

LITTELFUSE INC /DE
Form DEF 14A
March 17, 2014

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-12

Littelfuse, 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)(4) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for 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:
-

LITTELFUSE, INC

O'Hare Plaza

8755 West Higgins Road, Suite 500

Chicago, Illinois 60631

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

APRIL 25, 2014

The 2014 annual meeting of the stockholders of Littelfuse, Inc. (the "Company") will be held at Chicago Marriott O'Hare, 8535 West Higgins Road, Chicago, Illinois 60631, on Friday, April 25, 2014 at 9:00 a.m., local time, for the following purposes as described in the attached Proxy Statement:

1. To elect seven directors to serve a term of one year and until their successors are elected and qualified;

To approve and ratify the appointment by the Audit Committee of the Board of Directors of the Company of Grant Thornton LLP as the Company's independent auditors for the fiscal year of the Company ending December 27, 2014;

3. To approve the adoption of the Littelfuse, Inc. Annual Incentive Plan;

4. To conduct an advisory vote on the compensation of our named executive officers; and

5. To transact such other business as may properly come before the annual meeting or any postponement or adjournment thereof.

Stockholders of record of the Company at the close of business on March 3, 2014 will be entitled to vote at the meeting.

Mary S. Muchoney
Secretary
March 17, 2014

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on April 25, 2014:

Whether or not you plan to attend the annual meeting, your vote is important. Please read the attached Proxy Statement and promptly complete, execute and return the enclosed proxy in the accompanying postage-paid envelope. If you attend the annual meeting, you may revoke your proxy and vote in person if you so desire.

The Proxy Statement and the 2013 Annual Report to Stockholders of Littelfuse, Inc., including the Annual Report on Form 10-K for the fiscal year ended December 28, 2013, are available at www.proxyvote.com.

TABLE OF CONTENTS

Proxy Statement	1
Forward-Looking Information	1
Voting	2
Ownership of Littelfuse, Inc. Common Stock	4
Section 16(a) Beneficial Ownership Reporting Compliance	6
Proposal No. 1 Election of Directors	7
Information Concerning the Board of Directors and Its Committees	9
Compensation Committee Interlocks and Insider Participation	15
Executive Compensation	15
Compensation Discussion and Analysis	15
Compensation Committee Report	30
Compensation Tables and Narrative Disclosures	31
Certain Relationships and Related Transactions	47
Report of the Audit Committee	48
Proposal No. 2 Approval and Ratification of Appointment of Independent Auditors	50
Proposal No. 3 Approval of the Littelfuse, Inc. Annual Incentive Plan	52
Proposal No. 4 Advisory Vote on Compensation of Named Executive Officers	56
Compensation Plan Information	57
Stockholder Proposals	57
Other Matters	58

PROXY STATEMENT

FOR

ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON

APRIL 25, 2014

We are furnishing this Proxy Statement to the stockholders of Littelfuse, Inc. in connection with the solicitation by the Board of Directors of Littelfuse, Inc. (the “Board”) of proxies to be voted at our annual meeting of stockholders to be held on April 25, 2014. The annual meeting will be held at the Chicago Marriott O’Hare, 8535 West Higgins Road, Chicago, Illinois 60631, at 9:00 a.m., local time, and at any postponements or adjournments of that meeting.

When used in this Proxy Statement, the terms “we,” “us,” “our,” “the Company” and “Littelfuse” refer to Littelfuse, Inc.

Any stockholder giving a proxy will have the right to revoke it at any time prior to the time it is voted. A proxy may be revoked by written notice to us sent to the attention of our Corporate Secretary at O’Hare Plaza, 8755 West Higgins Road, Suite 500, Chicago, Illinois 60631, execution of a subsequent proxy, voting on the Internet or by telephone or attendance at the annual meeting and voting in person. Mere attendance at the annual meeting will not automatically revoke the proxy. All shares represented by effective proxies will be voted at the annual meeting or at any postponements or adjournment thereof.

We will bear the cost of soliciting proxies. Copies of solicitation materials will be furnished to brokerage firms, fiduciaries and custodians holding shares in their names that are beneficially owned by others to forward to such beneficial owners. The Company may reimburse such persons for the costs they incur to forward the solicitation material to such beneficial owners. In addition to solicitation by mail, our officers and employees may solicit proxies by telephone or in person.

Under Securities and Exchange Commission rules, this Proxy Statement, our 2013 Annual Report to Stockholders, including our Annual Report on Form 10-K for the fiscal year ended December 28, 2013, and other proxy materials are available online at www.proxyvote.com. We encourage you to access and review all of the important information in the proxy materials before voting. The Notice of Internet Availability of Proxy Materials is first being mailed to

stockholders on or about March 14, 2014.

