

II-VI INC
Form DEF 14A
September 16, 2016
Table of Contents

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
- 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

II-VI INCORPORATED

Edgar Filing: II-VI INC - Form DEF 14A

(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:

5) Total fee paid:

.. Fee paid previously with preliminary materials.

Edgar Filing: II-VI INC - Form DEF 14A

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-111(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

375 Saxonburg Boulevard

Saxonburg, Pennsylvania 16056

Notice of Annual Meeting of Shareholders

TO BE HELD ON NOVEMBER 4, 2016

DATE AND TIME: Friday, November 4, 2016, at 1:30 p.m. local time

PLACE: Marriott Pittsburgh North, 100 Cranberry Woods Drive, Cranberry Township, Pennsylvania 16066,
Phone (724) 772-3700

VOTING

Shareholders are asked to vote on the following items at the 2016 Annual Meeting:

1. Election of three (3) Class Two directors, each for a three-year term to expire in 2019.
2. Non-binding advisory vote to approve compensation paid to our named executive officers in fiscal year 2016, as disclosed in these materials.
3. Ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2017.
4. Any other matters that properly come before the meeting.

RECORD DATE

Shareholders of record at the close of business on September 2, 2016 are entitled to notice of and to vote at the 2016 Annual Meeting and any adjournment or postponements of the meeting.

AVAILABILITY OF MATERIALS

We are furnishing proxy materials to shareholders that hold shares through a broker, bank or other nominee (commonly referred to as held in street name), via the internet. If you received a *Notice of Internet Availability of Proxy Materials* (the Notice) by mail from your broker, bank or other nominee, you will not receive a printed copy of the proxy materials unless you request one. The Notice instructs you how to access and review all of the important information contained in the proxy materials over the Internet. The Notice also provides instructions for submitting your proxy over the Internet. If you received a Notice and would like to receive a printed copy of our proxy materials, please follow the instructions for requesting materials included in the Notice. Shareholders of record will automatically receive a printed set of proxy materials, including a proxy card.

This Proxy Statement and Proxy Card will first be made available to shareholders on or about September 16, 2016.

By Order of the Board

WALTER R. BASHAW II, *Secretary*

September 16, 2016

**YOUR VOTE IS IMPORTANT. WE URGE YOU TO CAST YOUR VOTE AS INSTRUCTED IN THE
NOTICE OR
PROXY CARD AS PROMPTLY AS POSSIBLE. IF YOU DID NOT RECEIVE A PAPER PROXY CARD,
YOU MAY**

REQUEST ONE TO VOTE BY MAIL IF YOU PREFER.

Table of Contents**TABLE OF CONTENTS**

PAGE	ITEM
Preceding	<u>Notice of Annual Meeting of Shareholders</u>
1	<u>Introduction</u>
3	<u>Matters of Business, Votes Needed and Recommendations of the Board</u>
4	<u>PROPOSAL ONE ELECTION OF DIRECTORS</u>
6	<u>Class Two Directors Standing for Election</u>
7	<u>Continuing Directors</u>
9	<u>Meetings and Standing Committees of the Board</u>
10	<u>Director Independence and Corporate Governance Policies</u>
14	<u>Director Compensation in Fiscal Year 2016</u>
15	<u>Director Compensation Structure for Fiscal Year 2016</u>
17	<u>Security Ownership of Certain Beneficial Owners and Management</u>
20	<u>Executive Officers</u>
21	<u>Executive Compensation</u>
21	<u>Compensation Discussion and Analysis</u>
21	<u>Message from the Compensation Committee</u>
25	<u>Alignment of Executive Pay and Company Performance</u>
26	<u>Compensation Philosophy and Objectives</u>
27	<u>Summary of Pay Elements and Mix of Variable and Fixed Compensation</u>
29	<u>Pay for Performance</u>
30	<u>Elements of Compensation</u>
30	<u>Base Salary</u>
30	<u>Cash Incentives</u>
32	<u>Equity Incentives</u>
36	<u>Process for Setting Compensation for Fiscal Year 2016</u>
38	<u>Fiscal Year 2016 Timeline</u>
39	<u>Compensation Decisions for Fiscal Year 2017</u>
40	<u>Compensation and Risk</u>
41	<u>Additional Information</u>
43	<u>Compensation Committee Report</u>
44	<u>Summary Compensation Table</u>
45	<u>Grants of Plan-Based Awards Table</u>
46	<u>Outstanding Equity Awards at Fiscal Year End</u>
48	<u>Option Exercises and Stock Vested in Fiscal Year 2016</u>
49	<u>Non-Qualified Deferred Compensation Fiscal Year 2016</u>
50	<u>Equity Compensation Plan Information</u>
51	<u>Potential Payments on Change in Control and Employment Termination</u>
56	<u>PROPOSAL TWO Advisory Vote to Approve Named Executive Officer Compensation</u>
57	<u>Report of the Audit Committee</u>
58	

PROPOSAL THREE **Ratification of Selection of Independent Registered Public
Accounting Firm**
Other Information

59

Table of Contents

375 Saxonburg Boulevard

Saxonburg, Pennsylvania 16056

Proxy Statement for the

Annual Meeting of Shareholders

TO BE HELD ON NOVEMBER 4, 2016

GENERAL

The enclosed proxy is solicited on behalf of the Board of Directors (the Board) of II-VI Incorporated, a Pennsylvania corporation, for use at the Annual Meeting of Shareholders (the Annual Meeting) to be held on November 4, 2016 at 1:30 p.m. local time, or any rescheduled date.

