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AMERIPATH INC
Form S-3
April 20, 2001

As filed with the Securities and Exchange Commission on April 20, 2001
Registration No. 333-

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933
AMERIPATH, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

65-0642485
(I.R.S. Employer
Identification Number)

James C. New
Chief Executive Officer
AmeriPath, Inc.
7289 Garden Road, Suite 200
Riviera Beach, Florida 33404
Telephone: (561) 845-1850
Facsimile: (561) 845-0129

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

The Commission is requested to send copies of all communications to:

J. Vaughan Curtis, Esq.
Alston & Bird LLP
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
Telephone: (404) 881-7000
Facsimile: (404) 881-7777

Approximate date of commencement of proposed sale to the public: As
soon as practicable after the Registration Statement becomes effective.

If the only securities being registered on this Form are being offered
pursuant to dividend or interest reinvestment plans, please check the following
box. []

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, other than securities offered only in connection with
dividend or interest reinvestment plans, check the following box. [X]

If this Form is filed to register additional securities for an offering
pursuant to Rule 462(b) under the Securities Act, please 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

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statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

CALCULATION OF REGISTRATION FEE

| Title of Shares to be Registered | Amount to be Registered(2) | Proposed Maximum Offering Price Per Share(3) | Proposed Aggregate Price |
|--|----------------------------|--|--------------------------|
| Common Stock, \$.01 par value per share (with attached Rights to purchase Series A Junior Participating Preferred Stock) (1) | 864,849 shares | \$23.065 | \$19,94 |

- (1) Prior to the occurrence of certain events, the Rights will not be evidenced or traded separately from the registrant's common stock. Value, if any, of the Rights is reflected in the market price of the registrant's common stock. Accordingly, no separate fee is paid.
- (2) Plus such additional shares as may be issued by reason of stock splits, stock dividends or similar transactions.
- (3) Estimated solely for the purpose of calculating the registration fee and computed pursuant to Rule 457(c) based on the average of the high and low sales prices of the registrant's common stock on the Nasdaq National Market on April 16, 2001.

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 this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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

Subject to Completion, Dated April 20, 2001

PROSPECTUS

864,849 Shares
 AMERIPATH, INC.
 Common Stock

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The stockholders named in the table included in the "Selling Stockholders" section of this prospectus, which begins on page 14, are offering and selling up to 864,849 shares of our common stock under this prospectus. We will not receive any of the proceeds from the sale of shares of our common stock by the selling stockholders.

Of the 864,849 shares covered by this prospectus, 859,764 shares are presently issued and outstanding and 5,085 shares have been reserved for issuance pursuant to the exercise of warrants held by some of the selling stockholders. Those selling stockholders must first exercise the warrants and acquire the underlying shares from us before they can resell those shares under this prospectus.

The selling stockholders may sell their shares of common stock at various times in the future through public or private transactions at prevailing market prices or at privately negotiated prices. See "Plan of Distribution."

Our common stock is listed on the Nasdaq National Market under the symbol "PATH". On April 19, 2001, the last sale price of our common stock as reported by Nasdaq was \$23.15 per share.

This investment involves risks. See "Risk Factors" beginning on page 3.

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

The date of this prospectus is _____, 2001

TABLE OF CONTENTS

| | PAGE |
|--|------|
| PROSPECTUS SUMMARY..... | 3 |
| RISK FACTORS..... | 3 |
| USE OF PROCEEDS..... | 13 |
| SELLING STOCKHOLDERS..... | 14 |
| PLAN OF DISTRIBUTION..... | 18 |
| LEGAL MATTERS..... | 19 |
| EXPERTS..... | 19 |
| WHERE YOU CAN FIND MORE INFORMATION..... | 19 |
| INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE..... | 20 |

2

PROSPECTUS SUMMARY

We are the largest physician and laboratory company focused on providing anatomic pathology, cancer diagnostics, genomics, and healthcare information services. Since the first quarter of 1996, we have completed the

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acquisition of 49 physician practices located in 21 states. These practices are either directly owned or managed by us through one of our subsidiaries. Our 425 pathologists provide medical diagnostic services in outpatient laboratories owned, operated and managed by us, and in hospitals and outpatient ambulatory surgery centers. Of these pathologists, 419 are board certified in anatomic and clinical pathology, and 190 are also board certified in a subspecialty of anatomic pathology, including dermatopathology (study of diseases of the skin), hematopathology (study of diseases of the blood) and cytopathology (study of abnormalities of the cells).

On November 30, 2000, we consummated a merger with Inform DX in which we (1) issued an aggregate of approximately 2.6 million shares of our common stock in exchange for all of the outstanding shares of capital stock of Inform DX and (2) assumed certain outstanding stock options and warrants of Inform DX. We also granted the former stockholders and warrant holders of Inform DX rights to register for resale up to one-third of the shares of our common stock they received in the merger or have the right to receive pursuant to the warrants we assumed. We have prepared this prospectus and registered the shares offered by the selling stockholders in order to comply with these registration rights. The selling stockholders acquired all of the shares of our common stock that they are offering under this prospectus or warrants to purchase such shares in connection with the Inform DX merger.

Our principal executive offices are located at 7289 Garden Road, Suite 200, Riviera Beach, Florida 33404. Our telephone number is (561) 845-1850. Our Internet address is www.ameripath.com. The information contained on our web site is not part of this prospectus.

RISK FACTORS

You should carefully consider each of the following risks and all of the other information set forth in this prospectus. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business.

If any of the following risks actually occur, our business prospects, financial condition and results of operations could be materially adversely affected and the trading price of our common stock could decline. In any such case, you could lose all or part of your investment in our company.

Our business could be harmed by future interpretation or implementation of state laws regarding prohibitions on the corporate practice of medicine.

We acquire or affiliate with physician practices located in many states across the country. However, the laws of many states prohibit business corporations, including AmeriPath and its subsidiaries, from owning corporations that employ physicians, or from exercising control over the medical judgments or decisions of physicians. These laws and their interpretations vary from state to state and are enforced by both the courts and regulatory authorities, each with broad discretion. The manner in which we operate each practice is determined primarily by the corporate practice of medicine restrictions of the State in which the practice is located and other applicable regulations.

We believe that we are currently in material compliance with the corporate practice of medicine laws in each of the states in which we operate. Nevertheless, it is possible that regulatory authorities or other parties may assert that we are engaged in the unauthorized corporate practice of medicine. If such a

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claim were successfully asserted in any jurisdiction, we could be subject to civil and criminal penalties under such jurisdiction's laws and could be required to restructure our contractual and other arrangements. Alternatively, some of our existing contracts could be found to be illegal and unenforceable. In addition, expansion of our operations to other "corporate practice" states may require structural and organizational modification to the form of relationship that we currently have with physicians, affiliated practices and/or hospitals. Such results or the inability to successfully restructure contractual arrangements could have a material adverse effect on our business, financial condition and results of operations.

We could be hurt by future interpretation or implementation of federal anti-kickback laws.

The federal anti-kickback law and regulations prohibit any knowing and willful offer, payment, solicitation and receipt of any form of remuneration, either directly or indirectly, in return for, or to induce the referral of an individual for a service for which payment may be made by Medicare and Medicaid or certain other federal health care programs, or the purchasing, leasing, ordering or arranging for, or recommending the purchase, lease or order of, any service or item for which payment may be made by Medicare, Medicaid or certain other federal health care programs. Violations of federal anti-kickback law are punishable by monetary fines, civil and criminal penalties and exclusion from participation in Medicare, Medicaid and other federal health care programs. Several states have similar laws.

