PERKINELMER INC
Form 11-K
June 18, 2013
**Table of Contents**

# UNITED STATES

# SECURITIES AND EXCHANGE COMMISSION

**WASHINGTON, D.C. 20549**

# FORM 11-K

**(Mark One)**

x **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2012**

**OR**

¨ **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from _________ to _________**

**Commission File Number 001-05075**

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

**PerkinElmer, Inc. Savings Plan**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**PerkinElmer, Inc.**

**940 Winter Street**

**Waltham, Massachusetts 02451**

Table of Contents

**PERKINELMER, INC. SAVINGS PLAN**

**TABLE OF CONTENTS**

Table of Contents

**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Participants and Compensation and Benefits Committee

PerkinElmer, Inc. Savings Plan

Waltham, Massachusetts

We have audited the accompanying statement of net assets available for benefits of the PerkinElmer, Inc. Savings Plan (the Plan ) as of December 31, 2012, and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012, and the changes in net assets available for benefits for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the 2012 basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2012 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*/s/ BDO USA, LLP*

*Boston, Massachusetts*

June 18, 2013

**Table of Contents**

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In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2011, and the changes in net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*/s/ DELOITTE & TOUCHE LLP*

Boston, Massachusetts

June 28, 2012

**Table of Contents**

**PERKINELMER, INC. SAVINGS PLAN**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

**AS OF DECEMBER 31, 2012 AND 2011**

| *December 31,* | **2012** | 2011 |
|---|---|---|
| **Assets:** | | |
| **Investments:** | | |
| Investments - participant-directed - at fair value | **$ 429,111,341** | $ 365,979,231 |
| **Employer Contributions Receivable** | **181,907** | 123,219 |
| **Notes Receivable From Participants** | **6,393,518** | 6,132,114 |
| **Net Assets Reflecting all Investments at Fair Value** | **435,686,766** | 372,234,564 |
| **Adjustment From Fair Value To Contract Value For Fully Benefit-Responsive Stable-Value Fund** | **(2,168,593)** | (1,962,845) |
| **Net Assets Available For Benefits** | **$ 433,518,173** | $ 370,271,719 |

*See accompanying notes to financial statements.*

-3-

**Table of Contents**

**PERKINELMER, INC. SAVINGS PLAN**

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

| *Years ended December 31,* | **2012** | 2011 |
|---|---|---|
| **Additions:** | | |
| **Investment Income (Loss):** | | |
| Net appreciation (depreciation) in fair value of investments | **$ 37,490,380** | $ (14,693,804) |
| Interest and dividend income | **11,765,104** | 9,149,785 |
| Net investment income (loss) | **49,255,484** | (5,544,019) |
| **Interest Income on Notes Receivable From Participants** | **286,517** | 307,507 |
| **Contributions:** | | |
| Participant contributions | **24,050,227** | 19,957,909 |
| Employer contributions | **11,851,826** | 10,803,675 |
| Rollover contributions | **13,099,714** | 4,528,865 |
| Total contributions | **49,001,767** | 35,290,449 |
| Total additions | **98,543,768** | 30,053,937 |
| **Deductions:** | | |
| Benefits paid to participants | **35,448,743** | 55,010,601 |
| Administrative expenses | **28,114** | 28,690 |
| Total deductions | **35,476,857** | 55,039,291 |
| **Increase (Decrease) in Net Assets Before Plan Transfers** | **63,066,911** | (24,985,354) |
| **Transfers Into Plan** | **179,543** | |
| **Increase (Decrease) in Net Assets** | **63,246,454** | (24,985,354) |
| **Net Assets Available for Benefits**, beginning of year | **370,271,719** | 395,257,073 |
| **Net Assets Available for Benefits**, end of year | **$ 433,518,173** | $ 370,271,719 |

*See accompanying notes to financial statements.*

-4-

Table of Contents

**PERKINELMER, INC. SAVINGS PLAN**

**NOTES TO FINANCIAL STATEMENTS**

**AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

## 1. DESCRIPTION OF THE PLAN

The following description of the PerkinElmer, Inc. Savings Plan (the Plan ), as in effect for the year ended December 31, 2012, is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

