

SCHWEITZER MAUDUIT INTERNATIONAL INC
Form DEF 14A
March 01, 2013

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 T

Filed by a Party other than the Registrant o

Check the appropriate box:

- o Preliminary Proxy Statement
- o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- T Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

SCHWEITZER-MAUDUIT INTERNATIONAL, 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):

- T No fee required.
- o 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:

- o 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.
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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

1

March 14, 2013

Frédéric Villoutreix
Chairman of the Board and
Chief Executive Officer

TO OUR STOCKHOLDERS:

On behalf of the Board of Directors and management of Schweitzer-Mauduit International, Inc., I cordially invite you to the Annual Meeting of Stockholders to be held on Thursday, April 25, 2013 at 11:00 a.m. at the Company's corporate headquarters located at 100 North Point Center East, Suite 600, Alpharetta, Georgia.

Details about the Annual Meeting, nominees for election to the Board of Directors and other matters to be acted on at the Annual Meeting are presented in the Notice of Annual Meeting and Proxy Statement that follow.

It is important that your stock be represented at the meeting regardless of the number of shares you hold. You are encouraged to specify your voting preferences by so marking and dating the enclosed proxy card. But, if you wish to vote in accordance with the directors' recommendation, all you need do is sign and date the card.

Please complete and return the proxy card in the enclosed envelope whether or not you plan to attend the meeting. If you do attend and wish to vote in person, you may revoke your proxy at that time.

If you plan to attend the meeting, please check the card in the space provided. This will assist us with meeting preparations and will enable us to expedite your admittance. If your shares are not registered in your own name and you would like to attend the meeting, please ask the broker, trust, bank or other nominee which holds the shares to provide you with evidence of your share ownership, which will enable you to gain admission to the meeting.

Sincerely,

Frédéric Villoutreix

SCHWEITZER-MAUDUIT INTERNATIONAL, INC.
100 North Point Center East, Suite 600
Alpharetta, Georgia 30022-8246

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

April 25, 2013

The Annual Meeting of Stockholders of Schweitzer-Mauduit International, Inc. will be held at the Company's corporate headquarters located at 100 North Point Center East, Suite 600, Alpharetta, Georgia, on Thursday, April 25, 2013 at 11:00 a.m. for the following purposes:

1. To elect as directors the 2 nominees named in the attached proxy statement, each to serve for a term of 3 years ending at the 2016 Annual Meeting of Stockholders;
2. To ratify the selection of Deloitte & Touche as our independent registered public accounting firm for our fiscal year ending December 31, 2013;
3. To transact such other business as may properly be brought before the meeting or any adjournment thereof.

We currently are not aware of any other business to be brought before the Annual Meeting.

You may vote all shares that you owned as of February 28, 2013, which is the record date for the Annual Meeting. Since a majority of the outstanding shares of our Common Stock must be represented either in person or by proxy to constitute a quorum for the conduct of business, I urge you to sign, date and promptly return the enclosed proxy card in the enclosed business reply envelope. No postage is required if mailed in the United States.

John W. Rumely, Jr.
Secretary and General Counsel

March 14, 2013

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SCHWEITZER-MAUDUIT INTERNATIONAL, INC.

100 North Point Center East, Suite 600

Alpharetta, Georgia 30022-8246

PROXY STATEMENT

INTRODUCTION

This Proxy Statement and the accompanying proxy card are furnished to the stockholders of Schweitzer-Mauduit International, Inc., a Delaware corporation, referred to as either the Company or SWM, in connection with the solicitation of proxies by the Board of Directors of the Company for use at the 2013 Annual Meeting of Stockholders (Annual Meeting). The Company intends to mail this Proxy Statement and proxy card, together with the 2012 Annual Report to Stockholders, on or about March 14, 2013.

GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Date, Time, and Place of Meeting

The Annual Meeting will be held on April 25, 2013, at 11:00 a.m. Eastern Daylight Time, at our corporate headquarters located at 100 North Point Center East, Suite 600, Alpharetta, Georgia 30022 and at any adjournment thereof.

How Can I Vote?

You can vote by completing, signing, dating, and mailing the enclosed proxy card in the envelope provided. Cards received in time for the meeting will be voted as instructed.

