. 1 on Form 10-K/A (this “Form 10-K/A”) to the Original Filing is being filed to correct an incorrect reference to “disclosure controls and procedures” in “Management's Report on Internal Control Over Financial Reporting” included in “Item 9A. Controls and Procedures” of the Original Filing.

As required by the rules of the SEC, this Form 10-K/A also includes an amended “Item 15. Exhibits and Financial Statement Schedules” and includes a new certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 from the individual who currently serves as Interim Chief Executive Officer and Chief Financial Officer of the Company. Because no financial statements have been included in this Form 10-K/A, paragraph 3 of the certification has been omitted.

Except as described above, no other changes have been made to the Original Filing. This Form 10-K/A does not modify or update disclosures in the Original Filing or reflect events subsequent to the Original Filing. Accordingly, this Form 10-K/A should be read in conjunction with the Original Filing.

## PART II

### ITEM 9A. CONTROLS AND PROCEDURES.

**Evaluation of Disclosure Controls and Procedures**—An evaluation of the effectiveness of our disclosure controls and procedures as of December 31, 2011 was carried out under the supervision and with the participation of our management, including the then-President and Chief Executive Officer and the Vice President and Chief Financial Officer (who currently also serves as our Interim Chief Executive Officer). Based on that evaluation, our management concluded that our disclosure controls and procedures are effective.

**Changes in Internal Control Over Financial Reporting**—There was no change to our internal control over financial reporting during the quarter ended December 31, 2011 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**Management's Report on Internal Control Over Financial Reporting**—The management of Stryker Corporation is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f). Stryker Corporation's internal control system was designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of published financial statements.

Stryker Corporation's management assessed the effectiveness of our internal control over financial reporting as of December 31, 2011. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control-Integrated Framework. Based on that assessment, management concluded that our internal control over financial reporting is effective. The internal controls over financial reporting of an acquired business are eligible for a one year exclusion as permitted by Securities and Exchange Commission Staff interpretive guidance. Accordingly, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the Neurovascular business, which is included in the December 31, 2011 consolidated financial statements of Stryker Corporation and subsidiaries and constitutes 13% and 7% of total assets and shareholders' equity, respectively, as of December 31, 2011 and 4% of revenues for the year then ended.

Stryker Corporation's independent registered public accounting firm, Ernst & Young LLP, has issued an attestation report on the effectiveness of our internal control over financial reporting. This report appears on the following page.

**Other Matters**—We are in the process of implementing new Enterprise Resource Planning (ERP) systems at certain of our divisions including our Canadian and European divisions and the Neurovascular business acquired in 2011 from

Boston Scientific Corporation. An ERP system is a fully-integrated set of programs and databases that incorporate order processing, production planning and scheduling, purchasing, accounts receivable and inventory management and accounting. In connection with this ERP system implementation, we are updating our internal controls over financial reporting, as necessary, to accommodate modifications to our business processes and accounting procedures. We do not believe that this ERP system implementation will have an adverse effect on our internal control over financial reporting.

---

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
THE BOARD OF DIRECTORS AND SHAREHOLDERS OF STRYKER CORPORATION:

We have audited Stryker Corporation and subsidiaries' internal control over financial reporting as of December 31, 2011, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Stryker Corporation and subsidiaries' management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of the Neurovascular business, which is included in the December 31, 2011 consolidated financial statements of Stryker Corporation and subsidiaries and constituted 13% and 7% of total assets and shareholders' equity, respectively, as of December 31, 2011 and 4% of revenues, for the year then ended. Our audit of internal control over financial reporting of Stryker Corporation and subsidiaries also did not include an evaluation of the internal control over financial reporting of the Neurovascular business.

In our opinion, Stryker Corporation and subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2011, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Stryker Corporation and subsidiaries as of December 31, 2011 and 2010

and the related consolidated statements of earnings, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2011 of Stryker Corporation and subsidiaries, and our report dated February 13, 2012 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP  
Grand Rapids, Michigan  
February 13, 2012

---

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) 1. Financial Statements

The Consolidated Financial Statements were previously filed with the Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 13, 2012.

The Report of Independent Registered Public Accounting Firm on Financial Statements was previously filed with the Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 13, 2012.

