MYERS INDUSTRIES INC
Form PRER14A
March 17, 2016
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

(RULE 14A-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(A) OF THE SECURITIES

EXCHANGE ACT OF 1934 (Amendment No. 1)

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

Check the appropriate box:

x 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

MYERS INDUSTRIES, 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):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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

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

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11. (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ 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:

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PRELIMINARY COPY SUBJECT TO COMPLETION

1293 South Main Street Akron, Ohio 44301

March [ ], 2016

To Our Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders to be held on Friday, April 22, 2016, at 9:00 A.M. at the Louis S. Myers Training Center, 1554 South Main Street, Akron, Ohio 44301.

At the Annual Meeting you will be asked to elect the nine director candidates nominated by our Board of Directors and ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm. You will also cast a non-binding advisory vote to approve executive compensation (say-on-pay). Enclosed with this letter is a Notice of Annual Meeting together with a Proxy Statement which contains information with respect to the nominees for director and the other proposals.

The proposals discussed in the Proxy Statement are very important to our shareholders and the Company. ***Whether or not you expect to attend the Annual Meeting in person, I urge you to complete and return the enclosed WHITE proxy card, or follow the instructions to vote by telephone or internet, as soon as possible.***

If you have any questions or need assistance in voting your shares, please contact our Investor Relations Department at (330) 761-6212.

Sincerely,

R. David Banyard

President and Chief Executive Officer

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on April 22, 2016: This Proxy Statement and the Company s 2015 Annual Report to Shareholders are available on Myers website at http://investor.myersindustries.com/investor-relations/financial-information/default.aspx.

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Date:	Friday, April 22, 2016
Time:	9:00 A.M. (local time)
Place:	Louis S. Myers Training Center, 1554 South Main Street, Akron, Ohio 44301
Record Date:	March 2, 2016

Items of Business

1. To elect the nine candidates nominated by the Board of Directors to serve as directors until the next Annual Meeting of Shareholders;
2. To ratify the appointment of Ernst & Young LLP as the Company s independent registered public accounting firm for fiscal 2016;
3. To cast a non-binding advisory vote to approve executive compensation; and
4. To consider such other business as may be properly brought before the meeting or any adjournments thereof.

The Board recommends that you vote FOR each of the director nominees included in Proposal No. 1 and for each of the Proposals 2 through 3. The full text of these proposals is set forth in the accompanying proxy statement.

How to Vote

By Telephone	By Internet	By Mail	In Person
You may vote by calling 1-800-690-6903.	You can vote online at www.proxyvote.com.	You can vote by completing and returning the enclosed white proxy card.	All Shareholders are cordially invited to attend the Annual Meeting in person.

The Board of Directors has fixed the close of business on March 2, 2016 as the record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting. This Proxy Statement, together with the related proxy card and our 2015 Annual Report to Shareholders, is being mailed to our shareholders on or about March [ ], 2016. ***To be sure that your shares are properly represented at the Annual Meeting, whether or not you intend to attend the Annual Meeting in person, please complete and return the enclosed WHITE proxy card, or follow the instructions to vote by telephone or internet, as soon as possible.***

If you have any questions or need assistance in voting your shares, please contact our Investor Relations Department at (330) 761-6212.

By Order of the Board of Directors,

GREGGORY W. BRANNING

Chief Financial Officer, Senior Vice President *and Corporate Secretary*

Akron, Ohio

March [ ], 2016

THE 2015 ANNUAL REPORT TO SHAREHOLDERS ACCOMPANIES THIS NOTICE

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Preliminary Copy Subject to Completion

Proxy Statement

Annual Meeting of Shareholders

General Information

Meeting Time and Applicable Dates

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the Board or Board of Directors) of Myers Industries, Inc., an Ohio corporation, of the accompanying proxy to be voted at the Annual Meeting of Shareholders (Annual Meeting) to be held on Friday, April 22, 2016, at 9:00 A.M. (local time), and at any adjournment thereof. The close of business on March 2, 2016, has been fixed as the record date for the determination of the shareholders entitled to notice of and to vote at the meeting.

Participants in the Proxy Solicitation

This Proxy Statement is furnished in connection with the solicitation of proxies by the Company, the current directors and the nominees for election as director to be used at the Annual Meeting and any adjournment thereof.

Outstanding Shares and Quorum

On the record date, Myers had outstanding 29,546,342 shares of common stock, without par value (Common Stock). Each share of Common Stock is entitled to one vote. For information concerning our Principal Shareholders see the section titled Security Ownership of Certain Beneficial Owners and Management below. In accordance with the Company s Amended and Restated Code of Regulations, the holders of shares of Common Stock entitling them to exercise a majority of the voting power of the Company, present in person or by proxy, shall constitute a quorum for the Annual Meeting. Shares of Common Stock represented by signed proxies will be counted toward the establishment of a quorum on all matters even if they represent broker non-votes or they are signed but otherwise unmarked, or marked Abstain , Against or Withhold Authority.

Voting for Proposals

PROPOSAL 1 To elect the nine director candidates nominated by the Board, if a quorum is present at the Annual Meeting, the nominees for election as directors who receive the greatest number of votes cast will be elected as directors. Abstentions and broker non-votes will not be considered to have been voted for or against a director nominee.

PROPOSAL 2 To ratify the appointment of the independent registered public accounting firm, is a non-binding proposal, but its approval requires the affirmative vote of the holders of a majority of the Common Stock represented in person or by proxy

at the Annual Meeting. Even if the selection is ratified, the Audit Committee and the Board, in their discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interests of the Company and our shareholders. *

PROPOSAL 3 A non-binding advisory vote to approve the Company s executive compensation, and its approval requires the affirmative vote of the holders of a majority of the Common Stock represented in person or by proxy at the Annual Meeting. *

* Abstentions and broker non-votes will act as a vote Against these Proposals.

Proxy Instructions

All shares of Common Stock represented by properly executed proxies which are returned and not revoked will be voted in accordance with the instructions, if any, given therein. If no instructions are provided in a proxy, the shares of Common Stock represented by such proxy will be voted For the Board s nominees for director, For the ratification of the appointment of Ernst & Young LLP, For the approval of the Company s executive compensation, and in accordance with the proxy-holder s best judgment as to other matters, if any, which may be properly raised at the Annual Meeting.

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Proxy Voting

If your shares are registered directly in your name with our transfer agent, then you are a shareholder of record with respect to those shares and you may either vote in person at the Annual Meeting or by using the enclosed white proxy card to vote by telephone, by internet, or by signing, dating and returning the white proxy card in the envelope provided. Whether or not you plan to attend the Annual Meeting in person, you should submit your white proxy card as soon as possible. If your shares are held in street name through a broker, bank or other nominee, then you must instruct them to vote on your behalf, otherwise your shares cannot be voted at the Annual Meeting. You should follow the directions provided by your broker, bank or other nominee regarding how to instruct such party to vote. If you have any questions or need assistance in voting your shares, please contact our Investor Relations Department at the address and phone number below.

MYERS INDUSTRIES, INC.

INVESTOR RELATIONS

1293 SOUTH MAIN STREET

AKRON OH 44301

(330) 761-6212

Proxy Revocation and Voting in Person

A shareholder who has given a proxy may revoke it at any time prior to its exercise by:

(1) Executing and delivering to the Corporate Secretary of the Company a later dated proxy reflecting contrary instructions

(2) Appearing at the Annual Meeting and taking appropriate steps to vote in person, or

(3) Giving written notice of such revocation to the Corporate Secretary of the Company

Voting Confidentiality

Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be disclosed to anyone outside of the Company or its agents except as required by law.

