GLOBUS MEDICAL INC
Form S-1/A
July 23, 2012
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As filed with the Securities and Exchange Commission on July 23, 2012

Registration No. 333-180426

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 4

to

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Globus Medical, Inc.

(Exact name of registrant as specified in its charter)

Delaware	3841	04-3744954
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

Valley Forge Business Center

2560 General Armistead Avenue

Audubon, PA 19403

(610) 930-1800

(Address, including zip code and telephone number, including area code, of registrant s principal executive offices)

Anthony L. Williams

Vice President and Corporate Counsel

Globus Medical, Inc.

Valley Forge Business Center

2560 General Armistead Avenue

Audubon, PA 19403

(610) 930-1800

(Name, address, including zip code and telephone number, including area code, of agent for service)

Copies to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	¨	Accelerated filer	¨
Non-accelerated filer	x (Do not check if a smaller reporting company)	Smaller reporting company	¨

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be registered	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (2)(3)
Class A Common Stock, $0.001 par value per share	$243,529,398	$27,908

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended, and includes shares of our Class A common stock that the underwriters have an option to purchase to cover over-allotments, if any.
(2) Calculated pursuant to Rule 457(o) based on an estimate of the proposed maximum aggregate offering price.
(3) The total registration fee includes $17,190 that was previously paid for the registration of $150,000,000 of proposed maximum offering price and $10,718 for the registration of an additional $93,529,398 of proposed maximum offering price registered hereby.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion

Preliminary Prospectus dated July 23, 2012

PROSPECTUS

11,764,705 Shares

Class A Common Stock

This is the initial public offering of Globus Medical, Inc. We are selling 2,941,176 shares of our Class A common stock and the selling stockholders are selling 8,823,529 shares of our Class A common stock. We will not receive any proceeds from the sale of shares of our Class A common stock to be offered by the selling stockholders.

We expect the public offering price to be between $16.00 and $18.00 per share. Currently, no public market exists for the shares. We have applied to list our Class A common stock on the New York Stock Exchange under the symbol GMED.

Following this offering, we will have two classes of common stock outstanding: Class A common stock and Class B common stock. The rights of the holders of our Class A common stock and our Class B common stock are identical, except with respect to voting and conversion. Each share of our Class A common stock is entitled to one vote per share and is not convertible into any other shares of our capital stock. Each share of our Class B common stock is entitled to ten votes per share and is convertible into one share of our Class A common stock at any time. Our Class B common stock also will automatically convert into shares of our Class A common stock upon certain transfers. Please read Description of Capital Stock Common Stock.

We are an emerging growth company under the federal securities laws and will be subject to reduced public company reporting requirements. Investing in our Class A common stock involves risks that are described in the Risk Factors section beginning on page 15 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discounts	$	$
Proceeds, before expenses, to Globus Medical, Inc.	$	$

Proceeds, before expenses, to the selling stockholders	$	$

The underwriters may also purchase up to an additional 1,764,706 shares of our Class A common stock from the selling stockholders, at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus to cover overallotments, if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Delivery of the shares of Class A common stock will be made on or about , 2012.

BofA Merrill Lynch **Goldman, Sachs & Co.** **Piper Jaffray**

Leerink Swann

Canaccord Genuity **William Blair** **Oppenheimer & Co.**

The date of this prospectus is , 2012.

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You should rely only on the information contained in this document and any free writing prospectus we provide to you. We have not authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

We intend to effectuate a 3.25-to-1 stock split of our outstanding common stock immediately prior to the effectiveness of the registration statement of which this prospectus forms a part. As of the date of this preliminary prospectus, we have not yet effectuated this reverse stock split.

MARKET AND INDUSTRY DATA

This prospectus contains industry, market, and competitive position data that are based on industry publications and studies conducted by third parties. The industry publications and third-party studies generally state that the information that they contain has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that each of these publications and third-party studies is reliable, we have not independently verified the market and industry data obtained from these third-party sources.

