

HARLEY DAVIDSON INC  
Form PRE 14A  
March 04, 2010  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**WASHINGTON, D.C. 20549**  
**SCHEDULE 14A**

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

**(Amendment No. )**

Filed by the Registrant                       Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14A-6(E)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

**Harley-Davidson, 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):

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Preliminary Proxy Materials

**NOTICE OF ANNUAL MEETING**

**AND**

**PROXY STATEMENT**

**Harley-Davidson, Inc.**

**3700 West Juneau Avenue**

**Milwaukee, Wisconsin 53208**

**(414) 342-4680**

March [ ], 2010

Dear Fellow Shareholder:

On behalf of the Board of Directors and management of Harley-Davidson, Inc., I cordially invite you to attend the 2010 Annual Meeting of Shareholders to be held at 10:30 a.m., Central Daylight Time, on Saturday, April 24, 2010, at the Harley-Davidson Museum, 400 W. Canal Street, Milwaukee, Wisconsin. If the shareholders approve the amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation at the Annual Meeting to eliminate our classified board structure, we will close the polls and adjourn the Annual Meeting prior to the vote for directors and reconvene the Annual Meeting at 11:00 a.m., Central Daylight Time, on Monday, April 26, 2010, at the Harley-Davidson Museum.

The attached Notice of Annual Meeting of Shareholders and Proxy Statement describe the formal business that the shareholders will transact at the Annual Meeting. During the Annual Meeting, there will also be brief reports on our operations. Once the shareholders conclude the business of the Annual Meeting, we will give shareholders an opportunity to ask questions.

We sincerely hope you will be able to attend our Annual Meeting. However, whether or not you are personally present, it is important that you vote your shares.

We are pleased to once again offer multiple options for voting your shares. As described in the section called, *Questions and Answers About the Meeting How Do I Vote?* of the Notice of Annual Meeting of Shareholders and Proxy Statement, you may vote your shares by telephone, the Internet, mail or written ballot at the Annual Meeting.

If you own shares through a broker, bank or other nominee, please vote your shares by providing your broker, bank or nominee with your voting instructions.

Thank you for your continued support of Harley-Davidson, Inc.

Sincerely yours,

**Keith E. Wandell**

*President and Chief Executive Officer*

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

*April 24, 2010*

The 2010 Annual Meeting of Shareholders of Harley-Davidson, Inc. will be held at the Harley-Davidson Museum, 400 W. Canal Street, Milwaukee, Wisconsin, on Saturday, April 24, 2010 at 10:30 a.m., Central Daylight Time, for the following purposes:

1. To approve amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and to approve an adjournment of the Annual Meeting to implement the amendments;
2. To approve the adoption of the Harley-Davidson, Inc. Employee Incentive Plan;
3. To approve the adoption of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan;
4. To ratify the selection of Ernst & Young LLP, independent registered public accounting firm, to be the auditors for the fiscal year ending December 31, 2010;
5. To vote on a shareholder proposal, if properly presented before the 2010 Annual Meeting;
6. To elect four directors to the Board of Directors; and
7. To take action upon any other business as may properly come before the 2010 Annual Meeting and any adjournments or postponements of that meeting.

**The Board of Directors recommends a vote FOR items 1, 2, 3, 4 and 6. The Board of Directors has considered the shareholder proposal, which is item 5, and recommends a vote AGAINST it. The Board of Directors or proxy holders will use their discretion on other matters that may arise at the 2010 Annual Meeting.**

The Board of Directors fixed the close of business on March 5, 2010 as the record date for determining shareholders entitled to notice of and to vote at the 2010 Annual Meeting and any adjournments or postponements of that meeting.

By Order of the Board of Directors,

Harley-Davidson, Inc.

**Gail A. Lione**

*Secretary*

Milwaukee, Wisconsin

March [ ], 2010

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We urge you to submit your proxy as soon as possible. If the records of our transfer agent, Computershare Investor Services LLC, show that you own shares in your name, or you own shares in our Dividend Reinvestment Plan, then you can submit your proxy for those shares by using a toll-free telephone number or the Internet. Or you can mark your votes on the proxy card we have enclosed, sign and date it, and mail it in the postage-paid envelope we have provided. Instructions for using these convenient services are set forth on the proxy card.

If you own shares in street name, we encourage you to provide voting instructions to your bank, broker or other nominee. Street name holders may also vote by telephone or the Internet if their bank, broker or other nominee makes those methods available, in which case the bank, broker or other nominee will enclose the instructions along with this Proxy Statement. Street name holders who wish to vote at the meeting cannot vote in person at the 2010 Annual Meeting unless they first obtain a proxy issued in their name from their broker, bank or other nominee.

