

CORE MOLDING TECHNOLOGIES INC
Form DEF 14A
April 16, 2010

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

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. ___)

Filed by the Registrant

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

CORE MOLDING TECHNOLOGIES, 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:

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

CORE MOLDING TECHNOLOGIES, INC.

800 Manor Park Drive

Columbus, Ohio 43228

(614) 870-5000

April 16, 2010

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of Core Molding Technologies, Inc. to be held at the Company's corporate headquarters, 800 Manor Park Drive, Columbus, Ohio 43228, on May 19, 2010, at 9:00 a.m., Eastern Daylight Savings Time. Further information about the meeting and the matters to be considered is contained in the formal Notice of Annual Meeting of Stockholders and Proxy Statement on the following pages.

It is important that your shares be represented at this meeting. Whether or not you plan to attend, we hope that you will sign, date and return your proxy promptly in the enclosed envelope.

Sincerely,

Malcolm M. Prine

Chairman of the Board

CORE MOLDING TECHNOLOGIES, INC.
800 Manor Park Drive
Columbus, Ohio 43228
(614) 870-5000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
May 19, 2010

To Our Stockholders:

Core Molding Technologies, Inc. (the Company) will hold its 2010 Annual Meeting of Stockholders on May 19, 2010 at 9:00 a.m., Eastern Daylight Savings Time, at the Company's corporate headquarters, 800 Manor Park Drive, Columbus, Ohio 43228 for the following purposes:

1. to elect six (6) directors to comprise the Board of Directors of the Company;
2. to ratify the appointment of Crowe Horwath LLP as the independent registered public accounting firm for the Company for the year ending December 31, 2010; and
3. to consider and act upon other business as may properly come before the meeting and any adjournments or postponements of the meeting.

The foregoing matters are described in more detail in the Proxy Statement, which is attached to this notice. Only stockholders of record at the close of business on March 31, 2010, the record date, are entitled to receive notice of and to vote at the meeting.

We desire to have maximum representation at the meeting and respectfully request that you date, execute and promptly mail the enclosed proxy in the postage-paid envelope provided. You may revoke a proxy by notice in writing to the Secretary of the Company at any time prior to its use.

BY ORDER OF THE BOARD OF DIRECTORS

Herman F. Dick, Jr.

Vice President, Secretary, Treasurer,
and Chief Financial Officer

April 16, 2010

CORE MOLDING TECHNOLOGIES, INC.
800 Manor Park Drive
Columbus, Ohio 43228

(614) 870-5000

PROXY STATEMENT
ANNUAL MEETING OF STOCKHOLDERS
May 19, 2010

To Our Stockholders:

Core Molding Technologies, Inc. (hereinafter referred to as the Company) is furnishing this Proxy Statement in connection with the solicitation by its Board of Directors of proxies to be used and voted at its annual meeting of stockholders, and at any adjournment of the annual meeting. The Company will hold its annual meeting on May 19, 2010, at its corporate headquarters, 800 Manor Park Drive, Columbus, Ohio at 9:00 a.m. Eastern Daylight Savings Time. The Company is holding the annual meeting for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders.

The Company is first sending this Proxy Statement, the accompanying proxy card and the Notice of Annual Meeting of Stockholders on or about April 16, 2010.

GENERAL INFORMATION

Solicitation

The Board of Directors of the Company is soliciting the enclosed proxy. In addition to the use of the mail, directors and officers of the Company may solicit proxies, personally or by telephone. The Company will not pay its directors and officers any additional compensation for the solicitation.

In addition, the stock transfer agent of the Company, American Stock Transfer & Trust Company, New York, New York will conduct proxy solicitations on behalf of the Company. The Company will reimburse American Stock Transfer & Trust Company for reasonable expenses incurred by it in the solicitation. The Company also will make arrangements with brokerage firms and other custodians, nominees and fiduciaries for the forwarding of proxy solicitation material to beneficial owners of the common stock of the Company. The Company will reimburse those brokerage firms, custodians, nominees and fiduciaries for their reasonable expenses.

The Company will pay all expenses of the proxy solicitation. Except as otherwise provided, the Company will not use specially engaged employees or other paid solicitors to conduct any proxy solicitation.

Voting Rights and Votes Required

Holders of shares of the common stock of the Company at the close of business on March 31, 2010, the record date for the annual meeting, are entitled to notice of, and to vote at, the annual meeting. On the record date, the Company had 6,987,086 shares of common stock outstanding.

Each outstanding share of common stock on the record date is entitled to one vote on all matters presented at the annual meeting. The presence, in person or by proxy, of stockholders entitled to cast a majority of all the votes entitled to be cast will constitute a quorum for the transaction of business at the annual meeting. No business, other than adjournment, can be conducted at the annual meeting unless a quorum is present in person or by proxy.

Abstentions will count as shares present in determining the presence of a quorum for a particular matter. Abstentions, however, will not count as votes cast in determining the approval of any matter by the stockholders. Broker non-votes are shares held of record by brokers or other nominees that are present in person or by proxy at the meeting, but are not voted because instructions have not been received from the beneficial owner with respect to a particular matter over which the broker or nominee does not have discretionary authority to vote. Broker non-votes are counted toward the establishment of a quorum. If you do not return a proxy card and your shares are held in street name, your broker may be permitted, under applicable rules of the self regulatory organizations of which it is a member, to vote your shares in its discretion on certain matters that are deemed to be routine, such as ratification of the appointment of our independent registered public accounting firm. **However, because of a rule change that became effective as of January 1, 2010, your broker no longer has discretionary authority to vote your shares in the election of directors. The Company requests you to promptly provide your broker or other nominee with voting instructions if you want your shares voted in the election of directors and to carefully follow the instructions your broker gives you pertaining to their procedures.**

In the election of directors, each of the six directors will be elected by a plurality of votes cast by stockholders of record on the record date and present at the annual meeting, in person or by proxy. Cumulative voting in the election of directors will not be permitted.

The Company is seeking stockholder ratification of the appointment of its independent registered public accounting firm. While ratification is not required by law, the affirmative vote of a majority of the votes cast by stockholders of record on the record date and present at the annual meeting, in person, or by proxy, would ratify the selection of Crowe Horwath LLP (Crowe Horwath) as the independent registered public accounting firm for the current fiscal year.

Voting of Proxies

Shares of common stock represented by all properly executed proxies received prior to the annual meeting will be voted in accordance with the choices specified in the proxy. Unless contrary instructions are indicated on the proxy, the shares will be voted:

FOR the election as directors of the nominees named in this Proxy Statement until their successors are elected and qualified; and

FOR the ratification of the appointment of Crowe Horwath LLP as the independent registered public accounting firm for the Company for the year ending December 31, 2010.

