ALERE INC.
Form DEFC14A
June 28, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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 o

Filed by a Party other than the Registrant x

Check the appropriate box:

o Preliminary Proxy Statement

¨ Confidential, for Use of the Commission Only (as permitted by Rule14a-6(e)(2))

x Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Under Rule 14a-12

ALERE INC.
(Name of Registrant as Specified in Its Charter)

COPPERSMITH CAPITAL MANAGEMENT, LLC
COPPERSMITH VALUE PARTNERS, LLC
JEROME J. LANDE
CRAIG ROSENBLUM
SCOPIA LONG LLC
SCOPIA PARTNERS QP LLC
SCOPIA PX, LLC
SCOPIA PARTNERS LLC
SCOPIA WINDMILL FUND, LP
SCOPIA INTERNATIONAL MASTER FUND LP
SCOPIA PX INTERNATIONAL MASTER FUND LP
SCOPIA LB LLC
SCOPIA CAPITAL GP LLC
SCOPIA CAPITAL MANAGEMENT LLC
MATTHEW SIROVICH

JEREMY MINDICH
CURT R. HARTMAN
THEODORE E. MARTIN
(Name of Persons(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x 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:

COPPERSMITH CAPITAL MANAGEMENT, LLC

June 28, 2013

Dear Fellow Alere Stockholder:

Coppersmith Capital Management, LLC ("Coppersmith Capital") and the other participants in this solicitation (collectively, the "Coppersmith Group" or "we") are the beneficial owners of an aggregate of 5,491,819 shares of Common Stock, par value $0.001 per share, of Alere Inc., a Delaware corporation ("Alere" or the "Company"). For the reasons set forth in the attached Proxy Statement, we do not believe the Board of Directors of the Company (the "Board") is acting in the best interests of its stockholders. We are therefore seeking your support at the annual meeting of stockholders (the "Annual Meeting") scheduled to be held on Wednesday, August 7, 2013 at 12:30 p.m., local time, at the Emerging Enterprise Center at Foley Hoag LLP located at 1000 Winter Street, Suite 4000, Waltham, Massachusetts 02451, to:

1. Vote upon the election of four directors, including the Coppersmith Group's three director nominees, Curt R. Hartman, Theodore E. Martin and Jerome J. Lande (the "Nominees"), to the Board in opposition to three of the Company's four director nominees to serve until the 2014 annual meeting of stockholders and until their respective successors are duly elected and qualified;

2. Approve an increase to the number of shares of common stock available for issuance under the Alere Inc. 2010 Stock Option and Incentive Plan by 2,000,000, from 5,153,663 to 7,153,663;

3. Approve option grants to certain of the Company's executive officers; provided that, even if this proposal is approved by stockholders, the Company does not intend to implement this proposal unless Proposal 2 is also approved;

4. Approve an increase to the number of shares of common stock available for issuance under the Alere Inc. 2001 Employee Stock Purchase Plan by 1,000,000, from 3,000,000 to 4,000,000;

5. Ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the Company's fiscal year ending December 31, 2013;

6. Hold an advisory vote on executive compensation; and

7. Conduct such other business as may properly come before the Annual Meeting and at any adjournment or postponement thereof.

We are seeking your support at the Annual Meeting to elect three director candidates to ensure that the interests of the stockholders, the true owners of the Company, are appropriately represented in the boardroom. The Board is currently composed of ten directors. At the 2012 annual meeting of stockholders of the Company, stockholders approved an amendment to the Company's Amended and Restated Certificate of Incorporation to phase in the declassification of the Board and provide for the election of directors for terms expiring at the next annual meeting of stockholders starting at the Annual Meeting. Accordingly, we believe that the terms of four directors expire at the Annual Meeting. To the extent that four directors are up for election at the Annual Meeting, stockholders who vote on the enclosed BLUE proxy card will also have the opportunity to vote for the candidates who have been nominated by the Company other than Sir Thomas Fulton Wilson McKillop, Stephen P. MacMillan and Brian A. Markison. Stockholders will therefore be able to vote for the total number of directors up for election at the Annual Meeting. The names, backgrounds and qualifications of the Company's nominees, and other information about them, can be found in the Company’s proxy statement.  There is no assurance that any of the Company’s nominees will serve as a director if any of our Nominees are elected.

We are not seeking control of the Board. If elected, our Nominees will represent a minority of the members of the Board and therefore it is not guaranteed that they will have the ability to enhance stockholder value. We hope that this election contest will result in Sir Thomas Fulton Wilson McKillop, Stephen P. MacMillan and Brian A. Markison NOT being elected to the Board and will send a strong message to the remaining incumbent directors that stockholders are not satisfied with the Company's stock and operating performance.

We urge you to carefully consider the information contained in the attached Proxy Statement and then support our efforts by signing, dating and returning the enclosed BLUE proxy card today. The attached Proxy Statement and the enclosed BLUE proxy card are first being furnished to the stockholders on or about June 28, 2013.

If you have already voted a proxy card furnished by the Company's management, you have every right to change your votes by signing, dating and returning a later dated proxy card or by voting in person at the Annual Meeting.

If you have any questions or require any assistance with your vote, please contact MacKenzie Partners, Inc. ("MacKenzie Partners"), which is assisting us, at their address and toll-free numbers listed below.

Thank you for your support,

Coppersmith Capital
Management, LLC

If you have any questions, require assistance in voting your BLUE proxy card,
or need additional copies of the Coppersmith Group's proxy materials, please call
MacKenzie Partners, Inc. at the phone numbers or email listed below.

105 Madison Avenue
New York, New York 10016
(212) 929-5500 (Call Collect)
proxy@mackenziepartners.com
or
CALL TOLL FREE (800) 322-2885

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting

The attached Proxy Statement and BLUE proxy card are available at

www.Stockholderdocs.com/ALR

ANNUAL MEETING OF STOCKHOLDERS
OF
ALERE INC.

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PROXY STATEMENT
OF
COPPERSMITH CAPITAL MANAGEMENT, LLC

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PLEASE SIGN, DATE AND MAIL THE ENCLOSED BLUE PROXY CARD TODAY

Coppersmith Capital Management, LLC (“Coppersmith Capital”), Coppersmith Value Partners, LLC (“Coppersmith Value”), Jerome J. Lande, Craig Rosenblum, Scopia Long LLC (“Scopia Long”), Scopia Partners QP LLC (“Scopia QP LLC”), Scopia PX, LLC (“Scopia PX”), Scopia Partners LLC (“Scopia Partners”), Scopia Windmill Fund, LP (“Scopia Windmill”), Scopia International Master Fund LP (“Scopia International”), Scopia PX International Master Fund LP (“Scopia PX International”), Scopia LB LLC (“Scopia LB”), Scopia Capital GP LLC (“Scopia Capital”), Scopia Capital Management LLC (“Scopia Management”), Matthew Sirovich, Jeremy Mindich, Curt R. Hartman and Theodore E. Martin (collectively, the “Coppersmith Group” or “we”) are significant stockholders of Alere Inc., a Delaware corporation (“Alere” or the “Company”), owning approximately 6.8% of the outstanding shares of common stock, $0.001 par value per share (the “Common Stock”), of the Company. We are seeking to change a minority of the Board of Directors of the Company (the “Board”) because we believe the Board must be reconstituted to ensure that the interests of the stockholders, the true owners of Alere, are appropriately represented in the boardroom. We have nominated directors who have strong, relevant backgrounds and who are committed to fully exploring all opportunities to unlock stockholder value. We are seeking your support at the annual meeting of stockholders scheduled to be held on Wednesday, August 7, 2013 at 12:30 p.m., local time, at the Emerging Enterprise Center at Foley Hoag LLP located at 1000 Winter Street, Suite 4000, Waltham, Massachusetts 02451 (including any adjournments or postponements thereof and any meeting which may be called in lieu thereof, the “Annual Meeting”), to:

