

THOMAS INDUSTRIES INC  
Form DEFM14A  
May 31, 2005

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

**SCHEDULE 14A**

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 Pursuant to §240.14a-12

**THOMAS INDUSTRIES INC.**

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(Name of Registrant as Specified In Its Charter)

**N/A**

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(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:  
Common Stock, \$1.00 par value per share, of Thomas Industries Inc.

- 
- (2) Aggregate number of securities to which transaction applies:  
19,001,090 shares of Thomas Common Stock, consisting of 17,853,675 outstanding shares of Thomas Common Stock, 1,092,719 shares of Thomas Common Stock underlying stock options and stock appreciation rights that have an exercise price per share less than \$40.00 that may be cashed out in connection with the Merger and 54,696 shares of Thomas Common Stock with respect to performance shares awarded (in each case as of April 28, 2005).
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- (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):  
The filing fee of \$86,419 was calculated pursuant to Exchange Act Rule 0-11(c) and is equal to

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\$117.70 per million of the aggregate merger consideration of \$734,224,390. The aggregate merger consideration is calculated as the sum of (a) the product of 17,853,675 outstanding shares of Thomas Common Stock and the merger consideration of \$40.00 per share in cash, (b) the difference between \$40.00 and the exercise or target price per share for each of the 1,092,719 options and stock appreciation rights outstanding to purchase shares of Thomas Common Stock that have an exercise or target price of less than \$40.00 per share and (c) the product of 54,696 shares of Thomas Common Stock with respect to performance shares awarded and the merger consideration of \$40.00 per share in cash.

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(4) Proposed maximum aggregate value of transaction:  
\$734,224,390

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(5) Total fee paid:  
\$86,419

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ý Fee paid previously with preliminary materials.

o 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:

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

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(3) Filing Party:

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(4) Date Filed:

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**THOMAS INDUSTRIES INC.**

**4360 Brownsboro Road**

**Suite 300**

**Louisville, Kentucky 40207**

**(502) 893-4600**

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May 31, 2005

To the Shareholders:

You are cordially invited to attend the Special Meeting of Shareholders of Thomas Industries Inc., a Delaware corporation ("Thomas" or the "Corporation"), to be held at the Louisville Marriott Downtown, 280 West Jefferson Street, Louisville, Kentucky, on Friday, July 1, 2005, at 10:00 a.m. Eastern Daylight Time.

At the Special Meeting you will be asked to vote upon a proposal to approve and adopt an Agreement and Plan of Merger, dated March 8, 2005 (the "Merger Agreement"), pursuant to which Gardner Denver, Inc., a Delaware corporation, has agreed to acquire Thomas. If Thomas shareholders approve and adopt the Merger Agreement and the merger is completed, and subject to your right to seek appraisal rights, each of your shares of Thomas common stock will be automatically canceled and converted into the right to receive \$40.00 in cash without interest.

**Thomas' board of directors has unanimously determined that the Merger Agreement is advisable and approved the Merger Agreement and recommends that Thomas shareholders vote "FOR" approval and adoption of the Merger Agreement.**

The accompanying proxy statement provides you with detailed information about the proposed merger and the Special Meeting. Please give this material your careful attention. You may also obtain more information about Thomas from documents it has filed with the Securities and Exchange Commission.

Expenses incurred in the solicitation of proxies will be borne by the Corporation. Directors, officers and employees of the Corporation may make additional solicitations in person or by telephone. In addition, the Corporation has retained Georgeson Shareholder Communications Inc., to assist in the solicitation of proxies for a fee of \$8,500, plus reimbursement of reasonable out-of-pocket expenses incurred in connection with the solicitation.

As of May 27, 2005, the Corporation had outstanding 17,853,675 shares of common stock. These shares are the only shares entitled to vote at the Special Meeting. Each share is entitled to one vote on each matter to be voted upon at the Special Meeting.

Thomas common stock is listed on the New York Stock Exchange under the trading symbol "TII". On the close of trading on May 27, 2005, the price of Thomas common stock was \$39.86 per share.

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YOUR VOTE IS IMPORTANT REGARDLESS OF THE NUMBER OF SHARES OF THOMAS COMMON STOCK YOU OWN. BECAUSE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT REQUIRES THE AFFIRMATIVE VOTE BY THE HOLDERS OF A MAJORITY OF THOMAS' ISSUED AND OUTSTANDING SHARES OF COMMON STOCK AS OF THE RECORD DATE, A FAILURE TO VOTE WILL COUNT AS A VOTE AGAINST THE MERGER. ACCORDINGLY, YOU ARE REQUESTED TO PROMPTLY VOTE YOUR SHARES BY COMPLETING, SIGNING AND DATING THE ENCLOSED PROXY CARD AND RETURNING IT IN THE ENVELOPE PROVIDED, WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING. Voting in this manner will not prevent you from voting your shares in person if you subsequently choose to attend the Special Meeting. If you submit a proxy, you may revoke it at any time before the vote is taken at the Special Meeting. To revoke your proxy, you must either provide a written notice of revocation to the Secretary of Thomas, deliver a proxy dated after the date of the proxy you wish to revoke, or attend the meeting and vote your shares in person. Merely attending the Special Meeting will not constitute revocation of your proxy.

Thank you for your cooperation.

Sincerely,

Timothy C. Brown  
Chairman, President and Chief Executive Officer

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**THIS PROXY STATEMENT IS DATED MAY 31, 2005 AND IS  
FIRST BEING MAILED TO SHAREHOLDERS ON OR ABOUT MAY 31, 2005**

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**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON FRIDAY, JULY 1, 2005**

To the Shareholders of THOMAS INDUSTRIES INC.:

NOTICE IS HEREBY GIVEN that a Special Meeting of Shareholders of Thomas Industries Inc., a Delaware corporation ("Thomas" or the "Corporation"), will be held at the Louisville Marriott Downtown, 280 West Jefferson Street, Louisville, Kentucky, on Friday, July 1, 2005, at 10:00 a.m. Eastern Daylight Time, for the following purposes:

1. To vote upon a proposal to approve and adopt the Agreement and Plan of Merger, dated March 8, 2005 (the "Merger Agreement"), among Thomas, Gardner Denver, Inc., a Delaware corporation ("Gardner Denver"), and PT Acquisition Corporation, a Delaware corporation and a wholly-owned subsidiary of Gardner Denver ("PT Acquisition"). A copy of the Merger Agreement is attached as Appendix A to the accompanying proxy statement. Pursuant to the terms of the Merger Agreement, PT Acquisition will merge with and into Thomas (the "Merger"). In the Merger, Thomas will be the surviving corporation (sometimes referred to herein as the "Surviving Corporation") and become a wholly-owned subsidiary of Gardner Denver, and each share of common stock of Thomas, other than those shares held by any shareholders who properly exercise their appraisal rights under Delaware law, will be converted into the right to receive \$40.00 in cash without interest.
2. To consider and transact such other business as may properly come before the Special Meeting or any adjournment thereof.

Only shareholders of record at the close of business on May 27, 2005 are entitled to vote at the Special Meeting and at any adjournment or postponement of the Special Meeting. All shareholders of record at such time are cordially invited to attend the Special Meeting in person. However, to assure your representation at the meeting in case you cannot attend, you are urged to vote your shares by completing, signing, dating and returning the enclosed proxy card as promptly as possible in the postage prepaid envelope enclosed for that purpose. If you attend the Special Meeting, you may vote in person even if you have previously completed and returned a proxy card.

