

ANGIODYNAMICS INC
Form DEF 14A
September 09, 2008
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

AngioDynamics, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(1) Amount Previously paid:

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(4) Date Filed:

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ANGIODYNAMICS, INC.

603 Queensbury Avenue

Queensbury, New York 12804

(518) 798-1215

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of AngioDynamics, Inc. to be held on Tuesday, October 21, 2008 at 9:00 a.m., local time, at The Fairmont Sonoma Mission Inn, 100 Boyes Boulevard, Sonoma, California.

At this year's Annual Meeting you will be asked to consider and vote upon proposals to: (i) elect three directors; (ii) ratify the appointment of AngioDynamics' independent registered public accountants, (iii) amend AngioDynamics' 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 2,000,000 to 3,000,000; (iv) amend AngioDynamics' Employee Stock Purchase Plan to increase the aggregate number of shares of common stock that may be offered under the plan from 200,000 to 400,000; and (v) transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

This year we are pleased to take advantage of the Securities and Exchange Commission rule allowing companies to furnish proxy materials to their stockholders over the Internet. Instead of mailing printed copies to each stockholder, we are mailing a Notice of Internet Availability which contains instructions on how to access your proxy materials, how each stockholder can receive a paper copy of proxy materials, including this Proxy Statement, our annual report on Form 10-K and a form of proxy card, and how to access your proxy card to vote through the Internet or by telephone. We believe that this new e-proxy process will expedite stockholders' receipt of proxy materials and lower the costs and reduce the environmental impact of our annual meeting.

Your Board of Directors unanimously believes that election of its nominees for directors, ratification of independent registered public accountants, amendment to AngioDynamics' 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 2,000,000 to 3,000,000 and amendment to AngioDynamics' Employee Stock Purchase Plan to increase the aggregate number of shares of common stock that may be offered under the plan from 200,000 to 400,000 are in the best interest of AngioDynamics and its stockholders, and, accordingly, recommends a vote FOR each proposal.

In addition to the business to be transacted as described above, management will address the stockholders with respect to AngioDynamics' developments of the past year and respond to comments and questions of general interest to stockholders.

Whether or not you plan to attend the meeting, your vote is important and we encourage you to vote promptly. You may vote your shares via a toll-free telephone number or over the Internet. If you requested and received a paper copy of the proxy card by mail, you may sign, date and mail the proxy card in the envelope provided. Instructions regarding all three methods of voting are contained on the proxy card. Voting by proxy will ensure your shares are represented at the Annual Meeting.

Sincerely,

Eamonn P. Hobbs
President & Chief Executive Officer

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ANGIODYNAMICS, INC.

603 Queensbury Avenue

Queensbury, New York 12804

(518) 798-1215

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

I am pleased to give you notice that the 2008 Annual Meeting of Stockholders of AngioDynamics, Inc. will be held at The Fairmont Sonoma Mission Inn, 100 Boyes Boulevard, Sonoma, California, on Tuesday, October 21, 2008 at 9:00 a.m., local time for the following purposes:

1. to elect three Class II directors of AngioDynamics, each for a term of three years;
 2. to ratify the appointment of PricewaterhouseCoopers LLP as AngioDynamics independent registered public accounting firm for the fiscal year ending May 31, 2009;
 3. to amend AngioDynamics 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 2,000,000 to 3,000,000;
 3. To amend AngioDynamics Employee Stock Purchase Plan to increase the aggregate number of shares of common stock that may be offered under the plan from 200,000 to 400,000; and
 4. to transact such other business as may properly come before the meeting or any adjournment or postponement thereof.
- The board of directors has fixed the close of business on August 28, 2008 as the record date for the annual meeting. Only stockholders of record of AngioDynamics common stock on the close of business on that date are entitled to notice of and to vote at the meeting.

By Order of the Board of Directors,

Gregory J. Champion, Secretary
Queensbury, New York

Dated: September 9, 2008

Whether or not you plan to attend the meeting, we urge you to vote your shares via the toll-free telephone number or over the Internet, as described in the enclosed materials. If you requested and received a copy of the proxy card by mail, you may sign, date and mail the proxy card in the envelope provided.

If you wish to attend the annual meeting, please check the appropriate box on the enclosed proxy card and return it in the enclosed envelope.

The annual meeting for which this notice is given may be adjourned from time to time without further notice other than announcement at the meeting or any adjournment thereof. Any business for which notice is hereby given may be transacted at any such adjourned meeting.

Important Notice Regarding the Availability of Proxy Materials

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for the Annual Meeting to be Held on October 21, 2008.