The federal government has published regulations that provide "safe-harbors" that protect business transactions that meet enumerated requirements from prosecution under the federal anti-kickback law. The failure to meet the requirements of a safe harbor does not necessarily mean that a transaction violates the anti-kickback law. While arrangements that we enter into with physicians and third parties may not satisfy all requirements under applicable safe harbors, we believe our operations are in material compliance with applicable Medicare and fraud and abuse laws, including the anti-kickback law. There is a risk however, that the federal government might investigate arrangements which do not satisfy the safe harbors. If our arrangements with physicians and third parties were found to be illegal, we would be subject to civil and criminal penalties, including exclusion from the participation in government payor programs, which could materially adversely affect our business, financial condition and results of operations.

The Department of Health and Human Services Office of the Inspector General issues advisory opinions that provide advice on whether proposed business arrangements violate the anti-kickback statute. In Advisory Opinion 99-13, the OIG opined that when prices for laboratory services for non-governmental patients are discounted below Medicare reimbursable rate, the anti-kickback statute may be implicated. The OIG found prices discounted below the laboratory supplier's costs to be particularly problematic. In the same opinion, OIG suggests that a laboratory may be excluded from federal health care programs if it charges Medicare or Medicaid amounts substantially in excess of discounted charges to the physician. In the OIG's opinion, charges are likely excessive if the profit margin for Medicare business exceeds profit margin for non-federally reimbursed business.

The OIG also has addressed physician practice management arrangements in an advisory opinion. In Advisory Opinion 98-4, the OIG found that management fees based on a percentage of practice revenues may violate the anti-kickback statute. Although these advisory opinions only apply to the parties who request them, in the event that we our found to have arrangements that are inconsistent with the OIG's opinions, the OIG might take the position that the arrangements

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violate the anti-kickback law. Any such finding could have a material adverse impact on us.

4

Our business could be harmed by future interpretation or implementation of the federal Stark Law and other state and federal anti-referral laws.

We are also subject to federal and state statutes and regulations banning payments for referral of patients and referrals by physicians to health care providers with whom the physicians have a financial relationship. The federal Stark Law applies to Medicare and Medicaid and prohibits a physician from referring patients for certain services, including laboratory services, to an entity with which a physician has a financial relationship. Financial relationship includes both investment interests in an entity and compensation arrangements with an entity. If an arrangement is covered by the Stark Law, all of the requirements of the Stark Law exception must be satisfied. Many states also have laws that are similar to the Stark Law. These statutes and regulations generally apply to services reimbursed by both governmental and private payors. Violations of these laws may result in prohibition of payment for services rendered, loss of licenses as well as fines and criminal penalties. In addition, violation of the Stark Law may result in exclusion from Medicare and Medicaid. State statutes and regulations affecting the referral of patients to health care providers range from statutes and regulations that are substantially the same as the federal laws and the safe harbor regulations to a requirement that physicians or other health care professionals disclose to patients any financial relationship the physicians or health care professionals have with a health care provider that is being recommended to the patients. These laws and regulations vary significantly from state to state, are often vague and, in many cases, have not been interpreted by courts or regulatory agencies. Adverse judicial or administrative interpretations of any of these laws could have a material adverse effect on our business, financial condition and results of operations. In addition, expansion of our operations to new jurisdictions, or new interpretations of laws in existing jurisdictions, could require structural and organizational modifications of our relationships with physicians to comply with that jurisdiction's laws. Such structural and organizational modifications could have a material adverse effect on our business, financial condition and results of operations.

We have financial relationships with our physicians, as defined by the federal Stark Law, in the form of compensation arrangements, ownership of our shares, contingent promissory notes issued by us in connection with acquisitions, or a combination of the above. We believe that such existing compensation arrangements are structured to comply with an applicable Stark Law exception. We also believe that the ownership of our shares by physicians should fall within the publicly traded stock exception to the Stark Law's definition of financial relationship. However, certain physician-owned shares do have transfer restrictions and, as a result, the government could take the position that all of the requirements of this exception are not met. The contingent notes held by some physicians do not meet an exception to the Stark Law's definition of financial relationship. In either case, however, we believe that our current operations comply with the Stark law because physicians affiliated with us ordinarily do not make referrals and in any event have been instructed, and are believed to be following such instructions, not to make referrals to us. To the extent physicians affiliated with us may make a referral to us and a financial relationship exists between us and the referring physician through either the ownership of our shares or contingent notes, the government might take the position that the arrangement does not comply with the federal Stark Law. Any such finding may have a material adverse impact on our business, financial conditions or results from operations.

We could be hurt by future interpretation or implementation of state and federal anti-trust laws.

In connection with the corporate practice of medicine laws, the physician practices with which we are affiliated in some states are organized as separate legal entities. As such, the physician practice entities may be deemed to be persons separate both from us and from each other under the antitrust laws and, accordingly, subject to a wide range of laws that prohibit anti-competitive conduct among separate legal entities. In addition, we are seeking to acquire or affiliate with established and reputable practices in our target geographic markets. We believe that we are in compliance with these laws and intend to comply with any state and federal laws that may affect our development of integrated health care delivery networks. Nevertheless, a review of our business by courts or regulatory authorities could adversely affect our business, financial condition or results from operations.

Our business could be harmed by future interpretation or implementation of the Health Care Insurance Portability and Accountability Act

The Health Care Insurance Portability and Accountability Act, or HIPAA, created criminal provisions, which impose criminal penalties for fraud against any health care benefit program for theft or embezzlement involving health care and for false statements in connection with the payment of any health benefits. HIPAA also provided broad prosecutorial subpoena authority and authorized property forfeiture upon conviction of a federal health care offense. Significantly, the HIPAA provisions apply not only to federal programs, but also to private health benefit programs as well. HIPAA also broadened the authority of the OIG to exclude participants from federal health care programs. Because of the uncertainties as to how the HIPAA provisions will be enforced, we are currently unable to predict their ultimate impact on us. Although we are unaware of any current violations of HIPAA, the government may in the future seek penalties against us for violations of HIPAA, which could have a material adverse effect on business, financial condition or results from operations.

We charge our clients on a fee-for-service basis, so we incur financial risk related to collections as well as potentially long collection cycles when seeking reimbursement from third party payors.

Substantially all of our net revenues are derived from our practices' charging for services on a fee-for-service basis. Accordingly, we assume the financial risk related to collection, including the potential uncollectability of accounts, long collection cycles for accounts receivable and delays attendant to reimbursement by third party payors, such as governmental programs, private insurance plans and managed care organizations. Increases in write-offs of doubtful accounts, delays in receiving payments or potential retroactive adjustments and penalties resulting from audits by payors may require us to borrow funds to meet our current obligations or may otherwise have a material adverse effect on our business, financial condition and results of operations.

We rely upon reimbursement from government programs for a significant portion of our revenues, and if reimbursement rates from government programs decline, it could have a material adverse effect on our business.

We derive approximately 20% of our collections from payments made by government sponsored health care programs (principally Medicare and Medicaid). These programs are subject to substantial regulation by federal and state governments. Any change in reimbursement regulations, policies, practices, interpretations or statutes that places limitations on reimbursement amounts, or changes in reimbursement coding, or practices could materially and adversely

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affect our business, financial condition and results of operations. Increasing budgetary pressures at both the federal and state level and concerns over escalating costs of health care have led, and may continue to lead, to significant reductions in health care reimbursements. State concerns over the growth in Medicaid also could result in payment reductions.