The Annual Meeting will be held at the **Marriott Pittsburgh North**, 100 Cranberry Woods Drive, Cranberry Township, Pennsylvania 16066, telephone: (724) 772-3700. Please see the Company website at www.ii-vi.com/investor/investors.html for directions to the location for the Annual Meeting. These proxy materials were first made available on or about September 16, 2016 to shareholders as of the record date, September 2, 2016 (the Record Date).

WHAT IS THE PURPOSE OF THE ANNUAL MEETING?

Shareholders will act on the matters outlined on the cover page of this proxy statement. We are not aware of any matters to be presented at the meeting other than those described in this proxy statement. If any other matter is properly presented at the Annual Meeting, your proxy holders (one of the individuals named on your proxy card) will vote your shares in their discretion.

WHO MAY VOTE AT THE ANNUAL MEETING?

You are entitled to vote at the Annual Meeting if our records show that you held your shares as of the close of business on the Record Date. As of the Record Date, 62,914,738 shares of Company common stock, no par value (Common Stock), were issued and outstanding.

WHAT ARE THE VOTING RIGHTS OF HOLDERS OF II-VI COMMON STOCK?

Each share of Common Stock is entitled to one (1) vote on all matters submitted to a vote of the shareholders, including the election of directors. Shareholders do not have cumulative voting rights.

WHO CAN ATTEND THE ANNUAL MEETING?

All shareholders as of the Record Date may attend the Annual Meeting. Since seating is limited, admission to the Annual Meeting will be on a first-come, first-served basis. If you attend, please note that you may be asked to present valid identification. Cameras, recording devices and other electronic devices will not be permitted at the Annual

Meeting. Please also note that if you hold your shares in street name (that is, through a broker or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the Record Date and check in at the registration desk at the meeting.

WHAT CONSTITUTES A QUORUM?

Our bylaws provide that shareholders holding a majority of the shares of common stock issued, outstanding and entitled to vote on the Record Date constitute a quorum at the Annual Meeting. The presence in person or by proxy of holders representing at least 31,457,370 shares of Common Stock will be required to establish a quorum. Proxies received but marked as abstentions and broker non-votes (explained below) will be included in the calculation of the number of votes considered to establish a quorum. If there is no quorum, the holders of a majority of shares present at the meeting may adjourn the Annual Meeting to another date.

2016 Notice of Meeting and Proxy Statement

1

Table of Contents

How Do I Vote?

Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy to ensure your vote is counted. If entitled to vote, you may vote:

- ii **Through your broker:** If your shares are held through a broker, bank or other nominee (commonly referred to as held in street name), you will receive instructions from them that you must follow to have your shares voted. If you do not provide voting instructions to your broker, bank or other nominee, your shares will not be voted on any matter that your broker, bank or other nominee does not have discretionary authority to vote on. If you want to vote in person, you will need to obtain a legal proxy from your broker, bank or other nominee and bring it to the meeting.
- ii **In person:** Attend the Annual Meeting and, if you request, we will give you a ballot at the time of voting. If you have previously submitted a proxy card, you must notify us at the Annual Meeting that you intend to cancel your prior proxy and vote by ballot at the meeting.
- ii **Returning a Proxy Card:** If you receive a proxy card, sign and date the proxy card, then return it promptly in the envelope provided. If your signed proxy card is received before the Annual Meeting, the designated proxies will vote your shares as you direct.
- ii **Using the Telephone:** Dial toll-free at 1-800-579-1639 and follow the recorded instructions. You will be asked to provide the control number from your proxy card or voting instruction form.
- ii **Through the Internet:** Go to www.proxyvote.com and follow the instructions provided. You will be asked for the control number from the proxy card or voting instruction form provided to you.

HOW DO I REQUEST PAPER COPIES OF THE PROXY MATERIALS?

Please refer to the Notice for the ways in which you may request a paper copy of the proxy statement and accompanying proxy card.

CAN I CHANGE OR REVOKE MY VOTE AFTER I VOTE ONLINE OR RETURN MY PROXY CARD?

Yes. Even after you have submitted your proxy, you may change or revoke your vote at any time before the proxy is exercised by filing with the Secretary of the Company either a notice of revocation or a duly executed proxy bearing a

later date. The powers of the proxy holders will be suspended if you attend the Annual Meeting in person and so request, although attendance at the Annual Meeting will not by itself revoke a previously granted proxy. This does not apply if your shares are in street name and you have not obtained a proxy from your broker, bank or other nominee)

WHAT ARE THE RECOMMENDATIONS OF THE BOARD?