Thomas shareholders have the right to dissent from the Merger and obtain payment in cash of the fair value of their shares of common stock under applicable provisions of Delaware law. In order to perfect and exercise appraisal rights, shareholders must give a written demand for appraisal of their shares before the vote on the Merger is taken at the Special Meeting and must not vote in favor of the Merger. A copy of the applicable Delaware statutory provisions is included as Appendix B to the accompanying proxy statement, and a summary of these provisions can be found under "The Merger Appraisal Rights" in the accompanying proxy statement.

A majority of the outstanding shares entitled to vote at the Special Meeting and represented in person or by proxy will constitute a quorum. The approval and adoption of the Merger Agreement requires the affirmative vote by the holders of a majority of the issued and outstanding shares of Thomas common stock as of the record date. In the event that there are not sufficient votes to approve the proposed Merger at the time of the Special Meeting, the Special Meeting may be adjourned or postponed in order to permit further solicitation by Thomas. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE SPECIAL MEETING IN PERSON AND REGARDLESS OF THE NUMBER OF SHARES YOU OWN, PLEASE COMPLETE, SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD PROMPTLY IN THE ENCLOSED

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PRE-ADDRESSED ENVELOPE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES. YOU MAY, OF COURSE, ATTEND THE SPECIAL MEETING, REVOKE YOUR PROXY AND VOTE IN PERSON EVEN IF YOU HAVE ALREADY RETURNED YOUR PROXY CARD.

Please do not send your stock certificates at this time. If the Merger Agreement is approved and adopted, you will be sent instructions regarding the surrender of your stock certificates.

BY ORDER OF THE BOARD OF DIRECTORS,

Sincerely,

Timothy C. Brown  
Chairman, President and Chief Executive Officer

Louisville, Kentucky

May 31, 2005

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE TRANSACTION CONTEMPLATED IN THIS PROXY STATEMENT, PASSED UPON THE MERITS OR FAIRNESS OF THIS TRANSACTION, OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE DISCLOSURE IN THIS PROXY STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROXY STATEMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS PROXY STATEMENT DOES NOT CONSTITUTE A SOLICITATION OF A PROXY IN ANY JURISDICTION FROM ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE A PROXY SOLICITATION IN SUCH JURISDICTION.**

**WE URGE YOU TO READ AND CONSIDER CAREFULLY THIS PROXY STATEMENT IN ITS ENTIRETY.**

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## SUMMARY TERM SHEET

*This summary highlights selected information from this proxy statement and may not contain all of the information that is important to you. To understand the Merger and the related transactions, you should read carefully this entire proxy statement and the documents we refer to herein. See "Where You Can Find More Information." The Merger Agreement is attached as Appendix A to this proxy statement. Thomas encourages you to read the Merger Agreement as it is the legal document that governs the Merger. Thomas has included section and page references to direct you to a more complete description of the topics described in this summary. All references to "we", "us" and "our" in this proxy statement refer to Thomas Industries Inc.*

***The Merger.*** Thomas Industries Inc., a Delaware corporation ("Thomas" or the "Corporation"), has entered into an Agreement and Plan of Merger dated March 8, 2005 (the "Merger Agreement"), among Thomas, Gardner Denver, Inc., a Delaware corporation ("Gardner Denver"), and PT Acquisition Corporation, a Delaware corporation and a wholly-owned subsidiary of Gardner Denver ("PT Acquisition"). Pursuant to the terms of the Merger Agreement, PT Acquisition will merge with and into Thomas (the "Merger"). In the Merger, Thomas will be the surviving corporation (sometimes referred to herein as the "Surviving Corporation") and become a wholly-owned subsidiary of Gardner Denver. Please read the discussion under the heading "The Merger Agreement" beginning on page 46.

***The Companies.*** Thomas is primarily engaged in the design, manufacture, marketing and sale of pumps and compressors for the original equipment manufacturer ("OEM") market in such applications as medical equipment, gasoline vapor and refrigerant recovery, automotive and transportation applications, foundry applications, printing, packaging, business equipment and laboratory equipment. Thomas conducts its business from its corporate office located in Louisville, Kentucky and through its worldwide operations. Thomas' pump and compressor group headquarters are as follows: North American Group Sheboygan, Wisconsin; European Group Puchheim, Germany; and Asia Pacific Group Hong Kong, China. Gardner Denver, a Delaware corporation, is a leading designer, manufacturer and marketer of highly engineered air compressors, reciprocating pumps, blowers and certain fluid transfer products. Please read the discussions under the headings "Summary The Parties" and "The Parties to the Merger" beginning on pages 7 and 16, respectively.

***Merger Consideration.*** If the Merger is completed, each share of Thomas common stock, other than those shares held by any shareholders who properly exercise their appraisal rights under Delaware law, will be converted into the right to receive \$40.00 in cash without interest. Please read the discussion under the heading "The Merger Agreement Consideration to Be Received in Merger" beginning on page 46.

***Special Meeting and Record Date.*** The Special Meeting of Thomas shareholders will be held at the Louisville Marriott Downtown, 280 West Jefferson Street, Louisville, Kentucky, on Friday, July 1, 2005, at 10:00 a.m. Eastern Daylight Time, to vote on the proposal to adopt and approve the Merger Agreement. Only Thomas shareholders of record on May 27, 2005 are entitled to receive notice of and vote at the Special Meeting. On the record date, there were 17,853,675 shares of Thomas common stock outstanding which were held by approximately 1,656 record holders. Please read the discussions under the headings "The Special Meeting of Thomas Shareholders Time, Place and Purpose of the Special Meeting" and "The Special Meeting of Thomas Shareholders Who Can Vote at the Special Meeting" beginning on pages 17 and 18, respectively.

***Vote Required.*** Each share of Thomas common stock held by shareholders of record on the record date will be entitled to vote. Each share of Thomas common stock is entitled to one vote. The approval and adoption of the Merger Agreement requires the affirmative vote by the

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holders of a majority of the shares of Thomas common stock issued and outstanding on the record date. Thomas shareholders should vote by completing, signing and dating their proxy card and sending it to Thomas (which vote may be revoked at any time before the Special Meeting of shareholders). Please see the discussions under the headings "The Special Meeting of Thomas Shareholders Vote Required for Approval of Merger" and "The Special Meeting of Thomas Shareholders Voting by Proxy" each beginning on page 18.

*Recommendation of Thomas Board of Directors.* Thomas' board of directors, after considering many factors, unanimously recommends that Thomas shareholders vote "**FOR**" approval and adoption of the Merger Agreement. Please see the discussion under the heading "The Merger Recommendation of Thomas' Board of Directors" beginning on page 27.

*Financing of the Merger.* The consummation of the Merger is not contingent on financing. Gardner Denver intends to fund the Merger from approximately \$239 million in available cash and net proceeds from the following three transactions that were completed in May 2005: (i) approximately \$200 million (after the underwriters discount) from a public offering of its common stock, (ii) a \$125 million offering of its senior subordinated notes due 2013, and (iii) a portion of a \$380 million five-year senior secured term loan facility. Please see the discussion under the heading "The Merger Financing of the Merger" beginning on page 40.

*Conditions to Consummate Merger.* The Merger will be consummated only if certain conditions and obligations have been satisfied or waived, such as approval by Thomas shareholders and satisfaction of other conditions and obligations contained in the Merger Agreement. If permitted by law, either Thomas or Gardner Denver could choose to waive a condition to its obligation to complete the Merger even though that condition has not been satisfied. Please see the discussion under the heading "The Merger Agreement Conditions to Consummation of the Merger" beginning on page 46.

