

THOR INDUSTRIES INC
Form DEF 14A
November 03, 2014
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

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

Thor Industries, 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:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

Table of Contents**Dear Fellow Shareholders of Thor Industries:**

**Peter B.
Orthwein**

**Executive
Chairman**

We are pleased to report Thor's Fiscal Year 2014 results in this year's Proxy Statement. At Thor, we, as the Board of Directors, strive to provide transparency to you, our Shareholders, as we govern with the goal of realizing sustainable growth that delivers long-term value to our Shareholders. Our focus is on overseeing Thor's strategy, risk management, compliance, talent development, and succession planning. We were pleased, and believe our Shareholders should be as well, with Thor's results for this fiscal year.

**Jan H.
Suwinski**

Lead Director

Wilson Jones

**Andrew E.
Graves**

In 2014, our efforts, as well as the efforts of Thor's management team and employees, produced record results in both sales and profitability and allowed us to maintain Thor's unbroken streak of years of profitability. During the year, we exceeded last year's record level of total sales from continuing operations by almost 9%. Management's implementation of our strategic plan led to a third straight year of record sales and improved margins, resulting in our best year of fully diluted earnings per share in Thor's rich history. Based on these results, we believe that our Shareholders should be pleased with our Fiscal Year 2014 performance.

**Robert W.
Martin**

**J. Allen
Kosowsky**

Alan Siegel

During Fiscal Year 2014, we made important strategic decisions to acquire the assets of Livin' Lite RV, Inc. and Bison Coach, LLC and the equity interests of K.Z., Inc. as we continued to focus on the thriving RV market. Even though it is only a few years old, Livin' Lite RV has already established itself as a pioneer in the RV industry by offering the only all aluminum, lightweight trailers in our industry. Bison Horse Trailers is well-established as a leader in the horse trailer market, and is one of only two companies that builds its own living quarters for its trailers. K.Z. has a 40 year history of success driven by an incredibly strong dealer body and led by a well-established management team. These acquisitions position Thor to deliver increased returns to you, our Shareholders.

**Geoffrey A.
Thompson**

**James L.
Ziemer**

We also continued our focus on corporate governance in 2014. During the year, we transitioned our lead director role from Geoffrey A. Thompson to Jan H. Suwinski. Jeff served our Company as lead director admirably for a number of years. Jan's experience and background enable him to continue to lead the Company on the path that Jeff helped establish. Also, in 2014, as part of our

Board's succession plan, we invited Wilson Jones to become a member of our Board. Wilson's background and experience uniquely qualify him to add value to our Board. Wilson currently serves as President and Chief Operating Officer of Oshkosh Corporation, a publicly-traded company, where he engages in board matters with Oshkosh's outstanding board of directors.

As we look ahead to the opportunities of Fiscal Year 2015 and beyond, our plan is to continue serving our customers with innovative products built with the very best quality and value our industry offers. We will also continue to guide management as it executes our strategic plan and works toward our goal of continued growth of shareholder return.

As Thor's Board, we state with confidence that we have a well-designed strategic plan and outstanding leadership at Thor.

We hope to see you at the Meeting. We thank you--our Shareholders--for the trust and confidence that each of you have in Thor.

The Board of Directors of Thor Industries, Inc.

Table of Contents

November 3, 2014

Dear Fellow Shareholders:

I am pleased to invite you to attend our Annual Meeting of Shareholders that will be held on December 9, 2014, commencing at 1:00 p.m., Eastern Standard Time, at The Cornell Club, 6 East 44th Street, New York, NY 10036. We hope that you will attend our Meeting. In the event that you cannot attend, we strongly urge you to vote your shares by completing the enclosed proxy card and submitting it as instructed.

Thor Industries values the input of its Shareholders tremendously. Your vote, every vote, is important to us. Please take the time to review our Proxy Statement and submit your votes. I thank you for your support of our Company.

Sincerely,

Peter B. Orthwein

Executive Chairman of the Board

Table of Contents**PROXY SUMMARY**

This summary highlights the information contained in our Fiscal Year 2014 Proxy Statement. While it does not contain all of the information in this Proxy Statement, it provides an overview of the information discussed herein. You should carefully review the entire Proxy Statement before voting.