**Important Notice Regarding the Availability of Proxy Materials for the  
Shareholder Meeting to be Held on April 24, 2010**

Pursuant to rules of the Securities and Exchange Commission, we have elected to provide access to our proxy materials both by sending you this full set of proxy materials, including a proxy card, and by notifying you of the availability of our proxy materials on the Internet. This proxy statement and our 2009 Annual Report on Form 10-K are available at <http://www.proxyvote.com>.

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Preliminary Proxy Materials

**3700 West Juneau Avenue**

**Milwaukee, Wisconsin 53208**

**March [ ], 2010**

**PROXY STATEMENT**

The Board of Directors of Harley-Davidson, Inc. requests the proxy accompanying this Proxy Statement for use at the 2010 Annual Meeting of Shareholders to be held on April 24, 2010 and at any adjournment or postponement of that meeting (the Annual Meeting). We first sent this Proxy Statement and the accompanying proxy to shareholders on or about March 19, 2010.

As used in this Proxy Statement, we, the company or Harley-Davidson refers to Harley-Davidson, Inc. Motor Company refers to our subsidiaries, Harley-Davidson Motor Company Operations, Inc., Harley-Davidson Motor Company Group, LLC and Harley-Davidson Motor Company, Inc. They do business as Harley-Davidson Motor Company. In addition, HDFS refers to Harley-Davidson Financial Services, Inc. and its subsidiaries; Buell refers to Buell Motorcycle Company, LLC and Buell Distribution Company, LLC; and MV refers to MV Augusta Motor S.P.A.

**QUESTIONS AND ANSWERS ABOUT THE MEETING**

**Q: What Is the Purpose of the Annual Meeting?**

**A:** At the Annual Meeting, shareholders will: (1) approve an amendment to the Harley-Davidson, Inc. Restated Articles of Incorporation to declassify the Harley Davidson Board and approve an adjournment of the Annual Meeting to implement the amendments, (2) approve the Harley-Davidson, Inc. Employee Incentive Plan, (3) approve the Amended and Restated Director Stock Plan, (4) ratify the selection of our independent registered public accounting firm, (5) vote on a shareholder proposal and (6) elect four directors. The Notice of Annual Meeting of Shareholders and Proxy Statement describe these matters in more detail. In addition, members of management will report on our 2009 performance and, once the shareholders conclude the business of the Annual Meeting, respond to shareholders' questions as time permits.

**Q: What Will Happen if Shareholders Approve the Amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to Eliminate the Classified Board Structure?**

**A:** If the shareholders approve the amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure, we will close the polls and adjourn the Annual Meeting following the vote on Proposal 5, the shareholder proposal. We will need to adjourn until Monday, April 26, 2010, the first business day after the date of the Annual Meeting, because the amendments will not become legally effective until the company files articles of amendment with the Department of Financial Institutions of the State

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of Wisconsin whose offices are closed on the weekend. On that Monday, we will file articles of amendment to the company's Restated Articles of Incorporation with the Department of Financial Institutions. Following the filing of the amendments, we intend to reconvene the Annual Meeting for the shareholders to vote on Proposal 6, the election of directors. It will not be necessary for Shareholders to appear at the reconvened meeting in person to vote their shares, and it will not be necessary for Shareholders to submit a separate proxy, so long as they have submitted a valid proxy or written ballot at the Annual Meeting. If the Shareholders do not approve the amendments, then the Annual Meeting will continue without an adjournment.

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### **Q: Who Is Entitled to Vote?**

**A:** Only holders of the [\_\_\_\_\_] shares of our common stock outstanding as of the close of business on March 5, 2010 can vote at the Annual Meeting. Each of these shareholders has one vote for each share of our stock held on that date.

### **Q: Who Can Attend the Annual Meeting?**

**A:** All shareholders, or individuals that shareholders have duly appointed as their proxies, may attend the Annual Meeting. Appointing a proxy in response to this request will not affect a shareholder's right to attend the Annual Meeting and to vote in person. Please note that if you hold your shares in street name (that is, through a broker, bank or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of March 5, 2010 to enter the Annual Meeting.

### **Q: What Constitutes a Quorum?**

**A:** A majority of the [\_\_\_\_\_] shares of our stock outstanding on March 5, 2010 must be present, in person or by proxy, to provide a quorum at the Annual Meeting. If you vote, your shares will count toward satisfying the quorum requirement. If you return a proxy card marked ABSTAIN or without voting instructions, your shares of common stock will also count toward satisfying the quorum requirement. Also, in those instances where banks, brokers or other nominees who hold shares on behalf of others have returned a proxy but could not vote the shares on particular matters without receiving voting instructions from the beneficial owners (broker nonvotes), those shares will count toward satisfying the quorum requirement. Broker nonvotes will not count as votes for or against any proposal. If you own shares in street name, we encourage you to provide voting instructions to your broker, bank or other nominee.