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TRADEMARKS

The Globus Medical trademark portfolio contains 74 registered trademarks and 41 pending trademarks. The Globus Medical trademark portfolio includes domestic and foreign trademarks with associated logos and tag lines. The following list includes all registered marks and pending marks. All other trademarks or trade names referred to in this prospectus are the property of their respective owners.

The following are registered trademarks:

GLOBUS MEDICAL; GLOBUS MEDICAL Logo; MAINTAIN; PRESERVE; SECURE; SUSTAIN; PROTEX; ASSURE; ACCUFLEX; XPAND (US); PIVOT; GATEWAY; RETAIN; REVERE; LAMINEX; NUBONE; INDEPENDENCE; CITADEL; MICROFUSE; PATRIOT; COLONIAL; CONSTITUTION; CONTINENTAL; NIKO; TRIUMPH; RENEGADE (EU); RELIEVE; TRANSITION; ADDITION; H-LINK ; CORRIDOR; SIGNATURE; REVOLVE; ELLIPSE; THINKSPINE Logo; VIP; XTEND; ELLIPTICLICK; TRUSS; COALITION; ZYFUSE; TRANSCONTINENTAL; RESCUE; RETRIEVE; INTERCONTINENTAL; CONDUCT; LIFE MOVES US; CALIBER; SP-FIX; SKIN TO SKIN; REVLOK; FACET SOLUTIONS; FACET SOLUTIONS, INC. Logo; AFRS; ACADIA; ALGEA THERAPIES (EU); ALGEA (Design EU and Switzerland); ACCUMETER; Globus Medical Etched Logo BEACON; SOFTSTOP.

The following are pending trademarks:

XPAND (Foreign); PREEMINENCE IN SPINE; ORBIT; RENEGADE (US); FORTIFY; LATIS; REVOLVER; THINKSPINE; ZYLIF; ZLIF; DROP & LOCK; KINEX; LIFE MOVES US; CONTAIN; UNIFY; AFFIRM; COMPOSE; ALGEA; ALGEA THERAPIES (US); ALGEA (Design US); SI-LOK; FORGE; CANOPY; GLOBUS MEDICAL (New Logo); CHIMERA; INTERVENTIONS FOR LIFE; RISE; OPTIC LOCKING TECHNOLOGY; SP-FIX ARC; PLYMOUTH; XEMPLIFI; BERETTA; INTRALIF; MARVEL; SP-FLEX; CREO; IN-LOK.

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PROSPECTUS SUMMARY

This summary highlights certain information appearing elsewhere in this prospectus. As this is a summary, it does not contain all of the information that you should consider in making an investment decision. You should read the entire prospectus carefully, including the information under Risk Factors, Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes included in this prospectus, before investing. Unless otherwise stated in this prospectus, references to Globus, we, us or our company refer to Globus Medical, Inc. and its subsidiaries.

We refer to Adjusted EBITDA in this prospectus summary and elsewhere in this prospectus. For the definition of Adjusted EBITDA, an explanation of why we present it and a description of the limitations of this non-GAAP measure, as well as a reconciliation to net income, see Summary Consolidated Financial Data.

Our Business

We are a medical device company focused exclusively on the design, development and commercialization of products that promote healing in patients with spine disorders. We are an engineering-driven company with a history of rapidly developing and commercializing products that assist surgeons in effectively treating their patients, respond to evolving surgeon needs and address new treatment options. Since our inception in 2003, we have launched over 100 products and offer a comprehensive portfolio of innovative and differentiated products addressing a broad array of spinal pathologies, anatomies and surgical approaches. We were formed in 2003 and have grown our sales to $331.5 million in 2011. We have been able to achieve our success while maintaining strong profit margins. For the year ended December 31, 2011, we had $118.6 million of Adjusted EBITDA, representing an Adjusted EBITDA margin of 36%, and $60.8 million of net income. For the three months ended March 31, 2012, we had sales of $94.7 million as compared to $78.3 million for the three months ended March 31, 2011, an increase of $16.4 million or 21%. For the three months ended March 31, 2012, we had $34.0 million of Adjusted EBITDA, representing an Adjusted EBITDA margin of 36%, and $17.6 million of net income. We had positive Adjusted EBITDA and Adjusted EBITDA margins in excess of 35% for each of the years ended December 31, 2009, 2010 and 2011.