Management of the Company and the Board of Directors of the Company know of no matters to be brought before the annual meeting other than as set forth in this Proxy Statement. If, however, any other matter is properly presented to the stockholders for action, it is the intention of the holders of the proxies to vote at their discretion on all matters on which the shares of common stock represented by proxies are entitled to vote.

Revocability of Proxy

A stockholder who signs and returns a proxy in the accompanying form may revoke it at any time before the authority granted by the proxy is exercised. A stockholder may revoke a proxy by delivering a written statement to the Secretary of the Company that the proxy is revoked.

Annual Report

The Annual Report on Form 10-K for the fiscal year ended December 31, 2009 of the Company, which includes financial statements and information concerning the operations of the Company, accompanies this Proxy Statement. The Annual Report is not to be regarded as proxy solicitation materials.

Stockholder Proposals

Any stockholder who desires to present a proposal for consideration at the 2011 annual meeting of stockholders must submit the proposal in writing to the Company. If the proposal is received by the Company prior to the close of business on December 10, 2010, and otherwise meets the requirements of applicable state and federal law, the Company will include the proposal in the proxy statement and form of proxy relating to the 2011 annual meeting of stockholders. The Company may confer on the proxies for the 2011 annual meeting of stockholders discretionary authority to vote on any proposal, if the Company does not receive notice of the proposal by February 28, 2011.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on May 19, 2010

The Proxy Statement, proxy card, Form 10-K for the year ended December 31, 2009, and the 2009 Annual Report to stockholders are available at <http://colsec.coremt.com>.

OWNERSHIP OF COMMON STOCK**Beneficial Owners**

The table below sets forth, to the knowledge of the Company, the only beneficial owners, as of March 31, 2010, of more than 5% of the outstanding shares of common stock of the Company.

Number of Shares of Common Stock Beneficially Owned

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class⁽¹⁾
GAMCO Asset Management Inc. Gabelli Funds, LLC GAMCO Asset Management Inc Teton Advisors, Inc. Mario J. Gabelli One Corporate Center Rye, NY 10580	940,700 ⁽²⁾	13.5%
Rutabaga Capital Management LLC 64 Broad St. Floor 3 Boston, MA 02109-4346	900,409 ⁽³⁾	12.9%
Navistar, Inc. Navistar International Corporation 4201 Winfield Drive P.O. Box 1488 Warrenville, Illinois 60555	664,000 ⁽⁴⁾	9.5%

(1) The Percent of Class computation is based upon the total number of shares beneficially owned by the named person or group divided by the sum of (i) 6,987,086 shares of common stock outstanding on March 31, 2010, and (ii) the number of common shares, if any, as to

which the named person or group has the right to acquire beneficial ownership within 60 days of March 31, 2010.

- (2) The information presented is derived from Amendment No. 7 to Schedule 13D, as filed with the SEC on January 12, 2010 by Mario J. Gabelli and certain entities which he directly or indirectly controls or for which he acts as chief investment officer, including GGCP, Inc., GAMCO Investors, Inc., Gabelli Funds, LLC, Teton Advisors, Inc., GAMCO Asset Management, Inc. and Mario J. Gabelli. According to the Schedule 13D filing, of these 940,700 shares of Common Stock, 424,000 shares are beneficially owned by GAMCO Asset

Management, Inc., 300,000 shares are beneficially owned by Gabelli Funds, LLC, 209,700 shares are beneficially owned by Teton Advisors, Inc., and 7,000 shares are beneficially owned by Mario J. Gabelli. GGCP, Inc., as the parent company of GAMCO Investors, Inc., GAMCO Investors, Inc., as the parent company of the foregoing entities, and Mario Gabelli, as the majority stockholder of GGCP, Inc. may be deemed to have beneficial ownership of the 940,700 shares owned beneficially by Gabelli Funds, LLC, GAMCO Asset Management, Inc., Gabelli Advisors, Inc. and MJG Associates, Inc. and, except as otherwise provided in the Schedule 13D filing, each entity has the sole power to

vote or direct the vote and sole power to dispose or to direct the disposition of the shares reported for it, either for its own benefit or for the benefit of its investment clients or its partners, as the case may be.

- (3) The information presented is derived from Amendment No. 1 to Schedule 13G, as filed with the SEC on February 11, 2010 by Rutabaga Capital Management. According to the Schedule 13G filing, Rutabaga Capital Management directly beneficially owns 900,409 shares of Common Stock of the Company.
- (4) The information presented is derived from Amendment No. 1 to Schedule 13D, as filed with the SEC on October 18,

2007 by
Navistar, Inc.,
and Navistar
International
Corporation.
Navistar has the
sole voting and
investment
power over the
664,000 shares.
Navistar is a
wholly-owned
subsidiary of
Navistar
International
Corporation. By
virtue of its
ownership of

all of the
outstanding
common stock
of Navistar,
Navistar
International
Corporation
may be deemed
to beneficially
own the shares
of Common
Stock
beneficially
owned by
Navistar.

Management

The table below sets forth, as of March 31, 2010 the number of shares of common stock beneficially owned by each director of the Company, by each nominee for election as director of the Company, by each executive officer named in the Summary Compensation Table contained in this Proxy Statement, and by all of the foregoing directors, nominees and executive officers as a group. The information concerning the persons set forth below was furnished in part by each of those persons.

Number of Shares of Common Stock Beneficially Owned

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class ⁽¹⁾
Kevin L. Barnett	157,999 ⁽²⁾	2.2%
Thomas R. Cellitti	51,070 ⁽³⁾	*
James F. Crowley	36,470 ⁽⁴⁾	*
Herman F. Dick, Jr.	94,133 ⁽⁵⁾	1.3%
Ralph O. Hellmold	73,820 ⁽⁶⁾	1.1%
Stephen J. Klestinec	163,201 ⁽⁷⁾	2.3%
Terrence J. O Donovan	29,041 ⁽⁸⁾	*
Malcolm M. Prine	176,915 ⁽⁹⁾	2.5%
James L. Simonton	188,814 ⁽¹⁰⁾	2.7%
All directors, nominees and executive officers as a group (9 persons)	971,463	13.8%

* Less than 1 %
of the
outstanding
shares of
common stock.

(1) The Percent of
Class

computation is based upon the total number of shares beneficially owned by the named person or group divided by the sum of (i) 6,987,086 shares of common stock outstanding on March 31, 2010, and (ii) the number of common shares, if any, as to which the named person or group has the right to acquire beneficial ownership within 60 days of March 31, 2010.