Inspector of Election

The inspector of election for the Annual Meeting shall determine the number of votes cast by holders of Common Stock for all matters. The Board will appoint an inspector of election to serve at the Annual Meeting. Preliminary voting results will be announced at the Annual Meeting, if practicable. Final voting results will be filed on a Current Report on Form 8-K, which will be filed with the Securities and Exchange Commission (the SEC).

Address of Company

The mailing address of the principal executive offices of the Company is 1293 South Main Street, Akron, Ohio 44301.

Mailing Date

The Company intends to mail the definitive Proxy Statement, together with the related proxy card and our 2015 Annual Report to Shareholders, to our shareholders on or about March 28, 2016.

Trademark

Myers Industries, Inc.® is a registered trademark of the Company.

Availability on the Internet

This Proxy Statement and the Company s 2015 Annual Report to Shareholders are available on Myers website at *http://investor.myersindustries.com/investor-relations/financial-information/default.aspx*.

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PROPOSAL NO. 1 ELECTION OF DIRECTORS

Nominees

Set forth below for each nominee for election as a director is a brief statement, including the age, principal occupation and business experience for at least the past five years, and any directorships held with public companies.

The members of the Corporate Governance and Nominating Committee of the Board (Governance Committee) have recommended, and the independent members of the Board of Directors have nominated, the persons listed below as nominees for the Board of Directors, all of whom presently are directors of the Company.

The Governance Committee reviews and evaluates individuals for nomination to stand for election as a director who are recommended to the Governance Committee in writing by any of our shareholders pursuant to the procedure outlined below in the section titled Shareholder Nominations of Director Candidates on the same basis as candidates who are suggested by our current or past directors, executive officers, or other sources, which may, from time-to-time, include professional search firms retained by the Governance Committee. In March 2011, the Governance Committee adopted Board Member Recruiting Guidelines that outline the process for the Governance Committee to recruit and evaluate potential director candidates. These guidelines are available on the Corporate Governance page accessed from the Investor Relations page of the Company s website at *www.myersind.com.* In considering these potential candidates for nomination to stand for election, the Governance Committee will consider:

(1) The current composition of the Board and how it functions as a group;

(2) The talents, personalities, strengths, and weaknesses of current directors;

(3) The value of contributions made by individual directors;

(4) The need for a person with specific skills, experiences or background to be added to the Board;

(5) Any anticipated vacancies due to retirement or other reasons; and

(6) Other factors which may enter into the nomination decision.

The Governance Committee endeavors to select nominees that contribute unique skills and professional experiences in order to advance the performance of the Board of Directors and establish a well-rounded Board with diverse views that reflect the interests of our shareholders. The Governance Committee considers diversity as one of a number of factors in identifying nominees for directors, however, there is no formal policy in this regard. The Governance Committee views diversity broadly to include diversity of experience, skills and viewpoint, in addition to traditional concepts of diversity such as race and gender.

When considering an individual candidate s suitability for the Board, the Governance Committee will evaluate each individual on a case-by-case basis. The Governance Committee does not prescribe minimum qualifications or standards for directors, however, the Governance Committee looks for directors who have personal characteristics, educational backgrounds and relevant experience that would be expected to help further the goals of both the Board and the Company. In addition, the Governance Committee will review the extent of the candidate s demonstrated excellence and success in his or her chosen business, profession, or other career and the skills and talents that the candidate would be expected to add to the Board. The Governance Committee may choose, in individual cases, to conduct interviews with the candidate and/or contact references, business associates, other members of boards on which the candidate serves or other appropriate persons to obtain additional information. The Governance Committee will make its determinations on whether to nominate an individual candidate based on the Board s then-current needs, the merits of that candidate and the qualifications of other available candidates. The Governance Committee believes that each of the nominees possess certain key attributes that the Governance Committee believes to be important for an effective Board.

At the 2015 Annual Meeting, Mr. Lisman, Mr. Liebau and Mr. Blazek, directors nominated by a significant shareholder of the Company, were elected to the Board, resulting in Mr. Johnson, Mr. Byrd and Mr. Kissel, three previous members of the Board, not being re-elected.

Each of the below nominees has consented

(1) To serve as a nominee,

(2) To being named as a nominee in this Proxy Statement; and

(3) To serve as a director if elected. If any nominee should become unavailable for any reason, it is intended that votes will be cast for a substitute nominee designated by the Board. There is no reason to believe that the nominees named will be unable to serve if elected.

Proxies cannot be voted for a greater number of nominees than the number named in this Proxy Statement.

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THE BOARD OF DIRECTORS RECOMMENDS THE ELECTION OF THESE NOMINEES

R. DAVID BANYARD

Age: 47

Director since: 2016

President, Chief Executive Officer and Director of Myers; formerly Group President, Fluid Handling Technologies of Roper Technologies (NYSE), Sarasota, Florida, a diversified industrial company that produces engineered products for global niche markets; Former Director of ID Modeling, Inc., Arcadia, California, a hydraulic modeling and water resource management company; Former Vice President and General Manager Kollmorgen Vehicle Systems Division, Danaher Corporation (NYSE), Washington, D.C., a designer, manufacturer, and marketer of industrial and consumer products; Former Director of Operations Jacobs Vehicle Systems, Danaher Corporation.

Committees:

None

Skills and Expertise:

Successive leadership roles in the manufacturing and engineering industries

Proven track record of outperforming market growth, expanding profit margins and driving improved cash flow performance

Variety of experiences resulting from service as a director and in management for other companies

PHILIP T. BLAZEK

Age: 48

Director since: 2015

President of Blazek Capital, a firm actively working with small cap companies to optimize shareholder value. Former President and Principal Executive Officer of Special Diversified Opportunities Inc. (OTC Markets: SDOI), Wilmington, Delaware, formerly a biotechnology company with a core mission of developing, commercializing and marketing innovative and proprietary products, services and solutions related to human health and wellness; Former Managing Director at Korenvaes Management LLC, Dallas, Texas, a family office firm focused on deep value debt and equity investments; Former President and Chief Investment Officer of Blazek Crow Holdings Capital, LP, Dallas, Texas, a small-cap value investment fund; Former partner of Greenway Capital, LP, an investment firm focused on providing new capital and actively working with management of small-cap public companies. Mr. Blazek s investment banking advisory tenure included the Mergers & Acquisitions Group of Wasserstein Perella (and successor Dresdner Kleinwort Wasserstein) and the Telecom/Media/Technology Group in the Investment Banking Division of Goldman Sachs. Served on the board of directors of State Wide Aluminum, an Elkhart, Indiana supplier to the auto industry.

