

BOSTON BIOMEDICA INC
Form PRER14A
June 28, 2004

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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 (Amendment No. 1)

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 Rule 14a-12

BOSTON BIOMEDICA, 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.
- 1) Title of each class of securities to which transaction applies:
Not Applicable
-
- 2) Aggregate number of securities to which transaction applies:
Not Applicable
-
- 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):

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The fee is calculated based multiplying \$.0001267 by the purchase price to be received by the registrant.

4) Proposed maximum aggregate value of transaction:
\$30,000,000

5) Total fee paid:
\$3,801 (paid on May 11, 2004)

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:

BOSTON BIOMEDICA, INC.
375 West Street
West Bridgewater, Massachusetts 02379

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD , 2004

You are hereby given notice of and invited to attend in person or by proxy a special meeting of stockholders of Boston Biomedica, Inc. (the "Company") to be held at 375 West Street, West Bridgewater, Massachusetts 02379 on , 2004, at 4:00 p.m., local time, for the following purposes:

1. To consider and act upon a proposal to sell the assets of the Company's BBI Diagnostics and BBI Biotech business units, which assets constitute substantially all of the assets of the Company, to SeraCare Life Sciences, Inc. ("SeraCare") for cash pursuant to the terms and conditions of that certain Asset Purchase Agreement dated April 16, 2004 between the Company, BBI Biotech Research Laboratories, Inc. and SeraCare.
2. To consider and act upon a proposal to amend the Company's Restated Articles of Organization, as amended, to change the corporate name of the Company to "Pressure BioSciences, Inc." promptly following the completion of the sale to SeraCare.
3. To consider and act upon a proposal to grant the persons named as proxies discretionary authority to vote to adjourn the special meeting, if necessary, to solicit additional proxies to vote in favor of Proposal Nos. 1 and 2.
4. To transact such other business as may properly come before the special meeting and any adjournment thereof.

The board of directors has fixed the close of business on , 2004, as the record date (the "Record Date") for the determination of stockholders entitled to notice of and to vote at the special meeting and any adjournments thereof. Only stockholders at the close of business on the Record Date are entitled to notice of and to vote at the special meeting.

For the reasons set forth in the proxy statement, our board of directors unanimously recommends that you vote "FOR" Proposal Nos. 1, 2 and 3.

Because the transactions contemplated by Proposal No. 1 involve the sale of substantially all of our assets, we have concluded that stockholders are entitled to assert appraisal rights under Chapter 156D, the Massachusetts Business Corporation Act, of the Massachusetts General Laws, provided that the stockholder strictly complies with the procedures in Chapter 156D, as described further in the accompanying proxy statement.

You are cordially invited to attend the special meeting. However, whether or not you expect to attend the special meeting, it is very important for your shares to be represented at the meeting. We respectfully request that you promptly date, execute and mail the enclosed proxy in the enclosed stamped envelope for which no additional postage is required if mailed in the United States. A proxy may be revoked by a stockholder by notifying the Clerk of the Company in writing at any time before the vote at the special meeting, by executing and delivering a subsequent dated proxy and delivering it to the Company before the vote at the special meeting, or by personally appearing at the special meeting and casting your vote, each as specified in the enclosed proxy statement. **YOUR VOTE IS IMPORTANT. PLEASE PROMPTLY EXECUTE AND RETURN THE ENCLOSED PROXY CARD IN THE ENVELOPE PROVIDED.**

By Order of the Board of Directors:

Kathleen W. Benjamin, Clerk

Dated : , 2004

West Bridgewater, Massachusetts

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SUMMARY TERM SHEET

This summary highlights the material terms of the proposed sale of assets of our BBI Diagnostics and BBI Biotech business units to SeraCare Life Sciences. This summary highlights selected information in this proxy statement and may not contain all of the information that may be important to you when evaluating the proposed transaction. To understand the proposed transaction fully and for a more complete description of the terms of the transaction, you should carefully read this proxy statement and the asset purchase agreement between us and SeraCare, a copy of which is attached to this proxy statement as Appendix A. We have included page references in this summary to direct you to a more complete discussion in the proxy statement.

Parties to the Transaction. The parties to the proposed transaction are Boston Biomedica, Inc. and BBI Biotech Research Laboratories, Inc., as seller, and SeraCare Life Sciences, Inc., as buyer. See "Proposal No. 1 Sale of Our BBI Core Businesses The Companies" beginning on page 19.

The Companies.

We are engaged in the business of providing products and services to help ensure the accuracy of laboratory test results for infectious diseases such as AIDS and viral hepatitis. Our core operations, which consist of our BBI Diagnostics and BBI Biotech business units, have generated revenue of approximately \$21.8 million, \$21.8 million and \$20.7 million and net income of approximately \$1.4 million, \$1.2 million and \$1.5 million for fiscal 2003, 2002 and 2001, respectively. These two business units are collectively referred to herein as the "BBI Core Businesses". Our BBI Diagnostics business unit develops, manufactures, markets and sells quality control products used to monitor and measure the performance of infectious disease test kits. Our BBI Biotech business unit, which is operated through BBI Biotech Research Laboratories, one of our wholly owned subsidiaries, performs research and development support for quality control products and specialty reagents, molecular and cellular biology services, blood and tissue processing, repository services, clinical trials for domestic and foreign test kits and device manufacturers, and contract research for the National Institutes of Health (NIH).

Our remaining operations currently consist of our Pressure Cycling Technology (sometimes referred to as "PCT" or "BBI Bioseq") business unit. Our PCT business unit generated revenue of approximately \$674,000, \$717,000 and \$392,000 and net losses of \$1.6 million, \$2.2 million and \$1.5 million for fiscal

2003, 2002 and 2001, respectively. Our PCT business unit is pursuing research, development and commercialization of products using our pressure cycling technology. Our pressure cycling technology uses an instrument capable of cycling between low and high pressures to rapidly, reversibly and repeatedly control the interactions of biomolecules. Our Barocycler instrument releases nucleic acids and proteins from plant and animal tissues and cells, as well as from other organisms, that are not easily disrupted by standard physical and chemical methods.

SeraCare Life Sciences manufactures and sells human and animal-based diagnostic, therapeutic and research products. SeraCare's primary focus includes the development and sale of human and animal blood-based diagnostic, therapeutic and research products to domestic and international customers. SeraCare also provides antibody-based products, which are used as active ingredients in therapeutic products and in diagnostic products.

For a further description of the companies involved in the proposed transaction, please see "Proposal No. 1 Sale of Our BBI Core Businesses The Companies" beginning on page 19.

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Assets to be Sold. In the proposed transaction, we have agreed to sell to SeraCare all of our right, title and interest in the business, properties, assets and rights that relate to our BBI Core Businesses, including the following:

all accounts and notes receivable;

contract rights;

owned and leased real property;

fixtures and equipment;

inventory;

intellectual property; and

books and records.

See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Assets Sold" beginning on page 52.

