

LIFETIME BRANDS, INC
Form DEF 14A
April 30, 2019
Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under §240.14a-12

LIFETIME BRANDS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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

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

2) Aggregate number of securities to which transaction applies:

Edgar Filing: LIFETIME BRANDS, INC - Form DEF 14A

- 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:

Table of Contents

Notice of 2019 Annual Meeting

and Proxy Statement

June 27, 2019

Garden City, New York

Table of Contents

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF

DIRECTORS

Dear Fellow Stockholder:

I invite you to attend our Annual Meeting of Stockholders on Thursday, June 27, 2019 at 10:30 a.m. Eastern Time, at our office, located at 1000 Stewart Avenue, Garden City, New York 11530.

At the Annual Meeting, you will be asked: to elect a board of ten directors; to ratify the appointment of our independent registered public accounting firm; and to approve the compensation of the Company's named executive officers. We will also be sharing with you recent news about the Company, and you will be given the opportunity to ask questions and express your opinions about Lifetime Brands. You also will be able to see many of the outstanding, innovative products and brands that we proudly feature in our portfolio of kitchenware, tableware and other products.

Please visit our website, www.lifetimebrands.com, where you will find this Proxy Statement and our Annual Report for the fiscal year ended December 31, 2018.

On behalf of our directors and our management team, I thank you for your continued support of Lifetime Brands.

Best regards,

/s/ Jeffrey Siegel

Jeffrey Siegel

Chairman of the Board of Directors

April 30, 2019

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held on June 27, 2019: The Proxy Statement, form of proxy, and Annual Report on Form 10-K for the fiscal year ended December 31, 2018 are available free of charge at www.envisionreports.com/LCUT. If you require directions to the Annual Meeting, please contact us at (516) 683-6000.

Table of Contents

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

June 27, 2019, 10:30 a.m. Eastern Time

1000 Stewart Avenue, Garden City, New York 11530

Notice is hereby given that the Annual Meeting of Stockholders of Lifetime Brands, Inc., a Delaware corporation (the Company), will be held at the office of the Company, 1000 Stewart Avenue, Garden City, New York 11530 on Thursday, June 27, 2019 at 10:30 a.m., Eastern Time (the Annual Meeting), for the following purposes:

- (1) To elect to the board of directors the ten persons named in the accompanying Proxy Statement, each to serve until the 2020 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified;
- (2) To ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm of the Company for 2019; and
- (3) To approve, on a non-binding advisory basis, the compensation of the Company's named executive officers. In addition to the foregoing, the Annual Meeting will include the transaction of such other business as may properly come before the meeting, or any adjournment(s), continuation(s), rescheduling(s) or postponement(s) thereof.

Stockholders of record at the close of business on April 29, 2019 are entitled to notice of and to vote at the Annual Meeting and any adjournment(s), continuation(s), rescheduling(s) or postponement(s) thereof. A complete list of the stockholders entitled to vote at the Annual Meeting will be available for examination by any stockholder at the Company's office, 1000 Stewart Avenue, Garden City, New York 11530, for any purpose germane to the Annual Meeting, during ordinary business hours, for a period of at least 10 days prior to the Annual Meeting.

By Order of the Board of Directors,

/s/ Sara Shindel
Sara Shindel
Secretary
Garden City, New York
April 30, 2019

Table of Contents

Table of Contents

<u>MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS</u>	2
<u>NOTICE OF ANNUAL MEETING OF STOCKHOLDERS</u>	3
<u>PROXY STATEMENT SUMMARY</u>	5
<u>PROXY STATEMENT</u>	7
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	10
<u>PROPOSAL NO. 1: ELECTION OF DIRECTORS</u>	12
<u>EXECUTIVE OFFICERS</u>	16
<u>CORPORATE GOVERNANCE</u>	16
<u>DIRECTOR COMPENSATION</u>	22
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	24
<u>PROPOSAL NO. 2: RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2019</u>	58
<u>AUDIT COMMITTEE REPORT</u>	60
<u>PROPOSAL NO. 3: ADVISORY VOTE ON EXECUTIVE COMPENSATION</u>	62
<u>STOCKHOLDER PROPOSALS AND DIRECTOR NOMINATIONS</u>	63

