

BRIGHT HORIZONS FAMILY SOLUTIONS INC.

Form S-1

October 24, 2012

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As filed with the Securities and Exchange Commission on October 24, 2012

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

## BRIGHT HORIZONS FAMILY SOLUTIONS INC.

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**8351**  
(Primary standard industrial  
classification code number)  
200 Talcott Avenue South

**80-0188269**  
(I.R.S. employer  
identification number)

Watertown, Massachusetts 02472

(617) 673-8000

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

David Lissy

Chief Executive Officer

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200 Talcott Avenue South

Watertown, Massachusetts 02472

(617) 673-8000

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

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

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 "

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer "

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
Common Stock, \$0.001 par value per share	\$220,000,000	\$30,008

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) of the Securities Act of 1933, as amended.

**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 preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion dated October 24, 2012

Shares

**Bright Horizons Family Solutions Inc.**

Common Stock

This is the initial public offering of shares of common stock of Bright Horizons Family Solutions Inc.

Bright Horizons Family Solutions Inc. is offering \_\_\_\_\_ shares of common stock to be sold in the offering.

Prior to this offering, there has been no public market for the common stock. It is currently estimated that the initial public offering price per share will be between \$ \_\_\_\_\_ and \$ \_\_\_\_\_. Bright Horizons Family Solutions Inc. intends to apply to list our common stock on the New York Stock Exchange, subject to notice of official issuance, under the symbol BFAM.

**We are an emerging growth company as defined in Section 2(a) of the Securities Act of 1933 and will be subject to reduced public company reporting requirements. See Prospectus Summary Implications of Being an Emerging Growth Company.**

*Investing in our common stock involves substantial risks. See Risk Factors beginning on page 14 to read about factors you should consider before buying shares of our common stock.*

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

	Per share	Total
Initial public offering price	\$	\$
Underwriting discounts and commissions	\$	\$
Proceeds, before expenses, to us	\$	\$

To the extent that the underwriters sell more than \_\_\_\_\_ shares of common stock, the underwriters have the option for a period of 30 days to purchase from us up to an additional \_\_\_\_\_ shares at the initial price to the public less the underwriting discount.

The underwriters expect to deliver the shares against payment in New York, New York on or about \_\_\_\_\_, 2012.

**Goldman, Sachs & Co.**

**J.P. Morgan**

**Barclays**

**BofA Merrill Lynch**

**Credit Suisse**

**Baird**

**BMO Capital Markets**

**Stifel Nicolaus Weisel**

**SMBC Nikko**

Prospectus dated \_\_\_\_\_, 2012.

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**Through and including [redacted], 2012 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.**

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.

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### **Market and Other Industry Data**

Although we are responsible for all of the disclosure contained in this prospectus, we rely on and refer to information regarding the child care industry, which has been compiled from market research reports, census data and other publicly available information. Other industry and market data included in this prospectus are from internal analyses based upon data available from known sources or other proprietary research and analysis. We believe this data to be accurate as of the date of this prospectus. However, this information cannot always be verified with complete certainty due to the limitations on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties.

### **Trademarks, Service Marks and Copyrights**

We own or have rights to trademarks, service marks, trade names and copyrights that we use in connection with the operation of our business, including our corporate names, logos and website names. Other trademarks, service marks and trade names appearing in this prospectus are the property of their respective owners. The trademarks we own include Bright Horizons®. Solely for convenience, some of the trademarks, service marks, trade names and copyrights referred to in this prospectus are listed without the ©, ® and ™ symbols, but we will assert, to the fullest extent under applicable law, our rights to our trademarks, service marks, trade names and copyrights.

### **The Reclassification**

In connection with this offering, on \_\_\_\_\_, 2012, we effected a 1-for-\_\_\_\_\_ reverse split of our Class A common stock and then reclassified our Class A common stock into common stock. Immediately prior to this offering, we will convert each outstanding share of Class L common stock into approximately \_\_\_\_\_ of a share of common stock plus an additional number of shares determined by dividing the per share Class L conversion amount, currently estimated to be \$ \_\_\_\_\_, by the initial public offering price of a share of our common stock in this offering, net of the estimated underwriting discounts and commissions and a pro rata portion, based upon the number of shares being sold in this offering, of the estimated offering related expenses incurred by us. At the time of such conversion, in accordance with the terms of our equity incentive plans and our outstanding awards thereunder, outstanding options to purchase shares of our Class L common stock will become options to purchase shares of our common stock with appropriate adjustments to the exercise price per share and the number of shares underlying each such award. Unless otherwise indicated, all share data gives effect to the reclassification, including a conversion of all shares of our Class L common stock into shares of our common stock and related adjustments to our outstanding options to purchase shares of our Class L common stock, in each case based upon such estimated Class L conversion amount and the estimated offering-related expenses disclosed in this prospectus. See "The Reclassification."

