

MULTI COLOR Corp  
Form DEF 14A  
June 27, 2011

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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 §240.14a-12

**Multi-Color 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.

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 the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the 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 the 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:

**MULTI-COLOR CORPORATION**

4053 CLOUGH WOODS DRIVE

BATAVIA, OHIO 45103

Dear Shareholder:

We invite you to attend our annual meeting of shareholders at 10:30 a.m. on Wednesday, August 10, 2011 at the Multi-Color Corporate Offices, 4053 Clough Woods Drive, Batavia, Ohio 45103. After the meeting, you will hear a report on our operations and have a chance to meet your directors and executives.

This booklet includes the formal notice of the meeting and the proxy statement. The proxy statement tells you more about the agenda and procedures for the meeting. It also describes how the Board operates and provides information about our director candidates.

Your vote is important. Whether or not you plan to attend, please vote as soon as possible. You may vote your shares via a toll-free telephone number or over the Internet. You may also request a paper proxy card to submit your vote by mail, if you prefer. If you do attend the meeting, you may vote your shares in person.

Sincerely yours,

/s/ Lorrence T. Kellar

Lorrence T. Kellar  
Chairman of the Board

June 28, 2011

**NOTICE OF ANNUAL MEETING**  
**OF**  
**SHAREHOLDERS OF MULTI-COLOR CORPORATION**

**TIME:**

10:30 a.m., Eastern Time

**DATE:**

Wednesday, August 10, 2011

**PLACE:**

Multi-Color Corporate Offices

4053 Clough Woods Drive

Batavia, Ohio 45103

**PURPOSE:**

1. The election of directors.
2. The ratification of the appointment of Grant Thornton LLP as Multi-Color's independent registered public accountants for the fiscal year ending March 31, 2012.
3. A vote on Multi-Color's executive compensation as presented in the accompanying proxy statement, on a non-binding advisory basis.
4. A vote on the frequency of future executive compensation votes, on a non-binding advisory basis.
5. The conduct of other business, if properly raised.

We are pleased to take advantage of Securities and Exchange Commission rules that permit issuers to furnish proxy materials to their shareholders on the Internet. We believe that the e-proxy process expedites shareholders' receipt of proxy materials, while lowering printing and delivery costs and reducing the environmental impact of our annual meeting.

On June 28, 2011, we mailed our shareholders a Notice of Internet Availability of Proxy Materials containing instructions to allow shareholders to access our proxy statement and Annual Report on Form 10-K on the Internet, as well as vote online. The Notice of Internet Availability of Proxy Materials also provides information about requesting a paper copy of our proxy materials. Only shareholders of record on June 14, 2011 may vote at the meeting.

**YOUR VOTE IS IMPORTANT. PLEASE VOTE AS SOON AS POSSIBLE.**

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Sharon E. Birkett  
Vice President Finance, Chief Financial and Accounting Officer  
and Secretary

June 28, 2011

**MULTI-COLOR CORPORATION**

4053 CLOUGH WOODS DRIVE

BATAVIA, OHIO 45103

**PROXY STATEMENT**

**GENERAL INFORMATION**

**Time and Place of Annual Meeting**

The annual meeting will be held on Wednesday, August 10, 2011, at 10:30 a.m. at the Multi-Color Corporate Offices, 4053 Clough Woods Drive, Batavia, Ohio 45103.

**Record Date**

Record holders of Common Stock of Multi-Color Corporation ( Multi-Color or the Company ), as shown on our stock register on June 14, 2011, may vote at the meeting. As of that date, Multi-Color had 13,334,268 shares of Common Stock issued and outstanding.

**First Mailing Date of Notice**

The Notice of Internet Availability of Proxy Materials (the Notice ) is being mailed to shareholders on or about June 28, 2011. The Notice contains instructions to allow shareholders to access our Proxy Statement and Annual Report on Form 10-K on the Internet, as well as vote online or by telephone. The Notice also provides information about requesting a paper copy of our proxy materials.

**Information About Voting**

You may vote in person at the meeting or by proxy. We recommend you vote by proxy even if you plan to attend the meeting. You can always change your vote at the meeting.

There are three ways to vote by proxy:

By Telephone You can vote by telephone by following the instructions on our proxy card;

By Internet You can vote over the Internet at [www.edocumentview.com/LABL](http://www.edocumentview.com/LABL) by following the instructions on the Notice; or

By Mail The Notice includes instructions for requesting a paper copy of our proxy materials, including a proxy card. If you request and receive a paper proxy card, you can vote by signing, dating and returning the proxy card.

Telephone and Internet voting facilities for shareholders of record will be available until 1:00 a.m. (Eastern time) on August 10, 2011. If you hold your shares under the Company's 401(k) plan, your voting instructions for those shares must be received by 1:00 a.m. (Eastern time) on August 5, 2011, to allow sufficient time for voting by the administrator of the plan.

If your shares are held in the name of a bank, broker or other holder of record, you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Telephone and Internet voting will also be offered to stockholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you plan to vote the shares in person at the annual meeting, you should contact your broker or agent to obtain a legal proxy or broker's proxy and bring it to the annual meeting in order to vote.

All proxies will be voted in accordance with the instructions specified. If you execute and return your proxy but do not specify how to vote, we will vote your shares in favor of (1) the election of all nominees for director proposed by the Board; (2) the ratification of the appointment of Grant Thornton LLP as independent registered public accountants for the fiscal year ending March 31, 2012; (3) the approval, on a nonbinding advisory basis, of our executive compensation; and (4) a frequency of one year (on an annual basis) for executive compensation nonbinding advisory votes. Management does not know of any other matters to be presented for action at the annual meeting. If any other matters properly come before the annual meeting, however, the proxies will vote such matters in their discretion.

#### **Revoking a Proxy**

You may revoke your proxy before it is voted by (1) submitting a new proxy with a later date; (2) voting in person at the annual meeting; (3) granting a subsequent proxy through the Internet or telephone; or (4) notifying Multi-Color's Secretary in writing at Multi-Color Corporation, 4053 Clough Woods Drive, Batavia, OH 45103.

#### **Solicitation**

The proxies are being solicited by Multi-Color's Board of Directors. All expenses of Multi-Color in connection with this solicitation will be borne by Multi-Color. Solicitation will be made principally by the Internet and mail, but officers and regular employees may solicit proxies by telephone or personal contact with nominal expense to Multi-Color. Multi-Color will request brokers and other nominees who hold Common Stock in their names to solicit proxies from the beneficial owners and will pay the standard charges and expenses associated with that solicitation.

#### **Quorum**

In order to carry on the business of the meeting, we must have a quorum. This means at least a majority of the outstanding shares eligible to vote must be represented at the meeting, either by proxy or in person. Shares owned by Multi-Color are not voted and do not count for this purpose.

#### **Votes Needed**

Nominees for director receiving the highest number of votes cast will be elected to fill the seats on the Board. Ratification of the appointment of Grant Thornton LLP requires the favorable vote of a majority of the votes cast. The vote on executive compensation and frequency of executive compensation votes is non-binding and advisory. The favorable vote of a majority of the votes cast on the executive compensation proposal is required for the non-binding advisory approval of our executive compensation. The frequency (every one, two or three years) receiving the highest number of votes will be deemed the non-binding advisory choice of shareholders with respect to the frequency of voting on executive compensation. Abstentions are counted for quorum



purposes. Any proxies submitted by brokers who do not indicate a vote for at least one proposal because they do not have discretionary authority and have not received instructions as to how to vote will not count for quorum purposes. Pursuant to current regulations, brokers have discretionary authority with respect to the ratification of the appointment of the auditors, but do not have discretionary authority with regard to election of directors, the vote on executive compensation or the frequency of the vote on executive compensation.

### **CORPORATE GOVERNANCE AND BOARD MATTERS**

#### **Code of Ethics**

Multi-Color has Standards of Business Conduct and a Code of Ethics applicable to all associates, officers, directors and agents of Multi-Color and its subsidiaries, including the Chief Executive Officer and Chief Financial Officer. A copy of the Standards of Business Conduct and Code of Ethics is available in the Investor Relations section of Multi-Color's website ([www.mcclabel.com](http://www.mcclabel.com)). Multi-Color will post any amendments to and any waivers from the Standards of Business Conduct and Code of Ethics, as required by applicable federal securities laws and NASDAQ listing standards, at the same location on its website.

#### **Director Independence**

The Board of Directors has determined that the following five of Multi-Color's seven directors who served during the 2011 fiscal year are independent as defined by applicable federal securities laws and NASDAQ listing standards: Robert R. Buck, Charles B. Connolly, Lorrence T. Kellar, Roger A. Keller and Thomas M. Mohr. Francis D. Gerace resigned as a director at the close of business on June 15, 2010, in connection with his retirement as President and Chief Executive Officer.

#### **Shareholder Communication with the Board**

Shareholders may communicate directly with the Board. Communications should be sent in writing addressed to the Chairman of the Board, Multi-Color Corporation, 4053 Clough Woods Drive, Batavia, OH 45103.

#### **Approval of Related Party Transactions**

The Company's Standards of Business Conduct and Code of Ethics provide that any proposed transactions between the Company and any director or executive officer, family member of any director or executive officer, or any entities in which any such person has a material interest must receive the prior approval of the Audit and Finance Committee.