All of our products fall into one of two categories: innovative fusion or disruptive technologies. Our innovative fusion products address a broad range of spinal fusion surgical procedures. Spinal fusion is a surgical procedure to correct problems with the individual vertebrae, the interlocking bones making up the spine, by preventing movement of the affected bones. We believe our innovative fusion products demonstrate features and characteristics that provide advantages for surgeons and contribute to better outcomes for patients as compared to traditional fusion products.

We define disruptive technologies as those that represent a significant shift in the treatment of spine disorders by allowing for novel surgical procedures, improvements to existing surgical procedures, the treatment of spine disorders by new physician specialties, and surgical intervention earlier in the continuum of care. Our current portfolio of approved and pipeline products includes a variety of disruptive technology products, which we believe offer material improvements to fusion procedures, such as minimally invasive surgical, or MIS, techniques, as well as new treatment alternatives including motion preservation technologies, such as dynamic stabilization, total disc replacement and interspinous process spacer products, and advanced biomaterials technologies, as well as interventional pain management solutions, including treatments for vertebral compression fractures.

We expect the market for disruptive technologies to grow faster than the traditional fusion market and expand the overall addressable population of patients seeking surgical treatment for spine disorders. For the three months ended March 31, 2012, for example, total sales of our innovative fusion products and our disruptive

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technologies products were $61.5 million and $33.2 million, respectively, representing increases of 9% and 51%, respectively, over the three months ended March 31, 2011. For the year ended December 31, 2011, total sales of our innovative fusion products and our disruptive technologies products were $224.4 million and $107.1 million, respectively, representing year-over-year growth rates of 4% and 47%, respectively.

We have a product development engine that we believe is unique and highly efficient. It employs an integrated team approach to product development that involves collaboration among surgeons, our engineers, our dedicated researchers, our highly-skilled machinists, and our clinical and regulatory personnel. We believe that utilizing these integrated teams, as well as our extensive in-house facilities, enables us to design, test and obtain regulatory approvals of our products at a faster rate than our competitors. We emphasize the importance of developing new products that are improvements to existing technologies and offerings, which we believe drives demand for our products. We have introduced 44 products since 2009, which accounted for 46% of our sales for the year ended December 31, 2011. Two examples of recent product development successes are COALITION, which was launched in April 2009 and represented 11% of our sales for the year ended December 31, 2011, and for the three months ended March 31, 2012, and CALIBER, which was launched in January 2011 and represented 10% of our sales for the three months ended March 31, 2012. Other than the REVERE 5.5 Titanium Degen System, which represented 21% of our sales for the year ended December 31, 2011, and the three months ended March 31, 2012, no product represented a greater percentage of our sales in the three months ended March 31, 2012 than COALITION and CALIBER.

Our product development engine allows us to develop products that we believe demonstrate features and characteristics that provide advantages for surgeons and contribute to better outcomes for patients. We believe the use of our products reduces costs as a result of lower morbidity rates, shorter patient recovery times and shorter hospital stays.