6

Although governmental payment reductions have not materially affected us in the past, it is possible that such changes in the future could have a material adverse effect on our business, financial condition and results of operations. In addition, Medicare, Medicaid and other government sponsored health care programs are increasingly shifting to some form of managed care. Some states have recently enacted legislation to require that all Medicaid patients be converted to managed care organizations, and similar legislation may be enacted in other states, which could result in reduced payments to us for such patients. In addition, a state-legislated shift in a Medicaid plan to managed care could cause the loss of some, or all, Medicaid business for us in that state if we were not selected as a participating provider. Additionally, funds received under all health care reimbursement programs are subject to audit with respect to the proper billing for physician services and, accordingly, retroactive adjustments of revenue from these programs could occur. We expect that there will continue to be proposals to reduce or limit Medicare and Medicaid reimbursements.

There has been an increasing number of state and federal investigations of hospitals and hospital laboratories, which may increase the likelihood of investigations of our business practices to the extent that we have relationships with the hospitals being investigated.

Significant media and public attention has been focused on the health care industry due to ongoing federal and state investigations reportedly related to certain referral and billing practices, laboratory and home health care services and physician ownership and joint ventures involving hospitals. Most notably, HCA is under investigation with respect to such practices. We operate laboratories on behalf of and have numerous contractual agreements with hospitals, including 27 pathology service contracts with HCA hospitals as of December 31, 2000. The government's ongoing investigation of HCA could result in a governmental investigation of one or more of our operations that have arrangements with HCA. In addition, the OIG and the Department of Justice have initiated hospital laboratory billing review projects in certain states and are expected to extend such projects to additional states, including states in which we operate hospital laboratories. These projects increase the likelihood of governmental investigations of laboratories owned and operated by us. Although we monitor our billing practices and hospital arrangements for compliance with prevailing industry practices under applicable laws, such laws are complex and constantly evolving and it is possible that governmental investigators may take positions that are inconsistent with our practices or industry practices. The government's investigations of entities with which we contract may have other effects which could materially and adversely affect us, including termination or amendment of one or more of our contracts or the sale of hospitals potentially disrupting the performance of services under such contracts. In addition, in certain instances indemnity insurers and other non-governmental payors have sought repayment from providers, including laboratories, for alleged overpayments.

There has been a heightened scrutiny of Medicare and Medicaid billing practices in recent years, which may increase our possibility of being subject to costly investigations.

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Payors periodically reevaluate the services they reimburse. In some cases, government payors such as Medicare also may seek to recoup payments previously made for services determined not to be reimbursable. Any such action by payors would have an adverse affect on our revenues and earnings.

Moreover, the federal government has become more aggressive in examining laboratory billing and seeking repayments and penalties as the result of improper billing for services (e.g., the billing codes used), regardless of whether carriers had furnished clear guidance on this subject. The primary focus of this initiative has been on hospital laboratories and on routine clinical chemistry tests, which comprise only a portion of our revenues. Although the scope of this initiative could expand, it is not possible to predict whether or in what direction the expansion might occur. We believe that our practices are proper and do not include any allegedly improper practices now being examined. However, the government

7

could broaden its initiative to focus on the type of services furnished by us and, if this were to happen, we might be required to repay money.

Furthermore, HIPAA and Operation Restore Trust have strengthened the powers of the OIG and increased the funding for Medicare and Medicaid audits and investigations. As a result, the OIG is currently expanding the scope of its health care audits and investigations. Federal and state audits and inspections, whether on a scheduled or unannounced basis, are conducted from time to time at our facilities. If a negative finding is made as a result of such an investigation, we could be required to change coding practices or repay amounts paid for incorrect practices either of which could have a material adverse effect on our business, financial condition and results from operations.

We are dependent on hospital contracts for a significant portion of our revenues, which are short term and can easily be terminated.

Our hospital contracts typically have terms of one to five years from their date of execution and automatically renew for additional terms of one year unless otherwise terminated by either party. The contracts generally provide that the hospital may terminate the agreement prior to the expiration of the initial or any renewal term. Loss of any particular hospital contract would not only result in a loss of net revenue to us under that contract, but may also result in a loss of outpatient net revenue that may be derived from our relationship with the hospital and its medical staff. Continuing consolidation in the hospital industry may result in fewer hospitals or fewer laboratories as hospitals move to combine their operations. As of December 31, 2000, our practices had contracts with 224 hospitals, of which the majority are exclusive, and 27 of which are executed with HCA. Such contracts with hospitals may be terminated or may not be renewed in the future.

If we are unable to make acquisitions in the future, our rate of growth will slow.

Much of our historical growth has come from acquisitions, and we expect to continue to pursue growth through the acquisition and development of laboratories. However, we may be unable to continue to identify and complete suitable acquisitions at prices we are willing to pay or to obtain the necessary financing. In addition, since we are a bigger company, the amount that acquired businesses contribute to our revenue and profits will likely be smaller on a percentage basis. We also compete with other companies to identify and complete suitable acquisitions. We expect this competition to intensify, making it more difficult to acquire suitable companies on favorable terms. Further, the

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businesses we acquire may not perform well enough to justify our investment. If we are unable to make additional acquisitions on suitable terms, we may not meet our growth expectations.

Our future growth will depend on our ability to secure adequate capital resources and to effectively integrate newly acquired practices.

In addition to acquisitions of and affiliations with practices, we intend to continue to grow through internal expansion. We derive our net revenue from the net revenue of our practices. Our growth strategy requires: (i) capital investment; (ii) compliance with present or future laws and regulations that may differ from those to which we are currently subject; (iii) further development of our corporate management and operational, financial and accounting resources to accommodate and manage growth; and (iv) the ability to expand our physician and employee base and to train, motivate and manage employees. Failure to meet these requirements could limit our growth potential and may have a material adverse effect on our business, financial condition and results of operations. Although we are taking steps to manage our growth, we cannot assure you that we will be able to do so efficiently or that our growth rate will continue in the future.

8

Our expansion into new markets will require us to maintain and establish payor and customer relationships and to convert the patient tracking and financial reporting systems of new practices to our systems. Significant delays or expenses with regard to this process could have a material adverse effect on the integration of additional practices and on our financial condition and results of operations. We cannot assure you that we will be able to maintain or establish payor and customer relationships, convert management information systems or integrate new practices into our combined network.

The integration of additional practices typically requires the implementation and centralization of purchasing, accounting, human resources, management information systems, cash management and other systems, which may be difficult, costly and time-consuming. Our operating results in fiscal quarters immediately following a new practice affiliation may be adversely affected while we attempt to complete the integration process. We may encounter significant unanticipated costs or other problems associated with the future integration of practices into our combined network of affiliated practices. Future affiliations could have a material adverse effect on our business, financial condition and results of operations, particularly during the period immediately following completion of such affiliations.

We may inherit significant liabilities from practices that we acquire.

We perform due diligence investigations with respect to potential liabilities of acquired and affiliated practices and obtain indemnification with respect to liabilities from the sellers of such practices. Nevertheless, undiscovered claims may subsequently arise and liabilities for which we become responsible may be material or may exceed either the limitations of any applicable indemnification provisions or the financial resources of the indemnifying parties. Furthermore, through our corporate compliance program, we regularly review each practice's compliance with federal and state health care laws and regulations and revise, as appropriate, the operations, policies and procedures of our practices to conform to our policies and procedures and applicable law. While we believe that the operations of our practices prior to their acquisition were generally in compliance with such laws and regulations, we cannot assure you that the prior operations of such practices were in full compliance with such laws, as such laws may ultimately be interpreted. Moreover, although we maintain an active compliance program, it is possible that the

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government might challenge some of our current practices as not being in full compliance with such laws. A violation of such laws by a practice could result in civil and criminal penalties, exclusion of the physician, the practice or us from participation in Medicare and Medicaid programs and/or loss of a physician's license to practice medicine.

