

BELDEN INC.
Form DEF 14A
April 06, 2016
Table of Contents

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

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 Rule 14a-12

BELDEN INC.

(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)(1) and 0-11.

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

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

Edgar Filing: BELDEN INC. - Form DEF 14A

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the form or schedule and the date of its filing.

(1) Amount previously paid:

(2) Form, schedule or registration statement no.:

(3) Filing party:

(4) Date filed:

Table of Contents

Table of Contents

April 6, 2016

Dear Stockholder:

I am pleased to invite you to our 2016 Annual Stockholders Meeting. We will hold the meeting at 12:30 p.m. central time on Thursday, May 26, 2016 at the Four Seasons Hotel Saint Louis, Mississippi Room, 8th Floor at 999 North 2nd Street, Saint Louis, Missouri.

On April 6, 2016, we began mailing our stockholders a notice containing instructions on how to access our 2016 Proxy Statement and 2015 Annual Report and vote online. The notice also included instructions on how to receive a paper copy of your annual meeting materials, including the notice of annual meeting, proxy statement and proxy card. If you received your annual meeting materials by mail, the notice of annual meeting, proxy statement and proxy card from our Board of Directors were enclosed. If you received your annual meeting materials via e-mail, the e-mail contained voting instructions and links to the annual report and the proxy statement on the Internet, which are both available at <http://investor.belden.com/investor-relations/financial-information/latest-financials/default.aspx>.

The agenda for this year's annual meeting consists of the following items:

Agenda Item	Board Recommendation
1. Election of the nine directors nominated by the Company's Board of Directors	FOR
2. Ratification of the appointment of Ernst & Young as the Company's Independent Registered Public Accounting Firm for 2016	FOR
3. Advisory vote on executive compensation	FOR
4. Amendment and Restatement of the Belden Inc. 2011 Long Term Incentive Plan	FOR

Please refer to the proxy statement for detailed information on the proposals and the annual meeting. Your participation is appreciated.

Sincerely,

John Stroup

President and Chief Executive Officer

Table of Contents

BELDEN INC.

1 North Brentwood Boulevard, 15th Floor

Saint Louis, Missouri 63105

314-854-8000

NOTICE OF 2016 ANNUAL STOCKHOLDERS MEETING

AGENDA

1. To elect the nine directors nominated by the Company's Board of Directors, each for a term of one year
2. To ratify the appointment of Ernst & Young as the Company's independent registered public accounting firm for 2016
3. To hold an advisory vote on executive compensation
4. To amend and restate the Company's 2011 Long Term Incentive Plan
5. To transact any other business as may properly come before the meeting (including adjournments and postponements)

WHO CAN VOTE

You are entitled to vote if you were a stockholder at the close of business on Thursday, March 31, 2016 (our record date).

FINANCIAL STATEMENTS

The Company's 2016 Annual Report to Stockholders, which includes the Company's Annual Report on Form 10-K, is available on the same website as this Proxy Statement. If you were mailed this Proxy Statement, the Annual Report was included in the package. The Form 10-K includes the Company's audited financial statements and notes for the year ended December 31, 2015, and the related Management's Discussion and Analysis of Financial Condition and Results of Operations.

By Authorization of the Board of Directors,

Brian Anderson

Senior Vice President-Legal, General Counsel and

Corporate Secretary

Saint Louis, Missouri

April 6, 2016

DATE: Thursday, May 26, 2016
TIME: 12:30 p.m. CDT
PLACE: Four Seasons Hotel Saint Louis,

Mississippi Room, 8th Floor,

999 North 2nd Street,

Saint Louis, Missouri 63102

VOTING

Please vote as soon as possible to record your vote promptly, even if you plan to attend the annual meeting. You have three options for submitting your vote before the annual meeting:

Phone

(if you request a full delivery of the proxy materials)

Internet

Mail

(if you request a full delivery of the proxy materials)

