

MODINE MANUFACTURING CO
Form DEF 14A
June 23, 2006

SCHEDULE 14A INFORMATION

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934**

Filed by the Registrant /ü/

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 Section 240.14a-2.

Modine Manufacturing Company

(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)(4) 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:

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Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

June 23, 2006

1500 DeKoven Avenue
Racine, Wisconsin 53403-2552

Notice of Annual Meeting of Shareholders

Date: Wednesday, July 19, 2006
Time: 9:00 a.m.
Place: 1500 DeKoven Avenue
Racine, WI 53403-2552
Record Date: May 30, 2006

The annual meeting is for the following purposes:

1. To elect three directors;
2. To ratify the appointment of the Company's independent registered public accounting firm; and
3. To consider any other matters properly brought before the shareholders at the meeting.

By order of the Board of Directors,

Dean R. Zakos
Vice President, General Counsel and Secretary

June 23, 2006

PROXY STATEMENT

Your vote at the annual meeting is important to us. Please vote your shares of common stock by calling a toll-free telephone number, logging onto the Internet or by completing the enclosed proxy card and returning it to us in the enclosed envelope.

PROXY STATEMENT

Annual Meeting of Shareholders of Modine Manufacturing Company - 2006

SOLICITATION OF PROXIES

This proxy statement is solicited on behalf of the Board of Directors for use at the 2006 Annual Meeting of Shareholders. The meeting will be held at 9:00 a.m. on Wednesday, July 19, 2006, at Modine's headquarters, 1500 DeKoven Avenue, Racine, Wisconsin. This proxy statement and accompanying proxy card are first being mailed to shareholders on or about June 23, 2006.

GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Who may vote?

You may vote your shares of common stock if our records show that you owned the shares at the close of business on May 30, 2006, the record date. A total of 32,934,152 shares of common stock were outstanding as of the record date and entitled to vote at the annual meeting. You get one vote for each share of common stock you own. The holders of common stock do not have cumulative voting rights. The enclosed proxy card shows the number of shares you may vote.

How do I vote?

You may vote in person or by properly appointed proxy.

The telephone and Internet voting procedures are for your convenience and reduce costs for Modine. The procedures are designed to authenticate your identity, to allow you to give voting instructions, and to confirm that those instructions have been recorded properly.

Registered Holders

Shareholders whose shares are registered directly with Wells Fargo Minnesota, N.A., Shareowner Services, the Company's transfer agent, may vote by completing and mailing the enclosed proxy card or electronically either via the Internet or by calling Wells Fargo. Specific instructions to be followed by any registered shareholder interested in voting via the Internet or by telephone are set forth on the enclosed proxy card.

Street Name Holders

If your shares are registered in the name of a bank or brokerage firm, you may be eligible to vote your shares electronically via the Internet or by telephone. A large number of banks and brokerage firms are participating in the ADP Investor Communication Services online program. This program provides eligible shareholders the opportunity to vote via the Internet or by telephone. If your bank or brokerage firm is participating in ADP's program, your voting form will provide you with instructions.

ESOP and 401(k) Plan Participants

If you are a participant in one of the Company's 401(k) Savings Plans or the Employee Stock Purchase Plan (the "ESOP"), you will receive a proxy that will serve as voting instructions for your shares of common stock held in your plan account. The trustee for the plan, Marshall & Ilsley Trust Company N.A., will vote your shares as you direct. If a proxy is not returned for shares held in a plan, the trustee generally will vote those shares in the same proportion that all shares in the plan for which voting instructions have been received are voted although it may do otherwise in its

discretion.

What are the Board's recommendations?

Unless you give other instructions, the persons named as proxies will vote in accordance with the recommendations of the Board of Directors. The Board's recommendation is included with the description of each item in this proxy statement. In summary, the Board recommends a vote:

FOR election of the nominated slate of directors (see Item 1); and

FOR ratification of the Company's independent registered public accounting firm (see Item 2).

What if other matters come up at the annual meeting?

