

MAGNETEK, INC.
Form DEF 14A
September 20, 2010

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

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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
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Magnetek, Inc.

(Name of Registrant as Specified In Its Charter)

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

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N49 W13650 Campbell Drive
Menomonee Falls, Wisconsin 53051

September 20, 2010

Dear Stockholder:

It is our pleasure to invite you to the 2010 Annual Meeting of Stockholders of Magnetek, Inc., which will be held on Wednesday, November 10, 2010 at 10:00 a.m. Central Standard Time. During the meeting, we will discuss the items of business described in the attached Notice of Annual Meeting of Stockholders and Proxy Statement. There will also be a report on Magnetek's business operations and an opportunity to ask questions. A representative of Ernst & Young LLP, Magnetek's independent registered public accounting firm for fiscal year 2010, will also be present and will be available to respond to questions that may be directed to them and have the opportunity to make a statement if they so desire.

We hope you can personally attend the meeting and vote your shares. If you are unable to do so, it is still important that your shares be represented and we urge you to promptly sign, date and return the enclosed Proxy Card, or to vote by telephone or by the Internet by following the instructions on the enclosed Proxy Card. Your vote, regardless of the number of shares you own, is important. If you are unable to attend the meeting, we hope you will listen to it live over the Internet by accessing the "Investor Relations" page of our web site, www.magnetek.com. Slides used at the meeting and audio of the report of operations will be maintained on our web site as long as its content remains timely.

Due to changes in regulations, if your shares are held in the name of a bank or broker and you do not instruct them to vote in the election of directors, no votes will be cast on your behalf. For your vote to be counted, you will need to communicate your voting decisions to your bank, broker or other financial institution before the date of the Annual Meeting. Please be sure that you vote.

Sincerely,

Mitchell I. Quain
Chairman of the Board of Directors

Peter M. McCormick
President and Chief Executive Officer

NOTICE OF ANNUAL MEETING
OF STOCKHOLDERS

- Time: Wednesday, November 10, 2010, 10:00 a.m. Central Standard Time
- Place: Magnetek Corporate Offices
N50 W13775 Overview Drive
Menomonee Falls, Wisconsin 53051
- Items of Business: 1) Election of the persons nominated herein to the Board of Directors;
- 2) Ratification of the appointment of Ernst & Young LLP as Magnetek's independent registered public accounting firm for fiscal year 2011;
- 3) Approval of the Fourth Amended and Restated 1997 Non-Employee Director Stock Option Plan of Magnetek, Inc.; and
- 4) Transaction of other business that may properly come before the meeting.
- Who Can Vote: Anyone who held shares of common stock of Magnetek, Inc., at the close of business on September 13, 2010 (the "Record Date"). For ten days prior to the Annual Meeting, a list of stockholders entitled to vote at the Annual Meeting will be available for inspection in the offices of the Vice President, General Counsel and Corporate Secretary, N49 W13650 Campbell Drive, Menomonee Falls, Wisconsin 53051 during business hours each weekday. The list will also be available at the Annual Meeting.
- Annual Report: A copy of Magnetek's Annual Report for the fiscal year ended June 27, 2010, including the report on Form 10-K, without exhibits, is enclosed with this Notice of Annual Meeting and Proxy Statement. The Annual Report on Form 10-K, with exhibits, which has been filed with the Securities and Exchange Commission, can be accessed through direct links to the SEC filings on the Magnetek web site at www.magnetek.com in the "Investor Relations" section. Upon request, Magnetek will, without charge, send its stockholders an additional copy of the Annual Report on Form 10-K (with financial statements and related schedules) for fiscal 2010. The request must be directed to the attention of the Corporate Secretary of Magnetek, Inc., N49 W13650 Campbell Drive, Menomonee Falls, Wisconsin 53051.
- Method of Voting: Your vote is important and may be cast in any of the following ways:
- 1) Mark, sign, date and return the enclosed Proxy Card in the postage-paid envelope (no additional postage is necessary if mailed in the United

States);

2)Vote in person at the Annual Meeting;

3)Vote by telephone by following the instructions on the Proxy Card; or

4)Vote via the Internet by following the instructions on the Proxy Card.