Table of Contents

**PROXY STATEMENT FOR THE
2016 ANNUAL MEETING OF STOCKHOLDERS OF
BELDEN INC.**

To be held on Thursday, May 26, 2016

TABLE OF CONTENTS

<u>GENERAL INFORMATION</u>	1
<u>INTERNET AVAILABILITY OF PROXY MATERIALS</u>	1
<u>CONTACT INFORMATION FOR QUESTIONS</u>	1
<u>CORPORATE GOVERNANCE</u>	2
<u>Biographies of Directors Seeking Reappointment</u>	3
<u>Audit Committee</u>	8
<u>Compensation Committee</u>	8
<u>Finance Committee</u>	8
<u>Nominating and Corporate Governance Committee</u>	8
<u>Corporate Governance Documents</u>	9
<u>Related Party Transactions and Compensation Committee Interlocks</u>	9
<u>Communications with Directors</u>	9
<u>Board Leadership Structure and Role in Risk Oversight</u>	10
<u>Director Stock Ownership Policy</u>	10
<u>DIRECTOR COMPENSATION</u>	10
<u>ITEM I ELECTION OF NINE DIRECTORS</u>	11
<u>PUBLIC ACCOUNTING FIRM INFORMATION</u>	12
<u>ITEM II RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG AS THE COMPANY'S</u>	
<u>INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2016</u>	12
<u>Fees to Independent Registered Public Accountants for 2015 and 2014</u>	12
<u>Audit Committee's Pre-approval Policies and Procedures</u>	12
<u>Report of the Audit Committee</u>	13
<u>EXECUTIVE COMPENSATION</u>	15
<u>Compensation Discussion and Analysis</u>	15
<u>A Note from the Belden Compensation Committee</u>	15
<u>I. Introduction</u>	15
<u>II. Executive Summary</u>	16
<u>III. 2015 Say-on-Pay Review</u>	17
<u>IV. Compensation Objectives and Elements</u>	17
<u>A. Objectives</u>	17
<u>B. Elements</u>	18

<u>C. Pay for Performance Philosophy</u>	18
<u>D. Compensation Design</u>	19
<u>V. 2015 Compensation Analysis</u>	20
<u>A. Base Salary Adjustments</u>	20
<u>B. Annual Cash Incentive Plan Awards</u>	21
<u>C. Performance-Based Equity Awards</u>	25
<u>VI. Compensation Policies and Other Considerations</u>	26
<u>Report of the Compensation Committee</u>	28
<u>Compensation and Risk</u>	29
<u>Compensation Tables</u>	29
<u>Summary Compensation Table</u>	30
<u>Grants of Plan-Based Awards</u>	32
<u>Outstanding Equity Awards at Fiscal Year-End</u>	33
<u>Option Exercises and Stock Vested</u>	35
<u>Pension Benefits</u>	36
<u>Nonqualified Deferred Compensation</u>	36
<u>Employment, Severance and Change-In-Control Arrangements</u>	37
<u>Potential Payments Upon Termination or Change-In-Control</u>	38
<u>ITEM III ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	41
<u>ITEM IV AMEND AND RESTATE THE BELDEN INC. 2011 LONG TERM INCENTIVE PLAN</u>	42
<u>Vote Required for Approval</u>	42
<u>Description of the Plan</u>	43
<u>Plan Share Limits</u>	43
<u>Overhang</u>	43
<u>Participant Award Limits</u>	45
<u>Plan Administration</u>	45
<u>Awards under the Plan</u>	45
<u>Dividend Equivalents</u>	47
<u>Termination of Employment</u>	47
<u>Treatment of Awards Upon a Change in Control</u>	48
<u>Treatment of Awards Upon Disposition of a Facility or Operating Unit</u>	48
<u>Amendment of Awards or the Plan and Adjustment of Awards</u>	48
<u>Additional Provisions</u>	48
<u>Nonemployee Director Awards</u>	48
<u>Termination</u>	49
<u>U.S. Federal Income Tax Consequences Under the Plan</u>	49
<u>Incorporation by Reference</u>	50
<u>OWNERSHIP INFORMATION</u>	51
<u>EQUITY COMPENSATION PLAN INFORMATION ON DECEMBER 31, 2015</u>	51
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	51
<u>STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	52
<u>Beneficial Ownership Table of Directors, Nominees and Executive Officers</u>	52
<u>Beneficial Ownership Table of Stockholders Owning More Than Five Percent</u>	54
<u>OTHER MATTERS</u>	55
<u>FREQUENTLY ASKED QUESTIONS</u>	55
<u>STOCKHOLDER PROPOSALS FOR THE 2017 ANNUAL MEETING</u>	58
<u>APPENDIX I ANNUAL CASH INCENTIVE PLAN PERFORMANCE FACTORS</u>	I-1

APPENDIX II AMENDED AND RESTATED BELDEN INC. 2011 LONG TERM INCENTIVE PLAN

Belden Inc. 2016 Proxy Statement

Page i

Table of Contents

GENERAL INFORMATION

INTERNET AVAILABILITY OF PROXY MATERIALS

Under rules of the United States Securities and Exchange Commission (SEC), we are furnishing proxy materials to our stockholders primarily via the Internet, instead of mailing printed copies of those materials to each stockholder. On April 6, 2016, we began mailing to our stockholders (other than those who previously requested electronic or paper delivery) a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy materials, including our proxy statement and our annual report. The Notice of Internet Availability of Proxy Materials also instructs you on how to access your proxy card to vote through the Internet or by telephone.