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**PROSPECTUS SUMMARY**

*This summary highlights information appearing elsewhere in this prospectus. This summary is not complete and does not contain all of the information that you should consider before investing in our common stock. You should carefully read the entire prospectus, including the financial data and related notes and the section entitled Risk Factors before deciding whether to invest in our common stock. Unless otherwise indicated or the context otherwise requires, references in this prospectus to the Company, Bright Horizons, we, us and our refer to Bright Horizons Family Solutions Inc. and its consolidated subsidiaries. References in this prospectus to years are to our fiscal years, which end on December 31. All information in this prospectus assumes no exercise of the underwriters' option to purchase additional shares, unless otherwise noted.*

**Our Company**

We are a leading provider of high-quality child care and early education services as well as other services designed to help employers and families better address the challenges of work and life. We provide services primarily under multi-year contracts with employers who offer child care and other dependent care solutions as part of their employee benefits packages to improve employee engagement, productivity, recruitment and retention. As of June 30, 2012, we had more than 850 client relationships with employers across a diverse array of industries, including more than 130 Fortune 500 companies and more than 75 of *Working Mother* magazine's 2012 100 Best Companies for Working Mothers. Our service offerings include:

Center-based full service child care and early education (representing approximately 87% of our revenue in the year ended December 31, 2011)

Back-up dependent care and

Educational advisory services.

We believe we are a provider of choice for each of the solutions we offer. As of June 30, 2012, we operated a total of 773 child care and early education centers across a wide range of customer industries with the capacity to serve approximately 87,400 children in the United States, as well as in the United Kingdom, the Netherlands, Ireland, Canada and India. We have achieved satisfaction ratings of greater than 95% among respondents in our employer and parent satisfaction surveys over each of the past five years and an annual client retention rate of 97% for employer-sponsored centers over each of the past ten years.

We have a 25-year track record of providing high-quality services and a history of strong financial performance. From 2001 through 2011, we have achieved year-over-year revenue and adjusted EBITDA growth at a compound annual growth rate of 11% for revenue and 17% for adjusted EBITDA. We also achieved year-over-year net income growth at a compound annual growth rate of 23% from 2001 to 2007. In 2008 through 2010, we incurred net losses due primarily to the additional debt service obligations and amortization expense incurred in connection with our going private transaction. In 2011, our net income grew \$14.8 million over the prior year to \$4.8 million. Our strong revenue growth has been driven by additions to our center base through organic center growth and acquisitions, expansions of our service offerings to back-up dependent care and educational advisory services and consistent year-over-year tuition increases. We have also increased our adjusted EBITDA margin in each year from 2001 through 2011. For the year ended December 31, 2011 and the six months ended June 30, 2012, we generated revenue of \$973.7 million and \$529.6 million, net income of \$4.8 million and \$1.7 million, adjusted EBITDA of \$148.5 million and \$89.1 million, and adjusted net income of

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\$23.4 million and \$19.8 million, respectively. Additional information regarding adjusted EBITDA and adjusted net income, including a reconciliation of adjusted EBITDA and adjusted net income to net income, is included in Summary Consolidated Financial and Other Data.

### **Our Business Models**

We provide our center-based child care services under two general business models: a profit and loss ( P&L ) model, where we assume the financial risk of operating a child care center; and a cost-plus model, where we are paid a fee by an employer client for managing a child care center on a cost-plus basis. Our P&L model is further classified into two subcategories: (i) a sponsor model, where we provide child care and early education services on either an exclusive or priority enrollment basis for the employees of a specific employer sponsor; and (ii) a lease/consortium model, where we provide child care and early education services to the employees of multiple employers located within a specific real estate development (for example, an office building or office park), as well as to families in the surrounding community. In both our cost-plus and sponsor P&L models, the development of a new child care center, as well as ongoing maintenance and repair, is typically funded by an employer sponsor with whom we enter into a multi-year contractual relationship. In addition, employer sponsors typically provide subsidies for the ongoing provision of child care services for their employees. We also provide back-up dependent care services through our own centers and through our Back-Up Care Advantage ( BUCA ) program, which offers access to a contracted network of in-home care agencies and approximately 2,500 center-based providers in locations where we do not otherwise have centers with available capacity.