### **Q: What Is the Effect of Not Voting?**

**A:** The consequences of not voting will depend on how you own your shares. If the records of our transfer agent, Computershare Investor Services LLC, show that you own shares in your name or if you own shares through our Dividend Reinvestment Plan and you do not vote, we cannot consider those shares present at the meeting and they will not count toward satisfying the quorum requirement.

If you own shares in street name and do not vote, your broker, bank or other nominee may vote your shares at the meeting. If you do not give voting instructions for your shares, your broker, bank or other nominee may or may not be able to vote your shares in its discretion depending on the proposals before the meeting. Your broker, bank or other nominee may vote your shares in its discretion on routine matters such as Proposal 4, the ratification of the selection of our independent registered public accounting firm, but may not vote your shares in its discretion on Proposal 1, approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and approval of an adjournment of the Annual Meeting to implement the amendments, Proposal 2, approval of the Harley-Davidson, Inc. Employee Incentive Plan, Proposal 3, approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan, the shareholder proposal or Proposal 6, the election of directors. If you own shares in street name, we encourage you to provide voting instructions to your broker, bank or other nominee.

### **Q: How Do I Vote?**

**A:** If the records of our transfer agent show that you own shares in your name or if you own shares through our Dividend Reinvestment Plan at the close of business on March 5, 2010, you can appoint a proxy by telephone by calling toll-free within the United States or Canada (800) 690-6903, by using the Internet at <http://www.proxyvote.com> or by mailing your signed proxy card in the envelope we have included with this Proxy Statement. If you own shares in street name, you may vote by telephone or the Internet if your bank, broker or other nominee makes those methods available, in which case your bank, broker or other nominee will include instructions with your Proxy

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Statement. The telephone and Internet voting procedures will authenticate your identity, allow you to give your voting instructions and confirm that we have properly recorded your instructions. If you vote by using the Internet, you should understand that there might be costs associated with electronic access that you must bear, such as usage charges from Internet access providers and telephone companies.

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### **Q: Can I Change My Vote After I Submit My Proxy?**

**A:** Yes. You can change your vote at any time before the Annual Meeting by submitting a new proxy or by providing written notice to our Secretary and voting in person at the Annual Meeting. Your presence at the Annual Meeting does not in and of itself revoke your proxy. Unless you properly revoke your proxy, the persons you have appointed will vote your shares at the Annual Meeting. If you specify a choice by means of the proxy, the persons you have appointed will vote your shares as you specify. If you do not specify a choice, the persons you have appointed will vote your shares in accordance with the recommendations of the Board of Directors.

### **Q: Is My Vote Confidential?**

**A:** We will handle all proxy instructions, ballots and voting tabulations that identify individual shareholders carefully to protect your voting privacy. No one will disclose your vote either within Harley-Davidson or to third parties, except: (i) as necessary to meet applicable legal requirements, (ii) to allow for the tabulation of votes and certification of the vote, and (iii) to facilitate a successful proxy solicitation.

### **Q: What Am I Voting On?**

**A:** You are voting on five company proposals:

Proposal 1: Approval of Amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate our Classified Board and Approve an Adjournment of the Annual Meeting to Implement the Amendments

We are seeking shareholder approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and provide for the annual election of directors, which the Board of Directors adopted on December 10, 2009 subject to shareholder approval, and approval of an adjournment of the Annual Meeting to implement the amendments. If shareholders do not approve these amendments, the Board structure will remain classified and each director will continue to be elected to a term of three years.

Proposal 2: Approval of Harley-Davidson, Inc. Employee Incentive Plan

We are seeking shareholder approval of the Harley-Davidson, Inc. Employee Incentive Plan, which the Board of Directors adopted on February 11, 2010 subject to shareholder approval.

Proposal 3: Approval of Amended and Restated Harley-Davidson, Inc. Director Stock Plan

We are seeking shareholder approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan, which the Board of Directors adopted on February 11, 2010 subject to shareholder approval.

Proposal 4: Ratification of Selection of an Independent Registered Public Accounting Firm

The Audit Committee of the Board of Directors has selected Ernst & Young LLP, independent registered public accounting firm, to be the auditors for the fiscal year ending December 31, 2010.

Proposal 5: Shareholder Proposal

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Proposal 6: Election of Class I Directors

Election of four directors, with the following as the Board of Directors nominees:

- a. Barry K. Allen;
- b. Richard I. Beattie;
- c. Judson C. Green; and
- d. N. Thomas Linebarger.