1. Vote upon the election of four directors, including the Coppersmith Group’s three director nominees, Curt R. Hartman, Theodore E. Martin and Jerome J. Lande (the “Nominees”), to the Board in opposition to three of the Company’s four director nominees to serve until the 2014 annual meeting of stockholders and until their respective successors are duly elected and qualified;

2. Approve an increase to the number of shares of Common Stock available for issuance under the Alere Inc. 2010 Stock Option and Incentive Plan (the “2010 Stock Option and Incentive Plan”) by 2,000,000, from 5,153,663 to 7,153,663;

3. Approve option grants to certain of the Company’s executive officers; the Company has indicated that, even if this proposal is approved by stockholders, it does not intend to implement this proposal unless Proposal 2 is also approved;

4. Approve an increase to the number of shares of Common Stock available for issuance under the Alere Inc. 2001 Employee Stock Purchase Plan (the “2001 Employee Stock Purchase Plan”) by 1,000,000, from 3,000,000 to 4,000,000;

5. Ratify the appointment of PricewaterhouseCoopers LLP as the Company’s independent registered public accounting firm for the Company’s fiscal year ending December 31, 2013;

6. Hold an advisory vote on executive compensation; and

7. Conduct such other business as may properly come before the Annual Meeting.

We are seeking your support at the Annual Meeting to elect three director candidates to ensure that the interests of the stockholders, the true owners of the Company, are appropriately represented in the boardroom. The Board is currently composed of ten directors. At the 2012 annual meeting of stockholders of the Company, stockholders approved an amendment to the Company's Amended and Restated Certificate of Incorporation to phase in the declassification of the Board and provide for the election of directors for terms expiring at the next annual meeting of stockholders starting at the Annual Meeting. Accordingly, we believe that the terms of four directors expire at the Annual Meeting. To the extent that four directors are up for election at the Annual Meeting, stockholders who vote on the enclosed BLUE proxy card will also have the opportunity to vote for the candidates who have been nominated by the Company other than Sir Thomas Fulton Wilson McKillop, Stephen P. MacMillan and Brian A. Markison. Stockholders will therefore be able to vote for the total number of directors up for election at the Annual Meeting. The names, backgrounds and qualifications of the Company's nominees, and other information about them, can be found in the Company's proxy statement. There is no assurance that any of the Company's nominees will serve as a director if any of our Nominees are elected.

This Proxy Statement and the enclosed BLUE proxy card are first being furnished to stockholders on or about June 28, 2013.

As of the date hereof, the members of the Coppersmith Group collectively own an aggregate of 5,491,819 shares of Common Stock. We intend to vote such shares of Common Stock FOR the election of the Nominees, in a manner consistent with the recommendation of Institutional Shareholder Services Inc. ("ISS"), a leading proxy advisory firm, with respect to the approval of an increase to the number of shares of Common Stock available for issuance under the 2010 Stock Option and Incentive Plan, in a manner consistent with the recommendation of ISS with respect to the approval of option grants to certain of the Company's executive officers, in a manner consistent with the recommendation of ISS with respect to the approval of an increase to the number of shares of Common Stock available for issuance under the 2001 Employee Stock Purchase Plan, FOR the ratification of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the Company's fiscal year ending December 31, 2013, and in a manner consistent with the recommendation of ISS with respect to the advisory vote on executive compensation, as described herein.

The Company has set the close of business on June 14, 2013 as the record date for determining stockholders entitled to notice of and to vote at the Annual Meeting (the "Record Date"). The mailing address of the principal executive offices of the Company is 51 Sawyer Road, Suite 200, Waltham, Massachusetts 02453. Stockholders of record at the close of business on the Record Date will be entitled to vote at the Annual Meeting. According to the Company, as of the Record Date, there were 81,337,864 shares of Common Stock outstanding, each of which is entitled to one vote on each matter considered at the Annual Meeting.

THIS SOLICITATION IS BEING MADE BY THE COPPERSMITH GROUP AND NOT ON BEHALF OF THE BOARD OF DIRECTORS OR MANAGEMENT OF THE COMPANY. WE ARE NOT AWARE OF ANY OTHER MATTERS TO BE BROUGHT BEFORE THE ANNUAL MEETING OTHER THAN AS SET FORTH IN THIS PROXY STATEMENT. SHOULD OTHER MATTERS, WHICH THE COPPERSMITH GROUP IS NOT AWARE OF A REASONABLE TIME BEFORE THIS SOLICITATION, BE BROUGHT BEFORE THE ANNUAL MEETING, THE PERSONS NAMED AS PROXIES IN THE ENCLOSED BLUE PROXY CARD WILL VOTE ON SUCH MATTERS IN THEIR DISCRETION.

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THE COPPERSMITH GROUP URGES YOU TO SIGN, DATE AND RETURN THE BLUE PROXY CARD IN FAVOR OF THE ELECTION OF OUR NOMINEES.

IF YOU HAVE ALREADY SENT A PROXY CARD FURNISHED BY COMPANY MANAGEMENT OR THE BOARD, YOU MAY REVOKE THAT PROXY AND VOTE ON EACH OF THE PROPOSALS DESCRIBED IN THIS PROXY STATEMENT BY SIGNING, DATING AND RETURNING THE ENCLOSED BLUE PROXY CARD. THE LATEST DATED PROXY IS THE ONLY ONE THAT COUNTS. ANY PROXY MAY BE REVOKED AT ANY TIME PRIOR TO THE ANNUAL MEETING BY DELIVERING A WRITTEN NOTICE OF REVOCATION OR A LATER DATED PROXY FOR THE ANNUAL MEETING OR BY VOTING IN PERSON AT THE ANNUAL MEETING.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting

This Proxy Statement and our BLUE proxy card are available at
www.Stockholderdocs.com/ALR

IMPORTANT

Your vote is important, no matter how few shares of Common Stock you own. We urge you to sign, date, and return the enclosed BLUE proxy card today to vote FOR the election of our Nominees.

- If your shares of Common Stock are registered in your own name, please sign and date the enclosed BLUE proxy card and return it to Coppersmith Capital Management, LLC in the enclosed postage-paid envelope today.

- If your shares of Common Stock are held in a brokerage account or bank, you are considered the beneficial owner of the shares of Common Stock, and these proxy materials, together with a BLUE voting form, are being forwarded to you by your broker or bank. As a beneficial owner, you must instruct your broker, trustee or other representative how to vote. Your broker cannot vote your shares of Common Stock on your behalf without your instructions.

- Depending upon your broker or custodian, you may be able to vote either by toll-free telephone or by the Internet. Please refer to the enclosed voting form for instructions on how to vote electronically. You may also vote by signing, dating and returning the enclosed voting form in the postage-paid envelope provided.

Since only your latest dated proxy card will count, we urge you not to return any proxy card you receive from the Company. Even if you return the management proxy card marked "withhold" as a protest against the incumbent directors, it will revoke any proxy card you may have previously sent to us. Remember, you can vote for our Nominees only on our BLUE proxy card. So please make certain that the latest dated proxy card you return is the BLUE proxy card.

If you have any questions, require assistance in voting your BLUE proxy card,
or need additional copies of the Coppersmith Group's proxy materials, please call
MacKenzie Partners, Inc. at the phone numbers or email listed below.

105 Madison Avenue
New York, New York 10016
(212) 929-5500 (Call Collect)
proxy@mackenziepartners.com
or
CALL TOLL FREE (800) 322-2885

## BACKGROUND TO SOLICITATION

The following is a chronology of events leading up to this proxy solicitation:

- On November 8, 2012, Coppersmith Capital contacted the Company attempting to schedule a meeting with the Chairman, Chief Executive Officer and President of Alere, Ronald Zwanziger. Coppersmith Capital was told it would first need to speak with Alere's Vice President, Finance, Jon Russell and then a meeting with Mr. Zwanziger could be arranged.