Committees:

Audit

Compensation

Skills and Expertise:

Extensive financial, strategic mergers & acquisitions and investment experience working with companies in a wide range of industries

Risk management experience as the owner/operator of multiple entities

Harvard Business School M.B.A. and Chartered Financial Analyst with considerable capital markets experience

Service in multiple leadership roles with other companies

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SARAH R. COFFIN

Age: 64

Director since: 2010

Committees:

Audit

Compensation

Former Chief Executive Officer of Aspen Growth Strategies, LLC, Wooster, Ohio, an investment company; Director of FLEXcon, Spencer Massachusetts, a privately held manufacturer of pressure-sensitive films and adhesives; Former Director and Chair of the Compensation Committee of SPX Corporation (NYSE: SPXC) (now SPX Corporation and SPX Flow), Charlotte, North Carolina, a global industrial equipment and manufacturing company; former Director of Huttenes-Albertus International, Chicago, Illinois, an international manufacturer of chemical products for the foundry industry. Served as Executive Vice President, Hexion Specialty Chemicals and Senior Vice President, Noveon, Inc. (now Lubrizol), both specialty chemical and polymer producers in the industrial market space.

Skills and Expertise:

Former division and global leader in several companies

Substantial senior level executive experience in marketing, distribution and operations

Background in the polymer and specialty chemicals industry

Knowledge and insight from prior service on the boards of other companies

JOHN B. CROWE

Age: 69

Director since: 2009

Committees:

Audit

Compensation

President, Crowe Consulting International, Germantown, Tennessee; Former Chief Executive Officer and Chairman of Buckeye Technologies Inc. (NYSE), Memphis, Tennessee, a producer of absorbent products, chemical cellulose products and customized paper; Former Executive Vice President and General Manager at Alabama River Pulp Co., Inc. and Alabama Pine Pulp Co., Inc.; Former Vice President of the Flint River Operations for the Weyerhaeuser Co.

Skills and Expertise:

Holds a Master in Mathematics from Florida State University

Brings valuable insight and international experience into the operational requirements, investor relations and strategic planning processes of a public company due to his status as former Chairman and Chief Executive Officer of Buckeye Technologies Inc.

Provides significant experience in manufacturing, sales, implementation of growth strategies, and building organizational capability

Draws on his considerable leadership experience, including his service as a United States Air Force Reserve retiring as Lt. Colonel, Vietnam Veteran and Senior Pilot

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WILLIAM A. FOLEY

Age: 68

Director since: 2011

Committees:

Compensation

Corporate Governance

Chairman of the Board and CEO of Libbey Inc. (NYSE: LBY), Toledo, Ohio, a producer of consumer and industrial glassware; Former Chairman and Chief Executive Officer of Blonder Home Accents, Cleveland, Ohio, a distributor of wallcoverings and home accents; Former Chairman and Chief Executive Officer of Thinkwell Incorporated, Cleveland, Ohio; Former President of Arhaus Incorporated, Cleveland, Ohio, a private brand name furniture company; Former Chairman, President and Chief Executive Officer of Lesco Incorporated, Cleveland, Ohio, a manufacturer, distributor and retailer of professional lawn care and golf course management products.

Skills and Expertise:

Over 30 years of senior management experience, both domestic and international

Provides wide-ranging acquisition, joint venture, business and market development experience

Extensive experience in broad scale plastics manufacturing, as well as consumer and distribution businesses areas germane to Myers reporting segments

Experience with best practices on public company boards, particularly in governance, compensation and leadership

F. JACK LIEBAU, JR.

Age: 52

Director since: 2015

Committees:

Audit

Corporate Governance

Former President and CEO of Roundwood Asset Management, New York, New York, a subsidiary managing public equities for Alleghany Corporation s insurance companies; Former President and Founder, Liebau Asset Management Company, Pasadena, California, which managed money for individuals, foundations, and corporations; Former Partner and Portfolio Manager for Davis Funds, New York, New York, an investment management firm; Former Partner and Portfolio Manager, Primecap Management Company, an investment management firm; Former director of Media General, Inc. (NYSE: MEG), Richmond, Virginia, then an owner of newspapers and television stations; Former director of Herley Industries, Inc., Lancaster, Pennsylvania, a defense technology company; Former director of The Pep Boys (NYSE: PBY), Philadelphia, Pennsylvania, a nationwide auto parts retailer; Current member of Andover Development Board; Former Vice President of Andover Alumni Council; Current Director and Chief Financial Officer of the Edwin Gregson Foundation; Former Director and Finance Committee Chair of Kidspace Children s Museum.

Skills and Expertise:

Vast financial, strategic, executive and investment experience working with companies in a wide range of industries

Experience serving on boards (both corporate and non-profit) giving him pertinent insights into working effectively with management teams, analyzing strategic options, and communicating with various constituencies

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BRUCE M. LISMAN **Age: 69** **Director since: 2015** **Committees:** Compensation Corporate Governance	Former Chairman of the Global Equity Division, JP Morgan Chase & Co. (NYSE: JPM), New York, New York, a global financial services firm and banking institution; Former Co-Head of the Global Institutional Equity Division, Bear Stearns Companies, Inc., New York, New York; Director of Associated Capital Group (NYSE: AC), Rye, New York, a diversified global financial services company; Director of National Life Group, Montpelier, Vermont, a mutual life insurance company; Former director of The Pep Boys (NYSE: PBY), Philadelphia, Pennsylvania, a nationwide auto parts retailer; Former director of PC Construction, South Burlington, Vermont, an engineering and construction company; Director of Merchants Bancshares (NasdaqGS: MBVT), Burlington, Vermont, a bank holding company; Serves on the boards of American Forests and Smithsonian Libraries; Former director of Central Vermont Public Service (now part of Green Mountain Power), a public energy company; Served on the boards of Hewitt School, Pace University, HS Broadcasting, BRUT, Inc., Vermont Electric Power Company, Inc. (VELCO), STRYKE Trading, the National Gardening Association, Shelburne Museum, and the Vermont Symphony Orchestra. **Skills and Expertise:** Experience as a chair, vice chair, and committee chair/member in a broad range of businesses and civic organizations Extensive executive and investment experience
JANE SCACCETTI **Age: 61** **New Nominee**	CEO and founding partner of Drucker & Scaccetti, Philadelphia, Pennsylvania, an accounting and tax advisory firm; Formerly a partner at Laventhol & Horwath, a national accounting firm; Chair of the Audit Committee, Penn National Gaming, Inc. (NASDAQ: PENN), Wyomissing, Pennsylvania, an operator of casinos and racetracks; Former member of the board of Nutrition Management Services Company, Kimberton, PA, a provider of comprehensive healthcare food service and facilities management nationwide; Former Chair of the Audit Committee and a member of the Nominations and Governance Committee of The Pep Boys (NYSE: PBY), Philadelphia, Pennsylvania, a nationwide auto parts retailer; Former director of Keystone Health Plan East, the for-profit Health Maintenance Organization of Independence Blue Cross. **Skills and Expertise:** Experience as a chair, vice chair, and committee chair/member in a broad range of businesses Extensive financial and accounting experience, including qualification under SEC rules as an Audit Committee Financial Expert Contributes to the diversity of the Board
ROBERT A. STEFANKO **Age: 73**	Director and member of Compensation Committee of OMNOVA Solutions, Inc. (NYSE), Fairlawn, Ohio, an innovator of emulsion polymers, specialty chemicals and decorative and functional surfaces; Former Chairman of the Board and Executive Vice President of Finance & Administration of A. Schulman, Inc. (NASDAQ), Akron, Ohio, an international supplier of plastic compounds and resins; Former director of The

Director since: 2007

Davey Tree Expert Company, Kent, Ohio, a tree, shrub and lawn care company.