The Charter of the Audit and Finance Committee states that the Audit and Finance Committee has the responsibility to review and approve all related party transactions as provided in the NASDAQ listing standards. In addition, the Audit and Finance Committee is required to review and investigate, as appropriate, any matters pertaining to the integrity of officers, directors and employees, including conflicts of interest, or adherence to the Company's Standards of Business Conduct and Code of Ethics.

#### **Leadership Structure**

The roles of Chief Executive Officer and Chairman of the Board are separate roles at the Company. The Board believes this structure is in the best interest of the Company because it

allows the Chief Executive Officer to focus on the day-to-day operation of the Company's business and the Chairman of the Board to focus on the leadership of the Board of Directors.

### **Board Role in Risk Management**

Day-to-day risk management is the responsibility of management, but the Board of Directors has overall responsibility for the oversight of risk management. The oversight responsibility of the Board is supported by company management and risk management processes that are in place. Key factors supporting risk management of the Company include strong Board and management commitments to risk management and effective communication, including communication between the Board and management.

### **Duties of the Board of Directors; Board and Committee Meetings**

The Board of Directors oversees the management of Multi-Color on your behalf. The Board reviews Multi-Color's long-term strategic plans and exercises direct decision-making authority in key areas such as choosing the Chief Executive Officer, setting the scope of his authority to manage Multi-Color's business day-to-day, and evaluating his performance. The Board also reviews development and succession plans for Multi-Color's top executives.

Multi-Color's Code of Regulations requires that the Board consist of at least three members with the exact number to be established by shareholders or the Board. The Board has established a Board consisting of six directors for the upcoming fiscal year.

The Board met nine times last year. All of Multi-Color's directors attended 100% of meetings held in the 2011 fiscal year of the Board and the committees on which they served. In addition, all directors of Multi-Color attended the annual meeting of shareholders held on August 11, 2010. Multi-Color expects each of its directors to attend each annual meeting of shareholders absent a significant personal or business conflict. The Board convened four executive sessions last year. Executive sessions are generally scheduled in conjunction with regularly scheduled Board meetings.

### **Duties and Current Members of Board Committees**

The Board appoints committees in order to perform its duties more effectively. Board committees are able to consider key issues in greater detail than would be possible at full Board meetings. Each committee reviews the results of its meetings with the full Board. The Board has established the Audit and Finance Committee ( Audit Committee ), Nominating and Corporate Governance Committee ( Nominating Committee ) and Compensation and Organization Development Committee ( Compensation Committee ). The charters of the Audit Committee, Nominating Committee and Compensation Committee are available in the Investor Relations section of Multi-Color's website ([www.mcclabel.com](http://www.mcclabel.com)).

*The Audit Committee* assists the Board in fulfilling its responsibilities relating to the Company's accounting, reporting practices, compliance with legal and regulatory requirements, and the quality and integrity of Multi-Color's financial reports. The Audit Committee oversees the accounting and financial reporting processes of Multi-Color and the audit of Multi-Color's financial statements. It reviews the scope and adequacy of Multi-Color's internal accounting and financial controls, reviews the scope and results of the audit plan of Multi-Color's independent registered public accountants and reviews Multi-Color's financial reporting activities and the accounting standards and principles followed. The Audit Committee oversees the procedures for the receipt, retention and treatment of any complaints received regarding accounting, internal

accounting controls or auditing matters and the confidential submission by employees of any concerns regarding questionable accounting or auditing matters. The Audit Committee also selects, for shareholder ratification, and engages Multi-Color's independent registered public accountants and approves their fees.

The Board has determined that all current members of the Audit Committee, Robert R. Buck (Chairman), Lorrence T. Kellar and Thomas M. Mohr, satisfy the standards of independence required of audit committee members under applicable federal securities laws and NASDAQ listing standards. In addition, the Board has concluded that Messrs. Buck, Kellar and Mohr are financial experts within the meaning of applicable federal securities laws and NASDAQ listing standards. The Audit Committee met four times during the fiscal year ended March 31, 2011.

*The Nominating Committee* assists the Board in identifying qualified individuals to become Board members, in determining the composition of the Board of Directors and its committees, in monitoring a process to assess Board effectiveness and in developing, implementing and monitoring the effectiveness of Multi-Color's corporate governance guidelines. A copy of Multi-Color's corporate governance guidelines is available in the Investor Relations section of Multi-Color's website ([www.mcclabel.com](http://www.mcclabel.com)).

The Board has determined that all members of the Nominating Committee satisfy the standards of independence under applicable federal securities laws and NASDAQ listing standards. The Nominating Committee members are Roger A. Keller (Chairman), Charles B. Connolly and Lorrence T. Kellar. The Nominating Committee met three times during the last fiscal year.

*The Compensation Committee* is responsible for establishing Multi-Color's compensation philosophy and assuring that directors, executives and key management personnel are effectively compensated in terms that are motivating, internally equitable, externally competitive and aligned with the short-term and long-term interests of shareholders. The Compensation Committee approves all compensation of executive officers, administers Multi-Color's executive incentive compensation plans, sets the criteria for awards under incentive compensation plans and determines whether such criteria have been met. The Compensation Committee also oversees the policies and practices of Multi-Color that advance its organizational development, including those designed to achieve the most productive engagement of Multi-Color's workforce and the attainment of greater diversity.

The Compensation and Organization Development Committee ( Compensation Committee ) has evaluated Multi-Color's current compensation policies and practices and determined that they do not encourage excessive risk-taking. As a result, the Compensation Committee believes that the risks relating to Multi-Color's compensation policies and practices, including those applicable to non-executive officers, are not reasonably likely to have a material adverse effect on Multi-Color. Among other things, the Compensation Committee considered that with respect to fiscal year 2011, no cash incentives were available to employees as a result of the Compensation Committee's assessment that such cash incentive compensation would not be appropriate in light of economic conditions and their impact on the Company. In addition, the Compensation Committee noted that cash incentives with respect to the 2012 fiscal year will be available only to specified salaried employees and the related goals should not encourage any employee to take excessive risks. The Compensation Committee will evaluate the risks associated with the Company's compensation policies and practices on an annual basis.

The Board has determined that all members of the Compensation Committee satisfy the standards of independence under applicable federal securities laws and NASDAQ listing standards. The Compensation Committee members are Thomas M. Mohr (Chairman), Robert R.

Buck, Charles B. Connolly, Lorrence T. Kellar and Roger A. Keller. The Compensation Committee met three times during the last fiscal year.

#### **Director Nomination Process**

Directors are elected each year by shareholders at the annual meeting. The Nominating Committee leads the search for individuals qualified to become members of the Board and selects director nominees to be presented for approval by the Board and shareholders at the annual meeting of shareholders.

The Nominating Committee selects nominees who have high personal and professional integrity, have demonstrated exceptional ability and judgment and who are effective, in conjunction with the other nominees and members of the Board, in collectively serving the interests of shareholders. The Committee has no specific or formulaic diversity policy or requirement. However, when selecting director nominees, the Committee considers the make-up of the Board as a whole and favorably views Board diversity with respect to the following attributes: professional and life experience, education, skills, age, race and gender.

Shareholders may propose nominees for election as directors. The Nominating Committee will evaluate director nominee candidates based on the same criteria regardless of whether they are recommended by Committee members or by a shareholder. Shareholders should submit the following information ( Nomination Information ) in writing to the Secretary of Multi-Color at 4053 Clough Woods Drive, Batavia, OH 45103: (a) the shareholder s name and address; (b) the number of shares of Multi-Color s stock held by the shareholder; and (c) the following Nomination Information with respect to the nominee: (i) name, age, business address and residence address; (ii) principal occupation or employment; (iii) number of shares of Multi-Color s stock held by the nominee; and (iv) the reason the shareholder believes the nominee is qualified to serve as a director. Upon request, the shareholder must submit additional information reasonably requested by the Nominating Committee, including information that would be required to be disclosed about a director nominee pursuant to federal proxy disclosure requirements. If a shareholder wishes to submit a name for consideration by the Nominating Committee for director nomination at the 2012 annual meeting of shareholders, the Nomination Information must be received by Multi-Color no later than March 1, 2012.

**BENEFICIAL OWNERSHIP OF THE COMPANY'S STOCK**

The following table sets forth the share ownership as of May 15, 2011 of the Company's directors, executive officers and shareholders known by Multi-Color to own beneficially five percent (5%) or more of its outstanding Common Stock.

Name	Position	Common Stock	
		Amount	Percentage
<b>Beneficially Owned <sup>(1)</sup></b>			
<b>Holders of 5% or More of the Outstanding Shares:</b>			
FMR LLC <sup>(2)</sup>	Principal Shareholder	1,709,804	12.8%
T. Rowe Price Associates, Inc. <sup>(3)</sup>	Principal Shareholder	1,219,516	9.1%
RMB Capital Management, LLC <sup>(4)</sup>	Principal Shareholder	913,637	6.9%
<b>Directors and Executive Officers:</b>			
Lorrence T. Kellar <sup>(5)</sup>	Chairman of the Board of Directors	276,373	2.1%
Robert R. Buck <sup>(6)</sup>	Director	36,025	*
Charles B. Connolly <sup>(7)</sup>	Director	20,933	*
Roger A. Keller <sup>(8)</sup>	Director	412,351	3.1%
Thomas M. Mohr <sup>(9)</sup>	Director	9,245	*
Nigel A. Vincombe <sup>(10)</sup>	Chief Executive Officer, President, and Director	606,000	4.5%
Sharon E. Birkett <sup>(11)</sup>	Vice President Finance, Chief Financial and Accounting Officer, and Secretary	3,505	*
Executive Officers and Directors as a group (7 persons)		1,364,432	10.2%

\* Indicates less than one percent.