MAGNETEK, INC.

2010 ANNUAL MEETING

PROXY STATEMENT

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PROXY STATEMENT

Magnetek, Inc.'s Board of Directors solicits the enclosed Proxy to give all of the stockholders of record of Magnetek, Inc. (referred to herein as "Magnetek" or the "Company") an opportunity to vote on the matters set forth in the preceding Notice of Annual Meeting of Stockholders. The Company's Annual Stockholders' Meeting ("Annual Meeting") will be held on Wednesday, November 10, 2010, at 10:00 a.m. Central Standard Time, at Magnetek's Corporate Offices, N50 W13775 Overview Drive, Menomonee Falls, Wisconsin 53051. This Proxy Statement and the accompanying Proxy Card were first mailed to stockholders on or about September 20, 2010.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on November 10, 2010. The Notice of Annual Meeting of Stockholders, Proxy Statement and 2010 Annual Report are available at www.magnetek.com in the "Investor Relations" section under "Proxy Online."

Voting Information

Who Can Vote: Voting rights are vested exclusively in holders of Magnetek, Inc.'s common stock, par value \$.01, who held stock as of the close of business on September 13, 2010 (the "Record Date"). As of the close of business on the Record Date, there were 31,838,655 shares of common stock outstanding. Stockholders are entitled to one vote for each share of common stock held on any matter that properly comes before the stockholders at the Annual Meeting.

Ways to Vote: Stockholders may vote in person at the Annual Meeting, by Proxy, by telephone or via the Internet. To vote by Proxy, simply mark the enclosed Proxy Card, date and sign it and return it in the postage-paid envelope provided. Doing so authorizes the individuals named as Proxy Holders on the Proxy Card to vote your shares according to your instructions. Proxy Cards that are signed and returned without voting instructions will be voted by the Proxy Holders in favor of each proposal. The Proxy Holders will vote at their discretion on other matters that properly come before the stockholders at the Annual Meeting. You may also vote via telephone or the Internet by simply following the instructions on the enclosed Proxy Card. If you need directions to the Annual Meeting location, call the Company at (800) 288-8178.

Revocation of Proxy. At any time before the meeting, you may revoke your Proxy by (a) signing another Proxy Card with a later date and returning it prior to the meeting, (b) attending the meeting in person to cast your vote or (c) casting your vote via telephone or the Internet on a date later than the date on your Proxy Card.

Quorum and Counting of Votes. To establish a quorum necessary to conduct business at the Annual Meeting, a majority of the outstanding shares of common stock must be represented. Votes may be cast in favor of the proposals, may be withheld, or you may abstain from voting on a particular item, except with respect to the election of Directors. Votes withheld from the election of any Director will be excluded entirely from the vote and will have no effect on the election, except to the extent that failure to vote for an individual results in another individual receiving a larger number of votes. Directors are elected by a plurality of the votes cast and shares may not be voted cumulatively for the election of Directors. A majority of the votes cast is necessary to ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2011 and for the approval of the Fourth Amended and Restated 1997 Non-Employee Director Stock Option Plan of Magnetek, Inc. Abstentions will be counted as present for purposes of establishing a quorum with respect to the item on which the abstention is noted and will have the effect of a negative vote.

Broker non-votes occur when shares are held in “street” form through a broker or similar market intermediary rather than in the stockholder’s own name. The broker or other intermediary is authorized to vote the shares on routine matters but may not vote on the election of Directors and on non-routine matters without the beneficial stockholder’s express authorization. Unlike past Annual Meetings, as a result of changes in regulations, your broker or other intermediary holder of

your shares will not be permitted to vote your shares in the election of Directors unless you provide voting instructions. Broker non-votes are counted for purposes of determining the presence of a quorum for the election of Directors, but under Delaware law are not counted for purposes of determining the votes cast on any non-routine proposal.

