

POOL CORP
Form DEF 14A
March 28, 2011

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

Filed by the Registrant x

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))
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to § 240.14a-12

POOL CORPORATION

(Name of Registrant as Specified in Its Charter)

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

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POOL CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The 2011 annual meeting of stockholders (the Annual Meeting) of Pool Corporation (the Company, we, us or our) will be held on Wednesday, May 4, 2011, at 9:00 a.m., Central Time, at our corporate headquarters, located at 109 Northpark Boulevard, Covington, Louisiana 70433.

At the Annual Meeting, you will be asked to:

1. elect the directors named in the attached Proxy Statement to the Board of Directors, each to serve a one-year term or until their successors have been elected and qualified;
2. ratify the retention of Ernst & Young LLP, certified public accountants, as our independent registered public accounting firm for the 2011 fiscal year;
3. cast a non-binding advisory vote to approve the compensation of our named executive officers as disclosed in this Proxy Statement (the say-on-pay vote);
4. cast a non-binding advisory vote on how frequently we should hold future say-on-pay votes (the frequency vote); and
5. consider any other business which may properly arise at the Annual Meeting.

The accompanying Proxy Statement describes the matters being voted on and contains other information relating to Pool Corporation.

The Board of Directors has set March 14, 2011 as the record date for the Annual Meeting. This means that only record owners of the Company's common stock at the close of business on that date are entitled to notice of, and to vote at, the Annual Meeting and at any adjournment or postponement of the Annual Meeting.

By Order of the Board of Directors,

Jennifer M. Neil
Corporate Secretary

Covington, Louisiana
March 28, 2011

We urge each stockholder to promptly sign and return the enclosed proxy card or if applicable, to use telephone or internet voting. See "Frequently Asked Questions Regarding Attendance and Voting" for information about voting by telephone or internet.

POOL CORPORATION

109 Northpark Boulevard
Covington, Louisiana 70433

PROXY STATEMENT

Frequently Asked Questions Regarding Attendance and Voting

Q: Why am I receiving these materials?

A: The Board of Directors (the Board) of Pool Corporation (the Company, we, us or our) is providing these proxy materials to you in connection with its solicitation of proxies for use at the 2011 annual meeting of our stockholders (the Annual Meeting). Stockholders at the close of business on March 14, 2011, the record date, are entitled to vote at the Annual Meeting.

Q: Who may vote?

A: With respect to the election of directors, each stockholder is entitled to one vote for every share of common stock, \$0.001 par value (Common Stock) owned on the record date for each position to be filled. For all other matters, each stockholder is entitled to one vote on each matter presented for each share of our Common Stock owned on the record date. On March 14, 2011, there were approximately 48,620,278 shares of our Common Stock outstanding. This Proxy Statement is being mailed to stockholders on or about March 28, 2011.

Q: When and where will the Annual Meeting be held?

A: The Annual Meeting will be held on Wednesday, May 4, 2011, at 9:00 a.m., Central Time, at our corporate headquarters, located at 109 Northpark Boulevard, Covington, Louisiana 70433.

Q: How may I obtain directions to the Annual Meeting?

A: To obtain directions to the Annual Meeting, you may contact Investor Relations at (985) 892-5521.

Q: What proposals will be voted upon at the Annual Meeting?

A: At the Annual Meeting, you will be asked to:

- (1) elect eight directors to the Board of Directors, each to serve a one-year term or until their successors have been elected and qualified;
- (2) ratify the retention of Ernst & Young LLP as our independent registered public accounting firm for the 2011 fiscal year;
- (3) cast a non-binding advisory vote to approve the compensation of our named executive officers as disclosed in this Proxy Statement (the say-on-pay vote); and
- (4) cast a non-binding advisory vote on how frequently we should hold future say-on-pay votes (the frequency vote).

The Board does not know of any additional matters to be presented at our Annual Meeting other than those described in this Proxy Statement.

Q: What are the Board's voting recommendations?

A: The Board recommends that you vote your shares:

§ "FOR" each of the director nominees (Proposal 1);

§ "FOR" ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for 2011 (Proposal 2);

§ "FOR" approval of the compensation of our named executive officers as disclosed in this Proxy Statement (Proposal 3); and

§ with respect to the frequency vote, to hold future say-on-pay votes every "1 YEAR" (Proposal 4).