Our Proxy Statement for the Annual Meeting of Stockholders, the proxy card, and annual report on Form 10-K for our fiscal year ended May 31, 2008 are available on the following website: www.proxyvote.com. To view materials via the Internet please follow the instructions set forth on the Notice regarding Internet Availability mailed to all stockholders of record on or about September 9, 2008.

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ANGIODYNAMICS, INC.

603 Queensbury Avenue

Queensbury, New York 12804

PROXY STATEMENT

FOR

ANNUAL MEETING OF STOCKHOLDERS

OF ANGIODYNAMICS, INC.

October 21, 2008

Introduction

This proxy statement is being furnished to the stockholders of AngioDynamics, Inc. by the board of directors of AngioDynamics in connection with the solicitation of proxies for use at our 2008 Annual Meeting of Stockholders to be held at The Fairmont Sonoma Mission Inn, 100 Boyes Boulevard, Sonoma, California, on Tuesday, October 21, 2008 at 9:00 a.m., local time, or at any adjournment or postponement thereof. Unless the context otherwise requires, we, us, the Company, and similar terms refer to AngioDynamics, Inc.

Our principal executive offices are located at 603 Queensbury Avenue, Queensbury, New York 12804.

Notice of Electronic Availability of Proxy Statement and Annual Report

As permitted by rules recently adopted by the Securities and Exchange Commission, we are making this proxy statement and our annual report on Form 10-K available to our stockholders electronically via the Internet. On September 9, 2008, we mailed to our stockholders a Notice containing instructions on how to access this proxy statement and our annual report on Form 10-K and vote online. If you received a Notice by mail, you will not receive a printed copy of the proxy materials in the mail. Instead, the Notice instructs you on how to access and review all of the important information contained in the proxy statement and annual report on Form 10-K. The Notice also instructs you on how you may submit your proxy over the Internet. If you received a Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice.

Proposals to be Considered

At the annual meeting, we will ask holders of our common stock to consider and vote upon the following items:

Election of Directors

The election of three of AngioDynamics' nine directors, namely Vincent A. Bucci, Howard W. Donnelly and Charles T. Orsatti. If elected, these Class II directors will each serve until the 2011 annual meeting of stockholders and their respective successors are duly elected and qualified.

Ratification of Appointment of Independent Registered Public Accounting Firm

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Ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending May 31, 2009.

Amendment to AngioDynamics 2004 Stock and Incentive Award Plan

Approval of an amendment to AngioDynamics 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 2,000,000 shares to 3,000,000 shares.

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Amendment to AngioDynamics Employee Stock Purchase Plan

Approval of an amendment to AngioDynamics Employee Stock Purchase Plan to increase the aggregate number of shares of common stock that may be offered under the plan from 200,000 to 400,000.

Record Date; Voting Securities

Stockholders of record at the close of business on August 28, 2008, the record date for the annual meeting, are entitled to receive this proxy statement and to vote at the meeting and at any adjournment or postponement thereof. As of the close of business on the record date there were 24,263,183 outstanding shares of our common stock entitled to notice of and to vote at the annual meeting. Holders of our common stock have one vote per share on each matter to be acted upon. A list of the stockholders of record entitled to vote at the annual meeting will be available at the annual meeting and for 10 days prior to the annual meeting, for any purpose germane to the meeting, between the hours of 9:00 a.m. and 4:30 p.m. at our principal executive offices at 603 Queensbury Avenue, Queensbury, New York 12804, by contacting the Secretary of our company.

Votes Required

Quorum

A majority of the outstanding shares of common stock present in person or by proxy is required to constitute a quorum at the meeting. For purposes of determining the presence of a quorum for transacting business at the annual meeting, abstentions and broker non-votes (proxies from banks, brokers or nominees indicating that such persons have not received instructions from the beneficial owner or other persons entitled to vote shares on a particular matter with respect to which the banks, brokers or nominees do not have discretionary power) will be treated as shares that are present.

Election of Directors

The directors nominated for election will be elected by a plurality of the votes cast, in person or by proxy, at the annual meeting. Abstentions and broker non-votes on the election of directors will have no effect because they will not represent votes cast at the annual meeting for the purpose of electing directors.

Ratification of the Appointment of Independent Registered Public Accounting Firm

The proposal to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending May 31, 2009 will require the affirmative vote of a majority of the votes cast at the annual meeting. For purposes of this proposal, abstentions will have the same effect as votes against the proposal; however, broker non-votes will have no effect on such proposal.