(a) 2. Financial Statement Schedules

The consolidated financial statement schedule (Schedule II) of Stryker Corporation and its subsidiaries was previously filed with the Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 13, 2012. All other schedules for which provision is made in the applicable accounting regulation of the U.S. Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(a) 3. Exhibits

A list of exhibits required to be filed as part of this report is set forth in the Exhibit Index, which immediately precedes such exhibits, and is incorporated herein by reference.

(c) Financial Statement Schedules

**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.

STRYKER CORPORATION

Date: April 24, 2012

/s/ CURT R. HARTMAN

Curt R. Hartman, Interim Chief Executive Officer and  
Vice President and Chief Financial Officer

---



FORM 10-K/A - ITEM 15(a) 3.  
STRYKER CORPORATION AND SUBSIDIARIES  
EXHIBIT INDEX

- Exhibit 3— Articles of Incorporation and By-Laws
- (i) Composite copy of Restated Articles of Incorporation as amended through April 19, 2000— Incorporated by reference to Exhibit 3(i) to our Form 10-K for the year ended December 31, 2000 (Commission File No. 000-09165).
  - (ii) Certificate of Amendment of Restated Articles of Incorporation dated June 4, 2004— Incorporated by reference to Exhibit 3(i) to our Form 10-Q for the quarter ended June 30, 2004 (Commission File No. 000-09165).
  - (iii) By-Laws-Incorporated by reference to Exhibit 3(ii) to our Form 8-K dated October 28, 2008 (Commission File No. 000-09165).
- Exhibit 4— Instruments defining the rights of security holders, including indentures—We agree to furnish to the Commission upon request a copy of each instrument pursuant to which long-term debt of Stryker Corporation and its subsidiaries not exceeding 10% of the total assets of Stryker Corporation and its consolidated subsidiaries is authorized.
- (i) Credit Agreement, dated August 5, 2010, among Stryker Corporation and certain subsidiaries, as designated borrowers; the lenders party thereto; and Bank of America, N.A., as administrative agent—Incorporated by reference to Exhibit 4.1 to our Form 10-Q for the quarter ended June 30, 2010 (Commission File No. 000-09165).
  - (ii) Indenture, dated January 15, 2010, between Stryker Corporation and U.S. Bank National Association.—Incorporated by reference to Exhibit 4.1 to our Form 8-K dated January 15, 2010 (Commission File No. 000-09165).
  - (iii) First Supplemental Indenture (including the form of 2015 note), dated January 15, 2010, between Stryker Corporation and U.S. Bank National Association.—Incorporated by reference to Exhibit 4.2 to our Form 8-K dated January 15, 2010 (Commission File No. 000-09165).
  - (iv) Second Supplemental Indenture (including the form of 2020 note), dated January 15, 2010, between Stryker Corporation and U.S. Bank National Association.—Incorporated by reference to Exhibit 4.3 to our Form 8-K dated January 15, 2010 (Commission File No. 000-09165).
  - (v) Third Supplemental Indenture (including the form of 2016 note), dated September 16, 2011, between Stryker Corporation and U.S. Bank National Association —Incorporated by reference to Exhibit 4.2 to our Form 8-K dated September 16, 2011 (Commission File No. 000-09165).
- Exhibit 10— Material contracts
- (i)\* 2011 Long-Term Incentive Plan (as amended effective July 26, 2011)—Incorporated by reference to Exhibit 4(i) to Amendment No. 1 to our Registration Statement on Form S-8, File No. 2333-179142 (Commission File No. 000-09165).
  - (ii)\* 2006 Long-Term Incentive Plan (as amended effective February 8, 2011)—Incorporated by reference to Exhibit 10(i) to our Form 10-K for the year ended December 31, 2010 (Commission File No. 000-09165).
  - (iii)\* Form of grant notice and terms and conditions for stock options granted in 2011 under the 2006 Long-Term Incentive Plan—Incorporated by reference to Exhibit 10(ii) to our Form 10-K for the year ended December 31, 2010 (Commission File No. 000-09165).
  - (iv)\*