*Failure to Complete the Merger.* It is possible the Merger will not be completed. This would happen if the Thomas shareholders do not approve and adopt the Merger Agreement or if certain other conditions are not satisfied or waived. Thomas could be required to pay a termination fee of \$12 million to Gardner Denver or reimburse Gardner Denver for its expenses up to \$3 million under certain conditions, or Gardner Denver could be required to pay a termination fee of \$5 million to Thomas if the Merger Agreement is terminated under certain conditions. Please see the discussions under the headings "The Merger Failure to Approve and Complete the Merger," "The Merger Agreement Conditions to Consummation of the Merger" and "The Merger Agreement Material Adverse Effect" beginning on pages 27, 46 and 50, respectively.

*Appraisal Rights.* If a Thomas shareholder fulfills several procedural requirements, including not voting in favor of the approval and adoption of the Merger Agreement, Delaware law entitles such shareholder to a judicial appraisal of the fair value of the shares of Thomas common stock held by that shareholder. Please read the discussion under the heading "The Merger Appraisal Rights" beginning on page 42.

*Interest of Certain Persons in the Merger.* Some of our directors and officers have interests that are different from or in addition to the interests of other Thomas shareholders. These interests include, among others, change of control payments, acceleration of and/or vesting of stock options, stock appreciation rights, performance shares and director fees. Please read the discussion under the heading "The Merger Interests of Thomas' Directors and Officers in the Merger" beginning on page 36.

*Employee Benefits.* Gardner Denver has agreed to maintain certain of Thomas' employee benefit plans, in accordance with and subject to their respective terms, or to provide comparable

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benefit plans, for one year following the closing date of the Merger. Please read the discussions under the headings "Summary Other Thomas Employee Benefit Plans" and "The Merger Thomas Employees and Employee Benefit Plans" beginning on pages 9 and 39, respectively.

*Tax Consequences.* The Merger will be a taxable transaction to Thomas shareholders. Please read the discussion under the heading "The Merger Material United States Federal Income Tax Consequences" beginning on page 40.

**QUESTIONS AND ANSWERS ABOUT THE MERGER**

**Q: WHY ARE THOMAS AND GARDNER DENVER PROPOSING THE MERGER?**

A:

Thomas believes that the Merger will provide immediate and fair value to its shareholders for their interest in Thomas. Gardner Denver believes that the Merger will expand its product portfolio, distribution channels and end markets served. To review the reasons for the Merger in greater detail, see "The Merger Background of the Merger," "The Merger Thomas' Considerations Relating to the Merger" and "The Merger Recommendation of Thomas' Board of Directors."

**Q: WHEN DO YOU EXPECT TO COMPLETE THE MERGER?**

A:

The Merger cannot be completed until certain conditions have been satisfied or waived, including among other things, the approval of Thomas' shareholders of the Merger Agreement. See "The Merger Agreement Conditions to Consummation of the Merger." However, we anticipate that all such conditions will be satisfied or waived prior to or immediately following the Special Meeting. Subject to Thomas' shareholders approving the Merger Agreement, the transactions contemplated by the Merger Agreement are expected to be consummated on July 1, 2005 following the Special Meeting.

**Q: WHAT WILL I RECEIVE IN THE MERGER?**

A:

You will receive \$40.00 in cash (without interest) for each share of Thomas common stock that you own. See "The Merger Agreement Consideration to Be Received in Merger."

**Q: WHAT SHOULD I DO NOW IN ORDER TO VOTE ON THE MERGER?**

A:

After carefully reading this document, please indicate on your proxy card how you want to vote and sign and mail it in the enclosed return envelope as soon as possible, so that your shares may be represented at the Special Meeting.

**Q: WHAT HAPPENS IF I DO NOT VOTE?**

A:

Because the affirmative vote by the holders of a majority of the outstanding shares of Thomas common stock is required to approve and adopt the Merger Agreement, if you fail to vote, it will have the same effect as if you voted "AGAINST" the Merger.

**Q: IF MY BROKER HOLDS MY SHARES IN "STREET NAME," WILL MY BROKER VOTE MY SHARES FOR ME?**

A:

If a broker holds your common stock for your benefit but not in your own name, your shares are in "street name." In that case, your broker will send you a voting instruction form to use in voting your shares. Please follow the instructions on the voting instruction form they send you. If your shares are held in your broker's name and you wish to vote in person at the Special Meeting, you must contact your broker and request a document called a "legal proxy." You must bring this legal proxy to the Special Meeting. Brokers who hold shares in street name for customers have the authority to vote on "routine" proposals when they have not received instructions from beneficial owners. However, brokers are precluded from exercising their voting discretion with respect to the approval of non-routine matters such as the approval and adoption of the Merger Agreement. As a result, without specific instructions from you, if your shares are held in street name, your broker will not be able to vote your shares (referred to as a "broker non-vote"). A broker non-vote will have the same effect as if you voted "AGAINST" the Merger.

**Q: WHAT VOTE OF OUR SHAREHOLDERS IS REQUIRED TO APPROVE AND ADOPT THE MERGER AGREEMENT?**

A: The approval and adoption of the Merger Agreement requires the affirmative vote by the holders of a majority of the outstanding shares of Thomas common stock as of May 27, 2005. Failure to return a properly executed proxy card, submit a proxy or vote in person will have the same effect as a vote "AGAINST" approval and adoption of the Merger Agreement. See "The Special Meeting of Thomas Shareholders Vote Required for Approval of Merger."

**Q: WHAT DO I DO IF I WANT TO CHANGE MY VOTE AFTER I HAVE MAILED MY SIGNED PROXY CARD?**

A: You may revoke or change your proxy at any time prior to its use at the Special Meeting by giving a written direction to the Secretary of Thomas to revoke your proxy, delivering a proxy dated after the date of the proxy you wish to revoke, or attending the Special Meeting and voting in person. See "The Special Meeting of Thomas Shareholders Voting by Proxy."

**Q: HOW DO I GET THE CASH IN EXCHANGE FOR MY SHARES OF THOMAS COMMON STOCK?**

A: After the Merger is completed, Gardner Denver will send Thomas shareholders written instructions for surrendering their shares. If you hold Thomas shares in physical form, please do not send in your stock certificates now.

**Q: HOW WILL THE MERGER AFFECT HOLDERS OF THOMAS STOCK OPTIONS AND STOCK APPRECIATION RIGHTS ("SARS")?**

A: Gardner Denver will distribute cash to holders of outstanding stock options and SARs with exercise or target prices less than \$40.00. The amount of cash will be determined by reference to the difference between \$40.00 and the exercise or target price of the option or SAR, as provided in the Merger Agreement. See "Summary Thomas Stock Options, Stock Appreciation Rights ("SARs"), Performance Shares and Directors Deferred Shares."

**Q: WILL I HAVE THE OPPORTUNITY TO EXERCISE APPRAISAL RIGHTS IN THE MERGER?**

A: Yes. Under the Delaware General Corporation Law (the "DGCL"), Thomas shareholders are entitled to appraisal rights in connection with the Merger. Any Thomas shareholder who wants to exercise appraisal rights must strictly comply with the rules governing the exercise of appraisal rights or else lose those appraisal rights. If a Thomas shareholder returns a signed proxy card not marked "AGAINST" or "ABSTAIN" with respect to the approval and adoption of the Merger Agreement, such proxy will be voted "**FOR**" the approval and adoption of the Merger Agreement and will result in that shareholder waiving his, her or its appraisal rights. We have described the procedures for exercising appraisal rights in this proxy statement and have attached the provisions of the DGCL that govern appraisal rights as Appendix B. See "The Merger Appraisal Rights."