	Board Recommendation
VOTING MATTERS:	
PROPOSAL 1: ELECTION OF DIRECTORS	
Directors up for Election:	
<p>J. Allen Kosowsky: Mr. Kosowsky has been a director since 2010. He is the current chair of our Nominating and Corporate Governance Committee and a member of our Audit Committee, and is considered an audit committee financial expert. Mr. Kosowsky is a certified public accountant who is the head of his own advisory firm. Mr. Kosowsky has and continues to serve on several boards and committees in addition to ours. He is a well qualified individual and an asset to our Board.</p>	<p>Ⓟ FOR</p>
<p>Jan H. Suwinski: Mr. Suwinski has been a director since 1999 and has served as our lead independent director since December of 2013. Mr. Suwinski is a Clinical Professor of Management and Operations at the Samuel Curtis Johnson Graduate School of Management at Cornell University. Mr. Suwinski is the current chair of our Compensation and Development Committee and a current member of our Audit Committee, on which he previously served as Chairman. Mr. Suwinski served in a variety of managerial roles at Corning, Incorporated, a global manufacturing company. From 1990 to 1996, Mr. Suwinski was Executive Vice President, Opto Electronics Group at Corning, Incorporated and, from 1992 to 1996, Mr. Suwinski was Chairman of Siecor, a Siemens/Corning joint venture. Mr. Suwinski has and continues to serve on several boards and with his management experience and public company expertise continues to be an asset to our Board.</p>	<p>Ⓟ FOR</p>

Wilson Jones: Mr. Jones joined our Board as a director effective August 1, 2014. Mr. Jones is the current President and Chief Operating Officer of Oshkosh Corporation. Mr. Jones has spent much of his career involved with specialty vehicles. Mr. Jones is required to run for election at the first scheduled election of directors after joining our Board. His history of successfully developing new products, managing cyclical businesses, overseeing international operations, and implementing operational disciplines make him a great asset to our Board.

þ **FOR**

PROPOSAL 2: RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED ACCOUNTING FIRM FOR FISCAL YEAR 2015

þ **FOR**

PROPOSAL 3: NON-BINDING ADVISORY VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS (NEO s)

þ **FOR**

Table of Contents

GOVERNANCE HIGHLIGHTS

Good corporate governance is essential to the continued long term success of our business. The following list identifies certain governance practices at Thor in Fiscal Year 2014:

7 of our 9 Directors are Independent

Independent Lead Director

Annual Board Self Assessment

Independent Directors Meet Without
Management Present

Clawback Policy: Return of Incentive
Compensation Under Certain
Circumstances

Share Ownership and Retention

Guidelines for Directors and Officers

Anti-Hedging, Short Sale, and Pledging

Policies

Board Committee Possess Right to Hire

Advisors

No Directors Serve on Excessive

Number of Outside Boards

No Poison Pill or Similar Feature

Appropriate Mix of Lesser and Longer

Tenured Board Members

Bifurcated Chairman and CEO Roles

Board Committees Comprised Entirely of
Independent Members of the Board

Executives Do Not Sit on Outside Boards
of Commercial Entities

All Directors Attended 100% of Board
Meetings In Fiscal Year 2014

Disclosure of Company Governance

Guidelines

No Director or Officer Involved in a
Related Party Transaction in Fiscal Year
2014

FISCAL YEAR 2014 SELECT PERFORMANCE AND COMPENSATION HIGHLIGHTS

Business Performance

Revenue from Continuing Operations

Increased by 9% Compared to Fiscal

Year 2013

Earnings from Continuing Operations

Increased by 16% Compared to Fiscal

Year 2013

Key Strategic Acquisitions of K.Z., Inc.

and the Assets of Livin Lite RV, Inc. and

Bison Coach, LLC

Return to our Shareholders

Returned \$102 Million to our Shareholders

Through Quarterly and Special Dividends

Two Year Stock price appreciation of over

91%

Announced Increase of our Quarterly

Dividend by 28%

Table of Contents**Alignment Between Pay and Performance**

Thor has long utilized a compensation plan heavily reliant upon variable incentives determined by the Company's earnings, resulting in a strong linkage between pay and performance.

