

MAGNETEK, INC.
Form DEF 14A
September 19, 2011

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

Magnetek, 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 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

Edgar Filing: MAGNETEK, INC. - Form DEF 14A

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:

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

N49 W13650 Campbell Drive
Menomonee Falls, Wisconsin 53051

September 19, 2011

Dear Stockholder:

It is our pleasure to invite you to the 2011 Annual Meeting of Stockholders of Magnetek, Inc., which will be held on Wednesday, November 9, 2011 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 2011, 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 9, 2011, 10:00 a.m. Central Standard Time
- Place: Magnetek Corporate Offices
N50 W13775 Overview Drive
Menomonee Falls, Wisconsin 53051
- Items of Business:
- 1) To elect the persons nominated herein to the Board of Directors;
 - 2) To ratify the appointment of Ernst & Young LLP as Magnetek's independent registered public accounting firm for the six-month transition period ending January 1, 2012;
 - 3) To vote upon a proposed amendment to Magnetek's Restated Certificate of Incorporation to effect a reverse stock split of our common stock at any whole number ratio between 1-for-2 and 1-for-10, with the final decision whether to proceed with the reverse stock split and the exact ratio and timing of the reverse stock split to be determined by the Board of Directors, in its discretion, following stockholder approval (if received), but not later than December 31, 2012;
 - 4) To approve the First Amendment to the Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc.;
 - 5) To approve the Successor Director Plan to the Magnetek, Inc. Amended and Restated Director and Officer Compensation and Deferral Investment Plan;
 - 6) To hold an advisory vote approving the compensation of the Company's named executive officers;
 - 7) To hold an advisory vote on the frequency of the vote on the compensation of the Company's named executive officers; and
 - 8) To transact such 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 12, 2011 (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 July 3, 2011, 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 2011. 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.
 2011 ANNUAL MEETING
 PROXY STATEMENT
 TABLE OF CONTENTS

	Page
<u>Voting Information</u>	1
<u>Proposal No. 1—Election of Directors</u>	5
<u>Proposal No. 2—Ratification of the Appointment of Independent Registered Public Accounting Firm</u>	8
<u>Proposal No. 3—Amend Magnetek’s Restated Certificate of Incorporation to Effect a Reverse Stock Split of our Common Stock</u>	9
<u>Proposal No. 4—Approval of First Amendment to Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc.</u>	16
<u>Proposal No. 5— Approval of Successor Director Plan to Magnetek, Inc. Amended and Restated Director and Officer Compensation and Deferral Investment Plan</u>	17
<u>Proposal No. 6—Advisory Vote on Compensation for our Named Executive Officers</u>	18
<u>Proposal No. 7—Advisory Vote on the Frequency of the Advisory Vote on Compensation for our Named Executive Officers</u>	19
<u>Corporate Governance Principles</u>	20
<u>Compensation Committee Interlocks and Insider Participation</u>	23
<u>Relationships and Related Transactions</u>	23
<u>Standing Committees of the Board</u>	23
<u>Beneficial Ownership of Magnetek, Inc. Common Stock by Directors, Officers and Certain Other Owners</u>	28
<u>Compensation Discussion and Analysis</u>	30
<u>Executive Compensation</u>	38
<u>Summary Compensation Table</u>	38
<u>All Other Compensation Table</u>	39
<u>Grants of Plan-Based Awards in Fiscal Year</u>	40
<u>Table</u>	40
<u>Equity Compensation Plan Information</u>	40
<u>Table</u>	40
<u>Outstanding Equity Awards at Fiscal Year-End</u>	41
<u>Table</u>	42

<u>Option Exercises and Stock Vested for Fiscal Year</u>	
<u>Table</u>	
<u>Pension Benefits for Fiscal Year</u>	
<u>Table</u>	42
<u>Employment, Severance and Change in Control Agreements and Other Arrangements</u>	43
<u>Director</u>	
<u>Compensation</u>	43
<u>Director Compensation for Fiscal Year</u>	
<u>Table</u>	43
<u>Compensation Committee</u>	
<u>Report</u>	45
<u>Report of the Audit</u>	
<u>Committee</u>	45
<u>Section 16(a) Beneficial Ownership Reporting</u>	
<u>Compliance</u>	46
<u>Proposed Amendment to Restated Certificate of Incorporation of Magnetek, Inc.</u>	A-1
<u>Proposed First Amendment to Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc.</u>	B-1
<u>Proposed Director Compensation and Deferral Investment Plan as Successor to the Magnetek, Inc. Amended and Restated Director and Officer Compensation and Deferral Investment Plan</u>	C-1

Table of Contents

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 9, 2011, 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 19, 2011.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on November 9, 2011. The Notice of Annual Meeting of Stockholders, Proxy Statement and 2011 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 12, 2011 (the "Record Date"). As of the close of business on the Record Date, there were 32,505,652 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, please 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 our 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 the six-month transition period from July 4, 2011 through January 1, 2012, for approval of the First Amendment to the Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc., for approval of the Successor Director Plan to the Magnetek, Inc. Amended and Restated Director and Officer Compensation and Deferral Investment Plan, for approval of an advisory resolution on

the compensation of Magnetek's named executive officers and for approval of the frequency of the advisory vote on the compensation of Magnetek's named executive officers (unless none of the frequency options receives a majority of the votes cast, then the option receiving the greatest number of votes will be considered the frequency recommended by the Company's stockholders). An affirmative vote of holders of a majority of outstanding shares of our common stock entitled to vote thereon is necessary for approval of the amendment to Magnetek's Restated Certificate of

Table of Contents

Incorporation to effect the proposed reverse stock split. 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. The stockholder advisory votes concerning the compensation of our named executive officers and the frequency of stockholder advisory votes on the compensation of our named executive officers are not considered routine matters. Therefore, your broker or other intermediary holder of your shares will not be permitted to vote your shares in the election of Directors or on such stockholder advisory votes 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. We note that Magnetek’s Board recently approved the change of the Company’s fiscal year end from the Sunday nearest to June 30 to the Sunday nearest to December 31. This change will result in Magnetek having a six-month transition period running from July 4, 2011 though January 1, 2012. This transition period is referenced in Proposal 2 below and elsewhere in this Proxy Statement.

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 term expiring at 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
Alan B. Levine
Peter M. McCormick
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 the six-month transition period from July 4, 2011 through January 1, 2012. The Board has ratified the appointment. This proposal is submitted to our stockholders to verify their approval of this selection. If the appointment of Ernst & Young LLP is not ratified by our 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 the six-month transition period from July

4, 2011 through January 1, 2012.

Proposal 3: Amend Magnetek's Restated Certificate of Incorporation to Effect a Reverse Stock Split of our Common Stock. The Board of Directors has adopted and is submitting for stockholder approval an amendment (the "Charter Amendment") to Magnetek's Restated Certificate of Incorporation to effect a reverse stock split of our common stock at any whole number ratio between 1-for-2 and 1-for-10, with the final decision whether to proceed with the reverse stock split and the exact ratio and timing of the reverse stock split to be determined by the Board in its discretion following stockholder approval (if received), but not later than December 31, 2012. The proposed amendment is intended to give the Board the flexibility to effect a reverse stock split in the future should suspension and de-listing of our common stock from the NYSE occur or appear imminent, or if the Board should otherwise determine that it would be in the Company's best interests to do so, but without having to undertake additional effort and expense to solicit stockholder approval at such later time. Pursuant to the laws of Delaware, any amendment to Magnetek's Restated Certificate of Incorporation approved by the Board must be submitted to our stockholders for their approval. Detailed information about the reverse stock split is provided in the section titled "Proposal No. 3" on pages 9 to 16 of this Proxy Statement.

The Board of Directors recommends a vote "FOR" approval of the adoption of the Charter Amendment to permit the reverse stock split.

Proposal 4: Approval of First Amendment to Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc. The Board of Directors adopted a First Amendment (the "2004 Plan Amendment") to the Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc. to increase the current calendar year

Table of Contents

limitation for grants of other than stock option and/or stock appreciation rights awards (such as incentive stock) to any one individual from 100,000 to 400,000, and to increase the current calendar year limitation on the number of stock options and/or stock appreciation rights that may be granted to any one individual from 500,000 to 2,000,000, subject to approval by our stockholders. Detailed information about the 2004 Plan Amendment is provided in the section titled “Proposal No. 4” on pages 16 and 17 of this Proxy Statement.

The Board of Directors recommends a vote “FOR” approval of the adoption of the 2004 Plan Amendment.

Proposal 5: Approval of Successor Director Plan to Amended and Restated Director and Officer Compensation and Deferral Investment Plan of Magnetek, Inc. The Board of Directors adopted an amendment and successor plan, the Director Compensation and Deferral Investment Plan (the “Director Plan”) to the Amended and Restated Director and Officer Compensation and Deferral Investment Plan of Magnetek, Inc., to reflect a director-only plan and to increase the aggregate number of shares available for issuance under the Director Plan from 1,100,000 to 2,500,000, subject to approval by our stockholders. Detailed information about the Director Plan is provided in the section titled “Proposal No. 5” on pages 17 and 18 of this Proxy Statement.

The Board of Directors recommends a vote “FOR” approval of the adoption of the Director Plan.

Proposal 6: Advisory Vote on the Compensation of Magnetek’s Named Executive Officers. Pursuant to the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, we are asking our stockholders to vote to approve, on an advisory (non-binding) basis, the compensation of Magnetek’s named executive officers. Detailed information about the advisory vote on the compensation of Magnetek’s named executive officers is provided in the section titled “Proposal No. 6” on pages 18 and 19 of this Proxy Statement.

The Board of Directors recommends a vote “FOR” approval of the following advisory resolution: RESOLVED, that the stockholders of Magnetek approve, on an advisory basis, the compensation of Magnetek’s named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, the Summary Compensation Table, and the related compensation tables, notes and narrative set forth in this Proxy Statement.

Proposal 7: Advisory Vote on the Frequency of the Advisory Vote on Compensation of Magnetek’s Named Executive Officers. Pursuant to the recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, we are asking our stockholders to vote, on an advisory (non-binding) basis, on the frequency – whether every year, every second year or every third year – of the advisory vote on the compensation of Magnetek’s named executive officers. Detailed information about the advisory vote on the frequency of the advisory vote on compensation of Magnetek’s named executive officers is provided in the section titled “Proposal No. 7” on page 19 of this Proxy Statement.

The Board of Directors recommends a vote “FOR” approval of an advisory vote on compensation of Magnetek’s named executive officers every year.

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 our stockholders at the Annual Meeting; however, any such other business that properly comes before the Annual Meeting will be voted on by the Proxy Holders in the manner deemed appropriate by the Board of Directors.

Submission of Stockholder Proposals for the 2012 Annual Meeting. Given the six-month transition period from July 4, 2011 through January 1, 2012 associated with our change in fiscal year end from the Sunday nearest to June 30 to the Sunday nearest to December 31, with a change to a calendar year reporting cycle beginning January 2, 2012, we anticipate that next year's Annual Stockholders' Meeting will take place in May 2012. 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 2012 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 January 13, 2012, to be considered timely submitted for inclusion in the Proxy Statement for the 2012 Annual Stockholders' Meeting and must include the information required by the

Table of Contents

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 2012 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 2012 Annual Stockholders' Meeting in accordance with the above instructions, must be submitted in writing to the Corporate Secretary at the address in the above paragraph on or before February 1, 2012 for consideration at the 2012 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 2011 Annual Report and this Proxy Statement. Upon written or oral request, the Company will promptly deliver a separate copy of the Company's 2011 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) 703-3500

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.