The Board of Directors recommends a vote FOR ALL the nominees for director named in Proposal 1, a vote FOR the approval and ratification of the appointment of Grant Thornton LLP as independent auditors as discussed in Proposal 2, a vote FOR the approval of the Littelfuse, Inc. Annual Incentive Plan in Proposal 3 and a vote FOR the approval of the compensation of our named executive officers as discussed in Proposal 4.

FORWARD-LOOKING INFORMATION

Statements in this Proxy Statement not based on historical facts are considered “forward-looking” and, accordingly, may involve risks and uncertainties that could cause actual results to differ materially from those discussed. Although such forward-looking statements have been made in good faith and are based on reasonable assumptions, there is no assurance that the expected results will be achieved. These statements include (without limitation) statements as to future expectations, beliefs, plans, strategies, objectives, events, conditions and financial performance. These statements are intended to constitute “forward-looking” statements in connection with the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. We are providing this cautionary statement to disclose that there are important factors that could cause actual results to differ materially from those anticipated. See our Annual Report on Form 10-K for the year ended December 28, 2013 (the “2013 Form 10-K”) filed with the Securities and Exchange Commission (the “SEC”) for a list of such factors in Item 1A. “Risk Factors.”

VOTING

Record Date; Stock Outstanding and Entitled to Vote; Voting of Proxies

Stockholders of record on the books of the Company at the close of business on March 3, 2014, the record date for the annual meeting, will be entitled to notice of and to vote at the meeting. On March 3, 2014, we had outstanding 22,510,571 shares of our common stock, par value \$.01 per share. Each outstanding share of common stock entitles the holder to one vote per share on each matter submitted to a vote at the meeting.

A list of the stockholders entitled to vote at the meeting will be available for examination by any stockholder for any purpose germane to our annual meeting during ordinary business hours for a period of at least ten days prior to the meeting at our headquarters located at O'Hare Plaza, 8755 West Higgins Road, Suite 500, Chicago, Illinois 60631 and at Wells Fargo Bank, N.A., our transfer agent, at 161 North Concord Exchange South, St. Paul, Minnesota 55075.

The shares represented by proxies will be voted as directed in the proxies. In the absence of specific direction, the shares represented by proxies will be voted FOR ALL of the nominees for director, FOR the approval and ratification of the appointment of Grant Thornton LLP as independent auditors, FOR the approval of the Littelfuse, Inc. Annual Incentive Plan and FOR the approval of the compensation of our named executive officers. In the event any nominee for director is unable to serve, which is not now contemplated, the shares represented by proxies may be voted for a substitute nominated by the Board. If any matters are to be presented at the annual meeting other than the matters referred to in this Proxy Statement, the shares represented by proxies will be voted at the discretion of the named proxies.

Quorum and Abstentions; Broker Non-Votes

A quorum of stockholders is required for the transaction of business at our annual meeting. Our bylaws provide that a majority of all of the shares of common stock entitled to vote, whether present in person or represented by proxy, constitutes a quorum for the transaction of business at the meeting. Votes for and against, abstentions and "broker non-votes" will each be counted as present for purposes of determining the presence of a quorum. A "broker non-vote" occurs when a broker has not received voting instructions from you on a "non-routine" matter, in which case the broker does not have authority to vote your shares with respect to such matter. Unless you provide voting instructions to a broker holding shares on your behalf, your broker may not use discretionary authority to vote your shares on any of the matters to be considered at our annual meeting other than the ratification of our independent auditors. To determine whether a specific proposal has received sufficient votes to be passed, for shares deemed present, an abstention will have the same effect as a vote "against" the proposal, while a broker non-vote will not be included in vote totals and will have no effect on the outcome of the vote.

Required Vote

Assuming that a quorum is present, our stockholders may take action at our annual meeting with the votes described below.

Election of Directors. With respect to the election of directors, the seven nominees who receive the most votes at the meeting will be elected. Stockholders may not cumulate votes in the election of directors. A properly executed proxy marked "withhold authority" with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum.

Ratification of the Appointment of Grant Thornton LLP as our Independent Auditors. The affirmative vote by the holders of a majority of the shares present (whether in person or by proxy) at the meeting will be required for the ratification of Grant Thornton LLP as independent auditors.

Approval of Littelfuse, Inc. Annual Incentive Plan. The affirmative vote by the holders of a majority of the shares present (whether in person or by proxy) at the meeting will be required for the approval of the Littelfuse, Inc. Annual Incentive Plan.

Advisory Vote on the Compensation of our Named Executive Officers. With respect to approval of the compensation of our named executive officers, the affirmative vote by the holders of a majority of the shares present (whether in person or by proxy) at the meeting will be required to approve the proposal. The stockholder vote with respect to approval of the compensation of our named executive officers is advisory in nature and will not be binding on the Company. However, our Board and our Compensation Committee value the opinions of our stockholders and will consider the outcomes of the advisory vote when making future decisions regarding executive compensation.

