

TEMPUR PEDIC INTERNATIONAL INC
Form DEF 14A
March 24, 2008
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 (Amendment No. __)

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

TEMPUR-PEDIC INTERNATIONAL 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):

- x No fee required.
- o 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:

- o Fee paid previously with preliminary materials.
 - o 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:
-

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2008 ANNUAL MEETING OF SHAREHOLDERS

TUESDAY, MAY 6, 2008
10:00 A.M.

NOTICE OF MEETING AND PROXY STATEMENT

YOUR VOTE IS IMPORTANT

Tempur-Pedic International Inc. (the “Company”) will hold its 2008 Annual Meeting of Shareholders at the offices of Bingham McCutchen LLP, 16th Floor, 150 Federal Street, Boston, Massachusetts 02110 on Tuesday, May 6, 2008, at 10:00 a.m. At the Annual Meeting, stockholders will: (1) elect nine directors to each serve for a one-year term and until the director’s successor has been duly elected and qualified, (2) approve the Company’s Amended and Restated 2003 Equity Incentive Plan, (3) ratify the appointment of Ernst & Young LLP as the Company’s independent auditors for the year ending December 31, 2008, and (4) transact such other business as may properly come before the meeting or any adjournment thereof.

If you are a shareholder of record, you may vote in any one of four ways: in person by attending the Annual Meeting, by Internet, by telephone, or by mail using the enclosed proxy card. Specific voting information is included under the caption “Voting Procedures.” Only stockholders of record at the close of business on March 7, 2008, are entitled to vote. On March 7, 2008, 74,595,057 shares of the Company’s common stock were outstanding. Each share entitles the holder to one vote.

Our Board of Directors asks you to vote in favor of the director nominees, the approval of the Amended and Restated 2003 Equity Incentive Plan and the ratification of Ernst & Young LLP as the Company’s independent registered public accounting firm. This Proxy Statement provides you with detailed information about each of these matters. We encourage you to read this Proxy Statement carefully.

Important Notice Regarding the Availability of Proxy Materials
for the Shareholder Meeting to be Held on May 6, 2008

The Proxy Statement and Annual Report on Form 10-K and the means to vote by Internet are available at <http://www.proxyvote.com>.

Instead of receiving paper copies of future annual reports and Proxy Statements in the mail, you can elect to receive an e-mail that will provide an electronic link to these documents. Choosing to receive your proxy materials online will save us the cost of producing and mailing documents to you as well as conserve natural resources. With electronic delivery, we will notify you by e-mail as soon as the annual report and Proxy Statement are available on the Internet, and you can easily submit your shareholder votes online. If you are a shareholder of record, you may enroll in the electronic delivery service at the time you vote by marking the appropriate box on your proxy card, by selecting electronic delivery if you vote on the Internet, or at any time in the future by going directly to www.proxyvote.com, selecting the “Investor Service Direct” option, and following the enrollment instructions. If you are a beneficial holder,

you may also have the opportunity to receive annual meeting materials electronically. Please check the information provided in the proxy materials mailed to you by your brokerage firm, bank or trustee.

All of our stockholders are cordially invited to attend the Annual Meeting.

By Order of the Board of Directors,

DALE E. WILLIAMS
Executive Vice President, Chief Financial Officer, and Secretary

Lexington, Kentucky
March 24, 2008

Picture identification will be required to enter the Annual Meeting. Cameras and recording equipment will not be permitted at the Annual Meeting.

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2008 PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS

The 2008 Annual Meeting of Shareholders of Tempur-Pedic International Inc.
will be held at the offices of Bingham McCutchen LLP, 16th Floor,
150 Federal St., Boston, MA 02110
May 6, 2008 at 10:00 A.M.

PROXY VOTING OPTIONS

YOUR VOTE IS IMPORTANT!

Important Notice Regarding Availability of Proxy Materials:

The 2008 Proxy Statement and 2007 Annual Report are available at

www.ProxyVote.com

Whether or not you expect to attend in person, we urge you to vote your shares by phone, via the Internet, or by signing, dating, and returning the enclosed proxy card at your earliest convenience. This will ensure the presence of a quorum at the meeting. Promptly voting your shares will save us the expense and extra work of additional solicitation. Submitting your proxy now will not prevent you from voting your stock at the meeting if you want to do so, as your vote by proxy is revocable at your option.

