

WABASH NATIONAL CORP /DE

Form DEF 14A

April 05, 2019

Table of Contents

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

WABASH NATIONAL CORPORATION

(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.

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(1) Title of each class of securities to which transaction applies:

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

Table of Contents

Letter from the President and Chief Executive Officer

Dear Fellow Shareholders,

On June 2, 2018, I was humbled and excited to assume the position of President and CEO. After 16 years with Wabash National Corporation, I am thrilled with the opportunity to lead the company into the future. In addition, I cannot help but feel pride in being part of the transformation that has taken place during those 16 years. When I joined the company in 2003, over 80 percent of Wabash National's sales were comprised solely of dry van revenue, and our 3,000 employees were predominantly located in Lafayette, Indiana. Today, approximately 50 percent of the company's sales are derived from dry vans, while the other 50 percent come from diverse products such as tank trailers, platform trailers, truck bodies, aftermarket parts, food, dairy & beverage processing systems and advanced composite materials. We have grown to over 7,000 employees with 17 manufacturing locations that span over 10 states and three countries.

Not only is the company larger due to our diversification efforts, we're also stronger. By adding new strategic businesses, we have broadened our portfolio to better serve our customers' diverse and changing transportation equipment needs. We are further extending our industry-leading technology into new markets and we are leveraging the Wabash Management System to effectively scale our businesses to greater heights.

As President and CEO, I aim to build on Wabash National's legacy of innovation and growth by focusing on people, purpose and performance. We're putting people first; we are working with purpose by solving real problems for our customers; and we are going to drive our performance to even higher levels. 2018 was an important year in Wabash National's progression toward becoming a stronger, more resilient and more profitable company. We continued to act on our priorities of strengthening the human capital required to lead the company into the future, and we positioned the company for ROIC expansion while improving organizational focus by exiting a non-core business. Simultaneously, we made significant progress in positioning the Final Mile Products business for continued growth. All of this occurred while the company was running very hard to meet the needs of our customers in a strong demand environment where revenue grew 28 percent to a record \$2.27B.

As our business continues to generate strong free cash flow, disciplined capital deployment has been a focus for the Wabash National management team. In 2018, we were pleased to put \$34 million to work via capital expenditure for operational initiatives, while we balanced return of capital to shareholders by allocating \$18 million to dividend payout and \$53 million to share repurchase. We look forward to continuing to fund internal initiatives and sustain our dividend, while our near-term focus for capital allocation will be on reducing leverage as we situate our company to be in a position of strength during every phase of the business cycle.

We are building on the legacy that has come before us. I am fortunate to be surrounded by talented leaders and an engaged workforce with whom we will navigate the path forward. I am ever grateful for the hard work, dedication and support of our people. I also appreciate the guidance of our Board of Directors during this leadership transition and you, our shareholders, for sharing our confidence in Wabash National and its long-term success.

Sincerely,

Brent L. Yeagy

President and Chief Executive Officer

Table of Contents

WABASH NATIONAL CORPORATION

1000 Sagamore Parkway South

Lafayette, Indiana 47905

Notice of Annual Meeting of Stockholders

When:	Items of Business:	Who Can Vote:	Attending the Meeting:
Tuesday, May 21, 2019, at 10:00 a.m. local time	3 proposals as listed below	Stockholders of each share of common stock at the close of business on March 22, 2019.	Please note that space limitations make it necessary to limit attendance to stockholders and one guest. Registration and seating will begin at 9:00 a.m. local time. Stockholders holding stock in street name (e.g. through a bank or brokerage account) will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Cameras, recording devices and other electronic devices will not be permitted at the meeting.
Where:	Date of Mailing:		
Wabash National Corporation	The date of mailing of this Proxy Statement or		
Ehrlich Innovation Center	Notice of Internet Availability is on or about April 5, 2019.		
3233 Kossuth Street, Lafayette, Indiana 47905			

Items of Business:

1. To elect seven members of the Board of Directors from the nominees named in the accompanying proxy statement;

2. To approve, on an advisory basis, the compensation of our named executive officers;

3. To ratify the appointment of Ernst & Young LLP as Wabash National Corporation's independent registered public accounting firm for the year ending December 31, 2019; and

To consider any other matters that properly come before the Annual Meeting or any adjournment or postponement thereof. Management is currently not aware of any other business to come before the Annual Meeting.