OWNERSHIP OF LITTELFUSE, INC. COMMON STOCK

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of March 3, 2014, by each person known by us to be the beneficial owner of more than 5% of our outstanding common stock, by each director, by each executive officer named in the Summary Compensation Table and by all of our directors and executive officers as a group. Information concerning persons known to us to be beneficial owners of more than 5% of our common stock is based upon the most recently available reports furnished by such persons on Schedule 13G as filed with the SEC. Of the shares reported, none are subject to pledge or lien in a margin account or pursuant to a loan agreement.

	NUMBER OF SHARES OF COMMON STOCK BENEFICIALLY OWNED(1) SHARES PERCENT		
BlackRock, Inc. (2) 40 East 52nd Street New York, New York 10022	1,953,215	8.7	%
Royce & Associates, LLC (3) 745 Fifth Avenue New York, New York 10151	1,471,372	6.5	%
The Vanguard Group, Inc. (4) 100 Vanguard Boulevard Malvern, Pennsylvania 19355	1,365,450	6.1	%
T. J. Chung (5)	17,022	*	
Cary T. Fu (6)	934	*	
Anthony Grillo (7)	63,653	*	
John E. Major (8)	26,458	*	
William P. Noglows (9)	12,910	*	
Ronald L. Schubel (10)	29,007	*	
Dieter Röder (11)	14,630	*	
Philip G. Franklin (12)	47,475	*	
David W. Heinzmann (13)	21,407	*	
Gordon Hunter (14)	52,318	*	
Ryan K. Stafford (15)	12,117	*	
All current directors and executive officers as a group (18 persons)	333,521	1.5	%

*Indicates ownership of less than 1% of common stock.

Except as indicated in the footnotes to the table, the number of shares of common stock beneficially owned and percentage ownership are based on our outstanding common stock as of March 3, 2014, adjusted as required by rules promulgated by the SEC. Beneficial ownership is determined in accordance with the rules of the SEC and includes sole or shared voting or investment power with respect to such shares. All outstanding stock options and restricted stock units exercisable for or convertible into our common stock either currently or within 60 days after (1) March 3, 2014 are deemed to be outstanding and to be beneficially owned by the person holding such securities for the purpose of computing the number of shares of common stock beneficially owned and the percentage ownership of that person, but are not deemed to be outstanding and to be beneficially owned for the purpose of computing the percentage ownership of any other person. Except as indicated in the footnotes to the table, based on information provided by the persons named in the table, such persons have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

As reported in an amendment to its Schedule 13G filed with the SEC on January 29, 2014, 1,953,215 shares represent the total number of shares beneficially owned by BlackRock, Inc. ("BlackRock") as of December 31, (2)2013. BlackRock has sole voting and dispositive power over the shares. The Schedule 13G indicates various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of the shares; however, no one person's interest in the shares is more than five percent (5%) of the total shares.

As reported in an amendment to its Schedule 13G filed with the SEC on January 13, 2014, 1,471,372 shares represent the total number of shares beneficially owned by Royce & Associates, LLC ("Royce & Associates") as of (3)December 31, 2013. Royce & Associates has sole voting and dispositive power over the shares. Securities reported as being beneficially owned by Royce & Associates, a registered investment advisor, are held on behalf of investment advisory clients.

As reported in its Schedule 13G filed with the SEC on February 12, 2014, 1,365,450 shares represent the total number of shares beneficially owned The Vanguard Group, Inc. ("Vanguard"), a registered investment adviser, as of (4)December 31, 2013. Vanguard has shared dispositive power as to 30,091 shares, which are held by Vanguard Fiduciary Trust Company and Vanguard Investments Australia, Ltd., Vanguard's wholly-owned subsidiaries, and sole dispositive power as to 1,335,359 shares.

(5) Includes 972 restricted stock units that vest within 60 days of March 3, 2014 and 1,708 stock options exercisable within 60 days of March 3, 2014.

(6) Includes 311 restricted stock units that vest within 60 days of March 3, 2014 and 572 stock options exercisable within 60 days of March 3, 2014.

(7) Includes 972 restricted stock units that vest within 60 days of March 3, 2014 and 1,708 stock options exercisable within 60 days of March 3, 2014.

(8) Includes 972 restricted stock units that vest within 60 days of March 3, 2014 and 1,708 stock options exercisable within 60 days of March 3, 2014.

(9) Includes 972 restricted stock units that vest within 60 days of March 3, 2014 and 1,708 stock options exercisable within 60 days of March 3, 2014.

(10) Includes 972 restricted stock units that vest within 60 days of March 3, 2014 and 1,708 stock options exercisable within 60 days of March 3, 2014.

(11) Includes 2,242 shares of restricted stock units and 7,933 stock options exercisable within 60 days of March 3, 2014.

(12) Includes 4,066 shares of restricted stock units and 14,232 stock options exercisable within 60 days of March 3, 2014.

(13) Includes 2,886 shares of restricted stock units and 10,166 stock options exercisable within 60 days of March 3, 2014.