We market and sell our products through our exclusive global sales force. As of March 31, 2012, our U.S. sales force consisted of 336 sales representatives employed by us or our 19 exclusive independent distributors. As of March 31, 2012, our international operations consisted of 87 employees and eight exclusive independent distributors, which together had sales in 17 countries during 2011. We expect to continue to expand our domestic and international sales and marketing infrastructure. We intend to add a total of 24 additional direct and distributor sales representatives in the United States and aim to have a sales presence in eight additional countries by the end of 2012. As of March 31, 2012, we had also hired a newly-formed, separate sales force consisting of 32 sales representatives to market and sell our current and planned interventional pain management products, which we market under the trade name Algea Therapies. We intend to recruit additional sales representatives strategically to grow that business. We believe the planned expansion of our U.S. and international sales forces provides us with significant opportunities for future growth as we continue to penetrate existing geographic markets and enter new ones.

Market Opportunity

According to iData Research, Inc. the $10.0 billion worldwide spine market consists of the $5.9 billion spinal fusion market and the $4.1 billion disruptive technologies market. We believe the worldwide market for spine surgery will continue to grow as a result of the following market influences:

Favorable patient demographics. The number of people over the age of 65 is large and growing. Improvements in healthcare have led to increasing life expectancies worldwide and the opportunity to lead more active lifestyles at advanced ages. These trends are expected to generate increased demand for spine surgeries.

Improving technologies leading to increased use of fusion procedures. Due to the longevity of its practice and acceptable clinical outcomes, fusion has become a standard treatment option for

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patients presenting more advanced stages of spine disease. We expect that the development of improved fusion products will continue to contribute to spinal fusion as a leading treatment for advanced stages of spine disease.

Disruptive technologies driving earlier interventions and creating an expanded patient base. Disruptive technologies are gaining increasing acceptance among patients and surgeons because they allow for novel surgical procedures, improvements to existing surgical procedures, the treatment of spine disorders by new physician specialties, and surgical intervention earlier in the continuum of care, all of which can result in better outcomes for patients. We believe surgeons and patients who would otherwise choose more conservative nonsurgical treatment plans with sub-optimal results may elect a surgical option utilizing disruptive technologies to treat spine disorders. As a result, disruptive technologies are expected to drive accelerated growth and increase the size of the addressable patient population for spine surgery.

Continued market penetration internationally. While the United States comprises approximately 5% of the worldwide population, according to iData Research, Inc., approximately 53% of spine surgeries occur in the United States. We believe that improvements to the standard of care, including the introduction of new products and the expansion of international sales forces, will increase demand for spine products outside of the United States.

Our Competitive Strengths

We are focused exclusively on the spine market and our senior leadership team has over 200 years of collective experience in the spine and medical device industries. We believe that this focus and experience, combined with the following principal competitive strengths, will allow us to grow our sales faster than our competitors and the overall spine industry:

Comprehensive and broad portfolio of innovative fusion products. We have a comprehensive portfolio of innovative fusion products that addresses a broad array of spinal pathologies, anatomies and surgical approaches. We believe our innovative fusion products demonstrate features and characteristics that provide advantages for surgeons and contribute to better outcomes for patients as compared to traditional fusion products.

Well-positioned disruptive technology products. We expect the market for disruptive technologies to grow faster than the traditional fusion market. We currently have a comprehensive and broad portfolio of MIS, motion preservation and advanced biomaterials products, with several other products in various stages of development. We believe our current portfolio and pipeline of disruptive technology products provide improved patient outcomes, reduce overall costs and position us to capitalize on the growth in this market.

Integrated product development engine. Our integrated teams of surgeons, engineers, dedicated researchers, highly-skilled machinists, and clinical and regulatory personnel work together to conceptualize, evaluate, and develop potential new products through an iterative process that allows for rapid product development. We believe that our process results in a unique and highly efficient approach to product development that significantly reduces the time required to advance a potential product from concept to commercialization, and allows us to react quickly to evolving surgeon and patient needs, address new treatment options, and introduce several new products annually.

Exclusive U.S. sales force with broad geographic scope. As of March 31, 2012, our U.S. sales force consisted of 336 sales representatives employed by us or our 19 exclusive independent distributors, not counting our separate Algea Therapies sales force. Our direct and distributor sales

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representatives are highly trained in the clinical benefits of our products and frequently consult with surgeons and surgical staff inside the operating room regarding the use of our products. We believe the size, expertise and exclusive nature of our sales force enable us to maximize our market penetration and continue to expand our geographic presence.

