

VOCERA COMMUNICATIONS, INC.
Form DEF 14A
April 20, 2018

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

**SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934**

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
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VOCERA COMMUNICATIONS, INC.

(Name of Registrant as Specified In Its Charter)

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

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April 20, 2018

Dear Fellow Stockholder:

You are cordially invited to attend the 2018 Annual Meeting of Stockholders of Vocera Communications, Inc. to be held at our offices located at 525 Race Street, San Jose, CA 95126 on Friday, June 1, 2018 at 10:00 a.m. (Pacific Time).

Whether or not you plan to attend the meeting, I encourage you to review the enclosed information and vote your shares.

I am proud of what Vocera has accomplished and am excited about the momentum we have created for the future. Hospitals and health systems are increasingly focused on improving clinical communication and workflow. Our mission is to simplify and improve the lives of healthcare professionals and patients, while enabling hospitals to enhance quality of care and operational efficiency. Our continued investments in products and services, combined with strong execution, are paying off, resulting in accelerated growth for our business.

2017 was full of accomplishments, a truly great year for Vocera, and one I'm really proud of. We hit many milestones in serving each of our major stakeholders: employees, customers, investors and our community. I'd like to comment briefly on each one:

Employees: In 2017, we successfully integrated the Extension Healthcare business into a unified company. The addition of Engage software to our platform has changed the tone of the conversation with our customers and secured us a meaningful seat at the table as they set their key business priorities. We now have a combined workforce of approximately 600 employees around the world. In November, I had the opportunity to visit employees in our newly renovated office in Bangalore, India and experienced the passion, pride, and teamwork this group demonstrates working in unity with the rest of the company. Our employee loyalty and engagement reflect the amazing team of people that we have assembled globally to achieve our shared goals.

Customers: Our mission of enabling the Quadruple Aim is resonating, and 2017 was a record year for adding new customer facilities to our business. We completed a banner year in the federal market, and we made continued progress in adding large, enterprise scale accounts in both the Department of Defense and Veterans Affairs. We continue to maintain extremely high customer loyalty within our installed base, as measured by our maintenance renewal rates and Net Promoter scores, and our customers view us as a trusted partner. We were especially proud to be recognized on the Forbes list of Most Trustworthy Companies in America, 2017.

Investors: We achieved 27% revenue growth and increased our profitability significantly, demonstrating the leverage in our business model. With our improved profitability, we strengthened our balance sheet, ending the year with over \$80 million in cash. This financial performance translated to strong Vocera stock performance, well ahead of the major and industry-specific indices. We value the relationships we have built with the investment community and were proud to be recognized by our investors and analysts with several Investor Relations awards in 2017.

Community: In addition to the commitments we make to our employees, customers and investors, we give back to the communities we live in. I am proud of the work we have done this year to share our success with the broader community. 2017 was a tough year for many parts of the world, but our commitment to our communities continued with record levels of volunteering, giving and assistance to local and international communities in need.

As we now look forward, we begin 2018 on very solid financial footing with a strong balance sheet, an expanded sales pipeline and a scalable operating structure. With our broadened software platform and the increasing strategic importance of improving communication in healthcare, we are excited about the growth potential of our business in 2018 and beyond.

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Our 2018 priorities:

We will continue to focus on winning new hospital systems and driving system-wide expansions in our existing customers. We will pursue cross selling opportunities within our installed base, and we will increase focus on pursuing growth in our international markets.

On the product side, we will continue to invest in our solutions to extend our clinical relevance both within and outside of the four walls of the hospital. We have a big year planned for new product introductions as we expand our solutions to help our customers.

We will strive to grow the business and accelerate towards our profitability goals.

To conclude, 2017 was a year of great accomplishment for Vocera, and we are poised for another year of strong achievement for all our stakeholders in 2018.

Thank you for your support and interest in Vocera's success. As always, we value your ongoing participation and support of Vocera, and we are committed to delivering world-class solutions and creating sustainable long-term value for our shareholders.

Sincerely,

Brent D. Lang
President and Chief Executive Officer

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VOCERA COMMUNICATIONS, INC.
525 Race Street
San Jose, CA 95126

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held June 1, 2018

April 20, 2018

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the 2018 Annual Meeting of Stockholders of Vocera Communications, Inc. will be held at our offices located at 525 Race Street, San Jose, CA 95126 on Friday, June 1, 2018, at 10:00 a.m. (Pacific Time).

We are holding the meeting for the following purposes, which are more fully described in the accompanying proxy statement:

1. To elect two (2) Class III directors to serve terms of three years through the third annual meeting of stockholders following this meeting and until, in each case, a successor has been elected and qualified, subject to earlier resignation or removal.
2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018.
3. To conduct a non-binding advisory vote on the compensation of our named executive officers as disclosed in the accompanying materials.
4. To conduct a non-binding advisory vote on the frequency of holding future advisory votes on named executive officer compensation.
5. To approve an amendment to our 2012 Equity Incentive Plan to increase the number of shares reserved thereunder by an additional 1,500,000 shares, and make certain other amendments and technical changes to the 2012 Equity Incentive Plan.