Table of Contents

PROPOSAL NO. 1
ELECTION OF BOARD OF DIRECTORS

At the recommendation of our Nominating and Corporate Governance Committee, the Board has nominated the six 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: David A. Bloss, Alan B. Levine, Mitchell I. Quain and Yon Y. 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. David A. 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. Peter M. McCormick is an employee of the Company and, as such, is not considered an “independent” director.

The Nominating and Corporate Governance Committee reviews and evaluates individual nominees (including shareholder 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. The Nominating and Corporate Governance Committee utilizes this matrix of experience and qualifications to develop criteria to select nominees. In addition to the unique qualifications and skills associated with our six Director candidates named below, the Nominating and Corporate Governance Committee considers all factors it deems relevant including 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. The Nominating and Corporate Governance Committee considers all potential nominees on the merits without regard to the source of the recommendation. Before being nominated, director candidates are interviewed by members of the Nominating and Corporate Governance Committee. Additional interviews may include other members of the Board and representatives from the senior level of management.

All of our nominees currently serve as Directors. Other than Mr. McCormick, none of our Directors is currently employed by Magnetek. Each Director is elected for a term expiring at 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. Given the six-month transition period from July 4, 2011 through January 1, 2012 associated with our change in fiscal year end from the Sunday nearest to June 30 to the Sunday nearest to December 31, with a change to a calendar year reporting cycle beginning January 2, 2012, we anticipate that our 2012 Annual Stockholders’ Meeting will convene in May 2012. All of our nominee Directors have agreed to stand for re-election.

David A. Bloss, Sr. (61) Chairman, Compensation Committee; Member, Audit, Nominating and Corporate Governance and	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 serves as the Chairman of the Compensation Committee. 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
--	---

Retirement Plan
Committees

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. Mr. Bloss serves on the Board of Xerium Technologies, Inc., a manufacturer of consumable products for industrial applications. Mr. Bloss is currently a member of the Indiana University South Bend Chancellor's Advisory Board.

Table of Contents

Yon Y. Jorden (56)
 Chairman, Audit
 Committee; Member,
 Compensation,
 Nominating and
 Corporate
 Governance and
 Retirement
 Plan Committees

Yon Y. Jorden has served on the Board since July 2004. She serves on the Compensation, Nominating and Corporate Governance and Retirement Plan Committees, and serves as the Chairman of the Audit Committee. 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. She was also a member of the Board of Directors and Audit Committee Chair of US Oncology, Inc. until it was acquired by McKesson Corporation in November 2010. 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 boards of Maxwell Technologies, Inc., a manufacturer of energy storage and power delivery products, and Methodist Health System, Inc., a Texas-based hospital system.

Alan B. Levine (67)
 Member, Audit and
 Retirement Plan
 Committees

Alan B. Levine has served on the Board since August 2011. He serves on the Audit and Retirement Plan Committees. Mr. Levine served as Chief Financial Officer and Director of Virtual Access Networks, Inc. from 2001 to 2002 and Chief Financial Officer and Treasurer of Marathon Technologies Corporation from 1998 to 2001. He was also a member of the Board of Directors and Audit Committee Chair of MCK Communications before the company's merger in November 2003. Prior to this, Mr. Levine was with Ernst & Young LLP from 1974 to 1998, and was a Partner from 1986 to 1998, where he established and directed an Entrepreneurial Services practice. From January 2007 until July 2011, he served as Vice President and Chief Financial Officer of the Graduate Management Admissions Council. He is a former Director and Audit Committee Chair of Nextera Enterprises. Mr. Levine brings to the Board extensive demonstrated expert knowledge and experience in accounting and finance from his Master of Accounting degree and as a former partner with Ernst & Young LLP and former certified public accountant as well as a former chief financial officer. This knowledge and experience gives Mr. Levine a perspective and depth of business, accounting and financial experience such that he is able to provide the Board with an understanding of the technical issues management confronts and to serve as a resource for management. Mr. Levine serves on the board of RBC Bearings

Peter M. McCormick (51)
President and Chief
Executive Officer

Incorporated, a manufacturer of bearings.

Peter M. McCormick has served on the Board since August 2011, and since October 2008 serves as President and Chief Executive Officer of the Company. Mr. McCormick was Magnetek's Executive Vice President and Chief Operating Officer from 2006 to 2008. From 2002 to 2006, he was Executive Vice President and General Manager of Magnetek's Power Controls Group, overseeing the Company's motion control systems for cranes and hoists, elevator drive systems, mining equipment drives and alternative energy power conversion systems. Mr. McCormick joined Magnetek in 1993 from Square-D Corporation, a diversified electrical manufacturing and supply company, where he held increasingly responsible management positions in engineering, marketing and business development from 1986 to 1993. Mr. McCormick provides the Board with extensive knowledge of the details of our Company and its employees as well as front-line experience of running our Company. Mr. McCormick serves on the board of the Metropolitan Milwaukee Association of Commerce.

Table of Contents

Mitchell I. Quain (59)
 Chairman, Board of
 Directors;
 Chairman, Nominating
 and
 Corporate Governance
 Committee; Member,
 Compensation and
 Retirement
 Plan Committees

Mitchell I. Quain has served as Chairman of the Board since October 2006, and has served on the Board since 1999. He serves on the Compensation and Retirement Plan Committees, and serves as the Chairman of the Nominating and Corporate Governance Committee. Mr. Quain is a Partner of One Equity Partners LLC, a private equity investment firm. From 2008 to 2010, he was a Managing Director of ACI Capital Co., LLC, a private equity firm. From 2001 to 2003, he served as Vice Chairman of Investment Banking at ABN AMRO, a global full service wholesale and retail bank. Prior to that, he served as the Global Head of Industrial Manufacturing and of its banking business. From early 1997 until its acquisition by ING Barings later that year, Mr. Quain was an Executive Vice President and a member of the Board of Directors and of the Management Committee of Furman Selz, an international financial services and investment banking firm. Prior to joining Furman Selz, Mr. Quain was a partner with Wertheim & Company, Inc., an investor relations and communications company. He is a former Director of Heico Corporation. Mr. Quain's qualifications as a certified financial analyst, and extensive investment management experience combined with industrial manufacturing expertise provides a unique resource to the Board with his understanding of the operational, financial and strategic issues the Company faces. Mr. Quain serves on the boards of Hardinge Inc., a machine tool manufacturer, Handy & Harman Ltd., a diversified industrial products manufacturing and supply company and Titan International, Inc., a manufacturer of civilian and military tires and wheels.

David P. Reiland (57)
 Chairman, Retirement
 Plan Committee

David P. Reiland has served on the Board since December 2006, and serves as the Chairman of the Retirement Plan Committee. Mr. Reiland was President and CEO of Magnetek from October 2006 to October 2008. He served as Executive Vice President of the Company from 2001 to 2006 and as Chief Financial Officer from 1988 to 2006. He was Controller of the Company from 1986 to 1993 and was Vice President, Finance from 1987 to 1989. Prior to joining the Company, Mr. Reiland was an Audit Manager with Arthur Anderson & Co., where he served in various capacities from 1980 until 1986. Mr. Reiland provides the Board with a specialized and detailed understanding of our Company's history and operations in addition to his expertise in financial restructuring and public financial transactions. Mr. Reiland serves as Chairman of the Board of Broadwind Energy, Inc., a supplier of products and services to wind and other energy-related industries.

The Board of Directors recommends that stockholders vote "FOR" the election of the director nominees named above.

Table of Contents

PROPOSAL NO. 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 the six-month transition period from July 4, 2011 through January 1, 2012. 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.

A representative of Ernst & Young LLP is expected to attend the Annual Meeting and will be available to answer stockholders' questions and have the opportunity to make a statement if the representative wishes to do so.

Fees Paid to Ernst & Young LLP

The following table shows the aggregate fees billed to Magnetek for fiscal years 2011 and 2010 by Ernst & Young LLP, the Company's independent registered public accounting firm. All of the fees were approved by the Audit Committee in accordance with the pre-approval policy described below.

Services Performed	2011	2010
Audit Fees (1)	\$250,000	\$270,000
Audit Related Fees (2)	\$0	\$0
Tax Fees (3)	\$12,700	\$0
All Other Fees	\$0	\$0
	\$262,700	\$270,000

(1) Includes fees billed for professional services rendered for the audits of the Company's consolidated financial statements and internal control over financial reporting and review of the interim consolidated financial statements included in quarterly reports and services in connection with statutory and regulatory filings or engagements.

(2) Includes fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under "Audit Fees." These services include consultations concerning financial accounting and reporting.

(3) Includes fees billed for tax compliance and tax advice.

Independence of Registered Public Accounting Firm

The Audit Committee reviews annually a formal written statement from the independent registered public accounting firm disclosing all relationships between it and the Company, consistent with the applicable requirements of the Public Company Accounting Oversight Board. In addition, the Audit Committee reviews and discusses whether non-audit services approved pursuant to the pre-approval procedure outlined below are compatible with maintaining independence. The Audit Committee determined that the performance of services described above other than audit

services is compatible with maintaining the independence of Ernst & Young LLP.

Pre-Approval Policy

The Audit Committee has adopted a formal pre-approval policy for all services provided by the Company's independent registered public accounting firm. The policy is reviewed annually by the Audit Committee and modified, if appropriate, in accordance with, among other things, SEC rules and regulations. The policy combines the two approaches established by the SEC for pre-approving audit and non-audit services: (1) providing for pre-approval without consideration of specific pre-approved services, and (2) requiring explicit consideration and pre-approval of all other services to be provided by the independent registered public accounting firm and of any services exceeding pre-approved budgets. For both categories of services, the Audit Committee considers whether the proposed services are consistent with the SEC's rules on auditor independence. The Audit Committee reviews and pre-approves annually the list of services subject to pre-approval and all requests or applications for such services are submitted to the Company's Controller along with a detailed description of the services to be rendered. The Controller verifies whether a service is included within or excluded from the detailed description of services pre-approved by the Audit Committee and the Audit Committee is then timely informed of any such services rendered by the independent registered public accounting firm. Requests or applications to provide services that require specific approval of the Audit Committee are jointly submitted to the committee by the independent registered public

Table of Contents

accounting firm and the Company's Chief Financial Officer, and must include a joint statement as to whether, in their view, the request or application is consistent with the SEC's rules on auditor independence.

The Audit Committee has designated Magnetek's internal auditor to monitor the performance of all services provided by the independent registered public accounting firm and to determine whether such services are in compliance with this policy. The Company's internal auditor reports to the Audit Committee on a periodic basis on the results of the monitoring. Both the internal auditor and management will immediately report to the Chairman of the Audit Committee any breach of this policy that comes to their attention. The Audit Committee reviews the internal auditor's annual internal audit plan to determine that the plan provides for the monitoring of the independent registered public accounting firm's services.