The matters described in this proxy statement are the only matters to our knowledge that will be subject to a vote at the annual meeting. If other matters are properly presented at the meeting, the persons appointed as proxies will vote your shares on those other matters in accordance with their best judgment.

May I change my vote after I appoint a proxy?

You may revoke your proxy by:

- submitting a new proxy;
- giving written notice before the annual meeting to the Company's Secretary stating that you are revoking your previous proxy;
- revoking your proxy in the same manner you initially submitted it - by telephone, the Internet or mail; or
- attending the annual meeting and voting your shares in person.

If you decide to vote your shares in person, we prefer that you first revoke your prior proxy in the same way you initially submitted it - that is, by telephone, the Internet or mail.

May I vote in person at the annual meeting?

Although we encourage you to complete and return the proxy card or vote by telephone or the Internet to ensure that your vote is counted, you may attend the annual meeting and vote your shares in person. You will need to obtain a "legal proxy" from your broker if you hold your shares in street name and want to vote your shares at the annual meeting in person.

If you plan on attending the annual meeting, please so indicate when you appoint your proxy so that we may have an accurate count of the number of shareholders attending the meeting.

How are votes counted?

A majority of the shares entitled to vote, represented in person or by proxy, will constitute a quorum at the annual meeting. Abstentions and broker "non-votes" are counted as present for purposes of determining a quorum. A broker "non-vote" occurs when a broker holding shares for a beneficial owner does not vote on a particular proposal because the broker does not have discretionary voting power for that particular item and has not received voting instructions from the beneficial owner.

Voting on Election of Directors (Item 1)

Directors are elected by a plurality of the votes cast by the shares entitled to vote in the election, as long as a quorum is present. This means that the individuals who receive the largest number of votes are elected as directors. Therefore, shares not voted have no effect in the election of directors. Votes attempted to be cast against a candidate are not given legal effect and are not counted as votes cast in an election of directors.

Voting on Ratification of Independent Registered Public Accounting Firm (Item 2)

Approval of this proposal requires the affirmative vote of a majority of the votes cast on the proposal, provided a quorum is present. Because abstentions are not considered votes cast, they will not have an effect on the vote.

Who will count the votes?

Wells Fargo Minnesota, N.A., Shareowner Services, an independent tabulator, will count the votes under the supervision of the Inspectors of Election appointed by the Board.

Who pays for this proxy solicitation?

Modine pays for the proxy solicitation. Directors, officers and employees of Modine, who will receive no compensation for their services, may solicit proxies in person or by mail, telephone, facsimile transmission or other means. Modine also has retained Morrow & Co., Inc., 445 Park Avenue, New York, NY 10022, to assist in such solicitation for a fee of \$4,500, plus expenses, for its services. Brokers, banks, nominees, fiduciaries and other custodians will be requested to solicit beneficial owners of shares and will be reimbursed for their expenses.

How may I help reduce mailing costs?

Eligible shareholders who have more than one account in their name or the same address as other shareholders may authorize us to discontinue mailings of multiple annual reports and proxy statements. Most shareholders can also view future annual reports and proxy statements on the Internet rather than receiving paper copies in the mail. See the next two questions and answers below and your proxy card for more information.

Are proxy materials and the annual report available electronically?

Yes, they are available on our website, **www.modine.com**. In addition, most shareholders may elect to view future proxy statements and annual reports over the Internet instead of receiving paper copies in the mail. If you are a shareholder of record, you may choose this option and save us the cost of producing and mailing these documents by following the instructions provided on the proxy card to vote over the Internet. On the referenced website, you will be given instructions for choosing the option of receiving future proxy statements and annual reports electronically. If you hold your stock in street name, please refer to the information provided by the party in whose name the shares are held for instructions on how to elect to view future proxy statements and annual reports over the Internet.

If you choose to view future proxy statements and annual reports over the Internet, you will receive a proxy card in the mail next year with instructions containing the Internet address of those materials. Your choice will remain in effect until you call our transfer agent, Wells Fargo, at 1-877-602-7615 or give written notice to the Company's Secretary, Modine Manufacturing Company, 1500 DeKoven Avenue, Racine, Wisconsin 53403-2552 and tell us otherwise. You do not have to elect Internet access each year.