- (2) Includes:
- (i) 75,000 shares of common stock, which Mr. Barnett has the right to acquire within 60 days through the exercise of stock options;
 - (ii) 11,137 shares of common stock as to which Mr. Barnett has sole voting and investment power
 - (iii) 2,000 shares of common stock as to which Mr. Barnett

shares voting and investment power with his wife;
(iv) 10,113 shares of common stock held by Mr. Barnett in the Core Molding Technologies, Inc. Employee Stock Purchase Plan; (v) 8,340 shares of common stock held by Mr. Barnett in the Core Molding Technologies, Inc. 401(k) Plan; and (vi) 51,409 shares of restricted stock subject to future vesting conditions.

- (3) Includes:
- (i) 33,250 shares of common stock, which Mr. Cellitti has the right to acquire within 60 days through the exercise of stock options;
 - (ii) 12,628 shares of common stock as to which Mr. Cellitti has sole voting and investment power; and
 - (iii) 5,192 shares of

restricted stock
subject to future
vesting
conditions.

- (4) Includes:
- (i) 22,650 shares of common stock, which Mr. Crowley has the right to acquire within 60 days through the exercise of stock options;
 - (ii) 7,628 shares of common stock as to which Mr. Crowley has sole voting and investment power;
 - (iii) 1,000 shares of common stock as to which Mr. Crowley shares voting and investment power with his wife; and
 - (iv) 5,192 shares of restricted stock subject to future vesting conditions.
- (5) Includes:
- (i) 43,500 shares of common stock, which Mr. Dick has the right to acquire within 60 days through the exercise of stock options;
 - (ii) 5,000 shares of common stock as which

Mr. Dick has sole voting and investment power; (iii) 9,449 shares of common stock held by Mr. Dick in the Core Molding Technologies, Inc. Employee Stock Purchase Plan; (iv) 5,686 shares of common stock held by Mr. Dick in the Core Molding Technologies, Inc. 401(k) Plan; and (v) 30,498 shares of restricted stock subject to future vesting conditions.

- (6) Includes:
(i) 73,820 shares of common stock as to which Mr. Hellmold has sole voting and investment power.

- (7) Includes:
- (i) 92,000 shares of common stock, which Mr. Klestinec has the right to acquire within 60 days through the exercise of stock options;
 - (ii) 29,048 shares of common stock as to which Mr. Klestinec has sole voting and investment power;
 - (iii) 2,414 shares of common stock held by Mr. Klestinec in the Core Molding Technologies, Inc. Employee Stock Purchase Plan; (iv) 7,478 shares of common stock held by Mr. Klestinec in the Core Molding Technologies, Inc. 401(k) Plan; and
 - (v) 32,261 shares of restricted stock subject to future vesting conditions.
- (8) Includes:
- (i) 2,454 shares of common

stock held by
Mr. O Donovan
in the Core
Molding
Technologies,
Inc. Employee
Stock Purchase
Plan; (ii) 26,587
shares of
restricted stock
subject to future
vesting
conditions.

- (9) Includes:
(i) 99,750 shares
of common
stock, which
Mr. Prine has
the right to
acquire within
60 days through
the exercise of
stock options;
(ii) 511 shares
of common
stock held by
Mr. Prine's wife;
and (iv) 76,654
shares of
common stock
as to which
Mr. Prine has
sole voting and
investment
power.

- (10) Includes:
(i) 182,290
shares of
common stock
as to which
Mr. Simonton
has sole voting
and investment
power; and
(ii) 6,524 shares
of common
stock held by
Mr. Simonton in
the Core

Molding
Technologies,
Inc. 401(k)
Plan.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the following persons to file initial statements of beneficial ownership on a Form 3 and changes of beneficial ownership on a Form 4 or Form 5 with the Securities and Exchange Commission and to provide the Company with a copy of those statements:

executive officers and directors of the Company; and
persons who beneficially own more than 10% of the issued and outstanding shares of common stock of the Company.

The Company believes that its executive officers, directors and greater than 10% beneficial owners complied with all applicable section 16(a) filing requirements for the fiscal year ended December 31, 2009.

DIRECTORS AND EXECUTIVE OFFICERS OF CORE MOLDING TECHNOLOGIES, INC.

The following biographies provide information on the background and experience of the persons nominated to become directors at the annual meeting and the executive officers of the Company. The Company is not aware of any family relationships among any of the following persons or any arrangements or understandings pursuant to which those persons have been, or are to be, selected as a director or executive officer of the Company, other than arrangements or understandings with directors or executive officers acting solely in their capacity as directors or executive officers.

Name	Age	Position(s) Currently Held
Kevin L. Barnett	47	President, Chief Executive Officer and Director
Thomas R. Cellitti	58	Director
James F. Crowley	63	Director
Herman F. Dick, Jr.	50	Vice President, Secretary, Treasurer, and Chief Financial Officer
Ralph O. Hellmold	69	Director
Stephen J. Klestinec	60	Vice President and Chief Operating Officer
Terrence J. O Donovan	50	Vice President Sales and Marketing
Malcolm M. Prine	81	Chairman of the Board of Directors
James L. Simonton	69	Director

Kevin L. Barnett. Kevin L. Barnett joined the Company on April 1, 1997 and was elected Vice President, Secretary, Treasurer and Chief Financial Officer on April 24, 1997. Mr. Barnett served in this capacity until August 7, 2002, when he became Vice President-Manager Columbus Operations and Secretary. On May 15, 2005 Mr. Barnett was promoted to Vice President, Business Development and on January 3, 2006 Mr. Barnett was promoted to Group Vice President and then on January 1, 2007, Mr. Barnett was promoted to President and Chief Executive Officer. Mr. Barnett has served as a director of the Company since January 1, 2007. Mr. Barnett joined the Company after approximately five years of working with Medex Inc., a publicly held manufacturer and marketer of injection molded products used for medical and surgical applications. Mr. Barnett served as Vice President, Treasurer, and Corporate Controller of Medex Inc. from October 1995 to January 1997. He served as Vice President and Corporate Controller of Medex Inc. from May 1994 to October 1995 and as Assistant Treasurer from April 1992 to May 1994. Prior to joining Medex Inc., Mr. Barnett served as a certified public accountant with Deloitte & Touche LLP from August 1984 to April 1992. As a result of these and other professional experiences, the Board of Directors has concluded that Mr. Barnett should serve as a director because of his corporate management skills and experience, the key role Mr. Barnett plays in facilitating the communication and the flow of information between management and the directors on a regular basis, as well as his experience in the plastics industry.