Committees:

Audit

Compensation

Skills and Expertise:

Former Chief Financial Officer and director of A. Schulman, Inc. from 1979 through 2006

Extensive involvement in public company matters, including international, compensation, audit, financial, legal, and various other matters

Experience as a director of several other public company boards

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Each of the foregoing nominees was recommended by the Governance Committee. There are, and during the past ten years there have been, no legal proceedings material to an evaluation of the ability of any director, nominee, or executive officer of Myers to act in such capacity or concerning his integrity. There are no family relationships among any of the directors and executive officers.

The Board recommends that you vote FOR each of the director nominees listed above.

Notice of Other Potential Nominees

On February 19, 2016, we received a notice from one of our shareholders, GAMCO Asset Management Inc. (GAMCO), that it intends to nominate Daniel R. Lee to our Board. The notice received from GAMCO was in accordance with the requirements of our Code of Regulations.

Daniel R. Lee was elected to our Board in 2014. Mr. Lee resigned from the Board in 2015, prior to completing his second year of service.

The Board undergoes a vigorous and detailed search and selection process for potential nominees. As a result, the Board has presented a qualified slate, populated with individuals who have the relevant experience to contribute to the Company in a meaningful way. The Board has selected Jane Scaccetti as a nominee due to her prior experience on several public company boards, her qualification as a financial expert and her knowledge of corporate governance best practices. Ms. Scaccetti will replace Mr. Heisler who has determined to reduce the number of boards on which he currently serves after completion of his term on the Board. If elected at the 2016 Annual Meeting, Mr. Liebau will succeed Mr. Heisler as Chairman of the Board.

If GAMCO proceeds with the solicitation of proxies or nominates Mr. Lee for election as a director at the Annual Meeting, you will receive an opposing proxy statement and proxy card or other proxy solicitation materials from GAMCO. We are not responsible for the accuracy of any information provided by or related to GAMCO contained in any proxy solicitation materials filed or disseminated by, or on behalf of, GAMCO or any other statements they otherwise may make.

We recommend our shareholders NOT to sign or return any proxy card sent to you by or on behalf of GAMCO. Voting against GAMCO s nominee on its proxy card is not the same as voting for the Board of Directors nominees, and a vote on GAMCO s proxy card, even against its nominee, will revoke any WHITE proxy card previously submitted by you.

According to the information provided by GAMCO in a letter dated March 10, 2016, for which the Company disclaims any responsibility, it is the beneficial owner of 4,728,914 shares of our Common Stock as of March 2, 2016, however, according to GAMCO s most recent Schedule 13D/A filed with the SEC on February 19, 2016, for which the Company disclaims any responsibility, it is part of a group of stockholders that together beneficially owned 6,934,888 shares of our Common Stock as of February 19, 2016. In the Letter, GAMCO indicated that it intends to be present at the Annual Meeting in person or by proxy to nominate these individuals to serve as directors of the Company.

OUR BOARD RECOMMENDS THAT YOU VOTE FOR EACH OF R. DAVID BANYARD, PHILIP T. BLAZEK, SARAH R. COFFIN, JOHN B. CROWE, WILLIAM A. FOLEY, F. JACK LIEBAU, JR., BRUCE M. LISMAN, JANE SCACCETTI, AND ROBERT A. STEFANKO BY EXECUTING AND RETURNING THE WHITE PROXY CARD OR BY FOLLOWING THE INSTRUCTIONS TO VOTE BY TELEPHONE OR INTERNET. PROXIES SOLICITED BY THE COMPANY, THE CURRENT DIRECTORS, AND THE NOMINEES FOR ELECTION AS DIRECTOR WILL BE SO VOTED UNLESS SHAREHOLDERS SPECIFY OTHERWISE.

Director Independence

The Board has determined that each of the following current directors and nominees are independent and that each of these nominees has no material relationship with us that would impact their independence: Robert B. Heisler, Jr., Philip T. Blazek, Sarah R. Coffin, John B. Crowe, William A. Foley, F. Jack Liebau, Jr., Bruce M. Lisman, Jane Scaccetti and Robert A. Stefanko. The determination of whether a director is independent is based upon the Board s review of the relationships between each director and the Company, if any, under the Company s Board of Directors Independence Criteria policy adopted by the Board on April 20, 2004, as amended, and the corporate governance listing standards of the New York Stock Exchange (NYSE). In connection with the Board s determination regarding the independence of each non-management director and nominee, the Board considered any transactions, relationships and arrangements as required by our independence guidelines. In particular, the Board considered the following relationships: (1) the relationship between A. Schul-

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man, Inc. (A. Schulman) and the Company in connection with its independence determination of Robert A. Stefanko and concluded Mr. Stefanko met the independence requirement; and (2) the relationship between FirstEnergy Corp. (FirstEnergy) and the Company in connection with its independence determination of Robert B. Heisler, Jr. and concluded Mr. Heisler met the independence requirement. Mr. Stefanko is a stockholder of A. Schulman, holding less than 1% of A. Schulman s shares of stock. In 2015, the Company purchased $67,674.40 of materials from A. Schulman during the ordinary course of operations, which is less than 1% of the annual revenues of both companies. Mr. Heisler is a shareholder and director of FirstEnergy, holding less than 1% of FirstEnergy s shares of stock. In 2015, we purchased $246,597.92 of materials from FirstEnergy during the ordinary course of operations, which is less than 1% of the annual revenues of each company. All members of the Audit Committee, the Compensation Committee, and the Governance Committee were determined to be independent, and in addition, the Board determined that the members of the Audit Committee are also independent as defined in the SEC regulations.

Except as set forth in this proxy statement, neither the Company nor any of the nominees listed above or any of their associates have or will have any arrangements or understandings with any person with respect to any future employment by the Company or its affiliates or with respect to any future transactions to which the Company or any of its affiliates will or may be a party.

Committees of the Board

The Board has three standing committees, the Audit Committee, the Compensation Committee, and the Governance Committee, whose members were appointed in April 2015 following the Annual Meeting. The Board also chartered a special committee in October 2014, the Capital Allocation Committee, which was tasked with evaluating and considering capital allocation alternatives for the proceeds from the sale of the Company s Lawn and Garden business.

Committees and Membership	Committee Functions
Audit	Engages the independent registered public accounting firm
Robert A. Stefanko* *(Chairman and Presiding Director)*	Approves all audit and related engagements (audit and non-audit)
Robert B. Heisler, Jr.*	
F. Jack Liebau	Reviews the results of the audit and interim reviews
Philip T. Blazek	
Sarah R. Coffin	Evaluates the independence of the independent registered public accounting firm
______	
	Reviews with the independent registered public accounting firm the financial results of the Company prior to their public release and filing of reports with the SEC
* Board identified these members as financial experts .	
	Directs and supervise special investigations
	Oversees our accounting, internal accounting controls and auditing matters reporting hotline (discussed below) and our corporate compliance program

	The Audit Committee also has oversight of our system of internal auditing functions and controls, as well as our internal control procedures. None of our Audit Committee members serve on more than two other public company audit committees. The Audit Committee met eleven times in 2015.
Compensation Committee Sarah R. Coffin *(Chairman and Presiding Director)* Robert A. Stefanko Bruce M. Lisman John B. Crowe William A. Foley Philip T. Blazek	Establishes and administers the Company s policies, programs and procedures for compensating its executive officers and directors Has the authority to retain outside consultants regarding executive compensation and other matters The Compensation Committee met eight times in 2015.
Corporate Governance and Nominating Committee John B. Crowe *(Chairman and Presiding Director)* Bruce M. Lisman F. Jack Liebau William A. Foley.	Evaluates new director candidates and incumbent directors Recommends nominees to serve on the Board as well as members of the Board s committees to the independent directors of the Board Responsible for recommending and monitoring participation in continuing education programs by the members of the Board The Corporate Governance Committee met eight times in 2015.
Capital Allocation Committee Vincent C. Byrd* Robert B. Heisler, Jr. Daniel R. Lee** William A. Foley	The Capital Allocation Committee is a special committee chartered by the Board to evaluate and consider capital allocation alternatives for the proceeds from the sale of the Company s Lawn and Garden business. The Capital Allocation Committee met once in January 2015 prior to completing its mandate.