If your shares are held in “street name” (through a broker, bank or other nominee), you may receive a separate voting instruction form with this proxy statement, or you may need to contact your broker, bank or other nominee to determine whether you will be able to vote electronically by using the internet or by telephone.

If your vote is received before the Annual Meeting the named proxies will vote your shares as you direct.

For Proposal One – Election of Directors, you may:

Vote FOR all nominees;

WITHHOLD your vote from all nominees; or

Vote FOR all nominees except one of the nominees you designate.

For Proposal Two – Ratification of the Selection of Independent Registered Public Accounting Firm, you may:

Vote FOR the proposal;

Vote AGAINST the proposal; or

ABSTAIN from voting on the proposal.

How Does the Board Recommend that I Vote?

The Board of Directors unanimously recommends that you vote:

FOR all nominees for election to the Board of Directors in Proposal One – Election of Directors; and
FOR Proposal Two – Ratification of the Selection of Independent Registered Public Accounting Firm.

Quorum Requirement

Pursuant to Section 216 of the Delaware General Corporation Law and the Company's By-Laws, a quorum for the Annual Meeting will be a majority of the issued and outstanding shares of the Company's Common Stock, present in person or represented by proxy.

What If I Don't Vote?

Voting is an important stockholder right and we encourage you to do so. It is also important that you vote to establish a quorum for the conduct of business.

Under the New York Stock Exchange, or NYSE, rules, if your shares are held in "street name" and you do not indicate how you wish to vote, your broker is permitted to exercise its discretion to vote your shares only on certain "routine" matters. Proposal One, Election of Directors is not a "routine" matter. Accordingly, if you do not direct your broker how to vote, your broker may not exercise discretionary voting authority and may not vote your shares. This is called a "broker non-vote" and although your shares will be considered to be represented by proxy at the Annual Meeting, as previously discussed above under "Quorum Requirements," they are not considered to be shares "entitled to vote" at the Annual Meeting and will not be counted as having been voted on the applicable proposal. Proposal Two, Ratification of the Selection of Independent Registered Public Accounting Firm, is a "routine" matter and, as such, your broker is permitted to exercise discretionary voting authority to vote your shares "For" or "Against" the proposal in the absence of your instruction. Proxies marked "Withheld" on Proposal One – Election of Directors or "Abstain" on Proposal Two – Ratification of Selection of Independent Registered Public Accounting Firm will be counted in determining the total number of shares "entitled to vote" on such proposal and will have the effect of a vote "Against" a director or a proposal.

Vote Required

Proposal One: Election of Directors will be decided by a plurality of shares of SWM's Common Stock as of the record date present in person or represented by proxy and entitled to vote on the election of directors. A "plurality" for Proposal One means the individuals who receive the greatest number of votes cast "For", up to the maximum number of directors to be chosen at the meeting, are elected as directors. Votes may be cast in favor of or withheld from each nominee; votes that are withheld will be excluded entirely from the vote and will have no effect.

Proposal Two: Ratification of the Selection of Independent Registered Public Accounting Firm will be decided by the affirmative vote of a majority of shares present in person or represented by proxy and entitled to vote on the subject matter.

Who Can Vote?

Each stockholder of record at the close of business on February 28, 2013 will be entitled to 1 vote for each share registered in such stockholder's name. Proxies cannot be voted for a greater number of persons than the number of nominees named in this Proxy Statement.

On August 21, 2012, the Company paid a two-for-one stock split of its common stock effected as a stock dividend to shareholders of record on August 13, 2012. All shares and per-share amounts in this Proxy have been adjusted for the stock split for all periods presented.

As of February 28, 2013, there were 31,385,404 shares outstanding of the Company's Common Stock, par value \$0.10 per share (the "Common Stock").

Participants in the Company's Retirement Savings Plan ("Plan") may vote the number of shares they hold in that plan. The number of shares shown on your proxy card includes the stock units you hold in the Retirement Savings Plan and serves as a voting instruction to the trustee of the Plan for the account in the participant's name.

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Information as to the voting instructions given by individuals who are participants in the Plan will not be disclosed to the Company.

How Can I Change My Vote?

Any proxy may be revoked by the stockholder granting it at any time before it is voted by delivering to the Secretary of the Company another signed proxy card, or a signed document revoking the earlier proxy, or by attending the meeting and voting in person.

Who Pays For the Proxy Solicitation?