Assets to be Retained. If the proposed transaction is completed, we will retain the following:

all assets owned by us and BBI BioSeq, Inc. that do not relate to the BBI Core Businesses, which include all assets relating to our pressure cycling technology activities, and all assets owned by BBI Source Scientific;

corporate assets not relating to the businesses being sold, such as the books and records of BBI Clinical Laboratories, Inc. and BBI not relating to the businesses being sold, and certain computers;

our 4.45% passive stock ownership interest in Panacos Pharmaceuticals, Inc., including our records relating to our ownership interest;

our 30% ownership interest in the newly formed limited liability company which recently purchased substantially all of the assets of our BBI Source Scientific business unit;

intercompany receivables and payables;

a \$1.0 million loan receivable plus accrued interest from Richard T. Schumacher, our founder, Chief Executive Officer and a director; and

all of our cash and cash equivalents.

See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Assets Retained" beginning on page 53.

Liabilities to be Assumed by SeraCare. As partial consideration for the purchase of the assets, SeraCare will assume certain liabilities related to the BBI Core Businesses, including the following:

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all of our accounts payable, accrued compensation and vacation, accrued expenses and notes payable set forth on our balance sheet dated December 31, 2003 or incurred in the ordinary course of business after that date and through the closing;

our loan secured by a first mortgage on our owned real property located in West Bridgewater, Massachusetts;

all liabilities accruing, arising out of, or relating to events or occurrences after the closing date under contracts and leases assumed by SeraCare;

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all tax liabilities arising from the operation of the BBI Core Businesses after the closing date; and

certain liabilities relating to our employees who are rehired by SeraCare.

See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Assumed Liabilities" beginning on page 53.

Purchase Price. SeraCare has agreed to purchase the assets of the BBI Core Businesses for a purchase price of \$30 million in cash. The purchase price is subject to increase or decrease on a dollar-for-dollar basis if the net asset value (as defined in the asset purchase agreement) of the assets being sold as of the closing date is greater or less than \$8.5 million. As of April 30, 2004, we estimated that the net asset value was approximately \$9.0 million. At the closing, \$2.5 million of the aggregate purchase price will be deposited into an escrow account to be held in escrow for a period of 18 months to secure payment of our indemnification obligations under the asset purchase agreement. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Purchase Price; Escrow and Post-Closing Adjustment" beginning on page 54.

Nature of Our Business Following the Sale of Assets. Following the closing of the proposed sale to SeraCare, we expect that our operations will focus primarily on our pressure cycling technology business. Our board of directors expects to continue to explore strategic opportunities with respect to our remaining business. These opportunities may include investing in and expanding our pressure cycling technology activities, developing strategic relationships to grow our pressure cycling technology business, acquiring, investing in, or developing new lines of business that may or may not relate to our pressure cycling technology business or divesting any remaining portions of the business. In furtherance of these opportunities, on June 2, 2004 we completed the sale of substantially all of the assets and selected liabilities of our BBI Source Scientific business unit to a newly formed limited liability company in which we retain a 30% ownership interest. In connection with the transaction, we received secured promissory notes in the principal amount of \$900,000, which, together with accrued interest, are due on or before May 31, 2007. The aggregate principal amount of the notes may be reduced to \$720,000 if the notes are paid in full by May 31, 2005 or \$810,000 if the notes are paid in full by May 31, 2006. The notes are secured by pledges of the purchasers' ownership interests in the newly formed limited liability company. The new instrumentation company has agreed to provide engineering, manufacturing, and other related services for our pressure cycling technology products until September 30, 2005. Assuming we complete the sale of our BBI Core Businesses, our primary business operations will consist of our remaining pressure cycling technology business, and, in addition, we will continue to own our 30% ownership interest in the newly formed limited liability company that purchased our BBI Source Scientific assets, and our 4.45% passive ownership interest in Panacos Pharmaceuticals, Inc. See "Proposal No. 1 Sale of Our BBI Core Businesses Nature of Our Business Following the Sale to SeraCare" beginning on page 29.

Fairness Opinion Relating to the Sale of Assets. In deciding to approve the proposed sale to SeraCare, our board of directors considered the opinion of its financial advisor, William Blair & Company, LLC, that, as of April 16, 2004, based upon and subject to the various considerations set forth in its opinion, the aggregate payment of \$30 million, as it may be adjusted as set forth in the asset purchase agreement, was fair, from a financial point of view, to our company. As described further under the heading "Opinion of Financial Advisor", under the terms of our engagement letter with William Blair, we have agreed to pay William Blair a fee of \$450,000 contingent upon completion of the sale of assets to SeraCare. Mr. Richard P. Kiphart, an investor who beneficially owns or controls approximately 23% of the outstanding shares of our common stock as of April 30, 2004, is a Principal and Head of the Corporate Finance Department of William Blair. Mr. Kiphart did not assist William Blair in giving its fairness

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opinion. The complete William Blair opinion, including applicable limitations and assumptions describing the basis for the opinion is attached as Appendix B to this proxy statement. See "Proposal No. 1 Sale of Our BBI Core Businesses Opinion of Financial Advisor" beginning on page 34.

Reasons for the Sale of Our Diagnostics and Biotech Business. Our board of directors believes the proposed sale of the BBI Core Businesses to SeraCare is in the best interests of our company and our stockholders. Our board of directors has identified, among others, the following reasons for engaging in the proposed transaction:

The judgment of our board of directors that we need to focus on either the BBI Core Businesses or our pressure cycling technology business due to, among other things, the limited availability of funds, resources and management time required to develop each of these businesses, both of which involve different markets, products and customers;

The limited valuation that we believe the capital markets attribute to our pressure cycling technology business when combined with our BBI Core Businesses;

The lack of significant interest of potential buyers for our pressure cycling technology business at satisfactory prices;

Our belief that the early stage of commercialization of our pressure cycling technology business makes it unlikely that a sales price could be obtained for this business that reflects our belief in the potential future prospects for this business.

The future growth of the BBI Core Businesses will require significant capital and will require us to incur substantial costs and resources to increase the revenues and profitability of the BBI Core Businesses;

Our belief that the market for our BBI Core Businesses is becoming increasingly competitive and that many of our competitors have substantially more resources than us;

Our evaluation of the positive and negative considerations of continuing our overall business as is currently operated, selling just our BBI Core Businesses as opposed to our whole company, and our ability to sell or spin-off our pressure cycling technology business, as further described below under the heading "Positive and Negative Considerations Relating to Business Strategy";

The opinion of William Blair as to the fairness, from a financial point of view, of the consideration to be received by us in the proposed sale to SeraCare;

The terms of the asset purchase agreement and the aggregate cash purchase price to be received from SeraCare for the purchased assets;

The ability to use a small but, in the opinion of our board of directors, sufficient portion of the proceeds from the sale of the BBI Core Businesses to SeraCare to pursue our growth strategy for our pressure cycling technology products and services;

The opportunity to attract new investors that value our pressure cycling technology business, that we believe previously would not invest due to our principal focus on our BBI Core Businesses;

Our intention to use part of the proceeds from the sale of the BBI Core Businesses to SeraCare to commence an issuer tender offer to purchase up to an aggregate of 6,000,000 shares of our common stock in exchange for a cash

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payment currently expected to be \$3.50 per share, which will provide stockholders with the opportunity to decide whether to tender and sell their stock or remain a stockholder and participate in our remaining pressure

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cycling technology activities. On April 15, 2004, the day before we announced the proposed transaction with SeraCare, the closing price of our common stock as quoted on the Nasdaq National Market was \$2.65 per share. Although we expect to commence a tender offer shortly following the closing, you should be aware that it is possible that we will not commence the tender offer or the cash payment we expect to offer could be substantially less than we currently anticipate due to unanticipated events or circumstances beyond our control or unforeseen liabilities or contingencies; and

The opportunity for existing investors who favor the BBI Core Businesses to be able to continue their investment in these businesses by investing in SeraCare, a publicly traded company.