**Q: WHAT ARE THE MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER?**

A: The receipt of cash for Thomas common stock pursuant to the Merger, including as a result of the exercise of appraisal rights, will be a taxable transaction for United States federal income tax purposes. Generally, a beneficial holder of Thomas common stock who receives cash in exchange for shares pursuant to the Merger will recognize gain or loss for federal income tax purposes equal to the difference, if any, between the amount of cash received and the beneficial holder's adjusted tax basis in the shares surrendered for cash pursuant to the Merger. You should consult your tax

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advisor on how specific tax consequences of the Merger apply to you. See "The Merger Material United States Federal Income Tax Consequences."

### **Q: HOW DOES THOMAS' BOARD OF DIRECTORS RECOMMEND I VOTE?**

A:

At a meeting held on March 8, 2005, Thomas' board of directors unanimously approved the Merger Agreement and declared the Merger advisable and in the best interests of Thomas shareholders. Thomas' board of directors recommends that you vote **"FOR"** approval and adoption of the Merger Agreement. See "The Merger Recommendation of Thomas' Board of Directors."

### **Q: WHO CAN ANSWER MY QUESTIONS?**

A:

You can find more information about Thomas from various sources described under "Where You Can Find More Information." If you have questions about the Special Meeting, where to send your proxy or other matters with respect to voting after reading this proxy statement, you should contact:

Georgeson Shareholder Communications Inc.  
17 State Street - 10th Floor  
New York, NY 10004  
Telephone: Banks and Brokers (212) 440-9800  
Telephone: All Others call Toll-Free (800) 561-4162

If you have additional questions about the Merger, you should contact:

Thomas Industries Inc.  
4360 Brownsboro Road, Suite 300  
Louisville, Kentucky 40207  
Attn: Secretary  
Telephone: (502) 893-4600

## SUMMARY

*The following summarizes the material information set forth in this proxy statement. It does not contain all of the information in this proxy statement. In order to fully understand the Merger, you should carefully read the entire proxy statement, the Merger Agreement attached as Appendix A to this proxy statement and the other appendices attached to this proxy statement. We encourage you to read the Merger Agreement because it is the legal document that governs the Merger.*

### The Parties

**Thomas.** Thomas is a corporation organized under the laws of the State of Delaware. Its principal executive offices are located at 4360 Brownsboro Road, Suite 300, Louisville, Kentucky 40207 and its telephone number is (502) 893-4600. Thomas' common stock is listed on the New York Stock Exchange (the "NYSE"). Thomas is a leading supplier of pumps and compressors to the original equipment manufacturer ("OEM") market in such applications as medical equipment, gasoline vapor and refrigerant recovery, automotive and transportation applications, foundry applications, printing, packaging, business equipment and laboratory equipment. Thomas conducts its business from its corporate office located in Louisville, Kentucky and through its worldwide operations. Thomas' pump and compressor group headquarters are as follows: North American Group Sheboygan, Wisconsin; European Group Puchheim, Germany; and Asia Pacific Group Hong Kong, China.

**Gardner Denver.** Gardner Denver, Inc., referred to as "Gardner Denver" in this proxy statement, is a leading designer, manufacturer and marketer of highly engineered air compressors, reciprocating pumps, blowers and certain fluid transfer products. Its products primarily are used to move fluids, gases or solids through the application of pressure, vacuum or other mechanical influences, often in highly demanding applications or environments. Its compressors, reciprocating pumps and blowers are used in a broad range of industrial applications and its fluid transfer products are used primarily for oil and natural gas well drilling, servicing, production and transfer as well as for industrial cleaning and maintenance. Gardner Denver's common stock is listed on the NYSE. Gardner Denver is a Delaware corporation with its principal office at 1800 Gardner Expressway, Quincy, Illinois 62305. Its telephone number is (217) 222-5400.

**PT Acquisition.** PT Acquisition Corporation, referred to as "PT Acquisition" in this proxy statement, is a Delaware corporation that was recently formed by Gardner Denver for the sole purpose of completing the Merger with Thomas. PT Acquisition is a wholly-owned subsidiary of Gardner Denver and has not engaged in any business except in anticipation of the Merger. The principal office address of PT Acquisition is c/o Gardner Denver, Inc., 1800 Gardner Expressway, Quincy, Illinois 62305 and its telephone number is (217) 222-5400.

See "The Parties to the Merger."

### The Proposed Acquisition

**Structure of the Merger.** In the Merger, PT Acquisition will merge with and into Thomas. Thomas will be the Surviving Corporation of the Merger and will become a wholly-owned subsidiary of Gardner Denver.

**Shareholder Vote.** You are being asked to vote to approve and adopt the Merger Agreement.

**Effectiveness of the Merger.** The Merger will be effective upon the filing of a Certificate of Merger with the Secretary of State of the State of Delaware (the "Effective Time") in accordance with the DGCL. The Merger Agreement provides that the filing will be made on the second business day following the date on which the conditions set forth in the Merger Agreement are satisfied or waived (to the extent permitted by law), unless another time is agreed to by Thomas and Gardner Denver.



Subject to Thomas' shareholders approving the Merger Agreement, Thomas and Gardner Denver expect to make such filing on July 1, 2005 following the Special Meeting. See "The Merger Agreement Conditions to Consummation of the Merger" and "The Merger Completion and Effectiveness of the Merger."

*Price for Your Stock.* Unless you exercise appraisal rights, as a result of the Merger you will receive \$40.00 in cash (without interest) for each share of your Thomas common stock.

#### **Thomas Stock Price**

Shares of Thomas are listed on the NYSE under the symbol "TIL." On November 19, 2004, the last trading day before Thomas' board of directors publicly announced that it had authorized management to explore strategic alternatives, including exploration of acquisitions, stock buybacks, declaration of a special cash dividend and the possible sale of Thomas, Thomas common stock closed at \$37.13 per share. The average closing price of Thomas common stock for the 30 days prior to such date was \$34.59. On March 8, 2005, the last full trading day immediately preceding the public announcement of the proposed Merger, Thomas common stock closed at \$39.92 per share. On May 27, 2005, which is the latest practicable date prior to the date of this proxy statement, Thomas common stock closed at \$39.86 per share. See "Recent Market Prices Of, and Dividends On, Thomas Common Stock."

#### **Thomas Stock Options, Stock Appreciation Rights ("SARs"), Performance Shares and Directors Deferred Shares**

All unvested stock options and SARs issued under the Thomas incentive stock plan will become fully vested upon shareholder approval of the Merger in accordance with the DGCL. Any stock options or SARs outstanding at the Effective Time will be liquidated (in one of two methods depending upon if the option involved qualifies as an "incentive stock option" under the Internal Revenue Code of 1986, as amended (the "Code")). Under either method, if you are a holder of an outstanding Thomas stock option or SAR with an exercise or target price of less than \$40.00, then within three business days after the Effective Time, Gardner Denver will cause the paying agent to mail you a letter of transmittal with instructions on how to exchange your options or SARs for the cash consideration.

After you mail the letter of transmittal, duly executed and completed in accordance with the instructions, and your options or SARs to the paying agent, the paying agent will mail a check to you in the amount of cash equal to the product of (A) the difference between \$40.00 and the per share exercise or target price of your option or SAR, and (B) the number of shares of Thomas common stock covered by your option or SAR, less any applicable withholding taxes. Simultaneously with the completion of the Merger, the Thomas incentive stock plan and each outstanding Thomas stock option and SAR under the Thomas incentive stock plan will be terminated.