Demonstrated track record of profitability with established scale. We have made investments in our infrastructure that have allowed us to develop and commercialize over 100 new products since our inception, while maintaining strong profit margins typically associated with our larger competitors. For the year ended December 31, 2011, we generated sales of $331.5 million, Adjusted EBITDA of $118.6 million and net income of $60.8 million, and for the three months ended March 31, 2012, we generated sales of $94.7 million, Adjusted EBITDA of $34.0 million and net income of $17.6 million. Our disciplined approach has contributed to Adjusted EBITDA margins in excess of 35% for each of the years ended December 31, 2009, 2010 and 2011.

Our Products and Clinical Development Programs

We currently offer a comprehensive and broad portfolio of over 100 innovative fusion and disruptive technology products. Our innovative fusion products are used in cervical, thoracolumbar, sacral, and interbody/corpectomy fusion procedures to treat degenerative, deformity, tumor, and trauma conditions. Our disruptive technology products include MIS, motion preservation and advanced biomaterials technologies. We continue to develop and test novel spine products, and as of the date of this prospectus, we had over 30 potential new products in various stages of development. We are currently conducting clinical trials for several new disruptive technologies under FDA-approved investigational device exemptions, or IDEs, including the SECURE-C Cervical Artificial Disc, the ACADIA Facet Replacement System, and the TRIUMPH Lumbar Disc. We expect to launch approximately five to ten new products in each of the next three years.

Our Strategy

Our goal is to become the leader in providing innovative solutions across the continuum of care in the spine market. To achieve this goal, we are employing the following business strategies:

Leverage our product development engine. We plan to continue to develop innovative fusion products and disruptive technology products in the areas of MIS, motion preservation, and advanced biomaterials technologies using what we believe to be a unique and highly efficient product development engine. We believe our team-oriented approach, active surgeon input and demonstrated product development and commercialization capabilities position us to maintain a rapid rate of new product launches.

Increase the size, scope and productivity of our exclusive U.S. sales force. We have made, and intend to continue to make, significant investments in our exclusive U.S. sales force to maximize our market penetration and expand our geographic presence. We intend to add a total of 24 additional direct and distributor sales representatives in the United States by the end of 2012. We also intend to continue recruiting additional sales representatives strategically to grow our Algea Therapies sales force. We will continue to provide our sales representatives with specialized development programs designed to improve their productivity.

Continue to expand into international markets. We expect to continue to increase our international presence through the commercialization of additional products and through the expansion of our direct and distributor sales force. As of December 31, 2011, we had an existing direct or distributor sales presence in 17 countries outside of the United States and aim to have a sales presence in eight additional countries by the end of 2012.

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Pursue strategic acquisitions and alliances. We intend to selectively pursue acquisitions and alliances in the future that will provide us with new or complementary technologies, personnel with significant relevant experience, or increased market penetration. We are currently evaluating a number of possible acquisitions or strategic relationships and believe that our resources and experience make us an attractive acquiror or partner.

Recent Developments

We are currently finalizing our financial results for the three and six months ended June 30, 2012. While complete financial information and operating data are not available, based on information currently available, set forth below are certain preliminary estimates of the results of operations that we expect to report for our second quarter of 2012. Our actual results may differ materially from these estimates due to the completion of our financial closing procedures, final adjustments and other developments that may arise between now and the time the financial results for our second quarter are finalized. All percentage comparisons to the prior year are measured to the mid-point of the range provided for 2012.

The following are our preliminary estimates for the three months ended June 30, 2012:

Sales are expected to be between $95.5 million and $96.0 million, an 18% increase from $80.9 million in the corresponding prior year period. The estimated increase in sales is due primarily to increased volume of sales of our disruptive technology products and increased market penetration in the United States and continued increases in our international market penetration.