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* No longer a director following the 2015 Annual Meeting.

** No longer a director following his resignation in March 2015.

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Committee Charters and Policies

The Board has adopted written charters for the Audit Committee, the Compensation Committee, Governance Committee, and the Capital Allocation Committee. Each Committee reviews and evaluates the adequacy of its charter at least annually and recommends any proposed changes to the Board for approval. Each of the written charters and policies of the Audit Committee, the Compensation Committee, and the Governance Committee are available on the Corporate Governance page accessed from the Investor Relations page of the Company s website at www.myersind.com**.**

Board Role in Risk Oversight

The Board annually reviews the Company s strategic plan, which addresses, among other things, the risks and opportunities facing the Company. The Board also has overall responsibility for executive officer succession planning and reviews succession plans each year. Certain areas of oversight are delegated to the relevant Committees of the Board and the Committees regularly report back on their deliberations. This oversight is enabled by reporting processes that are designed to provide visibility to the Board about the identification, assessment, monitoring and management of enterprise-wide risks. In May 2015, management conducted its most recent enterprise-wide risk assessment of the Company and each of its business segments, and in July 2015 presented the assessment to the Board for review. The focus of this assessment included a review of strategic, financial, operational, compliance and technology objectives and risks for the Company. In addition, on an ongoing basis:

(a) The Audit Committee maintains primary responsibility for oversight of risks and exposures pertaining to the accounting, auditing and financial reporting processes of the Company;

(b) The Compensation Committee maintains primary responsibility for risks and exposures associated with oversight of the administration and implementation of our compensation policies; and

(c) The Governance Committee maintains primary responsibility for risks and exposures associated with corporate governance and succession planning**.**

Board Attendance

There were a total of fourteen regularly scheduled and special meetings of the Board of Directors in 2015. During 2015, all directors attended at least 75% of the aggregate total number of the meetings of the Board and Committees on which they served. In 2015, all of our then current directors attended our Annual Meeting, and then nominee, Mr. Liebau attended as well. Although we do not have a formal policy requiring directors to attend the Annual Meeting, our directors are encouraged to attend.

Interested Parties Communications with the Board of Directors

Our Board provides the following methods for interested parties and shareholders to send communications to a director, to a Committee of the Board, to the non-management directors, or to the Board:

Written Communication

Interested parties may send such communications by mail or courier delivery addressed as follows: Board of Directors (or Committee Chairman, Board Member or Non-Management Directors, as the case may be), c/o Greggory W. Branning, Corporate Secretary, Myers Industries, Inc., 1293 South Main Street, Akron, Ohio 44301. All communications directed to the Board of Directors or to the Non-Management Directors will be forwarded unopened to the Chairman of the Governance Committee. The Chairman of the Governance Committee in turn determines whether the communications should be forwarded to the appropriate members of the Board and, if so, forwards them accordingly. For communications addressed to a particular director or the Chairman of a particular Committee of the Board, however, the Corporate Secretary will forward those communications, unopened, directly to the person or Committee Chairman in question.

Toll Free Hotline

In 2003, the Audit Committee established a hotline for receiving, retaining and treating complaints from any interested party regarding accounting, internal accounting controls and auditing matters, and procedures for the anonymous submission of these concerns. The hotline is maintained by a company which is independent of

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Myers. Interested parties may also use this hotline to communicate with the Board. Any interested party may contact a director, a Committee of the Board, the non-management directors, or the Board through the toll free hotline at (877) 285-4145. The hotline is available worldwide, 24 hours a day, seven days a week. Note that all reports made through the hotline are directed to either or both the Chairman of the Audit Committee and the Corporate Secretary. We do not permit any retaliation of any kind against any person who submits a complaint or concern under these procedures.

Shareholder Nominations of Director Candidates

Shareholder Recommendation Policy

The Governance Committee will consider individuals for nomination to stand for election as a director who are recommended to it in writing by any of our shareholders that strictly follow the procedures outlined in the next paragraph below and that send a signed letter of recommendation to the following address: Corporate Governance and Nominating Committee, c/o Mr. Greggory W. Branning, Chief Financial Officer, Senior Vice President and Corporate Secretary, Myers Industries, Inc., 1293 South Main Street, Akron, Ohio 44301.

Recommendation letters must certify that the person making the recommendation is a shareholder of the Company (including the number of shares held as of the date of the recommendation), and further state the full name and address of the proposed nominee as well as a biographical history setting forth past and present directorships, employment, occupations and civic activities for at least the past five years. Any such recommendation should be accompanied by a signed written statement from the proposed nominee consenting to be named as a candidate and, if nominated and elected, consenting to serve as a director. The letter must also include a signed written statement that the nominating shareholder and the candidate will make available to the Governance Committee all information reasonably requested in furtherance of the Governance Committee s evaluation. The letter must be received before the close of business on or before November 15th of the year prior to our next annual meeting of shareholders.

The Governance Committee reviews and evaluates individuals for nomination to stand for election as a director who are recommended to the Governance Committee in writing by any of our shareholders pursuant to the procedures outlined in the paragraph above on the same basis as candidates who are suggested by our current or past directors, executive officers, or other sources, which may, from time-to-time, include professional search firms retained by the Governance Committee. In considering individuals for nomination to stand for election, the Governance Committee will consider:

(1) The current composition of the Board of Directors and how it functions as a group;

(2) The talents, personalities, strengths, and weaknesses of current directors;

(3) The value of contributions made by individual directors;

(4) The need for a person with specific skills, experiences or background to be added to the Board;

(5) Any anticipated vacancies due to retirement or other reasons; and

(6) Other relevant factors which may enter into the nomination decision.

When considering an individual candidate s suitability for the Board, the Governance Committee will evaluate each individual on a case-by-case basis. The Governance Committee does not prescribe minimum qualifications or standards for directors, however, the Governance Committee looks for directors who have personal characteristics, educational backgrounds and relevant experience that would be expected to help further the goals of both the Board and the Company. In addition, the Governance Committee will review the extent of the candidate s demonstrated excellence and success in his or her chosen business, profession, or other career and the skills and talents that the candidate would be expected to add to the Board. The Governance Committee may choose, in individual cases, to conduct interviews with the candidate and/or contact references, business associates, other members of boards on which the candidate serves or other appropriate persons to obtain additional information. The Governance Committee will make its determinations on whether to nominate an individual candidate based on the Board s then-current needs, the merits of that candidate and the qualifications of other available candidates.