**Q: What Are the Board of Directors Recommendations?**

**A: The Board of Directors recommends a vote:**

***FOR approval of Amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and provide for the annual election of directors (see Proposal 1);***

***FOR approval of the Harley-Davidson, Inc. Employee Incentive Plan (see Proposal 2);***

***FOR approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan (see Proposal 3);***

***FOR ratification of the selection of Ernst & Young LLP, independent registered public accounting firm (see Proposal 4);***

***AGAINST the shareholder proposal (see Proposal 5) ; and***

***FOR election of the four nominees of the Board of Directors (see Proposal 6).***

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote to approve the recommendations of the Board of Directors.

**Q: What Vote Is Required to Approve Each Proposal?**

**A:** Our Bylaws have a majority vote standard for the election of directors. The director nominees receiving the greatest number of votes will be elected. However, a nominee who receives more withheld votes than for votes must tender his or her resignation to the Board of Directors. The Nominating and Corporate Governance Committee will promptly consider that resignation and will recommend to the

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Board of Directors whether to accept the tendered resignation or reject it, and the Board will then act on that recommendation. If a quorum is present at the Annual Meeting, the following matters require an affirmative vote of a majority of the shares voting on the proposal: (1) approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and approval of an adjournment of the Annual Meeting to implement the amendments, (2) approval of the Harley-Davidson, Inc. Employee Incentive Plan, (3) approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan, (4) ratification of the selection of Ernst & Young LLP as the independent registered public accounting firm for fiscal year 2010 and (5) approval of a shareholder proposal.

**Q: Are There Any Other Items That Are to be Acted Upon During the Annual Meeting?**

**A:** No. We are not aware of any other matters that you will vote on at the Annual Meeting. In addition, the deadlines have passed under Rule 14a-8 of the Securities Exchange Act of 1934 and our Restated Articles of Incorporation, as amended through August 21, 2000, for shareholders to submit their own proposals for presentation at the Annual Meeting. If other matters come before the Annual Meeting with the assent of the Board of Directors, the Board or proxy holders will use their discretion on these matters.

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**Q: Who Will Count the Vote?**

**A:** Broadridge Financial Solutions, Inc. will count the vote. Its representative will serve as the inspector of the election.

**Q: Who Pays to Prepare, Mail and Solicit the Proxies?**

**A:** We pay the cost of soliciting the proxies relating to the Annual Meeting, except for some costs that may arise through your use of the telephone and Internet. We may request proxies in person, by telephone, Internet, telegraph and facsimile machine, as well as through the mail. We also expect to ask banks, brokerage houses and other custodians, nominees or fiduciaries to forward proxy materials to their principals and to obtain proxies. We will reimburse these institutions for their out-of-pocket expenses. We hired D. F. King & Co., Inc. to help solicit proxies and we expect to pay them approximately \$6,500 plus out-of-pocket expenses.

**Q: How Can I Obtain Electronic Access to Shareholder Materials Instead of Receiving Mailed Copies?**

**A:** We are pleased to offer you the option to view shareholder communications (for example, annual reports and proxy statements) over the Internet, instead of receiving those documents in print. By agreeing to view communications over the Internet, you will help us reduce our printing and mailing costs, which can be substantial. Participation is completely voluntary, but now is a good time to consent. If you give your consent, then we will notify you by U.S. mail when shareholder materials are available over the Internet and provide you with a listing of the website locations where you can access these materials. Once you give your consent, it will remain in effect until you inform us otherwise. Even if you give your consent, you can request paper copies of these documents at any time by contacting our Investor Relations Department by: (a) mail at Harley-Davidson, Inc., Attention: Investor Relations, 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653, (b) telephone at 877-HDSTOCK (toll-free) or (c) e-mail at investor.relations@harley-davidson.com. If you access documents electronically, you should understand that there might be costs to access materials electronically that you must bear, such as usage charges from Internet access providers and telephone companies.

To give your consent, check the box labeled "I Consent" in Section B-Non-Voting Items of your proxy card. If you hold your shares through a bank, broker or other nominee, please refer to the information that entity provides to you for instructions on how to elect this option. If you have previously consented to receive shareholder communications electronically, then you do not need to provide additional consent at this time.

We encourage you to consider agreeing to view your shareholder communications electronically.

**QUESTIONS AND ANSWERS ABOUT THE COMPANY**

**Q: How is Management Structured?**

**A:** We operate in two business segments: the Motorcycles and Related Products segment and the Financial Services segment. The Motorcycles and Related Products segment includes the Motor Company, Buell and MV. The Financial Services segment includes HDFFS. On October 15, 2009, we announced plans to discontinue production of Buell motorcycles and to commence efforts to sell MV. Our organizational structure consists of the Executive Leadership Team and a broad group of our leaders representing key functions and individuals in the Motor Company, MV, HDFFS and Harley-Davidson that we refer to as the Senior Leadership Group. This broad group meets several times each year to have a dialogue with the Chief Executive Officer of Harley-Davidson and to share business information. While this group is not a decision-making body, it will evaluate and discuss critical, enterprise-wide business challenges throughout the year. The Chief Executive Officer determines membership in the Senior Leadership Group with input from his direct reports.



