

RTI INTERNATIONAL METALS INC

Form DEF 14A

April 02, 2010

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

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

RTI INTERNATIONAL METALS, 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:

(3) Per unit 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:

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- o Fee paid previously with preliminary materials.
- o 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:

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**Notice of Annual Meeting of
Shareholders and Proxy Statement**

April 30, 2010

1:00 p.m. Eastern Daylight Time

Loews Hotel Vogue
1425 Rue De La Montagne
Montreal, Quebec
Canada H3G 1Z3

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS

The following proxy materials are available for you to review online at www.proxydocs.com/rti:

This Proxy Statement

Form of Company Proxy Card

The Company's 2009 Annual Report to Shareholders
(which is not deemed to be part of the official proxy soliciting materials)

Any amendments to these materials required to be furnished to our shareholders

This website is designed to provide complete anonymity with respect to a shareholder accessing the website, consistent with the Securities and Exchange Commission rules.

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Westpointe Corporate Center One, 5th Floor
1550 Coraopolis Heights Road
Pittsburgh, Pennsylvania 15108-2973

April 1, 2010

Dear RTI Shareholder:

You are cordially invited to attend our 2010 Annual Meeting of Shareholders on April 30, 2010, at the Loews Hotel Vogue in Montreal, Canada.

The meeting will begin promptly at 1:00 p.m. Eastern Daylight Time with a report on Company operations. We will then elect directors and seek ratification of the appointment of our independent registered public accounting firm.

You have a choice of voting your proxy via the Internet, by telephone or by completing and returning the enclosed proxy card. Whether or not you plan to attend the meeting, it is important that you vote your shares and we encourage you to do so as soon as possible.

We look forward to seeing as many of you as possible at the 2010 Annual Meeting.

Sincerely,

Robert M. Hernandez
Chairman of the Board

Dawne S. Hickton
Vice Chairman, President & Chief Executive Officer

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF
RTI INTERNATIONAL METALS, INC.**

Time:

1:00 p.m. Eastern Daylight Time

Date:

April 30, 2010

Place:

Loews Hotel Vogue
1425 Rue De La Montagne
Montreal, Quebec
Canada H3G 1Z3

Purpose:

Elect directors

Ratify the appointment of independent registered public accounting firm

Conduct other business if properly raised

Your vote is important. Please vote promptly by following the instructions on the next page and on the enclosed proxy card.

Chad Whalen

Secretary

April 1, 2010

Only shareholders of record on March 15, 2010 may vote at the meeting.

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PROXY STATEMENT

General Information

Who may vote?

Shareholders of RTI as of the close of business on the record date, March 15, 2010, are entitled to vote at the Annual Meeting.

What may I vote on?

You may vote on:

- (1) the election of nominees to serve on our Board of Directors,
- (2) the ratification of the appointment of our independent registered public accounting firm for 2010, and
- (3) any other matters that may be properly presented at the meeting.

Voting recommendations

The Board recommends that you vote:

FOR each of the nominees presented in this proxy statement and

FOR the ratification of the appointment of PricewaterhouseCoopers as our independent registered public accounting firm for 2010.

Solicitation

This proxy statement is being furnished by RTI to its shareholders in connection with the solicitation of proxies to be voted at the Annual Meeting. RTI intends to first mail this proxy statement to shareholders on or about April 1, 2010.

How do I vote?

You may vote in any one of the following three ways:

- (1) By Internet: Go to the website shown on the enclosed proxy card (www.investorvote.com) and follow the instructions.
- (2) By Telephone: Call the toll-free number shown on the enclosed proxy card (1-800-652-8683) and follow the voice prompts using a touch-tone telephone.
- (3) By Mail: Sign and date each proxy card you receive and return it in the envelope provided. If you return a signed proxy card but do not mark the boxes showing how you wish to vote, your shares will be voted FOR all proposals.

You have the right to revoke your proxy at any time before the meeting by sending a written notice of revocation or a later-dated proxy card to RTI's Secretary, by voting subsequently through the Internet or by telephone, or by voting in person at the meeting. Attendance at the meeting will not by itself revoke a previously granted proxy.