Table of Contents**PROXY STATEMENT SUMMARY*****VOTING MATTERS & BOARD RECOMMENDATIONS***

<i>Proposal No.</i>	<i>Proposal</i>	<i>Board Recommends</i>
1	To elect a board of directors consisting of ten directors named in this proxy statement to serve until the next Annual Meeting of Stockholders and until their successors are duly elected and qualified	FOR each nominee
2	To ratify the appointment of Ernst & Young LLP as the independent registered public accounting firm of the Company for 2019	FOR
3	To approve, on a non-binding advisory basis, the compensation of the Company's named executive officers	FOR

BOARD NOMINEES AND COMMITTEE ASSIGNMENTS

There are ten director nominees for election at our 2019 Annual Meeting, to hold office until the next Annual Meeting and until their successors have been duly elected and qualified. All of the nominees are currently serving as directors of the Company and were elected to the board of directors (the Board) at the last Annual Meeting.

With respect to Messrs. Kay, Pollack and Schnabel, as previously disclosed, the Company entered into an Agreement and Plan of Merger (the Merger Agreement) by and among the Company, Taylor Parent, LLC, a Delaware limited liability company (Taylor Parent), and Taylor Holdco, LLC, a Delaware limited liability company (dba Filament Brands, and which the Company refers to as Filament) and related entities, providing for the acquisition of Filament by the Company (the Filament Acquisition). In connection with the Merger Agreement, the Company entered into a stockholders agreement (the Stockholders Agreement) by and among the Company, Taylor Parent and other related stockholders. Pursuant to the Merger Agreement and the Stockholders Agreement, the Company was required to appoint three Taylor designees to the Board. On March 1, 2018, effective upon the closing of the Filament Acquisition, the Board unanimously voted to expand the Board and to appoint Messrs. Kay, Pollack and Schnabel to fill the newly created vacancies on the Board. Messrs. Kay, Pollack and Schnabel were subsequently elected to the Board by the Company's stockholders at the 2018 Annual Meeting and are standing for re-election to the Board at the 2019 Annual Meeting.

<i>Name</i>	<i>Age</i>	<i>Main Occupation</i>	<i>Joined Board</i>	<i>Committee Assignment</i>
Jeffrey Siegel	76	Chairman/Executive Chairman, Lifetime Brands, Inc.	1967	SP, Exec (Chair)
Robert B. Kay	57	CEO, Lifetime Brands, Inc.	2018	
Michael J. Jeary	72	Retired advertising executive	2005	Nom/Gov, SP (Chair), Comp
John Koegel*	67	Principal, Jo-Tan, LLC	2008	

Edgar Filing: LIFETIME BRANDS, INC - Form DEF 14A

				Nom/Gov (Chair), SP, Audit, Comp, Exec
Cherrie Nanninga	70	Partner, Real Estate Solutions Group	2003	Nom/Gov, Audit, Comp (Chair)
Craig Phillips	68	Retired, Senior VP Distribution Lifetime Brands, Inc.	1974	Nom/Gov
Bruce G. Pollack	60	Managing Partner, Centre Partners Management, LLC	2018	Nom/Gov, Comp
Dennis E. Reaves	76	Consultant	2013	Nom/Gov, SP
Michael J. Regan	77	Retired Certified Public Accountant	2012	Nom/Gov, Audit (Chair)
Michael Schnabel	41	Partner, Centre Partners	2018	Nom/Gov, SP

Management, LLC

Abbreviations: Nom/Gov = Nominating/Governance Committee; Audit = Audit Committee; SP = Strategic Planning Committee; Comp = Compensation Committee; Exec = Executive Committee

* Independent Lead Director

¹ Mr. Phillips retired and resigned as Senior Vice-President Distribution, effective January 2, 2015.

Table of Contents

CORPORATE GOVERNANCE PRACTICES

Our corporate governance practices include the following best practices:

a majority vote director resignation policy,
a lead independent director on our Board,
the annual election of directors,
a compensation philosophy for named executive officers aligning compensation with short-term and long-term performance, including drivers of stockholder value,
stock ownership guidelines for directors,
stock ownership guidelines for our executive officers,
stockholders can take action by written consent,
anti-hedging provisions,
stockholders have the right to remove directors with or without cause, and
our strong corporate citizenship, including our donation practices, our partnership with organizations and our avoidance of the use of conflict minerals.