- On November 16 and November 20, 2012, Coppersmith Capital held conference calls with Mr. Russell to discuss the Company's fundamentals and strategy, including Coppersmith Capital's views regarding opportunities to improve Alere's valuation.

- On November 30, 2012, Coppersmith Capital once again requested a meeting with Mr. Zwanziger.

- On December 6, 2012 Coppersmith Capital was informed by the Company that Mr. Zwanziger's schedule would not permit a meeting. Coppersmith Capital then requested a conference call with Mr. Zwanziger.

- On December 18, 2012, Coppersmith Capital repeated its request for a conference call with Mr. Zwanziger. The Company informed Coppersmith Capital that Mr. Zwanziger's schedule did not allow for a conference call at this time but they would be back in touch when his schedule allowed.

- On January 24, 2013, Coppersmith Capital again reached out to the Company to try and schedule a meeting with Mr. Zwanziger.

- On January 29, 2013, the Company informed Coppersmith Capital that Mr. Zwanziger was not willing to meet, but a meeting with Mr. Russell could be scheduled.

- On March 6, 2013, Scopia Management met with Mr. Russell at a conference in New York to discuss Alere's business.

- On March 8, 2013, Coppersmith Capital held a conference call with Mr. Russell to discuss recent results and operations and express its concerns about the Company's strategy.

- On March 14, 2013, the Company informed Coppersmith Capital that Mr. Zwanziger was now willing to meet.

- Also on March 14, 2013, Scopia Management had a conference call with Mr. Russell to discuss Alere's business, recent financial results and strategy.

- On April 1, 2013, members of the Coppersmith Group met with Mr. Zwanziger, David A. Teitel, Chief Financial Officer, and Mr. Russell (via teleconference) at the Company's offices. During the meeting, the parties discussed the Company's operations and strategy and Coppersmith Capital expressed its disagreement with certain aspects of the Company's strategy.

- On April 11, 2013, Coppersmith Capital held a conference call with Mr. Zwanziger, Mr. Teitel and Mr. Russell. During the conference call, Coppersmith Capital informed the Company of its intentions to nominate director candidates for election to the Board at the Annual Meeting in compliance with the Company's Bylaws and the applicable deadline of April 12, 2013 for the submission of shareholder nominations. Coppersmith Capital further informed the Company that it would not immediately make its nominations public in order to facilitate a constructive dialogue with the Company.

- On April 12, 2013, an affiliate of Coppersmith Capital delivered a letter to the Company (the "Nomination Letter") nominating the Nominees for election to the Board at the Annual Meeting.

- On April 30, 2013, members of the Coppersmith Group met with Mr. Zwanziger, Mr. Teitel and Mr. Russell (via teleconference) at Coppersmith Capital's offices in New York (the "April 30 Meeting"). During the meeting, the parties discussed the financial condition and prospects of Alere as well as Coppersmith Capital's views regarding the issues facing the Company and the need for change in the composition of the Board. In the course of the meeting, Mr. Zwanziger summarily dismissed the qualifications of the Nominees and indicated that the Nominating and Corporate Governance Committee of the Board (the "Nominating Committee") would not consider their addition to the Board.

- On May 3, 2013, Coppersmith Capital received a letter from Company's counsel (the "Company's May 3 Letter") asking Coppersmith Capital to submit each of its three highly-qualified Nominees for interviews by the Nominating Committee purportedly as part of its evaluation of director candidates in connection with the Annual Meeting.

- On May 8, 2013, the Coppersmith Group filed a Schedule 13D disclosing an aggregate stake of 5.8% of the outstanding shares of Common Stock of Alere.

- Also on May 8, 2013, Coppersmith Capital delivered a letter to Mr. Zwanziger expressing strong disappointment at the management and Board's failure to address the numerous issues facing Alere or to engage in a constructive dialogue with Coppersmith Capital regarding the clear and compelling need for change in the composition of the Board. In the letter, Coppersmith Capital expressed its concern with Alere's continued depressed valuation and poor stock performance and criticized management for its apparent commitment to remaining a heavily-leveraged, inefficient and disparate organization with a continuously failing experiment in health management. Coppersmith Capital dismissed the steps the Board had announced to address Alere's undervaluation and underperformance as an incoherent series of half-measures, none of which suggest the seriousness needed to restore Alere's credibility as a public company. Coppersmith Capital stated its view that for Alere to thrive as a public company and achieve fair value it must undergo a comprehensive strategic and operational rationalization. The letter explained that a comprehensive strategic rationalization must begin with the divestiture or shut-down of the Health Information Solutions division ("HIS", or the "Former Health Management Division"). Coppersmith Capital also stated that comprehensive operational rationalization is required to reverse the worrisome trajectory of diminishing organic growth and margins in the core diagnostics division, and to produce the integration synergies that have not been realized. Coppersmith Capital expressed its view that maximizing Alere's value requires independent thinking and analytical rigor that the incumbent Board lacks. Accordingly, Coppersmith Capital announced its intention to solicit proxies for the election of its three independent, highly-qualified candidates, including two healthcare industry veterans with high-level operational or board experience at leading, large-cap medical products companies and a direct stockholder representative. Coppersmith Capital concluded that it remains open to a constructive dialogue with the management and Board regarding Board composition and maximizing value at Alere.

- On May 10, 2013, Coppersmith Capital delivered a letter to the Company's Corporate Secretary in response to the Company's May 3 Letter, expressing its surprise at the request for interviews given Mr. Zwanziger's statements during the April 30 Meeting. Coppersmith Capital noted that the qualifications of the Nominees should be apparent from the information provided in the Nomination Letter which includes all information with respect to the Nominees that would be required to be disclosed for director candidates in proxy materials pursuant to Regulation 14A. Coppersmith Capital concluded that it remains open to a constructive dialogue regarding Board composition and if the Company is willing to enter into serious discussions and agree to a framework for the addition of the Nominees to the Board, Coppersmith Capital will make the Nominees available for interviews with the Nominating Committee.

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- On June 4, 2013, Mr. Zwanziger contacted Coppersmith Capital to propose that Coppersmith Capital execute a confidentiality agreement pursuant to which the Company would disclose information regarding the Company's nominees to Coppersmith Capital two days in advance of its related public disclosure. Mr. Zwanziger stated his position that once Coppersmith Capital had reviewed the relevant information it should immediately withdraw its nomination of its three highly-qualified Nominees.

- On June 5, 2013, in an attempt to find a mutually agreeable resolution to reconstituting the Board, Coppersmith Capital executed the confidentiality agreement and was presented with information regarding the Company's nominees.

- On June 6, 2013, after review of the Company's nominees' qualifications, Coppersmith Capital concluded that their addition to the Board falls far short of the meaningful change needed at Alere and determined to proceed with its proxy solicitation for the election of the Nominees at the Annual Meeting, informing the Company as such.

- On June 7, 2013, Alere filed a preliminary proxy statement in connection with the Annual Meeting, nominating four new director nominees for election at the Annual Meeting thus effectively replacing all four incumbent directors up for election at the Annual Meeting with new director candidates.

- On June 10, 2013, Coppersmith Capital delivered an open letter to Mr. Zwanziger expressing its concern that the Company's replacement of all four incumbent directors up for election at the Annual Meeting with new director candidates appears to be a defensive, reactionary tactic in the face of an election challenge rather than proactive change. Coppersmith Capital reiterated its previously stated view regarding the need for a comprehensive rationalization of Alere's cost structure, business portfolio and capital structure and outlined specific steps to help improve the Company's growth and margin profiles. Based on its preliminary review of the qualifications of the Company's nominees, Coppersmith Capital raised questions on the ethics and business judgment of the Company nominees and concluded that their proposed election will not amount to the meaningful change that Coppersmith Capital believes necessary. Coppersmith Capital reiterated its willingness to work with the Board to compose the best possible slate of candidates to represent the interests of all stockholders. However, it also noted that it is prepared to continue to move forward with an election contest in order to ensure that the best interests of all stockholders are represented on the Board.