See Proposal No. 1 Sale of Our BBI Core Businesses Reasons for the Sale of Our BBI Core Businesses to SeraCare" beginning on page 29.

Positive and Negative Considerations Relating to Business Strategy. In determining to sell our BBI Core Businesses, our board of directors considered a number of positive and negative factors with respect to our business strategies. These considerations included the following:

Continuing as is and continue to fund our research and development and sales and marketing requirements of our pressure cycling technology business unit from existing cash flow from our BBI Core Businesses.

While our board of directors determined that this strategy would be viable in the short term, our board believes that we are unlikely to be a sustainable business without securing significant additional funding. Furthermore, our board concluded that our BBI Core Businesses would suffer rather than grow and improve if funds generated by these businesses were not reinvested. Our board expects that the BBI Core Businesses will require additional capital in order to grow and improve, which may be difficult in an increasingly competitive market while continuing to fund our pressure cycling technology operations. Our board also believes that our pressure cycling technology operations are not valued appropriately by the capital markets because these operations are combined with our BBI Core Businesses, and, therefore our stockholders have been unable to realize the value of our pressure cycling technology operations from the trading price of our common stock.

Sell or spin-off our pressure cycling technology operations and refocus our efforts on our BBI Core Businesses. Our board of directors believes that this strategy does not allow the company or our stockholders to obtain the true value of our pressure cycling technology business. The board believes that because our pressure cycling technology business needs further development and has had very limited sales to date, we are unlikely to sell that business for a price that the board deemed to be fair to stockholders in light of the substantial investment made by our company in this technology. This belief is substantiated by the fact that the parties who expressed interest in engaging in a transaction with us, including SeraCare, have not been interested in acquiring our pressure cycling technology operations for any significant additional consideration. In addition, we have not received any significant interest from third parties in acquiring our pressure cycling technology in the context of William Blair's solicitation of interested parties in our BBI Core Businesses. The board also believes that it is not in our best interests to spin-off our PCT business unit because it would be difficult to fund that business following the spin-off and there would be significant costs associated with such a spin-off.

Secure a strategic partner to share the cost of operating and funding our pressure cycling technology business unit in exchange for some rights to our pressure cycling technology. The purpose of this approach would be to fund pressure cycling technology research and development and sales and marketing costs until we achieve positive cash flow and

profitability. However, our board of directors believes that our pressure cycling technology is still relatively early in the commercialization process and, therefore, we are unlikely to secure such a strategic partner or we would need to give up disproportionately greater value to obtain funding from a strategic partner now, rather than in later stages of development when we might have additional products and commercial sales. Our board of directors believes that the longer we retain control over our pressure cycling technology product platform, the more valuable our pressure cycling technology products will become to potential partners, licensees and/or acquirers. Therefore our board of directors believes that our stockholders will have an opportunity to benefit from the potential improved valuation if we continue to pursue our pressure cycling technology independently.

Sell the BBI Core Businesses and become focused solely on further developing and commercializing our pressure cycling technology products. Our board of directors believes this approach positions us in what we believe to be some of the most promising prospects for our company due to the size of the molecular biology consumables market which our pressure cycling technology products can potentially serve as compared to the overall market for *in vitro* diagnostics quality control products which our BBI Core Businesses serve. Through the use of a portion of the proceeds from the sale of our BBI Core Businesses, we will have at least a portion of the needed capital to further our development of our pressure cycling technology product platform and our sales and marketing efforts. This approach also provides us with the opportunity to use a majority of the proceeds from the sale of assets to engage in an issuer tender offer following the closing which will provide our stockholders with the opportunity to tender their shares of our common stock for \$3.50 per share and sell their shares of our common stock in an otherwise relatively illiquid stock. It also gives our stockholders the opportunity to continue their investment in our remaining pressure cycling technology activities by

choosing not to tender their shares of our common stock in our issuer tender offer. Furthermore, it also allows investors who prefer an intermediate approach to tender some of their shares of common stock for cash, and to keep their remaining shares as an investment in our pressure cycling technology activities.

For a more detailed description of these alternatives see "Proposal No. 1 Sale of Our BBI Core Businesses; Reasons for the Sale of our BBI Core Businesses to SeraCare Strategic Alternatives" beginning on page 30.

Potential Drawbacks of the Sale to SeraCare. In deciding how to vote on the proposal to sell our BBI Core Businesses to SeraCare, you should consider the following potential drawbacks if the sale is completed:

we will become less diversified, and our business will become dependent on the success of our pressure cycling technology products and services, which has a limited operating history, has incurred losses and has generated a limited amount of revenues to date;

we will be selling our only significant revenue generating assets and the business units that we will retain have historically generated losses and are not as advanced as our BBI Core Businesses;

the sales cycle of our pressure cycling technology products has been lengthy and as a result, we have incurred and may continue to incur significant expenses before we generate any significant revenues related to those products. To date, we have leased one and sold only two pressure cycling technology systems;

we may need additional financing for our pressure cycling technology activities and there can be no assurance that we will obtain such financing on acceptable terms;

we may be unable to adequately respond to rapid changes in technology; and

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following the closing of the sale to SeraCare, your ability to sell your stock may be extremely limited because of a lack of an active trading market if our common stock is delisted from the Nasdaq Stock Market or if we otherwise choose to terminate our reporting requirements if permitted under applicable laws and regulations.

See also those risks identified under the heading "Proposal No. 1 Sale of Our BBI Core Businesses; Risk Factors" beginning on page 46.

Asset Purchase Agreement. The asset purchase agreement is attached to this proxy statement as Appendix A. We encourage you to read the asset purchase agreement in its entirety, as it is the legal document that governs the proposed transaction between us and SeraCare.

Representations and Warranties of the Parties. The asset purchase agreement contains various customary representations and warranties made by each of the parties to the agreement. The principal representations and warranties we are making to SeraCare include representations and warranties relating to the following: title and operating condition to the purchased assets; contracts and commitments; our SEC filings and financial statements; litigation matters; labor and employment matters; absence of undisclosed liabilities; compliance with applicable laws; intellectual property matters, including our ownership of our proprietary rights; employee benefit plans and employee matters; transactions with affiliated persons; tax matters; accounts receivable; inventory; compliance with environmental laws; product returns and warranties; and accuracy of information provided by us.