Amendment to AngioDynamics 2004 Stock and Incentive Award Plan and AngioDynamics Employee Stock Purchase Plan

The proposals to approve an amendment to AngioDynamics 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 2,000,000 shares to 3,000,000 shares and to amend AngioDynamics Employee Stock Purchase Plan to increase the aggregate number of shares of common stock that may be offered under the plan from 200,000 to 400,000, each require the affirmative vote of a majority of the votes cast at the annual meeting. For purposes of this proposal, abstentions will have the same effect as votes against the proposal; however, broker non-votes will have no effect on such proposal.

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Voting of Proxies

Shares of our common stock will be voted in accordance with the instructions contained in the proxies. If you return a signed proxy card without indicating your vote, your shares will be voted:

FOR the election as directors of the persons who have been nominated by the board of directors;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as AngioDynamics independent registered public accounting firm for the fiscal year ending May 31, 2009;

FOR the approval of the amendment to AngioDynamics 2004 Stock and Incentive Award Plan to increase the total number of shares of common stock reserved for issuance under the plan from 2,000,000 to 3,000,000;

FOR the approval of the amendment to AngioDynamics Employee Stock Purchase Plan to increase the aggregate number of shares of common stock that may be offered under the plan from 200,000 to 400,000; and

with respect to any other matter that may properly be brought before the annual meeting in accordance with the judgment of the person or persons voting. We do not expect that any matter other than as described in this proxy statement will be brought before the annual meeting.

Revocability of Proxies; How to Vote

The grant of a proxy does not preclude a stockholder from voting in person. You may revoke a proxy at any time prior to your proxy being voted at the annual meeting by:

delivering to our Secretary prior to the annual meeting, a written notice of revocation bearing a later date or time than the proxy;

timely delivering to us a signed proxy card with a date later than your previously delivered proxy;

granting a subsequent proxy through the Internet or telephone; or

attending the annual meeting and voting in person.

Attendance at the annual meeting will not by itself constitute revocation of a proxy. If an adjournment occurs, it will have no effect on the ability of stockholders of record as of the record date to exercise their voting rights or to revoke any previously delivered proxies. We do not expect to adjourn the annual meeting for a period of time long enough to require the setting of a new record date for such meeting.

If your shares are registered directly in your name with our transfer agent, Registrar and Transfer Company, you are considered, with respect to those shares, the shareholder of record. On September 9, 2008 we mailed to you a Notice containing instructions on how to access this proxy statement and our annual report and vote online.

If your shares are held in the name of a bank, broker or other holder of record, you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Telephone and Internet voting also will be offered to stockholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you plan to vote your

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shares in person at the Annual Meeting, you should contact your broker or agent to obtain a legal proxy or broker's proxy card and bring it to the Annual Meeting in order to vote.

Solicitation of Proxies

The cost of solicitation of proxies being solicited on behalf of the board of directors will be borne by us. In addition to the use of the mail and the Internet, proxy solicitation may be made by telephone, facsimile and personal interview by our officers, directors and employees.

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PROPOSAL 1 ELECTION OF DIRECTORS

Nominees

Our board of directors currently consists of nine directors. The board is classified into three classes, each of which has a staggered three-year term. At the annual meeting, our stockholders will elect three Class II directors. If elected, Howard W. Donnelly, Vincent A. Bucci and Charles T. Orsatti will hold office until the annual meeting of stockholders to be held in 2011 and until their successors are duly elected and qualified. Robert E. Flaherty, a current Class II director, is not a nominee for election as a director at the annual meeting. The Class I directors and Class III directors will continue in office during the terms indicated below. Unless otherwise specified, all proxies received will be voted in favor of the election of the nominees named below as directors of the Company. Directors will be elected by a plurality of the votes cast, in person or by proxy, at the annual meeting.

The term of each of the current Class II directors expires at the 2008 annual meeting and when his respective successor is duly elected and qualified. Management has no reason to believe that any of the nominees will be unable or unwilling to serve as a director if elected. Should any of the nominees not remain a candidate for election at the date of the annual meeting, proxies will be voted in favor of the nominees who remain candidates and may be voted for substitute nominees selected by the board of directors. Set forth below is biographical information for each nominee and for each director whose term of office will continue after the annual meeting.