### **Industry Overview**

We compete in the global market for child care and early education services as well as the market for work/life services offered by employers as benefits to employees. Families in the United States spent approximately \$43 billion on licensed group child care in 2007. The child care industry can generally be subdivided into center-based and home-based child care. We operate in the center-based market, which is highly fragmented, with over 90% of providers operating fewer than 10 centers, and the top 10 providers comprising less than 10% of the market.

The center-based child care market includes both retail and employer-sponsored centers and can be further divided into full-service centers and back-up centers. The employer-sponsored model, which has been central to our business since we were founded in 1986, is characterized by a single employer or consortium of employers entering into a long-term contract for the provision of child care at a center located at or near the sponsor's worksite. The sponsor generally funds the development as well as ongoing maintenance and repair of a child care center at or near its worksite and subsidizes the provision of child care services to make them more affordable for its employees.

Additionally, we compete in the growing markets for back-up dependent care and educational advisory services, and we believe we are the largest and one of the only multi-national providers of back-up dependent care services.

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### ***Industry Trends***

We believe that the following key factors contribute to growth in the markets for employer-sponsored child care and for back-up dependent care and educational advisory services:

*Increasing Participation by Women and Two Working Parent Families in the Workforce*

*Greater Demand for High-Quality Center-Based Child Care and Early Education.*

*Recognized Return on Investment to Employers.*

*Growing Global Demand for Child Care and Early Education Services.*

### **Our History**

We were listed on Nasdaq from 1998 to May 2008, when we were acquired by investment funds affiliated with Bain Capital Partners, LLC, which we refer to as our going private transaction. Since then, we have continued to grow through challenging economic times while investing in our future. We have grown our international footprint to become a leader in the center-based child care market in the United Kingdom and have expanded into the Netherlands and India as a platform for further international expansion. In the United States, we have enhanced and grown our back-up dependent care services while adding a new educational advisory service for existing employer clients. We have also expanded our sales force with a specific focus on cross-selling opportunities to our employer clients. We have invested in new technologies to better support our full suite of services and expanded our marketing efforts with additional focus on maximizing occupancy levels in centers where we can improve our economics with increased enrollment.

### **Our Competitive Strengths**

#### ***Market Leading Service Provider***

We believe we are the leader in the markets for employer-sponsored center-based child care and back-up dependent care, and that the breadth, depth and quality of our service offerings developed over a successful 25-year history represent significant competitive advantages. We have approximately five times more employer-sponsored centers in the United States than our closest competitor, according to Child Care Information Exchange's 2010 *Employer Child Care Trend Report*. We believe the broad geographic reach of our child care centers, with targeted clusters in areas where we believe demand is generally higher and where income demographics are attractive, provides us with an effective platform to market our services to current and new clients.

#### ***Collaborative, Long-term Relationships with Diverse Customer Base***

We have more than 850 client relationships with employers across a diverse array of industries, including more than 130 of the Fortune 500 companies, with our largest client contributing less than 3% of our revenue in 2011 and our largest 10 clients representing less than 13% of our revenue in that year. Our business model places an emphasis on multi-year employer sponsorship contracts where our clients typically fund the development of new child care centers at or near to their worksites and frequently support the ongoing operations of these centers.

Our multiple touch points with both employers and employees give us unique insight into the corporate culture of our clients. This enables us to identify and provide innovative and tailored solutions to address our clients' specific work/life needs. In addition to full service center-based care, we provide



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access to a multi-national back-up dependent care network and educational advisory support, allowing us to offer various combinations of services to best meet the needs of specific clients or specific locations for a single client. Our tailored, collaborative approach to employer-sponsored child care has resulted in an annual client retention rate for employer-sponsored centers of approximately 97% over each of the past ten years.

### ***Commitment to Quality***

Our business is anchored in the consistent provision of high-quality service offerings to employers and families. We have therefore designed our child care centers to meet or exceed applicable accreditation and rating standards in all of our key markets, including in the United States through the National Academy of Early Childhood Programs, a division of the National Association for the Education of Young Children ( NAEYC ), and in the United Kingdom through the ratings of the Office of Standards in Education. We believe that our voluntary commitment to achieving accreditation standards offers a competitive advantage in securing employer sponsorship opportunities and in attracting and retaining families because an increasing number of potential and existing employer clients require adherence to accreditation criteria. In the United States, NAEYC accreditation, which is optional and can take two to three years to complete, has been achieved by fewer than 10% of child care centers as compared to more than 70% of our eligible centers.