The principal representations and warranties made by SeraCare to us include representations and warranties relating to the following: SeraCare's SEC filings and financial statements; and SeraCare's financial resources and commitment letters for financing.

For a more complete listing of representations and warranties made by the parties, please see "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Representations and Warranties" beginning on page 55.

Conditions to Completion of the Sale of Assets. Each party's obligation to complete the sale of assets is subject to the prior satisfaction or waiver of certain conditions. The following list sets forth the material conditions that must be satisfied or waived before completion of the proposed transaction:

Our stockholders must approve the transaction;

Since December 31, 2003, there shall have been no material adverse change with respect to the BBI Core Businesses or the purchased assets;

We shall have delivered to SeraCare all documents necessary to release liens and other encumbrances on the purchased assets, except for certain permitted liens and encumbrances;

We shall have obtained all necessary third party consents to the sale;

SeraCare shall have received financing to pay the purchase price at closing; and

Other customary closing conditions.

Voting Agreement. Mr. Richard T. Schumacher, our founder, Chief Executive Officer and a member of our board of directors, and Mr. Richard Kiphart (together with his daughter and the fund in which he is the general partner) have entered into voting agreements with SeraCare and have agreed to vote in favor of the asset purchase agreement and the transactions contemplated by the asset purchase agreement. Collectively, Mr. Schumacher and Mr. Kiphart (together with his daughter and the fund in which he is the general partner) currently hold approximately 32%

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of the issued and outstanding shares of our common stock. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Other Agreements Relating to the Asset Sale; Voting Agreements" beginning on page 63.

No Solicitation. Until the date of closing or earlier termination of the asset purchase agreement, we have agreed that we will not solicit, initiate, encourage or induce any acquisition proposal (as defined in the asset purchase agreement) or otherwise participate in discussions or negotiations or approve or recommend any acquisition proposal, except in compliance with the terms of the asset purchase agreement. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Solicitation; Withdrawal of Recommendation by Our Board of Directors" beginning on page 58.

Conduct of Business. We have agreed to operate the BBI Core Businesses in the ordinary course of business and substantially in accordance with past practice prior to the closing date. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Covenants" beginning on page 57.

Our Indemnification Obligations. Subject to the limitations in the asset purchase agreement, we have agreed to indemnify SeraCare and other related persons for any damages incurred by SeraCare in connection with a breach of our representations and warranties, covenants or agreements contained in the asset purchase agreement, and in connection with certain other excluded liabilities and matters specified in the asset purchase agreement. SeraCare will deposit \$2.5 million of the purchase price to be held in escrow to pay any of our indemnification obligations which may arise for a period of 18 months following the closing of the sale to SeraCare. To the extent that the funds held in escrow are insufficient to pay the damages or to the extent an indemnification obligation arises after any remaining portion of the escrow funds are released, we will be required to pay the damages from the working capital of our remaining operations following the closing. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Indemnification" beginning on page 64.

SeraCare's Indemnification Obligations. SeraCare has agreed to indemnify us and other related persons for any damages incurred in connection with a breach of its representations and warranties, covenants and agreements contained in the asset purchase agreement, and in connection with certain other assumed liabilities and matters specified in the asset purchase agreement. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Indemnification" beginning on page 64.

Termination of the Asset Purchase Agreement. The asset purchase agreement may be terminated at any time prior to the closing:

By mutual written consent of the parties;

By either party if the closing has not occurred on or before August 15, 2004, subject to certain limitations described in the asset purchase agreement;

By either party if a final nonappealable order, decree, ruling or other action is issued by a governmental entity or court of competent jurisdiction which permanently restrains, enjoins or otherwise prohibits the completion of the sale of the BBI Core Businesses;

By either party if our stockholders do not approve of the proposed transaction;

By us if SeraCare breaches any representation or warranty or covenant or agreement such that our conditions to closing would not be satisfied, subject to our opportunity to cure the breach as provided in the asset purchase agreement;

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By SeraCare if we breach any representation or warranty or covenant or agreement such that SeraCare's conditions to closing would not be satisfied, subject to an opportunity to cure the breach as provided in the asset purchase agreement;

By SeraCare if one of a number of other triggering events (as defined in the asset purchase agreement) occurs, including if our Board of Directors withdraws its recommendation to stockholders to vote in favor of the approval of Proposal No. 1; and

By us if SeraCare has not obtained the financing for the purchase price by August 15, 2004, and all of SeraCare's other conditions to closing have been satisfied.

See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Termination of the Asset Purchase Agreement" beginning on page 65.

BBI's Obligation upon Termination. In the event the asset purchase agreement is terminated for certain reasons set forth in the asset purchase agreement, we will be required to pay SeraCare a termination fee in the amount of \$600,000 and, if we enter into or complete an acquisition transaction (as defined in the asset purchase agreement), for an acquisition price of \$35 million or more within one year following such termination, we will be required to pay an additional amount equal to the difference between 3% of the aggregate purchase price paid in the acquisition transaction and the \$600,000 we already paid to SeraCare. We are also required to pay this termination fee in other cases if the proposed transaction with SeraCare is terminated for certain other reasons set forth in the asset purchase agreement and we complete an acquisition transaction within one year following termination assuming we received an acquisition proposal prior to the termination of the asset purchase agreement with SeraCare. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Payment of Termination Fee" beginning on page 66.

SeraCare's Obligation upon Termination. In the event we terminate the asset purchase agreement because SeraCare fails to obtain financing prior to August 15, 2004 and all of SeraCare's other conditions to closing have been satisfied by such time, SeraCare has agreed to pay us a termination fee in the amount of \$600,000. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Payment of Termination Fee" beginning on page 66.

Post-Closing Agreements.

We have agreed with SeraCare that we will not compete with SeraCare in the businesses being sold for a period of five (5) years after the closing, subject to certain limited exceptions. We have also agreed that for one and one-half years following the closing, we will not induce any of our former employees who are rehired by SeraCare to accept any other employment or position or assist any other entity in hiring any such employee. Mr. Richard T. Schumacher, our founder, Chief Executive Officer and a director, has also agreed to similar non-compete and non-solicitation provisions for a period of two years and one and one-half years, respectively, following the closing. See "Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Other Agreements Relating to the Asset Sale; Non-Competition and Non-Solicitation Agreements" beginning on page 62.

We have agreed with SeraCare that following the closing we will request the appropriate governmental authorities to novate certain identified government contracts.

We will enter into a transition services agreement with SeraCare whereby SeraCare will, among other things, provide us with access to certain office and laboratory space at the BBI Biotech facility in Gaithersburg, Maryland, allow us to use certain laboratory equipment for our remaining operations for 12 months following the closing and make available to us certain of our former employees who are rehired by SeraCare. See "Proposal No. 1 Sale

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of Our BBI Core Businesses Asset Purchase Agreement; Other Agreements Relating to the Asset Sale; Transition Services Agreement" beginning on page 62.

Recommendation of Our Board of Directors. Our board of directors has unanimously approved the proposed sale to SeraCare and recommends that you vote FOR Proposal No. 1, the sale of our BBI Core Businesses; Recommendation of the Board of Directors" beginning on page 34.

