

ASTROTECH Corp \WA\
Form DEFM14A
July 03, 2014

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
(Rule 14a-101)
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 §240.14a-12

ASTROTECH CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the 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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July 3, 2014

To Our Shareholders:

I am pleased to invite you to attend a special meeting of the shareholders of Astrotech Corporation (“Astrotech” or the “Company”). The meeting will be held at 401 Congress Avenue, Suite 1650, Austin, Texas 78701 on August 20, 2014, at 9:00 a.m. (Central Time).

At the Special Meeting you will be asked to consider and vote on the following matters:

1.
 - To approve the sale (the “Asset Sale”) by Astrotech of substantially all of the property and assets related to or used in the Astrotech Space Operations business unit, which consists of (i) ownership, operation and maintenance of spacecraft processing facilities in Titusville, Florida and Vandenberg Air Force Base, California, (ii) supporting government and commercial customers processing complex communication, earth observation and deep space satellite launches, (iii) designing and building spacecraft processing equipment and facilities and (iv) providing propellant services including designing, building and testing propellant service equipment for fueling spacecraft pursuant to the Asset Purchase Agreement by and between Lockheed Martin Corporation, Elroy Acquisition Company, LLC, Astrotech, Astrotech Space Operations, Inc. and Astrotech Florida Holdings, Inc., dated May 28, 2014 (the “Asset Purchase Agreement”) as more fully described in the enclosed Proxy Statement (the “Asset Sale Proposal”);
2.
 - To approve, by non-binding advisory vote, certain compensation arrangements for Astrotech’s named executive officers in connection with the Asset Sale (the “Golden Parachute Proposal” and, together with the Asset Sale Proposal, the “Proposals”); and
3.
 - To transact such other business as may properly come before the Special Meeting and any postponements or adjournments thereof, as permitted under the Asset Purchase Agreement.

After careful consideration, the board of directors of the Company has unanimously determined that the Asset Sale and the terms and conditions of the Asset Purchase Agreement are advisable to, and in the best interests of, the Company and its shareholders. The board of directors recommends that you vote “FOR” the Asset Sale Proposal and “FOR” the Golden Parachute Proposal. The board of directors has fixed the close of business on July 3, 2014 as the record date for determining shareholders entitled to notice of, and to vote at, the Special Meeting.

The enclosed Notice of Special Meeting and Proxy Statement explain the Proposals and provide specific information concerning the Special Meeting. Please read these materials (including the annexes) carefully.

Your vote is very important, regardless of the number of shares you own. The Asset Sale Proposal must be approved by the holders of two-thirds (2/3) of the outstanding shares of Astrotech’s common stock entitled to vote at the Special Meeting. The approval of the Golden Parachute Proposal requires the affirmative vote of the holders of a majority of the outstanding shares of our common stock that are present in person or represented by proxy at the Special Meeting.

Therefore, if you do not return your proxy card, submit a proxy via the Internet or by telephone or attend the Special Meeting and vote in person, it will have the same effect as if you voted "AGAINST" the Asset Sale Proposal. Broker non-votes, if any, will have the same effect as a vote "AGAINST" the Asset Sale Proposal. Only shareholders who owned shares of Astrotech's common stock at the close of business on July 3, 2014, the record date for the Special Meeting, will be entitled to vote at the Special Meeting. To vote your shares, you may return your proxy card, submit a proxy via the Internet or by telephone or attend the Special Meeting and vote in person. Even if you plan to attend the Special Meeting, we urge you to promptly submit a proxy for your shares via the Internet or by telephone or by completing, signing, dating and returning the enclosed proxy card.

On behalf of the board of directors of the Company, thank you for your continued support.

Sincerely,

Thomas B. Pickens III
Chairman and Chief Executive Officer

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NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD AUGUST 20, 2014

July 3, 2014

To the Shareholders of Astrotech Corporation:

You are cordially invited to attend a Special Meeting of Shareholders (the “Special Meeting”) for Astrotech Corporation (the “Company” or “Astrotech”) to be held at 401 Congress Avenue, Suite 1650, Austin, Texas 78701 on August 20, 2014, at 9:00 a.m. (Central Time). Information about the meeting and the proposals to be considered are presented in this Notice of Special Meeting and the Proxy Statement on the following pages.

At the Special Meeting you will be asked to consider and vote on the following matters:

1.
 - To approve the sale (the “Asset Sale”) by Astrotech of substantially all of the property and assets related to or used in the Astrotech Space Operations business unit, which consists of (i) ownership, operation and maintenance of spacecraft processing facilities in Titusville, Florida and Vandenberg Air Force Base, California, (ii) supporting government and commercial customers processing complex communication, earth observation and deep space satellite launches, (iii) designing and building spacecraft processing equipment and facilities and (iv) providing propellant services including designing, building and testing propellant service equipment for fueling spacecraft pursuant to the Asset Purchase Agreement by and between Lockheed Martin Corporation, Elroy Acquisition Company, LLC, Astrotech, Astrotech Space Operations, Inc. and Astrotech Florida Holdings, Inc., dated May 28, 2014 (the “Asset Purchase Agreement”) as more fully described in the enclosed Proxy Statement (the “Asset Sale Proposal”);
2.
 - To approve, by non-binding advisory vote, certain compensation arrangements for Astrotech’s named executive officers in connection with the Asset Sale (the “Golden Parachute Proposal” and, together with the Asset Sale Proposal, the “Proposals”); and
3.
 - To transact such other business as may properly come before the Special Meeting and any postponements or adjournments thereof, as permitted under the Asset Purchase Agreement.

The board of directors of the Company has fixed the close of business on July 3, 2014 as the record date for determining shareholders entitled to notice of, and to vote at, the Special Meeting. The Asset Sale constitutes the sale of substantially all of the property and assets of Astrotech within the meaning of RCW 23B.12.020 of the Washington Business Corporation Act. Consequently, pursuant to the WBCA, the Asset Sale Proposal requires the approval of shareholders owning two-thirds (2/3) of the outstanding shares of common stock of Astrotech.

Voting can be completed by returning the proxy card, through the telephone at 1-888-457-2959 or online at www.proxyvoting.com/ASTC. Only your latest-dated proxy card will count, and any proxy may be revoked at any time prior to its exercise at the Special Meeting as described in this Proxy Statement. Further detail can be found on

the proxy card and in the “Voting of Proxies” section included in the Proxy Statement.

Important notice regarding the availability of proxy materials for the Special Meeting to be held on August 20, 2014: the Proxy Statement, our annual report on Form 10-K and our quarterly reports on Form 10-Q are available at [http:// www.astrotech.com/ investors/ proxy-statements](http://www.astrotech.com/investors/proxy-statements).

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Thank you for your assistance in voting your shares promptly.

By Order of the Board of Directors,

Eric Stober

Chief Financial Officer, Treasurer and Secretary

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU INTEND TO BE PRESENT AT THE SPECIAL MEETING, PLEASE MARK, SIGN, AND DATE THE ENCLOSED WHITE PROXY CARD AND RETURN IT IN THE ENCLOSED ENVELOPE, OR SUBMIT YOUR PROXY BY TELEPHONE OR ONLINE, TO ASSURE THAT YOUR SHARES ARE REPRESENTED AT THE SPECIAL MEETING. IF YOU ATTEND THE SPECIAL MEETING, YOU MAY VOTE IN PERSON IF YOU WISH TO DO SO, EVEN IF YOU HAVE PREVIOUSLY SUBMITTED YOUR PROXY.

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