Nominees to serve as Class II Directors for a Term Expiring at the 2011 Annual Meeting:

Howard W. Donnelly, age 47, joined our board of directors in March 2004. Mr. Donnelly is currently President of Concert Medical, LLC, a contract manufacturer of interventional medical devices. In addition, Mr. Donnelly is a principal in two privately held start-up medical device companies that are targeting the regional anesthetic and general anesthesia markets, respectively. From 1999 to 2002, he was President of Level 1, Inc., a medical device manufacturer and a subsidiary of Smiths Group. From 1990 to 1999, Mr. Donnelly was employed at Pfizer, Inc., with his last position being Vice President, Business Planning and Development, for Pfizer's Medical Technology Group from 1997 to 1999. Mr. Donnelly is currently a director of Vital Signs, Inc., a medical device manufacturer for the anesthesia, critical care and sleep disorder markets.

Vincent A. Bucci, age 53, joined our board of directors in January 2007 and was named Chairman in July 2007. From 1999 to 2007, Mr. Bucci served as Chairman of the board of directors of RITA Medical Systems, Inc., which we acquired in January 2007. Mr. Bucci has held the position of President of Health Policy Associates, Inc., a consulting company, since 1992. Mr. Bucci holds a B.A. from Bates College and a J.D. in Public Law and an M.A. in Government, both from Georgetown University.

Charles T. Orsatti, age 64, is a nominee for election to our board of directors. Mr. Orsatti has been a director of SRI/Surgical Express Inc., a central processing and supply chain management services company serving hospitals and surgery centers, since 2004, and Gyntec, Inc., a late stage development company for women's healthcare products, since 2007. Mr. Orsatti also served as a director of djOrthopedics, Inc., an NYSE-listed orthopedic sports medicine company, until November 2007. Since 1995, Mr. Orsatti has been Chairman and Managing Partner of Fairfield Capital Partners, Inc., a private equity investment firm. Prior to 1995, Mr. Orsatti was Chairman and Chief Executive Officer of Fairfield Medical Products Corporation, a manufacturer of critical care products. From 1983 to 1986, he was Chief Executive Officer of Coloplast, Inc., a manufacturer of single use products and then served as Chief Operating Officer and President of two medical divisions of British Oxygen Corporation. Mr. Orsatti began his career with the medical products division of Air Products and Chemicals, Inc. and subsequently worked for the Critikon Division of Johnson & Johnson.

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Recommendation of the Board of Directors

The board of directors recommends a vote FOR the election of each of the nominees.

Other Directors

The following Class I and Class III directors will continue on the board of directors for the terms indicated:

Class I Directors (Term Expiring at the 2010 Annual Meeting):

Paul S. Echenberg, age 64, has been a director since 1996 and served as Chairman of our board of directors from February 2004 through July 2007. He has been the President, Chief Executive Officer and a director of Schroders & Associates Canada Inc., an investment buy-out advisory services company, and a director of Schroders Ventures Ltd., an investment firm, since 1996. He is also a founder and has been a general partner and director of Eckvest Equity Inc., a personal investment and consulting services company since 1989. From 1970 to 1989, he was President and Chief Executive Officer of Twinpak Inc. and Executive Vice President of CB Pak Inc., both packaging companies. He also co-founded BDE & Partners, an investment banking and strategic advisory services firm, in 1991. He is a director of Lallemand Inc., Benvest New Look Income Trust and A.P. Plasman Corp.

Jeffrey G. Gold, age 60, has served as a director since 1997. Mr. Gold is currently serving as Venture Partner for Longitude Capital, a healthcare venture capital fund. Mr. Gold was President and CEO of CryoVascular Systems, a peripheral vascular disease device company, from 2001 through its sale to Boston Scientific in 2005. From 1997 to 2001, he was Executive Vice President and Chief Operating Officer of Cardio Thoracic Systems, Inc., a company engaged in the development and introduction of devices for beating-heart coronary bypass surgery. Before that, Mr. Gold spent 18 years with Cordis Corporation in a variety of senior management roles including Vice President of Manufacturing and Vice President of Research and Development, and was a co-founder and President of Cordis Endovascular Systems, a Cordis subsidiary engaged in the interventional neuroradiology business. At Cordis, Mr. Gold also had responsibility for its peripheral vascular business. He serves on the board of directors of several start-up medical device companies and is a member of the Executive Committee for the Center for Entrepreneurship and Innovation at the University of Florida and a member of the Commercialization Advisory Board for the Cleveland Clinic.