The Audit Committee expects all of the work of the independent registered public accounting firm for the six-month transition period from July 4, 2011 through January 1, 2012 to be approved in accordance with the above policies and procedures.

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 the six-month transition period from July 4, 2011 through January 1, 2012.

PROPOSAL NO. 3

AMEND MAGNETEK'S RESTATED CERTIFICATE OF INCORPORATION
TO EFFECT A REVERSE STOCK SPLIT OF OUR COMMON STOCK

The Board has adopted and is submitting for stockholder approval an amendment to Magnetek's Restated Certificate of Incorporation to effect a reverse stock split of our common stock at any whole number ratio between 1-for-2 and 1-for-10, with the final decision whether to proceed with the reverse stock split and the exact ratio and timing of the reverse stock split to be determined by the Board in its discretion following stockholder approval (if received), but not later than December 31, 2012. Pursuant to the laws of Delaware, the Board must adopt any amendment to Magnetek's Restated Certificate of Incorporation and submit the amendment to stockholders for their approval. The form of the proposed amendment to Magnetek's Restated Certificate of Incorporation to effect the reverse stock split is attached to this Proxy Statement as Annex A (the "Charter Amendment").

If Proposal No. 3 is approved by our stockholders, the Board does not have the present intention of effecting the reverse stock split. Rather, stockholder approval of Proposal No. 3 is intended to give the Board the flexibility to effect a reverse stock split in the future should suspension and de-listing of our common stock from the NYSE occur or appear imminent, or if the Board should otherwise determine that it would be in the Company's and our stockholders' best interests to do so, but without having to incur the additional time and expense to solicit stockholder approval at such later time. If the Board does not determine to effect the reverse stock split by December 31, 2012, stockholder approval again would be required prior to implementing any reverse stock split. We believe that granting the Board discretion to implement the reverse stock split and to set the reverse stock split ratio within the stated range at any time on or before December 31, 2012 will provide us with the flexibility to implement the reverse stock split, if at all, in a manner designed to maximize the anticipated benefits to the Company and our stockholders.

We expect that the primary focus of the Board in determining the reverse stock split ratio will be to select a ratio that the Board believes is likely to result in a common stock price that will meet the minimum closing bid price required for initial listing on the Nasdaq or an alternative exchange selected by the Board should suspension and de-listing from the NYSE occur or appear imminent or should the Board determine, even in the absence of such suspension and

de-listing, that a change of listing to Nasdaq Stock Exchange (“Nasdaq”) or an alternative stock exchange is in the best interests of Magnetek and our stockholders. Depending on the ratio for the reverse stock split determined by the Board, every two, three, four, five, six, seven, eight, nine or 10 shares of common stock outstanding or held in treasury by the Company at the effective time of the reverse stock split will be combined into one share of common stock. The number of shares of our common stock outstanding or held in treasury will therefore be reduced, depending upon the reverse stock split ratio determined by the Board.

The Charter Amendment includes the range of reverse stock split ratios which may apply to the proposed reverse stock split. In accordance with Delaware law, any final determination of the actual reverse stock split ratio to be applied will be made dependent upon facts ascertainable outside the Charter Amendment – in this case, a determination by the Board. The Board’s determination to proceed with the reverse stock split, if at all, and the Board’s determination of the reverse stock split ratio will be reported in a Current Report on Form 8-K filed by Magnetek promptly after such determinations are made.

The reverse stock split, if effected, will only affect outstanding shares of our common stock, shares of our common stock held in treasury, the number of shares reserved and available for issuance under Magnetek’s equity compensation plans

Table of Contents

(as described further below), and the number, exercise price, grant price or purchase price of shares subject to any outstanding awards under such plans. The reverse stock split will not affect our authorized capital.

To avoid fractional shares of our common stock resulting from the reverse stock split, stockholders of record who would otherwise hold fractional shares as a result of the reverse stock split will be entitled to receive cash (without interest) in lieu of such fractional shares from our transfer agent. The total amount of cash that will be paid to holders of fractional shares following the reverse stock split will be an amount equal to the fair value of such fractional shares determined in accordance with Delaware law. Following payment in cash to any stockholder in lieu of such stockholder's fractional share, we will cancel such fractional share.

Background and Reasons for the Reverse Stock Split

As we have previously disclosed, on November 26, 2008, the NYSE notified us that we were not in compliance with the NYSE's continued listing standards because our average market capitalization over a consecutive 30 trading-day period was less than \$75 million and our stockholders' equity was less than \$75 million. In 2009, the NYSE decided to temporarily reduce the above-noted minimum \$75 million market capitalization and stockholders' equity requirements to \$50 million, respectively. In June 2010, the NYSE made these temporary reductions permanent. In January 2009, we submitted to the NYSE an 18-month plan for regaining compliance with the NYSE's continued listing standards by returning our market capitalization to above the minimum required level. Our plan was accepted by the NYSE. On May 26, 2010, the NYSE notified us that we had regained compliance with the NYSE's continued listing standards. The notice stated that the decision resulted from Magnetek's achievement of compliance with the NYSE's minimum market capitalization requirement.

On June 21, 2010, the NYSE notified us that we were again not in compliance with the NYSE's continued listing standards because our average market capitalization over a consecutive 30 trading-day period was less than \$50 million and our stockholders' equity was less than \$50 million. In August 2010, we submitted to the NYSE a 12-month plan for regaining compliance with the NYSE's continued listing standards by returning our market capitalization to above the minimum required level. Our plan was accepted by the NYSE. On June 21, 2011, the NYSE notified us that we had regained compliance with the NYSE's continued listing standards. The notice stated that the decision resulted from Magnetek's achievement of compliance with the NYSE's minimum market capitalization requirement.

On September 8, 2011, the NYSE notified us that we are once again not in compliance with the NYSE's continued listing standards because our average market capitalization over a consecutive 30 trading-day period was less than \$50 million and our stockholders' equity was less than \$50 million. The Company intends to submit a plan for regaining compliance with the NYSE's continued listing standards by returning our average market capitalization above the minimum required level. If we were not able to bring ourselves back into compliance with the NYSE's continued listing standards in accordance with any NYSE-approved plan, we expect the NYSE would commence action to suspend and ultimately de-list our common stock.

The Board believes that there is a compelling need for us to secure the approval of our stockholders to effect a reverse stock split should suspension and de-listing of our common stock from the NYSE occur or appear imminent, or if the Board should otherwise determine that it would be in the Company's best interest to do so. The primary reason for a reverse stock split is to increase the price of our common stock in order to meet the minimum closing bid price required for initial listing on the Nasdaq or an alternative exchange should suspension and de-listing of our common stock from the NYSE occur or appear imminent or should the Board determine, even in the absence of such suspension and de-listing, that a change of listing to Nasdaq or an alternative exchange is in the best interests of Magnetek and our stockholders. Accordingly, for this and other reasons discussed below, we believe that giving the

Board the discretionary authority to effect the reverse stock split in the manner described in this Proxy Statement is in the best interests of the Company and our stockholders.

If the proposed reverse stock split is approved by our stockholders, we would be in the position to promptly avail ourselves of alternative public listing arrangements for our common stock so as to ensure the continued liquidity of our common stock through the public markets should a de-listing from the NYSE occur or appear imminent or should the Board otherwise conclude that transferring our listing from the NYSE to Nasdaq or an alternative exchange is in the best interests of the Company and our stockholders. Absent such alternative public listing arrangements, the Board believes that de-listing from the NYSE would have a material adverse effect on the market liquidity of our common stock as well as other associated implications, including a resulting drop in the trading price of our common stock and an increase in transaction costs of trading shares of our common stock.

In order to satisfy the initial listing requirements of Nasdaq and certain of the alternative exchanges, the closing bid price of our common stock must be significantly higher than our recent stock price. In order to satisfy the initial listing requirements of Nasdaq, the closing bid price of our common stock on the NYSE would have to be at least \$4.00 for a number of trading days prior to initial listing. In order to satisfy the initial listing requirements of an alternative exchange

Table of Contents

like NYSE Amex Equities (formerly the American Stock Exchange, or “AMEX”), the closing bid price of our common stock on the NYSE would have to be at least \$3.00 for a number of trading days prior to initial listing. The Board has concluded that, absent a significant market-driven increase in our stock price, the best way for Magnetek to increase the closing bid price of our common stock to a level satisfactory for meeting the initial listing requirements of Nasdaq or an alternative exchange would be to effect a reverse stock split.

Board Discretion to Implement Reverse Stock Split

If Proposal No. 3 is approved by our stockholders, the reverse stock split will be effected only upon a determination by the Board, in its discretion, that proceeding with the reverse stock split is in the best interests of the Company and our stockholders. Presently, we expect that any decision of the Board to proceed with the reverse stock split would likely be coupled with the Board’s decision to proceed with transferring the listing of our common stock from the NYSE to Nasdaq or an alternative exchange. However, if stockholder approval of the reverse stock split is given, the Board may exercise its discretion to proceed with the reverse stock split for any other reason if the Board determines that doing so would be in the best interests of the Company and our stockholders. Other reasons for effecting the reverse stock split would include (but not be limited to) to facilitate a financing transaction, business acquisition (where our common stock may be used, in whole or in part, as consideration for such acquisition) or other strategic transaction. The Board may determine to proceed with the reverse stock split any time after stockholder approval is given, up to and including December 31, 2012.

If the Board determines that the reverse stock split is not in the best interests of the Company, or if the Board for any reason does not approve proceeding with the reverse stock split by December 31, 2012, then no action will be taken by the Company with respect to the Charter Amendment contemplated by Proposal No. 3.

Factors Considered by the Board

In deciding whether to propose the reverse stock split to our stockholders, the Board considered that any potential future suspension and de-listing of our common stock by the NYSE, without our having alternative listing arrangements on Nasdaq or an alternative exchange, would likely cause the liquidity in the trading market for our common stock to be significantly decreased, thereby reducing the trading price and increasing the transaction costs of trading shares of our common stock. If our common stock were to be de-listed from the NYSE and we did not qualify for trading on Nasdaq or an alternative exchange, our common stock would trade in the “pink sheets” maintained by Pink OTC Markets, Inc. and possibly on the OTC Bulletin Board. Such alternative markets are generally considered to be less efficient than, and not as broad as, the NYSE, Nasdaq or an alternative exchange.

The Board also considered that, even if we are not threatened with de-listing from the NYSE or otherwise wish to change the listing of our common stock to Nasdaq or an alternative exchange, our low stock price could serve as an obstacle to completing an equity or debt financing transaction or other strategic transaction in the future. For instance, if the Company were to pursue a capital raising transaction involving the issuance of shares of our common stock, an underwriter may determine that such an issuance would be difficult to complete on terms acceptable to us if our common stock price was too low.

In evaluating whether or not to authorize the proposed amendment to Magnetek’s Restated Certificate of Incorporation, the Board also took into account various negative factors associated with a reverse stock split. These factors include the negative perception of reverse stock splits held by some investors, analysts and other stock market participants, the fact that the stock prices of some companies that have effected reverse stock splits have subsequently declined back to pre-reverse stock split levels, the adverse effect on liquidity that might be caused by a reduced number of shares

outstanding, and the costs associated with implementing a reverse stock split.