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The Executive Leadership Team consists of the Chief Executive Officer of Harley-Davidson, as well as the Presidents of the Motor Company and HDFS, the Managing Director of MV and other senior officers who report directly to the Chief Executive Officer. The members of the Executive Leadership Team are responsible for making decisions on business issues that impact our entire company, developing high-level policies and advising our Chief Executive Officer. For Securities and Exchange Commission ( SEC ) purposes, we consider the Executive Leadership Team members our executive officers. Among other things, the SEC requires executive officers to disclose publicly their holdings of and transactions involving our stock.

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**Q: Who Are Our Executive Officers for SEC Purposes?**

**A:** As of March 5, 2010, our executive officers for general SEC purposes were as follows:

<b>Name and Title</b>	<b>Age</b>
John P. Baker, General Manager, Corporate Strategy and Business Development of the Motor Company <i>The Motor Company has employed Mr. Baker for approximately 17 years.</i>	42
Tonit M. Calaway, Vice President, Human Resources of Harley-Davidson <i>We have employed Ms. Calaway for approximately 12 years.</i>	42
Enrico D. Onofrio, Managing Director of MV <i>MV has employed Mr. D. Onofrio for approximately one year.</i>	52
Jon R. Flickinger, President and Chief Operating Officer of Buell <i>Buell and the Motor Company have employed Mr. Flickinger for approximately 15 years.</i>	51
Susan K. Henderson, Vice President, Communications of Harley-Davidson <i>We have employed Ms. Henderson for approximately one year.</i>	57
Lawrence G. Hund, President and Chief Operating Officer of HDFS <i>HDFS has employed Mr. Hund for approximately one year and previously employed him for approximately five years prior to 2008.</i>	53
Matthew S. Levatich, President and Chief Operating Officer of the Motor Company <i>The Motor Company has employed Mr. Levatich for approximately 16 years.</i>	45
Gail A. Lione, Executive Vice President, General Counsel and Secretary of Harley-Davidson and Chief Compliance Officer of Harley-Davidson <i>We have employed Ms. Lione for approximately 13 years. Ms. Lione will be retiring from her positions as our Executive Vice President, General Counsel, Secretary and Chief Compliance Officer effective April 30, 2010.</i>	60

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<b>Name and Title</b>	<b>Age</b>
James A. McCaslin, Executive Vice President, Corporate Product Planning of Harley-Davidson	61
<i>We have employed Mr. McCaslin for approximately 18 years. Mr. McCaslin will be retiring from the Company effective April 30, 2010.</i>	
John A. Olin, Senior Vice President and Chief Financial Officer of Harley-Davidson	49
<i>We have employed Mr. Olin for approximately seven years.</i>	
Mark-Hans Richer, Senior Vice President and Chief Marketing Officer of the Motor Company	43
<i>The Motor Company has employed Mr. Richer for approximately three years.</i>	
Keith E. Wandell, President and Chief Executive Officer of Harley-Davidson	60

*We have employed Mr. Wandell for approximately one year.*

Except for the following persons, all such executive officers have been employed by us in the respective capacities that we list above for more than five years: John Baker, Tonit Calaway, Enrico D Onofrio, Susan Henderson, Larry Hund, Matt Levatich, Jim McCaslin, John Olin, Mark-Hans Richer and Keith E. Wandell. The following is additional biographical information for at least the last five years relating to these ten executive officers:

Mr. Baker has served as our General Manager, Corporate Strategy and Business Development since 2007. From 2005 to 2007, Mr. Baker served as our Director, Marketing Platform. From 2002 to 2005, Mr. Baker served as Lead, Marketing Platform.

Ms. Calaway became our Vice President, Human Resources in February 2010. She served as our Assistant General Counsel and Chief Compliance Counsel from 2008 until January 2010. From 2004 to 2007, Ms. Calaway served as Associate General Counsel of the Motor Company.

Mr. D Onofrio has served as the Managing Director of MV since May 2009. From February 2009 through March 2009, Mr. D Onofrio served as General Manager, Corporate of MV. From 2000 to 2009, Mr. D Onofrio served as Chief Financial Officer of Ducati Motor Holding S.p.A.

Ms. Henderson has served as our Vice President, Communications since November 2008. From 2005 to 2008, Ms. Henderson served as the Vice President of Corporate Communications of the Wm. Wrigley Jr. Company, a chewing gum and confections manufacturer. Prior to joining Wrigley, Ms. Henderson was principal in her own communications firm.