Gross profit is expected to be between $77.0 million and $77.6 million, a 21% increase from $63.7 million in the corresponding prior year period. The estimated increase in gross profit is due primarily to an increase in the volume of sales of our products both within the United States and internationally.

Operating income is expected to be between $30.0 million and $30.6 million, a 27% increase from $23.8 million in the corresponding prior year period. The estimated improvement in operating income compared to the corresponding prior year period is due primarily to the increase in sales volume as stated above, partially offset by the increase in headcount and other overhead costs associated with our increase in sales.

Net income is expected to be between $18.4 million and $19.0 million, an 18% increase from $15.9 million in the corresponding prior year period. The estimated increase in net income is due primarily to the factors described above.

Adjusted EBITDA is expected to be between $34.1 million and $34.7 million, a 19% increase from $29.0 million in the corresponding prior year period. Adjustments to net income made to arrive at Adjusted EBITDA for the three months ended June 30, 2012 and 2011 were due to provision of income taxes (expected to be between $11.0 million and $11.5 million as compared to $7.9 million, respectively), depreciation and amortization (expected to be approximately $4.5 million as compared to $4.1 million, respectively), stock-based compensation (expected to be approximately $1.0 million as compared to $0.6 million, respectively), provision for litigation settlements (expected to be approximately $(1.1) million as compared to $0.4 million, respectively), change in fair value of contingent consideration (expected to be $0.1 million as compared to $0.2 million, respectively), and interest (income)/expense (expected to be $(0.1) million as compared to $0.1 million, respectively).

As of June 30, 2012, we had approximately $165.0 million of cash and cash equivalents.

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Adjusted EBITDA is a non-GAAP measure. For a definition of Adjusted EBITDA, as well as reasons why management believes the inclusion of Adjusted EBITDA is appropriate to provide additional information to investors about our performance and certain limitations of the measure, see Summary Consolidated Financial Data.

The estimates above represent the most current information available to management. We have provided a range for the preliminary results described above primarily because our financial closing procedures for the month and quarter ended June 30, 2012 are not yet complete. As a result, there is a possibility that our final results will vary from these preliminary estimates. We currently expect that our final results will be within the ranges described above. It is possible, however, that our final results will not be within the ranges we currently estimate. The estimates for the three months ended June 30, 2012 are not necessarily indicative of any future period and should be read together with Risk Factors, Cautionary Note Concerning Forward-Looking Statements, Management s Discussion and Analysis of Financial Condition and Results of Operations, Selected Consolidated Financial Data and our financial statements and related notes included elsewhere in this prospectus.

The preliminary financial data included in this prospectus has been prepared by, and is the responsibility of, our management and has not been reviewed or audited by our independent registered public accounting firm. Accordingly, our independent registered public accounting firm does not express an opinion or any other form of assurance with respect to this preliminary data.

We expect our closing procedures with respect to the three months ended June 30, 2012 to be completed in August 2012. Accordingly, our consolidated financial statements as of and for the three and six months ended June 30, 2012 will not likely be available until after this offering is completed.

Risks Affecting Us

We are subject to numerous risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows and prospects. Please read the section entitled Risk Factors beginning on page 15 for a discussion of some of the factors you should carefully consider before deciding to invest in our Class A common stock. In particular, our business depends substantially on spine surgeons recognizing our products as a superior choice for patients, and on third-party payors offering reimbursement to healthcare providers for our products. We rely on the expertise of our sales force and may not be able to maintain or expand it. Our competitors and potential competitors include much larger companies with more resources and commercialization experience than we have. Our products have not been subject to long-term clinical studies as to their safety and effectiveness, and so our products may prove to be less safe or effective than initially thought. Our products are heavily regulated, and changes in legal or regulatory requirements, including healthcare reform, could affect us, our products and their use. Our ability to grow our business may be limited by a number of factors, including intellectual property held by others.