If the Board decides to effect the reverse stock split, each stockholder will own a fewer number of shares than such stockholder owns immediately before giving effect to the reverse stock split (which fewer number will be equal to the number of shares owned immediately prior to the reverse stock split divided by one of the whole number ratios between 1-for-2 and 1-for-10 selected by the Board in its discretion). While the Board expects that the reverse stock split will result in an increase in the per share price of our common stock, the Board also recognizes that the reverse stock split may not increase the per-share price of our common stock in proportion to the reduction in the number of shares of our common stock outstanding or result in a long-term increase in the per-share price. Other factors unrelated to the number of shares outstanding such as (but not limited to) our financial results, market conditions and the market's perception of our business may adversely affect the market price of our common stock after the reverse stock split, just as these factors have historically affected us. As a result, there can be no assurance that the price of our common stock would be maintained at the per share price in effect immediately following the effective time of the reverse stock split.

If the reverse stock split is effected and the per-share price of our common stock subsequently declines, the percentage decline as an absolute number and as a percentage of our overall market capitalization may be greater than would

Table of Contents

occur in the absence of a reverse stock split. Furthermore, the liquidity of our common stock could be adversely affected by the reduced number of shares that would be outstanding after the reverse stock split. In addition, the reverse stock split will likely increase the number of stockholders who own odd lots (less than 100 shares). Stockholders who hold odd lots typically will experience an increase in the cost of selling their shares, as well as possible greater difficulty in effecting such sales. Accordingly, a reverse stock split may not achieve the desired results that have been outlined above.

The Board has considered all of the foregoing factors and has determined that effecting the reverse stock split would be in the best interests of the Company and our stockholders if it becomes necessary or appropriate for the Company to transfer the listing of our common stock from the NYSE to Nasdaq or an alternative exchange, and effecting the reverse stock split in other circumstances may otherwise still be in the best interests of the Company and our stockholders if the identified benefits of doing so are determined to outweigh the identified adverse effects.

As noted above, even if our stockholders approve Proposal No. 3, thereby authorizing the Board to effect the reverse stock split, the Board reserves the right not to effect the reverse stock split if the Board determines that not proceeding with the reverse stock split is in the best interests of the Company and our stockholders.

Effects of the Reverse Stock Split

General

If Proposal No. 3 is approved by our stockholders at the Annual Meeting, the reverse stock split will be effected only upon a determination by the Board, in its discretion, that proceeding with the reverse stock split is in the best interests of the Company and our stockholders based on the circumstances giving rise to such determination. Any such determination by the Board will include a determination of the appropriate reverse stock split ratio to be applied. The Board may determine to proceed with the reverse stock split any time after stockholder approval is given, up to and including December 31, 2012.

If Proposal No. 3 is approved by our stockholders and the reverse stock split is approved and implemented by the Board, the principal effect will be to proportionately decrease the number of shares of our common stock outstanding based on the reverse stock split ratio selected by the Board. If the Board elects to effect the reverse stock split at any of the reverse stock split ratios set forth in the table below, the number of shares of our common stock outstanding will be reduced by the corresponding percentages to the number of shares of our common stock outstanding as set forth in the table below, assuming that the number of shares of our common stock outstanding on the effective date of the reverse stock split is the same number of shares of our common stock outstanding as of August 15, 2011 (approximately 32,294,652).

Assuming Proposal
No. 3 Passes and is
Effected

	Percentage Reduction in the Shares of Common Stock Outstanding	Common Stock Outstanding after the Reverse Stock Split
Proposed Reverse Stock Split		

Edgar Filing: MAGNETEK, INC. - Form DEF 14A

1-for-2	50	%	16,147,326
1-for-3	67	%	10,764,884
1-for-4	75	%	8,073,663
1-for-5	80	%	6,458,930
1-for-6	83	%	5,382,442
1-for-7	86	%	4,613,522
1-for-8	88	%	4,036,832
1-for-9	89	%	3,588,295
1-for-10	90	%	3,229,465

Our common stock is currently registered under Section 12(b) of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), and we are subject to the periodic reporting and other requirements of the Exchange Act. The reverse stock split will not affect the registration of our common stock under the Exchange Act or the listing of our common stock on the NYSE. Immediately following the reverse stock split, our common stock will continue to be listed on the NYSE under the symbol “MAG,” although it will be considered a new listing with a new CUSIP number. Continued listing of our common stock on the NYSE after the reverse stock split will be subject to our being able to satisfy the NYSE’s continued listing standards (including the minimum average market capitalization requirement after the reverse stock split), as well as any decision by the Board to proceed with a transfer of our listing to Nasdaq or an alternative exchange.

Table of Contents

Proportionate voting rights and other rights of the holders of our common stock will not be affected by the reverse stock split, other than as a result of the treatment of fractional shares as described below. For example, a holder of 2% of the voting power of the outstanding shares of our common stock immediately prior to the effectiveness of the reverse stock split will generally continue to hold 2% of the voting power of the outstanding shares of our common stock after the reverse stock split. The number of stockholders of record will not be affected by the reverse stock split, except to the extent any stockholders are cashed out as a result of holding fractional shares. If approved and implemented, the reverse stock split may result in some stockholders owning “odd lots” of less than 100 shares of our common stock. As noted above, odd lot shares may be more difficult to sell, and brokerage commissions and other costs of transactions in odd lots are generally somewhat higher than the costs of transactions in “round lots” of even multiples of 100 shares. The Board believes, however, that these potential effects are outweighed by the benefits of the reverse stock split.

Fractional Shares

We will not issue fractional shares in connection with the reverse stock split, should it occur. Stockholders who would otherwise hold fractional shares because the number of shares of common stock they hold before the reverse stock split is not evenly divisible by the split ratio ultimately selected by the Board will be entitled to receive cash (without interest) in lieu of such fractional shares from our transfer agent, upon receipt by our transfer agent of a properly completed and duly executed transmittal letter and, where shares are held in certificated form, the surrender of all old certificate(s), in an amount equal to the fair value of such fractional shares in accordance with Delaware law. The ownership of a fractional share interest will not give the holder any voting, dividend or other rights, except to receive the above-described cash payment.

Stockholders should be aware that, under the escheat laws of various jurisdictions, sums due for fractional share interests that are not timely claimed after the effective time of the reverse stock split may be required to be paid to the designated agent for each such jurisdiction, unless correspondence has been received by us or our transfer agent concerning ownership of such funds within the time permitted in such jurisdiction. Thereafter, if applicable, stockholders otherwise entitled to receive such funds, but who do not receive them due to, for example, their failure to timely comply with our transfer agent’s instructions, will have to seek to obtain such funds directly from the state to which they were paid.

Effective Time of Reverse Stock Split

The reverse stock split, if approved by our stockholders and implemented by the Board, in its discretion, would become effective upon the filing and effectiveness of the Charter Amendment with the Secretary of State of the State of Delaware. The Board may determine to proceed with the reverse stock split any time after stockholder approval is given, up to and including December 31, 2012. However, the exact timing of the effective time of the reverse stock split, if any, will be determined by the Board based on its evaluation as to when such action will be the most advantageous to the Company and our stockholders and, in the case of a reverse stock split tied to a contemplated change of listing of our common stock from the NYSE to Nasdaq or an alternative exchange, in accordance with any time periods for listing on Nasdaq or such alternative exchange. In addition, the Board reserves the right, notwithstanding stockholder approval and without further action by the stockholders, to elect not to proceed with the reverse stock split if, at any time prior to filing the Charter Amendment, the Board, in its discretion, determines that it is no longer in Magnetek’s best interests and the best interests of our stockholders to proceed with the reverse stock split.

Effect on Magnetek’s Equity Compensation Plans

As of the Record Date of September 12, 2011, we had approximately 1,786,000 shares subject to stock options and 1,117,000 shares of unvested restricted stock units outstanding under our Amended and Restated 2010 Non-Employee Director Stock Option Plan, Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc., Magnetek FlexCare Plus Retirement Savings Plan, as Amended and Restated effective January 1, 2009, and any other equity compensation plan or arrangement of the Company (collectively, the "Stock Plans"). The Board or the Compensation Committee, as applicable, will take any and all actions with respect to such Stock Plans, and any outstanding awards granted pursuant to any of such Stock Plans, as may be necessary or desirable in light of the impact of any reverse stock split and change of listing to Nasdaq or an alternate exchange, if effected, on the Company's common stock and the purposes of such Stock Plans. Holders of any fractional shares subject to any outstanding awards under the Stock Plans that result from the reverse stock split will be entitled to receive cash (without interest) in lieu of such fractional shares from our transfer agent, upon receipt by our transfer agent of a properly completed and duly executed transmittal letter in an amount equal to the fair value of such fractional shares in accordance with Delaware law. Accordingly, if the reverse stock split is approved by our stockholders, at the effective time of the reverse stock split, the number of shares reserved and available under the Stock Plans (and any and all limitations related to shares under such Stock Plans), and the number, exercise price, grant price or purchase price of shares subject to such outstanding awards will be proportionately adjusted using the split ratio selected by the Board (subject to the treatment of fractional shares to be determined by the Board or the Compensation Committee).

Table of Contents

Pursuant to the Stock Plans, any such adjustments must be made in accordance with Sections 409A and 162(m) of the Internal Revenue Code of 1986, as amended, as applicable.

Effect on Magnetek's Rights Agreement

Magnetek is party to a Rights Agreement dated April 30, 2003 with The Bank of New York Mellon as the "Rights Agent." Pursuant to the terms of the Rights Agreement, Magnetek has issued one "Right" for each share of our common stock issued and outstanding prior to the reverse stock split and each Right currently trades with the share of our common stock with which it is associated. Pursuant to the adjustment mechanism set forth in Section 11(n) of the Rights Agreement, effective as of the effective time of the reverse stock split (if any), proportionate adjustments will be made to the exercise price of each Right. In accordance with Section 12 of the Rights Agreement, at least 20 days prior to the effective time of the reverse stock split, Magnetek will prepare a certificate setting forth the reverse stock split adjustments and a brief statement of facts giving rise to such adjustment, file a copy of such certificate with the Rights Agent and the transfer agent for the securities issuable upon exercise of the Rights, and mail a brief summary to each holder of Rights, provided that Magnetek's failure to make such certificate or give such notice will not affect the validity or the force and effect of the reverse stock split or the proportionate adjustments to the exercise price of each Right.

Effect on Authorized but Unissued Shares of Common Stock and Preferred Stock

Currently, Magnetek is authorized to issue up to a total of 100 million shares of common stock, par value \$0.01 per share, of which approximately 32,505,652 shares of common stock are issued and outstanding as of the Record Date of September 12, 2011, and 500,000 shares of preferred stock, par value \$1.00 per share, none of which are issued and outstanding as of the Record Date of September 12, 2011. If the reverse stock split is effected, the number of shares of our authorized common stock and preferred stock will not change.

Effect on Par Value

The proposed amendment to our Restated Certificate of Incorporation will not affect the par value of our common stock, which will remain at \$0.01, or our preferred stock, which will remain at \$1.00.

