

JOHNSON & JOHNSON
Form SC 13D
March 11, 2005

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934*

CLOSURE MEDICAL CORPORATION
(Name of Issuer)

Common Stock, Par Value \$0.01 Per Share
(Title of Class of Securities)

189093107
(CUSIP Number)

Steven M. Rosenberg, Esq.
James J. Bergin, Esq.
Johnson & Johnson
One Johnson & Johnson Plaza
New Brunswick, New Jersey 08933
Telephone: (732) 524-0400

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

Copy to:
Robert I. Townsend, III, Esq.
Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
(212) 474-1000

March 3, 2005
(Date of Event Which Requires Filing of this Statement)

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If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. "

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 240.13d-7(b) for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following pages)

CUSIP No. 189093107

(1)	NAMES OF REPORTING PERSONS Johnson & Johnson I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY) I.R.S. I.D. # 22-1024240	
(2)	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP: (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
(3)	SEC USE ONLY	
(4)	SOURCE OF FUNDS WC	
(5)	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) <input type="checkbox"/>	
(6)	CITIZENSHIP OR PLACE OF ORGANIZATION New Jersey	
	NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	(7) SOLE VOTING POWER None
		(8) SHARED VOTING POWER 5,055,948
		(9) SOLE DISPOSITIVE POWER None
		(10) SHARED DISPOSITIVE POWER None
(11)	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 5,055,948	
(12)	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES <input type="checkbox"/> (See Instructions)	
(13)	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 35.0%	
(14)	TYPE OF REPORTING PERSON CO	

Neither the filing of this Schedule 13D nor any of its contents shall be deemed to constitute an admission by Johnson & Johnson that it is the beneficial owner of any of the common stock of Closure Medical Corporation referred to herein for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or for any other purpose, and such beneficial ownership is expressly disclaimed.

ITEM 1. SECURITY AND ISSUER

This statement on Schedule 13D relates to the common stock, par value \$0.01 per share (the "Issuer Common Stock"), of Closure Medical Corporation, a Delaware corporation (the "Issuer"). The principal executive offices of the Issuer are located at 5250 Greens Dairy Road, Raleigh, NC 27616.

ITEM 2. IDENTITY AND BACKGROUND

(a) The name of the person filing this statement is Johnson & Johnson, a New Jersey corporation ("Johnson & Johnson").

(b) The address of the principal office and principal business of Johnson & Johnson is One Johnson & Johnson Plaza, New Brunswick, NJ 08933.

(c) Johnson & Johnson is engaged in the manufacture and sale of a broad range of products in the healthcare field in many countries of the world. Set forth in Schedule A hereto, which is incorporated herein by reference, is the name, business address, present principal occupation or employment and the name, principal business and address of any corporation or other organization in which such employment is conducted and citizenship, of each of Johnson & Johnson's directors and executive officers, as of the date hereof. Other than such directors and executive officers, there are no persons controlling Johnson & Johnson.

(d) During the past five years, neither Johnson & Johnson nor, to Johnson & Johnson's knowledge, any person named in Schedule A hereto, has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the past five years, neither Johnson & Johnson nor, to Johnson & Johnson's knowledge, any person named in Schedule A hereto, was a party to a civil proceeding of a judicial or administrative body of competent jurisdiction as a result of which such person was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activity subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Not applicable.

ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

Pursuant to the Stockholder Agreement, dated as of March 3, 2005 (the "Stockholder Agreement"), among Johnson & Johnson and certain stockholders of the Issuer set forth on Schedule A thereto (collectively, the "Stockholders"), Johnson & Johnson may be deemed to be the beneficial owner of 5,055,918 shares of Issuer Common Stock (collectively, the "Subject Shares"). Johnson & Johnson and the Stockholders entered into the Stockholder Agreement to induce Johnson & Johnson to enter into the Agreement and Plan of Merger, dated as of March 3, 2005 (the "Merger Agreement"), among Johnson & Johnson, Holden Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Johnson & Johnson ("Merger Sub"), and the Issuer. Pursuant to the Merger Agreement, Merger Sub will merge with and into the Issuer (the "Merger"), with the Issuer continuing as the surviving corporation in the Merger (the "Surviving Corporation") as a wholly owned subsidiary of Johnson & Johnson. In the Merger, each share of Issuer Common Stock will be converted into the right to receive \$27.00 in cash,

without interest. The Merger is subject to certain conditions. The descriptions of the Merger Agreement and the Stockholder Agreement contained herein are qualified in their entirety by reference to such agreements, which are attached hereto as Exhibits 1 and 2, respectively.

ITEM 4. PURPOSE OF TRANSACTION

(a)-(b) The Stockholder Agreement was entered into as a condition to the willingness of Johnson & Johnson to enter into the Merger Agreement and to increase the likelihood that the approval of the Issuer's stockholders required in connection with the Merger will be obtained. See the response to Item 3 for a more complete description of the Merger. The terms of the Stockholder Agreement apply to the Subject Shares of the Stockholder as set forth in Schedule A to the Stockholder Agreement, which is attached hereto as Exhibit 2.

