

SYMANTEC CORP
Form DEFA14A
September 14, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

SYMANTEC CORPORATION

(Name of Registrant as Specified in Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

1

Proxy Proposals Discussion:

Say On Pay and Special Meeting Threshold

Annual Meeting: October 25, 2011

James Beer

EVP and CFO

Helyn Corcos

VP, Investor Relations

FY11 Board of Directors

2

Lead Independent

Director

Independent

Director

Non-independent

Director

Stephen M. Bennett
Former President and CEO
Intuit, Inc.

William T. Coleman III
Partner

Alsop Louie Partners
Geraldine B. Laybourne
Chairman

Alloy Inc.
Robert S. Miller
Chairman

American International Group

Daniel H. Schulman
Group President, Enterprise Growth,
American Express

Michael Brown
Chairman

Line 6, Inc.
Frank E. Dangeard
Managing Partner

Harcourt
David L. Mahoney

Former co-CEO
McKesson HBOC, Inc.
and CEO iMcKesson LLC

Enrique Salem
President and CEO
Symantec Corporation

V. Paul Unruh
Former CFO and Vice Chairman
Bechtel Group

John W. Thomson
Chairman of the Board
Symantec Corporation

FY12 Board of Directors

3

Independent

Chairman

Independent

Director

Non-independent

Director

Stephen M. Bennett
Stephen M. Bennett
Former President and CEO
Former President and CEO
Intuit, Inc.
Intuit, Inc.
Geraldine B. Laybourne
Geraldine B. Laybourne
Chairman
Chairman
Alloy Inc.
Alloy Inc.
Michael Brown
Michael Brown
Chairman
Chairman
Line 6, Inc.
Line 6, Inc.
Robert S. Miller
Robert S. Miller
Chairman
Chairman
American International Group
American International Group
Frank E. Dangeard
Frank E. Dangeard
Managing Partner
Managing Partner
Harcourt
Harcourt
Daniel H. Schulman
Daniel H. Schulman
Group President, Enterprise Growth,
Group President, Enterprise Growth,
American Express
American Express
V. Paul Unruh
V. Paul Unruh
Former CFO and Vice Chairman
Former CFO and Vice Chairman
Bechtel Group
Bechtel Group
Enrique Salem
Enrique Salem
President and CEO
President and CEO
Symantec Corporation
Symantec Corporation
David L. Mahoney
Former co-CEO

McKesson HBOC, Inc.
and CEO iMcKesson LLC
David L. Mahoney
Former co-CEO
McKesson HBOC, Inc.
and CEO iMcKesson LLC

Corporate Governance Highlights

Best practices incorporated by Board of Directors

Declassified Board

Majority Voting

Separate Chairman/CEO Roles

In FY11, 9 of 11 Members of the Board are Independent Directors

Lead Independent Director

Stockholders have the right to act by written consent

No stockholder rights plan

Not permitted to re-price stock options without stockholder approval

No excessive perquisites or tax gross-ups

Stock ownership guidelines for Directors & Executive Officers

4

Proxy Proposals for Annual Meeting

1.
Election of Directors
 2.
Ratification of auditor appointment of KPMG LLP
 3.
Amendment to our 2000 Director Equity Incentive Plan
 4.
Say on Pay
 5.
Say on Pay Frequency (Annual)
 6.
Stockholder Proposal: Right to call Special Meeting at 10%
Threshold
- 5

Say on Pay

CEO compensation decreased 6% YoY (see Appendix for details)

Target CEO equity and total direct compensation levels are well below peer median targets

CEO's FY11 base salary and target total cash levels approximate the 25th percentile of peers

Prior to the CEO's FY11 salary increase to bring his salary closer to the 25th percentile of our peer group, the CEO's base salary remained the same since 2008 and did not increase upon his promotion to CEO in 2009

The CEO's target equity award grant level declined by 35% in FY11 versus FY10

90% of CEO s target total direct compensation is performance-based and approximately 50% is in equity

Increases in actual annual incentive payouts in FY11 reflect strong operating performance in a challenging environment

6

We request your vote **FOR**
proposal #4: Say on Pay

Say on Pay (Continued)

We have clawback provisions in our short and long term incentive plans

Change in control practices do not include: payments exceeding 3x executive officers total target cash compensation; single trigger payments; payments with excise tax gross-ups

Performance objectives are adjusted for acquisitions

We have replaced time-based stock options with performance-based restricted stock grants for fiscal year 2012

We have caps and thresholds in place for all incentive plans

Two-thirds of CEO equity will be in performance-based RSUs

7

Right to Call Special Meeting at 10% Threshold

We do not believe a 10% threshold for special meetings follows corporate governance best practices

Less
than
10%

of
S&P
500
companies
have
a
10%
threshold
1

We already have a 25% threshold for special meetings that is reasonable and appropriate

48%
of
S&P
500
companies
allow
stockholders
rights
to
call
a
meeting
1

69%
of
companies
that
allow
rights
have
a
threshold
of
25%
or
higher
1

Small, special-interest stockholder groups could abuse the right to call special meetings

