

VERMILLION, INC.  
Form DEFA14A  
March 07, 2012

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the**

**Securities Exchange Act of 1934**

**(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**Vermillion, Inc.**

**(Name of Registrant as Specified In Its Charter)**

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(2) Form, Schedule or Registration Statement No.:

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**VERMILLION, INC. ACKNOWLEDGES RECEIPT OF DIRECTOR NOMINATIONS**

Vermillion, Inc. (the Company or Vermillion ) acknowledges that it has received notice from György B. Bessenyei of his intention to nominate two individuals Robert S. Goggin and Gregory V. Novak to the Company s Board of Directors at its 2012 annual meeting of stockholders.

Vermillion is reviewing Mr. Bessenyei s notice for compliance with the Company s governing documents and applicable law.

Mr. Bessenyei, Mr. Goggin and Mr. Novak (the Group ) also filed with the U.S. Securities and Exchange Commission a press release dated as of February 29, 2012 and other soliciting materials regarding the Group s intended nominations for directors at the Company s 2012 annual meeting of stockholders.

The Company s Board of Directors (the Board ) notes that it and the Company s management team are committed to acting in the best interests of the Company and all of its stockholders, and are receptive to productive dialogue with the Company s stockholders. The Company notes that neither Mr. Goggin nor Mr. Novak has contacted the Company to introduce himself, to discuss his desire to be a member of the Board, or to share any suggestions that would benefit the Company and all stockholders, and therefore the Company has no comment regarding the nominees at this point in time. The Company s experience with Mr. Goggin is limited to his participation in an unsuccessful legal action against the Company and its Board during 2011 relating to corporate governance matters.

The Company notes that from the biographies submitted of Mr. Goggin and Mr. Novak, both nominees are attorneys who have spent their careers in private practice, with no apparent experience in medical diagnostics, and no apparent public company board or management experience.

The Company notes that the Board consists of seven highly qualified and experienced directors with considerable management experience in medical diagnostics and other healthcare products, two of whom are up for re-election at the Company s 2012 annual meeting of stockholders. Members of the Board and their affiliates beneficially own an aggregate of approximately 5.4% of the outstanding shares of the Company s common stock.

The Company would advise its stockholders to be cautious with regard to the sales predictions and valuations contained in the recent communications from the Group, as the Company has no knowledge of the basis of these claims and cannot be certain that all of the pertinent facts are known and have been considered.

The Company remains committed to enhancing stockholder value and will evaluate all nominees and make recommendations that it believes are in the best interests of the Company s stockholders.

Paul Hastings LLP is serving as legal advisor to Vermillion.

**Important Additional Information**

In connection with its 2012 annual meeting of stockholders, the Company will file with the Securities and Exchange Commission ( SEC ) a proxy statement and other documents regarding the 2012 annual meeting, and will also mail to each stockholder of record entitled to vote at the 2012 annual meeting the definitive proxy statement and a proxy card. **STOCKHOLDERS ARE STRONGLY ADVISED TO READ THE COMPANY S 2012 PROXY STATEMENT AND ANY OTHER SOLICITING MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THESE DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION.** When they are available, the proxy statement and other documents relating to the 2012 annual meeting of stockholders may be obtained free of charge from the SEC s Electronic Data Gathering Analysis and Retrieval system ( EDGAR ) at [www.sec.gov](http://www.sec.gov) or from the Company at its website, [www.vermillion.com](http://www.vermillion.com), under Investors SEC Filings.

The Company and its directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the Company's 2012 annual meeting of stockholders. Detailed information concerning the Company's directors and officers is available in the Company's proxy statement for its 2011 annual meeting of stockholders filed with the SEC on April 28, 2011, as well as in other public filings made by the Company with the SEC. Additional information regarding the Company's directors, executive officers and other persons who may, under rules of the SEC, be considered to be participants in the solicitation of proxies for the 2012 annual meeting of stockholders, including their respective interests by security holdings or otherwise, will be set forth in the definitive proxy statement for the Company's 2012 annual meeting of stockholders when it is filed with the SEC.

### **Forward-Looking Statements**

Certain matters discussed herein contain forward-looking statements that involve significant risks and uncertainties, including statements regarding Vermillion's plans, objectives, expectations and intentions. These forward-looking statements are based on Vermillion's current expectations. The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for such forward-looking statements. In order to comply with the terms of the safe harbor, Vermillion notes that a variety of factors could cause actual results and experience to differ materially from the anticipated results or other expectations expressed in such forward-looking statements. Factors that could cause actual results to materially differ include but are not limited to: (1) uncertainty as to Vermillion's ability to protect and promote its proprietary technology; (2) Vermillion's lack of a lengthy track record successfully developing and commercializing diagnostic products; (3) uncertainty as to whether Vermillion will be able to obtain any required regulatory approval of its future diagnostic products; (4) uncertainty of the size of market for its existing diagnostic tests or future diagnostic products, including the risk that its products will not be competitive with products offered by other companies, or that patients will not be able to receive reimbursement for Vermillion's tests from third party payors such as private insurance companies and government insurance plans; (5) uncertainty whether Vermillion will successfully license or otherwise successfully partner with third parties to commercialize its future products; (6) uncertainty whether the trading in Vermillion's stock will become significantly less liquid or more volatile; and (7) other factors that might be described from time to time in Vermillion's filings with the SEC. All information herein is as of the date of this report, and Vermillion expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any such statements to reflect any change in Vermillion's expectations or any change in events, conditions or circumstances on which any such statement is based, unless required by law.

This should be read in conjunction with the consolidated financial statements and notes thereto included in our most recent reports on Form 10-K and Form 10-Q. Copies are available via EDGAR at [www.sec.gov](http://www.sec.gov).

### **About Vermillion**

Vermillion, Inc. (NASDAQ: VRML) is dedicated to the discovery, development and commercialization of novel high-value diagnostic tests that help physicians diagnose, treat and improve outcomes for patients. Vermillion, along with its prestigious scientific collaborators, has diagnostic programs in oncology, hematology, cardiology and women's health. Additional information about Vermillion can be found at [www.vermillion.com](http://www.vermillion.com).

### **Investor Relations Contact:**

Liolios Group, Inc.

Ron Both

Tel 949-574-3860

[VRML@liolios.com](mailto:VRML@liolios.com)