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Shareholder Nomination Policy

In accordance with our Amended and Restated Code of Regulations, a shareholder may directly nominate a candidate for election as a director of the Company only if written notice of such intention is received by the Corporate Secretary not less than sixty (60) days nor more than ninety (90) days prior to the date of such annual meeting of shareholders or special meeting of shareholders for the election of directors. In the event that the date of such meeting to elect directors is not publicly disclosed at least seventy (70) days prior to the date of such meeting, written notice of such shareholder s intent to nominate a candidate must be received by the Corporate Secretary not later than the close of business on the tenth (10^{th}) day following the date on which notice of such meeting is first provided to the shareholders. A shareholder wishing to directly nominate an individual to serve as a director must follow the procedure outlined in Article I, Section 12 of our Amended and Restated Code of Regulations, titled Advance Notice of Director Nomination and then send a signed letter of nomination to the following address: Corporate Governance and Nominating Committee, c/o Mr. Greggory W. Branning, Corporate Secretary, Myers Industries, Inc., 1293 South Main Street, Akron, Ohio 44301. Our Amended and Restated Code of Regulations is available on the Corporate Governance page accessed from the Investor Relations page of the Company s website at *www.myersind.com*.

On February 19, 2016, GAMCO amended its Schedule 13D relating to the Company disclosing that it had sent a letter to the Company recommending Daniel R. Lee for nomination for election as a director of the Company at the Annual Meeting. GAMCO indicated that it intends to be present in person or by proxy at the Annual Meeting to nominate Mr. Lee.

Corporate Governance Policies

Implementation

The Board of Directors has implemented the corporate governance initiatives required by the NYSE rules and the Sarbanes-Oxley Act of 2002. These initiatives include, among others, Corporate Governance Guidelines and a Code of Business Conduct and Ethics for the Company s directors, officers and employees. These corporate governance policies and procedures are discussed in various places within this Proxy Statement. In March 2011, the Board incorporated a director resignation policy into its Corporate Governance Guidelines. Pursuant to this director resignation policy, in an uncontested election, any incumbent director who receives a greater number of votes Withheld or Against his or her election than votes For his or her election (and with respect to such incumbent director s election at least 25% of the Company s shares outstanding and entitled to vote thereon were Withheld or voted Against the election of such director) shall submit an offer of resignation to the Board of Directors. The Governance Committee will then recommend to the Board whether to accept or reject any tendered resignations, and the Board will decide whether to accept or reject such tendered resignations. The Board s decision will be publicly disclosed in a Current Report on Form 8-K filed with the SEC. If an incumbent director s tendered resignation is rejected, then he or she will continue to serve until his or her successor is elected, or until his or her earlier resignation, removal from office, or death. If an incumbent director s tendered resignation is accepted, then the Board will have the sole discretion to fill any resulting vacancy to the extent permitted by the Company s Amended and Restated Code of Regulations.

Availability of Corporate Governance Policies

Each of our corporate governance policies is available on the Corporate Governance page accessed from the Investor Relations page of our website at *www.myersind.com.*

Code of Ethics

We have a Code of Business Conduct and Ethics which incorporates a Code of Ethical Conduct for the Finance Officers and Finance Department Personnel , which embodies our commitment to ethical and legal business practices, as well as satisfying the NYSE requirements to implement and maintain such policies. The Board expects all of our officers, directors and other members of our workforce to act ethically at all times. This policy is available on our website at *www.myersind.com* on the Corporate Governance page accessed from the Investor Relations page.

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Stock Ownership Guidelines

In 2010, we implemented, and in January of 2013 we amended, our Stock Ownership Guidelines whereby our executive officers and non-employee directors are expected to hold a specified amount of our Common Stock. The Chief Executive Officer is expected to hold an investment position in our Common Stock equal to five times his annual base salary. The Chief Financial Officer is expected to hold an investment position equal to three times his respective annual base salary. The non-employee Directors are expected to hold five times their annual cash Board retainer in our Common Stock. The executive officers and non-employee directors have five years from the effective date of the guidelines to attain the ownership requirement. These Stock Ownership Guidelines are available on the Corporate Governance page accessed from the Investor Relations page of the Company s website at *www.myersind.com*.

Board Member Recruiting Guidelines

In March 2011, the Governance Committee adopted Board Member Recruiting Guidelines that outline the process for existing Board members to nominate potential director candidates to the Governance Committee. These recruiting guidelines are available on the Corporate Governance page accessed from the Investor Relations page of the Company s website at *www.myersind.com.*

Executive Sessions of the Board

Effective in December 2002, the Board adopted a policy requiring the non-management directors, both as to the Board and in their respective Committees, to meet regularly in executive session without any management personnel or employee directors present. During 2015, the Board and each Committee met regularly in executive session as follows: Board, seven times; Audit Committee, eight times; Compensation Committee, four times; and the Governance Committee, five times. The Capital Allocation Committee did not meet in executive session during 2015.

Independent Chairman

In October 2009, the Board decided it was in the best interest of the Company for the Board to have an independent Chairman. In April 2015, Robert B. Heisler, Jr. was elected as the Independent Chairman of the Board. The Company believes this leadership structure is appropriate for the Company as it further aligns the interests of the Company and our shareholders by ensuring independent leadership of the Board. The Independent Chairman serves as a liaison between our directors and our management and helps to maintain open communication and discussion by the Board. Duties of the Chairman are specified in the Charter of the Chairman of the Board of Directors, adopted October 28, 2009, and include serving in a presiding capacity, coordinating the activities of the Board, and such other duties and responsibilities as the Board may determine from time-to-time. This charter is available on our website at *www.myersind.com* on the Corporate Governance page accessed from the Investor Relations page.

Presiding Directors

The independent directors reported that in 2015 they selected Presiding Directors to preside during executive sessions. The Chairman of the Governance Committee acts as the Presiding Director for the executive sessions of the Board, and the Chairman of each Committee was selected as the Presiding Director for the executive sessions of the applicable Committee of the Board.

Anonymous Reporting

The Audit Committee maintains procedures, including a worldwide telephone hotline , which allows employees and interested parties to report any financial or other concerns anonymously as further detailed under Interested Parties Communications with the Board of Directors above.

Annual Board and Committee Self-Assessments

In 2004, the Board, through the Governance Committee, instituted annual self-assessments of the Board, as well as of the Audit Committee, the Compensation Committee, and the Governance Committee, to assist in determining whether the Board and its Committees are functioning effectively. In early 2015, the Board and each of its Committees conducted the self-evaluations and discussed the results of the self-evaluations.

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Clawback Policy

In March 2015, the Company adopted a Clawback Policy which provides for the recoupment of certain incentive compensation in the event of an accounting restatement resulting from material noncompliance (whether or not based upon misconduct) with financial reporting requirements under the federal securities laws. The Clawback Policy is administered by the Compensation Committee and applies to current and former executive officers and such other employees who may from time to time be deemed subject to the policy by the Compensation Committee.

NYSE and SEC Certifications

In 2015, we submitted to the NYSE an unqualified Section 12(a) certification by our Chief Executive Officer. Further, each applicable filing with the SEC contained the Section 302 and 906 Certifications of both our Chief Executive Officer and Chief Financial Officer.

Director Compensation

At the start of 2015, the annual cash retainer for non-employee directors was $40,000. In addition, Committee members received $10,000 per year per Committee of the Board. The Chairman of the Audit Committee and Chairman of the Compensation Committee each received an additional $8,000 per year. The Chairman of the Governance Committee received an additional $4,000 per year. The Chairman of the Board historically received an additional annual cash retainer of $20,000. Directors who are employees of the Company do not receive the annual retainer.