(c) Not applicable.

(d) Upon consummation of the Merger, the directors of the Surviving Corporation shall be the existing directors of Merger Sub, until their resignation or removal or until their successors are duly elected and qualified. The existing directors of Merger Sub are James J. Bergin and Steven M. Rosenberg. The officers of the Surviving Corporation shall be the existing officers of Merger Sub, until their resignation or removal or until their respective successors are duly elected and qualified.

(e) Other than as a result of the Merger described in Item 3 above, not applicable.

(f) Not applicable.

(g) Upon consummation of the Merger, the Restated Certificate of Incorporation of the Surviving Corporation shall be amended to read in its entirety as set forth in Exhibit 3 to this statement on Schedule 13D, which is incorporated herein by reference, and, as so amended, shall be the Restated Certificate of Incorporation of the Surviving Corporation until thereafter changed or amended. Upon consummation of the Merger, the By-laws of Merger Sub, as in effect immediately prior to the Merger, shall be the By-laws of the Surviving Corporation until thereafter changed or amended.

(h) - (i) Upon consummation of the Merger, the Issuer Common Stock will be delisted from The Nasdaq Stock Market Inc. and will become eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act.

(j) Other than as described above, Johnson & Johnson currently has no plan or proposals which relate to, or may result in, any of the matters listed in Items 4(a) - (i) of Schedule 13D (although Johnson & Johnson reserves the right to develop such plans).

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

(a)-(b) As a result of the Stockholder Agreement, Johnson & Johnson may be deemed to be the beneficial owner of the Subject Shares. The Subject Shares constitute approximately 35.0% of the issued and outstanding shares of Issuer Common Stock, based on the Issuer's representation in the Merger Agreement that there were 14,445,563 shares of Issuer Common Stock issued and outstanding at the close of business on March 2, 2005.

Pursuant to the Stockholder Agreement, the Stockholders have agreed, among other things, (i) to vote the Subject Shares in favor of (a) the adoption of the Merger Agreement, (b) the approval of the Merger and (c) the approval of the other transactions contemplated by the Merger Agreement, (ii) to vote the Subject Shares against (a) any merger agreement or merger (other than the Merger Agreement and the Merger) or similar transaction and (b) any proposal or transaction that would impede, frustrate, prevent or nullify the Merger, the Merger Agreement or the other transactions contemplated by the Merger Agreement, (iii) not to sell, transfer, pledge, assign or otherwise dispose of any Subject Shares or enter into any arrangement with respect to the sale, transfer, pledge, assignment or other disposition of such Subject Shares, except to a family member, family trust, or charitable institution in specified circumstances and (iv) not to enter into any voting arrangement, whether by proxy, voting agreement or otherwise, with respect to any Subject Shares. Further, by their execution of the Stockholder Agreement, each Stockholder has irrevocably appointed Johnson & Johnson and Richard S. Dakers, James J. Bergin and Steven M. Rosenberg, in their capacities as officers or authorized representatives of Johnson & Johnson, and any individual who shall thereafter succeed any of them, and each of them individually, and any individual designated in writing by any of them, as his or her proxy and attorney-in-fact (the "Attorney"). The name of each Stockholder and the number of Subject Shares beneficially owned by each Stockholder are set forth in Schedule A to the Stockholder Agreement, which is attached as Exhibit 2 hereto.

In exercising its right to vote the Subject Shares as proxy and attorney-in-fact of the Stockholders, the Attorney's rights are limited to voting the Subject Shares, or granting a consent or approval with respect to the Subject Shares, (i) in favor of approval and adoption of the Merger and the Merger Agreement, (ii) against any Takeover Proposal (as such term is defined in the Merger Agreement) and (iii) against any other proposal or transaction that would impede, frustrate, prevent or nullify the Merger, the Merger Agreement or the other transactions contemplated by the Merger Agreement. The Stockholders may vote the Subject Shares on all other matters.

The Stockholder Agreement terminates upon the earlier to occur of (i) such date and time as the Merger shall become effective in accordance with the terms of the Merger Agreement and (ii) the date of termination of the Merger Agreement and (iii) at the option of any Stockholder, the execution or granting of any amendment, modification, change or waiver with respect to the Merger Agreement subsequent to the date of the Stockholder Agreement that results in any decrease in the price to be paid per share for the shares of Issuer Common Stock.

(c) Neither Johnson & Johnson nor, to the knowledge of Johnson & Johnson, any person named in Schedule A, has effected any transaction in the Issuer Common Stock during the past 60 days.

(d) Not applicable.