Table of Contents

THE BOARD OF DIRECTORS EXTENDS A CORDIAL INVITATION TO ALL STOCKHOLDERS TO ATTEND THE ANNUAL MEETING. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN AS PROMPTLY AS POSSIBLE THE ENCLOSED PROXY CARD IN THE ACCOMPANYING REPLY ENVELOPE. STOCKHOLDERS WHO WISH MAY ATTEND THE ANNUAL MEETING. STOCKHOLDERS WHO HAVE SUBMITTED COMPLETED PROXY CARDS MAY REVOKE THEIR PROXIES AND VOTE IN PERSON.

LIFETIME BRANDS, INC.

1000 Stewart Avenue

Garden City, New York 11530

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

To be held on June 27, 2019

INTRODUCTION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors (the Board) of Lifetime Brands, Inc., a Delaware corporation (the Company, us or we), for use at our Annual Meeting of Stockholders (the Annual Meeting) to be held on the date, at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting of Stockholders. Stockholders of record at the close of business on April 29, 2019 are entitled to notice of and to vote at the Annual Meeting. This Proxy Statement and the accompanying form of proxy shall be mailed to stockholders on or about May 6, 2019.

THE ANNUAL MEETING

On April 29, 2019, there were 20,921,967 shares of the Company's common stock, \$0.01 par value, issued and outstanding. Each share of the Company's common stock entitles the holder thereof to one vote on each matter submitted to a vote of stockholders at the Annual Meeting.

All shares of common stock represented by properly executed proxies or voting instruction forms will be voted at the Annual Meeting in accordance with the directions marked on the proxies or voting instruction forms, unless such proxies or voting instruction forms have previously been revoked. If no directions are indicated on such proxies or voting instruction forms, they will be voted FOR Proposal 1 the election of each nominee named under Election of Directors, FOR Proposal 2 the ratification of the appointment of Ernst & Young LLP as the independent registered public accounting firm of the Company for 2019 and FOR Proposal 3 the approval, on a non-binding advisory basis, of the compensation of the Company's named executive officers. If any other matters are properly presented at the Annual Meeting for action, the proxy holders will vote the proxies (which confer discretionary authority upon such holders to vote on such matters) in accordance with their best judgment, subject to compliance with Rule 14a-4(c) of the Securities Exchange Act of 1934, as amended (the Exchange Act). Each proxy executed and returned by a stockholder may be revoked at any time before it is voted by timely submission of a written notice of revocation or by

submission of a duly executed proxy bearing a later date (in either case directed to the Secretary of the Company), or, if a stockholder is present at the Annual Meeting, he or she may elect to revoke his or her proxy and vote his or her shares personally.

VOTE REQUIRED FOR APPROVAL

A majority of our outstanding shares of common stock present at the Annual Meeting, in person or by proxy, and entitled to vote shall constitute a quorum. Abstentions and broker non-votes will be counted for purposes of determining the presence or absence of a quorum. Assuming a quorum is present, (1) directors shall be elected by a plurality of the votes cast in the election of directors, (2) the affirmative vote of a majority of the shares present at the Annual Meeting, in person or by proxy, and entitled to vote is necessary to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm, and (3) the affirmative vote of a majority of the shares present at the Annual Meeting, in person or by proxy, and entitled to vote is necessary to approve, on a non-binding advisory basis, the compensation of the Company's named executive officers.

With respect to Proposal 1, you may vote for all nominees, withhold your vote as to all nominees, or vote for all nominees except those specific nominees from whom you withhold your vote. The ten nominees receiving the most FOR votes will be elected. Properly executed proxies marked WITHHOLD with respect to the election of one or more directors will not be voted with respect to the director or directors indicated. Proxies may not be voted for more than ten directors and stockholders may not cumulate votes for the election of any directors.

Table of Contents

With respect to Proposals 2 and 3, you may vote for, against or abstain from voting on any of these proposals.