Under our Amended and Restated 2008 Incentive Stock Plan, each non-employee director who holds such position on the date of the annual meeting of the shareholders, and has been a director for the entire period since the annual meeting of shareholders of Myers that was held in the immediately preceding calendar year, will be awarded annually, on the date of the annual meeting of shareholders, shares of our Common Stock at a value recommended by the Compensation Committee and approved by the Board. The value of Common Stock awarded at the 2015 Annual Meeting was $60,000 for each director entitled to an award. A director may elect to receive an equivalent number of stock units rather than shares of common stock, with payment to be made with respect to such stock unit when such director ceases to be a member of the Board.

The Compensation Committee engaged a compensation consultant who conducted an assessment of the market competitiveness of the Company s non-employee director compensation program. In conducting the assessment, the compensation consultant reviewed data from a comparable group of companies. The results of this assessment were considered by the Compensation Committee and reflected that the Company s non-employee director compensation was below market. In March 2015, based upon a recommendation by the Compensation Committee, the Board approved an increase in the annual cash retainer for non-employee directors to $52,500 and a change in the annual cash retainer for the Chairman of the Board to $60,000 (including committee fees). The Committee and Committee Chair retainers did not change. Directors who are employees of the Company do not receive the annual retainer. In addition, non-employee directors will now receive shares of our Common Stock valued at $72,500 (an increase over the prior value of $60,000) on the date of the annual meeting of shareholders as described above. These increases went into effect following the 2015 Annual Meeting.

Our Amended and Restated Code of Regulations provides that we will indemnify, to the fullest extent then permitted by law, any of our directors or former directors who was or is a party or is threatened to be made a party to any matter, whether civil or criminal, by reason of the fact that the individual is or was a director of the Company, or serving at our request as a director of another entity. We have entered into indemnity agreements with each of our directors contractually obligating us to provide such protection. We also currently have in effect director and officer insurance coverage.

Director cash retainers are paid quarterly in arrears. The following table shows the compensation paid to each of the non-employee directors during fiscal 2015. Mr. Orr, who was the Company s President and Chief Executive Officer through the vast majority of 2015, did not receive any additional compensation for his services as a director.

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NON-EMPLOYEE DIRECTOR COMPENSATION TABLE

FOR FISCAL 2015

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)[4]	Option Awards ($)[5]	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Philip T. Blazek[11]	36,250						36,250
Vincent C. Byrd[1][12]	29,000	60,001					89,001
Sarah R. Coffin[9]	70,250	60,001					130,251
John B. Crowe[10]	68,250	60,001					128,251
William A. Foley	66,250	60,001					126,251
Robert B. Heisler, Jr. [8]	86,250	60,001					146,251
Richard P. Johnston[7][12]	45,000	60,001				25,549[6]	130,550
Edward W. Kissel[2][12]	32,000	60,001					92,001
Daniel R. Lee[13]	10,000						10,000
F. Jack Liebau, Jr.[11]	36,250						36,250
Bruce M. Lisman[11]	36,250						36,250
Robert A. Stefanko[3]	74,250	60,001					134,251

(1) Mr. Byrd served as the Chairman of the Compensation Committee until he ceased to be a director at April 2015 Annual Meeting.

(2) Mr. Kissel served as the Chairman of the Governance Committee until he ceased to be a director at April 2015 Annual Meeting.

(3) Mr. Stefanko served as the Chairman and Presiding Director of the Audit Committee.

(4) Stock Award amounts shown in this Non-Employee Director Compensation Table do not reflect compensation actually received by the directors. The amounts shown reflect the fair market value of 3,595 shares of common stock awarded to the non-employee directors, who had been directors for the prior year, on April 24, 2015. Mr. Foley, Mr. Heisler and Mr. Stefanko each deferred the receipt of common stock for their Stock Award in fiscal 2015, and instead received Stock Units. On the date that the Director ceases to be a member of the Board for any reason whatsoever, or as soon thereafter as is reasonably practical, the Company shall make a payment to the Director of one Share for every Stock Unit then held by such Director as payment with respect to each such Stock Unit.

(5) No stock option awards were provided to the non-employee directors in 2015. Mr. Johnston and Mr. Kissel, both of whom ceased to be directors at the 2015 Annual Meeting, held 2,500 and 2,500 options respectively from prior service.

(6) The amount of $25,549 for Mr. Johnston reflects an annual pension benefit that he is entitled to under the terms of an employment agreement with our subsidiary Buckhorn Inc. He resigned as an employee in 1990. The pension benefits commenced under the employment agreement following his resignation.

(7) Mr. Johnston served as Chairman of the Board until he ceased to be a director in April 2015.

(8) Mr. Heisler was elected Chairman of the Board following the April 2015 meeting.

(9) Ms. Coffin was elected Chairman of the Compensation Committee following the April 2015 annual meeting.

(10) Mr. Crowe was elected Chairman of the Governance Committee following the April 2015 annual meeting.

(11) Was elected a Director of the Board at the April 2015 annual meeting.

(12) Ceased being a Director of the Board at the April 2015 annual meeting.

(13) Resigned from his position as a Director on March 13, 2015.

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Risk Assessment of Compensation Practices

In establishing compensation policies and practices for all of our employees, we utilize a balanced mix of salary, bonus and, in some cases, equity-based compensation that supports the enhancement of revenue, earnings and cash performance of the Company for our shareholders without creating undue risk. Under our long term incentive program adopted in 2010 (the LTIP), we utilize a blend of stock options, service-based awards and performance-based awards with a greater emphasis on performance-based awards than service-based awards that we believe will further align the interests of our employees with those of our shareholders. Our risk oversight and overall compensation structure has features that guard against excessive risk taking, including:

- Our Board s and its Committees role in risk oversight, including internal control over financial reporting and other strategic, financial, operational, compliance and technology policies and practices (see the section titled Board s Role in Risk Oversight above for a complete description);
- Diversified nature of our business segments with respect to industries and markets served, products and services sold, and geographic footprint;
- Establishment and annual review of base salaries to be consistent with an employee s responsibilities;
- Determination and award of incentive awards based on a review of a variety of indicators of performance that diversifies the risks associated with any single indicator of performance;
- A mixture of fixed and variable, annual and long-term, and cash and equity compensation are provided to our employees to encourage strategy and actions that are in the long-term interests of the Company and our shareholders; and
- Awards of incentive compensation with performance vesting criteria to reward employees for driving sustainable, profitable growth for shareholders.

EXECUTIVE COMPENSATION AND RELATED INFORMATION

Compensation Discussion and Analysis

Executive Summary

Our executive pay program is managed by the Compensation Committee. The role of the Compensation Committee is to oversee our executive pay plans and policies, administer our stock plans and annually review and make recommendations to the Board for all pay decisions relating to our executives, including the Named Executive Officers (NEOs):

- John C. Orr, President and Chief Executive Officer, retired December 7, 2015
- R. David Banyard, President and Chief Executive Officer, effective December 7, 2015

Greggory W. Branning, Chief Financial Officer, Senior Vice President and Corporate Secretary
Messrs. Orr, Banyard and Branning were our only NEOs in 2015.