We have significant contingent liabilities payable to many of the sellers of practices that we recently acquired.

In connection with our practice acquisitions, we typically agree to pay to sellers of the practices additional consideration in the form of debt obligations, payment of which is contingent upon the practice achieving certain specified profitability criteria over periods ranging from three to five years from the date of acquisition. The principal amount and accrued interest of the contingent amount to be paid cannot be determined until the contingency periods terminate and achievement of the profitability criteria is determined. As of December 31, 2000, if the maximum criteria for the contingency payments with respect to all prior acquisitions were achieved, we would be obligated to make payments, including principal and interest, of approximately \$198.4 million over the next three to five years. Lesser amounts of cash would be paid if the maximum financial criteria are not met. Although we believe that we will be able to make such cash payments from internally generated funds or proceeds of future borrowings, we cannot assure you that we will be able to do so. Payments of these contingent amounts will affect our earnings per share and may cause volatility in the market price of our common stock. We expect to continue to use contingent notes as partial consideration for acquisitions and affiliations. While we believe that the contingent notes do not violate federal or state "anti-kickback" or "self-referral" statutes, it is nevertheless

9

possible that such arrangements may get challenged by regulatory authorities seeking to enforce such laws.

We have recorded a significant amount of intangible assets, which may never be realized.

Our acquisitions have resulted in significant increases in net identifiable intangible assets and goodwill. Net identifiable intangible assets, which include hospital contracts, physician client lists, management service agreements and laboratory contracts acquired in acquisitions were approximately \$268.6 million at December 31, 2000, representing approximately 47.8% of our total assets. Net identifiable intangible assets are recorded at fair value on the date of acquisition and are being amortized over periods ranging from 10 to 40 years. Goodwill, which relates to the excess of cost over the fair value of net assets of businesses acquired, was approximately \$177.3 million at December 31, 2000, representing approximately 31.5% of our total assets. We amortize goodwill on a straight-line basis over periods ranging from 15 to 35 years. On an ongoing basis, we make an evaluation to determine whether events and circumstances indicate that all or a portion of the carrying value of intangible assets may no longer be recoverable, in which case an additional charge to earnings may be necessary. We cannot assure you that we will ever realize the value of our intangible assets. Any future determination requiring the write off of a significant portion of unamortized intangible assets could have a material adverse effect on our business, financial condition and results of operations.

Our business is highly dependent on the recruitment and retention of qualified pathologists.

Our business is dependent upon recruiting and retaining pathologists,

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particularly those with subspecialties, such as dermatopathology. While our practices have been able to recruit (principally through practice acquisitions) and retain pathologists, we cannot assure you that we or our practices will be able to continue to do so successfully or on terms similar to our current arrangements. The relationship between the pathologists and their respective local medical communities is important to the operation and continued profitability of each practice. In the event that a significant number of pathologists terminate their relationships with our practices or become unable or unwilling to continue their employment, or in the event non-compete agreements with a number of physicians were terminated or determined to be invalid or unenforceable, our business, financial condition and results from operation could be materially and adversely affected.

Proposals to reform the health care industry may have a material adverse effect on our business.

Federal and state governments have recently focused significant attention on health care reform. It is not possible to predict which, if any, proposal will be adopted. It is possible that the health care regulatory environment will change so as to restrict our existing operations, impose additional requirements on us or limit our expansion. Costs of compliance with changes in government regulations may not be subject to recovery through price increases. Some of the proposals under consideration, or others that may be introduced, could, if adopted, have a material adverse effect on our business, financial condition and results of operations.

Competition from other providers of pathology services may adversely affect our business.

Our services include the provision of physician practice management services to pathology practices and the provision of pathology and cytology diagnostic services. Competition may result from other anatomic pathology practices, companies in other health care industry segments, such as other hospital-based specialties, national clinical laboratories, large physician group practices or pathology physician practice management companies that may enter our markets, some of which may have greater financial and other resources than us.

10

We compete with several companies, and such competition can reasonably be expected to increase. In addition, companies in other health care segments, such as hospitals, national clinical laboratories, third party payors, and health maintenance organizations, many of which have greater financial resources than us, may become competition in the employment and management of pathology practices. We compete for acquisitions and affiliations on the basis of our reputation, management experience, status and resources as a public company and our focus on anatomic pathology. We cannot assure you that we will be able to compete effectively, and it is possible that additional competitors will enter our markets and make it more difficult for us to acquire or affiliate with practices on favorable terms.

We may be subject to significant professional liability claims and we cannot assure you that our insurance coverage limits will be sufficient to cover such claims.

Our business entails an inherent risk of claims of physician professional liability for acts or omissions of our physicians and laboratory personnel. We and our physicians periodically become involved as defendants in medical malpractice lawsuits, some of which are currently ongoing, and are subject to the attendant risk of substantial damage awards. Generally, we have

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consolidated our physician professional liability insurance coverages with the St. Paul Fire and Marine Insurance Company, whereby each of the pathologists is insured under claims-made policies with primary limits of \$1.0 million per occurrence and \$5.0 million in the annual aggregate, and share with us in surplus coverage of up to \$20.0 million in the aggregate. The policy also provides "prior acts" coverage for each of our physicians with respect to our practices prior to their acquisition by us. Further, we have provided reserves for incurred but not reported claims in connection with our claims-made policies. The terms of the purchase agreements relating to each practice acquisition contain certain limited rights of indemnification from the sellers of the practices. While we believe that we have adequate professional liability insurance coverage, we can give no assurances that a future claim or claims will not be successful and, if successful, will not exceed the limits of available insurance coverage or that such coverage will continue to be available at acceptable costs or on favorable terms. In addition, our insurance does not cover all potential liabilities arising from governmental fines and penalties, indemnification agreements and certain other uninsurable losses. A malpractice claim asserted against us, a management subsidiary, a practice subsidiary, an affiliated practice or an affiliated physician could, in the event of an adverse outcome exceeding limits of available insurance coverage, have a material adverse effect on our business, financial condition and results of operations.

The continued growth of managed care may have a material adverse effect on our business.

The number of individuals covered under managed care contracts or other similar arrangements has grown over the past several years and may continue to grow in the future. Entities providing managed care coverage have been successful in reducing payments for medical services in numerous ways, including entering into arrangements under which payments to a service provider are capitated, limiting testing to specified procedures, denying payment for specified services unless prior authorization for such services has been obtained and refusing to increase fees for specified services. The continued growth of the managed care industry and its continued success in reducing payments to medical service providers could have a material adverse effect on our business, financial condition and results of operation.

11

We could be damaged by the loss of our key personnel.

Our success is dependent upon the efforts and abilities of our key management personnel, particularly James C. New, our Chairman and Chief Executive Officer, Brian C. Carr, our President, Gregory A. Marsh, our Vice President and Chief Financial Officer, Alan Levin, M.D., our Chief Operating Officer and Dennis M. Smith, Jr., M.D., our Senior Vice President and Medical Director. The loss of service of any of these persons could have a material adverse effect on our business, financial condition and results of operations.

Because of the complex nature of our billing and reimbursement arrangements, we may be at a greater risk of Internal Revenue Service Examinations.

The Internal Revenue Service, or IRS, conducted an examination of our federal income tax returns for the tax years ended December 31, 1996 and 1997 and concluded that no changes to the tax reported needed to be made. Although we believe that we are in compliance with all applicable IRS rules and regulations, if the IRS should determine that we are not in compliance in any other years, it could have a material adverse effect on the our financial position and results of operations.

Our stock price is volatile and the value of your investment may decrease, for

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various reasons including reasons that are unrelated to the performance of our business.