Unless you give other instructions when you vote, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of the Company's Board of Directors (the Board). These recommendations are set forth in the description of each proposal in this proxy statement. In summary, the Board recommends a vote:

FOR election of the nominated slate of Class Two Directors for terms expiring in 2019 (see Proposal 1);

FOR approval, on a non-binding advisory basis, of the compensation of our named executive officers as disclosed in these materials (see Proposal 2); and

FOR ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2017 (see Proposal 3).

With respect to any other matter that properly comes before the Annual Meeting, the proxy holders will vote as recommended by the Board or, if no recommendation is given, in their own discretion.

WHAT IS THE EFFECT OF ABSTENTIONS AND BROKER NON-VOTES?

For each of the matters to be voted on at the Annual Meeting, abstentions and broker non-votes will be counted for purposes of establishing a quorum, but will not be counted in determining the number of votes necessary for approval. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote because it did not receive instructions from the beneficial owner. A nominee may have discretionary authority to vote on Proposal 3 but will not be permitted to vote on Proposals 1 and 2. Abstentions and broker non-votes will not be taken into account in determining the outcome of the election of directors, since they are not considered to be votes cast. Abstentions have the effect of a vote against with respect to Proposals 2 and 3, while broker non-votes have no effect.

Table of Contents

**MATTERS OF BUSINESS, VOTES NEEDED AND
RECOMMENDATIONS OF THE BOARD OF DIRECTORS**

	For More Information	Board Recommended
<p><i>Proposal 1 Election of Directors</i></p> <p>Each outstanding share of our Common Stock is entitled to one vote for as many separate nominees as there are directors to be elected. There are three directors nominated for election to Class Two of our Board at the Annual Meeting Francis J. Kramer, Wendy F. DiCicco and Shaker Sadasivam. A majority of the shares entitled to vote and cast in person or represented by proxy at the Annual Meeting is required to elect each of the nominees for director. Abstentions and broker non-votes have no effect on this matter. This means that each nominee must receive more votes for than against him or her to be elected. The Board of Directors recommends that you vote FOR the election of each of the Board s nominees for director.</p>	Page 4	ü For Each Nominee
<p><i>Proposal 2 Non-Binding Advisory Vote to Approve 2016 Named Executive Officer Compensation</i></p> <p>The affirmative vote of a majority of the shares entitled to vote and present in person or represented by proxy at the Annual Meeting is required to approve on an advisory basis the compensation of our named executive officers for fiscal year 2016. Abstentions have the effect of an against vote and broker non-votes have no effect. Because this is an advisory vote, it will not be binding on the Company or Board of Directors. However, the Compensation Committee will consider the voting results of this advisory and non-binding proposal, among other factors, when making future decisions regarding executive compensation. The Board of Directors recommends that you vote FOR the resolution approving the Company s fiscal year 2016 named executive officer compensation.</p>	Page 56	ü For
<p><i>Proposal 3 Ratification of Selection of Independent Registered Public Accounting Firm</i></p> <p>The affirmative vote of a majority of the shares entitled to vote and present in person or represented by proxy at the Annual Meeting is required to ratify the appointment of Ernst & Young LLP to audit the Company s financial statements for 2017. Abstentions have the effect of an against vote and broker non-votes have no effect. The Audit Committee is responsible for appointing the Company s independent registered public accounting firm. The Audit Committee is not bound by the outcome of this vote but, if the appointment of Ernst & Young LLP is not ratified by shareholders, the Audit Committee will reconsider the appointment. The Board of Directors recommends that you vote FOR the ratification of the selection of Ernst & Young LLP as the Company s independent registered public accounting firm for the fiscal year</p>	Page 58	ü For

ending June 30, 2017.

2016 Notice of Meeting and Proxy Statement

3

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

The Board of Directors is divided into three classes, each consisting of as nearly an equal number of directors as practicable. At present, the Board of Directors consists of nine members, with three directors in each Class.

The current term of our Class Two Directors expires at the Annual Meeting. Accordingly, three directors have been nominated for election to Class Two positions, for a term of three years or until such time as their respective successors are elected and qualified, or until his or her earlier death, resignation or removal. Any Board vacancy may be filled by the remaining directors then in office, and any director so elected will serve for the predecessor's remaining term, or until his or her earlier death, resignation or removal.

The persons named as proxies for this Annual Meeting were selected by the Board and have advised the Board that, unless authority is withheld, they intend to vote the shares represented by them at the Annual Meeting as follows:

FOR the election of Francis J. Kramer, who has served as a director of the Company since 1989;

FOR the election of Wendy F. DiCicco, who has served as a director of the Company since 2006; and

FOR the election of Shaker Sadasivam, who has served as a director of the Company since 2016.