(1) Included in the amount of Common Stock beneficially owned are the following shares of Common Stock subject to exercisable options or options that become exercisable within 60 days of May 15, 2011: Ms. Birkett 3,200 shares, Mr. Buck 20,250 shares, Mr. Connolly 6,750 shares, Mr. Kellar 20,250 shares, Mr. Keller 27,000 shares, and Mr. Vincombe 6,000 shares. All officers, directors and principal stockholders have sole investment and voting power unless otherwise indicated.

(2) Based on a Schedule 13G filed on February 14, 2011 by FMR LLC with the Securities and Exchange Commission. The business address of FMR LLC is 82 Devonshire Street, Boston, MA 02109. The Schedule 13G reports sole voting power with respect to 1,213,615 shares and sole dispositive power with respect to 1,709,804 shares.

- (3) Based on a Schedule 13G filed on February 10, 2011 by T. Rowe Price Associates, Inc. and T. Rowe Price Small-Cap Stock Fund, Inc. with the Securities and Exchange Commission. The business address of T. Rowe Price Associates, Inc. and T. Rowe Price Small-Cap Stock Fund, Inc. is 100 E. Pratt Street, Baltimore, Maryland 21202. These securities are owned by various individual and institutional investors including the T. Rowe Price Small-Cap Fund, Inc. (which beneficially owns 965,000 shares) which T. Rowe Price Associates, Inc. serves as investment advisor with power to direct investments and/or sole power to vote the securities.
- (4) Based on a Schedule 13G filed on February 9, 2011 by RMB Capital Management, LLC with the Securities and Exchange Commission. The Schedule 13G reported sole voting and investment power with respect to 913,637 shares. The business address of RMB Capital Management, LLC is 115 S. LaSalle Street, 34<sup>th</sup> Floor, Chicago, IL 60603.
- (5) Excludes 15,000 shares held by his wife. Mr. Kellar disclaims beneficial ownership of these shares. Includes 6,256 restricted shares with respect to which he has sole voting power. Includes 245,022 shares held in a collateral trust account and a broker collateral account.
- (6) Includes 2,250 shares held by his wife and 6,256 restricted shares with respect to which he has sole voting power.
- (7) Includes 6,256 restricted shares with respect to which he has sole voting power.
- (8) Includes 324,576 shares held in his revocable trust and 47,250 shares held in his wife's revocable trust. Includes 6,256 restricted shares with respect to which he has sole voting power.
- (9) Includes 6,256 restricted shares with respect to which he has sole voting power.
- (10) Includes 600,000 shares held in trust by Tropical Rain Nominees Party Limited ( Tropical Rain ) as trustee for the Vinecombe Absolutely Entitled Trust ( Vinecombe Trust ). Tropical Rain exercises voting and investment power with respect to the shares in accordance with the instructions of Mr. Vinecombe, who is the beneficiary of the Vinecombe Trust.
- (11) Includes 305 shares held in her 401(k) account.

**ELECTION OF DIRECTORS ITEM 1 ON THE PROXY**

**Nominees**

The Board is nominating for election each of the following persons: Robert R. Buck, Charles B. Connolly, Lorrence T. Kellar, Roger A. Keller, Thomas M. Mohr and Nigel A. Vincombe. Proxies solicited by the Board will be voted for the election of these nominees. All directors elected at the meeting will be elected to hold office until the next annual meeting. In voting to elect directors, shareholders are not entitled to cumulate their votes. If a director nominee becomes unavailable before the election, your proxy authorizes us to vote for a replacement nominee if the Board names one. Nominees receiving the highest number of votes cast for the positions to be filled will be elected.

Five of the six nominees for election as Multi-Color directors are independent within the meaning of applicable federal securities laws and NASDAQ listing standards. In addition to the information presented below regarding each nominee's specific experience, qualifications, attributes and skills that led the Board to the conclusion that each nominee should serve as a director, the Board believes that each nominee has demonstrated business acumen and a commitment to service, and possesses skills and attributes complimentary to those of the other Board members.

**The Board recommends you vote FOR each of the following nominees:**

Robert R. Buck

Age 63

Director since 2003

Mr. Buck became a director in July 2003. He is currently the Chairman of the Board of Beacon Roofing Supply, Inc. Prior to 2003, Mr. Buck served in various leadership roles with Cintas Corporation (primarily a corporate identity uniform company) including President of its Uniform Rental Division and Chief Financial Officer. Mr. Buck serves as a director of Beacon Roofing Supply, Inc., Kendle International (provider of clinical research and development services for the pharmaceutical and biomedical industries), and LVI Services (environmental remediation provider). In addition, he is a member of the Dean's Advisory Council for the College of Business Administration at the University of Cincinnati.

**Qualifications Supporting the Nomination of Robert R. Buck:**

Mr. Buck has extensive senior leadership experience with public companies, including service as the Chief Executive Officer of Beacon Roofing Supply, Inc. He has strong financial management experience, having served as a chief financial officer with direct responsibility for financial and accounting matters. Mr. Buck qualifies as an audit committee financial expert as defined by SEC rules. He also provides insight concerning a variety of business issues, including capital markets, risk management and mergers and acquisitions.

Charles B. Connolly

Age 54

Director since 1998

Mr. Connolly was elected a director of Multi-Color in October 1998. Mr. Connolly has over 30 years of experience in the converting, coating and packaging industries. He has served as President of Connemara Converting, LLC, a Chicago-based converter of specialty paper and plastic substrates, since April 1996. Prior to that time, he served in various management, sales and marketing positions with Lawson Mardon Packaging and Camvac America, a subsidiary of Rexam P.L.C. that produces vacuum metalized papers and films.

**Qualifications Supporting the Nomination of Charles B. Connolly:**

Mr. Connolly offers valuable insight to the Board as a result of his 30 years of experience in packaging and related industries. He has years of senior management experience as President of Connemara Converting, LLC. In addition, he gained valuable knowledge and experience related to sales and marketing as a result of his previous sales and marketing positions.

Lorrence T. Kellar

Age 73

Director since 1988

Mr. Kellar was elected a director of Multi-Color in January 1988. From 2002 until his retirement in November 2009, he was with Continental Properties Co., Inc., a retail real estate developer, where he served as Vice President, Retail Development. Prior to that time, Mr. Kellar served as Vice President, Real Estate of Kmart Corporation and held various positions with The Kroger Co., including Group Vice President-Finance and Real Estate, Vice President of Corporate Development and Vice President-Treasurer. Mr. Kellar is a trustee of Acadia Realty Trust and a director of Frisch's Restaurants, Inc. and Spar Group, Inc., a provider of merchandising services.

**Qualifications Supporting the Nomination of Mr. Kellar:**

Mr. Kellar qualifies as an "audit committee financial expert" as that term is defined by SEC rules, and has extensive experience managing financial functions, including general accounting, audit, finance and treasury. He also was involved in a number of mergers and acquisitions while serving with The Kroger Co. and other companies. Mr. Kellar has a broad base of board service, having served over the years on the boards of eight public companies, including service as chair of two of those boards. His leadership experience also includes service as past chair of the Bartlett Management Trust mutual fund group, as well as chair of both the City of Cincinnati and Kroger pension funds.



Roger A. Keller

Mr. Keller was elected a director of Multi-Color in August 2000. Mr. Keller is a private investor. From July 1993 to November 2000, Mr. Keller served as Vice President, General Counsel and Secretary of Mallinckrodt, Inc., a health-care company.

Age 66

Director since 2000

**Qualifications Supporting the Nomination of Mr. Keller:**

Mr. Keller provides a significant contribution to the Board as a result of his legal background and years of experience as General Counsel to Mallinckrodt, Inc. He adds broad management perspectives to the Board. Mr. Keller also has experience and depth of knowledge with regard to a wide range of corporate governance and compliance issues.

Thomas M. Mohr

Mr. Mohr became a director of Multi-Color in August 2006. Mr. Mohr has served as the President and Chief Executive Officer of Applied Extrusion Technologies, Inc., a developer and manufacturer of plastic films, since June 2006. He was the President and Chief Executive Officer of Vibac Group North America (a provider of specialty packaging films) from 2003 to 2005. Prior to that time he served in senior management positions with Grupo Celanese, Mexico and Trespaphan (a polypropylene film business). Mr. Mohr is a director of Applied Extrusion Technologies Inc. and Bush Industries Inc.

Age 59

Director since 2006

**Qualifications Supporting the Nomination of Mr. Mohr:**

Mr. Mohr strengthens the Board as a result of his many years of experience as a chief executive officer. He has gained significant knowledge regarding plastic film and the packaging industry during his tenure at Applied Extrusion Technologies, Inc. and in previous positions. He qualifies as an audit committee financial expert as defined by SEC rules. Mr. Mohr also provides valuable expertise with regard to supply chain issues and international operations.