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## REASONS FOR THE SOLICITATION

We are deeply concerned by the sustained stock price and operational underperformance at Alere. We believe that the Board and management lack a coherent strategy for arresting these declines and restoring Alere's performance and have committed significant execution missteps that have resulted in serious issues. We firmly believe that improvement in the composition of the Board is needed urgently to set the Company on the right track. Most importantly, we believe that the Board should not be merely reconstituted with Company-selected nominees, but should be enhanced by the addition of stockholder representation open to strategic and structural change. For the reasons outlined below, we have no confidence that the director candidates proposed by the Company, albeit new, are the individuals who are best positioned to oversee a rationalization of Alere and unlock stockholder value.

Based on our review of the publicly disclosed qualifications of the Company nominees:

- We question the Company nominees' commitment to consider the strategic and structural changes that we believe stockholders are focused on. We believe that direct stockholder representation is required in the boardroom to ensure consideration of all strategies grounded in the realities of Alere's core competencies and risk-adjusted maximization of value.

- We are concerned that the Company nominees principal experience is in the pharmaceuticals industry, an area significantly different from the medical device and diagnostics industries. In our view, this puts into question the Company's strategic focus on its core diagnostics business and the ability of the Board, composed as proposed by the Company, to effectively oversee that diagnostics business.

- We question the Company nominees' ability to provide proper corporate governance oversight of the Company and hold management accountable for their poor execution. We are troubled by widely publicly reported failures in oversight during the tenure of Sir Thomas McKillop, one of the Company's nominees, as Chairman of the Board of Royal Bank of Scotland Group PLC ("RBS"). During Mr. McKillop's tenure as Chairman, RBS sustained massive losses and engaged in poor capital allocations, most notably in the 2007 acquisition by RBS (as part of a consortium) of its Dutch rival, ABN AMRO Bank N.V., resulting in a U.K. government infusion of approximately $71 billion.1 Mr. McKillop has also been individually named as a defendant in a litigation brought in London's High Court on April 3, 2013 by 12,000 individuals and around 100 institutions alleging that RBS, Mr. McKillop and three other individuals misled investors about the RBS' financial health during a 2008 share rights issue.

Accordingly, we seek stockholder support for the election of our three highly-qualified Nominees who we believe are better positioned to devise and execute on a successful strategy to unlock value for the benefit of all Alere stockholders.

## WE BELIEVE THAT ALERE SUFFERS FROM STRUCTURAL, OPERATIONAL, GOVERNANCE AND LEVERAGE DEFICIENCIES THAT ARE RESPONSIBLE FOR LONG-TERM POOR PERFORMANCE AND THREATEN ALERE'S FUTURE ABILITY TO CREATE VALUE FOR STOCKHOLDERS

We are one of the largest stockholders of the Company, owning 5,491,819 shares of Common Stock, representing approximately 6.8% of the shares of Common Stock outstanding. Our goal is to maximize the value of Alere's stock for the benefit of all stockholders. We are seeking to elect our highly-qualified Nominees because we believe that the current Board's performance has been unacceptably poor in several areas, including capital allocation, management supervision and corporate governance. We have little confidence that the Board and management, having overseen this poor performance during their long average tenure, have the expertise and commitment to address the resulting areas of weakness for the Company:

- Poor Stock Performance – Alere's stock price performance has consistently lagged the stock market, generally, as well as healthcare companies, specifically. Over the past three years, Alere's stock has declined over 25%, dramatically underperforming both the indices the Company itself has chosen as comparable, the New York Stock Exchange Composite Index ("NYSE Composite") and the Dow Jones U.S. Healthcare Index ("DJ US HC Index"), by 75% and 105%, respectively.[2]

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1 Based on reports in the Wall Street Journal.

2 Through May 31, 2013

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· Poor Operational Performance – Alere's operational performance has deteriorated meaningfully over the last three years fiscal years with gross margin declining over 400 basis points, operating margin over 600 basis points, and the Company repeatedly missing its initial annual guidance for earnings per share ("EPS") and targets for new product sales.

· Misallocation of Capital – In our view, Alere's allocation of capital has been profligate and frequently misdirected. Over the last six years Alere has spent over $1.8 billion on acquisitions for its Former Health Management Division. The Company has already written off nearly $1.4 billion of that investment, or the equivalent of roughly two-thirds of the Company's current market capitalization.

· Excessive Leverage –Alere maintains an excessive debt balance, which is in our view attributable in large part to the Company's poor capital allocation. Even as Alere's market capitalization has shrunk, its debt has ballooned to levels comparable to those employed in leveraged buyout transactions. We strongly believe this leverage impairs Alere's valuation, places the Company at undue risk of future insolvency or failure to refinance and impedes the investment, both organic and inorganic, in Alere's core diagnostic franchises.

· Poor Corporate Governance – Alere has combined Chairman and CEO roles, has no lead independent director and even after its recent decision not to re-nominate a management insider to the Board, continues to have two insiders among its incumbent directors. We believe these corporate governance deficiencies have led to a Board that is not well positioned to, and has consistently failed to, hold the senior management team accountable for its performance.

We are concerned that these issues will not be adequately addressed and that stockholder value will continue to deteriorate unless the Board is meaningfully reconstituted with the addition of our three highly-qualified Nominees. The Nominees, if elected at the Annual Meeting, would represent a minority of the Board and would seek to work with the other Board members to address the concerns outlined above and discussed in further detail below. The Nominees, subject to their fiduciary duties as directors, will endeavor to work with the other members of the Board to explore all strategic and operational alternatives to enhance stockholder value, including, but not limited to, selling the Company in whole or in part, divesting non-core assets to reduce leverage, rationalizing the Company's expense structure and re-focusing Alere on its core business of rapid, point-of-care diagnostic testing.

We believe the Company's misguided commitment to the status quo is highly unlikely to reverse Alere's long-term poor stock price performance

Alere's stock has underperformed the stock market, generally, as well as healthcare companies, specifically over the short, medium and long-term timeframes, as compared to both the NYSE Composite and the DJ US HC Index, the indices the Company itself has chosen as comparable. We believe this significant stock price underperformance is a reflection of Alere's misguided strategy, convoluted structure and poor execution. We fear that the stock performance is unlikely to improve on a sustained basis until Alere's various deficiencies are adequately addressed.

| Stock Performance(a) | 2 Year | | 3 year | | 5 year | | 1 Day Before Matria(b) | | 10 Year | |
|---|---|---|---|---|---|---|---|---|---|---|
| Alere | -36.1 | % | -26.5 | % | -30.0 | % | -51.0 | % | 47.9 | % |
| | | | | | | | | | | |
| NYSE Composite | 16.0 | % | 48.6 | % | 14.2 | % | 23.1 | % | 122.7 | % |
| DJ US HC Index | 39.2 | % | 78.4 | % | 69.8 | % | 67.1 | % | 119.2 | % |
| | | | | | | | | | | |
| Underperformance vs. NYSE Composite | -52.1 | % | -75.2 | % | -44.2 | % | -74.1 | % | -74.9 | % |
| Underperformance vs. DJ US HC Index | -75.3 | % | -104.9 | % | -99.8 | % | -118.1 | % | -71.3 | % |

a. Total Return as of May 31, 2013

b. From January 27, 2008, the day before the Matria Healthcare acquisition was announced.

Three-Year Total Return, Alere vs. NYSE Composite and DJ US HC Index

Alere’s stock has consistently underperformed over the long-term, with average underperformance of -77.8% relative to its comparable indices in each of the two through ten-year periods.  Alere’s stock return is negative on an absolute basis over each of the two through eight-year periods, averaging -25.9%.