Dennis S. Meteny, age 55, joined our board of directors in March 2004. In 2006, Mr. Meteny was appointed President and Chief Executive Officer of Cygnus Manufacturing Company LLC, a privately held manufacturer of minimally and non-invasive medical device products, health and safety components, and high precision transportation, aerospace and industrial products. From 2003 to 2006, Mr. Meteny was an Executive-in-Residence at the Pittsburgh Life Sciences Greenhouse, a strategic economic development initiative of the University of Pittsburgh Health System, Carnegie Mellon University, the University of Pittsburgh, the State of Pennsylvania and local foundations. From 2001 to 2003, he served as President and Chief Operating Officer of TissueInformatics, Inc., a privately held company engaged in the medical imaging business. From 2000 to 2001, Mr. Meteny was a business consultant to various technology companies. Prior to that, Mr. Meteny spent 15 years in several executive-level positions, including as President and Chief Executive Officer, from 1994 to 1999, of Respirationics, Inc. a cardio-pulmonary medical device company. Mr. Meteny began his career in 1975 with Ernst & Young LLP. Mr. Meteny holds a B.S. Degree in Accounting from The Pennsylvania State University and an MBA from the University of Pittsburgh.

Class III Directors (Term expiring at the 2009 Annual Meeting):

Eamonn P. Hobbs, age 50, is one of our co-founders. He has been our President and Chief Executive Officer since June 1996 and a director since our inception. From 1991 until September 2002, Mr. Hobbs was a Vice President, and from October 2002 to May 2004 was a Senior Vice-President of E-Z-EM Inc., our former parent

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company, with operational responsibility for our company. He was first employed by E-Z-EM from 1985 to 1986 and was continuously employed by E-Z-EM from 1988 until our inception. From 1986 to 1988, Mr. Hobbs was Director of Marketing for the North American Instrument Corporation (NAMIC), a medical device company later acquired by Boston Scientific. Mr. Hobbs started his career at Cook Incorporated, a leading manufacturer of interventional radiology, interventional cardiology and gastroenterology medical devices. Mr. Hobbs has over 23 years experience in the interventional radiology, interventional cardiology and gastroenterology medical device industries. He is a bio-medical engineer, having completed a Bachelor of Sciences in Plastics Engineering with a Biomaterials emphasis at University of Lowell in 1980. Mr. Hobbs is the only business executive from the medical device industry to serve on the strategic planning committee of the Society of Interventional Radiology, or SIR, and is a frequent invited lecturer on the future of interventional radiology and interventional radiology practice trends.

Wesley E. Johnson, Jr., age 50, joined our board in January 2007. From 2003 to 2007, Mr. Johnson served as a member of the board of RITA Medical Systems, Inc. Since February 2008, Mr. Johnson has served as President, CEO and director of Cardiokinetix, Inc., a developer of medical devices for the treatment of congestive heart failure. From October 2005 to February 2008, Mr. Johnson served as General Manager of Abbott Spine, S.A., a division of Abbott Laboratories. From June 2003 to October 2005, Mr. Johnson served as Division Vice President, Finance for Abbott Spine. From May 1999 to June 2003, he served as Vice President of Operations and Chief Financial Officer for Spinal Concepts. Mr. Johnson holds a B.B.A. in Accounting from Texas A&M University and became a certified public accountant in 1981.

Steven R. LaPorte, age 58, joined our board in January 2007. From 2005 to 2007, Mr. LaPorte served as a member of the board of RITA Medical Systems, Inc. From 2002 until his retirement in August 2005, Mr. LaPorte served as the Vice President of NeuroVentures and Business Development at Medtronic, Inc., a global leader in medical technology. Prior to this, from 2000 to 2002, Mr. LaPorte served as Vice President and General Manager of Medtronic's Drug Delivery Division; from 1994 to 2000, he held the position of Vice President and General Manager of Medtronic's Electrophysiology Systems Division; and from 1988 to 1994 he was the Vice President of Operations for Medtronic's Neurological Division. He began his career at Medtronic in 1978. Mr. LaPorte received his M.B.A. from the University of Minnesota and a B.S. in mathematics and computer science from the University of Wisconsin Stevens Point.

Corporate Governance, Board Independence and Committees of the Board

Board Independence

A majority of our directors must qualify as independent under the listing standards of The Nasdaq Stock Market LLC. Under the Nasdaq listing standards, an independent director is a director who is not an officer or employee of AngioDynamics or any subsidiary and who does not have any relationship that the board of directors believes would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Our board reviews the relationships that each director has with our company on an annual basis and only those directors having no direct or indirect material relationship with our company and who qualify as independent under the Nasdaq listing standards will be considered independent directors of AngioDynamics.

Our board of directors has determined that eight of our nine directors and nominees Messrs. Gold, Donnelly, Meteny, Echenberg, LaPorte, Johnson, Orsatti and Bucci are independent under the Nasdaq listing standards.