For all performance share awards outstanding immediately prior to the Effective Time, upon shareholder approval of the Merger in accordance with the DGCL, 100 percent of the target shares then credited to each participant will be deemed payable to each participant. If you are a holder of a performance share award, in lieu of receipt of Thomas common stock pursuant to the preceding sentence, promptly within three business days after the Effective Time, Gardner Denver will cause the paying agent to mail you a letter of transmittal with instructions on how to exchange your performance shares for the cash consideration.

After you mail the letter of transmittal, duly executed and completed in accordance with the instructions, and your performance shares to the paying agent, the paying agent will mail you a check in the amount of a cash payment equal to the number of performance shares (adjusted for any dividends paid since such performance shares were awarded) multiplied by \$40.00, less any applicable withholding taxes. If you previously earned performance shares but elected to defer receipt of those

shares of Thomas common stock, you will receive a cash payment equal to the number of shares (adjusted for any dividends paid since such performance shares were deferred) multiplied by \$40.00, less any applicable withholding taxes.

Finally, if you are a member of Thomas' board of directors and you previously elected to receive some or all of your retainer or meeting fees in the form of shares of Thomas common stock payable at a future date, then, following completion of the Merger, you will receive a cash payment equal to the number of deferred shares of Thomas common stock to which you are entitled (adjusted for any dividends paid since such shares were deferred) multiplied by \$40.00, less any applicable withholding taxes.

#### **Other Thomas Employee Benefit Plans**

Gardner Denver has agreed to maintain Thomas' employee benefit plans (other than any plan or agreement providing for the grant, issuance, award, sale or transfer of equities securities in Thomas or any of its subsidiaries) in accordance with and subject to their respective terms, or to provide comparable benefit plans, for one year following the closing date of the Merger. Without limiting the generality of the foregoing statement, Gardner Denver has specifically agreed to honor two Thomas severance plans, the Thomas Industries Severance Pay Policies for Exempt and Non-Exempt Employees and the Thomas Industries Severance Pay Policy for Officers, in accordance with and subject to their respective terms, for one year following the closing date of the Merger. See "The Merger Thomas Employees and Employee Benefit Plans."

#### **Board Recommendation**

Thomas' board of directors has unanimously determined that the Merger Agreement is advisable and in the best interests of Thomas shareholders, has approved the Merger Agreement and recommends that Thomas shareholders vote "**FOR**" approval and adoption of the Merger Agreement. See "The Merger Recommendation of Thomas' Board of Directors."

#### **Thomas' Considerations Relating to the Merger**

During the course of reaching its decision to approve the Merger Agreement and the Merger our board of directors considered a number of factors and consulted our senior management and outside financial and legal advisors.

Our board of directors considered a number of factors supporting its decision to approve the Merger Agreement and the Merger, including, but not limited to:

discussions with our management regarding our business, financial condition, competitive position, business strategy, strategic options and prospects, as well as the risks involved in achieving these prospects, the nature of our business and the industry in which we compete, and current industry, economic and worldwide market conditions, both on a historical and on a prospective basis, all of which led our board of directors to conclude that the Merger presented an opportunity for Thomas' shareholders to realize greater value than the value likely to be realized by shareholders in the event we remained independent;

our review of the possible alternatives to a sale of Thomas, including pursuit of an acquisition growth strategy, a stock buyback or payment of a special one-time cash dividend, the value to shareholders of such alternatives and the timing and likelihood of actually achieving additional value from these alternatives, and our board's assessment that none of these options were reasonably likely to result in value for shareholders greater than the consideration to be received in the Merger;

that the Merger alternative was agreed to by our board of directors only after the issuance on November 22, 2004 by us of a press release regarding a review of our strategic and financial alternatives, publicity concerning our review of strategic and financial alternatives and the possibility that we may be sold, and the passage of a significant period of time between issuance of the press release and approval of the Merger Agreement;

that the Merger was agreed to by our board of directors after a lengthy sale process pursuant to which (i) a public press release was issued concerning the Corporation's evaluation of strategic and financial alternatives, including, a potential sale of the Corporation; (ii) Robert W. Baird & Co. Incorporated ("Baird"), Thomas' financial advisor, had discussions with a total of 68 parties; and (iii) 35 parties received a confidential information memorandum with respect to the Corporation;

the financial analyses of Baird presented to our board of directors on March 8, 2005, and the written opinion of Baird delivered on March 8, 2005 to our board of directors that, as of March 8, 2005, based upon and subject to the matters set forth in its opinion, including the various assumptions and limitations set forth therein, the consideration to be received by holders of our common stock (other than Gardner Denver and its affiliates) pursuant to the Merger Agreement was fair, from a financial point of view, to such holders (other than Gardner Denver and its affiliates); and

the fact that our board of directors determined that the Merger was in the best interests of all of the Corporation's shareholders and recommended that the Merger Agreement be approved and adopted by Thomas' shareholders.

Thomas' board of directors viewed all of these factors and the others discussed in "The Merger Thomas' Considerations Relating to the Merger" as important in reaching its conclusion. For a more detailed discussion of the board's considerations see "The Merger Background of the Merger" and "The Merger Thomas' Considerations Relating to the Merger." Also see the opinion of Baird presented and delivered to Thomas' board of directors on March 8, 2005, attached to this proxy statement as Appendix C.

### **The Special Meeting**

*Place, Date and Time.* The Special Meeting will be held at the Louisville Marriott Downtown, 280 West Jefferson Street, Louisville, Kentucky, on Friday, July 1, 2005, at 10:00 a.m. Eastern Daylight Time.

*What Vote is Required.* The approval and adoption of the Merger Agreement requires the affirmative vote by the holders of a majority of the shares of Thomas common stock issued and outstanding as of the record date referred to below. Failing to vote will have the same effect as a vote "AGAINST" approval and adoption of the Merger Agreement.

*Who Can Vote at the Meeting.* At the Special Meeting you can vote all of the shares of Thomas common stock you own of record as of May 27, 2005, which is the record date for the Special Meeting. If you own shares that are registered in someone else's name such as a broker or nominee, you need to direct that person to vote those shares or obtain an authorization from them to vote the shares yourself at the Special Meeting. As of the close of business on May 27, 2005, there were 17,853,675 shares of Thomas common stock outstanding, which were held by approximately 1,656 holders of record.

*Procedure for Voting.* You can vote your shares by attending the Special Meeting and voting in person or by mailing the enclosed proxy card. If you submit a proxy, you may revoke it at any time before the vote is taken at the Special Meeting. To revoke your proxy, you must either provide a written notice of revocation to the Secretary of Thomas, deliver a proxy dated after the date of the

proxy you wish to revoke, or attend the meeting and vote your shares in person. Merely attending the Special Meeting will not constitute revocation of your proxy. See "The Special Meeting of Thomas Shareholders Voting by Proxy."

#### **Opinion of Thomas' Financial Advisor**

Baird, Thomas' financial advisor, delivered its oral opinion (which was subsequently confirmed in writing) to Thomas' board of directors on March 8, 2005, to the effect that, as of that date and based upon and subject to the matters and assumptions stated in the written opinion, the merger consideration of \$40.00 in cash per share was fair, from a financial point of view, to Thomas shareholders (other than Gardner Denver and its affiliates). See "The Merger Opinion of Thomas' Financial Advisor" and Appendix C.