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We believe the Board has failed to adequately supervise management, resulting in deteriorating operational performance and failure to meet projections

Over the last three fiscal years, Alere has demonstrated a disturbing negative trend in its operating performance, with gross margin declines of over 400 basis points, operating margin declines of over 600 basis points and sequentially declining earnings per share, despite over $2.5 billion in acquisitions since the start of 2009.

During the last three fiscal years, Alere has also demonstrated a troubling inability to forecast its own performance, which we fear indicates both insufficient financial control and a fundamental misunderstanding of the Company's operations. Alere has fallen short by 10% or more of its initial Adjusted EPS guidance in each of the last three fiscal years. Notably, Alere's management ceased issuing guidance in 2013, prompting Chairman, CEO and President, Ron Zwanziger, to state "[I] don't think we get particular benefit for providing it and so we're going back to the way we had been for years."[3]

Alere has also demonstrated a failure to meet its revenue projections from the new product platforms it announced with great fanfare in 2010. These new products were projected to produce $150 million in new revenue in 2012 but have in fact fallen short of this projection by $94 million, or 63%. Sadly, we believe these results reflect more than simply poor financial forecasting. We are concerned these failures to meet projections expose far greater problems with Alere's research and development program and future organic growth potential, if the situation is not addressed.

[3] Alere's 4th Quarter of 2012 Earnings Teleconference, 2/15/13

Beginning in 2012 these intrinsic operational problems were compounded by the Food and Drug Administration ("FDA") investigation into, and subsequent change in release specifications and manufacturing yields for, Alere's Triage troponin product line. This business interruption and accompanying weakened revenue and margins negatively impacted 2012 EPS by $0.32 and caused a 14.7% decline in stock price on the day of Alere's filing of a Form 8-K announcing the investigation and a recall of affected products. Most frustratingly, we believe the Company's management and Board could have avoided this painful setback had they been more proactive in responding to changing industry conditions. One of Alere's close competitors, Beckman Coulter, Inc. (subsequently acquired by Danaher Corporation), had previously been investigated for issues surrounding its own troponin test products that resulted in significant operational distress. We believe that Alere's management and Board were nonetheless substantially caught off-guard by the 2012 FDA investigation and we fail to understand why.

We are concerned with the Board's overly lax approach to capital allocation

Over the last five fiscal years, Alere has spent over $4 billion on largely debt-financed acquisitions (net of divestiture)[4] and yet its enterprise value[5] has increased by less than $1 billion. We believe this loss of over $3 billion in stockholder wealth (or stockholder value destroyed in the table below)[6] is largely the result of poor capital allocation by the Board and management, most notably the $1.4 billion in writedowns taken thus far for the decline in value of the Former Health Management Division acquisitions.

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[4] "Acquisitions Net of Divestitures" is defined as the difference between money spent on acquisitions and proceeds from divestitures as reported in the Company's annual and quarterly reports on Forms 10-K and 10-Q.

[5] "Enterprise Value" is defined as market capitalization plus total debt, plus preferred equity minus cash.

[6] "Stockholder value destroyed" is defined as beginning enterprise value plus money spent on acquisitions, minus proceeds from divestitures minus ending enterprise value.

Unfortunately, we fear this trend in poor decision-making is not limited to the Former Health Management Division or to the distant past. In the 13-month period from November 2011 through December 2012, Alere made two investments in the mail-order diabetic testing supply industry through the purchase of Arriva Medical and the provision of financing to Liberty Medical Supply. Only a month later in January 2013, the Center for Medicare and Medicaid Services announced a 71% reimbursement reduction for mail-order diabetic supplies.

We are concerned with Alere's excessively leveraged capital structure

Over the last three fiscal years Alere's debt level has increased by over $1.7 billion even as its market capitalization has declined by nearly $2 billion. At the beginning of this period Alere's leverage ratio[7] was 3.3x and has since risen to 6.0x as of the first quarter of 2013. We believe this is largely due to management and the Board's debt-fueled acquisition binge, which included businesses whose earnings have declined since their acquisition by Alere.

We believe the current high leverage is more appropriate to a leveraged buy-out transaction than a public company and results in a discounted stock market valuation. Moreover, while the Company has been successful at refinancing its debt thus far, we note that Alere has over $3 billion of debt expiring within the next five years. We fear that the Board and management may not fully appreciate the risks associated with Alere's ability to refinance due to the recently robust credit markets.

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[7] Defined as net debt (excluding preferred stock) / Adjusted EBITDA

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## WE ARE CONCERNED WITH ALERE'S POOR CORPORATE GOVERNANCE PRACTICES AND LIMITATIONS ON STOCKHOLDER RIGHTS

We are troubled that the roles of Chairman and the CEO are not separated and the Board does not have a lead independent director. In our view, an independent chairman is critical to ensure a proactive Board that provides effective oversight of management. We question whether, given his role as Alere's CEO, Mr. Zwanziger is in the best position to hold management accountable as Chairman of the Board or set a pro-stockholder agenda without the conflict of interest that an executive director inevitably faces. Our concerns are shared by Glass Lewis & Co. ("Glass Lewis"), a leading proxy advisory firm, which recommended a "withhold" vote for the election of the Chairman of the Nominating and Corporate Governance Committee of the Board in 2011 when he was up for election, holding him responsible for the committee's failure to appoint an independent lead or presiding director to ensure proper oversight. Concerns over the independence of the Board are further heightened by the fact that 30% of the current directors are employees of Alere. Unsurprisingly, Institutional Stockholders Services, Inc. ("ISS"), another leading proxy advisory firm, has also voiced serious concerns over the Company's poor Board structure.

The Nominating Committee met once in all of 2012, while the Audit and Compensation Committees met nine and twelve times, respectively. In fact, over the last ten years the Nominating Committee reports meeting a grand total of 13 times, for an average of 1.3 times a year with a maximum of three times in 2008 and minimum of no times, we believe, in 2004[8]. Perhaps this is why the Company's preliminary proxy statement reiterates its commitment to a unified Chairman and CEO without a lead independent director, a governance structure that we believe to be out-of-touch with current standards of good corporate governance.

We also share ISS' "high concerns" with important limitations to stockholders' rights at Alere. The Company's organizational documents bar stockholder from calling a special meeting or taking action by written consent and require a supermajority vote to amend the charter or bylaws of the Company. The Board is authorized to issue blank check preferred stock and there is no policy in place that would require a director who has failed to obtain at least majority support from stockholders to tender his or her resignation. While we welcome the Company's phased-in declassification of the Board starting with this Annual Meeting we feel it is long overdue and this belated and partial response is in our view indicative of a Board that has consistently failed to follow proper corporate governance practices to the detriment of stockholders.

## THERE IS A WAY FORWARD TO BETTER PERFORMANCE

We strongly believe that despite management and the Board's failures, Alere's assets remain strong and replete with potential for future growth and value enhancement. If elected, our Nominees will aim to work with the rest of the Board to conduct a rigorous analysis of management and the Board's current strategy on a rationally risk-adjusted basis, as well as a review of all available alternatives to enhance value. Our Nominees are committed only to maximizing value for all stockholders, and not to any given strategy. On the basis of publicly available information, Coppersmith Capital believes a comprehensive rationalization of Alere's cost structure, business portfolio and capital structure can generate dramatic stock price appreciation and improved performance with the following steps:

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[8] The 2005 Proxy Statement, filed on 4/13/05, lists no Nominating and Corporate Governance Committee meetings for fiscal 2004.

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1. Exiting non-core businesses such as HIS, the consumer products joint venture with Proctor & Gamble and potentially the Toxicology division as well. These divestitures, which we estimate can be done tax-free by first selling all of HIS to generate enormous tax loss, are in addition to those presently targeted by Alere, which management has previously told us total less than $200 million in annual sales.

2. Applying proceeds from these divestitures, which we estimate could yield well above $3 billion9, to Alere's excessive debt balance. This would lower Alere's leverage to roughly 1x or less, more than doubling management's target reduction in approximately one-third the time.