What happens if multiple shareholders share the same address?

We adopted a procedure called "householding" so we are sending only one annual report and proxy statement to those with the same last name at a single address, unless we received instructions to do otherwise. Householding reduces

our printing and postage costs. If a shareholder of record wishes to receive a separate copy of a proxy statement or annual report in the future, he or she may contact our transfer agent, Wells Fargo, at 1-877-602-7615 or provide written notice to the Company's Secretary, Modine Manufacturing Company, 1500 DeKoven Avenue, Racine, WI 53403-2552 and tell us otherwise. Upon request, the Company will promptly send a copy of either document. Shareholders of record sharing the same address and receiving multiple copies of the annual report and proxy statement may request householding by contacting us in the same manner. If you own your shares in street name, you may request householding by contacting the entity in whose name the shares are held.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of the outstanding shares of common stock by: (i) persons known by the Company to beneficially own more than 5% of the outstanding shares of the Common stock; (ii) nominees for director and directors of the Company; (iii) the executive officers named in the Summary Compensation Table in the "Executive Compensation" section of this proxy statement; and (iv) all current directors and executive officers of the Company as a group. The number of shares set forth for nominees for directors, directors, and executive officers are reported as of May 30, 2006. Amounts for 5% shareholders are as of the date such shareholder reported such holdings in filings under the Securities Exchange Act of 1934, as amended (the "Exchange Act") unless more recent information was provided.

Name and Address of Owner (a)	Common Stock	
	Number of Shares Owned and Nature of Interest(b)(c)	Percent of Class
Mario J. Gabelli and affiliates (d) One Corporate Center Rye, New York 10580-1434	3,905,782	11.86%
Administrative Committee of Modine Stock Ownership Plan ("ESOP")(e)(f) 1500 DeKoven Avenue Racine, Wisconsin 53403-2552	1,880,001	5.66%
Richard J. Doyle	53,266	*
Frank P. Incropera	37,885	*
Frank W. Jones	90,060	*
Dennis J. Kuester (g)	68,241	*
Vincent L. Martin	61,517	*
Gary L. Neale	80,575	*
Marsha C. Williams	44,274	*
Michael T. Yonker	54,896	*
David B. Rayburn	348,839	1.05%
Bradley C. Richardson	106,273	*
Thomas A. Burke	56,574	*
Charles R. Katzfey	153,727	*
Klaus A. Feldmann	136,187	*
James R. Rulseh	135,457	*
	1,834,573	5.57%

All directors and executive officers as a group (21 persons)

* Represents less than 1% of the class.

(a) Except as otherwise indicated, each person has the sole power to vote and dispose of all shares listed opposite his or her name.

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(b) Includes shares of common stock issuable upon the exercise of options as follows:

Name	Number of Shares Subject to Options Exercisable Within 60 Days of May 30, 2006
Richard J. Doyle	33,803
Frank P. Incropera	35,852
Frank W. Jones	52,241
Dennis J. Kuester	52,241
Vincent L. Martin	51,217
Gary L. Neale	53,265
Marsha C. Williams	40,974
Michael T. Yonker	52,241

(c) Includes the following:

Name	Shares		Number of		
	Direct Ownership	Options Exercisable Within 60 Days of May 30, 2006	Held in 401(k) Savings Plan	Deferred Comp. Plan	Restricted Shares Not Vested
David B. Rayburn	28,540	249,705	11,498	7,186	51,910
Bradley C. Richardson	13,651	66,033	256	934	25,399
Thomas A. Burke	3,279	34,907	200	0	18,188
Charles R. Katzfey	13,316	113,809	3,324	1,814	21,464
Klaus A. Feldmann	13,923	101,459	0	0	20,805
James R. Rulseh	9,822	103,387	815	109	21,324

(d) Based on Schedule 13D/A filed under the Exchange Act, dated May 15, 2006. Each reporting person included in the Schedule 13D/A: Gabelli Funds, LLC; GAMCO Asset Management Inc.; and MJG Associates, Inc., has the sole power to vote or direct the vote and the sole power to dispose or direct the disposition of the reported shares, except that (i) GAMCO Asset Management does not have authority to vote 288,400 of the reported shares, and (ii) in certain circumstances, proxy voting committees may have voting power over the reported shares.