Corporate Information

We were incorporated in Delaware in 2003. Our principal executive offices are located at Valley Forge Business Center, 2560 General Armistead Avenue, Audubon, Pennsylvania 19403. The telephone number of our principal executive office is (610) 930-1800. Our website is *www.globusmedical.com*. The information on our website is not incorporated by reference into this prospectus, and you should not consider information contained on our website to be a part of this prospectus or in deciding whether to purchase our Class A common stock.

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Implications of Being an Emerging Growth Company

As a company with less than $1.0 billion in revenue during our last fiscal year, we qualify as an emerging growth company as defined in the Jumpstart our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of specified reduced reporting requirements and is relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an emerging growth company,

- we may present only two years of audited financial statements and only two years of related Management s Discussion & Analysis of Financial Condition and Results of Operations, or MD&A;
- we are exempt from requirement to obtain an attestation and report from our auditors on the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002;
- we are permitted to provide less extensive disclosure about our executive compensation arrangements;
- we are not required to give our stockholders non-binding advisory votes on executive compensation or golden parachute arrangements; and
- we have elected to use an extended transition period for complying with new or revised accounting standards.

We may take advantage of these provisions for up to five years or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than $1.0 billion in annual revenues, have more than $700 million in market value of our common stock held by non-affiliates, or issue more than $1.0 billion of non-convertible debt over a three-year period. We may choose to take advantage of some but not all of these reduced burdens.

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The Offering

Issuer	Globus Medical, Inc.
Class A common stock offered by us	2,941,176 shares
Class A common stock offered by the selling stockholders	8,823,529 shares (10,588,235 shares in the event the underwriters exercise their option to purchase additional shares in full to cover overallotments, if any)
Class A common stock to be outstanding immediately after this offering	64,522,640 shares
Class B common stock to be outstanding immediately after this offering	26,723,677 shares
Total Class A and Class B common stock to be outstanding immediately after this offering	91,246,317 shares
Voting rights	Following this offering, we will have outstanding two classes of common stock: Class A common stock and Class B common stock. The rights of the holders of our Class A and Class B common stock are identical, except with respect to voting and conversion. The holders of our Class B common stock are entitled to ten votes per share and the holders of our Class A common stock are entitled to one vote per share. The shares of our Class B common stock outstanding after this offering will represent approximately 29% of the total number of shares of our Class A and Class B common stock outstanding after this offering and 81% of the combined voting power of our Class A and Class B common stock outstanding after this offering. The holders of our Class A and Class B common stock will vote together as a single class on all matters submitted to a vote of our stockholders, unless otherwise required by law. Following this offering, David C. Paul, our Chief Executive Officer and Chairman, will control 81% of the voting power of our outstanding capital stock. Each share of our Class B common stock is convertible into one share of our Class A common stock at any time and will convert automatically upon certain transfers. Immediately upon the closing of this offering, any holders of Class B common stock who own less than 10% of the aggregate number of all outstanding shares of our common stock will have such shares automatically converted to Class A common stock, and any time following this offering, any holders of Class B common stock who own less than 5% of the aggregate number of outstanding shares of our common stock will have such shares automatically converted to Class A common stock. See Description of Capital Stock.

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Use of proceeds	The principal purposes of this offering are to create a public market for our Class A common stock and thereby enable future access to the public equity markets by us and our employees, obtain additional capital, and facilitate an orderly distribution of shares for the selling stockholders. We estimate that our net proceeds from the sale of 2,941,176 shares of our Class A common stock in this offering will be approximately $35.1 million, assuming an initial offering price of $17.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses. We intend to use the net proceeds received by us from this offering for working capital and general corporate purposes, including further expansion of our sales and marketing efforts and continued investments in research and development; however we do not have any specific uses of the net proceeds planned. We will not receive any proceeds from the sale of any shares of our Class A common stock by the selling stockholders. See Use of Proceeds.
Risk factors	Investing in our Class A common stock involves risks. See Risk Factors beginning on page 15 of this prospectus for a discussion of factors you should carefully consider before deciding to invest in our Class A common stock.
Proposed New York Stock Exchange Symbol	GMED