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Q: How do I vote?

A: If you are a holder of record (that is, if your shares are registered in your own name with our transfer agent), you may vote using the enclosed proxy card. You can also vote by telephone or the internet. Voting instructions are provided on the proxy card contained in the proxy materials.

If you are a street name holder (that is, if you hold your shares through a bank, broker or other holder of record), you must vote in accordance with the voting instruction form provided by your bank, broker or other holder of record. The availability of telephone or internet voting will depend upon your bank's, broker's, or other holder of record's voting process.

If you come to the Annual Meeting, you can, of course, vote in person. If you are a street name holder and wish to vote at the meeting, you must first obtain a proxy from your bank, broker or other holder of record authorizing you to vote.

Q: How many votes must be represented to hold the Annual Meeting?

A: In order to carry on the business of the Annual Meeting, a quorum must be present. This means at least a majority of the outstanding shares eligible to vote must be represented at the Annual Meeting, either by proxy or in person. If you submit your proxy instructions or if you attend the Annual Meeting in person, your shares will be counted for the purpose of determining a quorum, even if you abstain from voting on some or all matters introduced at the Annual Meeting. Also, if you hold your shares in street name, your shares will be counted in determining a quorum if your broker, bank or other holder of record votes your shares on any matter.

Q: What is the vote required for each proposal?

A: Proposal 1 - A plurality of the shares voting is required to elect the directors. This means that the nominees who receive the most votes will be elected. In counting votes on the election of directors, only votes "for" or "withheld" affect the outcome.

Proposal 2 - Ratification of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2011 will require the affirmative vote of a majority of the shares present or represented at the Annual Meeting and entitled to vote.

Proposal 3 - The advisory say-on-pay vote will also require the affirmative vote of a majority of the shares present and represented at the Annual Meeting and entitled to vote. This means that the votes that stockholders cast "for" must exceed the votes stockholders cast "against" in order to approve the compensation of our named executive officers. Because the vote is advisory, it will not be binding on the Board or the Company. However, the Board will review the voting results and take them into consideration when making future decisions regarding executive compensation.

Proposal 4 - A plurality of the shares voting applies to the advisory vote on the frequency of an advisory vote to approve executive compensation. Thus, the frequency of the advisory vote on executive compensation receiving the greatest number of votes – every three years, two years or one year – will be the frequency that stockholders approve. Because the vote is advisory, it will not be binding on the Board or the Company. However, the Board will review the voting results and take them into consideration when making future decisions regarding the frequency of the advisory vote to approve executive compensation.

Q: Could other matters be decided at the Annual Meeting?

A: We are not aware of any matters to be presented other than those described in this Proxy Statement. By signing and returning a proxy card, however, you will give to the persons named as proxies discretionary voting authority with respect to any other matter that may properly come before the Annual Meeting, and they intend to vote on any such matter in accordance with their best judgment.

Q: What happens if I withhold my vote or I vote to abstain?

A: In the election of directors, you can vote for the eight directors standing for election or you can indicate that you are withholding your vote for any or all of the nominees. An abstention will have no effect on the outcome of the proposal to elect directors.

With regard to the frequency vote, you may vote in favor of holding the say-on-pay vote every three years, two years, or one year, or you may abstain from voting. As with the election of directors, an abstention will have no effect on the outcome of the frequency vote.

Regarding the proposal to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2011, the say-on-pay vote, and any other matter that is properly brought before the meeting, you may vote for or against each proposal or you may abstain from voting. An abstention will have the same effect as a vote against the respective proposal.

Q: What if I do not indicate my vote for one or more of the matters on my proxy card?

A: If you execute and return your proxy but do not give voting instructions, your shares will be voted as recommended by the Board. This means that unless your proxy is otherwise marked, properly executed proxies will be voted in favor of the election of each of the director nominees, the ratification of the independent registered public accounting firm for fiscal year 2011, and the say-on-pay vote. If you do not provide voting instructions on the frequency vote, your shares will also be voted to hold a say-on-pay vote every year.

Q: What happens if I do not vote my proxy?

A: If you are a holder of record and do not vote shares held in your name, those shares will not be voted.