Thomas R. Cellitti. Thomas R. Cellitti has served as a director of the Company since February 10, 2000. Mr. Cellitti is the Senior Vice President, Reliability and Quality, for Navistar. Prior to such time, Mr. Cellitti served as Vice President and General Manager, Medium Truck as well as Vice President and General Manager, Bus Vehicle Center for Navistar. Navistar is a 9.5% stockholder and a significant customer of the Company. The relationship of Navistar to the Company is described below under Certain Relationships and Related Transactions. As a result of these and other professional experiences, the Board of Directors has concluded that Mr. Cellitti should serve as a director because of his in-depth insight and knowledge about the short and long term issues that affect the Company, as well as his extensive background in the medium and heavy duty truck industries.

James F. Crowley. James F. Crowley has served as a director of the Company since May 28, 1998 and is Chairman of the Audit Committee. Mr. Crowley is a private investor and Chairman and Managing Partner of the Old Strategic LLC, headquartered in Connecticut. From October 2008 Mr. Crowley has served as a Director of Green Plains Renewable Energy and is Chairman of its Audit Committee. Mr. Crowley also serves as a member of the North America Advisory Board of NTR PLC. From 1993 to 2006, Mr. Crowley was a founding partner and Chairman of the Strategic Research Institute LLC. From 1984 to 1992, Mr. Crowley served in various capacities with Prudential Securities, Inc. including President of Global Investment & Merchant Banking. Prior to joining Prudential Securities, Inc., Mr. Crowley was a First Vice President and Partner at Smith Barney, Harris Upham & Co. in its Investment Bank and Capital Markets Division. Mr. Crowley has also served on the board of various private organizations and universities. As a result of these and other professional experiences, the Board of Directors has concluded that Mr. Crowley should serve as a director because of his extensive business, investment banking, finance and corporate management experience, as well as his in-depth understanding of the financial markets and insight into the role of serving as Chair of the Company's Audit Committee.

Herman F. Dick, Jr. Herman F. Dick, Jr. joined the Company on September 10, 1999 as Controller and was elected to the position of Treasurer and Chief Financial Officer on August 7, 2002. Mr. Dick was then elected Secretary on May 12, 2005. On, January 1, 2007 Mr. Dick was elected as Vice President, in addition to his capacities as Secretary, Treasurer and Chief Financial Officer. Mr. Dick joined the Company after approximately eleven years of working with Boehringer Ingelheim, GMBH, a privately held research based manufacturer of pharmaceuticals and other healthcare products.

Ralph O. Hellmold. Ralph O. Hellmold has served as a director of the Company since December 31, 1996. He is Managing Member of Hellmold & Co., LLC an investment banking boutique specializing in doing mergers and acquisitions and working with troubled companies or their creditors. Prior to forming Hellmold & Co., LLC in 2004, Mr. Hellmold was president of Hellmold Associates which was formed in 1990, and Chairman of The Private Investment Banking Company which was formed in 1999. Prior to 1990, Mr. Hellmold was a Managing Director at Prudential-Bache Capital Funding, where he served as co-head of the Corporate Finance Group, co-head of the Investment Banking Committee and head of the Financial Restructuring Group. Prior to 1987, Mr. Hellmold was a

partner at Lehman Brothers and its successors, where he worked in Corporate Finance since 1974 and co-founded Lehman's Financial Restructuring Group. Mr. Hellmold is a Chartered Financial Analyst. As a result of these and other professional experiences, the Board of Directors has concluded that Mr. Hellmold should serve as a director

because of his extensive business, investment banking, finance and corporate management experience, as well as his in-depth understanding of the financial markets and strong background in mergers and acquisitions.

Stephen J. Klestinec. Stephen J. Klestinec joined the Company on April 1, 1998, was elected to the position of Vice President, Sales and Marketing on May 28, 1998, and was promoted to Vice President, Operations on January 3, 2006. On January 1, 2007, Mr. Klestinec was promoted to Vice President and Chief Operating Officer. Mr. Klestinec was employed by Atlanta based Georgia-Pacific Resin, Inc., a manufacturer of thermoset resins, from 1981 until joining the Company on April 1, 1998. At Georgia-Pacific, Mr. Klestinec served as market manager of fiber reinforced products. In such capacity, Mr. Klestinec commercialized products for both the North American and international markets in the aerospace, mass transit, electrical and electronic industries. Mr. Klestinec also managed the abrasives, adhesives and specialty market segment. Mr. Klestinec also held positions at Georgia-Pacific in market development, quality assurance and manufacturing. Prior to joining Georgia-Pacific, Mr. Klestinec served as plant manager for Pacific Resins and Chemicals.

Terrence J. O Donovan. Terrence J. O Donovan joined the Company on January 1, 2009 and was elected to the position of Vice President, Marketing and Sales on January 1, 2009. Prior to joining the Company, Mr. O Donovan was employed by Q3 Industries in Columbus, Ohio, where he held the position of Vice President of Sales and Marketing from 2006 to 2008 serving the OEM commercial vehicle, automotive, and general industrial markets. Prior to serving in that capacity at Q3 Industries, Mr. O Donovan served as the Chief Operating Officer from 2003 to 2006. Mr. O Donovan has also held Operations and Management positions at Hawk Corporation, The Auld Company and The Timken Company.

Malcolm M. Prine. Malcolm M. Prine has served as a director and as Chairman of the Board of Directors of the Company since December 31, 1996. Mr. Prine also served as a director of RYMAC Mortgage Investment Corporation from May 1992 to December 31, 1996. RYMAC merged with the Company on December 31, 1996, as described below under Certain Relationships and Related Transactions. Mr. Prine has been self-employed while acting as a consultant for the last several years. Mr. Prine has also served on the boards of various private organizations and universities. As a result of these and other professional experiences, the Board of Directors has concluded that Mr. Prine should serve as a director because of his extensive business, finance and philanthropic experience, as well as his extensive knowledge of the Company as a result of serving on the Board since inception.

James L. Simonton. James L. Simonton served as President and Chief Executive Officer of Core Molding Technologies from January 15, 2000 until his retirement on January 1, 2007 and as a director of Core Molding Technologies from May 28, 1998 to January 1, 2007. From January 1, 2007 through March 31, 2010, Mr. Simonton served as an advisor to our Board. From 1992 until December 31, 1999, Mr. Simonton served as the Vice President of Purchasing and Supplier Development for International Truck and Engine Corporation (now known as Navistar). In such capacity, Mr. Simonton was in charge of purchasing of all production materials, in-bound and out-bound freight and logistics and the development of suppliers. Navistar is a 9.5% stockholder and a significant customer of the Company. As a result of these and other professional experiences, the Board of Directors has concluded that Mr. Simonton should serve as a director because of his in-depth insight and knowledge about the short and long term issues that affect the Company, as well as his extensive background in the medium and heavy duty truck industries.