Accounting Matters

As a result of the reverse stock split, at the effective time of the reverse stock split the stated capital on our balance sheet attributable to our common stock, which consists of the par value per share of our common stock multiplied by the aggregate number of shares of our common stock issued and outstanding, will be reduced in proportion to the ratio of the reverse stock split. Correspondingly, our additional paid-in capital account, which consists of the difference between our stated capital and the aggregate amount paid to us upon issuance of all currently outstanding shares of our common stock, will be credited with the amount by which the stated capital is reduced. Our stockholders' equity, in the aggregate, will remain unchanged.

No Going Private Transaction

Notwithstanding the decrease in the number of outstanding shares following the proposed reverse stock split, the Board does not intend for this transaction to be the first step in a "going private transaction" within the meaning of Rule 13e-3 of the Exchange Act.

Registered “Book-Entry” Holders of Common Stock

If the reverse stock split is effected, stockholders who hold uncertificated shares of our common stock (i.e., shares held in book-entry form and not represented by a physical stock certificate), either as direct or beneficial owners, will have their holdings electronically adjusted by our transfer agent through the NYSE’s Direct Registration System (and, for beneficial owners, by their brokers or banks that hold in “street name” for their benefit, as the case may be) to give effect to the reverse stock split. Stockholders who hold uncertificated shares as direct owners will be sent a transmittal letter by our transfer agent and will need to return a properly completed and duly executed transmittal letter in order to receive any cash payment in lieu of fractional shares or any other distributions, if any, that may be declared and payable to holders of record following the reverse stock split.

Exchange of Stock Certificates

If the reverse stock split is effected, stockholders holding certificated shares of our common stock (i.e., shares represented by one or more physical stock certificates) will be required to exchange their old certificate(s) for new certificate(s) representing the appropriate number of shares of our common stock resulting from the reverse stock split. Stockholders of record at the effective time of the reverse stock split will be furnished the necessary materials and instructions for the surrender and exchange of their old certificate(s) at the appropriate time by our transfer agent.

Table of Contents

Stockholders will not have to pay any transfer fee or other fee in connection with such exchange. As soon as practicable after the effective time of the reverse stock split, our transfer agent will send a letter of transmittal to each stockholder advising such holder of the procedure for surrendering old certificate(s) in exchange for new certificate(s).

YOU SHOULD NOT SEND YOUR OLD CERTIFICATES NOW. YOU SHOULD SEND THEM ONLY AFTER YOU RECEIVE THE LETTER OF TRANSMITTAL FROM OUR TRANSFER AGENT.

As soon as practicable after the surrender to the transfer agent of any old certificate(s), together with a properly completed and duly executed transmittal letter and any other documents the transfer agent may specify, the transfer agent will deliver to the person in whose name such old certificate(s) had been issued a new certificate registered in the name of such person.

Until surrendered as contemplated herein, a stockholder's old certificate(s) will be deemed at and after the effective time of the reverse stock split to represent the number of full shares of our common stock resulting from the reverse stock split. However, we encourage stockholders to promptly return to our transfer agent any old certificate(s), a properly completed and duly executed transmittal letter and any other documents the transfer agent may specify in order to facilitate the timely exchange of old certificate(s) for new certificate(s) representing the appropriate number of shares of our common stock resulting from the reverse stock split. Pursuant to applicable rules of the NYSE, your old certificate(s) representing pre-split shares cannot be used for either transfers or deliveries made on the NYSE; thus, you must exchange your old certificate(s) for new certificate(s) in order to effect transfers or deliveries of your shares on the NYSE.

Any stockholder whose old certificate(s) have been lost, destroyed or stolen will be entitled to a new certificate only after complying with the requirements that we and our transfer agent customarily apply in connection with lost, stolen or destroyed certificates.

No service charges, brokerage commissions or transfer taxes will be payable by any holder of any old certificate, except that if any new certificate is to be issued in a name other than that in which the old certificate(s) are registered, it will be a condition of such issuance that (i) the person requesting such issuance must pay to us any applicable transfer taxes or establish to our satisfaction that such taxes have been paid or are not payable, (ii) the transfer complies with all applicable federal and state securities laws, and (iii) the surrendered certificate is properly endorsed and otherwise in proper form for transfer.

No Appraisal Rights

Under the Delaware General Corporation Law, stockholders will not be entitled to exercise appraisal rights in connection with the reverse stock split and Magnetek will not independently provide stockholders with any such right.

Certain Federal Income Tax Consequences of the Reverse Stock Split

The following is a summary of certain United States federal income tax consequences of the reverse stock split generally applicable to beneficial holders of shares of our common stock. This summary addresses only such stockholders who hold their pre-reverse stock split shares as capital assets and will hold the post-reverse stock split shares as capital assets. This discussion does not address all United States federal income tax considerations that may be relevant to particular stockholders in light of their individual circumstances or to stockholders that are subject to special rules, such as financial institutions, tax-exempt organizations, insurance companies, dealers in securities, and foreign stockholders. The following summary is based upon the provisions of the Internal Revenue Code of 1986, as amended, applicable Treasury Regulations thereunder, judicial decisions and current administrative rulings, as of the

date hereof, all of which are subject to change, possibly on a retroactive basis. Tax consequences under state, local, foreign, and other laws are not addressed in this summary. Each stockholder should consult its tax advisor as to the particular facts and circumstances which may be unique to such stockholder and also as to any estate, gift, state, local or foreign tax considerations arising out of the reverse stock split. We have not and will not seek a ruling from the Internal Revenue Service or an opinion of counsel regarding the United States federal income tax consequences of the proposed amendment to our Restated Certificate of Incorporation. Therefore, the income tax consequences discussed below are not binding on the Internal Revenue Service and there can be no assurance that such income tax consequences, if challenged, would be sustained.

Subject to the above stated, the United States federal income tax consequences of the proposed reverse stock split may be summarized as follows:

The reverse stock split would qualify as a tax-free recapitalization under the Internal Revenue Code. Accordingly, except for any cash received in lieu of fractional shares, a stockholder will not recognize any gain or loss for United States federal income tax purposes as a result of the receipt of the post-reverse stock split common stock pursuant to the reverse stock split.

Table of Contents

The shares of post-reverse stock split common stock in the hands of a stockholder will have an aggregate basis for computing gain or loss on a subsequent disposition equal to the aggregate basis of the shares of pre-reverse stock split common stock held by the stockholder immediately prior to the reverse stock split, reduced by the basis allocable to any fractional shares which the stockholder is treated as having sold for cash, as discussed in the fourth bullet point below.

A stockholder's holding period for the post-reverse stock split common stock will include the holding period of the pre-reverse stock split common stock exchanged.

Stockholders who receive cash for fractional shares will be treated for United States federal income tax purposes as having sold their fractional shares and will recognize gain or loss in the amount equal to the difference between the cash received and the portion of their basis for the pre-reverse stock split common stock allocated to the fractional shares. Such gain or loss will be a capital gain or loss if the stock was held as a capital asset, and such gain or loss will be long-term gain or loss to the extent that the stockholder's holding period for the fractional shares exceeds 12 months for United States federal income tax purposes.

United States federal information reporting requirements will apply with respect to the cash proceeds to be received by non-corporate United States stockholders in lieu of fractional shares and United States federal backup withholding (currently at the rate of 28%) will apply to such reportable amounts if any non-corporate stockholder fails to furnish a proper taxpayer identification number, to certify that such holder is not subject to United States federal backup withholding, or to otherwise comply with the applicable requirements of the United States federal backup withholding rules.

Stockholder Approval Requirement

Approval of the Charter Amendment as described in Proposal 3 will require the affirmative vote of the holders of a majority of outstanding shares of our common stock as of the September 12, 2011 Record Date entitled to vote on such matter.

Recommendation of the Board

The Board recommends a vote "FOR" Proposal No. 3 to amend Magnetek's Restated Certificate of Incorporation to effect a reverse stock split with respect to Magnetek's common stock at any whole number ratio between 1-for-2 and 1-for-10, with the final decision whether to proceed with the reverse stock split and the exact ratio and timing of the reverse stock split to be determined by the Board, in its discretion, following stockholder approval (if received), but not later than December 31, 2012.

PROPOSAL NO. 4

APPROVAL OF FIRST AMENDMENT TO SECOND AMENDED AND RESTATED 2004 STOCK INCENTIVE PLAN OF MAGNETEK, INC.

On August 5, 2011, Magnetek's Board of Directors adopted a First Amendment to the Second Amended and Restated 2004 Stock Incentive Plan of Magnetek, Inc. (the "Existing 2004 Plan"). The form of the First Amendment to the Existing 2004 Plan is attached as Annex B to this Proxy Statement (the "2004 Plan Amendment"). The original Amended and Restated 2004 Stock Incentive Plan was adopted by the Board of Directors on September 13, 2004 and approved by Magnetek's shareholders on October 27, 2004. The Amended and Restated 2004 Stock Incentive Plan was further amended by the Board of Directors on December 14, 2007 to comply with the then recently issued final

regulations under Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”), and, as such, Magnetek stockholder approval was not required for such amendments. On August 2, 2009, the Board of Directors adopted the Existing 2004 Plan, which was subsequently approved by Magnetek’s stockholders on November 5, 2009.

Under the Existing 2004 Plan, an aggregate of 3,350,000 shares of our common stock are authorized and reserved for issuance of awards under the Existing 2004 Plan. As of the end of our 2011 fiscal year, options to purchase an aggregate of approximately 352,000 shares of our common stock have been granted and restricted stock awards to acquire an aggregate amount of approximately 868,000 shares of our common stock have been granted and are outstanding under the Existing 2004 Plan, leaving approximately 1,993,000 shares of our common stock reserved for future issuances under the Existing 2004 Plan.

The Existing 2004 Plan is administered by the Compensation Committee of the Board of Directors (the “Compensation Committee”), although the Board of Directors may exercise any authority of the Compensation Committee under the Existing 2004 Plan. The Existing 2004 Plan authorizes the grant and issuance of awards that may take the form of options, stock appreciation rights, incentive bonuses, incentive stock and incentive stock units (any such arrangement an “award”). The Existing 2004 Plan has various provisions to enable awards to qualify for exemption from the “short swing liability” provisions of Section 16(b) of the Exchange Act pursuant to Rule 16b-3 and/or qualify as “performance based

Table of Contents

compensation” that is exempt from the \$1 million limitation on the deductibility of compensation under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”). Shareholder approval of the 2004 Plan Amendment is required in order for each of these exemptions to be satisfied.

Any person who is an employee, officer or consultant of the Company or any of its affiliates, currently estimated at approximately 310 individuals, is eligible to be selected as a recipient of an award under the Existing 2004 Plan. While the Compensation Committee has the discretion to determine the type of awards granted, the Existing 2004 Plan limits the number of shares that may be subject to stock options and/or stock appreciation rights granted to any individual during any one year to 500,000, and the number of shares that may be subject to all other types of awards granted to any individual during any one year to 100,000, unless either such limitation is not required under Code Section 162(m). The 2004 Plan Amendment, if approved by the stockholders, would increase the current calendar year limitation on the number of stock options and/or stock appreciation rights that may be granted to any one individual under the Existing 2004 Plan from 500,000 to 2,000,000, and increase the current calendar year limitation for grants of non-stock options and/or stock appreciation rights awards (such as incentive stock) to any one individual under the Existing 2004 Plan from 100,000 to 400,000, unless either such limitation is not required under Code Section 162(m). Other than with respect to such increases to the aggregate share limitations per individual during any calendar year under the 2004 Plan Amendment, the other provisions of the Existing 2004 Plan will remain unchanged (including the number of shares of common stock both authorized and that may be subject to future awards).