There has been significant volatility in the market price of securities of health care companies that often has been unrelated to the operating performance of such companies. In fact, our common stock, which trades on the Nasdaq national market, has traded from a low of \$8 per share to a high of \$26 15/16 per share for the year ended December 31, 2000. We believe that various factors, such as legislative and regulatory developments, quarterly variations in our actual or anticipated results of operations, lower revenues or earnings than those anticipated by securities analysts, the overall economy and the financial markets could cause the price of our common stock to fluctuate substantially.

Anti-Takeover provisions in our charter documents could make it more difficult for a third party to acquire us.

Certain provisions of our Amended and Restated Certificate of Incorporation, Amended and Restated Bylaws and Preferred Share Purchase Rights Plan may be deemed to have anti-takeover effects and may delay, defer or prevent a takeover attempt that a stockholder might consider in its best interest. Any of these anti-takeover provisions could lower the value of our common stock.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Statements contained anywhere in this prospectus that are not limited to historical information are considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements regarding our expectations, beliefs, intentions, plans or strategies regarding the future. These forward-looking statements are based largely on our expectations which are subject to a number of known and unknown risks, uncertainties and other factors discussed in this prospectus and in other documents filed by us with the Securities and Exchange Commission, which may cause actual results to be materially different from those anticipated, expressed or implied by the forward-looking statements. All forward-looking statements included in this prospectus are based on information available to us on the date hereof, and we assume no obligation to update any such forward-

12

looking statements to reflect future events or circumstances. Forward-looking statements are sometimes indicated by words such as "may," "should," "believe," "expect," "anticipate" and similar expressions.

In addition to the risks and uncertainties identified elsewhere herein and in other documents filed by us with the Securities and Exchange Commission, the following factors should be carefully considered when evaluating our business and future prospects: general economic conditions; competition and changes in competitive factors; the extent of success of our operating initiatives and growth strategies (including without limitation, our continuing efforts to (1) achieve continuing improvements in performance of our current operations, by reason of various synergies, marketing efforts, revenue growth, cost savings or otherwise, (2) transition into becoming a fully integrated healthcare diagnostic information provider, including our efforts to develop, and our investment in, new products, services, technologies and related alliances, such as the alliance with Genomics Collaborative, Inc., (3) acquire

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or develop additional pathology practices (as further described below), and (4) develop and expand our managed care and national clinical lab contracts); federal and state healthcare regulation (and compliance); reimbursement rates under government-sponsored and third party healthcare programs and the payments received under such programs; changes in coding; changes in technology; dependence upon pathologists and contracts; the ability to attract, motivate, and retain pathologists; labor and technology costs; marketing and promotional efforts; the availability of pathology practices in appropriate locations that we are able to acquire on suitable terms or develop; the successful completion and integration of acquisitions (and achievement of planned or expected synergies); access to sufficient amounts of capital on satisfactory terms; and tax laws. In addition, our strategy to penetrate and develop new markets involves a number of risks and challenges and it is possible that the healthcare regulations of the new states in which we enter and other factors will have a material adverse effect on us. The factors which may influence our success in each targeted market in connection with this strategy include: the selection of appropriate qualified practices; negotiation, execution and consummation of definitive acquisition, affiliation, management and/or employment agreements; the economic stability of each targeted market; compliance with state, local and federal healthcare and/or other laws and regulations in each targeted market (including health, safety, waste disposal and zoning laws); compliance with applicable licensing approval procedures; and restrictions under labor and employment laws, especially non-competition covenants. Past performance is not necessarily indicative of future results. Some of the risks, uncertainties and other factors discussed or noted above are more fully described elsewhere in this prospectus, including under the caption "Risk Factors" beginning on page 3.

USE OF PROCEEDS

The shares of our common stock offered under this prospectus are for the account of the selling stockholders. We will not receive any proceeds from the sale of common stock by the selling stockholders. However, 5,085 of the shares covered by this prospectus are subject to issuance by us pursuant to the exercise of warrants held by some of the selling stockholders, 3,746 of which have an exercise price of \$0.12 per share and 1,339 of which have an exercise price of \$3.73 per share. We may receive cash proceeds from the exercise of these warrants if the warrant holders elect not to make "cashless" exercises as permitted under the terms of the warrants. Any cash proceeds that we receive from the exercise of these warrants would be used for general corporate purposes.

13

SELLING STOCKHOLDERS

The following table provides:

- o The name of each of the selling stockholders;
- o The number of shares of common stock beneficially owned by each selling stockholder before this offering;
- o The number of shares of common stock being offered by each selling stockholder under this prospectus; and
- o The number of shares of common stock beneficially owned by each selling stockholder after completion of the offering.

The table assumes that the selling stockholders will sell all shares they are offering under this prospectus, that the selling stockholders will not acquire additional shares of our common stock prior to completion of this

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offering, and that the selling stockholders will not dispose of any shares of our common stock not covered by this prospectus. Each selling stockholder beneficially owns less than 1% of the total number of shares of common stock outstanding based on 24,941,749 shares of common stock outstanding as of April 16, 2001.

| Name ----- | Shares Beneficially Owned Before Offering ----- | Shares Offered ----- | Share O ----- |
|-----------------------------------|--|----------------------------|---------------------|
| Haywood D. Cochrane, Jr. | 8,113 | 2,704 | |
| Brian C. Carr(1) | 40,486 | 13,495 | |
| James E. Billington | 8,676 | 2,892 | |
| William H. Brownie | 4,498 | 1,499 | |
| Norman O. Hill | 1,446 | 482 | |
| Douglas A. Olson | 2,678 | 893 | |
| Richland Ventures, L.P. | 29,607 | 9,869 | |
| Richland Ventures II, L.P. | 11,805 | 3,935 | |
| DFW Capital Partners, L.P. | 27,692 | 9,231 | |
| Calver Fund, Inc. | 17,282 | 5,761 | |
| Noro - Moseley Partners III, L.P. | 17,193 | 6,731 | |
| J.G. Partnership, LTD. | 15,189 | 5,063 | |
| HLM Partners VII, L.P. | 13,905 | 4,635 | |
| HLM Partners V, L.P. | 12,516 | 4,172 | |
| Chrysalis Ventures I, Ltd. | 11,522 | 3,841 | |
| SSM Venture Partners, L.P. | 11,462 | 3,821 | |
| J. David Grissom | 11,143 | 3,714 | |
| Thomas McColl Chesney, M.D. | 12,378 | 4,126 | |
| Allen D. Berry III, M.D.(2) | 12,940 | 4,313 | |
| Carolyn McIntyre Chesney, M.D. | 12,378 | 4,126 | |
| William A. Wesche, M.D. | 3,615 | 1,205 | |
| A. Weldon Schott, D.O. | 1,232 | 411 | |

14

| Name ----- | Shares Beneficially Owned Before Offering ----- | Shares Offered ----- | Share O ----- |
|--|--|----------------------------|---------------------|
| Cheng C. Tsai, M.D. | 1,003 | 334 | |
| Daniel J. Santa Cruz, M.D. | 2,276 | 759 | |
| Eugene C. Wienke, M.D. | 1,232 | 411 | |
| Kathryn DeSchryver, M.D. | 546 | 182 | |
| Mark A. Hurt, M.D. | 636 | 212 | |
| Oscar Lazcano, M.D. | 546 | 182 | |
| Robert W. Brangle, M.D. | 1,232 | 411 | |
| Paul D. Cook, D.O. | 318 | 106 | |
| Charles B. Bramlett Jr., M.D. | 803 | 268 | |
| Jack Teryle Pearson, M.D. | 803 | 268 | |
| Joseph C. Moore, M.D. | 2,142 | 714 | |
| H.W. Ferrell, M.D. | 2,401 | 800 | |
| John R. Olson, M.D. | 2,401 | 800 | |
| Carlene Ann Hawksley, 100% Trustee of the Hawksley Trust 1997 Created by Declaration of | | | |