Appraisal Rights. Under Massachusetts law, you are entitled to appraisal rights in connection with our sale of substantially all of our assets, and you can obtain payment of the fair value of your shares, if you strictly comply with all of the requirements of Massachusetts law, as described on pages 40 through 44 and Appendix C of this proxy statement. See Proposal No. 1 Sale of Our BBI Core Businesses Asset Purchase Agreement; Appraisal Rights" beginning on page 40.

Material Federal Income Tax Consequences. The sale to SeraCare is a taxable event to us. We will recognize taxable gain in an amount equal to the cash received plus liabilities assumed under the asset purchase agreement, less our adjusted tax basis in the purchased assets. A portion of our taxable gain will be offset to the extent of current year losses from operations plus available net operating loss carryforwards, subject to applicable limitations. We do not anticipate any direct tax consequence to you as a result of the sale to SeraCare. If we engage in an issuer tender offer following the closing, any tax consequences to you as a result of any tendering of your shares will be described in the applicable tender offer documents that will be sent to stockholders describing the tender offer. See "Proposal No. 1 Sale of Our BBI Core Businesses Tax Consequences" beginning on page 44.

Regulatory Approvals. There are no material United States or state regulatory approvals required for the completion of the sale to SeraCare other than the approval of the asset purchase agreement by our stockholders under the corporate law of the Commonwealth of Massachusetts. See "Proposal No. 1 Sale of Our BBI Core Businesses Regulatory Approvals" beginning on page 39.

Accounting Treatment. If the sale to SeraCare is completed, we will record the sale in accordance with generally accepted accounting principles in the United States. Upon the completion of the sale, we will recognize a financial reporting gain equal to the net proceeds (the sum of the purchase price less the expenses relating to the asset sale) less the net book value of the assets sold and the fair value of the indemnification liability retained. At the closing, \$2.5 million of the aggregate purchase price will be deposited into an escrow account to be held in escrow for a period of 18 months to secure payment of our indemnification obligations under the asset purchase agreement. We will be recording the escrow amount as a long term asset immediately following the closing. See "Proposal No. 1 Sale of Our BBI Core Businesses Accounting Treatment of the Asset Sale" beginning on page 44.

QUESTIONS AND ANSWERS ABOUT THE 2004 SPECIAL MEETING OF STOCKHOLDERS

Where and when is the special meeting of stockholders? (See page 16)

The special meeting will be held at 4:00 p.m., local time, on _____, 2004, at the principal executive offices of Boston Biomedica, Inc., located at 375 West Street, West Bridgewater, Massachusetts.

Who is soliciting my proxy? (See page 17)

Our board of directors is soliciting proxies from each of our stockholders. We will pay the expenses of preparing and distributing this proxy statement and soliciting proxies, including the reasonable expenses incurred by brokers, dealers, banks and trustees or their nominees for forwarding solicitation materials to beneficial owners.

Who is entitled to vote on the proposals? (See page 16)

Stockholders of record as of the close of business on _____, 2004, the record date, are entitled to notice of and to vote at the special meeting. Each share of common stock is entitled to one vote.

What am I being asked to vote on?

The first proposal you are being asked to approve is the sale of the assets of our BBI Diagnostics and BBI Biotech business units to SeraCare pursuant to the terms of an asset purchase agreement entered into between Boston Biomedica, BBI Biotech Research Laboratories and SeraCare on April 16, 2004. See "Proposal No. 1 Sale of Our BBI Core Businesses" for a more detailed description of the proposed transaction with SeraCare.

The second proposal you are being asked to approve is an amendment to our Restated Articles of Organization, as amended, to change our corporate name to "Pressure BioSciences, Inc." promptly following the completion of the sale to SeraCare. Proposal No. 2 is necessary if Proposal No. 1 is approved, as we have agreed to transfer the rights to the name "Boston Biomedica" to SeraCare in connection with the sale. In the event that Proposal No. 1 is approved, but Proposal No. 2 is not approved, we will discuss with SeraCare alternative arrangements to ensure that SeraCare receives the benefit of our corporate name "Boston Biomedica". If Proposal No. 1 is not approved, then we will not change our corporate name regardless of whether we obtain approval from our stockholders to amend our Restated Articles of Organization, as amended. See "Proposal No. 2 Corporate Name Change" for a more detailed description of Proposal No. 2.

The third proposal you are being asked to approve is to grant discretionary authority to the persons named as proxies to adjourn the special meeting to solicit additional proxies in favor of Proposal Nos. 1 or 2. See "Proposal No. 3 Adjournment of the Special Meeting" for a more detailed description of Proposal No. 3.

What will happen if the sale to SeraCare is approved by our stockholders? (See page 29)

If the sale to SeraCare is approved by our stockholders and the other conditions to closing of the sale are satisfied or waived, we will sell the assets of our BBI Core Businesses to SeraCare under the terms of the asset purchase agreement as described in this proxy statement. Following the completion of the sale to SeraCare, we expect that our business operations will focus primarily on our pressure cycling technology activities. Our board of directors expects to continue to explore strategic opportunities with respect to our remaining business. These opportunities may include investing in and expanding our pressure cycling technology activities,

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developing strategic relationships to grow our pressure cycling technology business, acquiring, investing in, or developing new lines of business that may or may not relate to our pressure cycling technology business or divesting any remaining portions of the business. In furtherance of these opportunities, on June 2, 2004, we completed the sale of substantially all of the assets and selected liabilities of our BBI Source Scientific business unit to a newly formed limited liability company in which we retain a 30% ownership interest. In connection with the transaction, we received secured promissory notes in the principal amount of \$900,000, which, together with accrued interest, are due on or before May 31, 2007. The aggregate principal amount of the notes may be reduced to \$720,000 if the notes are paid in full by May 31, 2005 or \$810,000 if the notes are paid in full by May 31, 2006. The notes are secured by pledges of the purchasers' ownership interests in the newly formed limited liability company. The new instrumentation company has agreed to provide engineering, manufacturing, and other related services for our pressure cycling technology products until September 30, 2005. If we complete the sale of our BBI Core Businesses, our primary business operations will consist of our remaining pressure cycling technology business, and, in addition, we will continue to own our 30% ownership interest in the newly formed limited liability company that purchased our BBI Source Scientific assets, and our 4.45% passive ownership interest in Panacos Pharmaceuticals, Inc.