In Fiscal Year 2014, a predominant percentage of our CEO and other NEO pay was variable incentive pay as demonstrated by the following charts:

Key Compensation Actions Taken in Fiscal Year 2014

No Increase in Base Salary or Incentive Metrics for our CEO, Mr. Martin, or our Executive Chairman, Mr. Orthwein

Increases in Base Salaries to Better Align Pay to Benchmarks and to Award Performance Given to our Vice President and Chief Financial Officer, Mrs. Zuhl, and our Senior Vice President, General Counsel, and Corporate Secretary, Mr. Woelfer

Use of Compensation Advisor Firm, Towers Watson, for Benchmarking

Auditors

We ask that Shareholders ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending July 31, 2015. Below is summary information about Deloitte's fees for services provided in Fiscal Years 2014 and 2013:

	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2013</u>
Audit Fees	\$1,377,200	\$1,297,354
Audit-Related Fees		
Subtotal	\$1,377,200	\$1,297,354
Tax Fees	\$469,200	\$534,500

All Other Fees

Total Fees	\$1,846,400	\$1,831,854
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Table of Contents

<u>Notice of Annual Meeting of Shareholders of Thor Industries, Inc.</u>	
<u>Proxy Statement</u>	1
<u>Voting Instructions and Information</u>	1
<u>Who Can Vote</u>	1
<u>How to Vote</u>	1
<u>How Votes are Counted</u>	2
<u>Voting</u>	2
<u>Board Recommendations</u>	2
<u>Cost of Proxy Solicitation</u>	2
<u>Shareholders Sharing an Address</u>	2
<u>Frequently Asked Questions</u>	2
<u>Proposal 1 – Election of Directors</u>	4
<u>Qualifications and Process for Nominees</u>	4
<u>Our Board of Directors</u>	5
<u>Current Nominees for Board of Directors</u>	5
<u>Current Directors Not Up for Re-election</u>	7
<u>Board of Directors: Structure, Committees, and Corporate Governance</u>	9
<u>Board Leadership Structure</u>	9
<u>Committees</u>	9
<u>Audit Committee</u>	9
<u>Compensation and Development Committee</u>	9
<u>Nominating and Corporate Governance Committee</u>	10
<u>Membership of Committees</u>	10
<u>Board Member Independence</u>	10
<u>Board and Committee Meetings</u>	10
<u>Shareholder Communications</u>	11
<u>Code of Ethics</u>	11
<u>The Board’s Role in Risk Oversight</u>	11
<u>Talent Development and Succession Planning</u>	12
<u>Proposal 2 – Ratification of Independent Registered Public Accounting Firm</u>	13
<u>Independent Registered Public Accounting Fees (Paid to Deloitte & Touche LLP)</u>	13
<u>Report of the Audit Committee</u>	14
<u>Proposal 3 – Advisory Vote to Approve the Compensation of Our Named Executive Officers</u>	15
<u>Ownership of Common Stock</u>	16
<u>Director Compensation</u>	18
<u>Executive Officers Who Are Not Directors</u>	19
<u>Compensation Discussion and Analysis</u>	20
<u>Executive Summary</u>	20
<u>2014 Business Highlights</u>	20
<u>Executive Compensation Highlights</u>	22
<u>CEO Compensation (Mr. Martin)</u>	22
<u>Corporate Governance Policies</u>	23
<u>Our Compensation Philosophy: Tying Pay to Performance</u>	23
<u>Our Say on Pay Results</u>	25
<u>Our Executive Compensation Plan: Its Elements and Why We Offer Them</u>	26
<u>Base Salary</u>	26
<u>Variable Incentive Compensation</u>	26
<u>Cash Incentive Awards</u>	26
<u>Long-Term Equity Incentive Plan</u>	27
<u>Additional Compensation Elements</u>	28
<u>Benefits</u>	28

