

MERCK & CO INC
Form DEFA14A
May 01, 2009

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

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Check the appropriate box:

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Merck & Co., Inc.
(Name of Registrant as Specified In Its Charter)

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This filing consists of “More of Your Top Merger Questions Answered” posted on the Merck & Co., Inc. (“Merck”) internal website on May 1, 2009, in connection with the proposed transaction between Merck and Schering-Plough Corporation.

Published in The Daily on May 1 article 1

More of Your Top Merger Questions Answered

Although we are not able to answer all the questions you have about our planned merger with Schering-Plough, we will continue to answer, when possible, your most frequently asked ones. Below is the latest set based on the questions posed around the Employee Business Briefing.

Please note that, at this point, we are unable to answer your questions about specific plans because those decisions have not been made yet. However, we will communicate new information and provide answers to questions as soon as possible.

If you have additional questions or comments about the planned merger, e-mail the Integration Team, available in the Outlook directory.

Q. If the reverse merger with Schering-Plough completes, will that impact the vesting of Merck employees' existing stock options?

A. No. The stock option equity of Merck employees will be exchanged for equity in the surviving company one-for-one with no adjustment in exercise price or vesting schedule.

Q. When do we anticipate completion of the Schering-Plough merger? I've heard we are actually targeting an Aug. 1 date. Is that true?

A. No. After receiving all necessary regulatory and shareholder approvals, we expect to close the merger in the fourth quarter of 2009. The Aug. 1 date is a process-planning "readiness" milestone date for the Integration Management Office only.

Q. What can you tell us about J&J's potential reactions to our planned merger with Schering-Plough?

A. Unfortunately, we cannot comment on questions about Johnson & Johnson.

Q. How will we create an efficient, integrated supply chain in manufacturing? What are we considering for the integration of Merck and Schering-Plough's manufacturing facilities?

A. It's premature to discuss any specific plans. The Integration Team working on manufacturing has prioritized focus areas including small molecule network, supply chain, Lean Six Sigma and biologics. The goal is to keep the best of manufacturing from each company in order to create a stronger company that advances our ability to provide lifesaving therapies.

Q. How will this merger affect the emphasis Merck currently gives to Japan and emerging markets?

A. In order to create a global health care leader built for growth and success, our focus must be on important markets around the world such as Japan, China, Brazil, India, Korea, Turkey, Poland and Russia. Schering-Plough has strength and knowledge in many of these markets, and 70 percent of its revenue is from outside the United States, including \$2 billion annually from emerging markets. In fact, we expect the combined company to generate more than 50 percent of our revenue outside the United States.

Forward-Looking Statements

This communication includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such statements may include, but are not limited to, statements about the benefits of the proposed merger between Merck and Schering-Plough, including future financial and operating results, the combined company’s plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of Merck’s and Schering-Plough’s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements.

The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: the possibility that the expected synergies from the proposed merger of Merck and Schering-Plough will not be realized, or will not be realized within the expected time period, due to, among other things, the impact of pharmaceutical industry regulation and pending legislation that could affect the pharmaceutical industry; the ability to obtain governmental and self-regulatory organization approvals of the merger on the proposed terms and schedule; the actual terms of the financing required for the merger and/or the failure to obtain such financing; the failure of Schering-Plough or Merck stockholders to approve the merger; the risk that the businesses will not be integrated successfully; disruption from the merger making it more difficult to maintain business and operational relationships; the possibility that the merger does not close, including, but not limited to, due to the failure to satisfy the closing conditions; Merck’s and Schering-Plough’s ability to accurately predict future market conditions; dependence on the effectiveness of Merck’s and Schering-Plough’s patents and other protections for innovative products; the risk of new and changing regulation and health policies in the U.S. and internationally and the exposure to litigation and/or regulatory actions. Merck and Schering-Plough undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in Merck’s 2008 Annual Report on Form 10-K, Schering-Plough’s 2008 Annual Report on Form 10-K and each company’s other filings with the Securities and Exchange Commission (the “SEC”) available at the SEC’s Internet site (www.sec.gov).

Additional Information

In connection with the proposed transaction, Schering-Plough will file a registration statement, including a joint proxy statement of Merck and Schering-Plough, with the SEC. Investors are urged to read the registration statement and joint proxy statement (including all amendments and supplements to it) because they will contain important information. Investors may obtain free copies of the registration statement and joint proxy statement when they become available, as well as other filings containing information about Merck and Schering-Plough, without charge, at the SEC’s Internet web site (www.sec.gov). These documents may also be obtained for free from Schering-Plough’s Investor Relations web site (www.schering-plough.com) or by directing a request to Schering-Plough’s Investor Relations at (908) 298-7436. Copies of Merck’s filings may be obtained for free from Merck’s Investor Relations Web Site (www.merck.com) or by directing a request to Merck at Merck’s Office of the Secretary, (908) 423-1000.

Merck and Schering-Plough and their respective directors and executive officers and other members of management and employees are potential participants in the solicitation of proxies from Merck and Schering-Plough shareholders in respect of the proposed transaction.

Information regarding Schering-Plough’s directors and executive officers is available in Schering-Plough’s proxy statement for its 2009 annual meeting of shareholders, filed with the SEC on April 27, 2009, and information regarding Merck’s directors and executive officers is available in Merck’s proxy statement for its 2009 annual meeting of stockholders, filed with the SEC on March 13, 2009. Additional information regarding the interests of such potential participants in the proposed transaction will be included in the registration statement and joint proxy

statement filed with the SEC in connection with the proposed transaction.