As shareholders consider the effectiveness of our executive pay program for our NEOs in the most recent year and their support of our executive pay program, they should take into account the following:

The Company s financial position remains solid, with a strong balance sheet and financial liquidity to pursue strategic goals which enhance shareholder value. In 2015, cash flow provided by continuing operations was $49.4 million and as of December 31, 2015, there was $202.2 million available for borrowing under our loan agreement.

Mr. Orr did not receive an increase in his base salary in 2015. Mr. Branning received a 4% increase in his base salary in 2015.

We continued to utilize a long-term incentive portfolio of options, service-based restricted stock units, and long-term cash incentives tied to financial results to provide greater reward balance, more effectively manage share dilution and offer us greater flexibility to reward for long-term results.

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We have several pay practices and policies that are in the best interests of our shareholders, including modest perquisites, limited executive retirement benefits, and stock ownership guidelines.

We concluded that our pay programs do not encourage excessive or unnecessary risk taking.

Finally, we believe the pay actually earned by Mr. Orr in 2015 was aligned with the Company s total shareholder return performance. The realized pay of Mr. Orr (salary, actual bonuses, long-term performance cash earned, options exercised, stock vested, and all other compensation) and unrealized pay (the value of outstanding equity awards and in-cycle cash performance awards at target) aligned closely with total shareholder return.

Realized and Unrealized Compensation

	2013	2014	2015
Total Value	**$16,667**	**$12,758**	**$8,567**
Realized Compensation[1]	*$3,632*	*$4,029*	*$5,034*
Unrealized Compensation[2]	*$13,035*	*$8,729*	*$3,533*
Indexed TSR	**142**	**122**	**96**
1-Year TSR	*42.4%*	*-14.3%*	*-21.7%*

1 Includes salary, bonus, options exercised, stock vested, and all other compensation

2 Includes outstanding equity awards and in-cycle long-term cash at target

The remainder of this report provides details of each of these conclusions and examines our pay philosophy and objectives, the process used to set pay for 2015, the elements of pay awarded and other policies affecting our executive pay program.

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Pay Philosophy and Practices

Our success depends largely on the contributions of motivated, focused and energized executives all working to achieve our strategic objectives. The Compensation Committee and senior management, with assistance from our independent compensation advisor, develop competitive pay programs for our executives and we follow the basic tenets set forth below:

What We Do

- Pay for Performance
- Reasonable Post-Employment/Change in Control Provisions
- Double Trigger Change in Control Provisions
- Modest Perquisites
- Share Ownership Guidelines
- Independent Compensation Advisors
- Tally Sheets to Evaluate and Monitor NEO Compensation
- Clawback Policy

What We Don t Do

- Enter into Employment Contracts
- Offer Tax Gross-Ups
- Reprice Underwater Options
- Allow Cash Buyouts of Underwater Options
- Permit Short Sales by Executive Officers or Directors

Process Used to Set Pay for 2015

Interactions between multiple parties established our executive pay program for 2015:

- Compensation Committee;
- Senior management;
- Independent compensation advisor; and
- Outside advisors, including legal counsel.

Role of Compensation Committee

Six independent directors comprise our Compensation Committee, which is responsible for establishing and administering our compensation policies, programs and procedures. In dispensing its duties, the Compensation Committee may request information from senior management regarding the Company s performance, pay and programs to assist it in its actions. Moreover, the Compensation Committee has the authority to retain outside advisors as needed to assist it in reviewing and modifying the Company s programs and providing competitive pay levels and terms. In arriving at its decision on executive compensation, the Compensation Committee takes into account the shareholder say-on-pay vote at the previous annual meeting of shareholders.

The Compensation Committee annually reviews and establishes the goals used for our incentive plans. In addition, it annually assesses the performance of the Company and the Chief Executive Officer. Based on this evaluation, the Compensation Committee then recommends the Chief Executive Officer s compensation for the next year to the Board for its consideration and approval. In addition, the Compensation Committee reviews the Chief Executive Officer s compensation recommendations for the Chief Financial Officer, providing appropriate input and approving final awards. Finally, the Compensation Committee provides guidance and final approval to the Chief Executive Officer with regard to the determination of the compensation of other key executives.

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Role of Senior Management

The Company s management serves in an advisory or support capacity as the Compensation Committee carries out its charter. Typically, the Company s Chief Executive Officer participates in meetings of the Compensation Committee. The Company s Chief Financial Officer may participate as necessary or at the Compensation Committee s request. The NEOs normally provide the Compensation Committee with information regarding the Company s performance as well as information regarding executives who participate in the Company s various plans. Such data is usually focused on the executives historical pay and benefit levels, plan costs, context for how programs have changed over time and input regarding particular management issues that need to be addressed. In addition, management normally furnishes similar information to the Compensation Committee s independent compensation advisor.

Management provides input regarding the recommendations made by outside advisors or the Compensation Committee. Management implements, communicates and administers the programs approved by the Compensation Committee, reporting back to it any questions, concerns or issues.

The Chief Executive Officer annually evaluates the performance of the Company and the Chief Financial Officer. Based on his evaluation, he provides the Compensation Committee with his recommendations regarding the pay for the Chief Financial Officer for its consideration, input and approval. The Compensation Committee, in turn, authorizes the Chief Executive Officer to establish the pay for the Company s other executives based on terms consistent with those used to establish the pay of the NEOs. Members of management present at meetings when pay is discussed are recused from such discussions when the Compensation Committee focuses on their individual pay.

Role of Independent Compensation Advisor

In 2015, the Compensation Committee again engaged Exequity, LLP (Exequity) to assist in its duties. Exequity was initially engaged by the Company at the end of 2012. The Compensation Committee has the authority to retain Exequity or to engage other independent advisors and compensation consultants to assist in carrying out its responsibilities. Exequity s lead consultant reported directly to the Compensation Committee Chairman, who approved Exequity s work plan. In addition, the lead consultant interacted with management as needed to complete the work requested by the Compensation Committee. Exequity did not provide other services to the Company during 2015 and received no compensation other than with respect to the services provided to the Compensation Committee. The work of Exequity has not raised any conflicts of interest.

Compensation Benchmarking

In early 2013, Exequity prepared a study which resulted in the use of two peer groups, a proxy peer group and a general industry group. The proxy peer group was the same as the group developed by the Company s prior compensation consultant, with a few changes, and the general industry group was developed using the Equilar database using the following criteria:

- Participant in the Equilar database;
- Publicly-traded U.S.-based companies with a focus on manufacturing as well as other asset-based companies; and
- Size appropriate companies with revenues within a range of roughly .5x to 2x the Company s revenues and median revenues for the group near the Company s revenues.

This process using the Equilar data resulted in a group of 21 companies, with the Company s revenues ranked at the 32nd percentile.

At the end of 2013, the Company utilized the Equilar general industry peer group only due to pay anomalies with the proxy peer group. There was a significant change in the companies participating in the Equilar database eight companies had dropped participation and to get the group up to a more reasonable number of fifteen, two companies were added. This group was used for determining compensation in 2014.

In 2014, Exequity recommended developing a new proxy peer group to support the Compensation Committee s decisions with respect to NEO compensation in 2015. This was an extensive research effort. Exequity focused on developing a group of U.S. publicly-traded companies that met a reasonable cross section of:

Revenue and market cap within .5x and 2x of the Company;

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Business similarities (based on industry and business descriptions); and

Similar financial perform