Committees of the Board

The board of directors has three standing committees, the members of which have been elected by the board: the audit committee; the nominating and corporate governance committee; and the compensation committee. Each committee is composed entirely of independent directors and the chairman and members of

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each committee are appointed annually by the board. Each committee is authorized to retain its own outside counsel and other advisors as it desires, subject to, for the nominating and corporate governance committee and the compensation committee, a \$100,000 annual limitation on fees and expenses for such counsel and advisors without the full board's prior consent.

Each committee has adopted a written charter, and a brief summary of each committee's responsibilities follows.

Audit Committee and Audit Committee Financial Expert. The audit committee assists our board of directors in its oversight of (i) the integrity of our financial statements, financial reporting process, system of internal controls over financial reporting, and audit process, (ii) our compliance with, and process for, monitoring compliance with, legal and regulatory requirements, (iii) our independent registered public accounting firm's qualifications and independence, and (iv) the performance of our independent registered public accounting firm. The audit committee also provides an open avenue of communication between the independent registered public accounting firm and the board. The authority and responsibilities of the audit committee are set forth in detail in its charter, which is available on our website located at www.angiodynamics.com¹ under the Corporate Governance Highlights Committee Charters Audit Committee caption.

The members of the audit committee are Howard W. Donnelly, Wesley E. Johnson and Dennis S. Meteny, each of whom has been determined by our board to be independent under the Nasdaq listing standards. The board has also determined that each member of the audit committee is financially literate in accordance with the Nasdaq listing standards and that Mr. Meteny is an audit committee financial expert, as defined under SEC rules. The audit committee met 10 times during our 2008 fiscal year.

Compensation Committee

The compensation committee is responsible for (i) developing and evaluating potential candidates for executive positions, (ii) reviewing and recommending to the board each year the objectives that shall be the basis for the payment of the annual incentive compensation to the CEO, (iii) reviewing our CEO's performance annually in light of the committee's established goals and objectives, (iv) reviewing and approving the evaluation process and compensation structure for our other executive officers annually and overseeing management's decisions concerning the performance and compensation of our other executive officers and (v) reviewing and administering our incentive compensation and other stock-based plans and recommending changes in such plans to the board, as needed. The authority and responsibilities of the compensation committee are set forth in detail in its charter, which is available on our website located at www.angiodynamics.com under the Corporate Governance Highlights Committee Charters Compensation Committee caption.

The members of the compensation committee are Paul S. Echenberg and Steve LaPorte, and during our fiscal year 2008, Robert E. Flaherty, each of whom has been determined by our board of directors to be independent under the Nasdaq listing standards. The compensation committee met 8 times during fiscal 2008.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee is responsible for (i) assisting the board in identifying individuals qualified to serve as directors of our company and on committees of the board, (ii) advising the board with respect to the board composition, procedures and committees, (iii) developing and recommending to the board a set of corporate governance principles applicable to our company, including principles for determining the form and amount of director compensation, and (iv) overseeing the evaluation of the board and our management. The nominating and corporate governance committee maintains the following guidelines for selecting nominees to serve on the board.

¹ This website address is not intended to function as a hyperlink, and information on our website is not a part of our proxy soliciting material.

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The nominating and corporate governance committee may apply several criteria in selecting nominees. At a minimum, the committee shall consider (a) whether each such nominee has demonstrated, by significant accomplishment in his field, an ability to make a meaningful contribution to the board's oversight of the business and affairs of our company, and (b) the nominee's reputation for honesty and ethical conduct in his personal and professional activities. Additional factors that the committee may consider include a candidate's specific experiences and skills, relevant industry background and knowledge, time availability in light of other commitments, potential conflicts of interest and any other factors or qualities that the committee believes will enhance the board's ability to effectively manage and direct our company's affairs and business, including, where applicable, the ability of board committees to perform their duties or satisfy any independence requirements under the Nasdaq listing standards or otherwise.

The nominating and corporate governance committee will identify nominees by first evaluating the current members of our board of directors whose terms are expiring and who are willing to continue in service. In doing so, the committee will balance the skills and experience of such current directors, as well as the value of continuity of their service, with that of obtaining new perspectives for the board. For new nominees, the committee will identify potential candidates based on input from members of the board and management and, if the committee deems it appropriate, from one or more third-party search firms.

