JANZEN,

### **BRODSKY & SMITH**

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Plaintiff.

Defendants.

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GABRIEL ESPINOZA,

VS.

O'KEEFE, MIKE BURKLAND,

RONALD A. PAULUS, BHARAT

VOCERA COMMUNICATIONS, INC.,

SUNDARAM, JULIE ISKOW, BRENT D.

LANG, ALEXA KING, and HOWARD E.

JOHN N. MCMULLEN, SHARON L.

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Case No.:

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

### **Complaint For:**

- (1) Breach of Fiduciary Duties
- (2) Aiding and Abetting Breach of Fiduciary Duties
- (3) Violation of § 14 (e) of the Securities Exchange Act of 1934
- (4) Violation of § 14 (d) of the Securities Exchange Act of 1934
- (5) Violation of § 20(a) of the Securities Exchange Act of 1934

### JURY TRIAL DEMANDED

Plaintiff, Gabriel Espinoza ("Plaintiff"), by and through his attorneys, alleges upon information and belief, except for those allegations that pertain to him, which are alleged upon personal knowledge, as follows:

### **SUMMARY OF THE ACTION**

1. Plaintiff brings this stockholder action against Vocera Communications, Inc. ("Vocera" or the "Company") and the Company's Board of Directors (the "Board" or the "Individual Defendants," collectively with the Company, the "Defendants"), for breaches of fiduciary duty and for violations of Sections 14(e), 14(d) and 20(a) of the Securities and Exchange



Act of 1934 (the "Exchange Act") as a result of Defendants' efforts to sell the Company to Stryker Corporation, Inc. ("Parent") through merger vehicle Voice Merger Sub Corp. ("Merger Sub") (collectively with "Parent," "Stryker") as a result of an unfair process, and to enjoin an upcoming tender off on a proposed all cash transaction (the "Proposed Transaction").

- 2. The terms of the Proposed Transaction were memorialized in a January 6, 2022, filing with the Securities and Exchange Commission ("SEC") on Form 8-K attaching the definitive Agreement and Plan of Merger (the "Merger Agreement"). Under the terms of the Merger Agreement, Stryker will acquire all of the remaining outstanding shares of Vocera' common stock at a price of \$79.25 per share in cash. As a result, Vocera will become an indirect wholly-owned subsidiary of Stryker.
- 3. Thereafter, on January 25, 2022, Vocera filed a Solicitation/Recommendation Statement on Schedule 14D-9 (the "Recommendation Statement") with the SEC in support of the Proposed Transaction.
- 4. In approving the Proposed Transaction, the Individual Defendants have breached their fiduciary duties of loyalty, good faith, due care and disclosure by, *inter alia*, (i) agreeing to sell Vocera without first taking steps to ensure that Plaintiff in his capacity as a public Company stockholder would obtain adequate, fair and maximum consideration under the circumstances; and (ii) engineering the Proposed Transaction to benefit themselves and/or Vocera without regard for Plaintiff in his capacity as a public Company stockholder. Accordingly, this action seeks to enjoin the Proposed Transaction and compel the Individual Defendants to properly exercise their fiduciary duties to Plaintiff in his capacity as a public Company stockholder.
- 5. Next, it appears as though the Board has entered into the Proposed Transaction to procure for itself and senior management of the Company significant and immediate benefits with no thought to Plaintiff as a public stockholder. For instance, pursuant to the terms of the Merger Agreement, upon the consummation of the Proposed Transaction, Company Board Members and executive officers will be able to exchange all Company equity awards for the merger consideration.

- 6. In violation of the Exchange Act, Defendants caused to be filed the materially deficient Recommendation Statement on January 25, 2022, with the SEC in an effort to solicit stockholders, including Plaintiff, to tender their Vocera shares in favor of the Proposed Transaction. The Recommendation Statement is materially deficient, deprives Plaintiff of the information necessary to make an intelligent, informed and rational decision of whether to tender in favor of the Proposed Transaction, and is thus in violation of the Exchange Act. As detailed below, the Recommendation Statement omits and/or misrepresents material information concerning, among other things: (a) the sales process and in particular certain conflicts of interest for management; (b) the financial projections for Vocera, provided by Vocera to the Company's financial advisors Evercore Group, L.L.C. ("Evercore"); and (c) the data and inputs underlying the financial valuation analyses, if any, that purport to support the fairness opinions created by Evercore and provided to the Company and the Board.
  - 7. Accordingly, this action seeks to enjoin the Proposed Transaction.
- 8. Absent judicial intervention, the Proposed Transaction will be consummated, resulting in irreparable injury to Plaintiff. This action seeks to enjoin the Proposed Transaction.