Nigel A. Vincombe

Age 48

Director since 2008

Mr. Vincombe became a director of Multi-Color in February 2008. He was appointed President and Chief Executive Officer of the Company in June 2010. Mr. Vincombe served as Chief Operating Officer of Multi-Color from May 2009 to June 2010, and as President of the International Business Unit of Multi-Color from February 2008 until May 2009. From 2000 to February 2008, he served as Group Managing Director of Collotype International Holdings Pty Ltd., a privately-held Australian based wine & spirit and consumer products label manufacturer.

**Qualifications Supporting the Nomination of Mr. Vincombe:**

As Group Managing Director of Collotype International Holdings Pty Ltd., Mr. Vincombe oversaw the international expansion of a high growth organization. As Chief Operating Officer of the Company, he continued to apply his strategic planning and managerial skills in the context of the Company's global operations. Mr. Vincombe has valuable management insight related to the integration of expanded business and development of customer relationships on a global basis. As a result, he brings strong decision-making skills to the Board coupled with an understanding of international business.

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**RATIFICATION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS ITEM 2 ON THE PROXY**

The Board is seeking shareholder ratification of its appointment of Grant Thornton LLP as independent registered public accountants for the fiscal year ending March 31, 2012. Although action by the shareholders in this matter is not required, the Board believes that it is appropriate to seek shareholder ratification of this appointment in light of the critical role played by independent auditors in providing assurance on the integrity of Multi-Color's financial controls and reporting. Even if shareholders ratify the appointment, the Audit Committee may, in its discretion, direct the appointment of different auditors at any time during the year if it determines that such a change would be in the best interest of Multi-Color and its shareholders. An affirmative vote of a majority of the votes cast at the meeting is required for ratification. Representatives of Grant Thornton LLP are expected to be present at the annual meeting and will be given an opportunity to comment, if they so desire, and to respond to appropriate questions that may be asked by shareholders.

**Audit Fees**

Grant Thornton LLP's fees for audit and review of the Annual Report on Form 10-K for the fiscal year ended March 31, 2011 and the Quarterly Reports on Form 10-Q for the first three quarters of the fiscal year ended March 31, 2011, compliance with the Sarbanes-Oxley Act of 2002, assistance with responding to an SEC comment letter, statutory audit procedures, and related estimated expenses were \$639,450. Grant Thornton LLP's fees for audit and review of the Annual Report on Form 10-K for the fiscal year ended March 31, 2010 and the Quarterly Reports on Form 10-Q for the first three quarters of the fiscal year ended March 31, 2010, and for compliance with the Sarbanes-Oxley Act of 2002 and related estimated expenses were \$575,200.

**Audit-Related Fees**

The total fees paid to Grant Thornton LLP by Multi-Color for the fiscal year ended March 31, 2011 for services provided in connection with the audit of Multi-Color's 401(k) plan, due diligence services, and related expenses were \$102,500.

The total fees paid to Grant Thornton LLP by Multi-Color for the fiscal year ended March 31, 2010 for services provided in connection with the audit of Multi-Color's 401(k) plan and various accounting consultations and related expenses were \$16,600.

**Tax Fees**

Grant Thornton LLP did not provide tax compliance, tax advice or tax planning services to Multi-Color during the fiscal years ended March 31, 2011 and 2010.

**All Other Fees**

None

All audit and audit-related fees for the fiscal year ended March 31, 2011 were pre-approved by the Audit Committee, which concluded that the provision of those services by Grant Thornton LLP was compatible with the maintenance of the auditors' independence in the conduct of the auditing functions. The Audit Committee requires pre-approval of the audit and nonaudit services performed by the independent registered public accountants in order to assure that the provision of such services does not impair the independent registered public accountants' independence. Unless a type of service has received general pre-approval, it requires specific pre-approval by the Audit Committee. Any proposed services exceeding pre-approved cost levels require specific pre-approval by the Audit Committee. To ensure prompt handling of unexpected matters, the Audit Committee has delegated pre-approval authority to the Chairman of the Audit Committee. However, the Chairman must report any such pre-approval decisions to the Audit Committee at the next scheduled meeting following such pre-approval.

**AUDIT COMMITTEE REPORT**

The Audit Committee assists the Board in fulfilling its responsibilities relating to the Company's accounting, reporting practices, compliance with legal and regulatory requirements, and the quality and integrity of Multi-Color's financial reports. The Audit Committee oversees the accounting and financial reporting processes of Multi-Color and the audit of Multi-Color's financial statements. It reviews the scope and adequacy of Multi-Color's internal accounting and financial controls, reviews the scope and results of the audit plan of Multi-Color's independent registered public accountants and reviews Multi-Color's financial reporting activities and the accounting standards and principles followed. The Audit Committee oversees the procedures for the receipt, retention and treatment of any complaints received regarding accounting, internal accounting controls or auditing matters and the confidential submission by employees of any concerns regarding questionable accounting or auditing matters. The Audit Committee also selects, for shareholder ratification, and engages Multi-Color's independent registered public accountants and approves their fees.

A copy of the Audit Committee's Charter is available in the Investor Relations section of Multi-Color's website ([www.mcclabel.com](http://www.mcclabel.com)).

The Board has determined that all members of the Audit Committee, Robert R. Buck (Chairman), Lorrence T. Kellar and Thomas M. Mohr, satisfy the standards of independence required of audit committee members under applicable federal securities laws and NASDAQ listing standards. In addition, the Board has concluded that Messrs. Buck, Kellar and Mohr are financial experts within the meaning of applicable federal securities laws and NASDAQ listing standards.

In connection with the March 31, 2011 financial statements, the Audit Committee reviewed and discussed the audited financial statements with management and the auditors; discussed with the auditors the matters required by Statement on Auditing Standards No. 114; and received and discussed with the auditors the matters required by applicable requirements of the Public Accounting Oversight Board and considered the compatibility of non-audit services with the auditor's independence. Based on these reviews and discussions, the Audit Committee recommended to the Board that Multi-Color's audited financial statements be included in its Annual Report on Form 10-K for the year ended March 31, 2011.

**The Audit and Finance Committee**

Robert R. Buck (Chairman)

Lorrence T. Kellar

Thomas M. Mohr

**ADVISORY VOTE ON EXECUTIVE COMPENSATION ITEM 3 ON THE PROXY**

Section 14A of the Exchange Act and related SEC rules now require that we provide our shareholders with the opportunity to vote to approve, on a non-binding advisory basis, the compensation of our Named Executive Officers (NEOs) as disclosed in this proxy statement in accordance with SEC rules. We must provide this opportunity to our shareholders at least once every three years, commencing with the 2011 Annual Shareholders Meeting.

As described under the Compensation Discussion and Analysis, our executive compensation program is designed with an emphasis on performance and is intended to closely align the interests of our NEOs with the interests of our shareholders. The Committee regularly reviews our executive compensation program to ensure that compensation is closely tied to performance measures that our executive officers can impact and that are likely to have an impact on shareholder value. Our compensation programs are also designed to balance long-term performance with shorter-term performance, and to mitigate the risk that an executive officer would be incentivized to pursue good results with respect to a single performance metric or operating division to the detriment of our Company as a whole.

The vote on this proposal is advisory, which means the vote will not be binding on Multi-Color Corporation, the Board or the Committee. The Committee will review the results of the vote on this proposal in connection with its regular evaluations of our executive compensation program.

In view of the foregoing, shareholders will vote on the following resolution at the 2011 Annual Shareholders Meeting:

RESOLVED, that the Company's shareholders hereby approve, on an advisory basis, the compensation of the Named Executive Officers of Multi-Color Corporation as disclosed in Multi-Color's Proxy Statement for the 2011 Annual Shareholders Meeting in accordance with the Securities and Exchange Commission's compensation disclosure rules.

**The Board recommends that shareholders vote FOR this proposal.**

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**ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION ITEM 4 ON THE PROXY**

Section 14A of the Exchange Act and related SEC rules also require that we provide shareholders the opportunity to vote, on a non-binding advisory basis, as to how frequently we should hold future non-binding advisory votes on the compensation of our NEOs as disclosed in our annual proxy statement in accordance with SEC rules (which we refer to as an advisory vote on executive compensation). SEC rules provide that shareholders must have an opportunity to indicate whether they would prefer that we hold future advisory votes on executive compensation every year, once every two years, or once every three years.

The Board has determined that holding an advisory vote on executive compensation every year is most appropriate for our Company and recommends that you vote that we hold an advisory vote on executive compensation every year.

The proxy card (or voting instruction card, if you hold your shares through a bank, broker, or other nominee holder) provides shareholders with the opportunity to vote as to the frequency of advisory votes on executive compensation. Accordingly, in voting on this proposal, you should mark your proxy card (or voting instruction card) for one year, two years, or three years, based on your preference as to the frequency with which an advisory vote on executive compensation should be held. If you have no preference, you may choose to abstain from voting on this proposal.

This vote is advisory and will not be binding on Multi-Color Corporation, the Board, or the Compensation and Organization Development Committee. The Board will take the outcome of the vote into consideration when determining the frequency of future advisory votes on executive compensation.

**The Board recommends that shareholders vote to hold an advisory vote on executive compensation EVERY YEAR.**

**COMPENSATION DISCUSSION AND ANALYSIS**

**Executive Summary**

This section discusses the principles underlying Multi-Color Corporation's policies and decisions concerning the compensation of the Company's executive officers. This information describes the manner and context in which compensation is awarded to and earned by the Company's executive officers and provides perspective on the tables and narrative that follow.