Once a person has been identified by the committee as a potential candidate, the committee will assess, based on publicly available information regarding the person, whether the candidate should be considered further. If the committee determines that the candidate warrants further consideration and the person expresses a willingness to be considered and to serve on the board, the committee will request information from the candidate, review his or her accomplishments and qualifications and conduct one or more interviews with the candidate. If the candidate appears qualified, committee members may also contact references provided by the candidate or other persons with first-hand knowledge of the candidate's experience and accomplishments. Additionally, candidates may be requested to meet with some or all of the other members of the board of directors. Using the input from these interviews and the other information it has obtained, the committee will determine whether it should recommend that the board nominate, or elect to fill a vacancy with, a final prospective candidate. The committee's evaluation process is the same for candidates recommended by stockholders.

The authority and responsibilities of the nominating and corporate governance committee are set forth in detail in its charter, which is available on our website located at www.angiodynamics.com under the "Corporate Governance Highlights" Committee Charters "Nominating and Corporate Governance Committee" caption.

The members of the nominating and corporate governance committee are Paul S. Echenberg, Jeffrey G. Gold, and Howard W. Donnelly, each of whom has been determined by our board of directors to be independent under the Nasdaq listing standards. The nominating and corporate governance committee met 6 times during fiscal 2008.

Recommendations by Stockholders of Director Nominees

Stockholders may recommend individuals to the nominating and corporate governance committee for consideration as potential director candidates by submitting their names and appropriate background and biographical information to the Nominating and Corporate Governance Committee, c/o AngioDynamics, Inc., 603 Queensbury Avenue, Queensbury, New York 12804 at least 120 days prior to the anniversary of the date on which our proxy statement was first released to stockholders for the previous year's annual meeting. Assuming that the appropriate information has been timely provided, the committee will consider these candidates in the same manner as it considers other board candidates it identifies. Our stockholders also have the right to nominate director candidates without any action on the part of the nominating and corporate governance committee or our board of directors by following the advance notice provisions of our by-laws as described under "Nomination of Directors."

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Meetings of the Board and Committees

Our board of directors held 6 meetings during fiscal 2008. Each incumbent director attended at least 75% of all meetings of the board and of each committee of which he was a member that were held during the period in which he was a director or committee member.

Communications with the Directors

Stockholders may communicate in writing with any particular director, the independent directors as a group, or the entire board by sending such written communication to the Secretary of the Company at the Company's principal executive offices, 603, Queensbury Avenue, Queensbury, New York 12804. Copies of written communications received at such address will be provided to the board or the relevant director or directors unless such communications are determined by our outside counsel to be inappropriate for submission to the intended recipient(s). However, any communication not so delivered will be made available upon request to any director. Examples of stockholder communications that would be considered inappropriate for submission include, without limitation, customer complaints, business solicitations, product promotions, résumés and other forms of job inquiries, junk mail and mass mailings, as well as material that is unduly hostile, threatening, illegal or similarly unsuitable.

Policy on Director Attendance at Annual Meetings

All board members are expected to attend our annual meetings of stockholders absent an emergency or other unforeseen circumstances. Attendance at the annual meeting will be considered by the nominating and corporate governance committee in assessing director performance. All of our directors named in this proxy statement who were then members of the board attended our annual meeting of stockholders in 2007.

Code of Business Conduct and Ethics

Our board of directors has adopted a written Code of Business Conduct and Ethics for our company. Our Code of Business Conduct and Ethics is available on our website located at www.angiodynamics.com under the Corporate Governance Highlights Governance Documents Code of Ethics caption.

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The following table sets forth the AngioDynamics common stock beneficially owned by each of our directors, each of our named executive officers, all of our directors and executive officers as a group and all other persons known to us who beneficially own 5% or more of the outstanding AngioDynamics common stock as of August 28, 2008. Except as otherwise noted, each individual director or named executive officer had sole voting and investment power with respect to the AngioDynamics common stock. As of August 28, 2008 there were 24,263,183 shares of our common stock outstanding.