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Mr. Hund has served as the President and Chief Operating Officer of HDFS since June 2009. From November 2008 through June 2009, Mr. Hund served as Executive Vice President and Chief Financial Officer of Tygris Commercial Finance Group, Inc., a commercial finance and leasing company. From January 2008 through November 2008, Mr. Hund served as Vice President and Chief Financial Officer of Bridge Finance Group, a finance company. From 2006 to 2007, Mr. Hund served as Interim Chief Operating Officer of HDFS. From 2002 to 2007, Mr. Hund served as the Chief Financial Officer of HDFS.

Mr. Levatich has served as the President and Chief Operating Officer of the Motor Company since May 2009. From August 2008 through April 2009, Mr. Levatich served as President and Managing Director of MV Agusta. From 2007 through July 2008, Mr. Levatich was Vice President and General Manager of Parts and Accessories and Custom Vehicle Operations of the Motor Company. From 2003 to 2007, Mr. Levatich was Vice President of Materials Management of the Motor Company. From 1994 to 2003, Mr. Levatich held other positions with the Motor Company.

Mr. McCaslin has served as the Executive Vice President, Corporate Product Planning of Harley-Davidson since May 2009. From 2001 through April 2009, Mr. McCaslin served as the President and Chief Operating Officer of the Motor Company.

Mr. Olin has served as the Senior Vice President and Chief Financial Officer of Harley-Davidson since September 2009. From April 2009 through September 2009, Mr. Olin served as Acting Chief Financial Officer of Harley-Davidson, and from 2003 through September 2009, Mr. Olin served as Vice President and Controller of the Motor Company.

Mr. Richer has served as the Senior Vice President and Chief Marketing Officer of the Motor Company since 2007. Previously, he served as the Vice President and Chief Marketing Officer of the Motor Company from July 2007 to November 2007. Prior to joining the company, Mr. Richer served as the Director of Marketing at General Motors Corp., an automobile manufacturer, from 1998 to 2007.

Mr. Wandell has served as our President and Chief Executive Officer since May 2009. Prior to joining the company, Mr. Wandell served as President and Chief Operating Officer of Johnson Controls, Inc., a global manufacturer of automotive, power and building solutions, from 2006 through April 2009. Mr. Wandell previously served as Executive Vice President of Johnson Controls from 2005 to 2006, Corporate Vice President of Johnson Controls from 1997 to 2005, President of the Automotive Experience business of Johnson Controls from 2003 to 2006 and President of the Power Solutions business of Johnson Controls from 1998 to 2003.

In addition, Mark R. Kornetzke is our Chief Accounting Officer. We have employed Mr. Kornetzke for approximately 14 years.

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### **Q: Does Harley-Davidson have a Chief Compliance Officer?**

**A:** Yes. In 2004, the Board of Directors appointed Gail A. Lione, our Executive Vice President, General Counsel and Secretary, as our Chief Compliance Officer. Appointing Ms. Lione as Chief Compliance Officer was part of the Board's commitment to compliance and its desire to promote compliance, education and reporting within our company. This action formalized our continuing efforts to direct and promote an effective compliance program. Among other things, under this compliance program, senior management gives quarterly reports to the Legal Department regarding compliance matters. The compliance program also includes training to employees and senior management on corporate governance issues including insider trading restrictions and restrictions on disclosure of nonpublic material information. The company has a corporate compliance department reporting to Ms. Lione staffed with a chief compliance counsel and employees who also manage environmental matters and records management. Ms. Lione makes regular reports to the Audit Committee on legal and compliance matters. Ms. Lione will be retiring from her position as our Chief Compliance Officer effective April 30, 2010.

### **Q: Does Harley-Davidson have a Disclosure Committee?**

**A:** Yes. In October 2002, we established a Disclosure Committee comprised of members of management responsible for considering the materiality of information and making disclosure decisions on a timely basis. The Disclosure Committee Guidelines provide that the Disclosure Committee or a subset of the Disclosure Committee comprised of the Chief Financial Officer and the General Counsel: (1) has access to all company books, records, facilities and personnel, as well as our independent registered public accounting firm and outside counsel; (2) designs, establishes and maintains disclosure controls and procedures for the SEC reporting process and modifies them from time to time, as appropriate; (3) creates and reviews all financial press releases; (4) reviews SEC filings on Form 8-K relating to quarterly earnings releases, Form 10-K, Form 10-Q and our annual proxy statement; (5) suggests appropriate disclosures or provides opinions on disclosure issues; (6) evaluates changes in SEC, New York Stock Exchange and Financial Accounting Standards Board disclosure rules and makes recommendations regarding their impact on the company; (7) consults with management, internal auditors, independent accountants and outside legal counsel; (8) discusses material items with employees in the internal audit function, independent registered public accounting firm and management to ensure appropriate disclosure; (9) arranges for necessary training to ensure effective implementation of the disclosure controls and procedures; and (10) annually reviews and reassesses the performance of the Disclosure Committee and these guidelines.