The Board of Directors utilizes the Compensation and Organization Development Committee (for purposes of this Compensation Discussion and Analysis, the Committee) to assist the Board in fulfilling the Board's responsibilities in the area of executive compensation. The Committee, working with management and with its independent, external consultant, has approved executive compensation programs that are designed to attract and retain executives and reward them for their efforts toward helping Multi-Color achieve its short-term and long-term operating, financial and strategic goals, and thereby build shareholder value. To that end, generally, executive compensation packages are weighted towards incentive plans that emphasize stock ownership and bonus compensation arrangements which serve to align more closely the interests of management with shareholders. However, in light of economic conditions and their impact on the Company, the Committee determined that with respect to fiscal years 2010 and 2011, cash incentives would not be appropriate.

**Framework of Multi-Color's Executive Compensation Program**

*Multi-Color's Goals*

Multi-Color seeks to continue to improve its financial and operating performance on a long-term basis. The Company is committed to delivering predictable and reliable results through increasing revenues and net income, and growth in earnings per share and cash flow. While these goals are not all of the priorities Multi-Color has established, they represent the foundation of Multi-Color's long-term objectives. Multi-Color's compensation policies, practices and programs are intended to align executive compensation within the framework of these strategic goals, attracting and retaining a strong executive team for the long-term.

The Company intends base salary and benefits to be fair compensation for the executive officers' good faith efforts to do the job well, and incentive compensation (both annual and long-term) to be pay for performance on behalf of the Company and its shareholders. The Company expects the incentive pay to reinforce the executive's line-of-sight between (i) his or her behaviors, decisions and leadership and (ii) high standards of performance on corporate financial and other individual measures that, if achieved, will enhance shareholder value.



*Compensation Committee Responsibilities*

Among other things, the Committee assists the Board of Directors in fulfilling the Board's responsibilities to:

- 1) Review and approve the annual and long-term goals and objectives of the Chief Executive Officer ( CEO ) of the Company, and evaluate the CEO's performance at least annually.
- 2) Determine the compensation and benefits of the CEO and other executive officers and key management personnel, in light of their performance relative to their goals and objectives, and report the compensation of the CEO to the Board, including the grant of any stock options or restricted stock.
- 3) Review the compensation of the Company's directors, and make recommendations with respect to director compensation to the Board for its approval.
- 4) Review periodically the Company's philosophy on executive compensation and advise the CEO and the Board about different approaches to executive compensation.
- 5) Evaluate the Company's compensation policies and practices at least annually to determine whether the associated risks are reasonably likely to have a material adverse effect on the Company.
- 6) Assess from time to time the Company's competitive position for the various elements of executive compensation, by reviewing executive compensation surveys, studies and other information about compensation paid by other companies.
- 7) Administer the Company's stock option and stock/equity incentive plans and make recommendations to the Board with respect to adoption, amendment and termination of such plans.
- 8) Assess the Company's compensation policies and practices on an annual basis to determine whether the risks arising from such policies and practices are reasonably likely to have a material adverse effect on the Company.
- 9) Oversee the handling of the Company's organizational development issues and review management's recruiting and selection practices, employee diversification program, employee engagement surveys and long-range planning for executive development and succession.

The Committee has the resources and authority appropriate to discharge its responsibilities, including, when necessary, the authority to retain such consultants and advisers as it may deem appropriate in its sole discretion, to advise it with respect to the Company's executive compensation and organizational development plans, programs and individual arrangements. The Committee has the sole authority to approve such consultants and advisers' fees and terms of engagement.

The Committee meets at least once every year, and more frequently, as and if circumstances dictate. During the year ended March 31, 2011, the Committee met three times. The Committee

may request any officer or employee of the Company, outside counsel, consultants or independent auditors to attend a meeting of the Committee.

The Committee is comprised of a minimum of three directors, each of whom (i) is not an officer or employee of Multi-Color Corporation, (ii) does not have any relationship, which in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out his or her responsibilities as a member of the Committee, and (iii) is an independent director, as determined by the Board and in accordance with the rules of NASDAQ. Members of the Committee are appointed and removed by the Board.

The purpose of the Committee is to establish and oversee the execution of the Company's philosophy on compensation and organizational development. The Committee is responsible for assuring that the Company's executives, other key management personnel and directors are effectively compensated in terms that (i) are aligned with the short-term and long-term interests of the shareholders, (ii) attract, motivate and retain key talent, and (iii) are externally competitive and internally equitable. The Committee approves all elements of compensation of the Company's executive officers and directors, sets the criteria for awards under the Company's incentive compensation plans and determines whether such criteria have been met, and oversees matters relating to the Company's stock compensation plans. The Committee also oversees the policies and practices of the Company that advance its organizational development, including those designed to achieve the highest level of engagement of the Company's workforce.

#### *Compensation Philosophy and Objectives*

Compensation programs in which the Company's executive officers participate are designed to be equitable and competitive with the compensation programs of companies with whom the Company competes for new employees. The Committee believes executive performance is a distinguishing factor and a competitive advantage of Multi-Color and rewards executives whose performance is outstanding.

Multi-Color's pay-for-performance compensation philosophy is based upon this linkage between performance targets and individual accountability. Individual behavior consistent with the Company's core values is recognized as being necessary for building and sustaining shareholder value over the long-term. Employees at all levels of the organization, including executive officers, are evaluated through a disciplined annual assessment process, and compensated for exemplifying core values of openness and integrity, accountability, results orientation, customer focus and personal leadership.

The Company's goal is to attract, develop, motivate and retain executives who have the skills, experience and drive to achieve superior growth in shareholder value. The Company believes that, to be successful, the Company needs to be competitive not only in its products and innovative solutions, but also in the quality of its executives. This, in turn, requires that Multi-Color compensate executive officers competitively.

#### *The Process of Implementing Executive Compensation Changes*

The Committee reviews Multi-Color's executive compensation programs annually. Bi-annually, the Committee seeks and receives input from an independent external consultant, Dan Ripberger of MPI Rewards Consulting (MPI), to review the market alignment of executive total direct compensation. MPI provides input concerning whether total direct compensation, including base salary, annual incentives and long-term incentives, for each named executive officer, was competitive and equitable. The Company has not retained MPI to perform services other than

those related to the Company's executive compensation program. The Committee also seeks input from the President and CEO when discussing the performance of, and compensation levels for, executives other than himself. The Committee also works closely with the President and CEO and the Company's human resources personnel in evaluating the financial, accounting, tax and retention implications of its various compensation programs. Neither the President and CEO nor any of the Company's other executives participates in deliberations relating to his or her own compensation.

The Committee utilizes market compensation data (including base salary, target annual and long-term incentive levels) regarding the President and CEO. The Committee, in turn, recommends compensation levels for this position to the independent members of the Board of Directors. Following their evaluation of the CEO's performance, the independent members of the Board establish all aspects of the CEO's compensation.

The Committee also receives market compensation data (including base salary, target annual and long-term incentive levels) for each individual executive other than the CEO. The CEO recommends increases or decreases in compensation levels for these executive officers to the Committee for final approval based upon a review of the market data and the officer's individual performance.

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Company's proxy statement provides for a non-binding shareholder advisory vote with respect to the compensation of our executive officers. While this vote is not binding on the Company, the Committee values the opinions of shareholders and will review and consider any shareholder concerns evidenced by this vote.

#### **Elements of Compensation**

The principal components of the compensation for named executive officers generally are:

base salary;

annual incentive bonus compensation;

long-term equity incentive compensation; and

retirement and other benefits.

### *Base Salary*

The Company establishes compensation plans each year that align potential executive compensation with expected and potential company performance outcomes. More specifically, we target executive base salary at the 50<sup>th</sup> percentile of our competitive labor market (as described below). Typically, we establish annual incentive payout opportunities that, when combined with base salary, will deliver 50<sup>th</sup> percentile total cash compensation at target performance and will allow the executive to earn above 50<sup>th</sup> percentile total cash compensation for above target performance.

The Company relies on several internal and external inputs when determining plan performance levels and associated potential incentive payouts. Externally, the Committee considers Multi-Color's performance compared to that of the NASDAQ Market Index, a broad market index, the Morningstar Packaging & Containers Index, and companies in its competitive labor market. Companies in Multi-Color's desired comparison labor markets are described as those in the commercial printing industry with: (i) overall total revenue size between \$300 million and \$500 million; (ii) domestic and international operations and product markets; and (iii) a focus on growth through acquisitions. Total direct compensation rates were developed from published surveys and custom research of SEC filings, to create a Proxy Group of companies with one or more of Multi-Color's desired characteristics. Published surveys and the scope used include Hewitt, Executive Compensation Survey, 2009 Scope: Business Services; Mercer, Executive Compensation Survey, 2009 Scope: Commercial Printing; and Wyatt, Management Compensation Report, 2009 Scope: Commercial Printing. With respect to fiscal year 2011, the Proxy Group included the following companies: American Reprographics, CSS Industries, Inc., Ennis, Inc., InnerWorkings, Inc., MOD-PAC Corp., Schawk, Inc., Standard Register, Tufco Technologies, UFP Technologies, Inc., and Vistaprint N.V.

Salary reviews are generally conducted at the beginning of each fiscal year to compare each executive's salary to the appropriate salary range. Merit based increases to salaries of executive officers are based on the Committee's assessment of the individual's performance. Both financial and, where appropriate, non-financial performance measures are considered in making salary adjustments. If an executive officer has responsibility for a business segment, this business segment's financial results also are strongly considered.