Edgar Filing: STRYKER CORP - Form 10-K/A

- Form of grant notice and terms and conditions for restricted stock units granted in 2011 under the 2006 Long-Term Incentive Plan—Incorporated by reference to Exhibit 10(iii) to our Form 10-K for the year ended December 31, 2010 (Commission File No. 000-09165).
- (v)\* Form of grant notice and terms and conditions for performance stock units granted in 2011 under the 2006 Long-Term Incentive Plan—Incorporated by reference to Exhibit 10(iv) to our Form 10-K for the year ended December 31, 2010 (Commission File No. 000-09165).
- (vi)\* Form of grant notice and terms and conditions for stock options granted in 2010 under the 2006 Long-Term Incentive Plan.—Incorporated by reference to Exhibit 10(ii) to our Form 10-K for the year ended December 31, 2009 (Commission File No.000-09165).
- (vii)\* Form of grant notice and terms and conditions for restricted stock units granted in 2010 under the 2006 Long-Term Incentive Plan.—Incorporated by reference to Exhibit 10(iii) to our Form 10-K for the year ended December 31, 2009 (Commission File No.000-09165).
- (viii)\* 1998 Stock Option Plan (as Amended Effective July 23, 2008)—Incorporated by reference to Exhibit 10.2 to our Form 10-Q for the quarter ended June 30, 2008 (Commission File No. 000-09165).
- (ix)\* Supplemental Savings and Retirement Plan (as Amended Effective January 1, 1996)—Incorporated by reference to Exhibit 10(iii) to our Form 10-K for the year ended December 31, 1994 (Commission File No.000-09165).
- (x)\* Stock option agreement relating to special stock option award to Stephen P. MacMillan pursuant to the 1998 Stock Option Plan on February 7, 2006—Incorporated by reference to Exhibit 10.3 to our Form 8-K dated February 9, 2006 (Commission File No. 000-09165).
-

- (xi)\* Statement of Terms Relating to Employment dated as of December 4, 1998 between Stryker UK Limited and Andrew G. Fox-Smith as amended and restated through February 9, 2009—Incorporated by reference to Exhibit 10 (x) to our Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
- (xii)\* (1) Compromise Agreement dated as of August 18, 2011 between Stryker UK Limited and Andrew Fox-Smith.  
Executive Management Agreement dated as of December 2, 2008 between Dean H. Bergy and Stryker Corporation- Incorporated by reference to Exhibit 10 (xii) to our Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
- (xiii)\* Stryker Corporation Executive Bonus Plan—Incorporated by reference to Exhibit 10.1 to our Form 8-K dated February 21, 2007 (Commission File No. 000-09165).
- (xiv)\* Form of Indemnification Agreement for Directors—Incorporated by reference to Exhibit 10 (xiv) to our Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
- (xv) Form of Indemnification Agreement for Certain Officers—Incorporated by reference to Exhibit 10 (xv) to our Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
- (xvi) Sale and Purchase Agreement, dated January 3, 2011, between Boston Scientific Corporation and Stryker Corporation—Incorporated by reference to Exhibit 10(xv) to our Form 10-K for the year ended December 31, 2010 (Commission File No. 000-09165).
- (xvii)
- Exhibit 11— Statement re: computation of per share earnings  
(i) (1) Consolidated Statement of Earnings in Item 8 of this report.
- Exhibit 21— Subsidiaries of the registrant  
(i) (1) List of Subsidiaries.
- Exhibit 23— Consent of experts and counsel  
(i) (1) Consent of Independent Registered Public Accounting Firm.  
(ii) (2) Consent of Independent Registered Public Accounting Firm.
- Exhibit 31— Rule 13a-14(a) Certifications  
(i) (1) Certification by Principal Executive Officer and Principal Financial Officer of Stryker Corporation.  
(ii) (2) Certification by Principal Executive Officer and Principal Financial Officer of Stryker Corporation.
- Exhibit 32— 18 U.S.C. Section 1350 Certifications  
(i) (1) Certification by Interim Chief Executive Officer and Vice President and Chief Financial Officer of Stryker Corporation.
- Exhibit 99— Additional exhibits  
(i)\* 2008 Employee Stock Purchase Plan as amended on February 10, 2009—Incorporated by reference to Exhibit 99 (i) to our Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
- Exhibit 101— XBRL (Extensible Business Reporting Language) Documents  
101.INS (1) XBRL Instance Document  
101.SCH (1) XBRL Schema Document  
101.CAL (1) XBRL Calculation Linkbase Document  
101.DEF (1) XBRL Definition Linkbase Document  
101.LAB (1) XBRL Label Linkbase Document  
101.PRE (1) XBRL Presentation Linkbase Document

\* compensation arrangement

(1) filed with Original Filing (2) filed herewith