Proposals. The following proposals will be submitted by the Company for a vote of the stockholders at this year's Annual Meeting.

Proposal 1: Election of Directors. Each current member of the Board of Directors is recommended for re-election to the Board and has agreed to stand for re-election. If elected, each Director will serve a one-year term until the next Annual Meeting or until a successor is elected and qualified in the event that his or her services as a Director terminates prior to the next meeting of stockholders for some unforeseen reason. If unforeseen circumstances make it necessary for the Board of Directors to substitute another person in place of any of the below nominees, the Proxy Holders will vote shares cast in favor of that nominee for the substitute. Detailed information about each of the below-named nominees is provided in the section titled "Election of Board of Directors" on pages 4 and 5 of this Proxy Statement:

David A. Bloss, Sr.
Yon Y. Jorden
Mitchell I. Quain
David P. Reiland

The Board of Directors recommends a vote "FOR" each of the nominees.

Proposal 2: Ratification of the Appointment of Independent Registered Public Accounting Firm. The Audit Committee of the Board of Directors has appointed Ernst & Young LLP to serve as Magnetek's independent registered public accounting firm for fiscal 2011. The Board has ratified the appointment. This proposal is submitted to the stockholders to verify their approval of this selection. If the appointment of Ernst & Young LLP is not ratified by the stockholders, the Audit Committee will reconsider its selection but reserves the right to uphold the appointment.

The Board of Directors recommends a vote "FOR" approval and ratification of the appointment of Ernst & Young LLP to serve as the Company's independent registered public accounting firm for fiscal 2011.

Proposal 3: Approval of Fourth Amended and Restated 1997 Non-Employee Director Stock Option Plan of Magnetek, Inc. The Board of Directors adopted a fourth amendment and restatement of the Amended and Restated 1997 Non-Employee Director Stock Option Plan of Magnetek, Inc. (the "Restated 2010 Plan") to eliminate the requirement for the initial and annual fixed grant to each non-employee Director of an option to purchase 7,500 shares of common stock and extend the term of the Restated 2010 Plan beyond September 30, 2010, subject to approval by the stockholders. Detailed information about the Restated 2010 Plan is provided in the section titled "Proposal No. 3" on pages 7 and 8 of this Proxy Statement.

The Board of Directors recommends a vote "FOR" approval of the adoption of the Restated 2010 Plan.

Stockholder Proposals. No proposals were timely submitted for inclusion in this Proxy Statement for the Annual Meeting or for consideration at the Annual Meeting. No untimely proposals were submitted as of the date of this Proxy Statement. Any proposal received prior to the Annual Meeting, when and if raised at the Annual Meeting, will be voted by the Proxy Holders in the manner deemed appropriate by the Board of Directors.

Other Matters. Magnetek does not know of any business other than that described in the Notice of Annual Meeting and this Proxy Statement that will be presented for consideration or action by the stockholders at the Annual Meeting; however, any such other business that properly comes before the Annual Meeting will be voted by the Proxy Holders in the manner deemed appropriate by the Board of Directors.

Submission of Stockholder Proposals for the 2011 Annual Meeting. Magnetek anticipates that next year's Annual Stockholders' Meeting will take place on November 9, 2011. Any stockholder satisfying the requirements of the Securities and Exchange Commission ("SEC") and wishing to submit a proposal, including nomination of a director, to be included in the Proxy Statement for the 2011 Annual Stockholders' Meeting should submit the proposal in writing to the Corporate Secretary of Magnetek, Inc. at:

Magnetek, Inc.
Attn: Vice President, General Counsel
and Corporate Secretary
N49 W13650 Campbell Drive
Menomonee Falls, Wisconsin 53051