(e) Under Exchange Act Rule 13d-3, the Administrative Committee of the ESOP may be deemed to be the beneficial owner of the shares held in the ESOP, although Marshall & Ilsley Trust Company N.A. is trustee of the shares in the ESOP. Marshall & Ilsley Trust Company N.A. is also the trustee of the Company's Employees' Retirement Trusts (pension) and defined contribution plans (including 401(k) plans) and is the escrow agent for participants' restricted stock awards under the 1994 and 2002 Incentive Stock Plans. The participants in the ESOP are entitled to direct how the stock represented by the units in their account will be voted and Marshall & Ilsley Trust Company N.A. votes undirected shares in its sole discretion as it also does with undirected shares in the defined contribution plans. Marshall & Ilsley Trust Company N.A., as custodian, may be viewed as having voting or dispositive authority in certain situations pursuant to Department of Labor regulations or interpretations of federal case law.

Pursuant to Exchange Act Rule 13d-4, inclusion of such shares in this table shall not be construed as an admission that the reporting person or its affiliates are, for purposes of Sections 13(d) or 13(g) of the Exchange Act, the beneficial owners of such securities. Dennis Kuester, a director of the Company, is Chairman and CEO of Marshall & Ilsley Corporation and Chairman and CEO of M&I Marshall & Ilsley Bank. Marshall & Ilsley Trust Company N.A. is a subsidiary of Marshall & Ilsley Corporation. Marshall & Ilsley Corporation and its subsidiaries specifically disclaim beneficial ownership of stock held by the ESOP and the related trusts. See *Ownership of Common Stock by Modine Employee Benefit Plans* below.

(f) As of March 31, 2006.

(g) Excludes the shares held of record by Marshall & Ilsley Trust Company N.A., a subsidiary of Marshall & Ilsley Corporation. Marshall & Ilsley Trust Company N.A. is the trustee of the Company's shares in the ESOP, the Company's Employees' Retirement Trusts (pension) and defined contribution plans (including the 401(k) Savings Plans) and is the escrow agent for participants' restricted stock awards under the 1994 and 2002 Incentive Stock Plans. See *Ownership of Common Stock by Modine Employee Benefit Plans* below.

The above beneficial ownership information is based on information furnished by the specified persons and is determined in accordance with Exchange Act Rule 13d-3, as required for purposes of this proxy statement. It includes shares of common stock that are issuable upon the exercise of stock options exercisable within 60 days of May 30, 2006. Such information is not necessarily to be construed as an admission of beneficial ownership for other purposes.

Ownership of Common Stock by Modine Employee Benefit Plans

The following table shows the number of shares of Modine common stock held by Modine employee benefit plans as of March 31, 2006.

Name of Plan (a)	Number of Shares Owned	Common	
		Stock	Percent of Class
Administrative Committee of Modine's 401(k) Salaried Savings Plan (b)(c)	924,381		2.80%
Administrative Committee of Modine's 401(k) Hourly Savings Plan (b)(c)	577,398		1.75%
Administrative Committee of Modine's Master Retirement Trust for Pension Plans (c)(d)	482,223		1.46%
Administrative Committee of Modine's Deferred Compensation Plan (c)(e)	35,514		0.1%

(a) Information on the ESOP is set forth in the *Security Ownership of Certain Beneficial Owners and Management* table above.

(b) Under Exchange Act Rule 13d-3, the Administrative Committee of the plan may be deemed to be the beneficial owner of the shares held in the plan, although Marshall & Ilsley Trust Company N.A. is trustee of the shares in the plan. The participants are entitled to direct how the stock represented by the units in their account will be voted and Marshall & Ilsley Trust Company N.A. votes undirected shares in its sole discretion.