3. Rationalizing Alere's expense structure to produce $50 million to $10010 million in annual cost savings by our conservative estimate, with announced targets and milestones for accountability to stockholders. We believe this target should be achievable simply by (i) returning SG&A margin to the historically consistent levels the Company maintained prior to its expansion binge over the past two years in preparation for new platform sales that have yet to materialize, and (ii) reducing corporate overhead at a minimum to reflect the aforementioned divestitures. However, we believe significant opportunity also exists in overdue integration of Alere's numerous acquisitions, refinement and focus of Alere's disappointing R&D efforts and elimination of its matrix management structure.

These actions are directly within the control of the Board and management team and, we believe, represent a tremendous opportunity to improve the Company's growth and margin profiles, simplify its convoluted structure, reduce balance sheet risk and allow the Company to invest, both organically and inorganically, in the core diagnostic franchises. Alere's management has acknowledged many of these issues, but maintains its current strategy that, in our view, includes principally a number of half-measures and is unlikely to achieve the desired results.

OUR THREE NOMINEES HAVE THE EXPERIENCE, QUALIFICATIONS AND OBJECTIVITY NECESSARY TO FULLY EXPLORE AVAILABLE OPPORTUNITIES TO UNLOCK VALUE FOR STOCKHOLDERS

As a significant stockholder of Alere, we have heightened concerns that the Board lacks the objectivity necessary to act in the best interest of stockholders. We have identified three highly-qualified, independent directors with valuable and relevant business and financial experience who we believe will bring a fresh perspective into the boardroom and would be extremely helpful in evaluating and executing on initiatives to unlock value at the Company. Our Nominees are all stockholders of Alere and have been compensated by Coppersmith Capital for their service as its nominees only in the form of stock on an after-tax basis.

Curt Hartman is the Former Interim CEO and CFO of Stryker Corporation, as well as Global President, Stryker Instruments. During Mr. Hartman's CEO and CFO tenures, he was directly responsible for leading Stryker through tremendous strategic and operational change, including multiple acquisitions, financings and leadership transitions, all against the backdrop of the financial crisis and the dramatically changing healthcare landscape. During this time, Stryker delivered a total stockholder return of more than 70%. For the previous nine years Mr. Hartman ran Stryker's Instruments division, generating market leading growth.

Ted Martin is the Former CEO of the Barnes Group, former Member of the Boards of Directors of leading, large-cap healthcare products companies C.R. Bard and Applied Biosystems Inc. During Mr. Martin's tenures, the total stockholder returns of Bard and Applied Biosystems were over 120% and 25% respectively. During Mr. Martin's CEO tenure, Barnes generated a total stockholder return of over 150%.

Jerome Lande is the Managing Partner of Coppersmith Capital Management, LLC, an investment firm he co-founded in 2012 to focus on event-driven investing in undervalued small and mid-cap companies undergoing, or capable of, operational and/or structural value-enhancement. Previously Mr. Lande was a Partner with Millbrook Capital

Management, Inc., an investment firm focused on private equity and event-driven public equity investing (the latter via its former affiliate, MMI Investments, L.P.), and a Corporate Development Officer with Key Components, Inc., a global diversified industrial manufacturing company (acquired by Actuant Corporation, NYSE: ATU).

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[9] Coppersmith's estimate has three components: 1) HIS - Coppersmith calculates a range of potential values based on a) the $1.8 billion of reported HIS acquisitions less the $1.4 billion in write-downs for a value of $444 million and b) a 0.5x multiple of LTM revenue (a significant discount to the 1.1x multiple of Healthways, the only true publicly traded comparable) for value of $269 million. 2) Consumer Diagnostics Joint Venture interest - Coppersmith calculates a range of potential values based on a) the $325 million Proctor & Gamble paid for its 50% ownership in the JV in 2007 and b) the reported JV LTM revenue of $185 million multiplied by the average LTM revenue multiple of a peer group of consumer products companies (Proctor & Gamble, Colgate, Estee Lauder, Church & Dwight, Clorox and Kimberly-Clark) which are trading at 2.6x EV/LTM revenue, yielding a total value of $480 million. Alere's 50% interest in the joint venture would be worth $240 million. 3) Toxicology business – Based on reported LTM revenues of $615 million and 30% operating margin (Alere's January 9, 2013 presentation at the JP Morgan Healthcare Conference page 16 notes that Toxicology has operating margins of greater than 30%) yields LTM operating profit of $184 million. After adding $19 million in D&A, for Toxicology's proportional share of total Professional Diagnostics D&A, LTM EBITDA is estimated to be $204 million. Applying an 11-12x EV/LTM EBITDA multiple (a significant discount to the 15x LTM EBITDA multiple that Toxicology's closest comparable, Medtox was sold for last year) yields a range of potential values of $2.2 billion to $2.4 billion. The sum of these three components equals $2.8 billion to $3.2 billion in total potential proceeds.

[10] Coppersmith's estimate comes from several components: 1) SG&A margin deterioration (FY12 adjusted SG&A margin was 30.4% vs. 28.4% in FY10) could be reversed to produce potential cost savings of $55 million based on FY12 revenue of $2.8 billion; 2) Restoring 50-100% of the gross margin degradation since FY10 (FY12 adjusted Gross Margin was 53.6% vs. 56.1% in FY10) could generate $36-$71 million in potential savings; 3) FY12 adjusted R&D expense was $152 million, of which 25% or $38 million is being redirected from long-term projects to short-term projects (based on management comments on 3Q12 conference call). Coppersmith believes these expenditures represent potential savings; 4) Adjusting FY12 corporate expense of $42 million for the proportional reduction in revenue from the potential divestitures of HIM, the Consumer Diagnostics JV and the Toxicology business could yield a savings of $17 million. The sum of these four components adds up to potential cost savings buckets of $146 million to $181 million. Coppersmith believes generating $50-$100mm in savings should be readily achievable.

# PROPOSAL 1

# ELECTION OF DIRECTORS

The Board is currently composed of ten directors. At the 2012 annual meeting of stockholders (the "2012 Annual Meeting"), the stockholders approved an amendment to the Company's Amended and Restated Certificate of Incorporation to phase in the declassification of the Board and provide for the election of directors for terms expiring at the next annual meeting of stockholders starting at the Annual Meeting. Accordingly, we believe that the terms of four directors expire at the Annual Meeting. We are seeking your support at the Annual Meeting to elect our three Nominees in opposition to three of the Company's director nominees, other than Sir Thomas Fulton Wilson McKillop, Stephen P. MacMillan and Brian A. Markison. Stockholders who vote on the enclosed BLUE proxy card will also have the opportunity to vote for the candidate who has been nominated by the Company other than Sir Thomas Fulton Wilson McKillop, Stephen P. MacMillan and Brian A. Markison. Stockholders will therefore be able to vote for the total number of directors up for election at the Annual Meeting. The names, backgrounds and qualifications of the Company's Nominee, and other information about them, can be found in the Company's proxy statement. There is no assurance that any of the Company's nominees will serve as directors if any of our Nominees is elected. If elected, the Nominees will represent a minority of the members of the Board, and therefore it is not guaranteed that they can implement the actions that they believe are necessary to enhance stockholder value.

## THE NOMINEES

The following information sets forth the name, age, present principal occupation, and employment and material occupations, positions, offices, or employments for the past five years of each of the Nominees. The specific experience, qualifications, attributes and skills that led us to conclude that the Nominees should serve as directors of the Company is set forth above in the section entitled "Reasons For Our Solicitation." This information has been furnished to us by the Nominees. The Nominees are citizens of the United States of America.