If you are a street name holder and do not provide voting instructions to your broker, your shares may be voted on any matter your broker has discretionary authority to vote. Under the rules of the New York Stock Exchange (NYSE), brokers generally have discretionary authority to vote on “routine” matters, but not on “non-routine” matters. The election of directors, the say-on-pay vote, and the frequency vote are classified as non-routine matters under the NYSE rules and ratification of the appointment of the independent registered public accounting firm is considered a routine matter. On any matter for which your broker does not vote on your behalf, the shares will be treated as “broker non-votes”.

Q: What are broker non-votes and what effect do they have on the proposals?

A: Generally, broker non-votes occur when shares held by a broker in “street name” for a beneficial owner are not voted with respect to a particular proposal because (1) the broker has not received voting instructions from the beneficial owner and (2) the broker lacks discretionary voting power to vote the shares on a non-routine proposal. Broker non-votes will be treated as present for purposes of determining the existence of a quorum at the Annual Meeting. However, broker non-votes will have no effect on the election of directors, the ratification of the independent registered accounting firm for fiscal year 2011, the say-on-pay vote, and the frequency vote.

Q: Can I change or revoke my vote?

A: Yes. To change or revoke your vote at any time before the shares are voted at the Annual Meeting, you must either:

a) mail (i) a new proxy card with a later date or (ii) a written revocation addressed to:

Pool Corporation
Jennifer M. Neil, Corporate Secretary
109 Northpark Boulevard
Covington, LA 70433-5001

or

b) attend the Annual Meeting and vote in person.

Q: Who will pay the expenses incurred in connection with the solicitation of my vote?

A: We pay the cost of preparing proxy materials and soliciting your vote. We will, upon request, reimburse brokers and other nominees for the cost of mailing materials to beneficial owners. Some of our employees, who will receive no additional compensation, may solicit proxies by telephone, facsimile or electronic mail. We also pay all Annual Meeting expenses.

Q: What happens if the Annual Meeting is postponed or adjourned?

A: Unless a new record date is fixed, your proxy will still be good and may be voted at the postponed or adjourned Annual Meeting. You will still be able to change or revoke your proxy at any time until it is voted.

Q: How can stockholders present proposals for inclusion in our proxy materials relating to our 2012 annual meeting?

A: In order to be considered for inclusion in the proxy materials related to our 2012 annual meeting of stockholders, we must receive stockholders proposals no later than November 29, 2011. If such proposal is timely received, is in compliance with all of the requirements of Rule 14a-8 under the Securities Exchange Act of 1934 (the Exchange Act), and complies with our Bylaws, it will be included in the proxy statement and set forth on the form of proxy issued for such annual meeting of stockholders.

Our Bylaws are filed with the Securities and Exchange Commission (SEC), and stockholders should refer to the Bylaws for a complete description of the requirements. Any stockholders who wish to nominate a director or present a proposal before the 2012 annual meeting must notify the Secretary of the Company no earlier than July 2, 2011, and no later than November 29, 2011.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on May 4, 2011. The Company's Proxy Statement and Annual Report to Stockholders for the fiscal year ended December 31, 2010 are available at <http://www.poolcorp.com/investors>.

ELECTION OF DIRECTORS
(Proposal 1)

General

Our Bylaws provide that the size of our Board shall be fixed from time to time by resolution of the Board and vacancies on the Board may be filled by a majority of the directors then in office.

At the Annual Meeting, eight directors will be elected to serve a one-year term. Each of the nominees has indicated his intention to serve if elected. Should any of the director nominees be unable to take office at the Annual Meeting, your shares will be voted in favor of another person or other persons nominated by the Board. Each director will hold office until his successor has been elected and qualified or until the director's earlier resignation or removal.

Information about Our Directors

The following information sets forth, as of March 1, 2011, certain information about our directors, all of whom have been nominated for re-election to our Board. Unless otherwise indicated, each person has been engaged in the principal occupation shown for the past five years.