We maintain our proprietary curriculum at the forefront of early education practices by introducing elements that respond to the changing expectations and views of society and new information and theories about the ways in which children learn and grow. We also believe that strong adult-to-child ratios are a critical factor in delivering our curriculum effectively as well as helping to facilitate more focused care. Our programs often provide adult-to-child ratios that are more stringent than many state licensing standards.

### ***Market Leading People Practices***

Our ability to deliver consistently high-quality care, education and other services is directly related to our ability to attract, retain and motivate our highly skilled workforce. We have consistently been named as a top employer by third-party sources in the United States, the United Kingdom and the Netherlands, including being named as one of the 100 Best Places to Work in America by *Fortune Magazine* 13 times.

We believe the education and experience of our center leaders and teachers exceed the industry average. In addition to recurring in-center training and partial tuition reimbursement for continuing education, we have developed a training program that establishes standards for our teachers as well as an in-house online training academy (Bright Horizons University), which allows our employees to earn nationally-recognized child development credentials.

### ***Capital Efficient Operating Model Provides Platform for Growth, with Attractive Economics***

We have achieved uninterrupted year-over-year revenue, adjusted EBITDA and adjusted EBITDA margin growth for each of the last ten years despite broader macro-economic fluctuations. With employer sponsors funding the majority of the capital required for new centers developed on their behalf, we have been able to grow our business with limited capital investment, which has contributed to strong cash flows from operations.

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### ***Proven Acquisition Track Record***

We have an established acquisition team to pursue potential targets using a proven framework to effectively evaluate potential transactions with the goal of maximizing our return on investment while minimizing risk. Since 2006, we have completed acquisitions of 123 child care centers in the United States, the United Kingdom and the Netherlands, as well as a provider of back-up dependent care services in the United States, representing in aggregate approximately \$160 million in annualized revenue.

### ***Experienced Management Team***

Our management team has an established track record of operational excellence and has an average tenure of 16 years at Bright Horizons. We have successfully operated Bright Horizons both as a publicly traded company and, since 2008, as a private company. The management team has a proven track record of performance, having increased revenue from \$345.9 million in 2001 to \$973.7 million in 2011, and increased adjusted EBITDA from \$29.8 million in 2001 to \$148.5 million in 2011, representing 670 basis points of adjusted EBITDA margin expansion. During this same period, our net income grew from \$11.5 million in 2001 to \$39.1 million in 2007 and then declined to \$(6.6 million) in 2008 and to \$(10.0 million) in 2010. In 2011, our net income increased \$14.8 million over the prior year to \$4.8 million. Our net income since 2008 reflects the incremental contributions from growth in the business, offset by the additional debt service obligations and amortization expense incurred in connection with our May 2008 going private transaction.

### **Our Growth Strategy**

We believe that there are significant opportunities to continue to grow our business globally and expand our leadership position by continuing to execute on the following strategies:

#### ***Grow Our Client Relationships***

*Secure Relationships with New Employer Clients.* Our addressable market includes approximately 15,000 employers, each with at least 1,000 employees, within the industries that we currently service in the United States and the United Kingdom. Our dedicated sales force focuses on establishing new client relationships and is supported by our Horizons Workforce Consulting practice, which helps potential clients to identify the precise work/life offerings that will best meet their strategic goals.

*Expand Relationships with Existing Employer Clients Through Additional Centers and Cross-Selling.* As of June 30, 2012, we operated approximately 200 centers for 50 clients with multiple facilities, and we believe there is a significant opportunity to add additional employer-sponsored centers for both these and other existing clients as well as to increase the number of our clients that use more than one of our four principal service offerings.

*Continue to Expand Through the Assumption of Management of Existing Sponsored Child Care Centers.* We occasionally assume the management of existing centers from the incumbent management team, which enables us to develop new client relationships, typically with no capital investment and no purchase price payment.

#### ***Sustain Annual Price Increases to Enable Continued Investments in Quality***

We look for opportunities to invest in quality as a way to enhance our reputation with our clients and their employees. By developing a strong reputation for high-quality services and facilities, we are



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able to support consistent price increases that keep pace with our cost increases. Over our history, these price increases have contributed to our revenue growth and have enabled us to drive margin expansion.

### ***Increase Utilization at Existing Centers***

We believe that our mature P&L centers (centers that have been open for more than three years) are currently operating at utilization levels below our target run rate, in part due to a general deterioration in economic conditions from 2008 to 2010. Utilization rates at our mature P&L centers stabilized in 2010 and have grown in 2011 and the first six months of 2012. We expect to further close the gap between current utilization rates and our target run rate over the next few years.