CORPORATE GOVERNANCE

The Board of Directors Independence

Of the directors who presently serve on the Company's Board of Directors, the Board has affirmatively determined that each of Messrs. Crowley, Hellmold and Prine meets the standards of independence under NYSE AMEX exchange listing standards. The Board has further determined that Mr. Simonton, nominee to the Board of Directors, meets the standards of independence under NYSE AMEX exchange listing standards. In making this determination, the Board of Directors considered the relationship of Mr. Cellitti, who is employed by Navistar which has a 9.5% ownership in the Company, and all facts and circumstances the Board of Directors deemed relevant from the standpoint of each of the directors and from that of persons or organizations with which each of the directors has an affiliation, including commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships among others. In making this determination, the Board of Directors has relied upon both information provided by the directors and information developed internally by the Company in evaluating these facts.

Board Leadership Structure and Risk Oversight

The Chairman of the Board is a director and presides at meetings of the Board. The Chairman is appointed on an annual basis by at least a majority vote of the remaining directors. Historically, the offices of Chairman of the Board and Chief Executive Officer are separated. Such separation enables the Chairman to devote his time to managing the Board and the Chief Executive Officer to focus on the operations of the Company. The Company has no fixed policy with respect to separation of the offices of the Chairman of the Board and Chief Executive Officer, however, the Board believes it is in the best interests of the Company and its stockholders to separate these positions.

The Board has an active role, as a whole and also at the committee level, in overseeing the management of the Company's risks. The Board regularly reviews information regarding the Company's liquidity and operations, as well as the risks associated with each. The Audit Committee oversees the management of financial risks. The Nominating Committee manages risks associated with the independence of the Board of Directors and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board of Directors is regularly informed through committee reports about such risks.

Board Meetings and Committees

The Board of Directors met nine times during the fiscal year ended December 31, 2009. During that period, each of the directors attended at least 75% of the aggregate of the total number of meetings of the Board of Directors and the total number of meetings of all committees of the Board of Directors on which each director served.

Compensation Committee

The Company did not have a separate Compensation Committee during the fiscal year ended December 31, 2009. The entire Board of Directors performed the functions of a Compensation Committee during that period, including recommending the form and amount of compensation to be paid to the executive officers and directors of the Company, with a majority of directors who are independent under NYSE AMEX listing standards required to effect a decision. The Company's non-management directors participate in the deliberations of the Board of Directors concerning executive officer compensation. The Company's Board includes Mr. Barnett, who is the President and Chief Executive Officer of the Company. However, Mr. Barnett is not involved in, and abstains from, all discussions and decisions regarding his compensation. While Mr. Barnett participates in discussions regarding compensation for the Company's other named executive officers, Mr. Barnett is not involved in, and also abstains from, all final compensation decisions regarding such other named executive officers.

The Board of Directors believes that a standing Compensation Committee is not necessary because the Board of Directors as a whole determines the appropriate compensation levels, with a majority of directors who are independent under NYSE AMEX listing standards required to effect a decision. All of the directors are familiar with the standard compensation levels in similar industries, and are knowledgeable regarding the current trends for compensating their executive officers. The Board of Directors acts to establish the Company's compensation policy, determines the compensation paid to the named executive officers and non-employee directors and recommends executive incentive compensation and equity-based compensation. The Company's named executive officers provide research and analysis at the request of the board in regard to the components of executive compensation and compensation information from comparable public companies.

Audit Committee

The Company has an Audit Committee, which during 2009 consisted of Messrs. Crowley, Hellmold and Prine, each of whom was independent as that term is defined under NYSE AMEX listing standards. The Board has determined that Mr. Crowley qualifies as an audit committee financial expert as defined in Section 407(d)(5)(ii) of Regulation S-K promulgated by the Securities and Exchange Commission. The principal function of the Audit Committee is to review and approve the scope of the annual audit undertaken by the independent registered public accounting firm of the Company and to meet with them to review and inquire as to audit functions and other financial matters and to review the year-end audited financial statements. For a more detailed description of the role of the Audit Committee, see Report of the Audit Committee below. The Audit Committee met four

times during the fiscal year ended December 31, 2009. The Audit Committee discussed the interim financial information contained in quarterly earnings announcements with both management and the independent auditors prior to the public release of quarterly information. The Audit Committee is governed by a charter as amended and approved by the Board of Directors on March 18, 2010. A copy of the Audit Committee Charter is attached as Exhibit A to this proxy statement. In accordance with its written charter, the Audit Committee assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and financial reporting practices of the Company.

Nominating Committee

The Company has a Nominating Committee consisting of all members of the Board of Directors, with a majority of directors who are independent under NYSE AMEX listing standards required to effect a decision. The principal function of the Nominating Committee is to recommend candidates for membership on the Board of Directors. A copy of the Nominating Committee Charter is attached as Exhibit B to this proxy statement.

In identifying and evaluating nominees for director, the Nominating Committee seeks to ensure that the Board possesses, in the aggregate, the strategic, managerial and financial skills and experience necessary to fulfill its duties and to achieve its objectives, and seeks to ensure that the Board is comprised of directors who possess knowledge in areas that are of importance to the Company. In addition, the Nominating Committee believes it is important that at least one director have the requisite experience and expertise to be designated as an audit committee financial expert. The Nominating Committee looks at each nominee on a case-by-case basis regardless of who recommended the nominee. While the Company does not have a formal diversity policy for Board membership, the Nominating Committee evaluates and measures those skills and accomplishments which should be possessed by a prospective member of the Board, including contribution of a diverse frame of reference that will enhance the quality of the Board's deliberations and decisions. In addition, the Nominating Committee considers, among other factors, ethical values, personal integrity and business reputation of the candidate, his or her financial acumen, reputation for effective exercise of sound business judgment, strategic planning capability, indicated interest in providing attention to the duties of a member of the Board, personal skills in marketing, manufacturing processes, technology or in other areas where such person's talents may contribute to the effective performance by the Board of its responsibilities. The Nominating Committee will consider persons recommended by stockholders to become nominees for election as directors. Recommendations for consideration by the Nominating Committee should be sent to the Secretary of the Company in writing together with appropriate biographical information concerning each proposed nominee as more detailed in Article III.D of the Nominating Committee Charter.