#### **Interests of Directors and Executive Officers in the Merger that Differ from Your Interests**

Some of Thomas' directors and officers have interests in the Merger that are different from, or are in addition to, their interests as shareholders in Thomas. Thomas' board of directors knew about these additional interests and considered them when it approved the Merger Agreement. See "The Merger Interests of Thomas' Directors and Officers in the Merger" and "Security Ownership of Certain Beneficial Owners and Management."

#### **Material United States Federal Income Tax Consequences**

The Merger will be a taxable transaction to you. In general, for United States federal income tax purposes, your receipt of cash in exchange for your shares of Thomas common stock will cause you to recognize gain or loss measured by the difference, if any, between the cash you receive in the Merger and your adjusted tax basis in your shares of Thomas common stock. Tax matters are very complicated, and the tax consequences of the Merger to you will depend on the facts of your particular situation. We urge you to consult your own tax advisor as to the specific tax consequences to you of the Merger, including the applicable federal, state, local and foreign tax consequences. See "The Merger Material United States Federal Income Tax Consequences."

#### **Regulatory Filings and Approvals**

The Merger was subject to review by the Antitrust Division of the Department of Justice and the Federal Trade Commission (the "Federal Antitrust Agencies") under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"). On March 16, 2005, Thomas and Gardner Denver each filed the information and materials required under the HSR Act with the Federal Antitrust Agencies. Early termination of the applicable HSR Act waiting period was granted on April 14, 2005. Even though the HSR Act waiting period was terminated, these agencies, state antitrust authorities or a private person or entity could challenge the Merger at any time before or after its completion. See "The Merger Regulatory Filings and Approvals."

The Merger was also subject to review by the German Federal Cartel Office ("FCO") under Chapter VII of the German Act against Restraints on Competition of 1958, as amended. Gardner Denver submitted the required merger notification to the FCO on April 22, 2005. The FCO subsequently cleared the Merger by letter dated May 20, 2005. See "The Merger Regulatory Filings and Approvals."

In addition, the Merger was subject to review by the Norwegian Competition Authority (the "NCA"). Gardner Denver submitted a so-called "simplified" notification to the NCA on April 13, 2005. The Merger was deemed cleared by the NCA since the parties did not receive notice that the NCA would require submission of a complete notification within 15 working days following the submission of the "simplified" notification. See "The Merger Regulatory Filings and Approvals."

### **Appraisal Rights**

The DGCL provides you with appraisal rights in the Merger. This means that if you are not satisfied with the amount you would receive in the Merger, you are entitled to have the value of your shares determined by the Delaware Court of Chancery (the "Chancery Court") and to receive payment based on that valuation. The ultimate amount you receive as a dissenting shareholder in an appraisal proceeding may be more or less than, or the same as, the amount you would have received in the Merger. To exercise your appraisal rights, you must deliver a written objection to the Merger to the Secretary of Thomas at or before the vote is taken at the Special Meeting and you must not vote in favor of approval and adoption of the Merger Agreement. Your failure to follow exactly the procedures specified under the DGCL will result in the loss of your appraisal rights. If you are interested in exercising your appraisal rights, you should read carefully "The Merger Appraisal Rights" and Appendix B.

### **Financing of the Merger**

The consummation of the Merger is not contingent on financing. Gardner Denver intends to fund the Merger from approximately \$239 million in available cash and net proceeds from the following three transactions that were completed in May 2005: (i) approximately \$200 million (after the underwriters discount) from a public offering of its common stock, (ii) a \$125 million offering of its senior subordinated notes due 2013, and (iii) a portion of a \$380 million five-year senior secured term loan facility. See "The Merger Financing of the Merger."

### **When the Merger will be Completed**

Thomas and Gardner Denver are working to complete the Merger as soon as possible. Subject to receipt of Thomas shareholder approval, we anticipate completing the Merger following the satisfaction or waiver of the conditions described immediately below. The parties expect that all such conditions will be satisfied or waived prior to or immediately following the Special Meeting. Subject to Thomas' shareholders approving the Merger Agreement, the transactions contemplated by the Merger Agreement are expected to be consummated on July 1, 2005 following the Special Meeting. See "The Merger Agreement Effective Time of the Merger."

### **Conditions to Completing the Merger**

The completion of the Merger depends on a number of conditions being satisfied, including the following:

approval and adoption of the Merger Agreement by the shareholders of Thomas in accordance with the DGCL;

obtaining all regulatory approvals required under the Merger Agreement;

the absence of (1) any temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Merger and (2) any action taken or law or order enacted, entered, enforced or deemed applicable to the Merger by any governmental entity that makes the consummation of the Merger illegal;

Thomas and Gardner Denver having performed in all material respects all of their requisite obligations under the Merger Agreement (and each party having received the certificate of the Chief Executive Officer and Chief Financial Officer of the other party to that effect);

the representations and warranties of Thomas which are qualified by materiality in the Merger Agreement being true and correct and those not so qualified being true and correct in all

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material respects as of the closing date of the Merger, other than for such failures of the representations and warranties to be so true and correct that, individually and in the aggregate, have not had and could not reasonably be expected to have a Company Material Adverse Effect (and Gardner Denver having received the certificate of the Chief Executive Officer and Chief Financial Officer of Thomas to that effect), see "The Merger Agreement Material Adverse Effect";

there must not be pending any suit, action or proceeding by any governmental entity seeking to prohibit or impose and no regulatory approval required under the Merger Agreement shall be conditioned upon or seek to impose, any material limitations on Gardner Denver's or PT Acquisition's ownership or operation of all or a material portion of Gardner Denver's (or their subsidiaries' or affiliates') or Thomas' (or its subsidiaries') business or assets or to compel Gardner Denver to dispose of, sell, license or hold separate any material portion of the business or assets of Gardner Denver, Thomas or their respective subsidiaries; and

the representations and warranties of Gardner Denver and PT Acquisition which are qualified by materiality in the Merger Agreement being true and correct and those not so qualified being true and correct in all material respects as of the closing date, other than for such failures of the representations and warranties to be so true and correct that, individually and in the aggregate, have not had and could not reasonably be expected to prevent or materially delay the ability of Gardner Denver and PT Acquisition to perform their obligations under the Merger Agreement or to consummate the Merger (and Thomas having received the certificate of the Chief Executive Officer and Chief Financial Officer of Gardner Denver to that effect).

If permitted by law, either Thomas or Gardner Denver could choose to waive a condition to its obligation to complete the Merger even though that condition has not been satisfied. See "The Merger Agreement Conditions to Consummation of the Merger" and "The Merger Agreement Material Adverse Effect."

### **Failure to Approve and Complete the Merger**

It is possible the Merger will not be completed. This would happen if the Thomas shareholders do not approve and adopt the Merger Agreement or if certain other conditions are not satisfied or waived. See "The Merger Agreement Conditions to Consummation of the Merger" and "The Merger Agreement Material Adverse Effect." If the Merger is not completed, none of Gardner Denver, Thomas or any other person will be under any obligation to make or consider any alternate proposal regarding the acquisition of Thomas.