Will any of the proceeds from the sale to SeraCare be distributed to me as a stockholder? (See page 28)

Shortly following the completion of the proposed transaction with SeraCare, we plan to commence an issuer tender offer to purchase up to 6,000,000 shares of our common stock at a price of \$3.50 per share. We will use up to \$21.0 million of the after-tax net cash proceeds from the sale to SeraCare to purchase shares of our common stock tendered in the tender offer. Assuming that all 6,000,000 shares are tendered in the contemplated tender offer, we expect to have approximately \$1.0 to \$1.5 million remaining to fund our working capital for our pressure cycling technology activities. This amount includes approximately \$1.0 million of cash on hand as of April 30, 2004 (which is not part of the assets being acquired by SeraCare), together with the remaining net proceeds from the sale, after taxes and transaction fees. In addition, any portion of the escrowed amount released to us is also expected to be used primarily for working capital for our pressure cycling technology activities. If less than 6,000,000 shares of our common stock are tendered in the tender offer, after-tax net cash proceeds from the sale of the BBI Core Businesses allocated for the tender offer which remain after the tender offer are also expected to be used to provide additional working capital for our remaining pressure cycling technology operations. If you decide not to tender your shares in the tender offer, you will continue to be a stockholder in our company; however, trading in our common stock will likely be more difficult due to, among other things, limited trading volume of our stock.

You should be aware that although we expect to commence the tender offer shortly following the closing, it is possible that we will not commence the tender offer or the cash payment we expect to offer could be substantially less than we currently anticipate due to unanticipated events or circumstances beyond our control or unforeseen liabilities or contingencies. Any portion of the escrowed amount released to us is also expected to be used primarily for working capital for our pressure cycling technology activities.

Will our common stock still be publicly traded if the sale to SeraCare is completed?

Our common stock is currently traded on the Nasdaq National Market under the symbol "BBII." Following the completion of the proposed transaction, we expect to continue to trade as a public company on the Nasdaq National Market. However, it is not possible to predict the trading price of our common stock following the closing of the sale to SeraCare. If our common

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stock trades below the minimum bid price for continued listing on the Nasdaq National Market or we otherwise fail to meet the continued listing standards of the Nasdaq National Market, our stock will be delisted from the Nasdaq National Market and we expect it will be traded on the Nasdaq SmallCap Market if we meet the listing standards of that market or we will attempt to be traded on the OTC Bulletin Board or "pink sheets" maintained by the National Quotation Bureau, Inc. The OTC Bulletin Board and Pink Sheets are generally considered less efficient markets than the Nasdaq National Market and the Nasdaq SmallCap Market. It is likely that there will only be limited trading volume in our common stock following the closing of the sale to SeraCare. Accordingly, you may find it more difficult to dispose of your shares of common stock and you may not be able to sell some or all of your shares of common stock when and at such times as you desire. See "Risk Factors" on page 50 for a further discussion of the Nasdaq National Market continued listing standards and the risks relating thereto.

In addition, it is possible that following the tender offer contemplated after completion of the sale to SeraCare we may decide to take steps to terminate our reporting obligations if permissible under applicable SEC rules. If we were to terminate our reporting obligations, there will not be current or adequate public information readily available about our remaining operations and there will not be any active trading market for our common stock.

What are the risks of the proposed sale to SeraCare? (See page 46)

If the sale to SeraCare is completed, we will have sold our primary source of revenue and we will become less diversified. Our operations will then focus on the development of our pressure cycling technology products and services. This technology has significant investment requirements and involves high risk. We cannot assure you that our available resources will be sufficient to fund a successful commercialization of pressure cycling technology products and services. It is likely that we will need additional capital and there can be no assurance that such capital will be available to us on satisfactory terms, if at all. These and other risks relating to the sale to SeraCare that you should consider are more fully described under the heading "Risk Factors".

What will happen if the sale to SeraCare is not approved by our stockholders or is otherwise not completed?

If the sale to SeraCare is not completed, we may continue as an independent operating company conducting our historical business, we may explore other strategic alternatives, including a sale of our assets to, or a business combination with, another party, or we may pursue other business opportunities and investments unrelated to our current business. There can be no assurance that any potential transaction will provide consideration equal to or greater than the price proposed to be paid by SeraCare under our asset purchase agreement, or that we will be able to complete any alternative transaction. We have incurred significant costs and expenses in connection with the proposed sale to SeraCare. If the sale is not completed, we may also be required to pay SeraCare a termination fee of \$600,000 or more. These costs will have a material adverse affect on our results of operations for the fiscal year ended December 31, 2004. Further, there can be no assurances that we will be successful by continuing to remain an independent operating company.

When is the sale to SeraCare expected to be completed?

We expect to complete the sale to SeraCare as soon as practicable after all of the conditions to closing the transaction have been satisfied or waived. All parties to the asset purchase agreement are working toward completing the sale to SeraCare as soon as practicable. We currently plan to complete the transaction shortly following the special meeting of our stockholders, assuming our stockholders approve the sale to SeraCare and the other conditions to the asset purchase

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agreement are satisfied or waived. However, because the sale is subject to some conditions which are beyond our control, the exact timing of the completion of the transaction cannot be predicted. For a more complete description of the conditions to completion of the sale, see the section of this proxy statement entitled "Proposal No. 1 Sale of Our BBI Core Businesses The Asset Purchase Agreement Conditions to Closing."

What vote is required to approve Proposal No. 1, the sale of the assets of our BBI Core Businesses to SeraCare as contemplated by the Asset Purchase Agreement?

The affirmative vote of two-thirds of the shares of our common stock outstanding and entitled to vote at the special meeting is required to approve Proposal No. 1, the sale of our BBI Core Businesses to SeraCare as contemplated by the asset purchase agreement. Our board of directors recommends that you vote "FOR" Proposal No. 1.

What vote is required to approve Proposal No. 2, the amendment to our Restated Articles of Organization, as amended, to change our corporate name?

The affirmative vote of the holders of a majority of the shares of our common stock outstanding and entitled to vote is required to approve Proposal No. 2, the amendment to our Restated Articles of Organization, as amended, to change our corporate name to "Pressure BioSciences, Inc." Our board of directors recommends that you vote "FOR" Proposal No. 2.

What vote is required to approve Proposal No. 3, the granting of discretionary authority to the persons named as proxies to adjourn the special meeting to solicit additional proxies in favor of Proposal Nos. 1 or 2?

The affirmative vote of the holders of a majority of the shares of our common stock present, in person or by proxy, and entitled to vote, whether or not a quorum is present, is required to approve Proposal No. 3, granting discretionary authority to the persons named as proxies to adjourn the special meeting to solicit additional proxies for Proposal Nos. 1 or 2. Our board of directors recommends that you vote "FOR" Proposal No. 3.

Has any stockholder agreed to vote its shares of common stock in favor of Proposal No. 1, Proposal No. 2 or Proposal No. 3? (See page 63)

In connection with the negotiation of the asset purchase agreement, Mr. Richard T. Schumacher, our founder, Chief Executive Officer and a member of our board of directors, and Mr. Richard Kiphart (together with his daughter and a fund in which he is the general partner) have agreed to vote in favor of the asset purchase agreement and the transactions contemplated by the asset purchase agreement. Collectively, these stockholders currently hold approximately 32% of the issued and outstanding shares of our common stock.

What do I need to do now?

After carefully reading and considering the information contained in this proxy statement, you should complete, sign and date the enclosed proxy card and return it to us in the postage prepaid envelope as soon as possible so that your shares may be represented and voted at the special meeting. A majority of shares of common stock outstanding and entitled to vote must be represented at the special meeting to enable us to conduct business at the special meeting. For a further discussion on the voting process, please see "General Information-Voting Procedures."