### *Annual Incentive Bonus Compensation*

Among all elements of compensation to executive officers, bonuses provide the most direct link between compensation levels and annual corporate performance. Bonuses are paid in cash. Typically, the Committee approves annual bonus performance goals at the beginning of each fiscal year. Based on economic conditions and their impact on the Company, the Committee determined that it was not appropriate to pay cash incentive compensation in fiscal years 2010 or 2011. The Company has reinstated the cash incentive compensation program for certain salaried employees, including the Company's executive officers, for fiscal year 2012. For fiscal year 2012, the potential bonus ranges (as a percentage of base salary) for Mr. Vincombe and Ms. Birkett will be 0% to 112.5% and 0% to 75%, respectively. The performance goals for Mr. Vincombe and Ms. Birkett include goals related to year-over-year growth in operating profit.

*Long-term Incentive Compensation*

Multi-Color maintains incentive plans which authorize the issuance of stock options or restricted stock. Stock options are designed to align the interests of executives with those of stockholders. Because stock options only have an intrinsic value if the value of Multi-Color's Common Stock increases, they encourage actions that enhance long-term shareholder value.

Multi-Color's 1999 and 2003 stock incentive plans are the principal means by which long-term incentive compensation is provided for key officers and employees of Multi-Color and the interests of these persons are brought more closely into tandem with the interests of shareholders. Although no more options may be granted under the 1999 plan, options remain outstanding under the 1999 and 2003 plans. The plans are administered by the Committee.

Options granted under the plans contain such terms and conditions as are established by the Board at the time of the grant. Options currently granted to employees generally have ten year terms and vest ratably over three to five years. The options fully vest upon a change in control.

Stock options are generally awarded near the beginning of each fiscal year to executive officers and other designated employees. The exercise price for these grants is equal to the fair market value of Multi-Color's Common Stock on the date when the Committee approves the grant, which is the closing price on the NASDAQ Global Select Market on the last business day prior to the date of grant. The total number of shares allocated for annual grants is generally equal to two percent of the aggregate number of outstanding shares. As stock options are expensed in accordance with FASB ASC Topic 718, the Company considers the impact of the expense on earnings as one factor in determining the amount of total annual option grants.

Typically, a multi-step process is used by the Committee to determine the number of options granted to executive officers. Option target award amounts are established by first identifying the median size of option grants made by the Proxy Group to their respective executive officers. The Committee also considers the performance of the executive officer, the fair value of the awards, using the Black-Scholes model, and the amount of restricted stock and number of options previously granted to the executive officer. The Committee did not grant any new options to Ms. Bertsche, Mr. Gerace, or Mr. Vinecombe in the 2011 fiscal year, but granted an option to purchase 10,000 shares of stock to Ms. Birkett in connection with her appointment as the Company's Vice President, Chief Financial and Accounting Officer and Secretary in July 2010.

*Retirement and Other Benefit Programs*

In general, Multi-Color provides the same benefit programs to most full-time employees within the Company, including a defined contribution 401(k) plan. The Company matches \$.50 for every \$1 contributed on the first six percent of eligible pay. For certain named executives, the Company maintained an Executive Deferred Compensation Plan, which allowed eligible executives to defer a portion of their salary and/or bonus. The Company made an annual contribution equal to 8% of the executive's annual base salary. Effective August 11, 2010, the Company terminated the Executive Deferred Compensation Plan.

Deferred compensation balances earn interest at a rate of prime plus 2%. The rate for the fiscal year ended March 31, 2011 was 5.25%. The interest rate is set annually on the first day of the fiscal year and interest compounds quarterly.

## Employment Agreements

On May 11, 2010, the Company announced that Mr. Gerace would retire as President and Chief Executive Officer, and resign from the Board of Directors, at the close of business on June 15, 2010. As discussed below under Potential Payments Upon Termination or Change in Control, the retirement amendment to his employment agreement provided for: (i) the continuation of base salary and medical/dental benefits coverage through March 31, 2011; (ii) the vesting of certain stock options and restricted stock on June 15, 2010; and (iii) a supplemental retirement benefit in an amount equal to \$150,000, payable on his retirement date, plus an amount equal to 8% of base salary, payable on March 15, 2011.

As a result of Mr. Gerace's departure, Mr. Vincombe was named President and Chief Executive Officer. On August 13, 2010, the Company entered into an Employment Agreement ("Employment Agreement") with Mr. Vincombe which replaced his previous employment agreement with the Company dated February 29, 2008, as amended on September 21, 2009.

The initial term of Mr. Vincombe's Employment Agreement will end on June 15, 2013, with subsequent automatic renewals for one-year terms unless either party provides notice of non-renewal. Mr. Vincombe's Employment Agreement, which became effective as of June 16, 2010, provides for: (i) an annual base salary of \$500,000, subject to annual review by the Committee; (ii) an annual discretionary bonus in accordance with the Company's executive incentive compensation program, with the target bonus opportunity to be no less than 75% of current base salary; (iii) a contribution of 10% of his annual base salary by the Company to the Australian Superannuation pension fund; and (iv) eligibility to participate in the Company's welfare and certain benefit plans to the extent generally applicable to other executives of the Company, as well as a car allowance, vacation time and certain indemnification as permitted by applicable law.

The Employment Agreement also provides for the payment of benefits upon termination of employment under specified circumstances. These benefits are described below under Potential Payments Upon Termination or Change in Control. The Employment Agreement also includes confidentiality and non-competition covenants.

On July 9, 2010, Multi-Color announced the appointment of Sharon E. Birkett as the Company's Vice President and Chief Financial and Accounting Officer. Ms. Birkett succeeded Dawn H. Bertsche who no longer served as Senior Vice President Finance, Chief Financial and Accounting Officer of the Company, effective July 9, 2010. Severance benefits paid to Ms. Bertsche were materially consistent with the terms of her existing employment agreement and are described below under Potential Payments Upon Termination or Change in Control.

On August 11, 2010, the Company finalized the compensatory arrangements for Ms. Birkett, as Vice President, Chief Financial and Accounting Officer and Secretary of the Company. The material terms of her compensation arrangements include: (i) an annual base salary of \$250,000, subject to annual review by the Committee; (ii) an annual discretionary bonus in accordance with the Company's executive incentive compensation program, with the target bonus opportunity to be no less than 50% of current base salary; (iii) eligibility to participate in the Company's welfare, fringe, vacation and other similar benefit plans and programs to the extent generally applicable to other U.S. based associates of the Company; (iv) a monthly car allowance; (v) an option to purchase 10,000 shares of the Company's stock under the Company's 2003 Stock Incentive Plan, which will vest in five equal annual installments; and (vi) in the event of her involuntary termination by the Company, the Company would repatriate Ms. Birkett and her family back to their point of origin.

## **Tax and Accounting Implications**

### *Deductibility of Executive Compensation*

The Omnibus Budget Reconciliation Act of 1993 provides that compensation in excess of \$1,000,000 per year paid to the Chief Executive Officer of a public company as well as the other executive officers listed in the compensation table is not deductible for tax purposes unless the compensation is performance-based and approved by the shareholders. The Committee's general policy is to preserve the deductibility of most compensation paid to its executive officers to the extent appropriate and possible.

### **COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

None of the members of the Compensation Committee is an officer or employee, or former officer or employee of Multi-Color. No interlocking relationship exists between the members of Multi-Color's Board or Compensation Committee and the board of directors or compensation committee of any other company.

### **COMPENSATION AND ORGANIZATION DEVELOPMENT COMMITTEE REPORT**

The Compensation and Organization Development Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation and Organization Development Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

#### **The Compensation and Organization Development Committee**

Thomas M. Mohr (Chairman)

Robert R. Buck

Charles B. Connolly

Lorraine T. Kellar

Roger A. Keller

**EXECUTIVE COMPENSATION INFORMATION****Summary Compensation Table**

The following table sets forth certain information concerning compensation of the Company's named executive officers for the fiscal years ended March 31, 2011, 2010 and 2009.

<u>Name and Principal</u>				<u>Stock</u>	<u>Stock</u>	<u>Deferred</u>	<u>All</u>	
<u>Position</u>	<u>Year</u>	<u>Salary</u>	<u>Bonus</u> <sup>(1)</sup>	<u>Awards</u> <sup>(2)(4)</sup>	<u>Option</u> <u>Awards</u> <sup>(3)(4)</sup>	<u>Comp.</u> <u>Earnings</u> <sup>(5)</sup>	<u>Other</u> <sup>(6)</sup>	<u>Total</u>
Nigel A. Vinecombe	2011	\$452,308	--	--	--	--	\$ 53,529	
Chief Executive Officer	2010	\$276,250	--	--	\$198,300	--	\$ 68,904	\$ 505,837
and President <sup>(7)</sup>	2009	\$188,856	--	--	--	--	\$ 23,629	\$ 543,454
								\$ 212,485
Sharon E. Birkett								
Vice President Finance,								
Chief Financial and								
Accounting Officer and								
Secretary <sup>(8)</sup>	2011	\$219,615	--	--	\$ 73,935	--	\$ 43,418	\$ 336,968
Francis D. Gerace								
Chief Executive Officer	2011	\$126,960	--	--	--	--	\$ 6,210	\$ 133,170
and President (through	2010	\$550,160	--	--	--	\$21,540	\$720,004	\$1,291,704
6/15/10) <sup>(9)</sup>	2009	\$550,160	--	\$1,734,750	--	\$24,840	\$ 29,261	\$2,339,011
Dawn H. Bertsche								
Senior Vice President								
Finance, Chief								
Financial and								
Accounting Officer and	2011	\$ 86,154	--	--	--	\$10,552	\$509,347	\$ 606,053
Secretary (through	2010	\$280,000	--	--	--	\$11,811	\$ 15,484	\$ 307,295
7/9/10) <sup>(10)</sup>	2009	\$280,000	--	\$ 668,200	--	\$13,741	\$ 15,215	\$ 977,156

(1) Bonuses were based on the achievement by the named executive officer of performance targets established by the Compensation Committee, as described above in Compensation Discussion and Analysis Annual Incentive Bonus Compensation.



