

MOMENTA PHARMACEUTICALS INC
Form SC 13D/A
September 06, 2006

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

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 1)*

Momenta Pharmaceuticals, Inc.
(Name of Issuer)

COMMON STOCK, Par Value \$.0001 Per Share
(Title of Class of Securities)

60877T100
(CUSIP Number)

**Peter Rupprecht
Novartis Pharma AG
Lichstrasse 35
CH 4058 Basel, Switzerland
+416132445570**

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

Copy to:
**Philip A. Gelston, Esq.
Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
(212) 474-1000**

September 6, 2006
(Date of Event which Requires Filing of this Statement)

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If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. []

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 60877T100

| | | |
|-----|---|--|
| 1) | Name of Reporting Persons. Novartis AG I.R.S. Identification Nos. of Above Persons (entities only). 00-0000000 | |
| 2) | Check the Appropriate Box if a Member of a Group (See Instructions) (a) (b) | |
| 3) | SEC Use Only | |
| 4) | Source of Funds (See Instructions) AF | |
| 5) | Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) | |
| 6) | Citizenship or Place of Organization Switzerland | |
| | Number of Shares Beneficially Owned by Each Reporting Person With | 7) Sole Voting Power |
| | | 8) Shared Voting Power 4,708,679 |
| | | 9) Sole Dispositive Power |
| | | 10) Shared Dispositive Power 4,708,679 |
| 11) | Aggregate Amount Beneficially Owned by Each Reporting Person 4,708,679 | |
| 12) | Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) | |
| 13) | Percent of Class Represented by Amount in Row (11) 13.1% | |
| 14) | Type of Reporting Person (See Instructions) CO | |
| | | |

CUSIP No. 60877T100

| | | |
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| 1) | Name of Reporting Persons. Novartis Pharma AG I.R.S. Identification Nos. of Above Persons (entities only). 00-0000000 | |
| 2) | Check the Appropriate Box if a Member of a Group (See Instructions) (a) (b) | |
| 3) | SEC Use Only | |
| 4) | Source of Funds (See Instructions) WC | |
| 5) | Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) | |
| 6) | Citizenship or Place of Organization Switzerland | |
| | Number of Shares Beneficially Owned by Each Reporting Person With | 7) Sole Voting Power |
| | | 8) Shared Voting Power 4,708,679 |
| | | 9) Sole Dispositive Power |
| | | 10) Shared Dispositive Power 4,708,679 |
| 11) | Aggregate Amount Beneficially Owned by Each Reporting Person 4,708,679 | |
| 12) | Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) | |
| 13) | Percent of Class Represented by Amount in Row (11) 13.1% | |
| 14) | Type of Reporting Person (See Instructions) CO | |
| | | |

This Amendment No. 1 amends and supplements the statement on Schedule 13D filed on August 4, 2006 by Novartis AG ("Novartis") and Novartis Pharma AG (the "Investor") with respect to the common stock, par value \$.0001 per share (the "Common Stock"), of Momenta Pharmaceuticals, Inc., a Delaware corporation (the "Issuer") (such statement on Schedule 13D, the "Statement"). All capitalized terms used herein and not otherwise defined herein have the meanings ascribed to such terms in the Statement.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 of the Statement is amended and restated in its entirety to read as follows:

The aggregate amount of funds used by the Investor to purchase the Securities (as defined in Item 4) was \$75,000,000. These funds were obtained from working capital and no part of the purchase price for the Securities consisted of borrowed funds.

Item 4. Purpose of the Transaction.

Item 4 is supplemented as follows:

Pursuant to the Purchase Agreement, on September 6, 2006, Investor acquired the Securities.

Item 5. Interest in Securities of the Issuer.

Item 5 of the Statement is amended and restated in its entirety to read as follows:

(a) - (c) The Investor is the record holder and beneficial owner of 4,708,679 shares of the Issuer's Common Stock. As a result of the Investor's holdings, Novartis is the beneficial owner of the Securities. Based on publicly available information, the Securities represent approximately 13.1% of the Issuer's outstanding Common Stock and the Reporting Persons have shared power to vote or direct the vote and shared power to dispose or to direct the disposition of the Securities.

Except as described in this Statement, neither of the Reporting Persons nor, to the best knowledge of the Reporting Persons, any of the persons identified in Schedule I hereto (i) beneficially owns any additional shares of Common Stock or (ii) has effected any transactions in the shares of Common Stock in the past sixty days.

(d) - (e) Not applicable

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

DATED: September 6, 2006

NOVARTIS AG

| | | |
|----|--|---|
| by | /s/ Bernhard Hampl Name: Bernhard Hampl Title: Attorney-in-Fact | /s/ Lee J. Stoller, Esq. Lee J. Stoller, Esq. Attorney-in-Fact |
|----|--|---|

NOVARTIS PHARMA AG

| | | |
|----|--|---|
| by | /s/ Bernhard Hampl Name: Bernhard Hampl Title: Attorney-in-Fact | /s/ Lee J. Stoller, Esq. Lee J. Stoller, Esq. Attorney-in-Fact |
|----|--|---|

SCHEDULE I

Directors and Executive Officers of Novartis AG

The name, function, citizenship and present principal occupation of each of the directors and executive officers of Novartis are set forth below. Unless otherwise indicated below, each occupation set forth opposite an individual's name refers to employment with Novartis. The business address of each individual is Novartis AG, Lichstrasse 35, CH-4002 Basel, Switzerland.