Each outstanding share of Wabash National Corporation (NYSE: WNC) Common Stock entitles the holder of record at the close of business on March 22, 2019 to receive notice of and to vote at the Annual Meeting or any adjournment or postponement of the Annual Meeting. Shares of our Common Stock can be voted at the Annual Meeting only if the holder is present in person or by valid proxy. Management cordially invites you to attend the Annual Meeting.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDERS MEETING TO BE HELD ON MAY 21, 2019:

The Proxy Statement, Annual Report and the means to vote by internet are available at <http://www.proxyvote.com>.

By Order of the Board of Directors,

Melanie D. Margolin

Senior Vice President and General Counsel, Corporate Secretary

April 5, 2019

Whether or not you expect to attend in person, we urge you to vote your shares at your earliest convenience. This will ensure the presence of a quorum at the annual meeting. Promptly voting your shares by signing, dating and returning the proxy card mailed with your notice, or by voting via the internet or by telephone, will save us the expense and extra work of additional solicitation. An addressed envelope for which no postage is required if mailed in the United States is enclosed with your proxy card. Submitting your proxy now will not prevent you from voting your shares at the meeting if you desire to do so, as your proxy is revocable at your option. Your vote is important, so please act today.

Table of Contents

2019 Annual Meeting of Stockholders on May 21, 2019

Proxy Statement

Table of Contents

<u>Proxy Statement Summary</u>	1
<u>Information About the Annual Meeting, Proxy Materials and Voting</u>	5
<u>Proposal 1 Election of Directors</u>	8
<u>Information on Directors Standing for Election</u>	8
<u>Corporate Governance</u>	15
<u>Governance Guidelines & Code of Business Conduct & Ethics</u>	15
<u>Board Structure and its Role in Risk Oversight</u>	15
<u>Director Independence</u>	15
<u>Independent Chairman</u>	15
<u>Director Refreshment</u>	15
<u>Director Attendance</u>	16
<u>Board's Role in Risk Oversight</u>	16
<u>Committees of the Board</u>	17
<u>Nominating and Corporate Governance Committee</u>	17
<u>Compensation Committee</u>	17
<u>Audit Committee</u>	18
<u>Related Persons Transactions Policy</u>	18
<u>Nomination of Director Candidates</u>	19
<u>Qualifications of Director Candidates</u>	19
<u>Director Nomination Process</u>	20
<u>Director Compensation</u>	20
<u>Compensation Discussion and Analysis</u>	23
<u>Compensation Highlights</u>	23
<u>2019 Compensation Program Changes</u>	23

<u>Compensation Best Practices</u>	24
<u>Summary of Compensation Elements</u>	25
<u>Our 2018 Say-on-Pay Vote</u>	25
<u>Compensation Objectives and Philosophy</u>	26
<u>Compensation Methodology and Process</u>	27
<u>The Role of Independent Compensation Consultant</u>	27
<u>Peer Group Analysis and Compensation Market Data</u>	27
<u>Compensation Program Elements</u>	29
<u>Base Salary</u>	29
<u>Short-Term Incentive Plan</u>	30
<u>Long-Term Incentive Plan</u>	31
<u>Perquisites</u>	35
<u>Retirement and Deferred Compensation Benefits</u>	35
<u>Severance and Change in Control Benefits</u>	36
<u>Executive Stock Ownership Guidelines and Insider Trading Policy</u>	38
<u>Compensation Risk Assessment</u>	38
<u>Compensation Committee Report</u>	39
<u>Executive Compensation Tables</u>	40
<u>Summary Compensation Table for the Year Ended December 31, 2018</u>	40
<u>Grants of Plan-Based Awards for the Year Ended December 31, 2018</u>	42
<u>Outstanding Equity Awards at Fiscal Year-End December 31, 2018</u>	43
<u>Option Exercises and Stock Vested During 2018</u>	45
<u>Non-Qualified Deferred Compensation</u>	46
<u>Potential Payments on Termination or Change in Control</u>	46
<u>Pay Ratio Disclosure</u>	52
<u>Equity Compensation Plan Information</u>	53
<u>Proposal 2 Advisory Vote on the Compensation of Our Named Executive Officers</u>	54
<u>Proposal 3 Ratification of Appointment of Independent Registered Public Accounting Firm</u>	55
<u>Independent Registered Public Accounting Firm</u>	55
<u>Principal Accounting Fees and Services</u>	55
<u>Pre-Approval Policy for Audit and Non-Audit Fees</u>	56
<u>Audit Committee Report</u>	56
<u>Beneficial Ownership Information</u>	57
<u>Beneficial Ownership of Common Stock</u>	57
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	58
<u>General Information</u>	59
<u>Availability of Certain Documents</u>	59
<u>Communications with the Board of Directors</u>	59
<u>Stockholder Proposals and Nominations</u>	59
<u>Householding of Proxy Materials</u>	60