Can I change my vote after I have mailed my signed proxy? (See page 17)

Yes. You can change your vote at any time before proxies are voted at the special meeting. You can change your vote in any one of three ways. First, you can send a written notice to our corporate Clerk at our principal executive offices, stating that you would like to revoke your proxy. Second, you can complete and submit a new proxy. If you choose either of these two methods, we must receive the notice of revocation or the new proxy at our principal executive offices prior to the vote at the special meeting of stockholders. Third, you can attend the meeting and vote in person.

If my shares are held in "street name" by my broker, will my broker vote my shares for me? (See page 17)

Your broker may not be permitted to exercise voting discretion with respect to one or more of the proposals to be voted on by stockholders at the special meeting. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on the proposals, and will not be counted in determining the number of shares voted in favor of the proposals. Your failure to give your broker or nominee specific instructions will have the same effect as a vote against Proposal No. 1, the sale of our BBI Core Businesses to SeraCare, and Proposal No. 2, the amendment to our Restated Articles of Organization, as amended, to change our corporate name, but will have no effect on Proposal No. 3, granting discretionary authority to the persons named as proxies to adjourn the special meeting to solicit additional proxies in favor of Proposal Nos. 1 or 2. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares.

What happens if I do not indicate how to vote my proxy? (See page 17)

If you sign and send in your proxy, but do not include instructions on how to vote your properly signed proxy card, your shares will be voted **FOR** Proposal Nos. 1, 2 and 3.

Who can help answer my questions about the proposals?

If you have any questions about the proposals presented in this proxy statement, you should contact:
Boston Biomedica, Inc.
375 West Street
West Bridgewater, MA 02379
Attention: Michael Avallone
Chief Financial Officer
(508) 580-1900

GENERAL INFORMATION

Voting Procedures

This proxy statement is being furnished in connection with the solicitation by the board of directors of Boston Biomedica, Inc., a Massachusetts corporation, of proxies to be voted at the special meeting of stockholders of Boston Biomedica, Inc. to be held at our principal executive offices located at 375 West Street, West Bridgewater, MA, on [redacted], 2004, at 4:00 p.m., local time, and at any postponements or adjournments thereof. Only stockholders of record on [redacted], 2004 (the "Record Date") will be entitled to vote at the special meeting. On the Record Date there were [redacted] outstanding shares of common stock. Each share of common stock outstanding on the record date is entitled to one vote on each matter to come before the special meeting.

At the special meeting, stockholders will be asked to vote to (i) approve the sale of substantially all of our assets, which consist of the assets of our BBI Core Businesses, pursuant to the terms of an asset purchase agreement between us, BBI Biotech Research Laboratories and SeraCare Life Sciences dated April 16, 2004; (ii) approve an amendment to our Restated Articles of Organization, as amended, to change our corporate name to "Pressure BioSciences, Inc."; (iii) grant discretionary authority to the persons named as proxies to adjourn the special meeting to solicit additional proxies in favor of Proposal Nos. 1 or 2; and (iv) transact such other business as may properly come before the special meeting, as set forth in the notice of special meeting.

A quorum, consisting of a majority of our shares of common stock issued, outstanding and entitled to vote at the special meeting, will be required to be present in person or by proxy for the transaction of business at the special meeting.

The affirmative vote of the holders of two-thirds of our shares of common stock outstanding and entitled to vote at the special meeting is required to approve Proposal No. 1, the sale of our BBI Core Businesses to SeraCare pursuant to the asset purchase agreement, as described in this proxy statement. The affirmative vote of the holders of a majority of our shares of common stock outstanding and entitled to vote at the special meeting is required to approve Proposal No. 2, the amendment to our Restated Articles of Organization, as amended, to change our corporate name. The affirmative vote of the holders of a majority of shares of our common stock present, in person or by proxy, and entitled to vote at the special meeting, whether or not a quorum is present, is required to approve Proposal No. 3, to grant discretionary authority to the persons named as proxies to adjourn the special meeting to solicit additional proxies in favor of Proposal Nos. 1 or 2.

Brokers who hold shares in street name for clients typically have the authority to vote on "routine" proposals when they have not received instructions from beneficial owners. However, absent specific instructions from the beneficial owner of the shares, brokers are not allowed to exercise their voting discretion on non-routine matters, such as the sale to SeraCare pursuant to the asset purchase agreement. Proxies submitted without a vote by the brokers on these non-routine matters are referred to as "broker non-votes." Abstentions and "broker non-votes" will be counted for the purpose of establishing a quorum at the special meeting. In addition, abstentions or "broker non-votes" will have the same effect as a vote against Proposal No. 1, the sale of our BBI Core Businesses to SeraCare pursuant to the asset purchase agreement, and Proposal No. 2, the amendment to our Restated Articles of Organization, as amended, to change our corporate name. Abstentions will have the same effect as a vote against Proposal No. 3, to grant discretionary authority to the persons named as proxies to vote in favor of any adjournments of the special meeting for the purpose of soliciting additional proxies, but "broker non-votes" will have no effect on Proposal No. 3. All votes will be tabulated by the inspector of election appointed for the special meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

Voting of Proxies

General. Shares represented by a proxy will be voted at the special meeting as specified in the proxy.

Proxies without voting instructions. Proxies that are properly signed and dated but which do not contain voting instructions will be voted "for" each of the proposals.

Voting shares held through broker by proxy. If your shares of common stock are held by your broker, your broker will vote your shares for you if you provide instructions to your broker on how to vote your shares. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Your broker generally cannot vote your shares without specific instructions from you.

Voting of shares held through broker in person. If your shares of common stock are held by your broker and you wish to vote those shares in person at the special meeting, you must obtain from the nominee holding your shares a properly executed legal proxy, identifying you as a stockholder of our company, authorizing you to act on behalf of the nominee at the special meeting and specifying the number of shares with respect to which the authorization is granted.

Other matters. If you sign and return the enclosed proxy card, you grant to the persons named in the proxy the authority to vote in their discretion on any other matters that may properly come before the special meeting or any adjournments or postponements of the special meeting. Our management does not presently know of any other matters to be brought before the special meeting.

Revocation of Proxies

Signing the enclosed proxy card will not prevent a record holder from voting in person at the special meeting or otherwise revoking the proxy. A record holder may revoke a proxy at any time before the special meeting in the following ways:

filing with our corporate Clerk, before the vote at the special meeting, a written notice of revocation bearing a later date than the proxy;

by executing a subsequently dated proxy relating to the same shares and delivering it to us before the vote at the special meeting; or

attending the special meeting and voting in person, although attendance at the special meeting will not by itself constitute a revocation of the proxy.

