

MYERS INDUSTRIES INC
Form DEF 14A
March 20, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

(RULE 14A-101)

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

EXCHANGE ACT OF 1934

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

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

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):

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:

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(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:

NOTICE OF 2018

ANNUAL MEETING OF SHAREHOLDERS

AND PROXY STATEMENT

1293 South Main Street — Akron, Ohio 44301

March 20, 2018

Dear Fellow Shareholders,

On behalf of the Board of Directors of Myers, I am pleased to update you about our work on behalf of the shareholders of the company, in my second year as Chairman.

The Myers management team is relatively new, with CEO David Banyard having assumed that role in December 2015 and CFO Matteo Anversa having joined the company in December 2016. They are ably supported by a strong corporate team of Chief Accounting Officer Kevin Brackman, Vice President of Investor Relations and Treasurer Monica Vinay, and Kevin Gehrt, Vice President of Human Resources.

As with the management team, your Board is a relatively new team as well. Five of the current nine directors have joined the board in the past three years; two board members are women. We will continue to review and upgrade our governance, compensation plans, and corporate controls and compliance. Our objective is to ensure that Myers outperforms companies of similar and larger size, and we believe that we are meeting that goal.

As of this year's Annual Meeting, our board will be shrinking as John Crowe and Dan Lee have both decided not to stand for re-election. John joined the board in 2009 and has distinguished himself as the chair of the Corporate Governance and Nominating Committee through both our CEO and board transitions over the past few years. After a nine-year career with us, he has decided to retire. Dan joined in 2016 in his second stint with our board but has decided to focus more on his other business interests. We thank both John and Dan for their commitment to Myers.

Our Committees are a critical part of our governance structure, and all of them have a key role in the organization. Each of the Audit and Compensation Committees reviews and approves all proposed charges and adjustments (affecting earnings and employee compensation) at their respective committee meetings on a quarterly basis. During the year, the Audit Committee extended its contract with our external auditors, which strengthened this relationship and lowered our costs substantially. The Compensation Committee hired a new consultant, and we will continue to be diligent in evaluating shareholder-friendly forms of executive and employee compensation.

Just as we ask much of our management team, as a board, we hold ourselves to a high standard of excellence. We continue to self-evaluate. For example, we use an independent party to evaluate our peers, each committee, and the

board as a whole. To maximize the effectiveness of these independent evaluations, we discuss the feedback—in both committee and board meetings—and establish objectives for improvement. In addition, we promote individual director education. Last fall, the entire board spent half a day during the beginning of a scheduled board meeting in an intensive education effort highlighting current topics affecting corporate governance and other current topics, including cybersecurity and tax policy, affecting the company and Corporate America.

The board continues to work closely with management to evaluate and define Myers' enterprise strategy. We are confident that the company has made significant strides in implementing its strategy, which was articulated to the investment community in early 2017. Building a winning culture is a key part of executing our strategy. As a board, we have been deeply involved with management in defining Myers' culture as one that is results- and action-oriented. We are committed to transparency and candor, remaining flexible, and consistently attentive to our customers' needs. We also strongly believe in operating with the highest ethical standards and promoting diversity throughout our organization. We believe that stressing such an environment is important for customers and employees alike, as well as for long-term shareholder value.

For the second consecutive year, we reached out to our shareholders. Specifically, last fall we contacted all shareholders who owned more than 1% of our company to solicit their opinions on our corporate governance and compensation practices. From September through January, Compensation Committee Chair Sarah Coffin, Treasurer Monica Vinay, and I spoke with shareholders representing about 33% of Myers' shares (last year, shareholders who owned about 65% of the company wished to speak with us). We continue to appreciate these frank conversations with our shareholders, who offered us valuable insights on their governance views. We have already taken action as a result of these conversations -- and will continue to do so.

We are also gratified by the results of the "say on pay" proposal at last year's annual meeting when more than 25 million shares voted for, and only about 220,000 voted against. This was a substantial improvement over last year when about 6.7 million shares voted against this same "say on pay" proposal.