Curt R. Hartman (Age 49) was most recently the Interim Chief Executive Officer of Stryker Corporation (NYSE:SYK) ("Stryker"), a publicly traded large cap medical device company, from February 2012 to October 2012. Prior to this role, Mr. Hartman was the Vice President, Chief Financial Officer of Stryker from April 2009 to October 2012. During his tenure Stryker completed multiple acquisitions, debt offerings, share buybacks and an enhanced dividend policy while innovating on the business model to address the changing healthcare landscape. Mr. Hartman initially joined Stryker in 1990 as a Manufacturing Engineer. During his twenty two years at Stryker Mr. Hartman held roles of increasing responsibility to include Unit Supervisor, Production Unit Manager, Director of Information Technology, National Accounts Director and Vice President, General Manager of the Instruments Division of Stryker having full P&L responsibility for the entire business. As Global President of the Stryker Instruments business Mr. Hartman completed multiple acquisitions. During his tenure as Chief Financial Officer of Stryker, Mr. Hartman implemented divisional reorganization and company-wide realignment of IT and Finance, closed underperforming business units and championed international expansion. Mr. Hartman has a Bachelor of Science degree in Aerospace Engineering from the University of Michigan and holds a Harvard AMP Program Certificate from Harvard Business School and has completed the Stryker Advanced Leadership Program at Harvard Business School.

Theodore E. Martin (Age 73) is a retired President and Chief Executive Officer of Barnes Group Inc. (NYSE:B), a manufacturer and distributor of custom metal parts for aerospace and industrial markets, where he served in that capacity from 1995 to 1998 and as Group Vice President from 1990 to 1995. He has served as a director of Ingersoll-Rand plc, a diversified, global company that provides products, services and solutions to enhance the quality and comfort of air in homes and buildings, transport and protect food and perishables, secure homes and commercial properties, and enhance industrial productivity and efficiency, since 1996 and is a member of its Audit Committee and Finance Committee. Mr. Martin served as a director of C. R. Bard Corporation, which is engaged in the design, manufacture, packaging, distribution and sale of medical, surgical, diagnostic and patient care devices, from October 2003 until his retirement in April 2013 and was a member of its Audit Committee, Compensation Committee, Regulatory Compliance Committee and Science and Technology Committee. Mr. Martin served as a director of Unisys Corporation, a worldwide information technology company, from 1995 to April 2010. He served as a director of Applied Biosystems Inc. (f/k/a Applera Corporation), a global leader in the development and marketing of instrument-based systems, consumables, software, and services for academic research, the life science industry, and commercial markets, from 1999 to 2008. He held a variety of management positions with Allied-Signal (now Honeywell Corp.), the last as President of the Fram Canada manufacturing and distribution business, from 1981 to 1988. Earlier in his career, he held a variety of management positions with General Electric Corporation, including its aircraft engine business, from 1977 to 1981. Mr. Martin is a trustee of the Edna McConnell Clark Foundation. Mr. Martin holds a B.A. from Syracuse University and an M.B.A. from the University of Hawaii.

Jerome J. Lande (Age 37) is the Managing Partner of Coppersmith Capital which he co-founded in April 2012. Previously, Mr. Lande was a partner at MCM Capital Management, LLC ("MCM"), from January 2006 until February 2012, and served as an Executive Vice President at MCM from January 2005 until he left the company. MCM was the general partner of MMI Investments, L.P., a small-cap deep value fund where Mr. Lande was responsible for all areas of portfolio management. He served as a Vice President of MCM from February 2002 to January 2005 and as an Associate from January 1999 to February 2002. Mr. Lande served as Corporate Development Officer of Key Components, Inc., a global diversified industrial manufacturer that was formerly an SEC reporting company, from January 1999 until its acquisition by Actuant Corporation in February 2004. He served as an Associate with the asset management practice of D. E. Shaw & Co. from June 1998 to December 1998. Mr. Lande holds a B.A. from Cornell University.

The principal business address of each of the Nominees is c/o Coppersmith Capital Management, LLC, 1370 Sixth Avenue, 25th Floor, New York, New York 10019.

As of the date hereof, Mr. Hartman beneficially owns 1,000 shares of Common Stock. As of the date hereof, Mr. Martin beneficially owns 925 shares of Common Stock. As of the date hereof, Mr. Lande does not directly own any shares of Common Stock. By virtue of his relationship with Coppersmith Capital, Mr. Lande may be deemed the beneficial owner of the 1,950,000 shares of Common Stock beneficially owned by Coppersmith Capital. Each of the Nominees specifically disclaims beneficial ownership of such shares of Common Stock that he does not directly own. For information regarding purchases and sales during the past two years by the Nominees and by the members of the Coppersmith Group of securities of the Company that may be deemed to be beneficially owned by the Nominees, see Schedule I.

On March 15, 2013, Coppersmith Capital and Scopia Management entered into a Joint Filing and Solicitation Agreement in which, among other things, (a) Coppersmith Capital and Scopia Management agreed to form a group along with certain of their respective affiliates to solicit proxies or written consents for the election of the Nominees, or any other person(s) nominated by them, to the Board at the Annual Meeting (the "Solicitation"), and (b) Coppersmith Capital and Scopia Capital agreed to share all expenses incurred in connection with the group's activities, including approved expenses incurred by any of the parties in connection with the Solicitation, subject to certain limitations.

Pursuant to letter agreements, an affiliate of Coppersmith Capital has agreed to indemnify each of Messrs. Hartman and Martin against any and all claims of any nature arising from the Solicitation and any related transactions.

Coppersmith Capital through an affiliate has agreed to compensate Messrs. Hartman and Martin for being named as and serving as nominees for election as directors of the Company pursuant to letter agreements (the "Compensation Letter Agreements"). Under the Compensation Letter Agreements, Coppersmith Capital has agreed to pay each of Messrs. Hartman and Martin (i) $25,000 in cash as a result of the submission by Coppersmith of its nomination of each of Messrs. Hartman and Martin to the Company and (ii) $25,000 in cash upon the filing of a definitive proxy statement with the Securities and Exchange Commission relating to the solicitation of proxies in favor of each of Messrs. Hartman and Martin's election as a director at the Annual Meeting. Pursuant to the compensation letter agreements, each of Messrs. Hartman and Martin has agreed to use the after-tax proceeds from such compensation to acquire securities of the Company (the "Nominee Shares") at such time that each of Messrs. Hartman and Martin shall determine, but in any event no later than 14 days after receipt of such compensation. If elected or appointed to serve as a director of the Board, each of Messrs. Hartman and Martin agrees not to sell, transfer or otherwise dispose of any Nominee Shares within two years of his election or appointment as a director; provided, however, in the event that the Company enters into a business combination with a third party, each of Messrs. Hartman and Martin may sell, transfer or exchange the Nominee Shares in accordance with the terms of such business combination.

Other than as stated herein, and except for compensation received by Mr. Lande as an employee of Coppersmith Capital, there are no arrangements or understandings between members of the Coppersmith Group and any of the Nominees or any other person or persons pursuant to which the nomination of the Nominees described herein is to be made, other than the consent by each of the Nominees to be named in this Proxy Statement and to serve as a director of the Company if elected as such at the Annual Meeting. None of the Nominees is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries in any material pending legal proceedings.

Each Nominee presently is, and if elected as a director of the Company would be, an “independent director” within the meaning of (i) applicable New York Stock Exchange (“NYSE”) listing standards applicable to board composition, including Rule 5605(a)(2) and (ii) Section 301 of the Sarbanes-Oxley Act of 2002. No Nominee is a member of the Company’s compensation, nominating or audit committee that is not independent under any such committee’s applicable independence standards.

