

LAMAR ADVERTISING CO/NEW

Form 424B3

December 21, 2004

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Filed Pursuant to Rule 424(b)(3)

Registration No. 333-120937

OBIE MEDIA CORPORATION

4211 West 11th Avenue
Eugene, Oregon 97402

December 17, 2004

MERGER PROPOSAL YOUR VOTE IS VERY IMPORTANT

Dear Shareholders of Obie Media Corporation:

You are cordially invited to attend the special meeting of shareholders of Obie Media Corporation to be held at 1:00 p.m., local time, on January 14, 2005, at Obie's offices located at 4211 West 11th Avenue, Eugene, Oregon 97402. At the special meeting, you will be asked to consider and vote upon a proposal to (1) approve the merger among Obie, Lamar Advertising Company, and OMC Acquisition Corporation, pursuant to which Obie will become a wholly owned subsidiary of Lamar and you will become a stockholder of Lamar, and (2) adjourn the special meeting, if necessary. Upon the closing of the merger, all outstanding shares of Obie common stock will convert into the right to receive shares of Lamar Class A common stock, and, in certain circumstances, cash, with each Obie shareholder entitled to a pro rata share of the aggregate merger consideration valued at \$43,313,718.

If the merger is approved, at the effective time of the merger you will be entitled to receive shares of Lamar stock or shares of Lamar stock and cash, with a value of approximately \$7.00 per share for each share of Obie stock that you own. The number of shares of Lamar stock you will receive is equal to (A) the quotient of (i) \$43,313,718 divided by (ii) the number of Obie shares issued and outstanding immediately prior to the effective time of the merger, further divided by (B) the average closing sales price of a share of Lamar stock as reported on the Nasdaq National Market for the twenty trading days ending on the last trading day immediately prior to the third calendar day preceding the closing of the merger. If the average closing sales price of a share of Lamar stock is \$30.00 or less but greater than \$22.00, however, Lamar may elect, in its sole discretion, to pay up to \$10,756,696 of the merger consideration in cash in lieu of shares of Lamar stock. If the average closing price of a share of Lamar stock is \$22.00 or less, Lamar may elect, in its sole discretion, to pay up to \$21,083,124 of the merger consideration in cash in lieu of Lamar stock. If Lamar elects to pay a portion of the merger consideration in cash, then you will receive the Lamar stock and cash on a pro rata basis based on the number of shares of Obie stock you own. On December 14, 2004, the last practicable trading day before the date of this document, Lamar stock closed at \$42.44. **Because the form of the merger consideration is determined by the formula described above, you will not know, at the time you vote on the merger proposal: (a) how many shares of Lamar stock you will receive; (b) whether or not you will receive any cash in exchange for your shares of Obie stock; or (c) if you will receive cash, how much cash you will receive.**

Obie common stock is traded on the Nasdaq Small Cap Market under the symbol OBIE. Lamar common stock is traded on the Nasdaq National Market under the symbol LAMR.

Your board of directors has carefully considered and approved the merger and has determined that the merger is in your best interests. Accordingly, the Obie board of directors recommends that you vote **FOR** approval of the merger and **FOR** approval of the related adjournment proposal, if necessary. In connection with this determination, the Obie board has received the written opinion of D.A. Davidson & Co., which concludes that the consideration to be paid by Lamar in the merger is fair, from a financial point of view, to you. A copy of this opinion is attached to this proxy statement/prospectus as Annex B and we urge you to read this opinion in its entirety. A copy of the merger agreement is also attached to this proxy statement/prospectus as Annex A. We encourage you to read the merger agreement. Also enclosed is a proxy card so you can vote on the proposals without attending the special meeting.

THE MERGER INVOLVES CERTAIN RISKS TO OBIE MEDIA CORPORATION SHAREHOLDERS. SEE RISK FACTORS, BEGINNING ON PAGE 16.

