

LA JOLLA PHARMACEUTICAL CO
Form PRE 14A
May 03, 2013

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

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 §240.14a-12

LA JOLLA PHARMACEUTICAL COMPANY

(Name of Registrant as Specified In Its Charter)

N/A

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

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(3) Filing Party:

(4) Date Filed:

LA JOLLA PHARMACEUTICAL COMPANY

4660 La Jolla Village Drive, Suite 1070

San Diego, CA 92122

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On June 5, 2013

You are cordially invited to attend an Annual Meeting (the *Annual Meeting*) of Stockholders of La Jolla Pharmaceutical Company (the *Company*). The meeting will be held at our offices, located at 4660 La Jolla Village Drive, Suite 1070, San Diego, California, on June 5, 2013 at 10:00 a.m., local time. The Annual Meeting will be held for the following purposes:

1. To elect two directors to serve until the Company's 2014 Annual Meeting of Stockholders;
2. To ratify the selection of Squar, Milner, Peterson, Miranda & Williamson, LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2013;
3. To conduct an advisory (non-binding) vote on the Company's executive compensation;
4. To conduct an advisory (non-binding) vote on the frequency of future advisory votes on executive compensation;
5. To approve an amendment to the Company's Articles of Incorporation to implement a reverse stock split, within a range from 1-for-2 to 1-for-100, with the exact ratio of the reverse stock split to be determined by the Board of Directors of the Company; and
6. To transact any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

The foregoing items of business are more fully described in the proxy statement accompanying this notice. Only stockholders of record at the close of business on May 1, 2013 will be entitled to notice of and to vote at the Annual Meeting or any adjournment or postponement thereof.

The Company's Board of Directors has carefully reviewed and considered the foregoing proposals and has concluded that each proposal is in the best interests of the Company and its stockholders. Therefore, the Company's Board of Directors has approved each proposal and recommends that you vote FOR each nominee and each proposal described in the proxy statement; provided, however, that the Board of Directors is not making a recommendation with respect to proposal 4.

It is very important that your shares be represented at the Annual Meeting, regardless of the size of your holdings. Accordingly, whether or not you expect to attend the Annual Meeting, the Company urges you to vote promptly by completing, dating, signing and returning the enclosed proxy card in the enclosed postage prepaid envelope, or by voting via the telephone or the Internet as instructed in these materials. This will not limit your right to attend or vote at the Annual Meeting. You may revoke your proxy at any time before it has been voted at the meeting.

By Order of the Board of Directors,

/s/ George F. Tidmarsh

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George F. Tidmarsh, M.D., Ph.D.

President, Chief Executive Officer and Secretary

San Diego, California

May 13, 2013

I M P O R T A N T

YOU ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING IN PERSON. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE VOTE VIA THE INTERNET OR OVER THE TELEPHONE AS INSTRUCTED IN THE ENCLOSED PROXY STATEMENT OR COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY CARD USING THE ENCLOSED RETURN ENVELOPE AS PROMPTLY AS POSSIBLE IN ORDER TO ENSURE YOUR REPRESENTATION AT THE MEETING. EVEN IF YOU HAVE VOTED BY PROXY, YOU MAY STILL VOTE IN PERSON IF YOU ATTEND THE MEETING. PLEASE NOTE, HOWEVER, THAT IF YOUR SHARES ARE HELD OF RECORD BY A BROKER, BANK OR OTHER NOMINEE AND YOU WISH TO VOTE AT THE MEETING, YOU MUST OBTAIN A PROXY CARD ISSUED IN YOUR NAME FROM THAT INTERMEDIARY. A MAJORITY IN VOTING POWER OF THE OUTSTANDING SHARES OF COMMON STOCK MUST BE REPRESENTED AT THE ANNUAL MEETING, EITHER IN PERSON OR BY PROXY, TO CONSTITUTE A QUORUM.