This process is designed to expedite stockholders' receipt of proxy materials, lower the cost of the annual meeting, and help conserve natural resources. However, if you would prefer to receive printed proxy materials, please follow the instructions included in the Notice of Internet Availability of Proxy Materials. If you have previously elected to receive our proxy materials electronically, you will continue to receive these materials via e-mail unless you elect otherwise.

CONTACT INFORMATION FOR QUESTIONS

Answers to certain frequently asked questions including the votes required for approval of the agenda items are included in this document beginning on page 55. For other questions, please see the following contact information:

For questions

Regarding:

Contact:

Annual meeting or
Executive Compensation

Belden Investor Relations, 314-854-8054

Questions

Stock ownership
(Stockholders of Record)

American Stock Transfer & Trust Company
<http://www.amstock.com>
800-937-5449 (within the U.S. and Canada)
718-921-8124 (outside the U.S. and Canada)

Stock ownership
(Beneficial Owners)

Contact your broker, bank or other nominee

Voting

Belden Corporate Secretary, 314-854-8035

Table of Contents**CORPORATE GOVERNANCE**

The Belden Board has ten members and four standing committees: Audit, Compensation, Finance and Nominating and Corporate Governance. The Board had five meetings during 2015; one of which was telephonic. All directors attended 75% or more of the Board meetings and the Board committee meetings on which they served. The maximum number of directors authorized under the Company's bylaws is currently ten. Mr. Kalnasy will not stand for reappointment to the Board and will retire from the Board in May 2016. The Board and the Company thank Mr. Kalnasy for his distinguished service to Belden over the last three decades.

Name of Director	Audit	Compensation	Finance	Nominating and Corporate Governance
David Aldrich ⁽¹⁾		Chair		
Lance C. Balk ⁽²⁾		Member	Chair	
Steven W. Berglund		Member		
Judy L. Brown	Member		Member	
Bryan C. Cressey ⁽³⁾			Member	Member
Glenn Kalnasy		Member		
Jonathan Klein ⁽⁴⁾				Member
George Minnich	Chair			
John M. Monter	Member			Chair
John Stroup				
Meetings held in 2015	11	4	5	4

(1) Mr. Aldrich became the chair of the Compensation Committee in August 2015.

(2) Mr. Balk rotated from the Nominating & Corporate Governance Committee to the Compensation Committee in November 2015.

(3) Mr. Cressey serves as the chair of the Board.

(4) Mr. Klein was appointed to the Board and the Nominating and Corporate Governance Committee in August 2015.

Table of Contents

At its regular meeting in February 2016, the Board determined that each of the non-employee directors seeking reappointment meets the independence requirements of the NYSE listing standards. As part of this process, the Board determined that each such member had no material relationship with the Company.

Biographies of Directors Seeking Reappointment

Director Since: 2007

Board Committees:

Compensation
(Chair)

David J. Aldrich, 59

Principal Occupation, Professional Experience and Educational Background:

The Board recruited Mr. Aldrich based on his experience in high technology signal transmission applications and for his experience as a current Chief Executive Officer of a public company. From April 2000 to May 2014, he served as President, Chief Executive Officer, and Director of Skyworks Solutions, Inc. (Skyworks). In May 2014, Mr. Aldrich was named Chairman of the Board and Chief Executive Officer of Skyworks. Skyworks is an innovator of high performance analog and mixed signal semiconductors enabling mobile connectivity.

Mr. Aldrich received a B.A. degree in political science from Providence College and an M.B.A. degree from the University of Rhode Island.