| | Number of Shares of Common Stock Owned ^(a) | % of Outstanding Shares |
|--|--|-------------------------------|
| 5% Owners | | |
| Wellington Management Company, LLC | 2,118,605 ^(b) | 8.7 |
| 75 State Street | | |
| Boston, MA 02109 | | |
| T. Rowe Price Associates, Inc. | 1,349,032 ^(c) | 5.5 |
| 100 E. Pratt Street | | |
| Baltimore, Maryland 21202 | | |
| Dimensional Fund Advisors LP | 1,326,205 ^(d) | 5.5 |
| 1299 Ocean Avenue, | | |
| Santa Monica, CA 90401 | | |
| Linda B. Stern | 1,324,685 ^(e) | 5.5 |
| 23 I.U. Willets Road | | |
| Old Westbury, New York 11568 | | |
| Directors | | |
| Eamonn P. Hobbs | 201,507 | * |
| Paul S. Echenberg | 178,685 | * |
| Vincent A. Bucci | 61,172 | * |
| Dennis S. Meteny | 42,000 | * |
| Jeffery G. Gold | 41,891 | * |
| Robert E. Flaherty | 38,200 | * |
| Howard W. Donnelly | 37,000 | * |
| Wesley E. Johnson, Jr. | 27,517 | * |
| Steven R. LaPorte | 21,724 | * |
| Officers | | |
| John J. Soto ^(f) | 43,047 | * |
| William M. Appling | 33,739 | * |
| Harold C. Mapes | 31,326 | * |
| Robert M. Rossell ^(g) | 31,114 | * |
| D. Joseph Gersuk | 18,308 | * |
| Robert D. Mitchell ^(h) | | |
| All directors and executive officers as a group (13 persons) | 764,183 | 3.1 |

- (a) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Under those rules, shares of common stock subject to options that are exercisable or will become exercisable within 60 days of August 28, 2008 and performance share awards that will vest within 60 days of August 28, 2008 are deemed to be outstanding and to be beneficially owned by the person holding the securities for the purpose of computing the percentage ownership of the person, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.

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- (b) Share ownership information based upon a Schedule 13G/A filed by Wellington Management Company, LLC on February 12, 2008. According to the Schedule 13G/A, Wellington Management Company, LLC beneficially owns 2,118,605 shares, has shared voting power with respect to 1,617,248 shares and has shared dispositive power with respect to 2,070,705 shares.
 - (c) Share ownership information based upon on Schedule 13G filed by T. Rowe Price Associates, Inc. on February 13, 2008. According to the Schedule 13G, T. Rowe Price Associates beneficially owns 1,349,032 shares, has sole voting power with respect to 439,900 and sole dispositive power with respect to 1,349,032 shares. These securities are owned by various individual institutional investors to which T. Rowe Price Associates serves as investment advisor with power to direct investments and/or sole power to vote these securities.
 - (d) Share ownership information based upon a Schedule 13G filed by Dimensional Fund Advisors LP on February 6, 2008. According to the Schedule 13G, Dimensional Fund Advisors LP beneficially owns and has sole dispositive and voting power with respect to 1,326,205 shares.
 - (e) Share ownership information obtained from a Schedule 13D/A filed by Linda B. Stern and the Estate of Howard S. Stern (the Estate) on June 28, 2007. Linda B. Stern, the wife of the late Howard S. Stern, is the executor and primary beneficiary of the Estate and is deemed to share beneficial ownership of the 1,323,794 shares held by the Estate. In addition, Mrs. Stern has beneficially owns and has sole dispositive and voting power with respect to 891 shares.
 - (f) Mr. Soto s employment terminated on 6/2/2008. Includes options to purchase 43,047 shares of our common stock.
 - (g) Includes 100 shares owned jointly with Mr. Rossell s spouse.
 - (h) Mr. Mitchell s employment terminated on 2/28/2008. Mr. Mitchell does not own any options to purchase shares of our common stock. We do not have any information with respect to Mr. Mitchell s holdings of our common stock.
- * Less than 1%.

Equity Compensation Plan Information

The following table sets forth information, as of August 28, 2008, with respect to compensation plans under which our equity securities are authorized for issuance.

| Plan Category | (a) Number of securities to be issued upon exercise of outstanding options, warrants and rights | (b) Weighted-average exercise price of outstanding options, warrants and rights | (c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))(3) |
|--|--|--|---|
| Equity compensation plans approved by security holders | 2,472,687 ⁽¹⁾ | \$ 17.84 ⁽²⁾ | 84,321 ⁽³⁾ |
| Equity compensation plans not approved by security holders | None | None | None |
| Total | 2,472,687 | \$ 17.84 | 84,321 |

- (1) Includes 20,301 shares underlying restricted stock units and 20,300 shares underlying performance share awards issued under the 2004 Stock and Incentive Award Plan.
- (2) The weighted-average exercise price does not take into account the awards described in footnote (1) to this table.
- (3) Includes 6,900 shares reserved for issuance under our 2004 Stock and Incentive Award Plan, which provides for grants of stock options, restricted stock, stock appreciation rights, performance units, performance shares and other incentive awards. Also includes 77,421 share