***General***

The Plan is a defined contribution plan covering substantially all domestic employees of PerkinElmer, Inc. (the Company ) who are not members of a collective bargaining unit or who are members of a unit that specifically provides for participation in the Plan. The Plan also covers employees of each wholly owned domestic subsidiary that has entered into an agreement to adopt the Plan. The Plan is administered by an administrative committee (the Plan administrator ), which has overall responsibility for interpreting the provisions of the Plan and providing the trustee with any information required in the discharge of its duties. Fidelity Management Trust Company (FMTC) serves as the trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

***Contributions***

Participation in the Plan is voluntary. As defined in the Plan, eligibility commences the date the employee completes an hour of service for the Company. Participants could formerly elect to make voluntary before-tax or Roth 401(k) contributions of up to 100% of their eligible compensation subject to statutory limits, but effective January 1, 2012, participants may elect to make voluntary before-tax or Roth 401(k) contributions of up to only 90% of their eligible compensation subject to statutory limits. In order to maintain the Plan s status as nondiscriminatory, the contribution amounts for highly compensated employees may be limited. Participants age 50 or over may be eligible to make additional contributions, subject to certain Internal Revenue Code (the Code ) limitations. Participants may also contribute amounts distributed to them by other qualified benefit plans.

Effective February 1, 2011, the Plan was amended so that all eligible participants receive matching contributions on a per-pay-period basis of 100% of the first 5% of compensation up to applicable Code limits. Prior to that amendment, the timing and amount of Company matching contributions were made based on the respective business unit for which the participant performed services. Depending on the business unit, Company matching contributions were made on either a per-pay-period basis or on an annual basis for all active participants. Matching contributions were either in an amount equal to 100% of the first 5% of compensation or in an amount equal to 55% of the first 6% of compensation that a participant contributes to the Plan.

In connection with the Company s acquisition of Caliper Life Sciences, Inc. ( Caliper ) in November 2011, the Plan was amended to provide that eligible employees of Caliper became participants in the Plan as of January 1, 2012. Such employees received matching contributions of 50% of the first 5% of compensation up to applicable Code limits during 2012. In October 2012, the Plan was subsequently amended so that as of January 1, 2013 eligible employees of Caliper began to receive a matching contribution of 100% of the first 5% of compensation up to applicable Code limits.

As defined in the Plan, the Company may make supplemental contributions at its discretion. There were no supplemental contributions made during 2012 or 2011.

***Participant Accounts***

Individual accounts are maintained for each Plan participant. Each participant s account is credited with the participant s contribution, the Company s matching contribution, supplemental contributions, allocations of Plan earnings, and are charged with an allocation of Plan losses and administrative expenses. Allocations are based on participant earnings, deferrals or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant s vested account.

***Vesting and Forfeitures***

Participants are vested immediately in their voluntary contributions plus actual earnings thereon. Effective February 1, 2011, the Plan was amended so that all active participants are vested immediately in the Company s contribution portion of participants accounts. Prior to February 1, 2011, vesting in the Company s contribution portion of participants accounts was based on years of continuous service for certain participants and the respective business unit for which the participant performed services. Participants were either immediately 100% vested in all Company contributions or became 100% vested in the Company s contribution portion after three years of credited service. Also, if a participant terminated employment due to death, disability or retirement, as defined in the Plan, his or her account balance became 100% vested.

Table of Contents

At December 31, 2012 and 2011, forfeited nonvested accounts totaled $144,002 and $533,704, respectively. Forfeited balances of terminated participants are used to reduce future Company contributions or to pay reasonable administrative expenses of the Plan. The Company s contribution was reduced by nonvested forfeitures of $334,155 and $132,225 for the years ended December 31, 2012 and 2011, respectively.

***Investments***

Participants direct the investment of their contributions and Company contributions into various investment options offered by the Plan. The Plan currently offers several mutual funds, a common collective trust fund and a Company stock fund as investment options for participants.

***Participant Loans***

Participants may borrow from their fund accounts from a minimum of $1,000 up to a maximum of $50,000 or 50% of their vested account balances, whichever is less. The loans are secured by the balance in the participant s account and bear interest at rates fixed for the term of the loan by the administrative committee based on interest rates currently being charged by commercial lending institutions. The period of repayment for any loan is determined by the participant, but in no event shall that period exceed 60 months, unless the loan is used to purchase a principal residence, in which case, a longer payment period is permitted. Principal and interest are paid ratably through payroll deductions.