Director Since: 2000

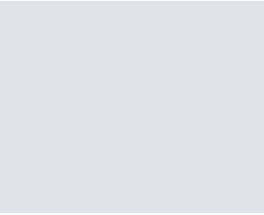
Board Committees:

Compensation
Finance (Chair)

Lance C. Balk, 58

Principal Occupation, Professional Experience and Educational Background:

In September, 2010, Mr. Balk was appointed as General Counsel of Six Flags Entertainment Corporation. Previously, Mr. Balk served as Senior Vice President and General Counsel of Siemens Healthcare Diagnostics from November 2007 to January 2010. From May 2006 to November 2007, he served in those positions with Dade Behring, a leading supplier of products, systems and services for clinical diagnostics, which was acquired by Siemens Healthcare Diagnostics in November 2007. Previously, he had been a partner of Kirkland & Ellis LLP since 1989, specializing in securities law and mergers and acquisitions. The Board originally recruited Mr. Balk based on his expertise in advising multinational public and private companies on complex mergers and acquisitions and corporate finance transactions. He provides insight to the Board regarding business strategy, business acquisitions and capital structure.



Mr. Balk received a B.A. degree from Northwestern University and a J.D. degree and an M.B.A. degree from the University of Chicago.

Table of Contents

Director Since: 2013

Board Committees:

Compensation

Steven W. Berglund, 64

Principal Occupation, Professional Experience and Educational Background:

Mr. Berglund's experience as president and chief executive officer of Trimble Navigation Limited, a technology based firm providing positioning and location solutions, since March 1999 make him highly qualified to serve on the Company's Board.

Prior to joining Trimble, Mr. Berglund was President of Spectra Precision, a group within Spectra Physics AB. Mr. Berglund's business experience includes a variety of senior leadership positions with Spectra Physics, and manufacturing and planning roles at Varian Associates. He began his career as a process engineer at Eastman Kodak.

Mr. Berglund attended the University of Oslo and the University of Minnesota where he received a B.S. in chemical engineering. He received his M.B.A. from the University of Rochester and is the current chair of the board of directors of the Silicon Valley Leadership Group and a member of the construction sector board of the Association of Equipment Manufacturers.

Director Since: 2008

Board Committees:

Audit

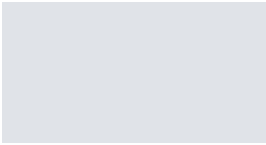
Finance

Judy L. Brown, 47

Principal Occupation, Professional Experience and Educational Background:

In recruiting Ms. Brown, the Board sought a member with international experience in finance and accounting to help the Company pursue its strategic global focus. As an employee of Ernst & Young for more than nine years in the U.S. and Germany, she provided audit and advisory services to U.S. and European multinational public and private companies. She served in various financial and accounting roles for six years in the U.S. and Italy with Whirlpool Corporation, a leading manufacturer and marketer of appliances. In 2004, she was appointed Vice President and Controller of Perrigo Company, a leading global healthcare supplier and the world's largest manufacturer and marketer of over-the-counter pharmaceutical products sold under store brand labels. Since 2006, she has served as Executive Vice President and Chief Financial Officer of Perrigo.

She received a B.S. degree in Accounting from the University of Illinois; an M.B.A. from the University of Chicago; and attended the Aresty Institute of Executive Education of the



Wharton School of the University of Pennsylvania. Ms. Brown also is a Certified Public Accountant.

Table of Contents

Director Since: 1985

Chairman

Board Committees:

Finance

Nominating and

Corporate

Governance

Bryan C. Cressey, 66

Principal Occupation, Professional Experience and Educational Background:

For the past twenty-nine years, Mr. Cressey has been a General Partner and Principal of Golder, Thoma and Cressey, Thoma Cressey Bravo, and Cressey & Company, all private equity firms, the last of which he founded in 2007. The firms have specialized in healthcare, software and business services. He is also a director of Select Medical Holdings Corporation, a healthcare services company, and several privately held companies. He was a director of Jazz Pharmaceuticals, a specialty pharmaceutical company until 2012. Mr. Cressey's years of senior-level experience with public and private companies in diverse industries, his legal and business education and experience, and his regular interaction with the equity markets make him highly qualified to serve on the Company's Board.

Mr. Cressey received a B.A. degree from the University of Washington and a J.D. degree and an M.B.A. degree from Harvard University.