Each of the nominees has consented to serve if elected. However, if any of them is unable or unwilling to serve as a director, the Board may designate a substitute nominee, in which case, the persons named as proxies will vote for any such substitute nominee proposed by the Board of Directors.

DIRECTOR CONDITIONAL RESIGNATION POLICY

Each incumbent director nominee has submitted an irrevocable conditional resignation in the event the nominee receives a greater number of votes AGAINST than votes FOR such person's election. If this occurs, the Corporate Governance and Nominating Committee will make a recommendation to the Board as to whether to accept or reject the resignation previously tendered by such director or if other action should be taken. The Board will act on the tendered resignation, taking into account the Committee's recommendation, and publicly disclose its decision regarding the tendered resignation, as well as the underlying rationale, within 90 days from the date of the certification of the election results. The incumbent director will remain as a member of the Board during this process.

INFORMATION REGARDING THE COMPANY'S BOARD

The professional and personal experience, qualifications, attributes and skills of each of the director nominees are described below, and reflect the qualities that the Company seeks in its Board members. In addition to the specific examples set forth below, the Board and the Company believe that broad-based business knowledge, commitment to ethical and moral values, personal and professional integrity, sound business judgment and commitment to corporate citizenship demonstrated by the nominees make them exceptional candidates for these positions.

Table of Contents**Proposal 1**

Name	Class	Expiration of Term	Age	Director Since	Position(s) With II-VI	Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee	Subsidiary Committee
NON-EMPLOYEE DIRECTORS:									
Marc Y.E. Pelaez	One	2018	70	2002	Lead Independent Director		Member	Chair	Member
Howard H. Xia	One	2018	55	2011	Director	Member		Member	Chair
Wendy F. DiCicco	Two	2016	49	2006	Director	Chair	Member		
Shaker Sadasivam	Two	2016	56	2016	Director				
Thomas E. Mistler	Three	2017	74	1977	Director	Member		Member	Member
Joseph J. Corasanti	Three	2017	52	2002	Director		Chair	Member	Member
William A. Schromm	Three	2017	58	2015	Director	Member	Member		(2)
EMPLOYEE DIRECTORS:									
Francis J. Kramer⁽³⁾	Two	2016	67	1989	Chairman and Chief Executive Officer; Director				
Vincent D. Mattera, Jr.⁽¹⁾	One	2018	60	2012	President, Director				

(1) Dr. Mattera previously served as a non-employee director from 2000 through 2002, and as an employee from 2004.

(2) Mr. Schromm withdrew from the Subsidiary Committee to concentrate on his responsibilities as a member of the Audit and Compensation Committees.

(3) Mr. Kramer retired as Chief Executive Officer effective September 1, 2016 and will remain Chairman of the Board as a non-employee director. Dr. Mattera was named Chief Executive Officer effective September 1, 2016. All references in this document, except those referring to fiscal year 2017, refer to their respective roles as they existed for fiscal year 2016. Those roles are Mr. Kramer as the Chairman and Chief Executive Officer and Dr. Mattera as President.

Table of Contents**Proposal 1****CLASS TWO DIRECTORS STANDING FOR ELECTION**

Francis J. Kramer. Mr. Kramer joined II-VI in 1983, served as its President from 1985 to 2014, its Chief Executive Officer since 2007, and its Chairman and CEO from 2014 to 2016. He now serves as the Company's Chairman of the Board of Directors. Mr. Kramer holds a B.S. degree in Industrial Engineering from the University of Pittsburgh and an M.S. degree in Industrial Administration from Purdue University. Mr. Kramer has served as director of Barnes Group Inc., a publicly traded aerospace and industrial manufacturing company (NYSE: B), since 2012. Mr. Kramer provides our Board and the Company with guidance on our growth strategy, in particular on the profitable and sustainable execution of the strategy to achieve sustainable competitive advantage. He contributes considerable business development experience, having completed 20 acquisitions in 20 years adding nearly \$700 million of revenue and significant operations experience, relevant to our vertical integration strategy and globalization. Based on these factors, the board has concluded that he should continue to serve as a director of the Company.

Wendy F. DiCicco. Ms. DiCicco is currently President and Chief Operating Officer of Camber Spine Technologies, a private developer and manufacturer of spinal implants, where she has been since November 2014. From April 2012 through October 2014, she served as Vice President, Chief Financial Officer and Treasurer of Nuron Biotech, Inc., a privately held biotech company. During the period from 2008 through 2012, she served as the Chief Financial Officer of private equity backed companies. From 1996 to 2008, she served as the principal financial officer of Kensey Nash Corporation (as controller for two years and then as Chief Financial Officer for ten years), a publicly-traded medical technology company specializing in cardiology and orthopaedics and now part of Royal DSM, a Netherlands company. Ms. DiCicco was an Accounting and Audit Manager with Deloitte LLP from 1990 to 1996, where she served clients in the manufacturing and retail industries. Ms. DiCicco graduated from Philadelphia College of Textiles and Science with a B.S. degree in Accounting. Ms. DiCicco is a Certified Public Accountant in Pennsylvania and is a member of AICPA, the PICPA and the NACD. She also serves on the boards of SynCardia Systems, Inc., a private equity-backed cardiovascular medical device company and the Philadelphia Chapter of the NACD. Ms. DiCicco adds financial reporting and management skills to our Board, including her experience with a large public accounting firm and as a chief financial officer of both public and private companies. Based on these factors, the board has concluded that she should continue to serve as a director of the Company.