WABASH NATIONAL CORPORATION

2019 Proxy Statement i

Table of Contents

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Proxy Statement Summary

To assist you in reviewing the proposals that may be acted upon at our 2019 Annual Meeting, the summary below highlights certain information that is contained elsewhere in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting. Page references are supplied to help you find further information in this Proxy Statement.

Annual Meeting of Stockholders

Date and Time: 10:00 a.m. on Tuesday, May 21, 2019, Eastern Daylight Time

Location: Wabash National Corporation Ehrlich Innovation Center

3233 Kossuth Street, Lafayette, Indiana 47905

Record Date: March 22, 2019

Voting: Stockholders as of the record date are entitled to vote. Each share of Common Stock is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on.

Company Overview

Wabash National Corporation, which we refer to herein as Wabash, Wabash National, the Company, us, we, or was founded in 1985 in Lafayette, Indiana. We are a leading designer, manufacturer and distributor of high-quality, custom-engineered transportation and diversified industrial products and services. Our diverse product portfolio includes dry freight and refrigerated trailers, platform trailers, tank trailers, dry and refrigerated truck bodies, truck-mounted tanks, structural composite panels and products, trailer aerodynamic solutions, and specialty food-grade and pharmaceutical equipment. We have achieved this diversification through acquisitions, organic growth and product innovation.

We believe our position as a leader in our key industries is the result of longstanding relationships with our core customers, our demonstrated ability to attract new customers, our broad and innovative product lines, our technological leadership, and our extensive distribution and service network. Our management team is focused on growing the company in a profitable and sustainable manner, while continuing to optimize operations to match the current demand environment, implementing cost savings initiatives and lean manufacturing techniques, strengthening our capital structure and developing innovative products that enable our customers to succeed.

Table of Contents

Proxy Statement Summary

Our Management Approach

In 2018, Wabash National institutionalized the Wabash Management System which standardizes best-practices throughout the company and allows us to efficiently scale the business. By codifying what makes our company great, the Wabash Management System drives increased focus on the processes that are critical for our success.

The Wabash Management System is comprised of 4 key areas: Team, Strategy, Execution and Governance.

Team

We believe strong human capital acts as a competitive differentiator and our focus is not only on ensuring we have the right leaders in place to drive our strategic initiatives today, but also to nurture our talent pipeline to develop strong leaders for our company's future.

Strategy

Strategic planning and deployment are critical for the Company to continue growing profitably. Additionally, the Wabash Management System also places significant emphasis on tracking key performance indicators to monitor the effectiveness of strategy execution and create continuous improvement.

Execution

Continuous improvement is deeply rooted within the processes that we are standardizing throughout our company. We expect this to propel us to new levels of operational excellence.

Governance

We strive to achieve alignment at every layer and throughout all functional areas of our business and are focused on ensuring the right systems are in place to facilitate all team members working toward the same shared goals. Critical to this is the perspective that our business is constructed of three interlinked segments that benefit from one another and are stronger as a result of being part of Wabash National.