Record holders should send any written notice of revocation or subsequent proxy to our corporate Clerk, c/o Boston Biomedica, Inc. 375 West Street, West Bridgewater, MA 02379 or hand deliver the notice of revocation or subsequent proxy to our corporate Clerk before the vote at the special meeting. No revocation will be effective unless and until notice of such revocation has been received by us at or prior to the special meeting

Persons Making the Solicitation

The enclosed proxy is solicited on behalf of our board of directors. Our employees may participate in the solicitation but will not receive any separate or additional compensation in connection therewith. The cost of soliciting proxies in the accompanying form will be borne by us. Proxies may also be solicited personally or by telephone by our directors and officers, without additional compensation therefor. Upon request, we will reimburse brokers, dealers, banks and trustees or their nominees, for reasonable expenses incurred by them in forwarding proxy material to beneficial owners of shares of common stock.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made in this proxy statement are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by terminology such as "may," "will," "should," "expects," "intends," "anticipates," "believes," "estimates," "predicts," or "continue" or the negative of these terms or other comparable terminology and include, without limitation, statements regarding: completion of the sale of our BBI Core Businesses to SeraCare; possible adjustments to the purchase price to be received from SeraCare for the BBI Core Businesses; potential indemnification payments relating to the sale to SeraCare; the proceeds remaining from the purchase price after the payment of taxes; the transaction costs incurred in the sale to SeraCare and the payment of unforeseen liabilities; management's projections; our plans following the closing, including our ability to operate our remaining business, our ability to sell our BBI Source Scientific business, our intent to commence an issuer tender offer, and our ability to remain as a public company, and the potential for commercial success of our pressure cycling technology business. These statements are based upon our current expectations, forecasts, and assumptions that are subject to risks, uncertainties and other factors that could cause actual outcomes and results to differ materially from those indicated by these forward-looking statements. These risks, uncertainties, and other factors include, but are not limited to: the ability to satisfy the conditions to closing, including, among others, our ability to obtain stockholder approval and SeraCare's receipt of sufficient financing to complete the transaction; the risk that the timing and amount of the tender offer purchase price may differ from what is presently anticipated or that the tender may not be able to be completed at all due to unanticipated events or other circumstances beyond our control, including unforeseen liabilities or contingencies reducing the amount of proceeds available for the tender offer; the risk that we may be unable to agree on a definitive agreement to sell the assets of our BBI Source Scientific business unit or otherwise complete the sale of those assets; the risk that we will not have sufficient funds to operate our remaining business following the closing; the risk that we may have liabilities and expenses arise which are currently unforeseen; the risk that the continuity of our operations will be disrupted in the event the proposed transactions do not close; the risk of unanticipated reactions of our customers and vendors to the proposed asset sale transactions; the costs of completing the other proposed transactions may exceed management's estimates; the competitive nature of the markets in which we operate; a change in economic conditions; our ability to retain existing customers and to obtain new customers; our ability to attract and retain qualified personnel; our ability to comply with the financial and other covenants contained in our revolving line of credit; and the other risks and uncertainties discussed under the heading "Risk Factors" in this proxy statement, our Annual Report on Form 10-K for the year ended December 31, 2003 and other reports we file from time to time with the SEC. We undertake no obligation to update any of the information included in this proxy statement, except as otherwise required by law. Please note that the protections afforded to us under the Private Securities Litigation Reform Act of 1995 will not apply to forward looking statements that may be made in connection with our planned tender offer following the closing of the sale to SeraCare.

PROPOSAL NO. 1 SALE OF OUR BBI CORE BUSINESSES

This section of the proxy statement describes certain aspects of the sale of our BBI Diagnostics and BBI Biotech Research Laboratories business units. However, we recommend that you read carefully the complete asset purchase agreement for the precise terms of the agreement and other information that may be important to you. The asset purchase agreement is included in this proxy statement as Appendix A.

The Companies

Boston Biomedica, Inc. and BBI Biotech Research Laboratories, Inc.

We are engaged in the business of providing products and services to help ensure the accuracy of laboratory test results for infectious diseases such as AIDS and viral hepatitis. Our operations currently consist of the following business units: BBI Diagnostics, BBI Biotech Research Laboratories, and Pressure Cycling Technology ("PCT"). A brief summary of our business operations is described below. For a more detailed description of our business, please review the "Business" section contained in Item 1 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2003, a copy of which is attached as an appendix to this proxy statement and is incorporated herein.

Our BBI Diagnostics business unit offers a broad array of diagnostic products for *in vitro* diagnostic use, consisting of Quality Control Panels, Accurun® External Run Controls and ACCUCHART quality control software, and Diagnostic Components, all used in connection with infectious disease testing.

Our Quality Control Panels and Accurun External Run Controls are comprised of a number of human blood plasma samples contained in sealed vials or test tubes. The plasma is supplied in either liquid or frozen state, and is known to contain (positive) or not contain (negative) specific levels of certain viruses or antibody relating to the following: Human Immunodeficiency Virus (HIV), Hepatitis B Virus (HBV), Hepatitis C Virus (HCV), Lyme Disease bacterium, and West Nile Virus.

Our Quality Control Products are used throughout the entire life cycle of an infectious disease test kit. The life cycle of an *in vitro* diagnostic test kit involves a number of stages. These stages include, research, development, clinical trials for regulatory approval, quality assurance release of each lot of manufactured product, validation testing of the test kit by customers, training customers how to use the test kit, ongoing-proficiency testing of lab personnel who use the test kit, and routine quality control testing each time the test kit is used to determine a patient result.

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A description of our quality control products, including the use of and the customers for these products is as follows:

Product Line	Description	Use	Customers
Seroconversion Panels	Rare plasma samples collected from a single individual over a specific time period showing conversion from negative to positive for markers of an infectious disease.	Compare the clinical sensitivity of competing manufacturers' test kits, enabling the user to assess the specificity and sensitivity of a test in detecting a developing antigen/antibody, or presence of pathogen nucleic acid.	Test kit manufacturers and regulators and researchers.
Performance Panels	A set of 10 to 50 serum and plasma samples collected from many different individuals and characterized for the presence or absence of a particular disease marker.	Determine test kit performance against all expected levels of reactivities in the evaluation of new, modified and improved test methods.	Test kit manufacturers, clinical laboratories that evaluated test kits, and regulators.
Sensitivity Panels	Precise dilutions of human plasma or serum containing a known amount of an infectious disease marker as calibrated against international standards.	Evaluate the linearity and low-end analytical sensitivity of a test kit.	Test kit manufacturers, regulators and researchers.
Qualification Panels	Dilutions of human plasma or serum manifesting a full range of reactivity in test kits for a specific marker.	Demonstrate the consistent lot-to-lot performance of test kits, troubleshoot problems, evaluate proficiency, and train laboratory technicians.	Clinical reference laboratories, blood banks, and hospital laboratories.
OEM Panels	Custom-designed Qualification Panels for regulators and test kit manufacturers for distribution to customers or for internal use.	Train laboratory personnel on new test kits or equipment.	Custom designed with test kit manufacturers and regulators as an end-user product or for internal use.
Verification Panels	Verification Panels contain naturally occurring undiluted samples at varying titers.	Verify accuracy and ensure that reagents perform to expectations: also used to troubleshoot system problems and to document problem resolution.	Clinical reference laboratories, blood banks, hospital laboratories.

We perform extensive laboratory testing on each sample contained in our Quality Control Products before they are released fo