If a stockholder, present in person or by proxy, abstains on a matter, such stockholder's shares of common stock, although included in the quorum, will not be voted on such matter. Thus, an abstention from voting on either Proposal 2 or 3 has the same effect as a vote against the matter.

Brokers or other nominees who hold shares of our common stock for a beneficial owner have the discretion to vote on routine proposals when they have not received voting instructions from the beneficial owner at least ten days prior to the Annual Meeting. New York Stock Exchange rules prohibit brokers from voting on Proposals 1 and 3 without receiving instructions from the beneficial owner of the shares. Brokers may vote on Proposal 2 absent instructions from the beneficial owner.

A broker non-vote occurs when a broker or other nominee does not receive voting instructions from the beneficial owner and does not have the discretion to direct the voting of the shares. Broker non-votes will be counted for purposes of calculating whether a quorum is present at the Annual Meeting, but, in the absence of instructions, shares subject to such broker non-votes will not be counted for purposes of determining the number of votes present in person or represented by proxy and entitled to vote with respect to a particular proposal. Thus, a broker non-vote will not impact our ability to obtain a quorum.

In determining whether a proposal has received the requisite number of votes, broker non-votes will have no effect on the outcome of the vote on a proposal that requires a plurality of votes cast (Proposal 1) and will have no effect on the outcome of the vote on a proposal that requires the affirmative vote of a majority of the shares present at the Annual Meeting, in person or by proxy, and entitled to vote (Proposal 3).

HOW TO VOTE

You may vote your shares by one of the following methods:

INTERNET: To vote your shares by Internet, please visit the website listed on your proxy card or voting instruction form and follow the on-screen instructions. If you vote by Internet, you do not need to mail your proxy card or voting instruction form.

TELEPHONE: To vote your shares by telephone, please follow the instructions on your proxy card or voting instruction form. If you vote by telephone, you do not need to mail your proxy card or voting instruction form.

MAIL: To vote your shares by mail, please follow the instructions on your proxy card or voting instruction form. Please be sure to sign and date your completed proxy card or voting instruction form before mailing. If you do not sign your proxy card or voting instruction form, your votes cannot be counted. Please mail your proxy card or voting instruction form in the pre-addressed, postage-paid envelope.

IN PERSON: You may also attend the Annual Meeting and vote in person. Please bring photo identification. If you own your stock in street name and wish to vote your shares in person at the Annual Meeting, you must obtain and bring to the meeting a legal proxy from the bank or the brokerage firm holding your shares.

MAJORITY VOTING GOVERNANCE PRINCIPLE

Although our Bylaws provide for a plurality voting standard for the election of directors, our Board has adopted, as a governance principle, a majority voting standard for uncontested director elections and a plurality voting standard for

contested director elections. For this purpose, a majority of votes cast means that the number of votes cast for a nominee's election exceeds the number of votes cast against that nominee's election. Accordingly, subsequent to the election of directors at the Annual Meeting, any elected director who is not elected by an affirmative vote of a majority of the votes cast at the Annual Meeting shall submit his or her resignation to our Board, to be effective upon the Board's determination of whether to accept or reject the resignation. Upon receipt by our Board of such resignation, our Board shall, in its sole judgment and discretion, within 90 days from the submission of such director's resignation as a director of the Company, determine whether to accept or reject such director's resignation. If our Board rejects such director's resignation as a director of the Company, then we shall prepare and file a Form 8-K to explain our Board's rationale for its rejection of such director's resignation.

PROXY SOLICITATION

We will bear the cost of preparing, printing, assembling and mailing the form of proxy, this Proxy Statement, the 2018 Annual Report and other materials that may be sent to stockholders in connection with this solicitation. We have retained Georgeson, a proxy solicitation firm, at an estimated cost of \$8,500 plus reimbursement of expenses, to assist in soliciting proxies from brokers, banks, nominees, and institutional holders. Georgeson may solicit votes personally or by telephone, mail or electronic means. In addition, Georgeson and certain related persons will be indemnified against certain liabilities arising out of or in connection with the engagement.

