

NAUTICA ENTERPRISES INC  
Form DEFM14A  
August 05, 2003

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SCHEDULE 14A INFORMATION

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 Section 240.14a-12

NAUTICA ENTERPRISES, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than Registrant)

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:

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:

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Dear Stockholder:

You are cordially invited to attend the special meeting of stockholders of Nautica Enterprises, Inc., a Delaware corporation ("Nautica"), to be held on Wednesday, August 27, 2003, at 10:00 a.m. local time, at the offices of the Company, 40 West 57th Street, 8th Floor, New York, New York 10019.

At the special meeting you will be asked to consider and vote upon a proposal to approve and adopt an Agreement and Plan of Merger, dated as of July 7, 2003 (the "merger agreement"), pursuant to which V.F. Corporation, a Pennsylvania corporation ("VF"), has agreed to acquire Nautica. If Nautica stockholders approve the merger agreement and the merger is completed, each of your shares of Nautica common stock will be canceled and converted automatically into the right to receive \$17.00 in cash without interest. The cash you receive in the merger in exchange for your shares of Nautica common stock will be subject to U.S. federal income tax and also may be taxed under applicable state, local and foreign tax laws.

Your board of directors, by the unanimous vote of the directors (with David Chu and Steven Tishman abstaining) at the board meeting called to consider the merger agreement, has determined that the merger agreement is advisable, has approved and adopted the merger agreement and recommends that Nautica stockholders vote "FOR" approval and adoption of the merger agreement. Mr. Chu abstained due to agreements he independently entered into with VF relating to VF's purchase of his interests related to the "Nautica" name and mark and to his future employment by VF. Mr. Tishman abstained due to his position as Managing Director of Rothschild Inc., which acted as Nautica's financial advisor in connection with the merger.

The accompanying proxy statement provides you with detailed information about the proposed merger and the special meeting. Please give this material your careful attention. You may also obtain more information about Nautica from documents we have filed with the Securities and Exchange Commission.

Nautica common stock is listed on the Nasdaq Stock Market ("NASDAQ") under the trading symbol "NAUT." On August 4, 2003, the closing price of Nautica common stock on NASDAQ was \$16.91 per share.

**YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF SHARES OF NAUTICA COMMON STOCK YOU OWN. BECAUSE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT REQUIRES THE AFFIRMATIVE VOTE OF THE HOLDERS OF A MAJORITY OF OUR ISSUED AND OUTSTANDING SHARES OF COMMON STOCK ENTITLED TO VOTE THEREON, A FAILURE TO VOTE WILL COUNT AS A VOTE AGAINST THE MERGER. ACCORDINGLY, YOU ARE REQUESTED TO PROMPTLY VOTE YOUR SHARES BY COMPLETING, SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE ENVELOPE PROVIDED, WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING. Voting in this manner will not prevent you from voting your shares in person if you subsequently choose to attend the special meeting.**

Thank you for your cooperation.

Very truly yours,

Harvey Sanders  
Chairman and Chief Executive Officer

THIS PROXY STATEMENT IS DATED AUGUST 5, 2003, AND IS  
FIRST BEING MAILED TO STOCKHOLDERS ON OR ABOUT AUGUST 5, 2003.

NAUTICA ENTERPRISES, INC.

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NOTICE OF SPECIAL MEETING OF STOCKHOLDERS  
TO BE HELD ON WEDNESDAY, AUGUST 27, 2003

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New York, New York  
August 5, 2003

To the Stockholders of NAUTICA ENTERPRISES, INC.

NOTICE IS HEREBY GIVEN that a special meeting of stockholders of Nautica Enterprises, Inc, a Delaware corporation ("Nautica"), will be held on Wednesday, August 27, 2003, at 10:00 a.m. local time, at the offices of Nautica, 40 West 57th Street, 8th Floor, New York, New York 10019 for the following purposes:

1. To consider and vote upon a proposal to approve and adopt the Agreement and Plan of Merger, dated as of July 7, 2003, by and among Nautica, V.F. Corporation, a Pennsylvania corporation ("VF"), and Voyager Acquisition Corporation, a Delaware corporation and a wholly-owned subsidiary of VF (the "merger agreement"). A copy of the merger agreement is attached as Appendix A to the accompanying proxy statement. Pursuant to the terms of the merger agreement, Voyager Acquisition Corporation will merge with and into Nautica, with Nautica continuing as the surviving corporation and becoming a wholly-owned subsidiary of VF, and each share of common stock of Nautica, other than those shares held by the stockholders, if any, who properly exercise their appraisal rights under Delaware law, will be converted into the right to receive \$17.00 in cash without interest.
2. To transact such other business as may properly come before the special meeting or any adjournment or postponement of the meeting.