The proposal must be received on or before May 23, 2011, to be considered timely submitted for inclusion in the Proxy Statement for the 2011 Annual Stockholders' Meeting and must include the information required by the Company's Bylaws. Magnetek's Proxy Holders reserve discretion to vote in the manner deemed appropriate by the Board of Directors with respect to timely filed proposals, provided that (1) Magnetek includes in its Proxy Statement for the 2011 Annual Stockholders' Meeting advice on the nature of the proposal and how Magnetek intends to exercise its voting discretion and (2) the proponent of such proposal

does not issue a separate Proxy Statement in respect of that proposal. Proposals, including nominations for election of a director, that are not timely submitted for inclusion in the Proxy Statement for the 2011 Annual Stockholders' Meeting pursuant to the above paragraph, must be submitted in writing to the Corporate Secretary at the address in the above paragraph on or before July 13, 2011 to be timely for consideration at the 2011 Annual Stockholders' meeting and must comply with the other requirements for stockholder proposals and director nominations set forth in the Company's Bylaws and Corporate Governance Guidelines. The Company's Corporate Governance Guidelines are published on its web site at www.magnetek.com in the "Investor Relations" section under "Corporate Governance."

Costs of Solicitation. Magnetek will pay the cost of preparing, printing and mailing materials in connection with this solicitation of proxies. Magnetek has retained D.F. King & Co., Inc. to solicit proxies at a cost of approximately \$9,000.00, plus reasonable out-of-pocket expenses. In addition to solicitation of proxies by use of the mail, D.F. King & Co., Inc. may, without additional compensation, solicit proxies personally, by telephone or by other appropriate means. Magnetek will request banks, brokerage firms and other custodians, nominees or fiduciaries holding shares of Magnetek's common stock for others to send Proxy materials to, and to obtain Proxies from, their principals, and Magnetek will reimburse them for reasonable expenses incurred in doing so upon request.

Delivery of Proxy Materials to Households. Pursuant to the rules of the SEC, services that deliver the Company's communications to stockholders that hold their stock through a bank, broker or other holder of record may deliver to multiple stockholders sharing the same address a single copy of the Company's 2010 Annual Report and this Proxy Statement. Upon written or oral request, the Company will promptly deliver a separate copy of the Company's 2010 Annual Report and/or this Proxy Statement to any stockholder at a shared address to which a single copy of each document was delivered. Stockholders may notify the Company of their requests by calling or writing the Vice President, General Counsel and Corporate Secretary, at:

Magnetek, Inc.
Attn: Vice President, General Counsel
and Corporate Secretary
N49 W13650 Campbell Drive
Menomonee Falls, Wisconsin 53051
Phone: (262) 703-4283

Stockholders currently receiving multiple copies of the Company's Annual Report and Proxy Statement at a shared address and who wish to receive only a single copy in the future may direct their request to the same phone number and address indicated above.

PROPOSAL NO. 1
ELECTION OF BOARD OF DIRECTORS

At the recommendation of our Nominating and Corporate Governance Committee, the Board has nominated the four Director candidates named below for re-election to the Board. Personal information on each of our Director candidates is provided below. The Board has determined that the following nominees for Director are independent under the New York Stock Exchange (“NYSE”) listing standards and the independence standards set forth in the Company’s Corporate Governance Guidelines: Messrs. Bloss and Quain and Ms. Jorden. Magnetek’s Corporate Governance Guidelines are published on its web site at www.magnetek.com in the “Investor Relations” section under “Corporate Governance,” and are available in print to any stockholder that requests a copy from the Vice President, General Counsel and Corporate Secretary at Magnetek, Inc., N49 W13650 Campbell Drive, Menomonee Falls, Wisconsin 53051. Mr. Reiland cannot be deemed independent at this time under the NYSE’s listing standards or the Company’s independence standards because he served as President and Chief Executive Officer until October 28, 2008, and was employed by the Company until January 15, 2009.