The Bylaws of the Company set forth procedural requirements pursuant to which stockholders may make nominations to the Board of Directors. The Board of Directors or the Nominating Committee may not accept recommendations for nominations to the Board of Directors in contravention of these procedural requirements.

In order for a stockholder to nominate a person for election to the Board of Directors, the stockholder must give written notice of the stockholder's intent to make the nomination either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Company not less than fifty nor more than seventy-five days prior to the meeting at which directors will be elected. In the event that less than sixty days prior notice or prior public disclosure of the date of the meeting is given or made to stockholders, the Company must receive notice not later than the close of business on the tenth day following the day on which notice of the date of the meeting was mailed or public disclosure was made, whichever occurred first.

The notice must set forth:

- the name and address of record of the stockholder who intends to make the nomination;
- a representation that the stockholder is a holder of record of shares of the capital stock of the Company entitled to vote at the meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice;

the name, age, business and residence addresses and principal occupation or employment of each proposed nominee;

a description of all arrangements or understandings between the stockholder and each proposed nominee and any other person or persons, naming such person or persons, pursuant to which the nomination or nominations are to be made by the stockholder;

other information regarding each proposed nominee as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission; and the written consent of each proposed nominee to serve as a director of the Company if elected.

The Company may require any proposed nominee to furnish other information as it may reasonably require to determine the eligibility of the proposed nominee to serve as a director. The presiding officer of the meeting of stockholders may, if the facts warrant, determine that a stockholder did not make a nomination in accordance with the foregoing procedure. If the presiding officer makes such a determination, the officer shall declare such determination at the meeting and the defective nomination will be disregarded.

Board Policies Regarding Communication with the Board of Directors and Attendance at Annual Meetings

Stockholders may communicate with the full Board of Directors, non-management directors as a group or individual directors, including the Chairman of the Board, by submitting such communications in writing to the Company's Secretary, c/o the Board of Directors (or, at the stockholder's option, c/o a specific director or directors), 800 Manor Park Drive, Columbus, Ohio 43228. Such communications will be delivered directly to the Board.

The Company does not have a policy regarding Board member attendance at the annual meeting of stockholders; however, all directors of the Company attended the 2009 annual meeting of stockholders.

Code of Ethics

The Company has adopted a Code of Conduct and Business Ethics which applies to all employees of the Company, including the Company's principal executive officer, principal financial officer and principal accounting officer or persons performing similar functions. The Company's Board believes that the Code of Conduct and Business Ethics complies with the code of ethics required by the rules and regulations of the Securities Exchange Commission. The Company will provide a copy of the Code of Conduct and Business Ethics without charge to any person upon written request to the Company at its principal executive office at 800 Manor Park Drive, Columbus, Ohio 43228, Attention: President.

Compensation Committee Interlocks and Insider Participation

The Company's Board of Directors performs the functions of a compensation committee, with a majority of directors who are independent required to effect a decision. The Company's Board includes Mr. Barnett, who is the President and Chief Executive Officer of the Company. However, Mr. Barnett is not involved in, and abstains from, all discussions and decisions regarding his compensation. While Mr. Barnett participates in discussions regarding compensation for the Company's other named executive officers, Mr. Barnett is not involved in, and also abstains from, all final compensation decisions regarding such other named executive officers.

The following directors who served as members of the Company's Board of Directors during the fiscal year ended December 31, 2009 also served as officers of other entities as follows:

Relationship with Mr. Cellitti

Mr. Cellitti is a member of the Board of Directors of the Company and is currently an officer of Navistar. Sales to Navistar represented approximately 54% of the total revenues of the Company for the fiscal year ended December 31, 2009. Navistar is also a 9.5% stockholder in the Company.

EXECUTIVE COMPENSATION

Unless the context requires otherwise, in this Executive Compensation section, including the Compensation Discussion and Analysis and the tables which follow it, references to we, us, our or similar terms are to the Company and our subsidiaries.

Compensation Discussion and Analysis

This compensation discussion and analysis describes the following aspects of our compensation system as it applies to our named executive officers as described in the summary compensation table set forth below (the named executive officers):

Our compensation philosophy and objectives;

The means we employ to achieve our compensation objectives, including the establishment of total direct compensation and the mix within that compensation;

The elements of compensation that are included within total direct compensation as well as compensation items in addition to total direct compensation; and

The reasons we have elected to pay these elements of compensation to achieve our compensation objectives and how we determine the amount of each element.

Compensation Philosophy and Objectives

Our compensation philosophy is focused on incentivizing executives through the use of base salary, annual profit sharing incentives and long-term equity based incentive compensation in order to attract, motivate, reward and retain executives.

In 2005, the Board of Directors reviewed the compensation structure for the named executive officers in regard to our strategic succession plan. The board then requested that the chairman of the board form a subcommittee comprised of himself and certain members of senior management, including our then CEO, Group Vice President, CFO and director of human resources, to research and provide analysis to the board of our existing compensation structure in light of current trends for similar sized public companies at both the local and national level. This review was considered necessary and appropriate by the Board as part of our overall strategic succession plan, as previously approved by the Board. In conducting its review, the sub-committee collected competitive data from the peer group companies described below, reviewed our existing compensation practices, developed a comprehensive methodology for setting compensation and identified proposed changes to our existing compensation program, which were then presented to the Board for review. At the direction of the Board, management then engaged Compensation Resources, Inc., a compensation and human resource consulting firm, to evaluate our then existing compensation programs for executives and to provide a general assessment and opinion of the proposed methodology for setting compensation under review by the board. Based upon our review and assessment, including a review of industry and market practice, we have established an articulated compensation philosophy with the following primary objectives:

Attract, retain and encourage the development of highly qualified and motivated executives;

Provide compensation that is competitive with our peers and defined marketplace;

Provide compensation on both an annual and long-term basis and in a fashion that aligns the interests of executives with those of our stockholders in order to create long-term stockholder value; and

Enhance the connection between our business results and the compensation of executives, linking a material portion of executive compensation with performance;

To this end, the objectives of our compensation philosophy puts a strong emphasis on correlating the long-term growth of stockholder value with management's most significant compensation opportunities.

Means of Achieving Our Compensation Objectives

The three primary components of compensation for our named executive officers include base salary, annual profit sharing opportunity and long-term equity based incentive compensation. Our named executive officers also participate in our 401(k) plan and receive medical, dental, vision, short-term disability, long-term disability and life insurance benefits.