Shaker Sadasivam. Dr. Sadasivam is currently President and Chief Executive Officer of SunEdison Semiconductor LLC (NASDAQ:SEMI), a leading manufacturer of advanced semiconductors for electronics, which was separated from SunEdison, Inc. in 2015. From 2009 to 2014, he served as President, Semiconductor Materials Business Unit of SunEdison, Inc. (formerly known as MEMC Electronic Materials, Inc.). From 2002 to 2009, Dr. Sadasivam served as Senior Vice president, Research and Development of SunEdison, Inc. Dr. Sadasivam holds a B.S. and M.S. in Chemical Engineering from University of Madras and Indian Institute of Technology, an M.B.A from Olin School of Business and a Ph.D. in Chemical Engineering from Clarkson University. Dr. Sadasivam will bring to the Board of Directors his extensive experience related to the semiconductor industry and insight into areas including operations, product development and engineering management. Based on these factors the Board has concluded that he should continue to serve as a director of the Company.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR EACH OF THE NOMINEES NAMED ABOVE FOR ELECTION AS A CLASS TWO DIRECTOR.

Table of Contents

Proposal 1

CONTINUING DIRECTORS**EXISTING CLASS THREE DIRECTORS WHOSE TERMS EXPIRE IN 2017**

Thomas E. Mistler. Mr. Mistler retired in 2009 as an operating partner for Buckingham Capital Partners, a private investment firm, where he served beginning in 2003. He will retire from the Board of Directors of II-VI Incorporated in November, 2016. Mr. Mistler was President, Chief Executive Officer and a director of ESCO Holding Corp. and Engineered Arresting Systems Corporation, a manufacturer of aircraft and vehicle arresting systems, from 1999 to 2003. Previously, he was Senior Vice President of Energy Systems Business for Westinghouse Electric Corporation (Westinghouse), where he was employed from 1965 to 1998. Mr. Mistler served in various engineering, marketing and general management capacities with Westinghouse, including serving as President of Westinghouse Saudi Arabia Limited from 1981 to 1984. Mr. Mistler graduated from Kansas State University with B.S. and M.S. degrees in Engineering. Mr. Mistler possesses executive management, operational and corporate governance experience in multiple markets, which contribute greatly to our Board. In addition, his engineering background and the international business experience that he has developed throughout his career add value to our Board.

Joseph J. Corasanti. Mr. Corasanti presently serves as a member of the Board of Directors for SRC, Inc., a non-profit research and development company advancing technologies in the areas of defense, environment and intelligence. From 2006 to July 2014 Mr. Corasanti served as President and Chief Executive Officer of CONMED Corporation (CONMED), a publicly traded medical technology company (NASDAQ: CNMD). From 1999 to 2006, he served as President and Chief Operating Officer of CONMED. From 1998 to 1999, he was Executive Vice President/General Manager of CONMED and prior to that, he served as General Counsel and Vice President-Legal Affairs for CONMED from 1993 to 1998. From 1990 to 1993, he was an Associate Attorney with the Los Angeles office of the law firm of Morgan, Wenzel & McNicholas. Mr. Corasanti holds a B.A. degree in Political Science from Hobart College and a J.D. degree from Whittier College School of Law. He served as a director of CONMED from 1994 to 2014. Mr. Corasanti's past executive positions and his prior public company board experience have provided him with leadership skills and experience in a variety of matters that he contributes to the Company's Board. His experience and skill set, including his legal background and acquisition experience, are valuable to our Board.

William A. Schromm. Mr. Schromm has served in various roles at ON Semiconductor Corporation (NASDAQ: ON), a leading manufacturer of energy-efficient, low-cost, high-volume analog, logic and discrete semiconductors, which was separated from Motorola in 1999. At ON Semiconductor, Mr. Schromm has served as Executive Vice President and Chief Operating Officer since 2014; prior to that time he served as Senior Vice President, Operating Systems and Technology from 2012 to 2014 and as Senior Vice President, General Manager, Computing and Consumer Products from 2006 to 2012. Prior to joining ON Semiconductor Corporation, he worked for 19 years at Motorola in various roles, including Process Engineer, Product Manager, Operations Manager and Marketing Director. He brings extensive engineering, management and marketing experience to our Board.