**PROXY STATEMENT FOR
ANNUAL MEETING OF STOCKHOLDERS**

June 5, 2013 at 10:00 a.m., local time

GENERAL INFORMATION

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors (the **Board**) of La Jolla Pharmaceutical Company (the **Company**) for use at the Annual Meeting, to be held on June 5, 2013, at 10:00 a.m., local time. The Annual Meeting will be held at our offices, located at 4660 La Jolla Village Drive, Suite 1070, San Diego, California. This proxy statement is being mailed to our stockholders on or about May 14, 2013.

Only stockholders of record at the close of business on May 1, 2013 (the **Record Date**) are entitled to notice of, and to vote at, the Annual Meeting. At the close of business on the Record Date, 30,486,228 shares of common stock were issued and outstanding, held by 179 holders of record. Each share of common stock is entitled to one vote on each matter to be voted upon at the Annual Meeting, except that in connection with the election of directors, each stockholder has the right to cumulate votes. Cumulative voting entitles a stockholder to give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of shares of common stock owned by such stockholder, or to distribute such stockholder's votes on the same principle among as many candidates and in such manner as the stockholder shall desire. Shares cannot be voted at the Annual Meeting unless the holder thereof is present or represented by proxy. The presence, in person or by proxy, of the holders of a majority in voting power of the outstanding shares of common stock on the Record Date will constitute a quorum for the transaction of business at the Annual Meeting and any adjournment or postponement thereof.

Our Board has selected George Tidmarsh to serve as proxy at the Annual Meeting. The shares of common stock represented by each executed and returned proxy will be voted in accordance with the directions indicated on the proxy.

If you are a stockholder of record and wish to exercise cumulative voting rights, you must submit a proxy by mail or attend the Annual Meeting and vote in person. Your proxy card or ballot must specify how you want to allocate your votes between the nominees. Telephone and Internet voting facilities do not accommodate cumulative voting. If you hold your shares in street name, contact your brokerage firm, bank, broker-dealer, or other similar organization for direction on how to exercise cumulative voting rights using their voting instruction card, or to request a legal proxy so that you can vote your shares directly. Discretionary authority to cumulate votes is hereby solicited by the Board. If you return a signed proxy card or submit voting instructions in writing without providing instructions about cumulative voting, or if you submit a proxy by telephone or via the Internet, you will confer on the designated proxy holder discretionary authority to exercise cumulative voting. If he elects to do so, he will be authorized, in his discretion, to cast your votes for either or both of the nominees in the manner recommended by the Board or otherwise in his discretion. However, he will not cast any of your votes for a nominee as to whom you have instructed on your proxy card, voting instruction card or otherwise to withhold a vote. If you do not wish to grant the proxy holder authority to cumulate your votes in the election of directors, you must explicitly state that objection on your proxy card or voting instruction card, as applicable.

With respect to the proposals other than the election of directors, if you sign your proxy card without giving specific instructions, the Company will vote your shares **FOR** such proposals. The proxy also confers discretionary authority to vote the shares authorized to be voted thereby on any matter that properly may be presented for action at the Annual Meeting; we currently know of no other business to be presented.

Any proxy given may be revoked by the person giving it at any time before it is voted at the Annual Meeting. If you have not voted through your broker, there are three ways for you to revoke your proxy and change your vote. First, you may send a written notice to the Company's secretary stating that you would like to revoke your proxy. Second, you may complete and submit a new proxy card, but it must bear a later date than the original proxy, or you may submit new proxy instructions via the telephone or the Internet. Third, you may vote in person at the Annual Meeting. However, your attendance at the Annual Meeting will not, by itself, revoke your proxy. If you have instructed a broker to vote your shares, you must follow the directions you receive from your broker to change your vote. Your last vote will be the vote that is counted.

We will provide copies of this proxy statement and accompanying materials to brokerage firms, fiduciaries and custodians for forwarding to beneficial owners and will reimburse these persons for their costs of forwarding these materials. Our directors, officers and employees may solicit proxies by telephone, facsimile, or personal solicitation. We will not pay additional compensation for any of these services.