### **Q: Does Harley-Davidson have a Policy for Communicating Non-Public Material Information?**

**A:** Yes. We adopted the Policy for Managing Disclosure of Material Information in November 2001 and amended it in January 2008. The policy describes the procedures relating to communication with the public, the investment community and third party business contacts. The Policy for Managing Disclosure of Material Information can be found on the Corporate Governance page of our website at <http://www.harley-davidson.com>.

### **Q: Does Harley-Davidson have an Internal Audit Department?**

**A:** Yes. In August 2003, we established an internal audit function. The head of the internal audit function reports directly to both the Audit Committee and our Chief Financial Officer. The Audit Committee Charter specifically provides that the head of the internal audit function is ultimately accountable to the Board of Directors and the Audit Committee, and that the Audit Committee has the ultimate authority and responsibility to appoint, retain, evaluate and replace the head of the internal audit function. For more information on the internal audit function, please see the Audit Committee Report.

### **Q: Where Can I Find Corporate Governance Materials for Harley-Davidson?**

## Edgar Filing: HARLEY DAVIDSON INC - Form PRE 14A

- A:** The Corporate Governance page of our website at <http://www.harley-davidson.com> contains our Corporate Governance Policy, our Conflict of Interest Process for Directors, Executive Officers and Other Employees, our Code of Business Conduct, our Financial Code of Ethics, our Policy for Managing Disclosure of Material Information, the charters for the Audit Committee, Nominating and Corporate Governance Committee and Human Resources Committee, our By-Laws and a list of the Board of Directors. We are not including the information available through our website as a part of this Proxy Statement.

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The Board of Directors first adopted a Code of Business Conduct in 1992 and the Board amended and restated it in 2003 for our 100th Anniversary. Our Code of Business Conduct applies to all of our employees, including all executives, and directors. Our Code of Business Conduct promotes honest and ethical conduct and provides guidance in handling various business situations. It is available worldwide to our employees in eight languages on our intranet and on the Corporate Governance page of our website. Employees may anonymously report possible violations of the Code of Business Conduct by calling third-party toll-free telephone numbers that are available 24 hours a day and seven days a week, by third-party website over the internet or by writing to our General Counsel at the following address in care of our Secretary: Harley-Davidson, Inc., 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653. Employees may also report possible violations by e-mail to their supervisor, their local human resources department or the General Counsel and Chief Compliance Officer of Harley-Davidson, Inc. For more information on our Code of Business Conduct, please see the Nominating and Corporate Governance Committee Report.

Managers of employees and employees in the finance and accounting areas, or in areas that provide support to the finance and accounting areas, sign the Financial Code of Ethics. Employees may report possible violations of the Financial Code of Ethics directly to the Chairperson of the Audit Committee, in care of our Secretary at the above address.

As a shareholder, you can request paper copies of the documents found on the Corporate Governance page of our website at any time by contacting our Investor Relations Department by: (a) mail at Harley-Davidson, Inc., Attention: Investor Relations, 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653, (b) telephone at 877-HDSTOCK (toll-free) or (c) e-mail at investor.relations@harley-davidson.com. If you access documents electronically, you should understand that there might be costs to access materials electronically that you must bear, such as usage charges from Internet access providers and telephone companies.

### **Q: How May I Contact the Members of the Board of Directors?**

**A:** The Corporate Governance page of our website lists the current members of the Board of Directors. Shareholders and other parties interested in communicating with Barry K. Allen, the Chairman of the Board, or with any director may do so by writing to that director in care of our Secretary, 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653. We open and forward all mail to the director or directors specified in the communication.

### **Q: How May I Recommend a Candidate to serve on the Board of Directors?**

**A:** Shareholders may recommend candidates for consideration by the Nominating and Corporate Governance Committee at any time by writing to the Chairperson of the committee in care of our Secretary at the above address. To enable the committee to consider a shareholder recommendation in connection with the 2011 annual meeting of shareholders, we must receive the recommendation on or before November 19, 2010. Under **Nominating and Corporate Governance Committee**, on page 42, we discuss the criteria that the Nominating and Corporate Governance Committee considers for identifying and recommending new candidates to serve on the Board.