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CORPORATE GOVERNANCE

Business Ethics and Corporate Governance

Business Conduct and Ethics

RTI International Metals, Inc. (RTI or the Company) is committed to conducting business ethically, as well as legally. Ethical and legal conduct in all of the Company's business affairs is essential to the Company's future. The Company's Code of Ethical Business Conduct, adopted by the Board of Directors, applies to all directors and employees of the Company, including all of its executive and other officers and its principles extend to those with whom we conduct business. The Code of Ethical Business Conduct is intended to comply with the requirements of the New York Stock Exchange and Securities and Exchange Commission regulations.

The Code of Ethical Business Conduct is posted under the Investor Relations link on the Company's website, www.rtiintl.com. Any amendments as well as waivers of the application of the Code of Ethical Business Conduct to directors or executive officers will be disclosed promptly on the website. There were no waivers during 2009.

Corporate Governance Guidelines

The Company's Corporate Governance Guidelines (the Governance Guidelines) were adopted by the Board of Directors to promote sound corporate citizenship and are intended to comply with the requirements of the New York Stock Exchange. The Governance Guidelines, taken together with the charters of the various committees of the Board of Directors, provide the framework for the corporate governance of the Company. The Governance Guidelines cover a number of topics, including: the size and role of the Board of Directors; non-employee director executive sessions; attendance at Board of Directors meetings; access to senior management and advisors; compensation of the Board of Directors; independence, composition and membership criteria of the Board of Directors; self-assessment of the Board of Directors; retirement age; and process for nominations to the Board of Directors.

The Company's Governance Guidelines are posted under the Investor Relations link on the Company's website, www.rtiintl.com.

Director Education

The Company has educational presentations from time to time at Board and Committee meetings and encourages its directors to attend educational seminars and conferences to enhance his or her knowledge of the role and responsibilities of directors. Any director who attends an educational seminar or conference may receive reimbursement from the Company for the reasonable costs incurred in connection with his or her attendance. Three directors attended director education seminars or programs sponsored by a third party during 2009.

The Board of Directors

The business and affairs of the Company are conducted under the general direction of the Board of Directors (the Board). The Board presently consists of ten members, nine of whom are neither officers nor employees of the Company or its subsidiaries. The Board has determined that Craig R. Andersson, Daniel I. Booker, Donald P. Fusilli, Jr., Ronald L. Gallatin, Charles C. Gedeon, Robert M. Hernandez, Edith E. Holiday, Bryan T. Moss, and James A. Williams all meet applicable Securities and Exchange Commission and New York Stock Exchange rules and listing standards relating to independence generally and for all committees on which they serve. None of the independent directors has a relationship with the Company that is material. Mr. Andersson is not standing for

reelection in 2010 as he has reached the mandatory retirement age of 72 as set forth in the Company's Governance Guidelines. His seat will not be filled, and consequently, following the 2010 annual meeting the Board's size will be reduced to nine members, eight of whom are independent.

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The Board met nine times during 2009. All of the directors attended more than 75% of the total number of meetings of the Board and of the committees on which they serve. The Chairman of the Board, Mr. Hernandez, chairs the regularly-scheduled executive sessions of the non-management directors. In the Chairman's absence, Ms. Holiday, chair of the Nominating/Corporate Governance Committee, chairs the meeting.

It is the policy of the Nominating/Corporate Governance Committee to consider recommendations by shareholders, directors, officers, employees, and others for nominees for election as director. Recommendations, together with the nominee's qualifications and consent to be considered as a nominee, should be sent to the Company's Secretary, at the address set forth under the caption *Other Information* on the last page of this proxy document, for presentation to the Nominating/Corporate Governance Committee. Board Membership criteria considered by the Committee is discussed below under the caption *Nominating/Corporate Governance Committee* and is set forth in the Company's Governance Guidelines, which may be accessed under the Investor Relations link on the Company's website, www.rtiintl.com.

There are four principal committees of the Board. Committee membership, the functions of each committee and the number of meetings held during 2009 are described below.

Audit Committee

The current members of the Audit Committee are James A. Williams (Chairman), Donald P. Fusilli, Jr., Ronald L. Gallatin, and Robert M. Hernandez. All of the members of this Committee met the New York Stock Exchange's rules and listing standards for audit committee independence. The Board has determined that Messrs. Fusilli, Gallatin, Hernandez, and Williams are each qualified as an audit committee financial expert within the meaning of Securities and Exchange Commission regulations, and that each of the members of the Audit Committee has accounting or financial management expertise within the meaning of the listing standards of the New York Stock Exchange.