Director Since: 2015

Board Committees:

Nominating and

Corporate

Governance

Jonathan C. Klein, 58

Principal Occupation, Professional Experience and Educational Background:

The Board recruited Mr. Klein for his extensive experience within the broadcast industry, more specifically his experience with programming, production, and over-the-top distribution models. Since 2012, Mr. Klein has served as the CEO and Co-Founder of TAPP Media, an over-the-top subscription video platform which operates paid channels build around personalities. From 2004 to 2010, he served as President of CNN leading the U.S. network to its highest ratings and profitability. Previously he had been the Founder and CEO of the FeedRoom, a pioneering online video aggregation site, developing new online advertising concepts which have become industry standards today. From 1996 to 1998 he served as Executive Vice President of CBS News, overseeing prime time programming and strategic planning for in-house studio productions.

Mr. Klein attended Brown University where he received a B.A. in history.

Table of Contents**George E. Minnich, 66****Director Since:** 2010**Principal Occupation, Professional Experience and Educational Background:**

Mr. Minnich served as Senior Vice President and Chief Financial Officer of ITT Corporation from 2005 to 2007. Prior to that, he served for twelve years in several senior finance positions at United Technologies Corporation, including Vice President and Chief Financial Officer of Otis Elevator and of Carrier Corporation. He also held various positions within Price Waterhouse from 1971 to 1993, serving as an Audit Partner from 1984 to 1993. Mr. Minnich served on the Board of Trustees of Albright College from 2008 to 2014, is a member of the Board and Audit Committee of Kaman Corporation, an aerospace and industrial distribution company, and a Board member and Audit Committee Chair of AGCO Corporation, a maker of a broad range of tractors, combines, sprayers, forage and tillage equipment, implements and hay tools. His extensive financial and accounting experience gained over 35 years plus his experience on other public company boards was important to the Board in connection with his initial election. His senior level operational background provides the Board with additional insights into multinational industrial companies.

Board Committees:

Audit (Chair)

Mr. Minnich received a B.S. degree in Accounting from Albright College.

John M. Monter, 68**Director Since:** 2004**Principal Occupation, Professional Experience and Educational Background:**

Mr. Monter served as a director of Belden 1993 Inc. beginning in 2000 and was appointed to the Company's Board at the time of the merger of Belden 1993 Inc. and Cable Design Technologies Corporation in 2004. During his career, Mr. Monter has served in the general management position for three companies, two manufacturers and a construction services company. Previous to his general management experience, Mr. Monter worked in several marketing and sales positions, including holding worldwide responsibilities in both marketing and sales for a multinational manufacturing company. His broad general management and sales and marketing experience at the policy-making level particularly qualifies him to serve on the Company's Board.

Board Committees:

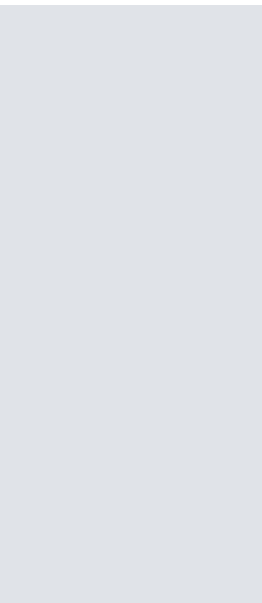
Audit

Nominating and

Corporate

Governance (Chair)

From 1993 to 1996, he was President of the Bussmann Division of Cooper Industries, Inc. Bussmann is a multi-national manufacturer of electrical and electronic fuses, with ten



manufacturing facilities in four countries and sales offices in most major industrial markets around the world. From 1996 through 2004, he was President and Chief Executive Officer of Brand Services, Inc. (Brand) and also a member of the board of directors of its parent companies, Brand DLJ Holdings (1996-2002) and Brand Holdings, LLC (2002-2006). He was named Chairman of Brand DLJ Holdings in 2001 and Chairman of Brand Holdings, LLC in 2002. From January 1, 2005 through April 30, 2006, he served as Vice Chairman of Brand Holdings, LLC. Brand is a supplier of scaffolding and specialty industrial services. In 2008, he was elected a director on the board of Environmental Logistics Services, a privately held company that is owned by Centre Partners. Environmental Logistics Services operates a landfill operation in northeast Ohio.

Mr. Monter received a B.S. degree in journalism from Kent State University and an M.B.A. degree from the University of Chicago.

Table of Contents

Director Since: 2005

President and Chief Executive Officer of Belden Inc.

John S. Stroup, 49

Principal Occupation, Professional Experience and Educational Background:

Mr. Stroup was appointed President, Chief Executive Officer and member of the Board effective October 31, 2005. His experience in strategic planning and general management of business units of other public companies, coupled with his in-depth knowledge of the Company, makes him an integral member of the Board and a highly qualified intermediary between management and the Co