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EL PASO CORP/DE
Form DEFA14A
June 09, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]
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
- [X] Soliciting Material Pursuant to Rule 14a-12

El Paso Corporation

(Name of Registrant as Specified in its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required
- [] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:

 - (2) Aggregate number of securities to which transaction applies:

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 - (4) Proposed maximum aggregate value of transaction:

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[EL PASO LOGO]

NEWS

For Immediate Release

EL PASO CORPORATION COMMENTS ON PUBLIC SUPPORT FOR DIRECTOR NOMINEES

Urges Shareholders to Focus on the Company's Recent Accomplishments and Vision for the Future

HOUSTON, TEXAS, JUNE 6, 2003—El Paso Corporation (NYSE: EP) today commented on the public declaration of support for its Director Nominees by Brandes Investment Partners, LLC, El Paso's third largest shareholder whose clients own 6-percent of its shares. In a press release issued today, the investment advisors said:

"Brandes believes its clients will be best served by maintaining stability in management of El Paso. Brandes' view is that current management - which has changed in significant ways over the past year - appears poised to build upon recent initiatives that have already improved El Paso's governance, business practices, and financial outlook."1

Ronald L. Kuehn, Jr., chairman and chief executive officer of El Paso said, "We are gratified by this public statement of support by Brandes. We believe they recognize the steady progress that this Board and management have made. El Paso has achieved many of the important goals of our 2003 operational and financial plan, and we continue to take further actions to enhance the value of the company."

El Paso also noted that, although Brandes is an Institutional Shareholder Services' (ISS) client, it did not follow ISS' recommendation. As Brandes said in its release:

Brandes considered Institutional Shareholder Services' (ISS) opposition to current management's proposal. Brandes recognizes the value of ISS research and, in many cases, has concurred with its recommendations. In this case, however, Brandes believes support of current management is in the best interests of its clients. (1)

El Paso believes that ISS clients should focus on the implicit threat by

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the Zilkha/Wyatt slate to derail El Paso's California settlement as well as Zilkha/Wyatt's recently announced "business plan," which we believe is uninformed and unworkable.

The Board of Directors urges El Paso shareholders to vote FOR the election of El Paso's slate of 12 highly qualified directors on El Paso's WHITE proxy card, NOT to sign the blue proxy card sent to you by Messrs. Zilkha and Wyatt and to DISCARD any blue proxy card they may send to you in the future. Your vote is critical, no matter how many shares you own. Time is short as the June 17 Annual Meeting is rapidly approaching.

El Paso shareholders who have any questions about voting their proxy or need additional information about El Paso or the stockholders meeting, please contact MacKenzie Partners, Inc. at (800) 322-2885 or visit El Paso's Web site at www.elpaso.com.

El Paso Corporation is the leading provider of natural gas services and the largest pipeline company in North America. The company has core businesses in pipelines, production, and midstream services. Rich in assets, El Paso is committed to developing and delivering new energy supplies and to meeting the growing demand for new energy infrastructure. For more information, visit www.elpaso.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements and projections, made in reliance on the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The company has made every reasonable effort to ensure that the information and assumptions on which these statements and projections are based are current, reasonable, and complete. However, a variety of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this release, including, without limitation, our ability to attract and retain qualified members of the Board of Directors; the successful recruitment and retention of a qualified CEO; the successful implementation of the 2003 operational and financial plan; the successful implementation of the settlement related to the Western Energy Crisis; material and adverse impacts from our proxy contest with Selim Zilkha/Oscar Wyatt; actions by the credit rating agencies; the successful close of financing transactions; our ability to successfully exit the energy trading business; our ability to divest of certain non-core assets; changes in commodity prices for oil, natural gas, and power; general economic and weather conditions in geographic regions or markets served by El Paso Corporation and its affiliates, or where operations of the company and its affiliates are located; the uncertainties associated with governmental regulation; political and currency risks associated with international operations of the company and its affiliates; inability to realize anticipated synergies and cost savings associated with restructurings and divestitures on a timely basis; difficulty in integration of the operations of previously acquired companies, competition, and other factors described in the company's (and its affiliates') Securities and Exchange Commission filings. While the company makes these statements and projections in good faith, neither the company nor its management can guarantee that anticipated future results will be achieved. Reference must be made to those filings for additional important factors that may affect actual results. The company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements made by the company, whether as a result of new information, future events, or otherwise.

ADDITIONAL IMPORTANT INFORMATION To the extent that individual customers,

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independent industry researchers, financial analysts, or El Paso commissioned research are quoted in this document, it is El Paso's policy to use reasonable efforts to verify the source and accuracy of the quote. El Paso has not, however, sought or obtained the consent of the quoted source to the use of such quote as proxy soliciting material. This document may contain expressions of opinion and belief. Except as otherwise expressly attributed to another individual or entity, these opinions and beliefs are the opinions and beliefs of El Paso.

CONTACTS

Communications and Government Affairs
Norma F. Dunn, Senior Vice President
Office: (713) 420-3750
Fax: (713) 420-3632

Investor Relations
Bruce L. Connery, Vice President
Office: (713) 420-5855
Fax: (713) 420-4417

Alternate Contacts
Joele Frank/Dan Katcher
Office: (212) 355-4449
Fax: (212) 355-4554

1 Permission to quote neither sought nor received.