***Payment of Benefits***

Upon termination of service, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution. Benefit payments to participants are recorded upon distribution.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

***Basis of Accounting***

The accompanying financial statements have been prepared under the accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP).

***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

***Risks and Uncertainties***

The Plan utilizes various investment instruments including common stock, mutual funds, and common collective trust funds. Investment securities, in general, are exposed to various risks such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

***Investment Valuation and Income Recognition***

The Plan s investments are carried at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company s common stock is valued at the quoted closing market price from a national securities exchange and the short-term investments are valued at cost, which approximate fair value. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end. The units of common collective trust funds are stated at fair value as determined by the issuer of the fund, Fidelity Management and Research Company (FMR Co.), based on the net asset value of the underlying investments. The stable value portfolio is stated at fair value and then adjusted to contract value as described below. Fair value of the stable value portfolio is the net asset value of its underlying investments, and contract value is principal plus accrued interest.

In accordance with GAAP, the stable value portfolio is included at fair value in participant-directed investments in the statements of net assets available for benefits, and an additional line item is presented representing the adjustment from fair value to contract value. The statements of changes in net assets available for benefits is presented on a contract value basis.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

***Investment Management Fees and Operating Expenses***

Management fees and operating expenses charged to the Plan for investments in the mutual funds and common collective trust funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

***Notes Receivable from Participants***

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest at the end of the period. Delinquent participant loans are recorded as distributions based on the terms of the Plan document.

***Payment of Benefits***

Payments to participants are recorded upon distribution.

***Administrative Expenses***

Administrative expenses of the Plan may be paid by either the Plan or the Company, as provided in the Plan document.

***Investment Choices***

Participants direct the investment of their contributions and Company contributions into various investment options offered by the Plan. On June 15, 2011: (i) effective at the close of business, all participant balances held in the funds in Column A below were liquidated at their respective net asset values on such day, and the proceeds were invested in the corresponding funds listed in Column B; (ii) effective after the close of business, all participant contributions directed to the funds in Column A were redirected and invested in the corresponding funds listed in Column B; and (iii) effective after the close of business, no further investments in the funds in Column A were permitted as an investment option for the Plan.

| Column A | Column B |
|---|---|
| Western Asset Core Plus Bond Portfolio Class FI | PIMCO Total Return Fund Institutional Class |
| Baron Small Cap Fund | T. Rowe Price New Horizons Fund |
| Fidelity US Equity Index Commingled Pool | Vanguard Institutional Index Fund Institutional Shares |
| Neuberger Berman Genesis Fund Class Trust | Neuberger Berman Genesis Fund Class Institutional |
| Morgan Stanley Institutional Emerging Markets Fund Class P | Morgan Stanley Institutional Emerging Markets Fund Class I |
| Fidelity Equity-Income Fund | Fidelity Equity-Income Fund - Class K |
| Fidelity Contrafund | Fidelity Contrafund - Class K |
| Fidelity Freedom 2045 Fund | Fidelity Freedom K 2045 Fund |
| Fidelity Freedom 2050 Fund | Fidelity Freedom K 2050 Fund |
| Fidelity Freedom Income Fund | Fidelity Freedom K Income Fund |
| Fidelity International Discovery Fund | Fidelity International Discovery Fund - Class K |
| Fidelity MIP II Class 1 | Fidelity MIP II Class 2 |
| Fidelity Freedom 2005 Fund | Fidelity Freedom K 2005 Fund |
| Fidelity Freedom 2010 Fund | Fidelity Freedom K 2010 Fund |
| Fidelity Freedom 2015 Fund | Fidelity Freedom K 2015 Fund |
| Fidelity Freedom 2020 Fund | Fidelity Freedom K 2020 Fund |
| Fidelity Freedom 2025 Fund | Fidelity Freedom K 2025 Fund |
| Fidelity Freedom 2030 Fund | Fidelity Freedom K 2030 Fund |
| Fidelity Freedom 2035 Fund | Fidelity Freedom K 2035 Fund |
| Fidelity Freedom 2040 Fund | Fidelity Freedom K 2040 Fund |
| Fidelity Growth Company Fund | Fidelity Growth Company Fund - Class K |

