

OMNICELL, Inc  
Form 8-K  
February 07, 2014

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

**Washington, D. C. 20549**

**FORM 8-K**

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): **February 4, 2014**

**OMNICELL, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**000-33043**  
(Commission File Number)

**94-3166458**  
(IRS Employer  
Identification Number)

**590 East Middlefield Road**  
**Mountain View, CA 94043**

(Address of principal executive offices, including zip code)

**(650) 251-6100**

(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers**

On February 4, 2014, at a meeting of the Compensation Committee (the Committee) of the Board of Directors of Omnicell, Inc. (the Company), the Committee approved the 2014 annualized base salaries for the Company's executive officers as set forth below. The annualized base salaries are effective July 1, 2014. In addition, the Committee granted long-term equity compensation awards to the Company's executive officers in the amounts set forth below.

| Name                   | Title   | 2014<br>Annualized<br>Base Salary | Stock<br>Option<br>Grant(1) | Long-Term Cash and<br>Equity Compensation    |  | Maximum<br>Payout of<br>Long Term<br>Cash<br>Incentive<br>(performance<br>based) (2) |
|------------------------|---|-----------------------------------|-----------------------------|--|--|--|
|                        |   |                                   |                             | Restricted<br>Stock<br>Units<br>(time based) | Restricted<br>Stock<br>Units<br>(performance<br>based) |  |
| Randall A. Lipps       | Chairman, President and Chief Executive Officer   | \$ 600,000                        | 42,500                      | 21,250                                       | 42,500   | \$ 1,000,000   |
| Robin G. Seim          | Executive Vice President, Finance, Administration and Manufacturing and Chief Financial Officer | \$ 320,000                        | 25,000                      | 12,500                                       | 25,000   | \$ 400,000   |
| J. Christopher Drew    | Executive Vice President, Field Operations  | \$ 330,000                        | 25,000                      | 12,500                                       | 25,000   | \$ 500,000   |
| Marga Ortigas-Wedekind | Executive Vice President, Global Marketing and Product Development                              | \$ 295,000                        | 8,750                       | 4,375  | 8,750  | \$ 450,000   |
| Nhat Ngo               | Executive Vice President, Strategy and Business Development                                     | \$ 280,000                        | 12,500                      | 6,250  | 12,500   | \$ 400,000   |
| Dan S. Johnston        | Executive Vice President and General Counsel  | \$ 275,000                        | 10,000                      | 5,000  | 10,000   | \$ 300,000   |
| Jorge Taborga          | Executive Vice President, Engineering   | \$ 265,000                        | 8,750                       | 4,375  | 8,750  | \$ 300,000   |

(1) The exercise price of each of the stock option grants is equal to closing price of the Company's stock on the date of grant, February 4, 2014, as reported on The NASDAQ Global Market, which was \$25.08 per share.

The shares subject to each of the stock option grants vest as to 25% of the shares subject to the grant on the first anniversary of the vesting commencement date of such grants, February 4, 2014, with the remainder of the shares subject to the grant vesting in equal monthly installments over the following thirty-six months. The time-based restricted stock unit awards vest on a semi-annual basis over a period of four years commencing on June 15, 2014. The performance-based restricted stock unit awards vest as to 25% of the shares on the date of the Committee meeting in 2015 when the Committee reviews the performance-based metrics and determines if they were met or not, with the remaining shares vesting on a semi-annual basis over a period of thirty-six months commencing on June 15, 2015 if the Company meets certain stock performance objectives compared to the NASDAQ Healthcare Index. The actual number of shares that vest may be 0% to 100% of the numbers reflected above, depending upon the Company's performance.

(2) The Committee also approved a long-term performance cash incentive pursuant to the Company's 2009 Equity Incentive Plan that will pay a cash bonus to each of the Executive Officers listed in the table above upon the Company's achievement of certain revenue goals (subject to a threshold operating margin) for the fiscal year ending December 31, 2015. For Messrs. Lipps, Seim, Drew, Johnston and Taborga, and for Ms. Ortigas-Wedekind, the long-term cash incentive is weighted 2/3rds on the achievement of specified levels of revenue generated from all product lines excluding those brought into the Company through acquisition during 2014 and 2015 (organic revenue growth) and 1/3rd on the achievement of a specified level of revenue run rate generated from acquisitions of other companies or technologies through December 31, 2015 (inorganic revenue run rate). For Mr. Ngo, the long-term cash incentive is weighted 2/3rds on the achievement of the inorganic revenue run rate, and 1/3rd on the achievement of the organic revenue growth. The inorganic revenue run rate is calculated by summing the quotients derived by dividing the actual 2015 revenue generated from each acquisition completed during the 2014 and 2015 years by the number of days that the Company owned the acquired entity in 2015 and multiplying that sum by 365. The actual amount of cash incentive that may be paid may be from 0% to 100% of the maximum payout numbers reflected above, depending upon the Company's performance. Performance below thresholds would result in no payouts and performance above the maximum would result in no additional payout. To be eligible for a payment under the long-term cash incentive, our executive officers must also be employed continuously through December 31, 2015.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

| <b>Exhibit<br/>Number</b> | <b>Description</b>                          |
|---------------------------|---|
| 10.1                      | 2014 Executive Officer Annual Base Salaries |

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

**OMNICELL, INC.**

Dated: February 7, 2014

By:

/s/ Dan S. Johnston  
Dan S. Johnston,

*Executive Vice President*

*and General Counsel*

**INDEX TO EXHIBITS**

| <b>Exhibit<br/>Number</b> |   | <b>Description</b> |
|---------------------------|---|--------------------|
| 10.1                      | 2014 Executive Officer Annual Base Salaries |                    |

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