(e) Not applicable.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

Other than as described in Items 3, 4 and 5 and the agreements incorporated herein by reference and set forth as exhibits hereto, to the knowledge of Johnson & Johnson, there are no contracts, arrangements, understandings or relationships (legal or otherwise) among the persons

named in Item 2 and between such persons and any person with respect to any securities of the Issuer, including but not limited to transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies.

ITEM 7. MATERIALS TO BE FILED AS EXHIBITS

The following documents are filed as exhibits:

<u>Exhibit Number</u>	<u>Exhibit Name</u>
1	Agreement and Plan of Merger dated as of March 3, 2005, among Johnson & Johnson, a New Jersey corporation, Holden Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Johnson & Johnson, and Closure Medical Corporation, a Delaware corporation.
2	Stockholder Agreement dated as of March 3, 2005, among Johnson & Johnson, a New Jersey corporation, and certain stockholders of Closure Medical Corporation, a Delaware corporation.
3	Form of Restated Certificate of Incorporation of the Surviving Corporation.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

JOHNSON & JOHNSON

by

/s/ Michael H. Ullmann

Name: Michael H. Ullmann

Title: Secretary

Dated: March 11, 2005

EXHIBIT INDEX

**Exhibit
Number**

Exhibit Name

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- 2 Stockholder Agreement dated as of March 3, 2005, among Johnson & Johnson, a New Jersey corporation, and certain stockholders of Closure Medical Corporation, a Delaware corporation.
- 3 Form of Restated Certificate of Incorporation of the Surviving Corporation.

SCHEDULE A

The following is a list of the directors and executive officers of Johnson & Johnson, setting forth the present principal occupation or employment and the name and principal business of any corporation or other organization in which such employment is conducted for each such person. Unless otherwise indicated, all directors and officers listed below are citizens of the United States.

Board of Directors of Johnson & Johnson

<u>Name</u>	<u>Position</u>	<u>Present Principal Occupation</u>	<u>Business Address</u>
Gerard N. Burrow	Director	President and Chief Executive Officer, Sea Research Foundation	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
Mary Sue Coleman	Director	President, University of Michigan	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
James G. Cullen	Director	Retired President and Chief Operating Officer, Bell Atlantic Corporation	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
Robert J. Darretta	Vice Chairman, Board of Directors	Chief Financial Officer; Member, Executive Committee	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
M. Judah Folkman	Director	Director, Vascular Biology Program, Children's Hospital; Karp Family Research Laboratories, Harvard Medical School	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
Ann D. Jordan	Director	Former Director, Social Services Department, Chicago Lying-In Hospital, University of Chicago Medical Center	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933

<u>Name</u>	<u>Position</u>	<u>Present Principal Occupation</u>	<u>Business Address</u>
Arnold G. Langbo	Director	Retired Chairman of the Board and Chief Executive Officer, Kellogg Company	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
Susan L. Lindquist	Director	Member, Whitehead Institute for Biomedical Research	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
Leo F. Mullin	Director	Retired Chairman and Chief Executive Officer, Delta Air Lines, Inc.	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
Steven S Reinemund	Director	Chairman and Chief Executive Officer, PepsiCo.	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
David Satcher	Director	Interim President, Morehouse School of Medicine	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
Henry B. Schacht	Director	Senior Advisor and Director and Former Chairman of the Board and Chief Executive Officer, Lucent Technologies Inc.; Managing Director and Senior Advisor, E.M. Warburg, Pincus & Co.	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933
William C. Weldon	Chairman, Board of Directors	Chief Executive Officer; Chairman, Executive Committee	Johnson & Johnson One Johnson & Johnson Plaza New Brunswick, NJ 08933

Executive Officers of Johnson & Johnson

<u>Name</u>	<u>Position</u>
Robert J. Darretta	Member, Executive Committee; Vice Chairman, Board of Directors; Chief Financial Officer
Russell C. Deyo	Member, Executive Committee; Vice President, General Counsel
Michael J. Dormer Citizenship: United Kingdom	Member, Executive Committee; Worldwide Chairman, Medical Devices Group
Kaye I. Foster-Cheek	Member, Executive Committee; Vice President, Human Resources
Colleen A. Goggins	Member, Executive Committee; Worldwide Chairman, Consumer & Personal Care Group
JoAnn Heffernan Heisen	Member, Executive Committee; Vice President, Chief Information Officer
Per A. Peterson, M.D., Ph.D.	Member, Executive Committee; Chairman, Research & Development Pharmaceuticals Group
Christine A. Poon	Member, Executive Committee; Vice Chairman; Worldwide Chairman, Medicines & Nutritionals
Joseph C. Scodari	Member, Executive Committee; Worldwide Chairman, Pharmaceuticals Group
Nicholas J. Valierani	Member, Executive Committee; Worldwide

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Chairman, Cardiovascular
Devices & Diagnostics

William C. Weldon Chairman, Board of
Directors; Chief Executive
Officer; Chairman, Executive
Committee