Determination of Compensation

While we do not have a separately constituted Compensation Committee, the independent members of our Board of Directors play a significant role in reviewing, recommending, approving and setting compensation policies for our named executive officers. As a general matter, the Board of Directors, excluding Mr. Barnett, determines the appropriate levels of compensation for our named executive officers and are knowledgeable regarding current trends for compensating named executive officers, provided however that the Chief Executive Officer is not involved in, and abstains from, all discussions and decisions regarding his compensation as an executive officer. Historically, on an annual basis, the Chief Executive Officer and Director of Human Resources develop initial recommendations for the salary components of compensation for named executive officers excluding the Chief Executive Officer, for review and approval by the board at the annual operating plan review meeting. The Board then reviews such recommendations in light of the named executive officer's individual performance, the compensation objectives described above and peer group performance described below. The Board, at the annual operating plan review meeting, establishes the estimated Company's profit sharing performance threshold for the following year. The profit sharing threshold is later recalculated using actual values available at the end of the year.

Stock grants are typically considered in May after the Company's annual meeting. The Board made restricted stock grants to the named executive officers on May 28, 2009, May 14, 2008 and May 16, 2007 under the long-term equity incentive that was approved by stockholders based upon its comprehensive review and analysis of the information provided by the sub-committee and the previous opinion and evaluation of Compensation Resources.

Peer Group Analysis

In order to establish appropriate levels of compensation for our named executive officers, we collect competitive data for base salaries, annual bonuses, and long-term incentive awards consistent with our practice in prior years. Because of our market for executive talent is national, competitive data is reflective of the compensation levels of executives at companies of comparable size and complexity on both the local and national level. In addition, the information that is collected relates to companies with comparable manufacturing operation or geographic representation. When last reviewed in 2008, the population of companies reviewed was publicly traded in the United States and had an average market capitalization of approximately \$90 million. The data reviewed for these peer companies was derived from the publicly available SEC filings of these organizations. The companies comprising the peer group reviewed for establishing 2008 compensation levels were as follows:

Pinnacle Data Systems, Inc.
Atlantis Plastics, Inc.
Supreme Industries, Inc.
Proliance International, Inc.
Commercial Vehicle Group
Strattec Security Corporation

Airnet Systems, Inc.
Rocky Brands, Inc.
R.G. Berry
Dorman Products, Inc. (f/k/a R&B Inc.)
Max & Erma's Restaurants, Inc.

We used this competitive data to determine the applicable market median increase/decrease in executive base pay and bonus compensation among the peer group, which serves as a benchmark for analyzing each of our executive positions. For our named executives, we then established targeted total compensation, following a review

of this competitive data. We believe reviewing the approximate market median amounts from our peer group is an appropriate guide for establishing our executive compensation, because we expect to achieve at least median performance and that result balances the cost of the compensation program with the expected performance.

This competitive data has not been updated since the end of 2008 due to the fact that no salary increases have been authorized by the board due to economic conditions.

While we target total direct compensation at the market median, an executive's actual total compensation could vary significantly depending upon the relationship between our actual performance and target results. If our results are well above target performance, executives have the opportunity to earn compensation that is well above the relevant market median. Conversely, executives may earn compensation that is well below the relevant market median if our performance is well below target levels.

Compensation Mix

We compensated our named executive officers through a combination of base salary, annual profit sharing incentive opportunity and long-term equity based incentive compensation. The amount of total direct compensation for our named executive officers is allocated among the various types of compensation in a manner designed to achieve our overall compensation objectives as described above. This allocation is also structured so that the annual profit sharing and long-term equity based incentive components targets 50% of the executive officers' overall direct compensation taking into account the cyclical nature of the markets we serve with the remaining 50% relating to base salary. In up-cycles when increased demand leads to increased net sales for our products, the profit sharing and long-term equity amounts awarded to our executive officers could result in a compensation mix of more than our 50% target. In contrast, during down-cycles when decreased sales volumes occurred due to lower demand resulting from industry wide declines in truck orders, our compensation mix of profit sharing and long term equity amounts is lower than our 50% target. The resulting compensation mix for our named executive officers for 2009 was approximately 25% annual profit sharing and long-term equity and 75% base salary. The resulting compensation mix for our named executive officers for 2008 was approximately 49% annual profit sharing and long-term equity and 51% base salary. The Board considered the resulting compensation mix reasonable and appropriate in light of the performance achieved for each fiscal year.

Elements of Direct Compensation

Base Salary

We use base salaries to provide a predictable level of current income for our named executive officers. Our base salaries are designed to assist in attracting, retaining and encouraging the development of qualified executives. The amount of each executive's annual base salary is based on that executive's position, skills and experience, individual performance and the salaries of executives with comparable positions and responsibilities at peer companies. When establishing base salaries for our named executive officers, we do not take into account awards previously made, including equity-based awards under our long-term incentive plans or profit sharing incentives. Base salary adjustments are determined by the Board, typically on an annual basis, and take into account the named executive officer's individual performance and pay relative to other peer group companies.

The Board typically reviews officer compensation as a part of the annual planning process which occurs in December of each year. Base salary adjustments are typically effective the following January. No adjustments were made to base salaries in December 2008 or 2009 for calendar years 2009 and 2010 due to the economic conditions. The Board of Directors will continue to monitor business and economic conditions throughout 2010 to determine if an adjustment should be made. Additionally, in light of the economic conditions in 2009, each named executive voluntarily took a 15% pay reduction during the second and third quarters of 2009.

Profit Sharing Program

The Board has established an annual profit-sharing program (the Profit Sharing Plan) for all non-represented and salaried employees, including its named executive officers. This program is designed to align the interests of such individuals with those of our stockholders by directly tying profit sharing payments to our overall

financial performance. This program has historically been used to create a profit sharing pool based upon fifty percent of our earnings before taxes (EBT) above a threshold established by the board. This threshold is based upon 8% of our adjusted average assets . Adjusted average assets include total assets, plus the net present value of leased equipment, less cash, construction in process, deferred tax assets, and intangible assets. The intent of such threshold is to begin creating a profit sharing pool only after achieving a reasonable return on assets employed in the operations of the Company for our shareholders. The profit sharing pool is limited to a maximum of twenty percent of EBT. Our named executive officers are allocated approximately 23% of the profit sharing pool and the remaining participating employees share in approximately 77% of the pool. Our named executive officers receive no other cash bonus compensation, as the Board believes that the profit sharing program appropriately ties cash incentive compensation to Company performance (as measured by EBT) and is the most effective means of incentivizing our named executive officers and aligning the interests of such individuals with those of our stockholders.