The Audit Committee assists the Board in overseeing the Company's financial reporting process and systems of internal accounting control, the Company's compliance with legal and regulatory requirements and qualifications, and the independence and performance of the Company's internal auditors and independent registered public accounting firm. The Audit Committee has direct responsibility for the appointment, compensation, retention and oversight of the Company's independent registered public accounting firm. The Audit Committee has adopted, and the Board has approved, the Audit Committee charter, which may be accessed under the Investor Relations link on the Company's website, www.rtiintl.com.

The Audit Committee held six meetings in 2009.

The Compensation Committee

The Compensation Committee discharges the Board's duties concerning executive compensation.

The current members of the Compensation Committee are Daniel I. Booker (Chairman), Craig R. Andersson, Charles C. Gedeon, Edith E. Holiday, and Bryan T. Moss. All of the members of this Committee met the New York Stock Exchange's rules and listing standards for independence for purposes of the Compensation Committee.

The Compensation Committee is responsible for review and approval of the Company's compensation philosophy; executive compensation programs, plans, and awards (see *Compensation Discussion and Analysis* on page 17 for further information); policies, principles, and procedures for selection and performance review of the Chief Executive Officer (the CEO) and other top members of management; and for establishing the CEO and other top management's compensation levels based on the Compensation Committee's evaluation of their performance. The Compensation Committee also administers the Company's long-term incentive plans and stock or stock-based plans. The Committee

is also tasked with the review of management's Compensation Discussion and Analysis (CD&A) and submits the Compensation Committee Report contained in this proxy statement. The

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Compensation Committee has adopted, and the Board has approved, a Compensation Committee charter, which may be accessed under the Investor Relations link on the Company's website, www.rtiintl.com.

The Compensation Committee held three meetings in 2009.

Nominating/Corporate Governance Committee

The current members of the Nominating/Corporate Governance Committee are Edith E. Holiday (Chair), Daniel I. Booker, and Robert M. Hernandez. All of the members of the Nominating/Corporate Governance Committee met the New York Stock Exchange's rules and listing standards for independence for purposes of the Nominating/Corporate Governance Committee.

The Nominating/Corporate Governance Committee is responsible for identifying individuals qualified to serve as directors; recommending to the Board candidates for election at the Annual Meeting of Shareholders or by the Board to fill vacancies occurring on the Board; and also reviewing and evaluating the Company's director compensation from time to time. Board candidates are typically suggested by members of the Nominating/Corporate Governance Committee; however, the Nominating/Corporate Governance Committee also considers Board candidates recommended or identified by other directors, management, employees, shareholders, and other constituencies. The Nominating/Corporate Governance Committee is also responsible for developing and recommending to the Board corporate governance principles applicable to the Company as well as conducting periodic reviews of such principles. The Nominating/Corporate Governance Committee has adopted, and the Board has approved, a Nominating/Corporate Governance Committee charter, which may be accessed under the Investor Relations link on the Company's website, www.rtiintl.com.

The Nominating/Corporate Governance Committee annually reviews the skills and attributes of Board members and candidates for the Board within the context of the current make-up of the full Board, which is premised on the concept that the Company's Board members should have individual backgrounds that, when combined, provide a diverse portfolio of experience and knowledge that will serve the Company's governance and strategic needs. Although the Board does not have a specific diversity policy, candidates for Board service are considered on the basis of a range of criteria including the current composition of the Board and the need to maintain a diversity of talents, backgrounds and perspectives. Further, candidates are evaluated as to their broad-based business knowledge and contacts, prominence, commitment to ethical and moral values, personal and professional integrity, sound reputation in their respective fields as well as a global business perspective and commitment to corporate citizenship. See *Shareholder Proposals* on page 43 of this proxy statement for additional information regarding procedures to be followed by shareholders in submitting recommendations. Additional information concerning director candidates is contained in the Company's Governance Guidelines, which may be accessed under the Investor Relations link on the Company's website at www.rtiintl.com.

The Nominating/Corporate Governance Committee held four meetings in 2009.

Executive Committee

The current members of the Executive Committee are Robert M. Hernandez (Chairman), Craig R. Andersson, Daniel I. Booker, and Dawne S. Hickton.