- (2) This column represents the fair market value on the date of grant of restricted stock grants computed in accordance with FASB ASC Topic 718. The dollar amounts in 2010 and 2009 for Mr. Gerace and Ms. Bertsche have been restated from the prior year proxy statement to present them on a consistent basis with 2011. The numbers in the prior year proxy statement were based on the dollar amount recognized for financial statement purposes in the Company's consolidated statement of income.
- (3) This column represents the fair market value on the date of grant of stock option awards computed in accordance with FASB ASC Topic 718. The dollar amounts in 2010 and 2009 for Messrs. Vincombe and Gerace and Ms. Bertsche have been restated from the prior year proxy statement to present them on a consistent basis with 2011. The numbers in the prior year proxy statement were based on the dollar amount recognized for financial statement purposes in the Company's consolidated statement of income.
- (4) For additional information on the valuation assumptions with respect to the 2011, 2010 and 2009 grants, please refer to note 16 of the Company's financial statements included in the Annual Report on Form 10-K for the year ended March 31, 2011 filed with the SEC. These amounts reflect the fair market value on the date of grant computed in accordance with FASB ASC Topic 718 and do not correspond to the actual value that will be recognized by the named executive officers or the amount of expense that was recognized in the above years in the Company's consolidated statement of income.
- (5) Ms. Bertsche and Mr. Gerace participated in the Executive Deferred Compensation Plan. The Executive Deferred Compensation Plan, which was terminated on August 11, 2010, pays accrued interest at an above-market interest rate as defined by the SEC, compounded quarterly. The rates for the years ended March 31, 2011, 2010 and 2009 were 5.25%, 5.25% and 7.25%, respectively. The Company made no contributions on behalf of Ms. Bertsche and Mr. Gerace to the Executive Deferred Compensation Plan in the 2011 fiscal year. Earnings and payments to Ms. Bertsche and Mr. Gerace under the Executive Deferred Compensation Plan are reported under Nonqualified Deferred Compensation below.

- (6) Ms. Birkett and Mr. Vinecombe received perquisites for housing reimbursements in excess of \$25,000 for the years ended March 31, 2011 and 2010, respectively. Mr. Vinecombe's housing reimbursement was \$33,201 in the 2010 fiscal year and Ms. Birkett's was \$35,843 in the 2011 fiscal year. This column also reflects car allowances, 401(k) matching contributions and, with respect to Mr. Vinecombe, a pension (superannuation) contribution. Superannuation payments are not enhanced or accelerated by a termination of employment or change of control. With respect to Ms. Bertsche, this column includes \$497,614 of severance payments accrued by the Company in fiscal year 2011. With respect to Mr. Gerace, this column includes \$701,399 of severance payments accrued by the Company in the 2010 fiscal year.
- (7) Mr. Vinecombe became the Company's President and Chief Executive Officer effective as of the close of business on June 15, 2010. Mr. Vinecombe served as Chief Operating Officer of the Company from May 6, 2009 to June 15, 2010. During the 2009 fiscal year and a portion of the 2010 fiscal year, Mr. Vinecombe was employed in Australia and paid in Australian dollars. In calculating the U.S. dollar equivalent amount for disclosure purposes with respect to amounts paid in the 2009 and 2010 fiscal years, the Company used a conversion rate of .7869 and .8521, respectively, to convert these amounts from Australian dollars to U.S. dollars. The conversion rates for the 2009 and 2010 fiscal years were based on the average exchange rate for the 12 months ended March 31, 2009 and 2010, respectively (computed using the daily rate according to the Wall Street Journal which was then averaged for the year).
- (8) Ms. Birkett became Vice President Finance, Chief Financial and Accounting Officer and Secretary on July 9, 2010.
- (9) Mr. Gerace retired as Chief Executive Officer and President effective as of the close of business on June 15, 2010.
- (10) Effective July 9, 2010, Ms. Bertsche no longer served as Senior Vice President Finance, Chief Financial and Accounting Officer and Secretary.

**Grants of Plan-Based Awards**

The following table sets forth certain information regarding grants of plan-based awards made to the Company's named executive officers for the 2011 fiscal year. No grants of plan-based awards were made to Messrs. Vinecombe or Gerace or Ms. Bertsche in the 2011 fiscal year.

<u>Name</u>	<u>Grant Date</u>	<u>Restricted Stock Awards: Number of Securities</u>	<u>Grant Date Fair Value</u>	<u>Options Granted: No. of Securities<sup>(1)</sup></u>	<u>Exercise Price of Option Awards per Share</u>	<u>Grant Date Fair Value<sup>(2)</sup></u>
Sharon E. Birkett	5/05/2010	--	--	3,500	\$12.31	\$16,835
Sharon E. Birkett	8/11/2010	--	--	10,000	\$13.31	\$57,100

(1) This column shows the options granted in the 2011 fiscal year to named executive officers pursuant to the 2003 Stock Incentive Plan. These options vest in five equal annual installments commencing on the first anniversary of the date of grant.

(2) Represents the fair value of the option on the date of grant computed in accordance with FASB ASC Topic 718. For additional information on the valuation assumptions with respect to the grants, please refer to note 16 of the Company's financial statements included in the Annual Report on Form 10-K for the year ended March 31, 2011 filed with the SEC.

**Outstanding Equity Awards**

The following table provides information concerning the holdings of stock options and restricted shares by the named executive officers as of March 31, 2011. This table includes options which are vested but have not been exercised and unvested options. All unvested options vest in 20% installments annually for five years from the date of grant.

<u>Name</u>	<u>Option Grant Date</u>	<u>Number of Securities Underlying Unexercised Options Exercisable</u>	<u>Number of Securities Underlying Unexercised Options Unexercisable (1)</u>	<u>Option Exercise Price</u>	<u>Option Expiration Date</u>	<u>Number of Unvested Restricted Shares (2)</u>	<u>Market Value of Unvested Restricted Shares</u>
Nigel A. Vincombe	9/21/2009	6,000	24,000	\$16.00	9/21/2019	--	--
Sharon E. Birkett	2/29/2008	1,500	1,000	\$21.62	2/29/2018	--	--
	5/06/2009	500	2,000	\$11.42	5/06/2019		
	5/05/2010	--	3,500	\$12.31	5/05/2020		
	8/11/2010	--	10,000	\$13.31	8/11/2020		
Francis D. Gerace	4/18/2002	8,438	--	\$6.94	4/18/2012	--	--
	4/17/2003	22,500	--	\$7.56	4/17/2013		
	4/15/2004	7,500	--	\$12.55	4/15/2014		
	4/21/2005	60,000	--	\$12.84	4/21/2015		
	4/19/2006	67,500	--	\$21.17	4/19/2016		
Dawn H. Bertsche	4/18/2002	5,625	--	\$6.94	4/18/2012	--	--
	4/17/2003	22,500	--	\$7.56	4/17/2013		
	4/15/2004	4,500	--	\$12.55	4/15/2014		
	4/21/2005	30,000	--	\$12.84	4/21/2015		
	4/19/2006	24,000	--	\$21.17	4/19/2016		

(1) Ms. Bertsche forfeited 6,000 options upon her retirement. As provided in the Retirement Amendment to Mr. Gerace's employment agreement, all options vested on his date of retirement, June 15, 2010.

(2) Ms. Bertsche's unvested restricted shares vested on October 1, 2010. As provided in the Retirement Amendment to Mr. Gerace's employment agreement, all unvested restricted shares vested on his date of retirement, June 15, 2010.



**Option Exercises and Vesting of Restricted Shares**

None of the Company's named executive officers exercised any stock options during the fiscal year ended March 31, 2011. During the fiscal year ended March 31, 2011, the following restricted shares held by the named executive officers vested:

<u>Name</u>	<u>Number of Shares Acquired Upon Exercise of Option</u>	<u>Value Realized on Exercise of Option</u>	<u>Number of Shares Acquired on Vesting of Restricted Shares</u>	<u>Value Realized on Vesting of Restricted Shares(1)</u>
Francis D. Gerace	--	--	77,625	\$890,690
Dawn H. Bertsche	--	--	29,154	\$434,649

- (1) With respect to 77,625 restricted shares held by Mr. Gerace the value realized was based on the closing price of the Company's Common Stock on the date of vesting as follows: 9,247 shares (April 1, 2010) of \$12.02 per share; 4,792 shares (April 13, 2010) of \$12.47 per share; and 63,586 (June 15, 2010) of \$11.32 per share. With respect to 29,154 restricted shares held by Ms. Bertsche, the value realized was based on the closing price of the Company's Common Stock on the date of vesting as follows: 3,562 shares (April 1, 2010) of \$12.02 per share; 1,597 shares (April 13, 2010) of \$12.47 per share; and 23,995 shares (October 1, 2010) of \$15.50 per share.