### **Termination of the Merger Agreement**

Thomas and Gardner Denver can mutually agree in writing to terminate the Merger Agreement whether before or after approval and adoption by the Thomas shareholders. Each of Thomas and Gardner Denver may terminate the Merger Agreement unilaterally if certain events occur, including, among other things, breaches by the other party, the Merger not being consummated by December 15, 2005, the Thomas shareholders not approving and adopting the Merger Agreement, a governmental entity that must grant a regulatory approval required under the Merger Agreement denying approval of the Merger or taking any action prohibiting the Merger, and Thomas' board of directors determining that there is a Superior Company Proposal (as defined in "The Merger Agreement No Solicitation"). In addition, Gardner Denver may unilaterally terminate the Merger Agreement if Thomas' board of directors withdraws or adversely amends its recommendation and approval of the Merger or approves or recommends any Superior Company Proposal. See "The Merger Agreement Termination of Merger Agreement."

### **Termination Fees and Expenses**

Thomas will be required to pay a termination fee of \$12 million to Gardner Denver or reimburse Gardner Denver for expenses of up to \$3 million if the Merger Agreement is terminated under certain circumstances. Gardner Denver will be required to pay a termination fee of \$5 million to Thomas if, as of December 15, 2005, Thomas has satisfied certain conditions and the Merger Agreement is terminated by either Thomas or Gardner Denver as a result of the failure to obtain the regulatory approvals required under the Merger Agreement or by Gardner Denver if any governmental entity imposes or seeks to impose any material limitations on Gardner Denver's or PT Acquisition's ownership or operation of all or a material portion of Gardner Denver's (or their subsidiaries' or affiliates') or Thomas' (or its subsidiaries') business or assets or to compel Gardner Denver to dispose of, sell, license or hold separate any material portion of the business or assets of Gardner Denver, Thomas or their respective subsidiaries. See "The Merger Agreement Termination of Merger Agreement" and "The Merger Agreement Termination Fees and Expenses."

### **Accounting Treatment**

The Merger will be accounted for as a "purchase" as such term is used under U.S. generally accepted accounting principles ("GAAP"), for accounting and financial reporting purposes. See "The Merger Accounting Treatment of the Merger."

### **Procedure for Receiving Merger Consideration**

Gardner Denver will appoint a paying agent to coordinate the payment of the cash merger consideration following the Merger. The paying agent will send you written instructions for surrendering your certificates and obtaining the cash merger consideration after Thomas and Gardner Denver have completed the Merger. Do not send in your Thomas stock certificates now. See "Summary Exchange Procedures."

### **Shares Held by Directors and Executive Officers**

As of May 27, 2005, approximately 15.87% of the outstanding shares of Thomas common stock were held by directors and executive officers of Thomas, and no shares of Thomas common stock were held by Gardner Denver. Each of the directors has advised Thomas that he will vote the shares held by him in favor of the proposal to approve and adopt the Merger Agreement. See "Security Ownership of Certain Beneficial Owners and Management."

### **Exchange Procedures**

Gardner Denver will appoint a paying agent for the purpose of exchanging certificates representing shares of Thomas common stock for the cash merger consideration. Gardner Denver will deposit with the paying agent the funds sufficient to pay the aggregate merger consideration to the Thomas shareholders and to satisfy certain of its other obligations under the Merger Agreement.

As soon as practicable after the consummation of the Merger, but in no event later than 3 business days following the Effective Time, the paying agent will mail to each former holder of record of Thomas common stock a letter with instructions on how to exchange stock certificates for the cash consideration.

Please do not send in your stock certificates until you receive the letter of transmittal and instructions from the paying agent. Do not return your Thomas stock certificates with the enclosed proxy card. If your shares of Thomas common stock are held through a broker, your broker will surrender your shares for cancellation.

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After you mail the letter of transmittal, duly executed and completed in accordance with its instructions, and your stock certificates to the paying agent, the paying agent will mail a check to you. The stock certificates you surrender will be canceled. After the completion of the Merger, there will be no further transfers of Thomas common stock, and stock certificates presented for transfer after the completion of the Merger will be canceled and exchanged for the cash merger consideration. If payment is to be made to a person other than the registered holder of the shares of Thomas common stock, the certificate surrendered must be properly endorsed or otherwise in proper form for transfer and any transfer or other taxes must be paid by the person requesting the payment or that person must establish to the paying agent's satisfaction that such tax has been paid or is not payable.

If your Thomas stock certificates have been lost, stolen or destroyed, upon making an affidavit of that fact, and if required by Gardner Denver, posting a bond as indemnity against any claim with respect to the certificates, the paying agent will issue the cash merger consideration in exchange for your lost, stolen, or destroyed stock certificates.

### Questions

If you have questions about the Special Meeting, where to send your proxy or other matters with respect to voting after reading this proxy statement, you should contact:

Georgeson Shareholder Communications Inc.  
17 State Street - 10th Floor  
New York, NY 10004  
Telephone: Banks and Brokers (212) 440-9800  
Telephone: All Others call Toll-Free (800) 561-4162

If you have additional questions about the Merger, you should contact:

Thomas Industries Inc.  
4360 Brownsboro Road, Suite 300  
Louisville, Kentucky 40207  
Attn: Secretary  
Telephone: (502) 893-4600



### CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION

This proxy statement, and the documents to which we refer you, contain certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words "anticipates," "believes," "estimates," "expects," "plans," "intends" and other similar expressions are intended to identify these forward-looking statements, but are not the exclusive means of identifying them. You are cautioned not to place undue reliance on these forward-looking statements as these forward-looking statements reflect our and our management's current view and are subject to certain risks, uncertainties and contingencies that could cause our actual results, performance or achievements to differ materially from those expressed in or implied by these statements. These risks, uncertainties and contingencies include, among other things, the risk the Merger may not be consummated in a timely manner, if at all, risk regarding employee and customer retention and other risks detailed in our current filings with the Securities and Exchange Commission, including the factors discussed under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations Forward-Looking Statements" in our Annual Report on Form 10-K for the year ended December 31, 2004, which information is incorporated herein by reference. We undertake no obligation and do not intend to update or revise these forward-looking statements to reflect future events or circumstances except as required pursuant to the federal securities laws.

### THE PARTIES TO THE MERGER

The parties to the Merger Agreement are Thomas, Gardner Denver and PT Acquisition, a wholly-owned subsidiary of Gardner Denver.

#### Thomas

Thomas is a corporation organized under the laws of the State of Delaware. Its principal executive offices are located at 4360 Brownsboro Road, Suite 300, Louisville, Kentucky 40207 and its telephone number is (502) 893-4600. Thomas' common stock is listed on the New York Stock Exchange (the "NYSE"). Thomas is a leading supplier of pumps and compressors to the original equipment manufacturer ("OEM") market in such applications as medical equipment, gasoline vapor and refrigerant recovery, automotive and transportation applications, foundry applications, printing, packaging, business equipment and laboratory equipment. Thomas conducts its business from its corporate office located in Louisville, Kentucky and through its worldwide operations. Thomas' pump and compressor group headquarters are as follows: North American Group Sheboygan, Wisconsin; European Group Puchheim, Germany; and Asia Pacific Group Hong Kong, China.

The company that was eventually to become known as Thomas Industries Inc. was founded in 1928 as the Electric Sprayit Company. Electric Sprayit manufactured paint spraying machines, blowers, and air compressors in Chicago, Illinois. In 1948, Mr. Lee B. Thomas and a group of investors acquired Moe Brothers Manufacturing of Fort Atkinson, Wisconsin, a manufacturer of residential lighting products. In 1953, Moe Lighting and The Electric Sprayit Company merged to become Thomas Industries Inc. Thomas was incorporated in Delaware in 1928.