The Executive Committee assists the Board in the discharge of its responsibilities and may act on behalf of the Board when emergencies or scheduling make it difficult to convene the Board. All actions taken by the Executive Committee must be reported at the Board's next meeting. The Executive Committee held no meetings during 2009.

Board Leadership Structure

Mr. Hernandez serves as the independent Chairman of the Board and has served in such position since the Company became publicly traded. Ms. Hickton currently serves as Vice Chairman, President

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and Chief Executive Officer. The Board of Directors believes this is currently the most appropriate structure for the Company because it allows each person to focus on their respective roles; our CEO can focus on the strategic direction of the Company and the day-to-day leadership and performance of the Company, while our Chairman can focus on providing guidance to our CEO and setting the agenda and presiding over meetings of the full Board.

While the Board does not have a policy on whether or not the roles of Chief Executive Officer and Chairman of the Board should be separate and, if they are to be separate, whether the Chairman of the Board should be selected from the non-employee Directors or be an employee. The Board believes that it should be free to evaluate the current needs and interests of the Company and its shareholders at any given point in time and to make changes appropriate for those facts and circumstances.

Board's Role in the Oversight of Risk Management

The Audit Committee has been designated to take the lead in overseeing risk management at the Board level. Accordingly, the Audit Committee schedules time for periodic review of risk assessment and management activities being undertaken by management throughout the year, in addition to its other duties. In this role, the Audit Committee receives reports from management, internal audit, and other advisors, and strives to generate serious and thoughtful attention to the Company's risk management process and system, the nature of the material risks the Company faces, and the adequacy of the Company's policies and procedures designed to respond to and mitigate these risks. Although the Audit Committee leads these efforts, risk management is periodically reported on at the full Board level and feedback is sought from each director as to the most significant risks that the Company faces. This is principally accomplished through Audit Committee reports to the Board and discussion with management.

In addition to the formal compliance program, the Board and the Audit Committee encourage management to promote a corporate culture that understands risk management and incorporates it into the overall corporate strategy and day-to-day business operations of the Company. The Company's risk management structure also includes an ongoing effort to assess and analyze the most likely areas of future risk for the Company and to address them in its long-term planning process.

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PROPOSAL NO. 1

ELECTION OF DIRECTORS

The Company's directors are elected for one-year terms. As set forth in the Company's Governance Guidelines, non-employee directors may not stand for election after age seventy-two. The Board has the ability to extend the retirement age for a particular director. Employee directors leave the Board when they retire from or otherwise leave the Company.

The Board has nominated nine directors for election — each of the current directors with the exception of Mr. Andersson who has reached the retirement age and is not standing for reelection. Of the nine individuals who are nominees for election, one is a current Company officer and the remaining eight are high-level current or former executives with professional experience. If any nominee is unable to stand for election, your proxy may be voted for another nominee designated by the Board.

The professional and personal backgrounds, experiences, qualifications, attributes and skills of each nominee, as set forth below, reflect the qualities that the Company seeks in its Board members. In addition to the specific examples set forth below, the Board and the Company believe that all nominees possess additional qualifications, attributes, and skills that led the Board to believe the nominee should serve as a director, including broad-based business knowledge, commitment to ethical and moral values, personal and professional integrity, sound business judgment and commitment to corporate citizenship.

NOMINEES FOR DIRECTOR

DANIEL I. BOOKER
Partner,
Reed Smith LLP
(law firm)

Age: 62
Director since 1995

Mr. Booker is a partner of the law firm of Reed Smith LLP. From 1992 until December 31, 2000 he was Managing Partner, or chief executive, of Reed Smith. He received an undergraduate degree from the University of Pittsburgh and a law degree from the University of Chicago. He is a member of the District of Columbia, Pennsylvania and U.S. Supreme Court bars. Mr. Booker is a director of Océ USA Holding, Inc.; a member of the Judicial Council of Pennsylvania; and an officer or director of other community and professional organizations. In addition to Mr. Booker's experience as a legal advisor to a wide range of businesses, he brings to the Board demonstrated leadership skills, both as the former Managing Partner of a large law firm and through his service as a director of various corporate, community and professional organizations.