| Name and Function | Citizenship | Present Principal Occupation |
|---|--------------------|---|
| Daniel Vasella, M.D. Chairman of the Board of Directors, Chief Executive Officer | Switzerland | Chairman of the Board of Directors, Chief Executive Officer |
| Helmut Sihler, J.D., Ph.D. Vice Chairman of the Board | Austria | Retired |
| Hans-Joerg Rudloff | Germany | Chairman of Barclays Capital, the Investment Banking Division of Barclays Group, 5 The North Colonnade, Canary Wharf, London, E14 4BB, United Kingdom |
| Dr. h.c. Birgit Breuel | Germany | Retired |
| Peter Burckhardt, M.D. | Switzerland | Head of Medical Service at the University Hospital of Lausanne, CH - 1011, Lausanne, Switzerland |
| Srikant Datar, Ph.D. | U.S.A. | Senior Associate Dean for Executive Education at the Graduate School of Business Administration of Harvard University, Harvard Business School, Executive Education Programs, Soldiers Field, Boston, MA, U.S.A. 02163 |
| William W. George | U.S.A. | Professor of Management Practice at Harvard Business School, Soldiers Field, Boston, MA, U.S.A. 02163 |

| Name and Function | Citizenship | Present Principal Occupation |
|---------------------------------|--------------------|--|
| Alexandre F. Jetzer | Switzerland | Consultant |
| Pierre Landoldt | Switzerland | President of the Sandoz family foundation, 85, Avenue Général-Guisan, CH-1009 Pully, Switzerland |
| Ulrich Lehner, Ph.D. | Germany | President and CEO of Henkel KGaA, a manufacturer and vendor of consumer products, Henkelstrasse 67, 40191, Duesseldorf, Germany |
| Dr. Ing Wendelin Wiedeking | Germany | Chairman of the Executive Board of Dr. Ing. h.c. F. Porsche AG, automobile manufacturer, 70432 Stuttgart, Germany |
| Rolf M. Zinkernagel, M.D. | Switzerland | Professor and Director of the Institute of Experimental Immunology at the University of Zurich, Sternwartstrasse 2, 8091 Zurich, Switzerland |
| Urs Baerlocher, J.D. | Switzerland | Head of Legal and General Affairs |
| Raymund Breu, Ph.D. | Switzerland | Chief Financial Officer |
| Juergen Brokatzky-Geiger, Ph.D. | German | Head of Human Resources |
| Paul Choffat, J.D. | Switzerland | Head of Consumer Health Division |
| Thomas Ebeling | Germany | Head of Pharmaceuticals Division |

| Name and Function | Citizenship | Present Principal Occupation |
|--------------------------|--------------------|--|
| Marc C. Fishman, M.D. | U.S.A. | President of the Novartis Institutes for BioMedical Research |
| Andreas Rummelt, Ph.D. | Germany | Head of Sandoz division |

Directors and Executive Officers of Novartis Pharma AG

The name, function, citizenship and present principal occupation of each of the directors and executive officers of the Investor are set forth below. Unless otherwise indicated below, each occupation set forth opposite an individual's name refers to employment with the Investor. The business address of each individual is Novartis AG, Lichstrasse 35, CH-4002 Basel, Switzerland.

| Name and Function | Citizenship | Present Principal Occupation |
|--|--------------------|---|
| Daniel Vasella Chairman of the Board of Directors, Chief Executive Officer c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland | Switzerland | Chairman of the Board of Directors, Chief Executive Officer |
| Dr. Raymund Breu c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland | Switzerland | Chief Financial Officer |
| Thomas Ebeling c/o Novartis AG Lichtstrasse 35 CH-4002 Basel, Switzerland | Germany | Head of Pharmaceuticals Division |

SCHEDULE II
Novartis AG
Lichtstrasse 35
CH-4058 Basel
Switzerland

POWER OF ATTORNEY

The undersigned, duly authorized signatories of **Novartis AG** (the "Company"), a company incorporated in Basel, Switzerland, do hereby constitute and appoint

Bernhard Hampl
and
Lee J. Stoller, Esq.

to sign jointly any document on behalf of Novartis AG in connection with the purchase of 4'708'679 shares of Momenta Pharmaceuticals, Inc. by Novartis Pharma AG pursuant to the Stock Purchase Agreement between Novartis Pharma AG and Momenta Pharmaceuticals, Inc. made as of July 25, 2006. and to execute and deliver such documents, agreements, letters, deeds or instruments in such form and on such terms as required to effect the said purchase and to sign on behalf of Novartis AG and make or have made any necessary filings with any regulatory authorities related thereto.

This Power of Attorney shall expire on September 30, 2006.

Basel, 6.9.2006

Novartis AG

/s/ Juergen
Vierkoetter

Juergen Vierkoetter
Authorized
Signatory

/s/ Joerg Walther

Joerg Walther
Authorized
Signatory

POWER OF ATTORNEY

The undersigned, duly authorized signatories of **Novartis Pharma AG** (the "Company"), a company incorporated in Basel, Switzerland, do hereby constitute and appoint

Bernhard Hampl
and
Lee J. Stoller, Esq.

to sign jointly any document on behalf of Novartis Pharma AG in connection with the purchase of 4'708'679 shares of Momenta Pharmaceuticals, Inc. by Novartis Pharma AG pursuant to the Stock Purchase Agreement between Novartis Pharma AG and Momenta Pharmaceuticals, Inc. made as of July 25, 2006, to execute and deliver such documents, agreements, letters, deeds or instruments in such form and on such terms as required to effect the said purchase and to sign on behalf of Novartis Pharma AG and make or have made any necessary filings with any regulatory authorities related thereto

This Power of Attorney shall expire on September 30, 2006.

Basel, 6.9.2006

Novartis Pharma AG

/s/ Juergen
Vierkoetter

/s/ Joerg Walther

Juergen Vierkoetter
Authorized
Signatory

Joerg Walther
Authorized
Signatory