Table of Contents

It is contemplated that brokerage houses will forward the proxy materials to beneficial holders at our request. In addition to the solicitation of proxies by the use of mail, our officers and other employees may solicit proxies personally, by telephone or by electronic means without being paid any additional compensation. We will reimburse such persons for their reasonable out-of-pocket expenses in accordance with the regulations of the Securities and Exchange Commission (SEC).

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information regarding beneficial ownership of our common stock as of April 15, 2019 (except where otherwise noted) based on a review of information filed with the SEC and our records with respect to (i) each person known to be the beneficial owner of more than 5% of the outstanding shares of our common stock, (ii) each of our directors, (iii) each of our named executive officers, and (iv) all our directors and executive officers as a group.

<i>Name of beneficial owner</i>	<i>Number of shares beneficially owned</i>	<i>Percent of shares beneficially owned*</i>
DIRECTORS AND EXECUTIVE OFFICERS (1)		
Jeffrey Siegel	1,508,170 ⁽²⁾	7.1%
Craig Phillips	642,039 ⁽³⁾	3.1%
Daniel Siegel	434,552 ⁽⁴⁾	2.1%
Ronald Shiftan	395,121 ⁽⁵⁾	1.9%
Laurence Winoker	116,308 ⁽⁶⁾	
Robert B. Kay	128,500 ⁽⁷⁾	
Michael J. Jeary	80,600 ⁽⁸⁾	
Cherrie Nanninga	57,100 ⁽⁹⁾	
John Koegel	39,085	
Michael J. Regan	26,134	
Dennis E. Reaves	20,558	

Bruce G. Pollack	5,891,794 ⁽¹⁰⁾	28.2%
Michael Schnabel	7,086	
All directors and executive officers as a group (13 persons)	9,347,047	44.7%

<i>Name of beneficial owner</i>	<i>Number of shares beneficially owned</i>	<i>Percent of shares beneficially owned</i>
Centre Partners V, L.P.		
601 Lexington Avenue, 55th Floor	5,884,708 ⁽¹¹⁾	28.1%
New York, New York 10022		

Mill Road Capital II, L.P.	1,628,203 ⁽¹²⁾	7.8%
382 Greenwich Avenue, Suite One		
Greenwich, Connecticut 06830		

Dimensional Fund Advisors LP	1,250,094 ⁽¹³⁾	6.0%
6300 Bee Cave Road		
Austin, Texas 78746		

Notes:

* Calculated on the basis of 20,926,717 shares of common stock outstanding on April 15, 2019. Pursuant to the regulations of the SEC, shares are deemed to be beneficially owned by a person if such person directly or indirectly has or shares the power to vote or dispose of such shares. Each person is deemed to be the beneficial owner of securities which may be acquired within sixty days through the exercise of options, warrants, and other rights, if any, and such securities are deemed to be outstanding for the purpose of computing the percentage of the class beneficially owned by such person.

Less than 1%.

- (1) The address of such individuals is c/o the Company, 1000 Stewart Avenue, Garden City, New York 11530.
- (2) Consists of: (i) 1,037,160 shares owned directly by Mr. Jeffrey Siegel, (ii) 1,010 shares owned by Mr. Siegel's wife, and (iii) 470,000 shares issuable upon the exercise of options which are exercisable within 60 days.