Long-Term Stock-Based Compensation

The Board administers the Core Molding Technologies, Inc. 2006 Long-Term Equity Incentive Plan (the 2006 Plan) which replaced the Core Molding Technologies, Inc. Long-Term Equity Incentive Plan which expired on December 31, 2006. The 2006 Plan allows for the grant of incentive and nonqualified stock options, restricted stock, stock appreciation rights, performance shares, performance units and other awards. The Board also administers the Core Molding Technologies, Inc. 2002 Employee Stock Purchase Plan, as amended by the stockholders in 2006 (as amended, the Stock Purchase Plan). The Stock Purchase Plan provides eligible employees, including named executive officers, with the opportunity to acquire our common stock, and thereby develop a further incentive for such individuals to share in our future success and further link and align the personal interests of such individuals to those of our stockholders. The 2006 Plan and the Stock Purchase Plan are the primary methods for providing stock-based compensation to our named executive officers.

Restricted Stock. In 2009, 2008 and 2007, the Board granted our named executive officers, directors and other key managers shares of restricted common stock pursuant to the 2006 Plan. To reinforce the commitment to long-term results and retain named executive officers, each restricted stock grant vests in three equal installments over the next three (3) years following the date of the grant, with all restricted stock grants being fully time vested upon the date of the recipient s 6th birthday and accelerated vesting upon death, disability or change-in-control (as described in the 2006 Plan). The restricted stock grants also contained stock ownership vesting requirements, such that each restricted stock grant does not vest until the recipient owns and retains shares of our common stock equal in value to 100% of the recipient s base salary at the date of grant, if a named executive officer. The Board believes that this stock ownership requirement is a way to align more closely the interests of the named executive officers with those of the stockholders, giving such named executive officers a more vested stake in our long-term performance. Awards made to named executive officers in 2009, 2008 and 2007 were as follows:

Name	2009 Restricted Stock Awards	2008 Restricted Stock Awards	2007 Restricted Stock Awards
Kevin L. Barnett	31,641	9,984	9,784
Stephen J. Klestinec	25,781	6,330	6,778
Herman F. Dick, Jr.	16,130	5,249	5,538
Terrence J. O Donovan	26,587		

In establishing the award levels for restricted stock grants in 2009, 2008 and 2007, the Board did not consider the equity ownership levels of the recipients or compensation previously paid, including prior stock-based awards that were fully vested, however they did consider and adjusted accordingly for any unvested options that existed at the time of the restricted stock grant. The Board s primary focus in granting such restricted stock awards is to focus on

retention of executives in light of prevailing competitive conditions and to motivate executives in ways that support our strategic direction.

Our current and intended future practice is to use restricted stock awards in lieu of stock options for the reasons discussed above, and to make such award determinations at the Board meeting held in conjunction with the annual shareholder meeting. This meeting customarily is held in May, and this practice permits us to consider the prior-year results and future expectations when making new grants. From time to time, we also may grant awards in connection with new hires and promotions, at the time of those events.

Employee Stock Purchase Program. We maintain the Stock Purchase Plan, as referenced above, under which all of our employees, including our named executive officers, are permitted to participate. Accumulated employee payroll deductions are used to purchase shares of our common stock quarterly on or about February 1st, May 1st, August 1st or November 1st at a 15% discount to the closing price of the common stock on the NYSE AMEX on the date of purchase. The Board believes that this broad-based plan encourages stock ownership by all of our employees.

Other Elements of Compensation

Benefits

We provide our named executive officers with medical, dental, vision, short-term disability, long-term disability and life insurance benefits under the same programs used to provide benefits to salaried employees based in Columbus, Ohio and Gaffney, South Carolina.

401(k) Plan

We maintain a defined contribution tax-qualified retirement plan called the Core Molding Technologies, Inc. 401(k) Retirement Savings Plan (the 401(k) Plan), which provides for broad-based employee participation, including for our named executive officers. The 401(k) Plan is designed to encourage savings for retirement, as we do not maintain a defined benefit plan that provides a specified level of income following retirement for named executive officers or other employees.

Under the 401(k) Plan, all of our eligible employees, including our named executive officers, may contribute earnings on a pre-tax basis to the 401(k) Plan up to the maximum limit then in effect under applicable law, and receive matching contributions from us that are subject to vesting over time. The matching contribution equals 25% of the first 6% of earnings deferred by each participant to the 401(k) Plan, which includes all salary and wages that are subject to income tax withholding (except for overtime and disqualifying dispositions of stock options). Until December 31, 2007 our matching contributions were invested automatically into our common stock. Beginning January 1, 2008 the 401(k) Plan was amended by the Board and matching contributions are no longer invested in our common stock but are now invested ratably to the same funds elected by the participant. In addition, we make an automatic employer contribution equal to 3% of each participant's base salary. This contribution is made for all eligible employees, regardless of whether they make any pre-tax contributions. Finally, if a participant is at least age 35, we may make a retirement contribution based upon such participant's base salary, which equals 1.5% of such participant's earnings if such participant is age 35 to 44, and 3.5% of base salary if such participant is age 45 or older. This contribution is made only if the participant is employed on the last day of the year and is subject to board approval.

We offer the 401(k) Plan because it provides our employees, including our named executive officers, with a way to save for retirement. We intend to evaluate the 401(k) Plan for competitiveness in the marketplace from time to time, but we do not anticipate taking the level of benefits provided into account in determining our executives' overall compensation packages in the coming years.

Perquisites

In general, we believe that perquisites should not constitute a consequential portion of any named executive officer's compensation. As a result, no named executive officer received perquisites in excess of \$10,000.

Executive Severance Arrangements

We have entered into executive severance agreements with Messrs. Barnett, Dick, Klestinec and O'Donovan that specify payments in the event the executive officer's employment is terminated after a change in control. We believe that such executive severance agreements serve to assure the stability and continuity of our executive officers upon the occurrence of any change in control event, as well as to assure the effectiveness of existing retention and incentive features of the Company's compensation program. See further disclosure below under "Potential Payments Upon Change of Control" for more information.

Tax Deductibility of Executive Compensation

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to publicly held companies for compensation in excess of \$1 million in any taxable year paid to the chief executive officer or the four next most highly compensated executive officers. However, compensation in excess of \$1 million is deductible if it meets the criteria for being "performance based" within the meaning of Section 162(m). Our stock option awards satisfy the conditions for being "performance based" under Section 162(m). Time-based restricted stock awards and cash payments paid under our informal profit sharing plan do not currently satisfy the Section 162(m) "performance based" conditions.