Wilson B. Sexton (74)

Areas of experience include: § Chairman and Director since 1993
§ Our Chief Executive Officer from 1999 to 2001
§ Industry Knowledge § Director of Beacon Roofing Supply, Inc., a wholesale distributor of roofing and complementary building products, and serves on its audit and compensation committees; and director of Houston Wire and Cable Company, a wholesale distributor of electrical wire and cable, and serves on its audit and compensation committees
§ Operations § Bachelor of Business Administration, Southern Methodist University
§ Strategic Planning § Certified Public Accountant
§ Distribution § Among other qualifications, Mr. Sexton brings to the Board strong financial acumen along with extensive managerial experience and industry knowledge.
§ International

Andrew W. Code (52)

Areas of experience include: § Director since 1993
§ Finance § A founding partner of Code, Hennessy & Simmons, LLC (CHS), a Chicago-based private equity firm since 1988, with five funds totaling over \$2.7 billion in assets under management and having purchased over 300 companies with total revenue exceeding \$15 billion
§ Mergers and Acquisitions § A founding partner in Promus Capital, a wealth management, private equity, alternative investments and multi-family office with over \$300 million under management
§ Strategic Opportunities § Serves as a member of various private, profit and non-profit boards of directors, including the Board of Directors of the University of Iowa Foundation, Resource Land Holdings, Creation Investments, CAPX Partners, LaSalle Capital, Paradigm Project and is actively leading the fund raising efforts for Catalyst Rock School in Chicago, Illinois
§ Management

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§ Previously served as a director of American Reprographics Company, a leading reprographics company providing document management services to the architectural, engineering and construction industry; and The Hillman Companies, Inc., a distributor of hardware items, key duplication and engraving equipment

§ Bachelor of Arts and Master of Business Administration, University of Iowa

§ Among other qualifications, Mr. Code brings to the Board extensive financial expertise, many years of senior leadership and business development experience, and significant acquisition and initial public offering experience.

James J. Gaffney (70)

Areas of experience include:

- § Director since 1998
- § Chairman of Imperial Sugar Company, a processor and marketer of refined sugar, and serves on its compensation committee and governance committee; director of Beacon Roofing Supply, Inc. and serves on its governance committee and chairs its compensation committee; director of Armstrong World Industries, a manufacturer of flooring, ceilings and cabinets, and serves on its compensation committee and chairs its governance committee; and director of C&D Technologies, Inc., a producer and marketer of electrical power storage and conversion products, and chairs its compensation committee
- § Finance
- § Corporate Governance
- § Corporate Restructuring
- § Management
- § From 1997 to 2003, Vice Chairman of Viking Pacific Holdings, Ltd., a conglomerate which included manufacturing, distribution, contract mining, plant nursery and retail companies, chairman of Vermont Investments, Ltd., a New Zealand-based conglomerate, and provided consulting services to GS Partners II, L.P. (a private investment fund affiliated with Water Street Corporate Recovery Fund I, L.P. and Goldman Sachs & Co.) and other affiliated funds
- § Serves as a member of the St. John's University Board of Trustees
- § Previously served as a director of Carmike Cinemas, Inc., World Color Press Inc., Hexcel Corporation, Purina Mills, LLC, Advantica Restaurant Group, Inc., and Safelite Group, Inc.
- § Bachelor of Business Administration, St. John's University; Master of Business Administration, New York University
- § Among other qualifications, Mr. Gaffney brings to the Board broad leadership and corporate governance experience as well as comprehensive experience in operations, financial and risk management matters.

George T. Haymaker, Jr. (73)

Areas of experience include:

- § Director since 2004
- § Lead director of Hayes Lemmerz International, Inc., a global supplier of automotive and truck wheels, and serves on its audit committee
- § Strategic Planning
- § International Operations
- § Management
- § Compensation
- § From 2000 to 2007, non-executive chairman of Safelite Group, Inc., a provider of automotive replacement glass and related insurance services; and from 2001 to 2006, non-executive chairman of Kaiser Aluminum Corporation, an integrated leading producer of aluminum and aluminum products
- § Director of 360 Networks Corporation, a provider of broadband, VOIP and other telecommunication services, and chairs its compensation committee; director of International Aluminum

§ Governance

Corporation, a manufacturer of commercial building curtain wall, storefronts and entrances, and residential windows; and a member of the strategic advisory board of Genstar Capital, a private equity firm specializing in acquisitions of middle market companies

§ Previously served as a director of Flowserve Corporation, a provider of flow solutions, such as pumps, valves and seals; and from 1994 to 2000, served as Chief Executive Officer and director of Kaiser Aluminum Corporation

§ Bachelor of Science, Massachusetts Institute of Technology; Master of Business Administration, University of Southern California; Master of Science – Industrial Management, Massachusetts Institute of Technology

§ Among other qualifications, Mr. Haymaker brings to the Board many years of senior leadership and corporate governance experience as well as international and business strategy expertise. During his career, he has provided operational, strategic and governance leadership in a wide variety of business settings.