***Recently Adopted Accounting Standards***

ASU No. 2011-04, Fair Value Measurements (Topic 820) In May 2011, the Financial Accounting Standards Board ( FASB ) issued Accounting Standards Codification ( ASC ) update 2011-04, Fair Value Measurements (Topic 820) Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards, which amends ASC 820 and also requires the categorization by level (as defined in Note 3 below) for items that are only required to be disclosed at fair value and information about transfers between Level 1 and Level 2. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The ASU requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The adoption of this guidance did not have a significant impact on the Plan s financial statements.

**3. FAIR VALUE MEASUREMENTS**

ASC 820, Fair Value Measurements, establishes a single authoritative definition of fair value, sets a framework for measuring fair value, and requires additional disclosures about fair value measurements. In accordance with ASC 820, the Plan classifies its investments into Level 1, which refers to securities valued using quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest Level of input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The Plan s policy is to recognize significant transfers between Levels at the beginning of the reporting period.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

*PerkinElmer Stock Fund*

The PerkinElmer Stock Fund is an employer stock unitized fund. The fund consists of PerkinElmer, Inc. common stock as well as short-term investments that provide liquidity for daily trading. PerkinElmer, Inc. common stock is valued at the quoted closing market price from a national securities exchange and the short-term investments are valued at cost, which approximate fair value.

*Mutual Funds*

Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

*Common Collective Trust Fund*

Valued at the net asset value (NAV) of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchased and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

In accordance with the update to ASC 820, the following tables set forth by Level within the fair value hierarchy a summary of the Plan s investments measured at fair value on a recurring basis at December 31, 2012 and 2011.

**Table of Contents**

The Plan had no Level 3 investments as of either December 31, 2012 or December 31, 2011.

| | Active Markets for Identical Assets (Level 1) | Other Observable Inputs (Level 2) | 2012 Total |
|---|---|---|---|
| PerkinElmer stock fund | $ 13,127,196 | $ | $ 13,127,196 |
| Mutual funds: | | | |
| Domestic stock funds | 205,487,811 | | 205,487,811 |
| International stock fund | 62,355,031 | | 62,355,031 |
| Fixed income funds | 60,487,530 | | 60,487,530 |
| Cash and other | 7,690,064 | | 7,690,064 |
| Total mutual funds | 336,020,436 | | 336,020,436 |
| Common collective trust fund: | | | |
| Stable-value fund | | 79,963,709 | 79,963,709 |
| Total | $ 349,147,632 | $ 79,963,709 | $ 429,111,341 |

| | Active Markets for Identical Assets (Level 1) | Other Observable Inputs (Level 2) | 2011 Total |
|---|---|---|---|
| PerkinElmer stock fund | $ 9,113,189 | $ | $ 9,113,189 |
| Mutual funds: | | | |
| Domestic stock funds | 170,648,512 | | 170,648,512 |
| International stock fund | 50,894,974 | | 50,894,974 |
| Fixed income funds | 45,716,787 | | 45,716,787 |
| Cash and other | 8,819,183 | | 8,819,183 |
| Total mutual funds | 276,079,456 | | 276,079,456 |
| Common collective trust fund: | | | |
| Stable-value fund | | 80,786,586 | 80,786,586 |
| Total | $ 285,192,645 | $ 80,786,586 | $ 365,979,231 |

For the years ended December 31, 2012 and 2011, there were no significant transfers in or out of Levels 1, 2, or 3.

The valuation methods as described in Note 2 may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Table of Contents

The following tables set forth additional disclosures of the Plan s investments that have fair value estimated using a net asset value (NAV) as of December 31, 2012 and 2011:

| | Fair Value Estimated Using Net Asset Value per Share December 31, 2012 | | | | |
|---|---|---|---|---|---|
| Investment | Fair Value* | Unfunded Commitment | Redemption Frequency | Other Redemption Restrictions | Redemption Notice Period |
| Stable value fund[(a)] | $ 79,963,709 | $ | Daily | See Above | See Above |