Table of Contents

- (3) Consists of: (i) 637,589 shares owned directly by Mr. Phillips and (ii) 4,450 shares held in an irrevocable trust for the benefit of Mr. Phillips.
- (4) Consists of: (i) 357,052 shares owned directly by Mr. Daniel Siegel, (ii) 1,500 shares owned by Mr. Siegel's wife, (iii) 3,000 shares held as Uniform Transfer to Minors Act Custodian for children, (iv) 6,000 shares held in an irrevocable trust for the benefit of Katherine and Juliana Wells, and (v) 67,000 shares issuable upon the exercise of options which are exercisable within 60 days.
- (5) Consists of: (i) 223,121 shares owned directly by Mr. Shifan and (ii) 172,000 shares issuable upon the exercise of options which are exercisable within 60 days.
- (6) Consists of: (i) 60,308 shares owned directly by Mr. Winoker and (ii) 56,000 shares issuable upon the exercise of options which are exercisable within 60 days.
- (7) Consists of: (i) 78,500 shares owned directly by Mr. Kay, (ii) 7,272 shares issuable upon the exercise of options that are exercisable within 60 days and (iii) 42,728 shares issuable upon the exercise of options that are indirectly owned in an irrevocable family trust that are exercisable within 60 days.
- (8) Consists of: (i) 55,600 shares owned directly by Mr. Jeary and (ii) 25,000 shares issuable upon the exercise of options that are exercisable within 60 days.
- (9) Consists of: (i) 32,100 shares owned directly by Ms. Nanninga and (ii) 25,000 shares issuable upon the exercise of options that are exercisable within 60 days.
- (10) Consists of: (i) 7,086 shares owned directly by Mr. Pollack, (ii) 5,593,116 shares held by Taylor Parent, and (iii) 291,592 shares held by Centre Capital Investors V, L.P. (Centre Investors). Centre Partners V, L.P. (Centre Partners LP) is the sole general partner of Centre Investors. CP Taylor GP, LLC (CP Taylor) has the authority to appoint the board of directors of Taylor Parent. Centre Partners, L.P. is the sole member of CP Taylor and the general partner of Centre Investors. Centre Partners V LLC (Centre Partners) is the general partner of Centre Partners LP. JRJ V LP (JRJ LP) and Harwich Road V LP (Harwich Road LP) are co-managers of Centre Partners. JRJ Inc. (JRJ) is the general partner of JRJ LP. Harwich Road Inc. (Harwich Road) is the general partner of Harwich Road LP. Bruce G. Pollack is the president of JRJ. David Jaffe is the president of Harwich Road. As such, Centre Partners LP, Centre Partners, JRJ LP, Harwich Road LP, JRJ, Harwich Road, Bruce G. Pollack and David Jaffe may be deemed to beneficially own the shares of the Company owned directly by Centre Investors and CP Taylor, Centre Partners LP, Centre Partners, JRJ LP, Harwich Road LP, JRJ, Harwich Road, Bruce G. Pollack and David Jaffe may be deemed to beneficially own the shares of the Company owned directly by Taylor Parent.
- (11) Based solely on Amendment No. 2 to the Schedule 13D filed with the SEC on March 25, 2019. Consists of: 5,593,116 shares held by Taylor Parent and 291,592 shares held by Centre Investors. See footnote 10 above

for a further description of the beneficial ownership of these shares.

- (12) Based solely on Amendment No. 7 to the Schedule 13D filed with the SEC on March 12, 2018. Represents shares owned by Mill Road Capital II, L.P. (MR Capital Fund). MR Capital Fund directly holds, and thus has sole voting and dispositive power over, 1,628,203 shares. Mill Road Capital II GP LLC (MR Capital GP), as sole general partner of MR Capital Fund, also has sole authority to vote (or direct the vote of), and to dispose (or direct the disposal) of, the shares held on behalf of MR Capital Fund, and each of Thomas E. Lynch and Scott P. Scharfman has shared authority to vote (or direct the vote of), and to dispose (or direct the disposal) of, these shares on behalf of MR Capital GP. Accordingly, each of MR Capital GP, MR Capital Fund, Mr. Lynch and Mr. Scharfman (collectively, the MR Reporting Persons) beneficially owns 1,628,203 shares of common stock, and the MR Reporting Persons beneficially own, in the aggregate, 1,628,203 shares of common stock.
- (13) Based solely on Amendment No. 10 to the Schedule 13G filed with the SEC on February 8, 2019. Represents shares of our common stock owned of record by clients of Dimensional Fund Advisors LP. Dimensional Fund Advisors LP, in its capacity as an investment adviser, has shared voting power with respect to 1,206,688 shares and shared dispositive power with respect to 1,250,094 shares. As stated in Amendment No. 10 to the Schedule 13G filed with the SEC on February 8, 2019, Dimensional Fund Advisors LP, an investment adviser registered under Section 203 of the Investment Advisors Act of 1940, furnishes investment advice to four investment companies registered under the Investment Company Act of 1940, and serves as investment manager to certain other commingled group trusts and separate accounts (such investment companies, trusts and accounts, collectively referred to as the Funds). In certain cases, subsidiaries of Dimensional Fund Advisors LP may act as an adviser or sub-adviser to certain Funds. In its role as investment adviser, sub-adviser and/or manager, Dimensional Fund Advisors LP or its subsidiaries possess voting and/or investment power over the securities of the Company that are owned by the Funds, and may be deemed to be the beneficial owner of the shares of the Company held by the Funds.