These groups could call a special meeting at their sole discretion, at any time, with no duty to act other than in their own interests

Our senior executives regularly engage with our stockholders over governance matters,

executive
compensation,
stockholder
proposals
and
other
matters

Symantec stockholders are protected by a strong and effective corporate structure and by Delaware state law

8

1. Source: www.SharkRepellent.net

We request your vote **AGAINST**

stockholder proposal #6:

Special Stockholder Meeting at 10% Threshold

Summary

We have implemented industry's best practices on corporate governance and corporate responsibility matters

We maintain a Board Independence policy with all standing committees composed entirely of independent directors

We are improving our execution, as reflected in our last four quarterly financial results, and will continue to build on this momentum

In FY11, we delivered 4% growth in revenue and 16% growth in deferred revenue on a constant currency basis, and 6% growth in cash flow from operations as reported

Requesting your vote FOR
Say on Pay

Ensures the long-term success of Symantec and our ability to attract and retain highly-qualified executive management

Requesting your vote AGAINST
the right to call special meeting at 10%
threshold

A 25% threshold for special meetings is reasonable and appropriate, and is aligned with corporate governance best practices

With a lower threshold, small groups could abuse the right to call special meetings

Thank you
For questions please contact:
Helyn Corcos
hcorcos@symantec.com
(650) 527-5523
Copyright
©
2011

Symantec
Corporation.

All
rights
reserved.

Symantec
and
the
Symantec
Logo
are
trademarks
or
registered
trademarks
of
Symantec
Corporation
or
its
affiliates
in
the
U.S.
and
other
countries.

All
rights
reserved.

VeriSign
and
the
Checkmark
Circle
Design
are
registered
trademarks
of
VeriSign,
Inc.
Symantec
will
acquire
the
Checkmark
Circle
Design
mark

from
VeriSign
as
a
part
of
the
acquisition.
Symantec
plans
to
use
the
Checkmark
Circle
Design
mark
in
connection
with
the
business
after
completion of the acquisition. Other names may be trademarks of their respective owners.
This
document
is
provided
for
informational
purposes
only
and
is
not
intended
as
advertising.
All
warranties
relating
to
the
information
in
this
document,
either
express
or

implied, are disclaimed to the maximum extent allowed by law. The information in this document is subject to change without
10

Change in CEO Compensation: FY11 versus FY10
12
Summary of Compensation Details for FY10 & FY11
Enrique Salem, President & CEO
RSUs
(2)
Option Awards
(3)
(\$)
(\$)
(\$)
(\$)
(\$)
(\$)
(\$)
(\$)
FY10
\$625,000
\$292,969
\$2,800,000
\$2,398,200
\$2,888,793
\$17,387
\$9,022,349
FY11
\$750,000

\$1,181,250

\$3,100,000

\$1,732,800

\$1,711,658

\$33,974

\$8,509,682

% Change

20%

303%

11%

-28%

-41%

95%

-6%

(1) Amounts represent values disclosed in the proxy

(2) Amounts reflect grant date fair value of restricted stock unit awards granted in the year indicated

(3) Amounts reflect grant date fair value of options as disclosed in the SYMC proxy under FASB ASC Topic 718

All Other

Compensation

Total

Salary

Cash LTIP

(1)

Annual

Incentive

(1)

Selected Financial Overview

(in \$ billions, except per share data and employees)

FY 2009

FY 2010

FY 2011

GAAP Revenue

\$6.15

\$5.99

\$6.19

Non-GAAP EPS

1

Excluding acquisitions

2

\$1.52

NA

\$1.49

NA

\$1.42

\$1.51

GAAP Deferred Revenue

\$3.06

\$3.21

\$3.82

Cash flow from Operations

\$1.67

\$1.69

\$1.79

Total Employees

17,426

17,489

18,676

Acquisition headcount

added per period

932

70

1,394

13

1.

Reconciliation of GAAP to Non-GAAP EPS is provided in the appendix

2.

The Purchase accounting related deferred revenue write down from our three acquisitions was \$165 million in FY11

Stock Performance

14

Peers include ADBE, CA, EMC, LXX, CSCO, QCOM, ADI, HRS, STX, AAPL, JNPR, ERTS, ORCL, YHOO and NTAP

Update YTD chart

10%

15%

16%

11%

SYMC

Peer Average

NASDAQ

S&P 500

1-Year Stock Performance

(4/2/10 -

4/1/11)

10%

30%

23%

0%

SYMC

Peer Average

NASDAQ

S&P 500

3-Year Stock Performance

(3/28/08 -

4/1/11)

11%

(3%)

(1%)

1%

SYMC

Peer Average

NASDAQ

S&P 500

YTD Stock Performance

(1/1/11 -

6/15/11)

Reconciliation of GAAP Statements of Operations to
Non-GAAP

1
15

1
Please
refer
to
the
Earnings
Supplemental
Information
on
our
investor
relations

website
at
www.symantec.com/invest