

BLB&G Files Securities Class Action Against Cooper Tire & Rubber Company and Certain of its Senior Executives

January 17, 2014

New York, New York – Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) today announced that it has filed a securities class action lawsuit on behalf of investors in Cooper Tire & Rubber Company (“Cooper” or the “Company”) against Cooper and certain of its senior executives (collectively, “Defendants”) in the U.S. District Court for the District of Delaware. As set forth in the Complaint, the class includes: (i) all purchasers of Cooper’s publicly traded stock from June 12, 2013 through November 8, 2013, inclusive (the “Class Period”), and (ii) all Cooper shareholders who held shares as of the record date of August 30, 2013 and were entitled to vote with respect to the proposed merger between Cooper and Apollo Tyres Ltd. (“Apollo”), and were damaged thereby. A copy of the Complaint is available [here](#).

The Complaint alleges that Defendants violated the federal securities laws by issuing a series of materially misleading statements and omissions in connection with the proposed acquisition of the Company by Apollo, an Indian-based tire company, announced on June 12, 2013 (the “Merger”). Among other things, Cooper falsely represented the significant risks associated with the Merger by concealing the fact that the Company lacked control over its most important subsidiary, Cooper Chengshan Tire Company, Ltd. (“CCT”). Further, the Complaint alleges that Defendants concealed the fact that Cooper’s joint venture partner, Chengshan Group, which had a 35% interest in CCT, opposed the Merger, and had in fact sought to acquire Cooper for itself. In addition, the Complaint alleges that Cooper misrepresented Cooper’s financial condition, financial prospects, and the effectiveness of the Company’s internal controls. These and similar misrepresentations and omissions were included in the proxy statement Cooper issued on August 30, 2013, seeking shareholder approval of the Merger (the “Proxy Statement”), as well as in other communications soliciting shareholder approval of the deal.

Cooper shareholders voted to approve the Merger on September 30, 2013. Beginning on October 4, 2013, a series of disclosures alerted investors to the fact that the Merger was imperiled. On October 7, 2014, Cooper filed a Form 8-K with the SEC which included a press release revealing that the Merger was in jeopardy and that Cooper had filed a lawsuit against Apollo in an attempt to force Apollo to close the deal. On November 8, 2013, the Delaware Chancery Court denied Cooper’s request for an order requiring Apollo to close on the Merger, holding that Apollo had not breached the Merger agreement. In response to these disclosures, Cooper stock fell significantly, falling from \$31.27 per share on October 3, 2013, to close at \$23.82 per share on November 8, 2013.

The Complaint alleges that Defendants violated Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 promulgated thereunder for the false and misleading statements and omissions issued by the Defendants during the Class Period. The Complaint also alleges that Defendants violated Section 14(a) of the Exchange Act and Rule 14a-9 promulgated thereunder for the material misstatements and omissions included in the Proxy Statement, as well as other communications issued in connection with Cooper’s solicitation of shareholders’ approval of the Merger. In addition, the Complaint alleges that Defendants Chief Executive Officer Roy Armes and Chief Financial Officer Bradley Hughes violated Section 20(a) of the Exchange Act.

If you wish to serve as Lead Plaintiff for the Class, you must file a motion with the Court no later than March 18, 2014. Any member of the proposed Class may move the Court to serve as Lead Plaintiff through counsel of their choice, or may choose to do nothing and remain a member of the proposed Class. If you wish to discuss this action or have any questions concerning this action or your rights, please contact Gerald H. Silk of BLB&G at (212) 554-1282, or via e-mail at jerry@blbglaw.com.

Since its founding in 1983, BLB&G has built an international reputation for excellence and integrity. Specializing in securities fraud, corporate governance, shareholders' rights, employment discrimination and civil rights litigation, among other practice areas, BLB&G prosecutes class and private actions on behalf of institutional and individual clients worldwide. Unique among its peers, BLB&G has obtained several of the largest and most significant securities recoveries in history, recovering billions of dollars on behalf of defrauded investors. More information about BLB&G can be found online at www.blbglaw.com.

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- Gerald H. Silk