Table of Contents

Proxy Statement Summary

Voting Matters and Vote Recommendation (page 5)

The following table summarizes the proposals to be considered at the Annual Meeting and the Board's voting recommendation with respect to each proposal.

PROPOSALS	BOARD VOTE RECOMMENDATION	PAGE
Election of Directors	FOR EACH NOMINEE	8
Advisory Vote on the Compensation of Our Named Executive Officers (Say-on-Pay)	FOR	54
Ratification of Appointment of Independent Registered Public Accounting Firm	FOR	55

Board Nominees (page 8)

The following table provides summary information about each director nominee, as of the Record Date.

NAME	AGE	DIRECTOR SINCE	OCCUPATION	INDEPENDENT	OTHER PUBLIC BOARDS
Dr. Martin C. Jischke	77	January 2002	Chairman of the Board of Directors, Wabash National Corporation	Yes	No
John G. Boss	59	December 2017	President and Chief Executive Officer, Momentive Performance Materials Inc., MPM Holdings Inc. and Momentive Specialty Chemicals Holdings LLC	Yes	Yes
John E. Kunz	54	March 2011	Senior Vice President and Chief Financial Officer, U.S. Concrete, Inc.	Yes	No
Larry J. Magee	64	January 2005	President, Magee Ventures Group	Yes	No
Ann D. Murtlow	58	February 2013	President and Chief Executive Officer, United Way of Central Indiana	Yes	Yes
Scott K. Sorensen	57	March 2005	President and Chief Operating Officer, Ivanti Software	Yes	No
Brent L. Yeagy	48	October 2016	President and Chief Executive Officer, Wabash National Corporation	No	No

Table of Contents

Proxy Statement Summary

The table below summarizes key qualifications, skills and attributes most relevant to the decision to nominate the candidates to serve on our Board. A mark indicates a specific area of focus or experience on which the Board relies most. The lack of a mark does not mean the director nominee does not possess that qualification or skill. Each director nominee biography in this proxy statement describes each nominee's qualifications and relevant experience in more detail.

	John G. Boss	Jack Martin Jischke	John E. Kunz	Larry J. Magee	Ann D. Murtlow	Scott K. Sorensen	Brent L. Yeagy
DIRECTORS							
Independent							
Logistics, Transportation or Final Mile							
Diverse Manufacturing							
Supply Chain/Commodities Mgmt							
Materials Science or Engineering							
Government/Regulatory							
Qualified Financial							
Expert/Finance/Treasury							
M&A							
Global							
Technology/IT/Cybersecurity							
Marketing/Sales/Digital							
Talent/Culture							
Strategy Development							
Named Executive Officer Compensation (Say-on-Pay) (page 54)							

We are asking stockholders to vote to approve, on an advisory (non-binding) basis, the compensation of our named executive officers. The primary objectives and philosophy of our compensation programs are to (i) drive executive behaviors that maximize long-term stockholder value creation, (ii) attract and retain talented executive officers with the skills necessary to successfully manage and grow our business, and (iii) align the interests of our executive officers with those of our stockholders by rewarding them for strong Company performance. In support of these objectives, in 2018, we:

Weighted a significant portion of our executives' compensation toward variable and performance-based compensation. Specifically, in 2018, approximately 79% of our CEO's target direct compensation (consisting of base salary, annual cash incentives and long-term equity incentives) and, on average, 70% of our other named executive officers' target direct compensation, was delivered in stock-based and cash-based incentive compensation through our short-term and long term incentive plans.

Engaged an independent compensation consultant to conduct a market review of our compensation package to ensure it was competitive with our peers.

Encouraged our executives to be long term stockholders through rigorous stock ownership guidelines and providing a significant portion of our NEOs compensation through equity awards.

Independent Registered Public Accounting Firm (page 55)

We ask that our stockholders ratify the selection of Ernst & Young LLP as our independent registered public accountants for the year ending December 31, 2019.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on May 21, 2019.

Our Annual Report and this Proxy Statement are available at www.proxyvote.com. To access our Annual Report and Proxy Statement, enter the control number referenced on your proxy card.