<u>Perquisites</u>	28
<u>Retirement Plans</u>	28
<u>Stock Ownership and Retention Guidelines</u>	28
<u>Clawback Policy</u>	29
<u>Deferred Compensation Plan</u>	29
<u>Anti-Hedging and Pledging Policy</u>	29

Table of Contents

<u>Severance Plans and Change in Control Agreements</u>	29
<u>Tax Deductibility</u>	29
<u>Section 409A of the Code</u>	29
<u>How We Make Compensation Decisions and Why We Made Them for Fiscal Year 2014</u>	30
<u>The Compensation Committee</u>	30
<u>Our Independent Compensation Consultant</u>	30
<u>Our Compensation Peer Group</u>	30
<u>Our CEO Transition</u>	31
<u>Driving Success: Evaluating The Relationship Between our Fiscal Year 2014 Performance and our NEO Compensation</u>	32
<u>Report of the Compensation and Development Committee</u>	33
<u>Interlocks, Insider Participation, and Risk Assessment</u>	34
<u>Compensation Committee Interlocks and Insider Participation</u>	34
<u>Compensation Risk Assessment</u>	34
<u>Executive Compensation</u>	35
<u>Summary Compensation Table</u>	35
<u>Grants of Plan-Based Awards for Fiscal Year 2014</u>	36
<u>Executive Employment Agreements</u>	38
<u>Summaries of Equity Compensation Plans</u>	38
<u>Thor Industries, Inc. 2010 Equity and Incentive Plan</u>	38
<u>Thor Industries, Inc. 2006 Equity Incentive Plan</u>	40
<u>1999 Stock Option Plan</u>	42
<u>Outstanding Equity Awards at 2014 Fiscal Year-End</u>	42
<u>Option Exercises and Shares Vested in Fiscal Year 2014</u>	43
<u>Non-Qualified Deferred Compensation for Fiscal Year 2014</u>	43
<u>Summary of Deferred Compensation Plan</u>	43
<u>Potential Payments Upon Termination or Change in Control and Agreements with Resigning Officers</u>	44
<u>Certain Relationships and Transactions with Management and Additional Corporate Governance Matters</u>	45
<u>Certain Relationships and Transactions with Management</u>	45
<u>Additional Corporate Governance Matters</u>	45
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	45
<u>Shareholder Proposals</u>	45
<u>Other Matters</u>	45

Table of Contents

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS OF THOR INDUSTRIES, INC.

**Important Notice Regarding the Availability of Proxy Materials for the Thor Industries, Inc. Annual Meeting
of Shareholders to be Held on December 9, 2014**

The Proxy Statement and Annual Report on Form 10-K are available at www.edocumentview.com/tho

Time and Date: 1:00 p.m., Eastern Standard Time, Tuesday, December 9, 2014

Place: The Cornell Club
6 East 44th Street, New York, NY 10036

AGENDA:

1. Election of directors named in the Proxy Statement;
2. Ratification of appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our Fiscal Year 2015;
3. Advisory vote to approve named executive officer compensation; and
4. Transaction of other business that may properly come before the Meeting.

BOARD OF DIRECTORS RECOMMENDATIONS: The Board of

Directors recommends a vote FOR items 1, 2, and 3.

Record Date: You are entitled to vote at the Meeting if you were a holder of record of Thor Industries, Inc. stock, \$0.10 par value (Common Stock), at the close of business on October 20, 2014.

Proxy Voting: Your vote is very important. Whether or not you plan to attend the Annual Meeting, please submit your vote as soon as possible so that your shares may be represented at our Meeting. You may submit your vote by internet, by telephone, or by completing and mailing the enclosed proxy card or voting instruction form.

Admission:

If you plan to attend the Annual Meeting, please mark the box on the enclosed proxy card to indicate your intentions. You will be required to present photo identification and verification of the amount of shares held as of October 20, 2014, to gain access to the meeting.

By Order of the Board of Directors,

Todd Woelfer

Senior Vice President, General Counsel, and Corporate Secretary

November 3, 2014