In addition, stockholders may be asked to consider and vote upon such other business as may properly come before the meeting or any adjournment or postponement thereof.

Only stockholders of record at the close of business on April 10, 2018, are entitled to notice of, and to vote at, the meeting and any adjournments thereof. For ten days prior to the meeting, a complete list of the stockholders entitled to vote at the meeting will be available for examination by any stockholder for any purpose relating to the meeting during ordinary business hours at our headquarters.

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Your vote as a Vocera Communications, Inc. stockholder is very important. Each share of stock that you own represents one vote.

For questions regarding your stock ownership, you may contact Investor Relations at (408) 882-5971 or investorrelations@vocera.com or, if you are a registered holder, our transfer agent, Computershare Trust Company, N.A., by email through their website at www.computershare.com/contactus or by phone at (877) 373-6374. Whether or not you expect to attend the meeting, we encourage you to read the proxy statement and vote through the Internet or by telephone, or request, sign and return your proxy card as soon as possible, so that your shares may be represented at the meeting. For specific instructions on how to vote your shares, please refer to the section entitled "General Information about the Meeting" beginning on page 1 of the proxy statement and the instructions on the Notice of Internet Availability of Proxy Materials.

The Securities and Exchange Commission rules allow companies to furnish proxy materials to stockholders over the Internet. We have elected to do so, thus reducing the environmental impact and lowering the costs of printing and distributing proxy materials without impacting your timely access to this important information. On or about April 20, 2018, we expect to mail to stockholders a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability") containing instructions on how to access our proxy statement

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for our 2018 Annual Meeting of Stockholders and our 2017 annual report on Form 10-K to stockholders. The Notice of Internet Availability also provides instructions on how to vote through the Internet or by telephone, and includes instructions on how to receive paper copies of the proxy materials by mail, if desired.

By Order of the Board of Directors,

Douglas A. Carlen
General Counsel and Corporate Secretary

San Jose, California
April 20, 2018

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on June 1, 2018: the Proxy Statement and our 2017 Annual Report on Form 10-K is available at www.envisionreports.com/vcra.

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VOCERA COMMUNICATIONS, INC.

PROXY STATEMENT FOR 2018 ANNUAL MEETING OF STOCKHOLDERS

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This proxy statement and the letter from our Chief Executive Officer contain forward-looking statements reflecting our current expectations that involve risks and uncertainties which are subject to safe harbors under the Securities Act of 1933, as amended, or the Securities Act, and the Securities Exchange Act of 1934, as amended, or the Exchange Act. These forward-looking statements include, but are not limited to, statements concerning our anticipated growth, profitability, priorities, integration of acquisitions, customer deployments and business plans, objectives, expectations and intentions. The words anticipates, believes, estimates, expects, intends, may, plans, projects, similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the growth, profitability, priorities, integration of acquisitions, customer deployments, business plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation, the risks set forth in Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K and in our other filings with the Securities and Exchange Commission. We do not assume any obligation to update any forward-looking statements.

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VOCERA COMMUNICATIONS, INC.
525 Race Street
San Jose, CA 95126

**PROXY STATEMENT FOR THE 2018 ANNUAL
MEETING OF STOCKHOLDERS**

June 1, 2018

Information About Solicitation and Voting

The accompanying proxy is solicited on behalf of the Board of Directors of Vocera Communication, Inc. (we, us, our or the company) for use at Vocera s 2018 Annual Meeting of Stockholders (the annual meeting or the meeting) to be held on June 1, 2018, at 10:00 a.m. (Pacific Time), and any adjournment or postponement thereof.

Internet Availability of Proxy Materials

Under rules adopted by the U.S. Securities and Exchange Commission (the SEC), we are furnishing proxy materials to our stockholders primarily via the Internet, instead of mailing printed copies to each stockholder. On or about April 20, 2018, we expect to send to our stockholders a Notice of Internet Availability of Proxy Materials (Notice of Internet Availability) containing instructions on how to access our proxy materials, including our proxy statement and our annual report on Form 10-K. The Notice of Internet Availability also provides instructions on how to vote through the Internet or by telephone and includes instructions on how to receive paper copies of the proxy materials by mail or an electronic copy of the proxy materials by email.

This process is designed to reduce our environmental impact and lower the costs of printing and distributing our proxy materials without impacting our stockholders timely access to this important information. However, if you would prefer to receive printed proxy materials, please follow the instructions included in the Notice of Internet Availability.

General Information about the Meeting

Purpose of the Meeting

At the meeting, stockholders will act upon the proposals described in this proxy statement. In addition, we will consider any other matters that are properly presented for a vote at the meeting. We are not aware of any other matters to be submitted for consideration at the meeting. If any other matters are properly presented for a vote at the meeting, the persons named in the proxy, who are officers of the company, have the authority in their discretion to vote the shares represented by the proxy.

Record Date; Quorum

Only holders of record of common stock at the close of business on April 10, 2018, the record date, will be entitled to vote at the meeting. At the close of business on April 10, 2018, Vocera had 29,717,236 shares of common stock outstanding and entitled to vote.