Although its roots were in lighting products and air compressors, Thomas began to diversify in the 1960's and 1970's, acquiring companies that manufactured consumer products along with tools, hardware, and specialty products. A new strategic focus on lighting and pumps/compressors began in the 1980's and was finalized in 1994 when Thomas divested its last non-core business.

On August 30, 1998, Thomas and The Genlyte Group Incorporated ("Genlyte") formed a lighting joint venture that combined substantially all of the assets and liabilities of Genlyte and substantially all of the lighting assets and related liabilities of Thomas to create Genlyte Thomas Group LLC ("GTG"), estimated to be the third largest manufacturer of lighting fixtures and controls in North America.

Thomas owned a 32% interest in the joint venture, and Genlyte owned a 68% interest. Effective with the close of business on July 31, 2004, Thomas sold its 32% joint venture interest in GTG to Genlyte, thereby exiting the lighting business.

On August 29, 2002, Thomas purchased substantially all the assets and liabilities of Werner Rietschle Holding GmbH ("Rietschle"), a privately held company based in Schopfheim, Germany. Rietschle is a world leader in vacuum and pressure technology, which includes dry-running and oil-lubricated pumps, blowers, compressors, and pressure/vacuum pumps utilizing rotary vane, screw, roots and claw technologies. With the newly-launched Rietschle Thomas brand, Thomas is currently pursuing further opportunities in markets such as printing, packaging, woodworking and other applications that utilize these technologies.

#### **Gardner Denver**

Gardner Denver, Inc., referred to as "Gardner Denver" in this proxy statement, is a leading designer, manufacturer and marketer of highly engineered air compressors, reciprocating pumps, blowers and certain fluid transfer products. Its products primarily are used to move fluids, gases or solids through the application of pressure, vacuum or other mechanical influences, often in highly demanding applications or environments. Its compressors, reciprocating pumps and blowers are used in a broad range of industrial applications and its fluid transfer products are used primarily for oil and natural gas well drilling, servicing, production and transfer as well as for industrial cleaning and maintenance. Gardner Denver's common stock is listed on the NYSE. Gardner Denver is a Delaware corporation with its principal office at 1800 Gardner Expressway, Quincy, Illinois 62305. Its telephone number is (217) 222-5400.

#### **PT Acquisition**

PT Acquisition Corporation, referred to as "PT Acquisition" in this proxy statement, is a Delaware corporation that was recently formed by Gardner Denver for the sole purpose of completing the Merger with Thomas. PT Acquisition is a wholly-owned subsidiary of Gardner Denver and has not engaged in any business except in anticipation of the Merger. The principal office address of PT Acquisition is c/o Gardner Denver, Inc., 1800 Gardner Expressway, Quincy, Illinois 62305 and its telephone number is (217) 222-5400.

### **THE SPECIAL MEETING OF THOMAS SHAREHOLDERS**

#### **Time, Place and Purpose of the Special Meeting**

The Special Meeting will be held at the Louisville Marriott Downtown, 280 West Jefferson Street, Louisville, Kentucky, on Friday, July 1, 2005, at 10:00 a.m. Eastern Daylight Time. The purpose of the Special Meeting is (1) to vote on the proposal to approve and adopt the Merger Agreement, pursuant to which, upon the terms and subject to the conditions of the Merger Agreement, (a) PT Acquisition will be merged with and into Thomas, with Thomas being the Surviving Corporation and becoming a wholly-owned subsidiary of Gardner Denver; and (b) each share of Thomas common stock outstanding at the Effective Time (other than shares held by Thomas or its subsidiaries, any shares held by Gardner Denver or its subsidiaries, or shares held by shareholders who perfect their statutory appraisal rights with respect to such shares under the DGCL) will be converted into the right to receive \$40.00 in cash, without interest; and (2) to transact such other business as may properly come before the Special Meeting.

Thomas' board of directors has unanimously determined that the Merger Agreement is advisable and in the best interests of Thomas shareholders, has approved the Merger Agreement and recommends that Thomas shareholders vote **"FOR"** approval and adoption of the Merger Agreement.

### **Who Can Vote at the Special Meeting**

The holders of record of Thomas common stock as of the close of business on May 27, 2005, which is the record date for the Special Meeting, are entitled to receive notice of, and to vote at, the Special Meeting. If you own shares that are registered in someone else's name, such as a broker or nominee, you need to direct that person to vote those shares or obtain an authorization from them to vote the shares yourself at the Special Meeting. On May 27, 2005, there were 17,853,675 shares of Thomas common stock outstanding, which were held by approximately 1,656 holders of record.

### **Vote Required for Approval of Merger**

The approval and adoption of the Merger Agreement requires the affirmative vote by the holders of a majority of the shares of Thomas common stock issued and outstanding on the record date. Each share of common stock is entitled to one vote. Failure to return a properly executed proxy card, submit a proxy or vote in person will have the same effect as a vote "AGAINST" approval and adoption of the Merger Agreement.

Under the rules of the NYSE, brokers who hold shares in "street name" for customers have the authority to vote on "routine" proposals when they have not received instructions from beneficial owners. However, brokers are precluded from exercising their voting discretion with respect to the approval of non-routine matters such as the approval and adoption of the Merger Agreement. As a result, without specific instructions from the beneficial owner of shares they hold in street name, brokers are not empowered to vote those shares (referred to generally as "broker non-votes"). Abstentions and broker non-votes will be treated as shares that are present and entitled to vote at the Special Meeting for purposes of determining whether a quorum exists and will have the same effect as votes "AGAINST" approval and adoption of the Merger Agreement.

The holders of a majority of the shares of Thomas common stock issued and outstanding on the record date, represented in person or by proxy, will constitute a quorum for purposes of the Special Meeting. A quorum is necessary to hold the Special Meeting. Once a share is represented at the Special Meeting, it will be counted for the purpose of determining a quorum and any adjournment of the Special Meeting, unless the holder is present solely to object to the Special Meeting. However, if a new record date is set for an adjourned meeting, then a new quorum will have to be established.

### **Voting By Proxy**

This proxy statement is being sent to you on behalf of Thomas' board of directors for the purpose of requesting that you allow your shares of Thomas common stock to be represented at the Special Meeting by the persons named in the enclosed proxy card. All shares of Thomas common stock represented at the meeting by properly executed proxy cards will be voted in accordance with the instructions indicated on that proxy. If you sign and return a proxy card without giving voting instructions, your shares will be voted "FOR" approval and adoption of the Merger Agreement.

We recommend you vote by proxy even if you plan to attend the Special Meeting. If you vote by proxy, you may change your vote if you attend the Special Meeting. If you own Thomas common stock in your own name, you are an "owner of record". This means that you may use the enclosed proxy card to tell the persons named as proxies how to vote your shares.

The named proxies will use their own judgment to determine how to vote your shares regarding any matters not described in this proxy statement that are properly presented at the Special Meeting. Thomas does not know of any matter to be presented at the meeting other than the proposal to approve and adopt the Merger Agreement.

You may revoke your proxy at any time before the vote is taken at the meeting. To revoke your proxy, you must provide a written notice of revocation to the Secretary of Thomas, deliver a proxy

dated after the date of the proxy you wish to revoke or attend the meeting and vote your shares in person. Merely attending the Special Meeting will not constitute revocation of your proxy.

If your shares are held in "street name" by your broker, you should instruct your broker on how to vote your shares using the instructions provided by your broker. If you do not instruct your broker to vote your shares, they will not be voted and this will have the same effect as if they were voted "AGAINST" approval and adoption of the Merger Agreement.

**How to Vote**

You may vote in person at the Special Meeting or by proxy as described above. Y