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It is important that your shares be represented at the special meeting. Whether or not you expect to attend in person, please promptly sign, date, and return the enclosed proxy card in the enclosed, postage prepaid envelope.

Thank you and we look forward to seeing you at the special meeting.

Very truly yours,

BRIAN B. OBIE

Chief Executive Officer

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE SHARES OF LAMAR ADVERTISING COMPANY COMMON STOCK TO BE ISSUED IN CONNECTION WITH THE MERGER OR DETERMINED IF THIS PROXY STATEMENT/ PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This proxy statement/ prospectus is dated December 17, 2004, and is first being mailed to shareholders on or about December 20, 2004.

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OBIE MEDIA CORPORATION

4211 West 11th Avenue
Eugene, Oregon 97402

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To Be Held on January 14, 2005

Dear Shareholders of Obie Media Corporation:

A special meeting of the shareholders of Obie Media Corporation, an Oregon corporation (Obie), will be held at 1:00 p.m., local time, on January 14, 2005, at Obie s offices located at 4211 West 11th Avenue, Eugene, Oregon 97402, for the following purposes:

1. to consider and vote upon a proposal to approve the merger of Obie with OMC Acquisition Corporation, a wholly owned subsidiary of Lamar Advertising Company, and Obie Media Corporation;

2. to consider and vote upon a proposal to approve one or more adjournments of the special meeting, if necessary, to permit further solicitation of proxies if there are insufficient votes at the time of the special meeting to approve the merger; and

3. to transact such other business as may be properly brought before the meeting.

Obie s board of directors, after carefully considering many factors, has unanimously determined that the proposed merger is advisable, fair to, and in the best interests of Obie and its shareholders and has unanimously approved the merger. Obie s board of directors unanimously recommends that you vote **FOR** the proposal to approve the merger at the special meeting and **FOR** approval of the related adjournment proposal. Please refer to the proxy statement/ prospectus accompanying this notice, which more fully describes the foregoing items of business.

All shareholders are cordially invited to attend the special meeting. Only shareholders of record at the close of business on November 10, 2004, the record date fixed by the Obie board of directors, however, are entitled to receive notice of the meeting and to vote at the meeting or any adjournment or postponement of the meeting. Shareholders may vote in person or by proxy.

We will admit to the special meeting (1) all shareholders of record at the close of business on November 10, 2004, (2) any persons holding proof of beneficial ownership as of that date, such as a letter or account statement from the person s broker or bank, (3) any persons who have been granted proxies, and (4) other persons that the Obie board of directors, in its sole discretion, may elect to admit. **All persons wishing to be admitted to the special meeting must present photo identification.** If you plan to attend the special meeting, please check the appropriate box on your proxy card according to the instructions provided.

By order of the Board of Directors,

DELORES M. MORD
Secretary

Eugene, Oregon
December 17, 2004

Your vote is important. Whether or not you intend to be present at the meeting, please sign and date the enclosed proxy card and return it in the accompanying envelope to ensure that your shares will be voted.

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REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/ prospectus incorporates important business and financial information about Lamar and Obie from other documents that are not included in or delivered with this proxy statement/ prospectus. Such information is included in documents filed by Lamar and Obie with the Securities and Exchange Commission and is available to you without charge upon your written or oral request. You may obtain these documents by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

Lamar Advertising Company
5551 Corporate Boulevard
Baton Rouge, LA 70808
(225) 926-1000
www.lamar.com

Obie Media Corporation
4211 West 11th Avenue
Eugene, OR 97402
(541) 686-8400
www.obie.com

You will not be charged for any of these documents that you request. If you wish to request documents, the applicable company must receive your request by January 7, 2005 (which is five business days before the scheduled date of the special meeting of Obie shareholders) in order for you to receive them before the special meeting. Information on the respective website of each company is NOT considered to be part of or incorporated by reference into this proxy statement/ prospectus unless specifically indicated to the contrary.

See Where You Can Find More Information beginning on page 84.

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