

BIOMET INC
Form 424B3
January 14, 2009
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PROSPECTUS SUPPLEMENT

Filed Pursuant to Rule 424(b)(3)

**(to prospectus dated May 21, 2008 and the prospectus supplements dated July 15, 2008, August 29, 2008, September 10, 2008, October 10, 2008, October 15, 2008, and January 13, 2009)
BIOMET, INC.**

Registration No. 333-150655

\$775,000,000 10% Senior Notes due 2017

\$775,000,000 10³/₈%/11¹/₈% Senior Toggle Notes due 2017

\$1,015,000,000 11⁵/₈% Senior Subordinated Notes due 2017

This prospectus supplement updates and supplements the prospectus dated May 21, 2007 and the prospectus supplements dated July 15, 2008, August 29, 2008, September 10, 2008, October 10, 2008, October 15, 2008, and January 13, 2009.

See Risk Factors beginning on page 15 of the prospectus and on page 28 of Form 10-Q filed on January 13, 2009 for a discussion of certain risks that you should consider before investing in the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus supplement and the accompanying prospectus have been prepared for and may be used by Goldman, Sachs & Co. and any affiliates of Goldman, Sachs & Co. in connection with offers and sales of the notes related to market-making transactions in the notes affected from time to time. Goldman, Sachs & Co. or its affiliates may act as principal or agent in such transactions, including as agent for the counterparty when acting as principal or as agent for both counterparties, and may receive compensation in the form of discounts and commissions, including from both counterparties, when it acts as agents for both. Such sales will be made at prevailing market prices at the time of sale, at prices related thereto or at negotiated prices. We will not receive any proceeds from such sales.

RECENT DEVELOPMENTS

We have attached to this prospectus supplement Form 10-Q of Biomet, Inc. for the period ended November 30, 2008. The attached information updates and supplements Biomet, Inc.'s Prospectus dated May 21, 2007 and the prospectus supplements dated July 15, 2008, August 29, 2008, September 10, 2008, October 10, 2008, October 15, 2008, and January 13, 2009.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized any person to provide you with any information or represent anything about us or this offering that is not contained in this prospectus supplement and the accompanying prospectus. If given or made, any such other information or representation should not be relied upon as having been authorized by us. This prospectus supplement and the accompanying prospectus does not offer to sell nor ask for offers to buy any of the securities in any jurisdiction where it is unlawful, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities. You should not assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date on the front cover of this prospectus supplement and the accompanying prospectus or the date of any document incorporated by reference herein.

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The date of this prospectus supplement is January 14, 2009.

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

**x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the quarterly period ended November 30, 2008

OR

**.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the transition period from _____ to _____

Commission file No. 001-15601.

BIOMET, INC.

(Exact name of registrant as specified in its charter)

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Indiana
(State of incorporation)

35-1418342
(IRS Employer Identification No.)

56 East Bell Drive, Warsaw, Indiana
(Address of principal executive offices)

46582
(Zip Code)

(574) 267-6639

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by checkmark whether the registered is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of November 30, 2007, the last business day of the registrant's prior year completed second fiscal quarter, there was no established public trading market for any of the common stock of the registrant. As of November 30, 2008, there were 1,000 shares of common stock of the registrant outstanding, 100.0% of which were owned by LVB Acquisition, Inc.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements.
Biomet, Inc. and Subsidiaries Condensed Consolidated Balance Sheets***(in millions)*

	November 30, 2008 <i>(Unaudited)</i>	May 31, 2008
Assets		
Current assets:		
Cash and cash equivalents	\$ 229.3	\$ 127.6
Accounts receivable, net	483.5	486.2
Income tax receivable	48.8	48.8
Inventories	510.3	539.7
Deferred income taxes	97.1	100.7
Prepaid expenses and other	45.5	46.7
Total current assets	1,414.5	1,349.7
Property, plant and equipment, net	611.9	640.9
Investments	33.8	41.3
Intangible assets, net	5,736.3	6,208.2
Goodwill	5,103.4	5,422.8
Other assets	111.4	118.9
Total assets	\$ 13,011.3	\$ 13,781.8
Liabilities & Shareholders' Equity		
Current liabilities:		
Short-term borrowings	\$ 72.5	\$ 75.4
Accounts payable	69.6	83.7
Accrued interest	79.7	80.9
Accrued wages and commissions	64.1	79.1
Other accrued expenses	179.7	245.4
Total current liabilities	465.6	564.5
Long-term liabilities:		
Long-term debt	6,124.4	6,225.4
Deferred income taxes	1,902.7	2,112.5
Other long-term liabilities	196.7	43.1
Total liabilities	8,689.4	8,945.5
Shareholders' equity:		
Additional paid-in capital	44.6	25.8
Contributed capital	5,523.2	5,521.9
Accumulated deficit	(1,063.8)	(964.2)
Accumulated other comprehensive income (loss)	(182.1)	252.8
Total shareholders' equity	4,321.9	4,836.3
Total liabilities and shareholders' equity	\$ 13,011.3	\$ 13,781.8