We welcome feedback from our shareholders. Shareholders may send communication by email to governance@myersind.com, or by mail or courier delivery addressed as follows: Board of Directors (or Committee Chair, Board Member, or Non-Management Directors, as the case may require), c/o Chief Financial Officer and Corporate Secretary, Myers Industries, Inc., 1293 South Main Street South, Akron, Ohio 44301, as more fully outlined in our Communication Procedures for Interested Parties and Shareholders available on the Company's website www.myersind.com.

Although we recognize that it is a very short period of time, we are cognizant of and encouraged by Myers' stock price performance during 2017; Myers stock began the year trading at \$14.30/share and ended at \$19.50/share. Including dividends, the total shareholder return for Myers last year was about 40% -- compared to almost 22% return for the S&P 500 Index. Of course, this is not a prediction of future performance, and one year is not an appropriate gauge of long-term performance. But we are certainly pleased by the market's reaction, to date, to our results and articulated strategy.

Please rest assured that your board remains active and engaged and that we begin 2018 with renewed enthusiasm and a continued commitment to building long-term shareholder value at Myers. Thank you for your support of the company and confidence in our efforts on your behalf.

Sincerely,

F. Jack Liebau, Jr.
Chairman of the Board

Dear Shareholders,

The Board of Directors of Myers Industries, Inc. (“Myers Industries” or the “Company”) has fixed the close of business on March 1, 2018 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 2017 Annual Report to Shareholders, is being mailed to our shareholders on or about March 20, 2018. To be sure that your shares are properly represented at the Annual Meeting, whether or not you intend to attend the Annual Meeting via live webcast or in person, please complete and return the enclosed 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,

R. DAVID BANYARD
President and Chief Executive Officer

Akron, Ohio

March 20, 2018

THE 2017 ANNUAL REPORT TO SHAREHOLDERS ACCOMPANIES THIS NOTICE

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Shareholders to be held on April 25, 2018 (the “Annual Meeting”): This Proxy Statement and the Company’s 2017 Annual Report to Shareholders are available on Myers Industries’ website at <http://investor.myersindustries.com/investor-relations/financial-information/default.aspx>.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Date: Wednesday, April 25, 2018
Time: 9:00 A.M. (local time)
Location: The live webcast of the meeting will be available on the Investor Relations section of the Company's website at www.myersindustries.com and the meeting will be held in person at:

1554 South Main Street, Akron, OH 44301

Record Date: March 1, 2018

Items of Business

1. To elect the seven candidates nominated by the Board of Directors to serve as directors until the next Annual Meeting of Shareholders;
2. To cast a non-binding advisory vote to approve executive compensation;
3. To approve the Myers Industries, Inc. Employee Stock Purchase Plan;
The Board of Directors recommends that you vote "FOR" each of the director nominees included in Proposal No. 1, "FOR" each of Proposal Nos. 2, 3 and 4. The full text of these proposals is set forth in the accompanying Proxy Statement.
4. To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2018; and
5. To consider such other business as may be properly brought before the meeting or any adjournments thereof.

How to Vote

By Telephone	By Internet	By Mail	Via Webcast or In Person
You may vote by calling	You may vote online at	You may vote by completing	All shareholders are cordially invited to attend the Annual Meeting via proxy card. live webcast or in person.
1-800-690-6903. www.proxyvote.com .		and returning the enclosed	

PROXY STATEMENT SUMMARY

Below are the highlights of important information you will find in this Proxy Statement. As this is only a summary, we request you please review the full Proxy Statement before casting your vote.

General Meeting Information	
2018 Annual Meeting Date and Time	Wednesday, April 25, 2018 9:00 a.m. EDT
Place	In-person: 1554 South Main Street, Akron, OH 44301 Online: The live webcast of the meeting will be available on the Investor Relations section of the Company's website at www.myersindustries.com
Record Date	March 1, 2018

Shareholders as of the record date are entitled to vote. Each share of
 Voting common stock is entitled to one vote for the election of directors and one
 vote for each of the proposals to be voted on.