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| | | |
|---|--------|--------|
| Trust, February 12, 1997 | 4,670 | 1,557 |
| Kelly R. O'Keefe and Patricia O'Keefe, Trustee of the O'Keefe Family Trust dated December 20, 1995 | 3,866 | 1,289 |
| Robert M. Rinehart and Julie M. Rinehart as Trustee of the Rinehart Living Trust Dated November 2, 1989 | 4,670 | 1,557 |
| Simon S. Chan and Julia S. Chan 1993 Intervivos Trust | 4,670 | 1,557 |
| Winterling Martin 1997 Revocable Trust | 4,670 | 1,557 |
| Kenneth W. Westphal, M.D. | 803 | 268 |
| William R. Beach, III | 377 | 126 |
| William H. West, M.D. | 1,915 | 638 |
| William H. Lomicka | 1,391 | 464 |
| Wachovia Bank of Georgia, N.A. - Custodian for Alan I. Jacobson IRA | 377 | 126 |
| UMB Bank, N.A., Trustee Melissa S. Elliot | 98 | 33 |
| UMB Bank, N.A., Trustee Max L. Elliot, M.D. | 75 | 25 |
| Thomas W. Beasley | 377 | 126 |
| Thomas L. West, M.D. Profit Sharing Trust | 1,842 | 614 |
| Steven F. Drake | 20,083 | 6,694 |
| Steffanie N. Drake Heritage Trust | 161 | 54 |
| Samuel W. Bartholomew | 461 | 154 |
| Rose Marie Anderson Trust | 4,500 | 1,500 |
| Robert R. West | 37,861 | 12,620 |
| Robert LaFollette West | 444 | 148 |
| Robert E. Brierty & Joan C. Brierty | 151 | 50 |
| Robert Armistead First IRA Rollover | 3,954 | 1,318 |
| Robert A. Frist | 965 | 322 |

15

| Name | Shares Beneficially Owned Before Offering | Shares Offered | Share O |
|--|---|-------------------|------------|
| ---- | ----- | ----- | ----- |
| Nickel Medical Laboratory, Inc. | 342 | 114 | |
| Michael W. Blackburn | 38 | 13 | |
| Melissa D. Springer | 117 | 39 | |
| McKenzie Investment Company | 2,167 | 722 | |
| Mark T. Springer | 117 | 39 | |
| Marianna L. Dennison | 1,712 | 571 | |
| Kristine Margaret West | 444 | 148 | |
| Trico & Co. | 1,285 | 428 | |
| Jackson W. and Elizabeth W. Moore | 4,788 | 1,596 | |
| Jack Roy Anderson Trust Fund | 4,500 | 1,500 | |
| Jack R. Anderson | 4,356 | 1,452 | |
| Gerald M. Bordin & Sheila W. Bordin | 188 | 63 | |
| Frederick C. Glavin & Martha G. Glavin | 377 | 126 | |
| Ernest S. Tucker, III | 151 | 50 | |
| Douglas Crawford Huber | 226 | 75 | |
| Delaware Charter Guarantee & Trust - FBO | | | |
| Robert Nakamura IRA | 151 | 50 | |
| Dawn Dixie Drake Heritage Trust | 161 | 54 | |
| Cora S. Humberson & Michael Whittaker | 90 | 30 | |
| Brian Datnow, M.D. | 377 | 126 | |

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| | | |
|---|---------|---------|
| Bobbye Williams | 151 | 50 |
| Arthur S. Demoss Foundation | 7,141 | 2,380 |
| Andres Aquino | 151 | 50 |
| James R. Miller Lifetime Trust | 471 | 157 |
| Vincent H. Stack Living Trust | 188 | 63 |
| Stephen M. Russell, M.D. | 161 | 54 |
| Rodgers Business Interests | 461 | 154 |
| ABS Capital Partners II, LP | 601,471 | 200,490 |
| James M. Shapiro and Sarah B. Shapiro Trustee | | |
| FBO James M. Shapiro and Sarah B. Shapiro Trust | 1,004 | 335 |
| Union Street Partners, L.P. | 40,165 | 13,388 |
| Questor Partners Fund, L.P. | 701,166 | 233,722 |
| Questor Side-by-Side Partners, L.P. | 50,328 | 16,776 |
| Robert J. Friedman, M.D. | 113,625 | 37,875 |
| Edward Heilman, M.D. | 113,625 | 37,875 |
| Richard Jacoby, M.D. | 70,644 | 20,252 |
| Mario DiLeonardo, M.D. | 70,644 | 20,252 |
| Waine C. Johnson, M.D. | 29,664 | 9,888 |
| Thomas D. Griffin, M.D. | 29,664 | 9,888 |
| Gary R. Kantor, M.D. | 29,664 | 9,888 |
| Richard L. Spielvogel, M.D. | 29,664 | 9,888 |
| Finova Mezzanine Capital Inc. | 21,034 | 7,011 |
| Ben F. Martin, M.D. | 20,113 | 6,704 |
| John H. Parker, M.D. | 20,113 | 6,704 |
| Roxanne Perryman, M.D. | 1,607 | 536 |
| George F. Bale, M.D. | 12,137 | 4,046 |

16

| Name | Shares Beneficially Owned Before Offering | Shares Offered | Share O |
|------------------------------|---|-------------------|------------|
| ---- | ----- | ----- | ----- |
| Robert M. Bradley, M.D. | 12,137 | 4,046 | |
| Michael F. Bugg, M.D. | 12,137 | 4,046 | |
| Thomas R. Callihan, M.D. | 12,137 | 4,046 | |
| Kenneth D. Groshart, M.D. | 12,137 | 4,046 | |
| Johnnie Cameron Hall, M.D. | 12,137 | 4,046 | |
| Shamim M. Moinuddin, M.D. | 12,137 | 4,046 | |
| Gene D. Spencer, Jr., M.D. | 12,137 | 4,046 | |
| Bruce L. Webber, M.D. | 12,137 | 4,046 | |
| Richard C. Olshock, M.D. | 12,353 | 4,118 | |
| James A. Hopfenbeck, M.D. | 12,353 | 4,118 | |
| Cathy Van Blerkom, M.D. | 3,088 | 1,029 | |
| John E. Boline, M.D. | 6,176 | 2,059 | |
| Mary E. Corkhill, M.D. | 12,353 | 4,118 | |
| William F. Cox, Jr., M.D. | 12,353 | 4,118 | |
| Donald K. McClure, M.D. | 8,235 | 2,745 | |
| Timothy W. Morgan, M.D. | 12,353 | 4,118 | |
| Steven J. Temple, M.D. | 12,353 | 4,118 | |
| Carlton L. Wallis, Jr., M.D. | 6,176 | 2,059 | |
| Michael J. Pushchak, M.D. | 12,353 | 4,118 | |
| Craig MacNab(3) | 1,606 | 535 | |
| Robert A. Reeves(3) | 803 | 268 | |
| H. Richard Pascoe, M.D.(3) | 321 | 107 | |

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| | | |
|--|-------|-------|
| Russell T. Ray(3) | 803 | 268 |
| Gerardo Rosencranz(3) | 481 | 160 |
| Stuart F. Smith(3) | 321 | 107 |
| R. Riley Sweat(3) | 321 | 107 |
| David Wilson(3) | 481 | 160 |
| Guarantee and Trust F/B/O. Edward S. Brokaw(3) | 1,606 | 535 |
| SunTrust Equitable Securities Corporation(3) | 8,032 | 2,678 |
| Mark R. Klausner(3) | 160 | 53 |

-
- (1) Shareholdings include 321 shares issuable pursuant to the exercise of warrants, 107 of which are being offered pursuant to this prospectus.
 - (2) Shareholdings include 803 shares owned jointly with Dr. Berry's spouse, Dianne J. Berry.
 - (3) Shareholdings represent shares issuable pursuant to the exercise of warrants.