### **PARTIES**

- 9. Plaintiff is a citizen of California and, at all times relevant hereto, has been a Vocera stockholder.
- 10. Defendant Vocera provides secure, integrated, and intelligent communication and workflow solutions that empowers mobile workers in healthcare, hospitality, retail, energy, education, and other mission-critical mobile work environments in the United States and internationally. Vocera is incorporated under the laws of the State of Delaware and has its principal place of business at 525 Race Street, San Jose, CA. Shares of Vocera common stock are traded on the New York Stock Exchange under the symbol "VCRA."
- 11. Defendant John N. McMullen ("McMullen") has been a Director of the Company at all relevant times.
  - 12. Defendant Sharon L. O'Keefe ("O'Keefe") has been a director of the Company

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at all relevant times.

- 13. Defendant Mike Burkland ("Burkland") has been a director of the Company at all relevant times.
- 14. Defendant Ronald A. Paulus ("Paulus") has been a director of the Company at all relevant times.
- 15. Defendant Bharat Sundaram ("Sundaram") has been a director of the Company at all relevant times.
- 16. Defendant Julie Iskow ("Iskow") has been a director of the Company at all relevant times.
- 17. Defendant Brent D. Lang ("Lang") has been a director of the Company at all relevant times. In addition, Lang serves as the Company's Chief Executive Officer ("CEO").
- 18. Defendant Alexa King ("King") has been a director of the Company at all relevant times.
- 19. Defendant Howard E. Janzen ("Janzen") has been a director of the Company at all relevant times.
- 20. Defendants identified in ¶¶ 10 19 are collectively referred to as the "Individual Defendants."
- 21. Non-Party Parent is a Stryker Corporation operates as a medical technology company. Parent was founded in 1941 and is headquartered in Kalamazoo, Michigan. Shares of Parent common stock are traded on the New York Stock Exchange under the symbol "SYK".
- 22. Non-Party Merger Sub is a wholly owned subsidiary of Parent created to effectuate the Proposed Transaction.

## **JURISDICTION AND VENUE**

23. This Court has subject matter jurisdiction pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa) and 28 U.S.C. § 1331 (federal question jurisdiction) as Plaintiff alleges violations of Sections 14(a) and 20(a) of the Exchange Act. This action is not a collusive one to confer jurisdiction on a court of the United States, which it would not otherwise have. The Court



has supplemental jurisdiction over any claims arising under state law pursuant to 28 U.S.C. § 1367.

- 24. Personal jurisdiction exists over each defendant either because the defendant conducts business in or maintains operations in this District or is an individual who is either present in this District for jurisdictional purposes or has sufficient minimum contacts with this District as to render the exercise of jurisdiction over defendant by this Court permissible under traditional notions of fair play and substantial justice.
- 25. Venue is proper in this District pursuant to 28 U.S.C. § 1391, because Vocera maintains its principal offices in this district, and each of the Individual Defendants, as Company officers or directors, has extensive contacts within this District.

### THE INDIVIDUAL DEFENDANTS' FIDUCAIRY DUTIES

- 26. By reason of the Individual Defendants' positions with the Company as officers and/or directors, said individuals are in a fiduciary relationship with Vocera and owe the public stockholders of the Company, including Plaintiff, the duties of due care, loyalty, and good faith.
- 27. By virtue of their positions as directors and/or officers of Vocera, the Individual Defendants, at all relevant times, had the power to control and influence, and did control and influence and cause Vocera to engage in the practices complained of herein.
- 28. Each of the Individual Defendants are required to act with due care, loyalty, good faith and in the best interests of the Company public stockholders including Plaintiff. To diligently comply with these duties, directors of a corporation must:
  - a. act with the requisite diligence and due care that is reasonable under the circumstances;
  - b. act in the best interest of the Company and its public stockholders, including Plaintiff;
  - c. use reasonable means to obtain material information relating to a given action or decision;
  - d. refrain from acts involving conflicts of interest between the fulfillment of their roles in the Company and the fulfillment of any other roles or



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