**Nonqualified Deferred Compensation**

The following table provides information concerning the named executive officers who participated in the Executive Deferred Compensation Plan for the fiscal year ended March 31, 2011. Effective August 11, 2010, the deferred compensation plan was terminated and all funds related to the named executive officers were paid. Additional information concerning the Executive Deferred Compensation Plan is provided in Compensation Discussion and Analysis Retirement and Other Benefit Programs.

<u>Name</u>	<u>Executive Contributions in Last Fiscal Year</u>	<u>Registrant Contributions in Last Fiscal Year</u>	<u>Aggregate Earnings in Last Fiscal Year</u>	<u>Aggregate Payouts in Last Fiscal Year</u>	<u>Aggregate Balance at Last Fiscal Year End</u>
Francis D. Gerace	--	--	\$19,161	\$487,015	--
Dawn H. Bertsche	--	--	\$10,552	\$265,358	--

- (1) With respect to the \$19,161 in earnings for Mr. Gerace, this was included in his \$701,399 of severance payments accrued for by the Company in fiscal year 2010.

**Potential Payments Upon Termination or Change in Control**

The following table shows potential payments to the named executive officers under existing contracts, plans or arrangements, for various scenarios involving a change in control or termination of employment, assuming a March 31, 2011 termination date. The named executive officers would receive no payments upon termination for cause. Mr. Gerace's, Ms. Bertsche's and Ms. Birkett's severance payments are described in notes (4) through (6) to the table.

<u>Name</u>	<u>Severance</u>	<u>Bonus</u>	<u>Acceleration</u>		<u>Benefits</u>	<u>Total</u>
			<u>Acceleration of Unvested Stock Options</u>	<u>of Restricted Stock</u>		
<b>Nigel A. Vinecombe</b>						
Termination by Company without Cause or by Executive for Good Reason (1)	\$ 500,000	\$75,000	\$135,505	--	\$6,010	\$716,515
Non-renewal of employment agreement or Executive terminates without Good Reason but through a retirement plan acceptable to Company (2)	--	--	\$135,505	--	--	\$135,505
Death or Disability (3)	--	\$75,000	\$135,505	--	--	\$210,505

- (1) An amount equal to the sum of annual base salary and projected bonus, accelerated vesting of options except as prohibited in the applicable plan, and provision of benefits under the Company's welfare plans and programs for at least a one-year period. The amount shown in the bonus column is based on a projected bonus of 75% of annual salary averaged with the last four bonus amounts, which were zero. The company would also provide reasonable outplacement services for one year.
- (2) Accelerated vesting of options.
- (3) Projected bonus and accelerated vesting of options except as prohibited in the applicable plan. The amount shown in the bonus column is based on a projected bonus of 75% of annual salary averaged with the last four bonus amounts, which were zero.
- (4) Mr. Gerace's Retirement Amendment to his employment agreement provided for: the continuation of his annual base salary from June 16, 2010 to March 31, 2011 (\$459,591); a supplemental retirement benefit equal to the following amounts: (a) \$150,000 which was paid on his retirement date, June 15, 2010; and (b) an amount equal to 8% of his annual base compensation (as defined under the Company's Deferred Compensation Plan) paid on March 15, 2011 (\$44,011); accelerated vesting of his restricted stock and unvested stock options (\$844,000); continuation of group medical, prescription drug and dental benefits coverage for Mr. Gerace and his dependents through March 31, 2011

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(\$6,993); and a car allowance through March 31, 2011 (\$8,239).

- (5) In connection with Ms. Bertsche's departure from the Company on July 9, 2010, she received the following payments, which were consistent with the material terms of her employment agreement: a sum equal to one year of her base salary (\$280,000) less applicable withholdings to be paid in June 2011; a bonus payment of \$217,614 (\$70,347 paid on October 1, 2010 and \$147,267 to be paid in June 2011); acceleration of her restricted stock (\$310,000); payment of one year's car allowance (\$7,200) to be paid in June 2011; and continuation of company paid life insurance for both her and her spouse and Accidental Death and Dismemberment Insurance for a period of twenty-four months (\$1,560).
  
- (6) As provided in the compensatory arrangements with Ms. Birkett, in the event of her involuntary termination by the Company, the Company would repatriate Ms. Birkett and her family back to their point of origin.

## Director Compensation

The Company uses a combination of cash and stock-based incentive compensation to attract and retain qualified candidates to serve on the Board. In determining the compensation for the directors, the Company considers the abilities required as well as the amount of time the directors expend fulfilling their duties to the Company.

### *Annual Retainers and Meeting Fees*

Each non-employee director receives a retainer of \$6,250 per quarter, \$1,800 for each Board, Audit Committee or Nominating Committee meeting attended in person, \$1,100 for each Compensation Committee meeting attended in person and \$500 for each telephonic Board meeting and committee meeting. Additional annual fees are paid to the Chair of the Nominating Committee, the Chair of the Compensation Committee, the Chair of the Audit Committee and the Chairman of the Board in the amount of \$3,000, \$3,000, \$5,000 and \$7,500, respectively. Directors who are employees of the Company do not receive any additional compensation for serving as a director.

### *Annual Equity Grant*

Pursuant to the 2006 Director Equity Compensation Plan, each non-employee director receives an annual grant of restricted shares. Each non-employee director was granted 3,226 restricted shares of Multi-Color's Common Stock on October 1, 2010. The restricted shares vest ratably over three years. The number of restricted shares granted to each non-employee director annually is the number of shares with an aggregate fair market value equal to \$50,000 at the time of grant. The Compensation Committee could exercise its discretion in the future to grant non-qualified stock options (with a fair value equal to \$50,000) to non-employee directors in lieu of restricted shares, or to grant a combination of stock options and restricted shares (with an aggregate fair value equal to \$50,000). In addition, the Compensation Committee has the authority to increase the grant amount annually by no more than 10% of the amount of the previous year's award; provided, however, that the fair value of the annual grant may not exceed \$100,000.

### *Director Summary Compensation Table*

The table below summarizes compensation paid by the Company to non-employee directors for the year ended March 31, 2011.

<u>Name (1)</u>	<u>Fees Earned or Paid in Cash</u>	<u>Stock Awards (2)</u>	<u>Total</u>
Robert R. Buck	\$45,100	\$50,000	\$95,100
Charles B. Connolly	\$40,900	\$50,000	\$90,900
Lorrence T. Kellar	\$51,700	\$50,000	\$101,700
Roger A. Keller	\$43,900	\$50,000	\$93,900
Thomas M. Mohr	\$41,800	\$50,000	\$91,800

(1) Francis D. Gerace, former President and Chief Executive Officer, and Nigel A. Vincombe, President and Chief Executive Officer, are not included in this table because they were employees of the Company and received no additional compensation for their services as directors.

(2) This column represents the fair market value on the date of grant of restricted stock grants computed in accordance with FASB ASC Topic 718.



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**SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16 of the Securities Exchange Act of 1934 requires Multi-Color's executive officers, directors and persons who own more than 10% of a registered class of Multi-Color's equity securities to file reports of ownership and changes in ownership. Based on a review of such forms, Multi-Color believes that during the last fiscal year, except for one report on Form 4 filed late with respect to a purchase of shares by Roger Keller pursuant to dividend reinvestment, all of its executive officers, directors and ten percent shareholders complied with the Section 16 reporting requirements.

**PROPOSALS OF SHAREHOLDERS FOR 2012 ANNUAL MEETING**

In order for a shareholder proposal to be included in Multi-Color's proxy statement for presentation at next year's annual meeting, it must be received in writing, by the Secretary of Multi-Color at its principal executive offices, 4053 Clough Woods Drive, Batavia, OH 45103, no later than March 1, 2012. For any proposal not submitted for inclusion in the proxy statement, but sought to be presented directly at next year's meeting, SEC rules permit management to vote proxies in its discretion if Multi-Color: (1) receives notice of the proposal by May 14, 2012 and advises shareholders in the proxy statement about the nature of the matter and how management intends to vote on such matter; or (2) does not receive notice of the proposal prior to May 14, 2012. If there is a change in the anticipated date of next year's annual meeting (or this deadline) by more than 30 days, we will notify you of this change through our Form 10-Q filings or by any other practicable means.

Shareholders may submit proposed nominees for director to the Nominating Committee for consideration. See Corporate Governance and Board Matters Director Nomination Process.

**ANNUAL REPORT**

Our Notice of Internet Availability of Proxy Materials includes instructions for viewing our Annual Report on Form 10-K for the year ended March 31, 2011 on the Internet or requesting a paper copy.

**QUESTIONS**

If you have questions or need more information about the annual meeting, call us at (513) 381-1480 or write to:

Sharon E. Birkett

Vice President Finance, Chief Financial and Accounting Officer and Secretary

Multi-Color Corporation

4053 Clough Woods Drive

Batavia, OH 45103

For information about your record holdings, please call Computershare Investor Services at 1-888-294-8217. We also invite you to visit Multi-Color's website at [www.mcclabel.com](http://www.mcclabel.com). Information contained on this website is not part of this proxy solicitation.