Only stockholders of record at the close of business on August 4, 2003 are entitled to notice of and to vote at the special meeting and at any adjournment or postponement of the special meeting. All stockholders of record are cordially invited to attend the special meeting in person. To assure your representation at the meeting in case you cannot attend, however, you are urged to vote your shares by marking, signing, dating and returning the enclosed proxy card as promptly as possible in the postage prepaid envelope enclosed for that purpose. Any stockholder attending the special meeting may vote in person even if he or she has returned a proxy card.

Nautica stockholders have the right to dissent from the merger and obtain payment in cash of the fair value of their shares of common stock under applicable provisions of Delaware law. In order to perfect and exercise appraisal rights, stockholders must give written demand for appraisal of their shares before the taking of the vote on the merger at the special meeting and must not vote in favor of the merger. A copy of the applicable Delaware statutory provisions is

included as Appendix E to the accompanying proxy statement, and a summary of these provisions can be found under "Dissenters' Rights of Appraisal" in the accompanying proxy statement.

The approval and adoption of the merger agreement requires the approval of the holders of a majority of the outstanding shares of Nautica common stock entitled to vote thereon. In the event that there are not sufficient votes to approve the proposed merger at the time of the special meeting, the special meeting may be adjourned or postponed in order to permit further solicitation by Nautica.

By Order of the Board of Directors

Harvey Sanders  
Chairman and Chief Executive Officer

Please do not send your stock certificates at this time. If the merger agreement is approved and adopted, you will be sent instructions regarding the surrender of your stock certificates.

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## SUMMARY

This summary does not contain all of the information that is important to you. You should carefully read the entire proxy statement to fully understand the merger. The merger agreement is attached as Appendix A to this proxy statement. We encourage you to read the merger agreement because it is the legal document that governs the merger.

### Proposed Acquisition (page 8)

**Stockholder Vote.** You are being asked to vote to approve and adopt a merger agreement with respect to a merger in which Nautica will be acquired by VF.

**Price for Your Stock.** As a result of the merger, you will receive \$17.00 in cash, without interest, for each of your shares of Nautica common stock.

**The Acquiror.** VF, a Pennsylvania corporation, is the world's largest apparel company and a leader in jeanswear, intimate apparel, workwear and daypacks. Its principal brands include Lee®, Wrangler®, Riders®, Rustler®, Vanity Fair®, Vassarette®, Bestform®, Lily of France®, Lee Sport®, JanSport®, Eastpak®, Red Kap® and The North Face®.

### Board Recommendation (page 15)

Nautica's board of directors, by the unanimous vote of the directors (with David Chu and Steven Tishman abstaining), has determined that the merger agreement is advisable, has approved and adopted the merger agreement and

recommends that Nautica stockholders vote "FOR" approval and adoption of the merger agreement. See "The Merger—Recommendation of Nautica's Board of Directors."

Nautica's Reasons For The Merger (page 13)

Nautica's board of directors carefully considered the terms of the proposed transaction and Nautica's strategic alternatives in deciding to enter into the merger agreement and to recommend that stockholders vote "FOR" approval and adoption of the merger agreement. Among the considerations were:

• the merger consideration of \$17.00 per share in cash, which price was at the high end of VF's indication of interest range, was higher than any sales price per share during the preceding 23 months and represented a 58% and 29% premium to the closing prices of \$10.77 and \$13.19 on June 10, 2003 and July 3, 2003, respectively, which are the last trading dates immediately preceding the first announcements of the Barington Group proxy solicitation and the merger, respectively;

• the written opinions of Rothschild Inc. ("Rothschild"), Nautica's financial advisor, and Bear, Stearns & Co. Inc. ("Bear Stearns"), dated July 6, 2003, delivered to the board of directors, each to the effect that, as of that date and based upon and subject to the matters and assumptions stated in the opinions, the merger consideration was fair, from a financial point of view, to the Nautica stockholders other than VF, Voyager Acquisition Corporation and the stockholders of Nautica who have signed a voting agreement with VF (the "public stockholders");

• a review of Nautica's financial condition, results of operations and business and earnings prospects in remaining independent and the potential for alternative transactions;

- the terms of the merger agreement;
- the independent agreements reached between Dav