CONTINUING DIRECTORS**EXISTING CLASS ONE DIRECTORS WHOSE TERMS EXPIRE IN 2018**

Marc Y.E. Pelaez. Mr. Pelaez is a Rear Admiral, United States Navy (retired). Rear Admiral Pelaez is currently a private consultant to defense and commercial companies. He was Vice President of Engineering and later Vice President of Business and Technology Development for Newport News Shipbuilding from 1996 until 2001, when it was acquired by Northrop Grumman Corporation. From 1993 to 1996, Rear Admiral Pelaez served as Chief of Naval Research. He served as the Executive Assistant to the Assistant Secretary of the Navy (Research, Development, and Acquisition) from 1990 to 1993. From 1968 to 1990, he held numerous positions, including command assignments, in the United States Navy. He is a graduate of the United States Naval Academy. Rear Admiral Pelaez has a broad background and understanding of technology and technology development, a seasoned knowledge of military procurement practices, and management leadership and consulting skills developed throughout his military and civilian careers.

Howard H. Xia. Dr. Xia currently serves as a consultant to the telecommunications industry. Dr. Xia had served as General Manager of Vodafone China Limited, a wholly-owned company of Vodafone Group Plc, a publicly traded telecommunication company (NASDAQ: VOD), from 2001 to 2014. From 1994 to 2001, he served as a Director-Technology Strategy for Vodafone AirTouch Plc and AirTouch Communications, Inc. He served as a Senior Staff Engineer at Telesis Technology Laboratory from 1992 to 1994 and was a Senior Engineer at PacTel Cellular from 1990 to 1992. Dr. Xia holds a B.S. in Physics from South China Normal University and an M.S. in Physics and Electrical Engineering and a Ph.D. in Electrophysics from Polytechnic School of Engineering of New York University. Dr. Xia's extensive knowledge of and experience in the telecommunications industry, his knowledge of international business including that with China, and strong leadership skills make him a valuable member of our Board of Directors. In particular, his experience and knowledge of telecommunications in Asia contributes to the Board's breadth of knowledge in this area.

Vincent D. Mattera, Jr. Dr. Mattera joined II-VI in 2004, and was recently named the Company's Chief Executive Officer effective September 1, 2016. Dr. Mattera has been serving in the role of President since 2014 and Chief Operating Office since 2013. Prior to that time, he served in several executive capacities. Dr. Mattera joined II-VI following a 20 year career at Agere Systems, Lucent Technologies, and AT&T Bell Laboratories. Dr. Mattera previously served as a non-employee director of the Company from 2000 through 2002. Dr. Mattera was reappointed as a member of the Board in 2014. Dr. Mattera holds B.S. and Ph.D. degrees in Chemistry from the University of Rhode Island and Brown University, respectively.

Table of Contents**Proposal 1****MEETINGS AND STANDING COMMITTEES OF THE BOARD OF DIRECTORS**

The Company's Board held seventeen (17) meetings during fiscal year 2016. Each scheduled quarterly meeting occurred over a two-day period. In fiscal year 2016, each director attended 100% of the meetings of the Board, as well as at least 75% of the aggregate of (a) the total number of meetings of the Board and (b) the total number of meetings for the committees of which he or she was a member. The Board and committees of the Board have the authority to hire independent advisors to help fulfill their respective duties.

The Board of Directors has four standing committees: Audit; Compensation; Corporate Governance and Nominating; and Subsidiary. All Committees have written charters that may be found on the Company's website at www.ii-vi.com/investor/investors.html.

Committee and Members	Primary Committee Functions	Number of Meetings
Audit:		
Wendy F. DiCicco (Chair)*	Oversees the Company's discharge of its financial reporting obligations	Four (4)
Thomas E. Mistler	Monitors the Company's relationship with its independent public accounting firm	
William A. Schromm		
Howard H. Xia	Monitors performance of the Company's business plan	
*Qualifies as a financial expert, as defined by the Securities and Exchange Commission	Reviews the internal accounting methods and procedures	
	Reviews certain financial strategies	
	Establishes procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding accounting or auditing matters	
	Periodically reviews of the Company's risk assessment approach and activities undertaken by management	
Compensation:		
Joseph J. Corasanti (Chair)	Determines and oversees compensation of the Company's directors and executive officers	Eleven (11)
Wendy F. DiCicco		

Marc Y.E. Pelaez	Administers and interprets the Company's equity and incentive plans
William A. Schromm	Establishes terms and conditions of equity awards
	Reviews succession plans for CEO and other senior executives of the Company
	Further information regarding the functions of the Compensation Committee is provided in the Compensation Discussion and Analysis section on page 34

Corporate Governance and Nominating:

Marc Y.E. Pelaez (Chair)	Develops and implements policies and processes regarding corporate governance matters	Five (5)
Joseph J. Corasanti	Assesses Board membership needs and makes recommendations regarding potential director candidates to the Board of Directors	
Thomas E. Mistler		
Howard H. Xia		

Subsidiary:

Howard H. Xia (Chair)	Oversees the activities of the Company's operating subsidiaries, as directed from time to time by the Board of Directors	Four (4)
Joseph J. Corasanti	Attends selected quarterly meetings of the Company's operating subsidiaries and reports to the Board on material developments and risks	
Thomas E. Mistler		
Marc Y. E. Pelaez	Focuses on risks related to operations, markets, customers and technology	

1 NAME OF REPORTING PERSON

2 BNSF Master Retirement Trust
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

State of Texas

5 SOLE VOTING POWER

NUMBER OF

SHARES NONE
6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY 122,340
EACH 7 SOLE DISPOSITIVE POWER

REPORTING

PERSON NONE
8 SHARED DISPOSITIVE POWER
WITH

122,340
9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

122,340
10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

Not applicable.
11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.1%
12 TYPE OF REPORTING PERSON

EP

1 NAME OF REPORTING PERSON

R. Ted Weschler

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) (b)

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION

United States Citizen

5 SOLE VOTING POWER

NUMBER OF

285,834

SHARES 6 SHARED VOTING POWER

BENEFICIALLY

OWNED BY

0

EACH 7 SOLE DISPOSITIVE POWER

REPORTING

PERSON

285,834

8 SHARED DISPOSITIVE POWER

WITH

8,277

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

294,111

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES

Not applicable.

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

12 0.3%
TYPE OF REPORTING PERSON

IN

SCHEDULE 13G

Explanatory Note: On May 24, 2013, Berkshire Hathaway Inc. (Berkshire) and R. Ted Weschler, an investment manager of Berkshire whose Berkshire investment portfolio includes shares of the Issuer s Series A Liberty Capital Common Stock (Shares), entered into an agreement with respect to Mr. Weschler s personal holdings (which predate his position at Berkshire) of, and future transactions in, Shares. As a result of such agreement, Mr. Weschler, Berkshire and the Berkshire subsidiaries and subsidiary pension plans that own Shares are filing this Schedule 13G as a group under Section 13 of the Securities Exchange Act of 1934, as amended (the Exchange Act). Berkshire disclaims any beneficial ownership of Shares directly owned by Mr. Weschler or over which he has or shares trading authority on behalf of his relatives and related trusts, and Mr. Weschler disclaims any beneficial ownership of Shares owned by Berkshire, Berkshire s subsidiaries and its subsidiary pension plans. This report shall not be deemed an admission that any reporting person is the beneficial owner of any Shares that are not directly owned by such reporting person, for purposes of Section 13 of the Exchange Act or for any other purpose.

Item 1.

(a) Name of Issuer

STARZ

(b) Address of Issuer s Principal Executive Offices

8900 Liberty Circle, Englewood, CO 80112

Item 2(a). Name of Person Filing:

Item 2(b). Address of Principal Business Office:

Item 2(c). Citizenship:

Warren E. Buffett	Berkshire Hathaway Inc.
3555 Farnam Street	3555 Farnam Street
Omaha, Nebraska 68131	Omaha, Nebraska 68131
United States Citizen	Delaware corporation
National Indemnity Company	GEICO Corporation
3024 Harney Street	One GEICO Plaza
Omaha, Nebraska 68131	Washington, DC 20076
Nebraska corporation	Delaware Corporation
Government Employees Insurance Company	GEICO Indemnity Company
One GEICO Plaza	One GEICO Plaza
Washington, DC 20076	Washington, D.C. 20076

Edgar Filing: II-VI INC - Form DEF 14A

Maryland Corporation	Maryland corporation
FlightSafety International Inc. Retirement Income Plan	Fruit of the Loom Pension Trust
c/o FlightSafety International Inc.	c/o Fruit of the Loom
LaGuardia Airport	1 Fruit of the Loom Drive
Flushing, NY 11371	Bowling Green, KY 42102
New York	Kentucky
GEICO Corporation Pension Plan Trust	Johns Manville Corporation Master Pension Trust
c/o GEICO Corporation	c/o Johns Manville Corporation
1 Geico Plaza	717 17 th Street
Washington, DC 20076	Denver, CO 80202
Maryland	Colorado
BNSF Master Retirement Trust	R. Ted Weschler
c/o BNSF Railway	404 East Main Street
2650 Lou Menk Drive	Charlottesville, VA 22902
Fort Worth, TX 76131	United States Citizen
Texas	

(d) Title of Class of Securities

Series A Liberty Capital Common Stock

(e) CUSIP Number

85571Q102

Item 3. If this statement is filed pursuant to § 240.13d-1(b), or § 240.13d-2(b) or (c), check whether the person filing is a:
Not applicable.

Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially Owned

See the Cover Pages for each of the Reporting Persons.

(b) Percent of Class

See the Cover Pages for each of the Reporting Persons.