The holders of a majority of the voting power of the shares of stock entitled to vote at the meeting as of the record date must be present or represented by proxy at the meeting in order to hold the meeting and conduct business. This presence is called a quorum. Your shares are counted as present at the meeting if you are present and vote in person at the meeting or if you have properly submitted a proxy.

General Proxy Information

Voting Rights

Each holder of shares of common stock is entitled to one vote for each share of common stock held as of the close of business on April 10, 2018, the record date. You may vote all shares owned by you at such date, including (1) shares held directly in your name as the stockholder of record, and (2) shares held for you as the beneficial owner in street name through a broker, bank, trustee or other nominee.

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Stockholder of Record: Shares Registered in Your Name. If on April 10, 2018, your shares were registered directly in your name with Vocera's transfer agent, Computershare Trust Company, N.A., then you are considered the stockholder of record with respect to those shares. As a stockholder of record, you may vote at the meeting, or vote in advance through the Internet or by telephone, or if you request to receive paper proxy materials by mail, by filling out and returning the proxy card.

Beneficial Owner: Shares Registered in the Name of a Broker or Nominee. If on April 10, 2018, your shares were held in an account with a brokerage firm, bank or other nominee, then you are the beneficial owner of the shares held in street name. As a beneficial owner, you have the right to direct your broker on how to vote the shares held in your account, and your broker has enclosed or provided voting instructions for you to use in directing it on how to vote your shares. Because the brokerage firm, bank or other nominee that holds your shares is the stockholder of record, if you wish to attend the meeting and vote your shares you must obtain a valid proxy from the firm that holds your shares giving you the right to vote the shares at the meeting.

Required Vote

Proposal 1: Each director will be elected by a majority of the votes cast, which means that each of the two individuals nominated for election to the Board of Directors at the meeting will be elected if the number of votes cast **FOR** that nominee exceeds the number of votes **AGAINST** that nominee. You may either vote **FOR** or **AGAINST** one or more of the nominees. You may not cumulate votes in the election of directors.

Proposal 2: Approval of the ratification of the appointment of our independent registered public accounting firm will be obtained if the number of votes cast **FOR** the proposal at the meeting exceeds the number of votes **AGAINST** the proposal.

Proposal 3: Approval, on an advisory basis, of the named executive officer compensation will be obtained if the number of votes cast **FOR** the proposal at the meeting exceeds the number of votes **AGAINST** the proposal. This vote is advisory and non-binding in nature.

Proposal 4: The advisory vote on the frequency of holding an advisory vote on named executive officer compensation will be the option of either **1 YEAR**, **2 YEARS**, or **3 YEARS** that receives the highest number of votes. This vote is advisory and non-binding in nature.

Proposal 5: The approval of the amendments to our 2012 Equity Incentive Plan will be obtained if the number of votes cast **FOR** the proposal at the meeting exceeds the number of votes **AGAINST** the proposal.

Abstentions (shares present at the meeting and voted **abstain**) are counted for purposes of determining whether a quorum is present, and have no effect on the outcome of the matters voted upon. Broker non-votes occur when shares held by a broker for a beneficial owner are represented at the meeting but not voted on the particular proposal either because (i) the broker did not receive voting instructions from the beneficial owner or (ii) the broker lacked discretionary authority to vote the shares. Broker non-votes are counted for purposes of determining whether a quorum is present, and have no effect on the outcome of the matters voted upon, except with regards to Proposal 2, which is considered a routine proposal and is subject to the discretionary vote of the holder. Note that if you are a beneficial holder and do not provide specific voting instructions to your broker, the broker that holds your shares will not be authorized to vote on the election of directors. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the meeting.

Recommendations of the Board of Directors on Each of the Proposals Scheduled to be Voted on at the Meeting

The Board of Directors recommends that you vote:

FOR the Class III director nominees named in this proxy statement (Proposal 1);

FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018 (Proposal 2);

FOR the non-binding advisory vote on named executive officer compensation (Proposal 3);

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ONE YEAR for the non-binding advisory vote on the frequency of holding an advisory vote on named executive officer compensation (Proposal 4); and

FOR the amendments to our 2012 Equity Incentive Plan (Proposal 5).

Voting Instructions; Voting of Proxies

If you received a Notice of Internet Availability, please follow the instructions included on the notice on how to access your proxy card and vote by telephone or through the Internet.

If you are a stockholder of record, you may:

Vote in person we will provide a ballot to stockholders who attend the meeting and wish to vote in person;

Vote through the Internet or by telephone in order to do so, please follow the instructions shown on your Notice of Internet Availability or proxy card; or

Vote by mail if you request or receive a paper proxy card and voting instructions by mail, simply complete, sign and date the proxy card and return it as soon as possible before the meeting in the envelope provided.

Votes submitted through the Internet or by telephone must be received by 11:59 p.m., Eastern Time, on May 31, 2018. Submitting your proxy, whether by telephone, through the Internet or by mail if you request or received a paper proxy card, will not affect your right to vote in person should you decide to attend the meeting. If you are not the stockholder of record, please refer to the voting instructions provided by your nominee to direct it how to vote your shares. You may either vo