DONALD P. FUSILLI, JR.
Business Consultant

Age: 58
Director since 2003

Mr. Fusilli is the owner of The Telum Group, a privately-held consulting firm focusing on strategic planning, business development, program/project management and selected recruiting. He served as Chief Executive Officer of David Evans Marine Science, Inc., a Portland, Oregon company providing hydrogeographic surveying of seabed surfaces, in 2008. Mr. Fusilli was President and Chief Executive Officer of Michael Baker Corporation from April 25, 2001 to September 12, 2006. He joined Michael Baker in 1973 and spent six years in the engineering department before obtaining his law degree in 1979. He became General Counsel in 1984, Executive Vice President Administration of the Energy Group in 1994 and Executive Vice President and General Manager of the Group in 1995. He was elected

President and Chief Operating Officer in March 2000. Mr. Fusilli is a Civil Engineering graduate of Villanova University and holds a juris doctor degree from Duquesne University School of Law. He also attended the Advanced Management Program at the Harvard University Business School. Mr. Fusilli is also a Director of Sterling Construction Company, Inc. and Merrick & Company. Mr. Fusilli brings leadership skills developed through his executive management experience and service on other boards. In addition, his engineering experience and knowledge of the energy industry contribute to the Board's breadth of knowledge.

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RONALD L. GALLATIN
Retired Managing Director
Lehman Brothers Inc.
(investment banking firm)

Age: 64
 Director since 1996

Mr. Gallatin served as a Managing Director of Lehman Brothers Inc., where he was a member of the Firm's Operating Committee and its Director of Corporate Strategy and Product Development until his retirement on December 31, 1995. During his 24 years with Lehman, Mr. Gallatin had various senior roles in both its investment banking and capital markets divisions and was responsible for a series of financial innovations, most notably Zero Coupon Treasury Receipts, Money Market Preferred Stock and Targeted Stock. A graduate of New York University, and both Brooklyn and New York University Law Schools, Mr. Gallatin has bachelor's, juris doctor and master of laws (taxation) degrees and is a Certified Public Accountant. Mr. Gallatin provides financing and investment banking experience as a result of his career on Wall Street and educational background. He has also demonstrated a sense of social responsibility and fiduciary leadership through his involvement with various charitable organizations.

CHARLES C. GEDEON
Retired Businessman

Age: 69
 Director since 1991

Mr. Gedeon joined United States Steel Corporation in 1986 as Vice President Raw Materials and President of U.S. Steel Mining Co., Inc. He was promoted to Senior Vice President Related Resources in 1988 and advanced to the position of President, U.S. Diversified Group in 1990. He became Executive Vice President Raw Materials and Transportation of U.S. Steel in 2003. He retired from this position on June 30, 2003. From 1983 until he joined U.S. Steel, Mr. Gedeon had been Vice President Operations of National Steel Corporation. Mr. Gedeon brings an understanding of the metals industry to the Board. He also possesses executive management, commercial and operational skills that contribute to the Board's knowledge base.

ROBERT M. HERNANDEZ
Chairman of the Board of the Company

Age: 65
 Director since 1990

On December 31, 2001, Mr. Hernandez retired as Vice Chairman and Chief Financial Officer and director of USX Corporation. He was elected to this position on December 1, 1994. Mr. Hernandez had been elected Executive Vice President, Accounting & Finance and Chief Financial Officer and director of USX on November 1, 1991. He was Senior Vice President, Finance & Treasurer of USX from October 1, 1990, to October 31, 1991. Mr. Hernandez was President, U.S. Diversified Group of USX from June 1, 1989, to September 30, 1990, and in such role had responsibilities for USX's businesses not related to energy and steel. From January 1, 1987, until May 31, 1989, he was Senior Vice President and Comptroller of USX. Mr. Hernandez has his undergraduate degree from the University of Pittsburgh and his masters of business administration from the Wharton Graduate School of the University of Pennsylvania. He is Chairman of the Board of Trustees of BlackRock Open End Equity & Long-Term Bond Funds; lead director of American Casualty Excess (ACE) Limited; a director of Eastman Chemical Company; and a director of Tyco Electronics Corporation. As a former executive officer of USX and one of RTI's original directors upon becoming publicly traded, he brings to the Board executive management and financial experience in the metals industry. Through his service as a director on various publicly-traded companies, Mr. Hernandez has leadership, finance and corporate governance experience.