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**PROPOSALS TO BE VOTED ON**

**PROPOSAL 1**

**APPROVAL OF AMENDMENTS TO THE HARLEY-DAVIDSON, INC. RESTATED ARTICLES OF INCORPORATION  
TO ELIMINATE THE CLASSIFIED BOARD STRUCTURE AND APPROVAL OF AN ADJOURNMENT OF THE  
ANNUAL MEETING TO IMPLEMENT THE AMENDMENTS**

**The Board of Directors unanimously recommends a vote FOR the proposal below.**

We are seeking Shareholder approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to declassify the Board and provide for the annual election of all directors, and approval of an adjournment of the Annual Meeting to implement the amendments if Shareholders approve them, as described below.

*Current Classified Board Structure.* Article VI of the company's current Restated Articles of Incorporation, as amended through August 21, 2000, divides the company's directors into three classes, with members of each class serving three-year terms of office. Consequently, at any given annual meeting of shareholders, the Shareholders have the ability to elect only one class of directors, constituting roughly one-third of the entire Board.

*Proposed Declassification of the Board.* On December 10, 2009, the Board of Directors voted to approve, and to recommend that the Shareholders approve at the Annual Meeting, amendments to the Restated Articles of Incorporation that would eliminate the Board's classified structure and provide for the annual election of all Directors. If Shareholders approve the proposed amendments, then we will close the polls and adjourn the Annual Meeting following the vote on Proposal 5. We will need to adjourn until Monday, April 26, 2010, the first business day after the date of the Annual Meeting, because the amendments will not become legally effective until the company files articles of amendment with the Department of Financial Institutions of the State of Wisconsin whose offices are closed on the weekend. On that Monday, we will file articles of amendment to the company's Restated Articles of Incorporation with the Department of Financial Institutions. Following the filing of the amendments, we intend to reconvene the Annual Meeting for the shareholders to vote on Proposal 6, the election of directors. At that reconvened meeting, the Class I Director nominees will be elected to a one-year term. It will not be necessary for Shareholders to appear at the reconvened meeting in person to vote their shares and it will not be necessary for Shareholders to submit a separate proxy so long as they have submitted a valid proxy or written ballot at the Annual Meeting. If the Shareholders do not approve the amendments, then the Annual Meeting will continue without an adjournment and the Class I Director nominees will be elected to three-year terms to serve until the 2013 annual meeting of shareholders.

Directors who have been elected to three-year terms prior to the effectiveness of the amendments will complete those terms. Going forward, directors whose previous terms are expiring will be subject to election for a one-year term expiring at the next annual meeting. Thus, beginning with the 2012 annual meeting of shareholders, the entire Board will be elected annually.

*Rationale for Declassification.* The Board of Directors heard our shareholders' broad support in favor of a non-binding shareholder proposal at the 2009 annual meeting of shareholders requesting that the Board of Directors declassify the Board so that Shareholders elect directors annually. Additionally, the Board is committed to good corporate governance at the company. Accordingly, in determining whether to propose declassification as described above, the Board carefully reviewed the various arguments for and against a classified Board structure.

The Board recognizes that a classified structure may offer several advantages, such as promoting Board continuity and stability, encouraging directors to take a long-term perspective, and reducing a company's vulnerability to coercive takeover tactics. The Board also recognizes, however, that a classified structure may appear to reduce directors' accountability to shareholders, since such a structure does not enable shareholders to express a view on each director's performance by means of an annual vote. The Board also believes that implementing annual elections for all directors would support the company's ongoing effort to adopt best practices in corporate governance.



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In view of the considerations described above, the Board of Directors has unanimously determined that it is in the best interests of the company and its shareholders to eliminate the classified Board structure as proposed.

*Text and Legal Effectiveness of Proposed Amendments.* Approval of this proposal will cause Article VI of the Restated Articles of Incorporation to be amended and restated in its entirety. A copy of Article VI as it is proposed to be amended and restated is attached to this proxy statement as Appendix A.

Under Wisconsin law, if the shareholders approve the amendments, the amendments will not become legally effective until the company files articles of amendment with the Department of Financial Institutions of the State of Wisconsin, which we intend to do on the first business day after the date of the Annual Meeting, Monday April 26, 2010.

*Vote Requirement.* The affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting is required for approval of the amendments to eliminate the Board's classified structure, provided that shareholders holding a majority of the outstanding shares of our common stock cast votes on the proposal. For purposes of determining the vote regarding this proposal, abstentions and broker nonvotes will have no impact on the vote, provided that shareholders holding a majority of the outstanding shares of common stock cast votes on the proposal. Proxies solicited by the Board will be voted FOR approval of the amendments unless a shareholder specifies otherwise.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDMENTS TO THE HARLEY-DAVIDSON, INC. RESTATED ARTICLES OF INCORPORATION TO ELIMINATE THE CLASSIFIED BOARD STRUCTURE.**

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**PROPOSAL 2**