Table of Contents

Proposal No. 1

ELECTION OF DIRECTORS

A board of ten directors is to be elected at the Annual Meeting to hold office until the next Annual Meeting of Stockholders, and shall hold office until their successors are duly elected and qualified or until their earlier resignation or removal. The following nominees have been recommended by the Board. Each of the nominees is one of our current directors. It is the intention of the persons named as proxies in the enclosed proxy card to vote the shares covered thereby FOR the election of the ten persons named below, unless a proxy card received by them contains contrary instructions:

Director Nominees

Jeffrey Siegel is Chairman of our Board and Executive Chairman. Mr. Siegel has held the position of Chairman of the Board since June 2001, the position of President from December 1999 to 2013 and the position of Chief Executive Officer from December 2000 to March 2018. Mr. Siegel also is a director of Grupo Vasconia, S.A.B. (Vasconia), a manufacturer and distributor of industrial aluminum products, aluminum disks, cookware and related items in Mexico, in which we have approximately a 30% equity ownership. Mr. Siegel has been a director of Vasconia since 2007. Shares of Vasconia's capital stock are traded on the Bolsa Mexicana de Valores, the Mexican Stock Exchange. Mr. Siegel has served the Company in various capacities and has been a director of the Company since 1967. Mr. Siegel is a cousin of Craig Phillips and the father of Daniel Siegel.

Robert B. Kay is our Chief Executive Officer and has served in such role since the consummation of the Filament Acquisition in March 2018. Mr. Kay previously served as the Chairman and Chief Executive Officer of Filament from 2012 to 2018. Mr. Kay began his career at Deloitte & Touche where he spent six years as a management consultant. From 1993 until 1998, he served as the Senior Vice President and Chief Financial Officer of Oxford Resources Corp., a NASDAQ listed consumer finance company. From 1999 to 2005, Mr. Kay was President and Chief Executive Officer of Key Components, Inc., a diversified industrial company. In 2006, Mr. Kay joined Kaz, Inc. as Executive Chairman until the company was sold to a publicly traded strategic buyer in 2010. Mr. Kay has been a member of the operating partner network of Centre Partners Management, LLC, which, through its affiliates, beneficially owns a majority of the capital stock of Taylor Parent, since 2005. Mr. Kay also serves on the board of Nearly Natural, LLC, a private portfolio company of Centre Partners Management, LLC.

Michael J. Jeary is a retired advertising executive. From 2009 to 2016, Mr. Jeary was President of Laughlin Constable, an advertising agency with offices in Milwaukee, Chicago and New York. Prior to that, from 2006 to July 2009, Mr. Jeary was President and CEO of Partners + Jeary, a New York-based advertising agency.

John Koegel has been our independent lead director since 2013 and a principal of Jo-Tan, LLC, a retail consulting company, since 2006. From February 2010 to October 2011, Mr. Koegel was a member of the Board and Lead Director of Game Trading Technologies, Inc., a publicly held provider of trading solutions for video game retailers, publishers, rental companies and consumers.

Table of Contents

Cherrie Nanninga has been a partner of Real Estate Solutions Group, LLC, a privately-held real estate consulting firm, since May 2014 and, prior to that, was the Chief Operating Officer of the New York Tri-State Region of CBRE, a commercial real estate firm, since 2002. For 23 years prior thereto, Ms. Nanninga was employed by The Port Authority of New York and New Jersey where she most recently served as Deputy Chief Financial Officer and Director of Real Estate.

Craig Phillips held the position of our Senior Vice-President – Distribution from July 2003 to January 2015, when he retired from the Company. Previously, Mr. Phillips held the position of our Vice-President – Manufacturing from 1974 to 2003. Mr. Phillips, a cousin of Jeffrey Siegel, has been one of our directors since 1974.