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Vice Chairman, President and Chief Executive OfficerAge: 52
Director since 2007

Ms. Hickton has served as the Vice Chairman, President and Chief Executive Officer of the Company since October 2009 and as Vice Chairman and Chief Executive Officer of the Company since 2007. Since June 2005, she served as Senior Vice President of Administration and Chief Administrative Officer. In this capacity she managed the accounting, treasury, tax, business information systems, personnel and legal functions of the Company. From April 1997 until June 2004, Ms. Hickton was Vice President and General Counsel. She holds a bachelor's degree from the University of Rochester and a juris doctor degree from the University of Pittsburgh. She is also a director of F.N.B. Corporation and a member of the Board of Trustees of the University of Pittsburgh. As the most senior executive of the Company, Ms. Hickton provides the Board with insight into the Company's business operations, opportunities and challenges. In addition, Ms. Hickton's history with the Company, metals industry experience and service on other boards of directors, support her leadership skills and contributions to the Board.

EDITH E. HOLIDAY
AttorneyAge: 58
Director since 1999

Ms. Holiday was elected a director on July 29, 1999. She served as Assistant to the President and Secretary of the Cabinet in the White House from 1990 to 1993. Prior to that, she held several senior positions in the United States Treasury Department including General Counsel. She is a director of Hess Corporation; White Mountains Insurance Group, Ltd.; Canadian National Railway Company and H.J. Heinz Company. She is also a director or trustee of a number of investment companies in the Franklin Templeton Group of Funds. She has bachelor's and juris doctor degrees from the University of Florida. Ms. Holiday's service on the boards of multiple publicly-held companies allows her to bring leadership skills and experience in a variety of matters to the Company's Board. This experience and skill set, as well as her legal background and the skills she developed while serving in various positions with the federal government, led to the conclusion that she should serve as a director.

BRYAN T. MOSS
Retired BusinessmanAge: 70
Director since June 2008

Mr. Moss served as President Emeritus of Gulfstream Aerospace (a subsidiary of General Dynamics Corporation) from April 2007 until his retirement in March 2008, and prior to that served for four years as President of Gulfstream Aerospace and Executive Vice President, Aerospace Group, General Dynamics Corporation. Mr. Moss is currently serving as a consultant to General Dynamics and has served on the U.S.-Japan Business Council, the U.S.-China Business Council, and the U.S.-Hong Kong Business Council. He is also a member of the Georgia Tech Advisory Board and the Savannah College of Art and Design Board of Visitors. Mr. Moss's experience and international business contacts in the aerospace industry, as well as his management, commercial leadership and consulting skills developed throughout his career, led the Board to conclude that he should serve as a director.

JAMES A. WILLIAMS
Retired Partner
Ernst & Young
(accounting firm)Age: 65
Director since 2005

Mr. Williams retired as a Partner at Ernst & Young on September 30, 2003. He has over 37 years' experience working with large multi-national clients and served in numerous leadership roles, including Pittsburgh Office Managing Partner, Area Managing Partner, and Partner in Charge-Audit. He is a Certified Public Accountant and has a bachelor's degree from Miami University. Mr. Williams adds financial reporting and management skills as a result of his long career with a large public accounting firm, and further enhances the Board's knowledge base with respect to

accounting, financial and other matters.

Vote Required

Each share of the Company's Common Stock is entitled to one vote per share. Under Ohio law and the Company's Code of Regulations, the nine director candidates receiving the greatest number of

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votes for election will be elected to the Company's Board of Directors. Common Shares represented by properly executed and returned forms of proxy or properly authenticated voting instructions recorded through the Internet or by telephone will be voted for the election of the Board of Directors' nominees unless authority to vote for one or more of the nominees is withheld. Common Shares as to which the authority to vote is withheld will not be counted toward the election of the individual nominees specified on the form of proxy. Abstentions will have no effect on the outcome of the vote.

If you hold your shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some of the matters to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval. Shares represented by such broker non-votes, however, will be counted in determining whether there is a quorum.

THE BOARD RECOMMENDS A VOTE FOR EACH OF THE LISTED NOMINEES.

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PROPOSAL NO. 2

RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PricewaterhouseCoopers LLP (PwC) has served as the independent registered public accounting firm for the Company and its predecessors for a number of years. For 2009, PwC rendered professional services in connection with the audit of the financial statements of the Company and its subsidiaries, including the review of quarterly reports and filings with the Securities and Exchange Commission, and provided tax services. They are knowledgeable about the Company's operations and accounting practices and are well qualified to act as the independent registered public accounting firm, and the Audit Committee has selected PwC as such for 2010.