We do not expect that the Nominees will be unable to stand for election, but, in the event any Nominee is unable to serve or for good cause will not serve, the shares of Common Stock represented by the enclosed BLUE proxy card will be voted for substitute nominee(s), to the extent this is not prohibited under the Company’s Amended and Restated By-laws (the “Bylaws”) and applicable law. In addition, we reserve the right to nominate substitute person(s) if the Company makes or announces any changes to the Bylaws or takes or announces any other action that has, or if consummated would have, the effect of disqualifying any Nominee, to the extent this is not prohibited under the Bylaws and applicable law. In any such case, shares of Common Stock represented by the enclosed BLUE proxy card will be voted for such substitute nominee(s). We reserve the right to nominate additional person(s), to the extent this is not prohibited under the Bylaws and applicable law, if the Company increases the size of the Board above its existing size or increases the number of directors whose terms expire at the Annual Meeting. Additional nominations made pursuant to the preceding sentence are without prejudice to the position of the Coppersmith Group that any attempt to increase the size of the current Board or to reconstitute or reconfigure the classes on which the current directors serve constitutes an unlawful manipulation of the Company’s corporate machinery.

WE URGE YOU TO VOTE FOR THE ELECTION OF THE NOMINEES ON THE ENCLOSED BLUE PROXY CARD.

PROPOSAL 2

APPROVAL OF AN INCREASE IN THE NUMBER OF SHARES OF COMMON STOCK AVAILABLE FOR ISSUANCE UNDER THE 2010 STOCK OPTION AND INCENTIVE PLAN

As discussed in further detail in the Company's proxy statement, the Board has adopted and is seeking stockholder approval of an amendment to the 2010 Stock Option and Incentive Plan to increase the number of shares of Common Stock that are available to be issued under the plan from 5,153,663 shares to 7,153,663 shares (subject to adjustment for stock splits, stock dividends and similar events). According to the Company, the amendment will enable the Company to continue to provide equity compensation to attract and retain talented personnel.

The increase of 2,000,000 shares of Common Stock available for grant under the 2010 Stock Option and Incentive Plan will result in additional potential dilution of outstanding Common Stock. Based solely on the closing price of the Common Stock on June 3, 2013 of $25.62 per share, the aggregate market value of the additional 2,000,000 shares of Common Stock to be reserved for issuance under the 2010 Stock Option and Incentive Plan would be $51,240,000.

This is the second year in a row the Board is asking for approval of a 2,000,000 share increase in the number of shares of Common Stock available for issuance under the 2010 Stock Option and Incentive Plan. While we understand the rationale behind maintaining a viable incentive plan, we do have concerns with the frequency and the size of the Board's request. We note that if this proposal is approved, the size of the 2010 Stock Option and Incentive Plan will have effectively doubled in two years.

A summary of the 2010 Stock Option and Incentive Plan and the complete text of the 2010 Stock Option and Incentive Plan are set forth in the Company's proxy statement.

WHILE WE HAVE CONCERNS WITH THE SIZE AND FREQUENCY OF THE REQUEST TO INCREASE THE SHARES AVAILABLE FOR ISSUNACE UNDER THE 2010 STOCK OPTION AND INCENTIVE PLAN, WE MAKE NO RECOMMENDATION WITH RESPECT TO THIS PROPOSAL AND INTEND TO VOTE OUR SHARES CONSISTENT WITH THE RECOMMENDATION OF ISS WITH RESPECT TO THIS PROPOSAL.

SHARES OF COMMON STOCK REPRESENTED BY PROPERLY EXECUTED BLUE PROXY CARDS WILL BE VOTED AT THE ANNUAL MEETING AS MARKED AND, IN THE ABSENCE OF SPECIFIC INSTRUCTIONS, ABSTAIN WITH RESPECT TO THE APPROVAL OF THIS PROPOSAL.

## PROPOSAL 3

## APPROVAL OF THE GRANT OF OPTIONS UNDER THE 2010 STOCK OPTION AND INCENTIVE PLAN TO CERTAIN OF THE COMPANY'S EXECUTIVE OFFICERS

As discussed in further detail in the Company's proxy statement, the Board is submitting for stockholder approval the grant of options to certain of the Company's executive officers to purchase up to 815,000 shares of Common Stock at an exercise price per share equal to the greater of $50.00 and the fair market value of the Common Stock on the date of grant. The grant of these options is the second part of a two-year compensation program for certain of the Company's executives. Last year, the Compensation Committee of the Board approved an identical grant to the key executives of 815,000 options having an exercise price of $50.00 per share, and the grant of those options was approved by stockholders at the Company's 2012 annual meeting of stockholders.

We are concerned with the price target of the options being granted pursuant to this proposal. We do not believe that current stockholders have targets for the Common Stock materially above $50.00 per share. We believe that setting a price target of $50.00 may incentivize management to pursue unrealistic strategies that are designed to "shoot the moon," rather than focus on a comprehensive rationalization of the Company's cost structure, business portfolio and capital structure.

Even if this proposal is approved by stockholders, the Company has indicated that it does not intend to implement it unless "Proposal 2 – Approval of an Increase in the Number of Shares of Common Stock Available for Issuance Under the 2010 Stock Option and Incentive Plan" is approved.

WHILE WE HAVE CONCERNS WITH THE PRICE TARGETS OF THE OPTIONS BEING GRANTED PURSUANT TO THIS PROPOSAL, WE MAKE NO RECOMMENDATION WITH RESPECT TO THIS PROPOSAL AND INTEND TO VOTE OUR SHARES CONSISTENT WITH THE RECOMMENDATION OF ISS WITH RESPECT TO THIS PROPOSAL.

SHARES OF COMMON STOCK REPRESENTED BY PROPERLY EXECUTED BLUE PROXY CARDS WILL BE VOTED AT THE ANNUAL MEETING AS MARKED AND, IN THE ABSENCE OF SPECIFIC INSTRUCTIONS, ABSTAIN WITH RESPECT TO THE APPROVAL OF THIS PROPOSAL.

PROPOSAL 4

APPROVAL OF AN INCREASE IN THE NUMBER OF SHARES OF COMMON STOCK AVAILABLE FOR ISSUANCE UNDER THE 2001 EMPLOYEE STOCK PURCHASE PLAN

As discussed in further detail in the Company's proxy statement, the Company is seeking stockholder approval of an amendment to the 2001 Employee Stock Purchase Plan to increase the number of shares of Common Stock that are available to be issued under the plan from 3,000,000 shares to 4,000,000 shares (subject to adjustment for stock splits, stock dividends and similar events). The Board is recommending this action in order to enable the Company to continue to provide eligible employees the opportunity to purchase shares of Common Stock at a discount through periodic payroll deductions.

The increase of 1,000,000 shares of Common Stock available for issuance under the 2001 Employee Stock Purchase Plan will result in additional potential dilution of outstanding Common Stock. Based solely on the closing price of the Common Stock as reported on the NYSE on June 3, 2013 of $25.62 per share, the aggregate market value of the additional 1,000,000 shares of Common Stock to be reserved for issuance under the 2001 Employee Stock Purchase Plan would be $25,620,000.

A summary of the 2001 Employee Stock Purchase Plan and the complete text of the 2001 Employee Stock Purchase Plan are set forth in the Company's proxy statement.

WE MAKE NO RECOMMENDATION WITH RESPECT TO THIS PROPOSAL AND INTEND TO VOTE OUR SHARES CONSISTENT WITH THE RECOMMENDATION OF ISS WITH RESPECT TO THIS PROPOSAL.

SHARES OF COMMON STOCK REPRESENTED BY PROPERLY EXECUTED BLUE PROXY CARDS WILL BE VOTED AT THE ANNUAL MEETING AS MARKED AND, IN THE ABSENCE OF SPECIFIC INSTRUCTIONS, ABSTAIN WITH RESPECT TO THE APPROVAL OF THIS PROPOSAL.

PROPOSAL 5

RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2013

As discussed in further detail in the Company's proxy statement, the Audit Committee of the Board has preliminarily selected PricewaterhouseCoopers LLP to serve as the Company's independent registered public accounting firm for the 2013 fiscal year and is proposing that stockholders ratify such appointment. The Company is submitting the appointment of PricewaterhouseCoopers LLP for ratification of the stockholders at the Annual Meeting.

WE MAKE NO RECOMMENDATION WITH RESPECT TO THIS PROPOSAL AND INTEND TO VOTE