Manuel J. Perez de la Mesa (53)

Areas of experience include:

- § Director since 2001
- § Our Chief Executive Officer since 2001
- § Our President since 1999
- § Management
 - § Our Chief Operating Officer from 1999 to 2001
 - § Director of American Reprographics Company and serves on its compensation and audit committees
- § Strategic Planning
 - § Serves as a member of the board of the United States Chamber of Commerce
- § International Operations
 - § Previous general, financial and operations management experience with Watsco, Inc. from 1994 to 1999, Fresh Del Monte Produce B.V. from 1987 to 1994, International Business Machines Corp. from 1982 to 1987, and Sea-Land Service Inc./R.J. Reynolds, Inc. from 1977 to 1982
- § Industry Knowledge
 - § Bachelor of Business Administration, Florida International University; Master of Business Administration, St. John's University
 - § Among other qualifications, Mr. Perez de la Mesa brings to the Board over a decade of industry knowledge, a broad strategic vision for the Company, and a tremendous financial acumen.

Harlan F. Seymour (61)

Areas of experience include:

- § Director since 2003
- § Chairman of ACI Worldwide, Inc. (ACI), a global provider of software for electronic payments and electronic commerce, and serves on its compensation and governance committees
- § Strategic Planning
 - § Serves as a member of various private boards of directors, including Payformance Corp., a leading provider of electronic healthcare claims and settlement solutions; and the advisory board of Calvert Street Capital Partners, a private equity firm
- § Business Development
 - § From 2000 to present, conducts personal investments in both public and private companies and business advisory services through HFS LLC, particularly in the area of strategic planning services for companies in a wide variety of industries
- § Information Technology
 - § Previously served as a director and executive vice president of ENVOY Corporation, a publicly traded provider of EDI and transaction processing services for the healthcare market, from 1997 to 1999 when it was merged with Quintiles Transnational
- § Finance
 - § 1996-1997 Partner, Jefferson Capital Partners, a private equity firm; 1994-1996 Executive Vice President, Trigon Blue Cross Blue Shield; 1983-1994 First Financial Management Corporation, serving from 1990 to 1994 as President and CEO of its subsidiary, FIRST HEALTH Services Corporation, and previously as senior

vice president, corporate development

§ Bachelor of Arts, University of Missouri; Master of Business Administration, Keller Graduate School of Management

§ Among other qualifications, Mr. Seymour brings to the Board senior leadership experience, information technology knowledge, strategic planning, operating and acquisition expertise.

Robert C. Sledd (58)

Areas of expertise include:

- § Director since 1996
- § Governor’s Senior Economic Advisor, State of Virginia, from January 2010 to present; and managing partner of Pinnacle Ventures, LLC, a venture capital firm, and Sledd Properties, LLC, an investment company, from 2001 to present
- § Finance
- § Operations
- § Marketing
- § Business Development
- § Strategic Planning

§ Director of Owens and Minor Inc., a distributor of medical and surgical supplies, and serves on its compensation and strategic planning committees; and director of Universal Corporation, a leaf tobacco merchant and processor, and serves on its audit and pension investment committees

§ Chairman of Performance Food Group Company (PFG), a foodservice distribution company, from 1995 to 2008 and director from 1987 to 2008

§ Chief Executive Officer of PFG from 1987 to 2001 and from 2004 to 2006

§ Bachelor of Science, Business Administration, University of Tennessee

§ Among other qualifications, Mr. Sledd brings to the Board executive leadership experience, including his past service as a chief executive officer of a public company, along with extensive brand marketing experience and financial expertise.

John E. Stokely (58)

Areas of expertise include:

- § Director since 2000
- § Our Lead Independent Director
- § Finance
- § Management
- § Operations
- § Corporate Governance
- § Distribution

§ Director of Imperial Sugar Company and chairs both its safety and operations committees and serves on its audit committee; and director of ACI and chairs its audit committee and serves on its governance committee

§ Director of AMF Bowling Centers, Inc.

§ From 1996 to 1999, President, Chief Executive Officer and Chairman of Richfood Holdings, Inc., a regional Fortune 500