Certain Relationships among the Selling Stockholders and AmeriPath

We acquired Inform DX on November 30, 2000 in a stock-for-stock merger transaction. Each of the selling stockholders was a stockholder or warrant holder of Inform DX at the time of the merger. The shares covered by this prospectus were issued pursuant to the merger or are issuable pursuant to warrants assumed by us in connection with the merger.

In connection with the Inform DX merger, AmeriPath agreed to take certain actions necessary to register the resale of the shares covered by this prospectus, including the preparation and filing of the registration statement of which this prospectus forms a part and the payment of expenses associated with the registration statement and this prospectus.

17

Some of the selling stockholders were employees, officers or directors of Inform DX prior to the merger.

Some of the selling stockholders currently are employees of AmeriPath or of medical practices managed by AmeriPath.

Brian C. Carr is the President of AmeriPath and James E. Billington is the Senior Vice President, Operations of AmeriPath.

Brian C. Carr is also a director of AmeriPath.

PLAN OF DISTRIBUTION

Our common stock is quoted on the Nasdaq National Market under the symbol "PATH". This prospectus is intended to be used to comply with the prospectus delivery requirements of the Securities Act of 1933 in connection with any offers or resales. Any or all of the shares of our common stock offered under this prospectus may be sold from time to time by the selling stockholders, or by pledgees, donees, transferees, or other successors in interest. These sales may be made:

- o to or through underwriters, agents, brokers or dealers;
- o directly to one or more purchasers;
- o through agents on a best efforts basis; or

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- o through a combination of any such methods of sale.

In addition, such sales may be made in the over-the-counter market, or otherwise at prices and at terms then prevailing or at prices related to the then current market price or in negotiated transactions. Any or all of the shares of common stock may be sold by one or more of the following:

- o a block trade in which the broker or dealer so engaged will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- o purchases by a broker or dealer as principal and resale by such broker or dealer for its account pursuant to this prospectus;
- o an exchange distribution in accordance with the rules of the exchange or any automated interdealer quotation system on which the common stock is then listed;
- o ordinary brokerage transactions and transactions in which the broker solicits purchasers; and
- o writing options on the shares.

Any underwriters, agents or broker-dealers involved in the distribution of the shares may receive compensation in the form of discounts, concessions or commissions from the selling stockholders and/or the purchasers of the shares for which such underwriters, agents or broker-dealers may act as agents or to whom they sell as principals, or both (which compensation as to an underwriter, agent or particular broker-dealer will be negotiated prior to the sale and may be in excess of customary compensation). If required by applicable law at the time a particular offer of shares is made, the terms and conditions of that transaction will be set forth in a supplement to this prospectus.

The selling stockholders and any underwriters, agents or broker-dealers who act in connection with the sale of the shares under this prospectus may be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act, and any compensation received by them might be deemed to be underwriting discounts and commissions under the Securities Act.

18

The selling stockholders will pay all applicable stock transfer taxes, transfer fees and brokerage commissions or underwriting or other discounts. We will bear all expenses in connection with the registration of the shares being offered by the selling stockholders. We have agreed to indemnify the selling stockholders against certain liabilities, including liabilities under the Securities Act.

LEGAL MATTERS

Alston & Bird LLP, Atlanta, Georgia, will pass upon the status of the shares offered under this prospectus as legally and validly issued, fully paid and nonassessable.

EXPERTS

The financial statements of AmeriPath, Inc. and its consolidated subsidiaries, as of December 31, 2000 and 1999 and for each of the three years in the period ended December 31, 2000, except Pathology Consultants of America, Inc. (d/b/a "InformDX") as of December 31, 1999 and for the years ended December

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31, 1999 and 1998, incorporated by reference in this prospectus have been audited by Deloitte & Touche LLP as stated in their reports incorporated by reference herein. The financial statements of InformDX, consolidated with those of AmeriPath, Inc. and not presented separately herein, have been audited by Ernst & Young LLP as stated in their reports incorporated by reference herein. Such financial statements of the Company and its consolidated subsidiaries are incorporated by reference herein in reliance upon the respective reports of such firms given upon their authority as experts in accounting and auditing. All of the foregoing firms are independent auditors.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. These reports, proxy statements and other information may be obtained:

- o At the public reference room of the Commission, Room 1024 -- Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549;
- o At the public reference facilities at the Commission's regional offices located at Seven World Trade Center, 13th Floor, New York, New York 10048 or Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661;
- o From the Commission, Public Reference Room, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549;
- o At the offices of The Nasdaq Stock Market, Inc., Reports Section, 1735 K Street, N.W., Washington, D.C. 20006; or
- o From the internet site maintained by the Commission at <http://www.sec.gov>, which contains reports, proxy and information statements and other information regarding issuers that file electronically with the Commission.

Some locations may charge prescribed rates or modest fees for copies. For more information on the public reference room, call the Commission at 1-800-SEC-0330.

We filed with the Securities and Exchange Commission a registration statement on Form S-3 (which contains this prospectus) under the Securities Act of 1933, as amended, to register with the Securities and Exchange Commission the resale by the selling stockholders of our common stock. This prospectus does not contain all the information you can find in the registration statement or the exhibits and schedules to the registration statement. For further information with respect to us, and our common

19

stock, please refer to the registration statement, including the exhibits and schedules. You may inspect and copy the registration statement, including the exhibits and schedules, as described above.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Securities and Exchange Commission allows us to "incorporate by reference" the information that we file with them in other documents, which means that we can disclose important information to you by referring to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the Securities and

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Exchange Commission will automatically update and supersede this information. We incorporate by reference the documents listed below and all future documents filed with the Securities and Exchange Commission under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934 until the termination of the offering to which this prospectus relates:

- o Current Report on Form 8-K, filed March 6, 2001;
- o Current Report on Form 8-K, filed April 6, 2001;
- o Annual Report on Form 10-K for the year ended December 31, 2000, filed April 2, 2001;
- o The description of common stock set forth in our registration statement filed pursuant to Section 12 of the Exchange Act, and any amendment or report filed for the purpose of updating such description; and
- o The description of rights to purchase Series A Junior Participating Preferred Stock set forth in our registration statement filed pursuant to Section 12 of the Exchange Act, and any amendment or report filed for the purpose of updating such description.

On written or oral request, we will provide at no cost to each person who receives a copy of this prospectus, a copy of any or all of the documents incorporated in this prospectus by reference. We will not provide exhibits to any of the documents listed above, however, unless those exhibits are specifically incorporated by reference into those documents. You should direct your request to the Secretary of AmeriPath, 7289 Garden Road, Suite 200, Riviera Beach, Florida 33404, telephone number (561) 845-1850.

You should rely only on the information that we incorporate by reference or provide in this prospectus or any supplement. We have not authorized anyone else to provide you with different information. Neither we nor the selling stockholders will make an offer of these shares in any state where the offer is not permitted. You should not assume that the information in this prospectus or any supplement is accurate as of any date other than the date on the front of those documents.