Voting Matters and Board Recommendations				
Proposal	Voting Options	Vote Required for Approval	Broker Discretionary Vote Permitted	Board Recommendation
1. Election of Directors	“FOR” all nominees or “WITHHOLD” your vote for one or more of the nominees	Nominees for election as directors who receive the greatest number of votes cast (by holders of common stock represented in person or by proxy at the Annual Meeting) will be elected as directors	No	FOR EACH NOMINEE
2. Advisory Vote to Approve Executive Compensation	“FOR” or “AGAINST” or “ABSTAIN” from voting	Affirmative vote of the holders of a majority of the common stock represented in person or by proxy at the Annual Meeting	No	FOR
3. Vote to Approve the Myers Industries, Inc. Employee Stock	“FOR” or “AGAINST” or	Affirmative vote of the holders of a majority of the common stock represented in person or by proxy at	No	FOR

Purchase Plan	“ABSTAIN” from voting	the Annual Meeting	
4. Ratification of	“FOR” or	Affirmative vote of the holders of a Yes majority of the common stock	FOR
Appointment of Independent	“AGAINST” or	represented in person or by proxy at the Annual Meeting	
Registered Public Accounting Firm	“ABSTAIN” from voting		

PROXY STATEMENT SUMMARY (CONTINUED)

Recent Highlights and Achievements

The Company's management and Board of Directors of the Company (the "Board" or "Board of Directors") have together developed a strategic vision for the Company. This long-term strategy is guided by three key operating principles:

Niche market focus

Flexible operations through the use of an asset-light business model

Strong cash flow growth

The Company's mission is to instill a culture where safety and efficiency are part of every aspect of the business and where employees are empowered to act like owners. The Company's management and Board of Directors work hand-in-hand to develop our strategic vision and together review the Company's strategy and performance periodically throughout the year.

Myers Industries has made meaningful progress executing its long-term strategy. The Company's key achievements in 2017 included, among others:

Strong commercial execution in three key niche markets:

Double-digit year-over-year sales growth in our Consumer and Food & Beverage markets

High single-digit year-over-year sales growth in our Vehicle market

Progress towards transforming into an asset-light operating model

Restructured our operating footprint eliminating three facilities and generating labor, overhead and transportation savings

Divested our Brazil operations, which were non-strategic and generated negative cash flow

Reduced debt by \$38.5 million

Reduced working capital by \$10 million despite higher sales volume

Increased cash flow from continuing operations by 45% vs. 2016 to \$49 million

Established an acquisition pipeline, giving us the ability to deploy future cash flow towards higher growth

PROXY STATEMENT SUMMARY (CONTINUED)

¶ Total shareholder return (“TSR”) of the Company outperformed the TSR of the S&P 500 from December 31, 2015 through December 31, 2017, as shown in the chart below:

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PROXY STATEMENT SUMMARY (CONTINUED)

Governance Highlights

Myers Industries is committed to applying sound corporate governance practices. We believe sound governance practices are in the best interests of our shareholders and strengthen accountability within the organization.

Annual Elections	Yes	Stock Ownership Guidelines for Executives	Yes
Independent Board Chair	Yes	Anti-Hedging and Anti-Pledging	Yes
Board Independence	89%	Code of Conduct and Ethics	Yes
Committee Independence	100%	Board Member Recruiting Guidelines	Yes
Number of Financial Experts	4	Executive Sessions of the Board	Yes
Board Diversity	22% female	Anonymous Reporting	Yes
Board and Committees Complete Annual Self-Evaluations	Yes	Clawback Policy	Yes
Over-Boarding Policy	Yes		

Myers Industries' commitment to sound corporate governance practices has been illustrated through a number of actions taken over the years, as shown below.

2017	<ul style="list-style-type: none"> Shareholders approved Amended and Restated 2017 Incentive Stock Plan Enhanced proxy disclosure Continued shareholder outreach efforts Adoption of an over-boarding policy for directors Board evaluations conducted by a third party
2016	<ul style="list-style-type: none"> Establishment of an email address through which shareholders can reach out to the Board directly Shareholder outreach with shareholders representing approximately 75% of the outstanding shares Board evaluations conducted by a third party
2009	<ul style="list-style-type: none">

-2015

Adoption of the Board Member
Recruiting Guidelines

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