(c) Number of shares as to which such person has:

- (i) sole power to vote or to direct the vote
- (ii) shared power to vote or to direct the vote
- (iii) sole power to dispose or to direct the disposition of
- (iv) shared power to dispose or to direct the disposition of

See the Cover Pages for each of the Reporting Persons.

Item 5. Ownership of Five Percent or Less of a Class.

Not Applicable.

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Not Applicable.

Item 7.

Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company or Control Person.

See Exhibit A.

Item 8. Identification and Classification of Members of the Group.

See Exhibit A

Item 9. Notice of Dissolution of Group.

Not Applicable.

Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect, other than activities solely in connection with a nomination under § 240.14a-11.

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated this 24th day of May, 2013

/s/ Warren E. Buffett
Warren E. Buffett

BERKSHIRE HATHAWAY INC.

By: /s/ Warren E. Buffett
Warren E. Buffett
Chairman of the Board

NATIONAL INDEMNITY COMPANY, GEICO CORPORATION,
GOVERNMENT EMPLOYEES INSURANCE COMPANY, GEICO
INDEMNITY COMPANY, FLIGHTSAFETY INTERNATIONAL
INC. RETIREMENT INCOME PLAN, FRUIT OF THE LOOM
PENSION TRUST, GEICO CORPORATION PENSION PLAN
TRUST, JOHNS MANVILLE CORPORATION MASTER PENSION
TRUST and BNSF MASTER RETIREMENT TRUST.

By: /s/ Warren E. Buffett
Warren E. Buffett

Attorney-in-Fact

/s/ R. Ted Weschler

R. Ted. Weschler

SCHEDULE 13G

EXHIBIT A

RELEVANT SUBSIDIARIES AND MEMBERS OF FILING GROUP

PARENT HOLDING COMPANIES OR CONTROL PERSONS:

Warren E. Buffett (an individual who may be deemed to control Berkshire Hathaway Inc.)

Berkshire Hathaway Inc.

GEICO Corporation

INSURANCE COMPANIES AS DEFINED IN SECTION 3(a)(19) OF THE ACT:

National Indemnity Company

Government Employees Insurance Company

GEICO Indemnity Company

EMPLOYEE BENEFIT PLANS IN ACCORDANCE WITH § 240.13d-1-(b)(1)(ii)(F)

BNSF Master Retirement Trust

FlightSafety International Inc. Retirement Income Plan

Fruit of the Loom Pension Trust

GEICO Corporation Pension Plan Trust

Johns Manville Corporation Master Pension Trust

OTHER MEMBER OF FILING GROUP

R. Ted Weschler

SCHEDULE 13G

EXHIBIT B

JOINT FILING AGREEMENT PURSUANT TO RULE 13d-1(k)(1)

The undersigned persons hereby agree that reports on Schedule 13G, and amendments thereto, with respect to the Series A Liberty Capital Common Stock of Starz may be filed in a single statement on behalf of each of such persons, and further, each of such persons designates Warren E. Buffett as its agent and Attorney-in-Fact for the purpose of executing any and all Schedule 13G filings required to be made by it with the Securities and Exchange Commission.

Dated: May 24, 2013

/S/ Warren E. Buffett
Warren E. Buffett

Berkshire Hathaway Inc.

Dated: May 24, 2013

/S/ Warren E. Buffett
By: Warren E. Buffett
Title: Chairman of the Board

National Indemnity Company

Dated: May 24, 2013

/S/ Marc D. Hamburg
By: Marc D. Hamburg
Title: Chairman of the Board

GEICO Corporation

Dated: May 24, 2013

/S/ Michael H. Campbell
By: Michael H. Campbell
Title: Vice President

Government Employees Insurance Company

Dated: May 24, 2013

/S/ Michael H. Campbell
By: Michael H. Campbell
Title: Senior Vice President

GEICO Indemnity Company

Dated: May 24, 2013

/S/ Michael H. Campbell
By: Michael H. Campbell
Title: Senior Vice President

FlightSafety International Inc. Retirement Income Plan

Dated: May 24, 2013

/S/ Bruce Whitman
By: Bruce Whitman
Title: President and Chief Executive Officer,
FlightSafety International, Inc.

Fruit of the Loom Pension Trust

Dated: May 24, 2013

/S/ Rick Medlin
By: Rick Medlin
Title: President and Chief Executive Officer, Fruit of the Loom

GEICO Corporation Pension Plan Trust

Dated: May 24, 2013

/S/ Michael H. Campbell
By: Michael H. Campbell
Title: Senior Vice President, GEICO Corporation

Johns Manville Corporation Master Pension Plan

Dated: May 24, 2013

/S/ Mary Rhinehart
By: Mary Rhinehart
Title: President and Chief Executive Officer
Johns Manville Corporation

BNSF Master Retirement Trust

Dated: May 24, 2013

/S/ Thomas N. Hund
By: Thomas N. Hund
Title: Executive Vice President, Burlington Northern Santa Fe, LLC

Dated: May 24, 2013

/S/ R. Ted Weschler
R. Ted Weschler