

ALERE INC.
Form DEFA14A
July 17, 2013

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

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

Definitive Proxy Statement

Only (as permitted by Rule 14a-6(e)(2))

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

Alere Inc.

(Name of Registrant as Specified In Its Charter)

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

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No fee required.

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

(3) Filing Party:

(4) Date Filed:

Alere Inc.

51 Sawyer Road, Suite 200

Waltham, MA 02453, USA

July 17, 2013

Dear Fellow Alere Stockholder:

At Alere's August 7, 2013 Annual Meeting of Stockholders, you will have an important decision to make about the future of your investment in Alere. Your Board and management team would like to make sure you have all of the facts before casting your vote.

As you know, Coppersmith, a New York-based hedge fund, is attempting to place three of its nominees on the Alere Board and is advocating a strategy that we believe is potentially value destructive. Our serious reservations about Coppersmith's plan are heightened because Coppersmith was formed approximately one year ago, it has no track record of its own and its co-founder's prior track record is poor.

Given that Coppersmith has publicly disclosed only very limited information about itself, we have focused on its co-founder's predecessor firm MMI Investments, L.P. (MMI). Since 2008, MMI obtained Board seats for its nominees at three companies following proxy contests:

Company	Board Member	Tenure Start Date	Tenure End Date ⁱⁱ	Total Return ⁱⁱⁱ	Total Return	Total Return
					Relative to Market Index ^{iv}	Relative to Sector Index ^v
DHT Holdings	Robert N. Cowen	5/14/2010	Current	(88.6%)	(140.1%)	(30.5%)
Unisys Corporation	Clay Lifflander	5/20/2008	12/7/2010	(44.0%)	(35.9%)	(51.1%)
	Charles McQuade	5/20/2008	5/1/2012	(58.0%)	(66.7%)	(108.3%)
Brink's Company	Carrol Wetzel &	5/2/2008	5/6/2011	18.4%	(3.8%)	(2.5%)
	Robert Strang					
Average Underperformance:					(70.2%)	(47.1%)

At two of these three companies, the stock price fell dramatically (declines of 91% and 58%, respectively) during the tenure of MMI's director candidates on the board. In addition, at all three of these companies, stockholder returns during the tenure of MMI's director candidates underperformed the relevant market and sector indices for each company, underperforming on average by 70% and 47%, respectively.

Given Mr. Lande's and MMI's poor record of improving stock price performance after a successful election contest, Alere stockholders should have very serious concerns about electing any of Coppersmith's nominees. We believe these paid nominees will single-mindedly implement Coppersmith's value-destructive plan to divest and delever at all costs.

On the other hand, your Board's nominees are truly independent. There were no pre-conditions to their selection, and the Nominating and Corporate Governance Committee focused on the CEO and healthcare operating experience of potential nominees, and whether this experience would enable them to add significant value to Alere's Board. **We believe that your Board's nominees will rely on their substantial experience leading and building successful healthcare companies and serving as public-company Board members to objectively evaluate the right strategy in order for Alere to continue to improve stockholder value.**

A chart comparing certain key characteristics of the Alere and Coppersmith nominees follows:

We have attached to this letter additional materials that summarize our analysis of the track-record of MMI when its nominees were elected to a company's board of directors.

Your Board recommends that you vote FOR its nominees using the WHITE proxy card today.

We appreciate and look forward to your continued support.

Sincerely,

Ron Zwanziger
Chairman, Chief Executive Officer and President

*If you have any questions, require assistance with voting your **WHITE** proxy card, or need*

additional copies of the proxy materials, please contact:

The Proxy Advisory Group, LLC

18 East 41st Street, Suite 2000

New York, New York 10017

(888) 337-7699

Or

(888) 33 PROXY

Forward-Looking Statements

This letter contains forward-looking statements within the meaning of the federal securities laws, including statements regarding our strategy, anticipated improvements in stockholder value, the timing of the Annual Meeting and the anticipated independence of Alere's nominees. These statements reflect our current views with respect to future events and are based on management's current assumptions and information currently available. Actual results may differ materially due to numerous factors including, without limitation, risks associated with global market and economic conditions and our ability to execute on our strategy, unanticipated effects of the Affordable Care Act, disruptions in the capital markets, fluctuations in currency exchange rates, changes in laws and regulations, dependence on suppliers, potential product liability litigation, regulatory compliance costs, unanticipated cost increases, competition, unanticipated delays or difficulties in research and product development and changes in demand for our products, as well as the other risks described in the Risk Factors section of our Annual Report on Form 10-K filed with the SEC on March 1, 2013, as amended. We undertake no obligation to update any forward-looking statements contained herein.

- ⁱ Jerome Lande, co-founder of Coppersmith and one of its nominees to Alere's Board, previously served as a vice president of MCM Capital Management LLC. This organization, now defunct, was the general partner of MMI, where Lande claims he was responsible for all areas of portfolio management.
- ⁱⁱ DHT Holdings: Robert N. Cowen's current tenure expires in 2014; returns taken as of June 28, 2013. Unisys Corporation: Clay Lifflander resigned from the Board on December 7, 2010 and Charles McQuade retired on May 1, 2012. Brink's Company: Carrol Wetzel and Robert Strang served adjacent terms on Brink's Board. Carrol Wetzel served beginning on 5/2/2008 and left on 10/31/2008 to serve on Board of Brink's Home Security Holdings, Inc., which was sold to Tyco on 5/14/2010, while Robert Strang served beginning on 10/31/2008 and left on 5/6/2011.
- ⁱⁱⁱ Returns from a third-party data source and represent total stockholder returns including price appreciation, dividends and stock splits. Unisys Corporation did not pay dividends during the period and therefore Total Return is price appreciation and stock splits. Brink's Total Return is based on market value weighted index return of combined Brink's from 5/2/2008 to 5/6/2011 and Brink's Home Security from 11/3/2008 spin-off from Brink's to 5/13/2010 close of sale to Tyco.

- iv S&P 500 Index is used as DHT Holdings' Market Index and the Total Return is 51.5% during Robert N. Cowen's tenure. S&P 500 Index is used as Unisys Corporation's Market Index and the Total Return is (8.1%) during Clay Lifflander's tenure and 8.7% during Charles McQuade's tenure. S&P Midcap 400 Index is used as Brink's Company's Market Index and the Total Return is 22.2% during Carrol Wetzel and Robert Strang's adjacent tenure.
- v VLCC Time Charter Rates is used as DHT Holdings' Sector Index and the Total Return is (58.1%) during Robert N. Cowen's tenure. S&P 500 IT Services Index is used as Unisys Corporation's Sector Index and the Total Return is 7.1% during Clay Lifflander's tenure and 50.3% during Charles McQuade's tenure. S&P Midcap 400 Commercial Services and Supplies Index is used as Brink's Company's Sector Index and the Total Return is 20.9% during Carrol Wetzel and Robert Strang's adjacent tenure.