Voting by the Internet or telephone is fast and convenient, and your vote is immediately confirmed and tabulated. Most important, by using the Internet or telephone, you help us reduce postage and proxy tabulation costs. Or, if you prefer, you can vote by mail by returning the enclosed proxy card in the addressed, prepaid envelope provided.

VOTE BY INTERNET
<http://www.proxyvote.com>

24 hours a day/7 days a week

Use the Internet to vote your proxy. Have your proxy card in hand when you access the web site.

VOTE BY TELEPHONE
1-800-690-6903

toll-free 24 hours
a day/7 days a week

Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call.

VOTE BY MAIL

Sign and date the proxy card and return it in the enclosed postage-paid envelope.

If you vote your proxy by Internet or by telephone, please do NOT mail back the proxy card. You can access, view and download this year's Annual Report on Form 10-K and Proxy Statement at <http://www.proxyvote.com>.

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TEMPUR-PEDIC INTERNATIONAL INC.

1713 Jaggie Fox Way
Lexington, Kentucky 40511

PROXY STATEMENT

Annual Meeting of Stockholders To Be Held on Tuesday, May 6, 2008

INFORMATION CONCERNING SOLICITATION AND VOTING

Our Board of Directors is soliciting proxies for the 2008 Annual Meeting of Stockholders. The 2008 Annual Meeting of Stockholders of Tempur-Pedic International Inc. will be held at 10:00 a.m., local time on May 6, 2008 at the offices of Bingham McCutchen LLP, 16th Floor, 150 Federal Street, Boston, Massachusetts 02110. This Proxy Statement contains important information for you to consider when deciding how to vote on the matters brought before the meeting. Please read it carefully.

Notice of the meeting and availability of the voting materials, which include this Proxy Statement and a proxy card, was mailed to stockholders on or about March 24, 2008. Our principal executive offices are located at 1713 Jaggie Fox Way, Lexington, Kentucky 40511. Our telephone number is (800) 878-8889. As used in this Proxy Statement, the term "Tempur-Pedic International" refers to Tempur-Pedic International Inc. and the terms "we," "our," "ours," "us," and "Company" refer to Tempur-Pedic International Inc. and its consolidated subsidiaries.

Q: Who may vote at the meeting?

A: Our Board set March 7, 2008 as the record date for the meeting. All stockholders who owned Tempur-Pedic International common stock of record at the close of business on March 7, 2008 may attend and vote at the meeting. Each stockholder is entitled to one vote for each share of common stock held on all matters to be voted on. On March 7, 2008, 74,595,057 shares of Tempur-Pedic International common stock were outstanding.

Q: How many votes does Tempur-Pedic International need to be present at the meeting?

A: A majority of Tempur-Pedic International's outstanding shares of common stock as of the record date must be present at the meeting in order to hold the meeting and conduct business. This is called a quorum. Shares are counted as present at the meeting if you:

are present and vote in person at the meeting;

have properly submitted a proxy card; or

voted via the internet, by telephone or in writing.

Q: What proposals will be voted on at the meeting?

A: There are three proposals scheduled to be voted on at the meeting:

Election of nine (9) directors to each serve for a one-year term and until the director's successor has been duly elected and qualified (Proposal One).

Approval of our Amended and Restated 2003 Equity Incentive Plan (Proposal Two).

Ratification of the appointment of the firm of Ernst & Young LLP as Tempur-Pedic International's independent auditors for the year ending December 31, 2008 (Proposal Three).

Q: What are the voting requirement to approve the proposals?

A: In Proposal One for the election of directors, those nine nominees who receive the highest number of affirmative "FOR" votes of the shares present or represented and entitled to vote at the meeting will be elected. Proposals Two and Three require the affirmative "FOR" vote of a majority of the shares of common stock present or represented and entitled to vote at the Annual Meeting.

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