Audit Fees

The aggregate fees billed for professional services rendered by PwC for the audit of RTI's annual financial statements and review of financial statements in the Company's Quarterly Reports on Form 10-Q in 2009 and 2008 were \$1,895,683 and \$1,841,412, respectively.

Audit-Related Fees

The aggregate fees billed for assurance and related services rendered by PwC that were related to the services described above were \$4,000 and \$21,000 in 2009 and 2008, respectively. These services include certain agreed upon procedures related to compliance requirements.

Tax Fees

The aggregate fees billed for services rendered by PwC for tax services in 2009 and 2008 were \$530,925 and \$115,000, respectively. The services comprising these fees include federal and state tax return compliance, international tax consulting projects, and assistance with new tax pronouncements.

All Other Fees

Other than fees disclosed above, there was a payment of \$2,400 related to licensing fees in each of 2009 and 2008.

The Audit Committee pre-approves the Audit Plan on an annual basis along with the estimated fees for the plan. At each regularly scheduled, quarterly meeting, the Audit Plan and fees incurred to date are reviewed and any fees above the estimate are reviewed and approved or disapproved at the meeting. In addition, the Chairman of the Audit Committee has been delegated authority by the full Audit Committee to pre-approve additional audit and non-audit fees between meetings, subject to review by the full Audit Committee at the next regularly scheduled meeting. For 2009 and 2008, 100% of PwC's fees were pre-approved.

Representatives of PwC will be present at the Annual Meeting, will have an opportunity to make a statement if they desire to do so, and will be available to respond to appropriate questions.

Vote Required

Ratification of the appointment of the independent registered public accounting firm requires the favorable vote of a majority of the votes cast. Each share of the Company's Common Stock is entitled to one vote per share, which may be

voted for or against or abstained. An abstention does not represent a vote cast, and as such has no effect on the proposal.

If you hold your shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some of the matters to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval. Shares represented by such broker non-votes will, however, be counted in determining whether there is a quorum.

**THE BOARD RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF
PRICEWATERHOUSECOOPERS LLP AS
THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2010.**

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COMMITTEE REPORTS

The following reports of the Audit and Compensation Committees do not constitute soliciting materials and should not be deemed filed or incorporated by reference into any other Company filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent the Company specifically incorporates this Report by reference therein.

Audit Committee Report

The Audit Committee met with management, PwC, and representatives of the Internal Audit group (which is outsourced to Ernst & Young LLP) throughout the year to review and consider the adequacy of the Company's internal control over financial reporting and the objectivity of its financial reporting, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002. The Audit Committee also discussed with management and PwC the process used for certifications by the Company's CEO and principal financial officer that are required for certain of the Company's filings with the Securities and Exchange Commission. The Audit Committee has reviewed and discussed the Company's 2009 audited financial statements with management and with PwC. In addition, the Audit Committee also discussed with PwC the matters required to be communicated by Statement on Auditing Standards (SAS) No. 61, as amended (AICPA Professional Standards, Vol. 1, AU Section 380).

In addition, the Audit Committee received from PwC the written disclosures required by the Public Company Accounting Oversight Board's (PCAOB) Rule 3256, *Communication with Audit Committees Concerning Independence*, and have discussed their independence with them. The Audit Committee has considered whether the provision by PwC of the professional services described above was compatible with the maintenance by PwC of its independent status and has determined that it was.

Based on these reviews and discussions, the Audit Committee recommended to the Company's Board, and the Board has approved, that the Audited Financial Statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2009 for filing with the Securities and Exchange Commission.

James A. Williams (*Chairman*)
Donald P. Fusilli, Jr.
Ronald L. Gallatin
Robert M. Hernandez

Compensation Committee Report

The Compensation Committee discharges the Board's duties concerning executive compensation and prepares the report on such compensation required by the Securities and Exchange Commission.

The Compensation Committee met with management to review and discuss the Compensation Discussion and Analysis. Based on their reviews and discussions, the Compensation Committee recommended to the Company's Board that the Compensation Discussion and Analysis be included in the Company's Annual Report on Form 10-K and this proxy statement.

Daniel I. Booker (*Chairman*)

Craig R. Andersson
Charles C. Gedeon
Edith E. Holiday
Bryan T. Moss

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SECURITY OWNERSHIP