20

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

| | |
|---|----------|
| Registration fee to Securities and Exchange Commission..... | \$4,987 |
| Accounting fees and expenses..... | 0 |
| Legal fees and expenses..... | 5,000 |
| Miscellaneous expenses..... | 2,000 |
| | ----- |
| Total..... | \$11,987 |
| | ===== |

The foregoing items, except for the registration fee to the Securities and Exchange Commission, are estimated. We have agreed to bear all expenses in connection with the registration of the shares being offered by the selling stockholders, except that the selling stockholders will bear all underwriting discounts and commissions and transfer taxes, if any. We have agreed to indemnify the selling stockholders against certain liabilities, including liabilities under the Securities Act.

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ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Our amended and restated certificate of incorporation eliminates the personal liability of our directors to AmeriPath and its stockholders for monetary damages for breach of fiduciary duty as a director, except that it does not eliminate the liability of a director:

- o for any breach of the duty of loyalty to AmeriPath and its stockholders;
- o for acts or omissions not in good faith which involve intentional misconduct or a knowing violation of law;
- o under the Delaware General Corporation Law for a director's willful or negligent violation of statutory provisions that prevent the unlawful payment of a dividend; and
- o for any transaction in which a director receives an improper personal benefit.

In addition, if at any time the Delaware General Corporation Law is amended to authorize further elimination or limitation of the personal liability of a director, then the liability of each of our directors shall be eliminated or limited to the fullest extent permitted by such provisions, as so amended, without further action by the stockholders, unless otherwise required.

Our bylaws require us to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of AmeriPath) by reason of the fact that the indemnified person was or is a director, officer, employee or agent of AmeriPath, or is or was serving at the request of AmeriPath as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by such indemnified person, as long as the indemnified person:

- o acted in good faith;

II-1

- o acted in a manner reasonably believed to be in or not opposed to the best interests of AmeriPath; and
- o with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Our bylaws also require us to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of AmeriPath to procure a judgment in AmeriPath's favor by reason of the fact that the indemnified person was or is a director, officer, employee or agent of AmeriPath, or is or was serving at the request of AmeriPath as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by such indemnified person, as long as the indemnified person:

- o acted in good faith; and
- o acted in a manner reasonably believed to be in or not opposed to the

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best interests of AmeriPath.

However, no indemnification shall be made by us under the preceding paragraph in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to us unless otherwise determined by court order.

The determination of whether the applicable standard of conduct described above has been met shall be made by:

- o our Board of Directors by a majority vote of a quorum consisting of disinterested directors; or
- o if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or
- o by the stockholders.

AmeriPath maintains a standard form of officers' and directors' liability insurance policy that provides coverage to its officers and directors for certain liabilities, including certain liabilities that may arise out of this registration statement.

We have agreed to indemnify each selling stockholder, each underwriter, if any, and each person controlling the selling stockholders or the underwriters, if any, within the meaning of the Securities Act, from and against any losses, claims, damages or liabilities, joint or several, to which such selling stockholders, underwriters or controlling persons may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in this prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violations by us of applicable federal or state securities laws relating to such registration.

II-2

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

| EXHIBIT NUMBER ----- | DESCRIPTION ----- |
|----------------------------|--|
| 2.1 | Agreement and Plan of Merger by and among the Registrant, AMP Merger Corp. and Pathology Consultants of America, Inc. (d/b/a Inform DX), dated as of November 7, 2000 (incorporated by reference from Exhibit 2.2 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2000) |
| 4.1 | Amended and Restated Certificate of Incorporation (incorporated by reference from Exhibit 3.1 to our registration statement on Form S-1, Registration No. 333-34265) |
| 4.2 | Amended and Restated Bylaws (incorporated by reference from Exhibit 3.2 to our registration statement on Form S-1, Registration No. 333-34265) |

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- 4.3 Certificate of Amendment to the Amended and Restated Certificate of Incorporation (incorporated by reference from Exhibit 3.3 to our registration statement on Form S-1, Registration No. 333-34265)
- 4.4 Rights Agreement, dated as of April 8, 1999, between the Registrant and American Stock Transfer & Trust Company, as Rights Agent including the form of Certificate of Designations of Series A Junior Participating Preferred Stock, the form of Rights Certificate, and the form of Summary of Rights (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed April 16, 1999)
- 4.5 Registration Rights Agreement, dated November 30, 2000, among the Registrant and the Shareholders and Warrant Holders of Pathology Consultants of America, Inc. (d/b/a Inform DX) (incorporated by reference from Exhibit 10.46 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2000)
- 5.1 Opinion of Alston & Bird LLP, including consent
- 23.1 Consent of Deloitte & Touche LLP
- 23.2 Consent of Ernst & Young LLP
- 23.3 Consent of Alston & Bird LLP (filed as part of Exhibit 5.1)
- 24.1 Power of Attorney (included as part of the signature page to this registration statement)

(b) Financial Statement Schedules

ITEM 17. UNDERTAKINGS

The undersigned registrant hereby undertakes:

II-3

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) of this Section do not apply if the registration statement is on Form S-3, Form S-8

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or Form F-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned registrant hereby further undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a

II-4

court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4), or 497(h) under the Securities Act of 1933 shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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II-5

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Riviera Beach, State of Florida on the 20 day of April, 2001.

AmeriPath, Inc.

By: /s/ James C. New

Name: James C. New

Title: Chairman and Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints James C. New and Gregory A. Marsh and each of them, with the power to act without the other, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution for him and in his name, place and stead, and in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to file any of the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or either of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the date indicated.

II-6

| Signature ----- | Title ----- | Date ---- |
|--|--|----------------|
| /s/ James C. New ----- James C. New | Chairman and Chief Executive Officer (Principal Executive Officer) | April 20, 2001 |
| /s/ Gregory A Marsh ----- Gregory A. Marsh | Vice President, Chief Financial Officer and Secretary (Principal Financial and Accounting Officer) | April 20, 2001 |
| /s/ Brian C. Carr ----- Brian C. Carr | Director | April 20, 2001 |

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| | | |
|---|----------|----------------|
| /s/ E. Martin Gibson ----- E. Martin Gibson | Director | April 20, 2001 |
| /s/ Alan Levin, M.D. ----- Alan Levin, M.D. | Director | April 20, 2001 |
| /s/ C. Arnold Renschler, M.D. ----- C. Arnold Renschler, M.D. | Director | April 20, 2001 |
| /s/ E. Roe Stamps, IV ----- E. Roe Stamps, IV | Director | April 20, 2001 |

II-7

EXHIBIT INDEX

| EXHIBIT NUMBER ----- | DESCRIPTION ----- |
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| 4.1 | Article II of the Articles of Incorporation, as amended (incorporated by reference from Exhibit 3.1 to our registration statement on Form S-1, Registration No. 333-34265) |
| 4.2 | Amended and Restated Bylaws (incorporated by reference from Exhibit 3.2 to our registration statement on Form S-1, Registration No. 333-34265) |
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| 4.4 | Rights Agreement, dated as of April 8, 1999, between the Registrant and American Stock Transfer & Trust Company, as Rights Agent including the form of Certificate of Designations of Series A Junior Participating Preferred Stock, the form of Rights Certificate, and the form of Summary of Rights (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed April 16, 1999) |
| 4.5 | Registration Rights Agreement, dated November 30, 2000, among the Registrant and the Shareholders and Warrant Holders of Pathology Consultants of America, Inc. (d/b/a Inform DX) (incorporated by reference from Exhibit 10.46 to our Annual Report on Form 10-K for the fiscal year ended December 31, 2000) |
| 5.1 | Opinion of Alston & Bird LLP, including consent |
| 23.1 | Consent of Deloitte & Touche LLP |

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- 23.2 Consent of Ernst & Young LLP
- 23.3 Consent of Alston & Bird LLP (filed as part of Exhibit 5.1)
- 24.1 Power of Attorney (included as part of the signature page to this registration statement)