The Board of Directors approved the 2004 Plan Amendment, in part, because the Board believes the current calendar year limitations on the number of shares available for grant to an individual do not reflect the same incentive value to plan participants as when the Existing 2004 Plan was originally adopted and approved in 2004 during our 2005 fiscal year. During our 2005 fiscal year, our average stock price was \$5.44. During our 2011 fiscal year, our average stock price was \$1.59, which represents a 71% drop from our average stock price during our 2005 fiscal year. In light of this reduction in our average stock price, the Board believes that it is important to increase the aggregate number of shares available during any calendar year to any one individual to provide for substantially the same incentive value as originally contemplated to be provided when the Existing 2004 Plan was adopted. Should Magnetek’s stockholders approve the 2004 Plan Amendment and, subsequently, should our average stock price rise to levels more closely in line with our average stock price for fiscal 2005, the Board of Directors would likely reduce the number of aggregate share grants under the Existing 2004 Plan, as amended by the 2004 Plan Amendment.

The Board of Directors recommends that stockholders approve the 2004 Plan Amendment. The Board of Directors believes that the increase of the current aggregate share limitations for stock options and/or stock appreciation rights awards and non-stock options and/or stock appreciation rights awards (such as incentive stock) provided by the 2004 Plan Amendment is important to ensure that a sufficient number of awards may be granted to plan participants in order to adequately support the Company’s compensation program intent to attract, retain and motivate such individuals. The Board of Directors also believes that the proposed 2004 Plan Amendment is reasonable and fair to Magnetek’s stockholders. If the requisite stockholder approval of the 2004 Plan Amendment is not obtained, all provisions of the Existing 2004 Plan will remain in place. The benefits and amounts under the Existing 2004 Plan, as amended by the 2004 Plan Amendment, are purely discretionary and, therefore, such benefits and amounts which would have been received for the last completed fiscal year under the Existing 2004 Plan, as amended by the 2004 Plan Amendment, if it had been in effect are not determinable at this time.

Stockholder Approval Requirement

Approval of the 2004 Plan Amendment as described in Proposal No. 4 will require the affirmative vote of the holders of a majority of Magnetek’s shares voted at the annual meeting either in person or by proxy.

The Board of Directors Recommends that Stockholders Vote “FOR” Approval of the 2004 Plan Amendment.

PROPOSAL NO. 5

APPROVAL OF DIRECTOR COMPENSATION AND DEFERRAL INVESTMENT PLAN AS SUCCESSOR PLAN TO MAGNETEK, INC. AMENDED AND RESTATED DIRECTOR AND OFFICER COMPENSATION AND DEFERRAL INVESTMENT PLAN

On August 5, 2011, Magnetek’s Board of Directors adopted a Director Compensation and Deferral Investment Plan as a successor plan to the Magnetek, Inc. Amended and Restated Director and Officer Compensation and Deferral Investment Plan (the “Existing DOCDIP”). The form of the Director Compensation and Deferral Investment Plan as a successor plan to the Existing DOCDIP is attached as Annex C to this Proxy Statement (the “Director Plan”). The Director Plan would, if approved by our stockholders, increase the aggregate number of shares available for issuance to eligible participants to 2,500,000, as compared to the 1,100,000 shares available for issuance under the Existing DOCDIP (representing an increase

Table of Contents

of 1,400,000 shares). As of the end of our 2011 fiscal year, 181,636 shares of our common stock remained available for future issuances under the Existing DOCDIP.

The original Magnetek, Inc. 1997 Non-Employee Director Stock Option Plan (the “1997 Plan”) was adopted by the Board of Directors and approved by Magnetek’s stockholders on October 21, 1997. On July 26, 2006, the Board of Directors adopted the Existing DOCDIP, which amended and restated the 1997 Plan, and which was subsequently approved by Magnetek’s stockholders on October 25, 2006. The Existing DOCDIP was further amended effective as of January 1, 2009 to comply with the then recently issued final regulations under Section 409A, and, as such, Magnetek stockholder approval was not required for such amendments.

The Existing DOCDIP is administered by the Compensation Committee, although the Board of Directors may exercise any authority of the Compensation Committee under the Existing DOCDIP. Any member of the Board of Directors who is not an employee or officer of Magnetek (currently there are five such individuals) is eligible to participate in the Existing DOCDIP. In addition, under the Existing DOCDIP, Magnetek’s chief executive officer and Magnetek’s other key executives designated by the Compensation Committee are eligible to participate in the Existing DOCDIP.

On August 5, 2011, Magnetek’s Board of Directors approved amendment of the Existing DOCDIP to be succeeded by the Director Plan eliminating the provisions allowing for key executive officers’ participation.

Under the Director Plan, each eligible Director receives phantom shares of Magnetek common stock in lieu of the annual cash retainer fees otherwise payable to such Director each year so long as the Director Plan is in effect. In addition, if a Director so elects, he or she may receive phantom shares of common stock in lieu of cash meeting fees payable to such Director each year for as long as the Director Plan is in effect. A participating Director may elect to defer up to 100% of his or her retainer fees and/or meeting fees for any year.

Currently, an aggregate of 1,100,000 shares of our common stock are authorized and reserved for issuance under the Existing DOCDIP. When the Existing DOCDIP was approved in 2006, it increased the maximum number of shares originally available for issuance under the 1997 Plan from 250,000 to 1,100,000 (representing an increase of 850,000 shares). Such authorized shares may be treasury shares (i.e., previously issued and outstanding shares that were reacquired by Magnetek but not cancelled) or may be authorized but unissued shares, or may consist partly of each. The Board of Directors approved the Director Plan, in part, because the Board believes the current authorized number of shares available for issuance under the Existing DOCDIP is not sufficient to adequately compensate the Director participants. For example, during the 2011 fiscal year, we allocated 215,173 shares under the Existing DOCDIP, which was due, in part, to an increased number of Board and committee meetings and historically low stock prices.

The Board of Directors recommends that stockholders approve the Director Plan. The Board of Directors believes that the increased number of shares that would become available under the Director Plan relative to the number of shares available for issuance under the Existing DOCDIP is important to ensure that a sufficient number of shares are available for plan participants in order to adequately support the Company’s compensation program intent to attract, retain and motivate such individuals. The Board of Directors also believes that the proposed Director Plan is reasonable and fair to Magnetek’s stockholders. If the requisite stockholder approval of the Director Plan is not obtained, all provisions of the Existing DOCDIP will remain in place.

Stockholder Approval Requirement

Approval of the Director Plan Amendment as described in Proposal No. 5 will require the affirmative vote of the holders of a majority of Magnetek's shares voted at the annual meeting either in person or by proxy.

The Board of Directors Recommends that Stockholders Vote "FOR" Approval of the Director Plan.

PROPOSAL NO. 6

ADVISORY VOTE ON THE COMPENSATION OF NAMED EXECUTIVE OFFICERS

The recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act") enables our stockholders to vote to approve, on an advisory (non-binding) basis, the compensation of Magnetek's named executive officers. For a comprehensive description of our executive compensation program please refer to the Compensation Discussion and Analysis beginning on page 30 of this Proxy Statement.

We believe that Magnetek's executive compensation programs have been effective in incenting the achievement of our positive results. We are asking our stockholders to indicate their support for our named executive officers compensation as described in this Proxy Statement. This Proposal No. 6 gives you as a stockholder the opportunity to express your views regarding our fiscal year 2011 executive compensation policies and procedures for named executive officers. The vote is not

Table of Contents

intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the policies and procedures described in this Proxy Statement.

Stockholder Approval Requirement

Approval of the advisory vote as described in Proposal No. 6 will require the affirmative vote of the holders of a majority of Magnetek's shares voted at the annual meeting either in person or by proxy.

The Board of Directors Recommends that Stockholders Vote "FOR" the following advisory resolution:

RESOLVED, that the stockholders of Magnetek approve, on an advisory basis, the compensation of Magnetek's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, the Summary Compensation Table, and the related compensation tables, notes and narrative set forth in this Proxy Statement.

Although the advisory vote is non-binding, the Compensation Committee and the Board of Directors will review the results of the vote and consider the outcome when making future decisions concerning our executive compensation program.

PROPOSAL NO.7

ADVISORY VOTE ON THE FREQUENCY OF THE VOTE ON COMPENSATION OF THE NAMED EXECUTIVE OFFICERS

In addition to the nonbinding advisory note on the compensation of Magnetek's named executive officers in Proposal No. 6 of this Proxy Statement, the Dodd-Frank Act also requires that we ask stockholders to cast an advisory vote on how often we should include an advisory vote on executive compensation in proxy materials for future stockholder meetings where compensation disclosure is required. Under this Proposal No. 7, stockholders may vote to have such a vote every year, every two years or every three years.

The Board of Directors recommends a vote every year (annually). Magnetek's executive officer compensation is designed with a long-term focus. However, the Board of Directors recognizes that executive compensation decisions are made annually and holding an annual advisory vote on executive compensation provides us with more direct and immediate feedback from our stockholders. Stockholders should note, however, that because the advisory vote on executive compensation will occur after the beginning of the compensation year, in many cases, it may not be appropriate or feasible to change our executive compensation program in connection with a particular year's advisory vote on executive compensation.

Stockholder Approval Requirement

Approval of the advisory vote as described in Proposal No. 7 will require the affirmative vote of the holders of a majority of Magnetek's shares voted at the annual meeting either in person or by proxy, unless none of the frequency options receives a majority of the votes cast, then the option receiving the greatest number of votes will be considered the frequency recommended by the Company's stockholders.

The Board of Directors Recommends that Stockholders Vote "FOR" An Advisory Vote on the Compensation of our Named Executive Officers Every Year.

Accordingly, the following resolution will be submitted for a stockholder vote at the 2011 Annual Meeting:

RESOLVED, that the stockholders of Magnetek shall be given the opportunity to vote on an advisory resolution regarding the compensation of Magnetek's named executive officers:

- every year;
- every two (2) years; or
- every three (3) years.

Each stockholder's vote, however, is not to approve or disapprove the Board's recommendation. When voting on this Proposal No. 7, each stockholder has four choices, vote on executive pay every year, every two years, every three years, or abstain from voting. The option of one year, two years or three years that receives the highest number of votes cast by stockholders will be the frequency for the advisory vote on executive compensation that has been selected by stockholders. Although this advisory vote is non-binding, we will review the results of the vote and take them into account in making a determination concerning the frequency of advisory votes on executive compensation.

Table of Contents

CORPORATE GOVERNANCE PRINCIPLES

Magnetek's Board of Directors and management are committed to operating the Company in accordance with its long-standing governance principles and sound business practices. This fundamental framework provides the foundation from which the Board and management pursue long-term strategic objectives aligned with the interests of the Company's stockholders. Magnetek's corporate governance principles are reviewed annually by the Nominating and Corporate Governance Committee and any proposed changes are discussed with and recommended to the full Board for approval. 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.