The Company will pay the entire cost of the proxy solicitation. The Company has retained American Stock Transfer & Trust Company, the Company's transfer agent, to aid in the solicitation of proxies. Proxy solicitation services on routine proxy matters are included in the fees paid to American Stock Transfer & Trust Company to act as the Company's stock transfer agent and registrar. Only reasonable out-of-pocket expenses on proxy solicitation services are charged separately. The Company will reimburse brokers, fiduciaries and other nominees for their reasonable expenses in forwarding proxy materials to beneficial owners. In addition to solicitation by mail, directors, officers and employees of the Company may solicit proxies in person, by telephone or by other means of communication.

Who Will Count the Vote?

American Stock Transfer & Trust Company has been engaged to tabulate stockholder votes and act as our independent inspector of elections for the Annual Meeting.

Discretionary Voting and Adjournments

We currently are not aware of any business to be acted upon at the Annual Meeting other than that described in the Proxy Statement. If, however, other matters are properly brought before the Annual Meeting, or any adjournment or postponement of the Annual Meeting, your proxy includes discretionary authority on the part of the individuals appointed to vote your shares to act on those matters according to their best judgment.

Adjournment of the Annual Meeting may be made for the purpose of, among other things, soliciting additional proxies. Any adjournment may be made from time to time by the chairman of the meeting of stockholders.

STOCK OWNERSHIP

Significant Beneficial Owners

The following table sets forth certain information as of December 31, 2012 regarding the number of shares of Common Stock of the Company beneficially owned by each person who is known to the Company to own, directly or indirectly, more than 5% of the outstanding shares of the Company's Common Stock, as reflected in the Schedule 13G (and amendments, if any, thereto) as filed with the Securities and Exchange Commission in February 2013 and provided to the Company by such persons.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class	Sole Voting Power	Shared Voting Power	Sole Investment Power	Shared Investment Power
Common Stock	Capital World Investors 333 South Hope Street Los Angeles, CA 90071	3,415,784	11.00	3,415,784	0	3,415,784	0
Common Stock	BlackRock Inc. 40 East 52nd Street New York, NY 10022	2,639,068	8.50	2,639,068	0	2,639,068	0
Common Stock	The Vanguard Group ⁽¹⁾ 100 Vanguard Blvd. Malvern, PA 19355	2,001,800	6.45	46,198	0	1,957,002	44,798

Vanguard Fiduciary Trust Company ("VFTC"), a wholly-owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 44,798 shares or 0.14% of the Common Stock outstanding of the Company as a result of its serving as investment manager of collective trust accounts. Vanguard Investments Australia, Ltd. ("VIA"), a wholly-owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 1,400 shares or 0.00% of the Common Stock outstanding of the Company as a result of its serving as investment manager of Australian investment offerings.

Directors and Executive Officers

To assure that the interests of directors and executives are aligned with stockholders, the Company requires both directors and key executives (including all Named Executive Officers) to own minimum amounts of common stock. Either directly or through deferred compensation accounts, each director must hold equity equal to five times the value of the directors' annual Board cash retainer. Each Named Executive Officer must hold equity equal to a multiple (from two to five), depending on the position held, of his or her annual base salary. The requirements are effective in 2017 or within five years after the individual becomes subject to the policy.

The Company prohibits directors and key executives (including all Named Executive Officers) from hedging any of the Company's equity securities or from pledging a significant number of the Company's equity securities.

The following table sets forth information as of February 14, 2013, unless otherwise noted, regarding the number of shares of common stock beneficially owned by all directors and nominees, each Named Executive Officer, and by all directors and executive officers as a group. In addition to stock they own beneficially, all directors have deferred part of their compensation from the Company to a deferred compensation plan for non-employee directors, explained in more detail in "Compensation of Directors," below. Each director holds the equivalent of stock units in a deferral account. Unless otherwise indicated in a footnote, each person listed below possesses sole voting and investment power with respect to the shares indicated as beneficially owned by that person. No shares are pledged as security.

Title of Class	Name of Individual or Identity of Group	Amount and Nature of Beneficial Ownership	Percent of Class ⁽¹⁾
Common Stock	Claire L. Arnold	8,420	(2) *
Common Stock	K.C. Caldabaugh	4,000	(3) *
Common Stock	Jeffrey A. Cook	10,000	(4) *
Common Stock	Michel Fievez	126,782	(5) *