

CAMBREX CORP
Form 8-K
December 22, 2006

CONFORMED COPY

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) December 19, 2006

CAMBREX CORPORATION

(Exact name of Registrant as specified in its charter)

DELAWARE

22-2476135

(State or Other Jurisdiction of
Incorporation)

1-10638

(Commission File Number)

(I.R.S. Employer
Identification No.)

ONE MEADOWLANDS PLAZA, EAST RUTHERFORD, NEW JERSEY

07073

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (201) 804-3000

Check the appropriate box if the Form 8K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (See General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(d) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Section 5 Corporate Governance and Management

Item 5.02(e) Compensatory Arrangements of Certain Officers

On December 19, 2006, the Compensation Committee of the Board of Directors (the *Committee*) of Cambrex Corporation (Cambrex or the *Company*) approved new retention programs designed to enhance employee retention following consummation of the sale of the *Company*'s Bioproducts and Biopharma businesses to Lonza Group Limited and certain of its subsidiaries, which transaction was previously announced by the *Company* in its Current Report on Form 8-K filed with the Securities and Exchange Commission on October 24, 2006 (the *Transaction*).

One of the retention programs adopted by the *Committee* covers certain executive officers of the *Company*, including Mr. Steven M. Klosk, Executive Vice President, Mr. Luke M. Beshar, Executive Vice President and Chief Financial Officer and Mr. Paolo Russolo, President Cambrex Profarmaco Business Unit, who are each named executive officers of the *Company* (the *Executive Officer Program*). Pursuant to this program, the *Committee* approved a pool of \$1.5 million, subject to a 15% increase or decrease in the size of such pool as determined by the *Company*'s Chief Executive Officer. Individual awards granted pursuant to this program, which are at the discretion of the *Company*'s Chief Executive Officer, have not been determined at this time and are subject to the consummation of the *Transaction*.

Section 8 Other Events

Item 8.01 Other Events

In addition to the *Executive Officer Program*, the *Committee* approved two other retention programs in order to enhance the *Company*'s ability to retain employees following consummation of the *Transaction*.

The first program covers key employees including certain executive officers, but does not include any named executive officer. Pursuant to this program, the *Committee* approved a pool of \$1.465 million, subject to a 15% increase or decrease in the size of such pool as determined by the *Company*'s Chief Executive Officer.

The second program covers certain employees and officers that are performing transition services in connection with the *Transaction*, but does not include any named executive officer. Pursuant to this program, the *Committee* approved a pool of \$1.465 million, subject to a 15% increase or decrease in the size of such pool as determined by the *Company*'s Chief Executive Officer.

Individual awards granted pursuant to either of these programs, which are at the discretion of the Company's Chief Executive Officer, have not been determined at this time and are subject to the consummation of the Transaction.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on behalf by the undersigned hereunto duly authorized.

CAMBREX CORPORATION

By: /s/ Peter E. Thauer
Name: Peter E. Thauer
Title: Senior Vice President, General
Counsel and
Corporate Secretary

Dated: December 22, 2006