The Nominating and Corporate Governance Committee reviews and evaluates individual nominees for election to the Board taking into account the composition and skills of the entire Board and the requirements of the Company with the view of selecting qualified nominees whose experience and background add value to the Board combined with the desirability of having a Board that represents diverse views and experience. Consideration is given to a potential candidate and nominee’s ability to contribute to the diversity of the education, industry background, skill sets, professional affiliations, leadership roles, age, character and domestic and global experience of the Board in accordance with the Corporate Governance Guidelines. In addition to the unique qualifications and skills associated with our four Director candidates named below, the Nominating and Corporate Governance Committee believes that each nominee should possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of the stockholders.

All of our nominees currently serve as Directors. None of our Directors are currently employed by Magnetek. Each Director is elected for a one-year term, holding office until the next Annual Stockholders’ Meeting of the Company or until a successor is qualified and elected in the event that his or her services as a Director terminate prior to the next Annual Stockholders’ Meeting for some unforeseen reason. All of our nominee Directors have agreed to stand for re-election.

David A. Bloss, Sr. (60)
Chairman, Compensation
Committee; Member, Audit,
Nominating and
Corporate Governance and
Retirement Plan Committees

David A. Bloss, Sr. has served on the Board since April 2008. He serves on the Audit, Nominating and Corporate Governance and Retirement Plan Committees and has served as Chairman of the Compensation Committee since September 3, 2009. Mr. Bloss retired as director and Chairman of the Board of CIRCOR International, Inc., a fluid control valve manufacturer, effective March 1, 2009. He retired as CIRCOR’s Chief Executive Officer in 2008, a position he held since 1999, when CIRCOR was spun off from Watts Industries, Inc. Prior to joining Watts, Mr. Bloss served as President of the superabrasives division of Norton Company and as Director of Corporate Planning and Development for Cooper Industries. He also held positions at Clark Equipment Company and Price Waterhouse & Co. Mr. Bloss’ career and experience as a CEO and President of manufacturing companies combined with extensive corporate planning, mergers and acquisitions and business integration allow him to provide the Board with extensive insights into a variety of corporate issues and challenges. He is currently a member of the Indiana University

Yon Y. Jorden (55)
Chairman, Audit
Committee; Member,
Compensation,
Nominating and
Corporate
Governance and
Retirement
Plan Committees

YonY. Jorden has served on the Board since July 2004. She serves on the Compensation, Nominating and Corporate Governance and Retirement Plan Committees, and has served as Chairman of the Audit Committee since September 3, 2009. Ms. Jorden held senior management positions in the health care services, technology and manufacturing industries, as Chief Financial Officer of major NYSE, NASDAQ and Fortune 500 companies from 1984 to 2004. From 2002 to 2004, Ms. Jorden was Executive Vice President and Chief Financial Officer of Advance PCS. Prior to that, she served as Executive Vice President and Chief Financial Officer of Informix from 2000 to 2001, and held the same position with Oxford Health Plans, Inc. from 1998 to 2000. From 1990 to 1996, Ms. Jorden was a Senior Vice President and Chief Financial Officer of Wellpoint, Inc. From 1979 until 1984, Ms. Jorden was a Senior Auditor with Arthur Andersen & Co., where she became a certified public accountant. In her executive capacities, Ms. Jorden has specialized in complex financial transactions, including corporate turnarounds, initial public offerings and mergers and acquisitions. Ms. Jorden's career and experience allow her to provide the Board with advice and insight into a variety of financial issues. Ms. Jorden serves on the board of Maxwell Technologies, Inc., a manufacturer of energy storage and power delivery products, and US Oncology, Inc., a cancer care company.

Mitchell I. Quain (58)
Chairman, Board of
Directors;
Chairman, Nominating
and
Corporate Governance
Committee; Member,
Audit, Compensation and
Retirement
Plan Committees

Mitchell I. Quain has served as Chairman