QUESTIONS AND ANSWERS REGARDING THIS SOLICITATION AND VOTING AT THE ANNUAL MEETING

Q. Why am I receiving these proxy materials?

- A. You are receiving these proxy materials from us because you were a stockholder of record at the close of business on the Record Date. As a stockholder of record, you are invited to attend the Annual Meeting and are entitled to and requested to vote on the items of business described in this proxy statement.

Q. Who is entitled to vote at the Annual Meeting?

- A. Only stockholders who owned our common stock at the close of business on the Record Date are entitled to notice of the Annual Meeting and to vote at the meeting, and at any postponements or adjournments thereof. At the close of business on the Record Date, there were 30,486,228 shares of common stock outstanding held by 179 holders of record.

Q. How many shares must be present to conduct business?

- A. The presence at the Annual Meeting, in person or by proxy, of the holders of a majority in voting power of the outstanding shares of our common stock at the close of business on the Record Date will constitute a quorum. A quorum is required to conduct business at the meeting.

Q. What will be voted on at the Annual Meeting?

- A. The items of business scheduled to be voted on at the meeting are as follows:
1. Election of two directors to serve until the Company's 2014 Annual Meeting of Stockholders;
 2. Ratification of the selection of Squar, Milner, Peterson, Miranda & Williamson, LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2013;
 3. An advisory (non-binding) vote on the Company's executive compensation;
 4. An advisory (non-binding) vote on the frequency of future advisory votes on executive compensation; and
 5. A proposal to approve an amendment to the Company's Articles of Incorporation to implement a reverse stock split, within a range from 1-for-2 to 1-for-100, with the exact ratio of the reverse stock split to be determined by the Board.

Q. How does the Board recommend that I vote?

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- A. Our Board recommends that you vote your shares **FOR** each director nominee, ratification of the selection of Squar, Milner, Peterson, Miranda & Williamson, LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2013, the Company's executive compensation and the amendment of the Company's Articles of Incorporation to implement a reverse stock split. Our Board is not making a recommendation with respect to the frequency of future advisory votes on executive compensation.

Q. What shares can I vote at the Annual Meeting?

- A. You may vote all shares of common stock owned by you as of the Record Date, including (1) shares held directly in your name as the stockholder of record, and (2) shares held for you as the beneficial owner through a broker, trustee or other nominee such as a bank.

Q. What is the difference between holding shares as a stockholder of record and as a beneficial owner?

- A. Most of our stockholders hold their shares of common stock through a broker or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholders of Record. If your shares are registered directly in your name with our transfer agent, American Stock Transfer and Trust Company, you are considered to be, with respect to those shares, the stockholder of record, and these proxy materials are being sent directly to you by us. As the stockholder of record, you have the right to vote in person at the Annual Meeting, vote by proxy using the enclosed proxy card, vote by proxy via the telephone, or vote by proxy on the Internet. We have enclosed a proxy card for you to use, which also contains instructions on how to vote via the telephone or on the Internet.

Beneficial Owner. If your shares are held in a brokerage account or by another nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you from that organization together with a voting instruction card. As the beneficial owner, you have the right to direct your broker, trustee or nominee how to vote and are also invited to attend the Annual Meeting. Please note that since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the meeting. Your broker, trustee or nominee has enclosed or provided voting instructions for you to use in directing the broker, trustee or nominee how to vote your shares.

Q. How can I vote my shares without attending the Annual Meeting?

- A. Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. Stockholders of record of our common stock may vote by proxy using the enclosed proxy card, or vote over the telephone or Internet. Stockholders who hold shares beneficially in street name may cause their shares to be voted by proxy using the proxy card provided by the broker, trustee or nominee and mailing them in the accompanying pre-addressed envelope, or vote via the telephone, or on the Internet.

Q. How can I vote my shares in person at the Annual Meeting?

- A. Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting. Shares held beneficially in street name may be voted in person only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares. *Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy card or voting instructions as described above so that your vote will be counted if you later decide not to, or are unable to, attend the meeting.*

Q. Is my vote confidential?

- A. Proxy instructions, ball