Bruce G. Pollack is a Managing Partner of Centre Partners Management, LLC and has served in that role since 1991. Mr. Pollack began his career in the investment banking division of Becker Paribas Incorporated and Merrill Lynch Capital Markets. Mr. Pollack currently serves as a director of Taylor Parent, LLC, Guy & O'Neill, Inc., K2 Pure Solutions, L.P., Sun Orchard, Inc., Nearly Natural, LLC, Golding Farms Food, and One World Fitness PFF, LLC, each a private portfolio company of Centre Partners Management, LLC. Mr. Pollack previously served on the Boards of a number of companies including Taylor Precision Products, Inc. (until March 2018), Captain D's, LLC, Bellisio Foods, Inc., Bumble Bee Foods, L.P., Distant Lands Trading Co., Inc., The Johnny Rockets Group, Inc., KIK Corporation Holdings, Inc., Salton, Inc., Ross Aviation, LLC and several other private companies. He is on the Board of Governors of the Weizmann Institute of Science. Mr. Pollack received a B.A. from Brandeis University.

Dennis E. Reaves was formerly Senior Vice President and General Merchandise Manager (from 1998 to 2002) of Wal-Mart Stores, Inc. Mr. Reaves serves as a consultant to the Company and since 2002, has served as a senior consultant to leading retailers, such as Big Lots, Inc. and Gap, Inc., and to multinational consumer products companies, including Jarden Corporation.

Michael J. Regan is a retired certified public accountant. From 1996 to 2002, Mr. Regan was the Vice Chairman and Chief Administrative Officer of KPMG LLP, a leading independent public accounting firm, and was the lead audit partner for many Fortune 500 companies during his 40-year tenure with KPMG (1962 to 2002). Mr. Regan currently is a director of Scientific Games Corporation, an entertainment and media company (since 2006). Mr. Regan previously served on the board of directors of DynaVox, Inc. The Board has determined that Mr. Regan is an Audit Committee Financial Expert, as defined by the SEC rules.

Table of Contents

Michael Schnabel is a Partner of Centre Partners Management, LLC. Mr. Schnabel joined Centre Partners Management, LLC in 2002. Prior to joining Centre, he served as Director of Finance at OmniSky Corporation after having worked in Donaldson, Lufkin & Jenrette Securities Corp.'s investment banking department. Mr. Schnabel is currently a director of Taylor Parent, LLC, Covenant Care, LLC, Taylor Precision Products, Inc., Nearly Natural, LLC, Sun Orchard, Inc., Bradford Health Services, LLC, Stonewall Kitchen LLC and Guy & O'Neill, Inc., each of which is either a private portfolio company of Centre Partners Management, LLC or a subsidiary of the Company. He previously served on the Boards of ActionEmco Acquisition, LLC, Bellisio Foods, Inc., Captain D's, LLC, Group Dekko Holdings, Inc. and Uno Restaurant Holdings Corp. Mr. Schnabel received a B.S. from Duke University.

Table of Contents*Key Qualifications of Director Nominees*

<i>Nominee</i>	<i>Key Qualifications</i>
Jeffrey Siegel	Service as our Chairman and Executive Chairman; extensive knowledge of our strategy, operations and financial position and of the housewares and retail industries.
Robert B. Kay	Service as our Chief Executive Officer; distinguished career as the Chief Executive Officer in the housewares industry; experience gained in leadership positions in various industries.
Michael J. Jeary	Distinguished career as a marketing executive. Consumer products and e-commerce experience gained in leadership positions in the advertising industry; knowledge of the Company and the housewares industry through board service.
John Koegel	Notable career in retailing; strong background in merchandising and general management; consultant for private investment funds and their retail and consumer related portfolio companies; recognized expertise in business improvement, management oversight and due diligence; experience in providing strategic advice on merger and acquisition transactions; knowledge of the Company and the housewares industry through board service.
Cherrie Nanninga	Extensive experience as a financial and operations executive; experience as Deputy Chief Financial Officer of a large public sector organization and Chief Operating Officer of a large division of a multinational company; knowledge of the Company and the housewares industry through board service.