Board Composition and Independence

Magnetek's Board of Directors currently consists of six members, each of whom is subject to election by the Company's stockholders to serve a term until the next Annual Stockholders' Meeting, absent any unforeseen circumstances. The Corporate Governance Guidelines for Board composition encourage a breadth of diverse views and experience from a variety of industries and professional backgrounds. The Nominating and Corporate Governance Committee identifies potential candidates through professional search firms and/or referrals with consideration given to a potential candidate's ability to contribute to the diversity of the Board as reflected in the Corporate Governance Guidelines. Candidacy for Board membership requires the final approval of the full Board, based upon the recommendation of the Nominating and Corporate Governance Committee and the Chairman of the Board. Each year, the Board proposes a slate of nominees to the stockholders, who elect the members of the Board at the Annual Stockholders' Meeting. Stockholders may also propose nominees for consideration by the Nominating and Corporate Governance Committee by submitting the names and supporting information regarding proposed candidates to the Corporate Secretary in accordance with the procedure for submitting stockholder proposals set forth on page 3 and page 4 of this Proxy Statement. Selected Directors are expected to meet the Company's governance criteria as reflected in the Corporate Governance Guidelines, including demonstration of the highest personal and professional ethics, integrity and values, and a commitment to representing the long-term interests of the Company's stockholders. The Nominating and Corporate Governance Committee is responsible for establishing qualifications for Directors, taking into account the composition and skills of the entire Board and the needs of the Company. Directors must be willing and able to devote sufficient time to carrying out their duties and responsibilities effectively and must be prepared to serve on the Board for an extended period of time.

In accordance with the listing standards established by the NYSE, the requirements of the Sarbanes-Oxley Act of 2002 and the Company's Corporate Governance Guidelines, the Board has adopted criteria for establishing independence that meets or exceeds the requirements of the NYSE listing standards. Each year, the Nominating and Corporate Governance Committee reviews the qualifications and independence of each existing Board member and new candidates for Board membership, if any, prior to making recommendations for nominations to the Board for the following year. The Board takes into account all relevant facts, circumstances and affiliations, direct or indirect relationships, and related person transactions that might impact an existing or candidate Board member's independence from the Company and management. Based upon its most recent review of independence in August 2011, the Nominating and Corporate Governance Committee determined that all of the current Directors are independent under the NYSE listing standards and the Company's Corporate Governance Guidelines, except Mr. Reiland who served as the Company's President and Chief Executive Officer until October 28, 2008 and was an employee of the Company until January 15, 2009 and Mr. McCormick who is an employee of the Company and serves as the Company's President and Chief Executive Officer.

Applying the NYSE listing standards and the Company's independence standards, the Board determined that there are no transactions, relationships or arrangements that would impair the independence or judgment of any of the Directors deemed independent by the Board. See Relationships and Related Transactions section on page 23 of this Proxy Statement.

Recognizing the value of long-term experience, the Company does not have a mandatory retirement policy for its Directors. The Company does, however, require non-employee Directors to offer their resignation whenever their principal employment or affiliation changes after joining the Board or whenever there is a material change in their personal circumstances. The Nominating and Corporate Governance Committee then evaluates the changed circumstance and its impact on the Board member's ability to continue effectively contributing to the oversight of the Company's management and makes a recommendation to the Board on whether the member should continue to serve. The final decision, based upon the committee's recommendation, is made by the Board.

Table of Contents

Board Structure and Risk Oversight

Magnetek's Bylaws provide that the Board of Directors reserves the right to combine the responsibilities of the Chief Executive Officer ("CEO") and Chairman of the Board in the same individual. Since 2005, the Board has determined to separate these roles. The Board believes at this time that designating an independent director to act as the non-executive Chairman serves the best interests of the Company and our stockholders. The Board further believes that the committees of the Board are best served by engaging management of the Company on an ongoing basis. Thus, our President, who is also our CEO, serves as an ex-officio member of all our Board committees. In addition, each of the Board's committees, except the Retirement Plan Committee, consists entirely of independent directors, as determined on an annual basis by the Board. This design facilitates the Board's oversight of management and the functioning of the Board.

As reflected in the Bylaws and Corporate Governance Guidelines, the responsibilities of our Chairman include presiding at all meetings of the Board, setting the agenda for Board meetings and the provision of information to Board members prior to each meeting. The Chairman also presides over the Company's annual and any special stockholders' meetings.

The Nominating and Corporate Governance Committee is responsible for the review of the leadership structure of the Board. It also has general responsibility for surveillance of the Company's compliance with its Corporate Governance Guidelines and Code of Business Conduct and Ethics. The Nominating and Corporate Governance Committee makes recommendations on the number of Directors, as well as the structure and membership of each committee of the Board and is responsible for assessing corporate governance risks including evaluating Director independence and related party transactions.

The Board of Directors takes an active role in overseeing management of the Company's enterprise, financial, reputational, legal, environmental and business risks, with input from the Company's President and CEO and other senior management, as appropriate. The Board is ultimately responsible for the conduct of the review, approval and monitoring of fundamental financial and business strategies and major corporate actions, including assessing enterprise, financial, reputational, legal, environmental and business risks facing the Company while reviewing options for mitigation of such risks.

The Audit Committee is responsible for oversight of our accounting and financial reporting practices and procedures and the integrity of our financial statements. Annually, the Audit Committee engages in a Company-wide assessment of risk management policies, practices and processes including risk identification, analysis, controls and monitoring. The Audit Committee is briefed on a quarterly basis by our Manager of Internal Audit and, resulting from ensuing discussions, establishes the internal audit schedule.

The Compensation Committee is responsible for overseeing the Company's compensation policies, practices and programs. The Compensation Committee analyzes, in conjunction with management, whether such compensation policies, practices and programs, when viewed in their component parts and when taken as a whole, create risks that are reasonably likely to have a material adverse effect on the Company. The analysis is conducted Company-wide and applied to programs applicable to all employees including our executive officers. Based upon this analysis, the Compensation Committee does not believe that the Company's compensation programs were reasonably likely to create or encourage unnecessary or excessive risk taking by the Company's employees, including our executive officers.

The Retirement Plan Committee represents the Board of Directors in providing for the oversight and monitoring of the administration and performance of the Company's retirement benefit plans. The Retirement Plan Committee meets no

less than twice per year to review and monitor the administration and performance of the Company's retirement benefit plans. The Retirement Plan Committee receives input and professional advice from its consulting actuary, trust fund investment manager, and an independent investment advisor. The Company's defined benefit pension plan could, under certain circumstances, be reasonably likely to have a material adverse effect on the Company. The Company froze its defined benefit pension plan with respect to new participants in 2002 and with respect to existing participants in 2003. Accrued benefits continue to be funded by the Company with no employee contributions required. The principal risk associated with this pension plan is marked volatility of asset prices and interest rates. Risks associated with the management of approximately \$133 million in plan assets and \$194 million in plan liabilities (as of July 3, 2011) are the oversight responsibility of the Retirement Plan Committee. The pension plan's performance, including the funding percentages and investment choices, are also reviewed at least annually with the Board of Directors.

Board Functional Responsibilities

Board members are expected to devote sufficient time and attention to carrying out their duties and responsibilities and to ensure that their other responsibilities, including service on other boards, do not interfere with their responsibilities as members of Magnetek's Board of Directors. Directors are expected to prepare for and attend all Board meetings and meetings

Table of Contents

of committees to which they are assigned. The Company schedules Board meetings once each quarter and calls special and telephonic meetings when required. Last year, the Board held four regularly scheduled quarterly meetings, one special meeting and eight telephonic meetings. All of the Directors attended in person or participated telephonically in all of these meetings except for Mr. Reiland who was excused from one telephonic meeting. Board members also are expected to attend each Annual Stockholders' Meeting if they are able to do so. All of the Directors attended the 2010 Annual Stockholders' Meeting. We anticipate that all of our Directors will attend the November 9, 2011 Annual Meeting.

A master Board meeting agenda and meeting agendas for each of the committees are prepared each year to cover recurring items and are submitted to the Chairman of the Board and to the applicable committees for review and approval. Proposed meeting agendas are submitted to the Chairman of the Board and the committee chairmen prior to each scheduled meeting to enable the chairmen to revise the agendas and add additional topics for discussion, as appropriate. Materials relevant to the topics to be discussed are distributed prior to meetings and Directors are expected to review the materials and prepare for meetings in advance. At each quarterly meeting, the Board participates in focused discussions of the Company's quarterly performance and key issues affecting the Company. The Board formally reviews and discusses the Company's business plan for the next year and its longer-term strategic objectives, as well as its management succession plan, at least once a year.

Executive sessions with only independent Directors occur during each quarterly meeting and at the end of special and telephonic meetings at the discretion of the Board and at any other time deemed appropriate by the Board. The executive sessions are chaired by Mr. Quain, Chairman of the Board, who is an independent director. At least annually, the independent Directors meet formally in an executive session to evaluate the President and CEO's past year's performance and to discuss and establish performance objectives for the next fiscal year.

All of the Directors participate in an annual evaluation of the Board's effectiveness. Committee members also evaluate the effectiveness of the committees on which they serve.

The Board, and each committee, is authorized to engage independent outside financial, legal and other consultants as they deem necessary or appropriate. Directors also have full access to management. Committee responsibilities are detailed in each committee charter.

Alignment with Stockholder Interests

Directors are expected to represent the interests of all of our stockholders. As described in the Director Compensation section on pages 43 and 44 of this Proxy Statement, all or a substantial portion of each Director's compensation is linked to the Company's stock performance and to the long-term interests of our stockholders. Directors are required to accept their annual Board and committee chairmanship retainer fees in phantom shares of the Company's common stock, and may elect to receive their meeting fees in phantom shares of common stock or cash. Currently, all of the Directors receive all of their compensation, including meeting fees, in phantom shares of common stock. The phantom stock is held in a rabbi trust and is not distributed until January of the year following the termination of a Director's service on the Board. The Company has adopted stock ownership guidelines for its Directors such that they must own qualifying shares of our common stock with a market value of three times a Director's annual retainer within five years from such Director's initial appointment or election.

Senior management meets regularly with institutional investors and stockholders and reports to the Board on analyst and stockholder views of the Company.

Communications with the Board

Stockholders and interested parties who wish to communicate with the Board of Directors or the non-management Directors may do so in writing, addressed to the Chairman of the Board, c/o Vice President, General Counsel and Corporate Secretary, Magnetek, Inc., N49 W13650 Campbell Drive, Menomonee Falls, Wisconsin 53051.

The Board of Directors has instructed the Vice President, General Counsel and Corporate Secretary to distribute communications to the Chairman after determining whether the communication is appropriate for the duties and responsibilities of the Board. The Vice President, General Counsel and Corporate Secretary does not forward general surveys and mailings to solicit business, advertise products, resumes, product inquiries or complaints, sales communications or other communications that do not relate to the responsibilities of the Board.

Code of Conduct and Reporting of Ethical Concerns

Magnetek has adopted a Code of Business Conduct and Ethics applicable to all of its employees and officers, including the Chief Executive Officer, Chief Financial Officer and principal accounting officer, and its Directors. A copy of the Code of Business Conduct and Ethics is available on the Company's web site at www.magnetek.com in the "Investor

Table of Contents

Relations” section under “Corporate Governance” and in print to any stockholder who requests a copy from the Vice President, General Counsel and Corporate Secretary of Magnetek, Inc., N49 W13650 Campbell Drive, Menomonee Falls, Wisconsin 53051. Any request for a waiver of the Code of Business Conduct and Ethics must be submitted to the Nominating and Corporate Governance Committee for approval and must be ratified by the full Board. As of the date of this Proxy Statement, no request for a waiver of the Code of Business Conduct and Ethics has ever been made.