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The accompanying notes are a part of the condensed consolidated financial statements.

Table of Contents**Biomet, Inc. and Subsidiaries Condensed Consolidated Statements of Operations***(in millions)*

	(Unaudited) Three Months Ended November 30,		(Unaudited) Six Months Ended November 30,	(Unaudited) July 12 - November 30, 2007 (Successor)	June 1 - July 11, 2007 (Predecessor)
	2008	2007	2008		
Net sales	\$ 642.8	\$ 607.2	\$ 1,249.8	\$ 895.8	\$ 248.8
Cost of sales	194.9	244.6	376.4	351.4	102.3
Gross margin	447.9	362.6	873.4	544.4	146.5
Selling, general and administrative expense	254.7	413.2	508.2	600.5	194.2
Research and development expense	23.4	21.9	46.9	35.5	34.0
In-process research and development		86.2		479.0	
Amortization	89.8	92.3	181.3	137.5	0.5
Operating income (loss)	80.0	(251.0)	137.0	(708.1)	(82.2)
Interest expense, net	(139.2)	(148.7)	(280.3)	(229.1)	(0.3)
Other income (expense)	(11.6)	(4.9)	(20.6)	0.5	0.6
Other income (expense), net	(150.8)	(153.6)	(300.9)	(228.6)	0.3
Loss before income taxes	(70.8)	(404.6)	(163.9)	(936.7)	(81.9)
Benefit from income taxes	(31.1)	(102.6)	(64.3)	(152.5)	(27.3)
Net loss	\$ (39.7)	\$ (302.0)	\$ (99.6)	\$ (784.2)	\$ (54.6)

The accompanying notes are a part of the condensed consolidated financial statements.

Table of Contents**Biomet, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows***(in millions)*

	(Unaudited) Six Months Ended November 30, 2008	(Unaudited) July 12 - November 30, 2007 (Successor)	June 1 - July 11, 2007 (Predecessor)
Cash flows provided by (used in) operating activities:			
Net loss	\$ (99.6)	\$ (784.2)	\$ (54.6)
Adjustments to reconcile net loss to net cash from operating activities:			
Depreciation and amortization	261.4	195.2	9.3
Amortization of deferred financing costs	5.7	4.7	
In-process research and development		479.0	
Stock-based compensation expense	18.8		
Inventory step-up related to merger		92.3	
Allowance for doubtful accounts receivable	(3.5)		
Loss (gain) and impairment on investments	6.5		(7.0)
Provision for inventory obsolescence	0.4		
Deferred income taxes	(69.7)	(248.3)	76.7
Excess tax benefit from exercise of stock options			(3.9)
Other	(0.1)	(0.3)	
Changes in operating assets and liabilities, net of effects from acquisitions:			
Accounts receivable	(40.5)	(29.7)	5.8
Inventories	(25.5)	20.5	(12.0)
Prepaid expenses	(2.6)	35.8	
Accounts payable	(6.7)	(9.9)	(1.6)
Income taxes	(5.7)	27.9	
Accrued interest	(0.8)	106.3	
Share-based compensation accrual related to merger			112.8
Other	9.5	110.1	(66.1)
Net cash provided by (used in) operating activities	47.6	(0.6)	59.4
Cash flows provided by (used in) investing activities:			
Net proceeds from investments		95.8	42.8
Capital expenditures	(92.9)	(76.7)	(22.0)
Acquisitions, net of cash acquired	(2.2)	(0.4)	(9.8)