### ***Selectively Add New Lease/Consortium Centers and Expand Through Selective Acquisitions***

We have typically added between six and twelve new lease/consortium centers annually for the past five years, focusing on urban or city surrounding markets where demand is generally higher and where income demographics are generally more supportive of a new center. In addition, we have a long track record of successfully completing and integrating selective acquisitions. The domestic and international markets for child care and other family support services remain highly fragmented. We will therefore continue to seek attractive opportunities both for center acquisitions and the acquisition of complementary service offerings.

## **Risk Factors**

An investment in our common stock involves a high degree of risk. Any of the factors set forth under **Risk Factors** may limit our ability to successfully execute our business strategy. You should carefully consider all of the information set forth in this prospectus and, in particular, should evaluate the specific factors set forth under **Risk Factors** in deciding whether to invest in our common stock. Among these important risks are the following:

Significant deterioration in general economic conditions in our markets may lead parents to diminish the use of child care services and employers to reduce sponsorship of work and family services.

Because of the nature of our business, we are highly susceptible to reputational damage. Even false allegations or frivolous litigation could significantly damage our reputation and subject us to significant harm.

Our business depends largely on our ability to continue to hire and retain qualified teachers.

As of June 30, 2012, on an as-adjusted basis after giving effect to this offering and the application of the net proceeds therefrom, we would have had total indebtedness of \$730.9 million, and our substantial debt could limit our ability to pursue our growth strategy.

### **Implications of Being an Emerging Growth Company**

As a company with less than \$1.0 billion in revenue during our most recently completed fiscal year, we qualify as an emerging growth company as defined in Section 2(a) of the Securities Act of 1933, as amended, which we refer to as the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As an emerging growth company, we may take advantage of

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specified reduced disclosure and other requirements that are otherwise applicable generally to public companies that are not emerging growth companies. These provisions include:

Reduced disclosure about our executive compensation arrangements;

No non-binding shareholder advisory votes on executive compensation or golden parachute arrangements; and

Exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting.

We may take advantage of these exemptions 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 as of the end of our fiscal year, we have more than \$700.0 million in market value of our stock held by non-affiliates as of the end of our second fiscal quarter, or we 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 disclosure obligations. We have taken advantage of reduced disclosure regarding executive compensation arrangements in this prospectus, and we may choose to take advantage of some but not all of these reduced disclosure obligations in future filings. If we do, the information that we provide stockholders may be different than you might get from other public companies in which you hold stock.

The JOBS Act permits an emerging growth company such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to opt out of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

We expect that we will cease to be an emerging growth company as of January 1, 2013, subject to applicable interpretations of the Securities and Exchange Commission regarding our treatment as an emerging growth company in connection with this offering.

### **Our Sponsor**

Bain Capital, LLC is a global private investment firm headquartered in Boston, Massachusetts whose affiliates, including Bain Capital Partners LLC, our Sponsor, manage several pools of capital including private equity, venture capital, public equity, high-yield assets and mezzanine capital with approximately \$65 billion in assets under management. Since its inception in 1984, funds sponsored by Bain Capital have made private equity investments and add-on acquisitions in over 350 companies in a variety of industries around the world.

Upon completion of this offering, our Sponsor will continue to hold a controlling interest in us and will continue to have significant influence over us and decisions made by our stockholders and may have interests that differ from yours. See **Risk Factors** **Risks Related to Our Common Stock** and this Offering.

### **Corporate Information**

Our principal executive offices are located at 200 Talcott Avenue South, Watertown, Massachusetts 02472, and our telephone number is (617) 673-8000. Our Internet website address is [www.brighthorizons.com](http://www.brighthorizons.com). The information on, or that can be accessed through, our website is not part of this prospectus, and you should not rely on any such information in making the decision whether to purchase our common stock.