Magnetek has established procedures for employees, stockholders and others to communicate concerns about ethical conduct or business practices, including accounting, internal controls or financial reporting issues, to the Audit Committee, which has responsibility for these matters. Concerns may be anonymously communicated by contacting Signius, our independent, third party call center, at 1-866-428-1705. The Signius representative will transcribe the content of the call, maintaining the confidentiality of the caller even if contact information is left by the caller for follow-up purposes. Upon receipt of a communication, Signius immediately emails the content of the communication to the Vice President, General Counsel and Corporate Secretary and to the Chairman of the Audit Committee. All communications remain confidential and the identity of the caller, even if disclosed to Signius, is not disclosed to the Vice President, General Counsel and Corporate Secretary or the Audit Committee Chairman.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

David A. Bloss, Sr. served as Chairman of the Compensation Committee and Yon Y. Jorden and Mitchell I. Quain served as committee members. None of the Compensation Committee members was, during the past fiscal year, an officer or employee of the Company, nor is any committee member a former employee of the Company. None of the committee members and none of the Company’s executive officers has a relationship that would constitute an interlocking relationship with executive officers or directors of another entity and no interlocking relationship existed in fiscal 2011.

RELATIONSHIPS AND RELATED TRANSACTIONS

The Company’s Corporate Governance Guidelines set forth the procedures regarding related person transactions and for determining the independence of our Directors and committee members. The Nominating and Corporate Governance Committee is responsible for evaluating the independence of each Board and committee member at least annually, and more often if warranted by a change of circumstances or the nomination of a new Board member. All relationships are evaluated annually by the Nominating and Corporate Governance Committee, using the criteria set forth in the Corporate Governance Guidelines, to determine whether they impact a Director’s independence. The “Corporate Governance Principles” section on pages 20 to 23 of this Proxy Statement contains additional information on related person transactions. A copy of the Corporate Governance Guidelines may be found on the Company’s web site at www.magnetek.com in the “Investor Relations” section under “Board Guidelines.”

The Company had no related person transactions in fiscal 2011 and none are currently proposed.

STANDING COMMITTEES OF THE BOARD

Audit Committee

Composition: Separately designated committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Charter: The Audit Committee operates under a written charter adopted by the committee and approved and ratified by the Board of Directors, which is reviewed annually by the

committee. A copy may be found on the Company's web site at www.magnetek.com in the "Investor Relations" section, under "Corporate Governance," and is available in print to any stockholder who requests it from the Vice President, General Counsel and Corporate Secretary at Magnetek, Inc., N49 W13650 Campbell Drive, Menomonee Falls, Wisconsin 53051.

Members: Three independent Directors during fiscal 2011:

Yon Y. Jordan, Chairman

David A. Bloss, Sr.

Mitchell I. Quain

All of the above Directors served on the Audit Committee during fiscal 2011.

Independence: Every member of the Audit Committee qualifies as independent under the Company's independence guidelines and under guidelines established by the NYSE listing standards for Audit Committee membership.

Table of Contents

- Meetings: During fiscal 2011, the Audit Committee held four regularly scheduled quarterly meetings, and one telephonic meeting. Each committee member participated in the meetings that occurred during the time that he or she served on the committee.
- Self-Evaluation: The Audit Committee performed a self-evaluation of its performance in fiscal 2011.
- Experts: The Board has determined that all of the Audit Committee members are financially literate under the NYSE Listing Standards and that Ms. Jorden qualifies as an Audit Committee financial expert within the meaning of the SEC regulations and that she has accounting or related financial management expertise as required by the NYSE listing standards.
- Functions: The following are the primary responsibilities of the Audit Committee. A more complete description of the Audit Committee's responsibilities is set forth in the committee charter.
- Appoints or replaces the independent registered public accounting firm and pre-approves all auditing services, engagement fees and all non-audit services provided by the independent registered public accounting firm, except for non-audit services that fall within the de minimus exception set forth in Section 10A of the Exchange Act, and monitors disclosure of the pre-approval of non-audit services in the Company's periodic reports.
 - Assesses and ensures the independence, qualifications and performance of the independent registered public accounting firm, including a review and evaluation of the lead partner, taking into account the opinions of management and the Company's internal audit department.
 - Reviews and discusses with management and the independent registered public accounting firm (a) major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies; (b) reports prepared by management or the independent registered public accounting firm setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements; (c) any management letter provided by the independent registered public accounting firm and the Company's response to the letter; (d) any problems, difficulties or differences encountered in the course of the audit work, including any disagreements with management or restrictions on the scope of the independent registered public accounting firm activities or on access to requested information and management's response thereto; (e) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company; and (f) earnings press releases using "pro forma" or "adjusted" non-GAAP information and financial information and earnings guidance provided to analysts.
 - At least annually, obtains the independent registered public accounting firm written statement concerning any non-audit relationships between the auditor and the Company and assesses the independence of the outside auditor as required under the Public Company Accounting Oversight Board's applicable requirements and obtains the report regarding the auditor's internal quality-control procedures and any material issues raised by the most recent quality-control review or peer review of the firm, and any steps taken to resolve any such issues.

- Reviews and discusses with management and the independent registered public accounting firm the Company's quarterly and annual audited financial statements, including matters required to be discussed pursuant to any relevant Statement on Auditing Standards.
- Meets with the independent registered public accounting firm to review and approve its annual scope of audit and meets without management present to review and to discuss management's response to findings.
- Reviews the adequacy of the Company's internal audit plan, responsibilities, budget and staffing, including the appointment, reassignment or dismissal of the director or manager of internal audit and reviews findings from completed internal audits and progress reports on the proposed internal audit plan, together with explanations for any deviations from the original plan.

Table of Contents

- Meets with the internal auditor to review and approve the annual scope of audit and meets without management present to discuss management's response to findings.
- Establishes and monitors the implementation of procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Reviews disclosures made by the Company's principal executive officer and principal financial officer regarding compliance with their certification obligations as required by the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder, including the Company's disclosure controls and procedures and internal controls for financial reporting and evaluations thereof.
- Reviews any reports of the independent registered public accounting firm mandated by Section 10A of the Exchange Act, and obtains from the independent auditors any information with respect to illegal acts in accordance with Section 10A.
- Reviews at least annually the exceptions noted in the reports to the Audit Committee by the internal auditors and the independent registered public accounting firm and the progress made in responding to the exceptions.
- Reviews and discusses with management the Company's material contingent liabilities and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- Prepares the report required by the rules of the SEC to be included in the Company's annual Proxy Statement.

Compensation Committee

- Structure: Separately designated committee of independent Directors.
- Charter: The Compensation Committee operates under a written charter adopted by the committee and approved and ratified by the Board of Directors, which is reviewed annually. A copy may be found on the Company's web site at www.magnetek.com in the "Investor Relations" section under "Corporate Governance," and is available in print to any stockholder who requests it from the Vice President, General Counsel and Corporate Secretary of Magnetek at the address noted above.
- Members: Three independent Directors during fiscal 2011:
David A. Bloss, Sr., Chairman
Yon Y. Jorden
Mitchell I. Quain
All of the above Directors served on the Compensation Committee during fiscal 2011.
- Independence: All of the Compensation Committee members are independent, as independence for Compensation Committee members is defined in the NYSE Listing Standards.
- Meetings: During fiscal 2011, the Compensation Committee held three regularly scheduled meetings, and one telephonic meeting. Each committee member participated in the meetings that occurred during the time that he or she served on the committee.
- Self-Evaluation: The Compensation Committee performed a self-evaluation of its performance in fiscal 2011.
- Functions: The following are the primary responsibilities of the Compensation Committee. A more complete description of the committee's functions is set forth in the committee charter.

·Review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance, and set the CEO's compensation. Review and approve the compensation of executives based upon the CEO's evaluation of performance and recommendations.

Table of Contents

- Review, evaluate and make recommendations to the Board on the overriding compensation strategy of the Company and periodically reassess the balance between short-term pay and long-term incentives.
- Adopt, administer, approve and ratify awards under incentive compensation and equity-based plans and make recommendations with respect to performance or operating goals for participants in the Company's plans.
- Review and make recommendations to the Board regarding employment agreements, severance arrangements, change in control agreements for the CEO and the officers of the Company, and any special or supplemental benefits paid to the CEO and the officers.
- Review and consider the results of any stockholder advisory vote pertaining to executive compensation.
- Review and approve other large compensation expense categories such as employee benefit plans.

Nominating and Corporate Governance Committee

- Structure: Separately designated committee of independent Directors.
- Charter: The Nominating and Corporate Governance Committee operates under a written charter adopted by the committee and approved and ratified by the Board of Directors, which is reviewed annually. A copy may be found on the Company's web site at www.magnetek.com in the "Investor Relations" section under "Corporate Governance" and is available in print to any stockholder who requests it from the Vice President, General Counsel and Corporate Secretary of Magnetek at the address noted above.
- Members: Three independent Directors during fiscal 2011:
Mitchell I. Quain, Chairman
David A. Bloss, Sr.
Yon Y. Jorden
All of the above Directors served on the Nominating and Corporate Governance Committee during fiscal 2011.
- Independence: All of the Nominating and Corporate Governance Committee members are independent, as independence for governance committee members is defined in the NYSE Listing Standards.
- Meetings: Two regularly scheduled meetings, of the Nominating and Corporate Governance Committee were held during fiscal 2011. Each committee member participated in the meetings that occurred during the time that he or she served on the committee.
- Self-Evaluation: The Nominating and Corporate Governance Committee performed a self-evaluation of its performance in fiscal 2011.
- Functions: The following are the primary responsibilities of the Nominating and Corporate Governance Committee. A more complete description of the committee's functions is set forth in the committee charter.
- Develops qualification criteria for Board membership and recommends nominees for Board membership. Considers nominations from stockholders that are submitted in accordance with the requirements for submission of stockholder proposals set forth on page 3 and page 4 of this Proxy Statement. Screens individual candidates to determine their qualification for recommendation to become Board members in accordance with the Corporate Governance Guidelines and annually assesses the

adequacy and effectiveness of such guidelines.

- Makes recommendations from time-to-time to the Board regarding the number of members that should serve on the Board and regarding the standing committees of the Board, including their structure and annual membership.

- Reviews and analyzes Board compensation and makes recommendations to the full Board for consideration.

- Periodically reviews each Board member's ownership of the Company's common stock.

Table of Contents

- Reviews periodically with the Chairman and Chief Executive Officer the succession plans relating to positions held by elected corporate officers.
- Reviews and reassesses at least annually the adequacy of the Corporate Governance Guidelines and Code of Business Conduct and Ethics and recommends any proposed changes to the Board for approval.
- Considers and approves any requests for waivers of the Company's Code of Business Conduct and Ethics and oversees the Company's compliance with disclosures of any such waivers to both the NYSE and the SEC.

Retirement Plan Committee