The number of shares of our Class A and Class B common stock to be outstanding after this offering is based upon an aggregate of 88,305,141 shares of Class A and Class B common stock outstanding as of March 31, 2012, and excludes:

- 6,582,804 shares of common stock issuable upon exercise of outstanding options to purchase shares of common stock as of March 31, 2012, at a weighted average exercise price of $5.46 per share; and
- 33,189,649 shares of common stock reserved for future issuance under our stock option plans as of March 31, 2012.

Except as otherwise indicated, the information in this prospectus gives effect to the 3.25-to-1 stock split of our outstanding common stock to be effected immediately prior to the effectiveness of the registration statement of which this prospectus forms a part and assumes:

- the filing and effectiveness of our amended and restated certificate of incorporation immediately prior to the closing of this offering;
- the automatic conversion upon the closing of this offering of all shares of our Series E preferred stock to 15,597,300 shares of our Class B common stock (which does not give effect to any additional shares of Class B common stock issuable upon conversion of our Series E preferred stock if the public offering price in this offering falls below the minimum of $14.10 per share, as described elsewhere in this prospectus; see Certain Relationships and Related-Party Transactions Amended and Restated Certificate of Incorporation);

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the subsequent automatic conversion upon the closing of this offering of 50,140,849 shares of our Class B common stock (which reflects all such shares of Class B common stock held by those who own less than 10% of the aggregate number of all outstanding shares of our common stock) to 50,140,849 shares of our Class A common stock;

the automatic conversion upon the closing of this offering of all shares of our Class C common stock to 63,408 shares of our Class A common stock;

the automatic conversion of 3,693,264 shares of Class B common stock to 3,693,264 shares of Class A common stock upon their sale by the selling stockholders in this offering; and

no exercise of the underwriters overallotment option to purchase up to an additional 1,764,706 shares of our Class A common stock from the selling stockholders.

We intend to effectuate a 3.25-to-1 stock split of our outstanding common stock immediately prior to the effectiveness of the registration statement of which this prospectus forms a part. Although the number of outstanding shares of our Series E preferred stock will not change in the event of this reverse stock split, the rate at which shares of our Series E preferred stock convert into shares of Class B common stock will decrease proportionally to the reverse stock split ratio. The reverse stock split will not affect the number of shares of capital stock we are authorized to issue. As a result of the reverse stock split, the number of unreserved and issuable shares of authorized common stock will increase. As of the date of this prospectus, we have not yet effectuated this reverse stock split.

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Summary Consolidated Financial Data

The following table sets forth our summary consolidated financial data for the periods indicated. We derived the summary consolidated financial data presented below as of December 31, 2010 and 2011 and for the years ended December 31, 2009, 2010 and 2011 from our audited consolidated financial statements included elsewhere in this prospectus. We derived the summary consolidated financial data presented below as of March 31, 2012 and for the three months ended March 31, 2011 and 2012 from our unaudited consolidated financial statements included elsewhere in this prospectus.

Our historical results are not necessarily indicative of future operating results and our interim results are not necessarily indicative of results for a full year. The following summary consolidated financial data should be read in conjunction with, and is qualified in its entirety by reference to, Selected Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes included elsewhere in this prospectus.

	Year Ended December 31,			Three Months Ended March 31,	
	2009	2010	2011	2011	2012
				(unaudited)	
	(amounts in thousands, except per share data)				
Statement of Operations Data:					
Sales	$ 254,344	$ 288,195	$ 331,478	$ 78,279	$ 94,717
Cost of goods sold	41,607	53,825	68,796	14,899	18,391
Gross profit	212,737	234,370	262,682	63,380	