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**The Offering**

Common stock offered by us	shares (or additional shares in full) shares if the underwriters exercise their option to purchase additional shares in full)
Common stock to be outstanding immediately after completion of this offering	shares (or additional shares in full). For additional information regarding the impact of a change in the assumed initial public offering price on the number of shares outstanding after completion of this offering related to the conversion of our Class L common stock, see The Reclassification.
Underwriters' option to purchase additional shares	We have granted the underwriters a 30-day option to purchase an additional shares.
Use of proceeds	We expect to receive net proceeds, after deducting estimated offering expenses and underwriting discounts and commissions, of approximately \$ million (or approximately \$ million if the underwriters exercise their option to purchase additional shares in full), based on an assumed offering price of \$ per share (the midpoint of the price range set forth on the cover of this prospectus). We intend to use the net proceeds from this offering to repay all amounts outstanding under the Bright Horizons Capital Corp. 13.0% senior notes due 2018, and to use any remaining net proceeds for working capital and for general corporate purposes. As of June 30, 2012, there was \$185.6 million in aggregate principal amount of, and accumulated interest on, the Bright Horizons Capital Corp. 13.0% senior notes outstanding. See Use of Proceeds.
Dividend policy	Our board of directors does not currently intend to pay regular dividends on our common stock. See Dividend Policy.
Principal stockholders	Upon completion of this offering, investment funds affiliated with the Sponsor will indirectly beneficially own a controlling interest in us. For more information, see Management Board Structure and Committee Composition.
Trading symbol	BFAM
Risk factors	You should read carefully the Risk Factors section of this prospectus for a discussion of factors that you should consider before deciding to invest in shares of our common stock.
Conflict of interest	Certain affiliates of Goldman, Sachs & Co., an underwriter in this offering, beneficially own all of our 11.5% senior subordinated notes due 2018 and our 13.0% senior notes due

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2018. We intend to use all or a portion of the net proceeds of this offering to redeem the entire outstanding principal amount of the 13.0% senior notes due 2018 and to pay accrued interest thereon. See Use of Proceeds. As a result, certain affiliates of Goldman, Sachs & Co. will receive all or a substantial portion of the net proceeds of this offering. Accordingly, this offering will be made in compliance with the applicable provisions of Rule 5121 of the Financial Industry Regulatory Authority, Inc. Rule 5121 requires that a qualified independent underwriter meeting certain standards participate in the preparation of the registration statement and prospectus and exercise the usual standards of due diligence with respect thereto. J.P. Morgan Securities LLC has agreed to act as a qualified independent underwriter within the meaning of Rule 5121 in connection with this offering. Goldman, Sachs & Co. will not confirm sales of the shares to any account over which they exercise discretionary authority without the prior written approval of the customer.

The number of shares of our common stock to be outstanding after this offering is based on the number of shares outstanding after our reclassification (assuming an offering price of \$ per share (the midpoint of the price range set forth on the cover of this prospectus)) and excludes shares of our common stock issuable upon the exercise of outstanding options at a weighted average exercise price equal to \$ per share, of which options to purchase shares were exercisable as of , 2012, and an additional shares of our common stock will be issuable under our 2012 Omnibus Long-Term Incentive Plan. For additional information regarding the impact of a change in the assumed initial public offering price, in connection with the conversion of our Class L common stock, on the number of shares issuable upon the exercise of outstanding options after completion of this public offering, see The Reclassification.

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**Summary Consolidated Financial and Other Data**

The following table sets forth our summary historical and other data as of the dates and for the periods indicated. The summary historical financial data as of December 31, 2010 and 2011 and for the three years in the period ended December 31, 2011 presented in this table have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary historical financial data as of June 30, 2012 and for the six months ended June 30, 2011 and 2012 have been derived from our unaudited consolidated financial statements included elsewhere in this prospectus. The summary consolidated balance sheet data as of December 31, 2009 has been derived from our consolidated financial statements for such year, which are not included in this prospectus. The summary consolidated balance sheet data as of June 30, 2011 has been derived from our unaudited consolidated financial statements for such period, which are not included in this prospectus. Historical results are not necessarily indicative of the results to be expected for future periods and operating results for the six months ended June 30, 2012 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2012. The data in the following table related to adjusted EBITDA, adjusted net income, child care and early education centers and licensed capacity are unaudited for all periods presented.

This summary historical consolidated financial and other data should be read in conjunction with the disclosures set forth under Capitalization and Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the related notes thereto appearing elsewhere in this prospectus.

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	Year Ended December 31,			Six Months Ended June 30,	
	2009	2010	2011	2011	2012
<b>Consolidated Statement of Operations Data:</b>					
Revenue	\$ 852,323	\$ 878,159	\$ 973,701	\$ 480,939	\$ 529,585
Cost of services	672,793	698,264	766,500	376,321	407,012
Gross profit	179,530	179,895	207,201	104,618	122,573
Selling, general and administrative expenses	82,798	83,601	92,938	45,196	67,226
Amortization	29,960	27,631	27,427	13,661	13,182
Income from operations	66,772	68,663	86,836	45,761	