

SUPERIOR INDUSTRIES INTERNATIONAL INC
Form DEF 14A
April 05, 2010

SCHEDULE 14A INFORMATION
(RULE 14A-101)
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION
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 Rule 14a-11(c) or Rule 14a-12

SUPERIOR INDUSTRIES 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):

- No fee required
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(3) Filing Party:

(4) Date Filed:

Superior Industries International, Inc.

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SUPERIOR INDUSTRIES INTERNATIONAL, INC.
7800 Woodley Avenue
Van Nuys, California 91406

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held May 21, 2010

To the Shareholders of
SUPERIOR INDUSTRIES INTERNATIONAL, INC.:

The Annual Meeting of Shareholders (the "Annual Meeting") of SUPERIOR INDUSTRIES INTERNATIONAL, INC. (the "Company") will be held at the Airtel Plaza Hotel, 7277 Valjean Avenue, Van Nuys, California 91406 on Friday, May 21, 2010 at 10:00 A.M. Pacific Time for the following purposes:

- (1) To elect three director candidates as Class II directors of the Board of Directors;
- (2) To amend the Amended and Restated Bylaws to reduce the size of the Board of Directors;
- (3) To vote on one shareholder proposal; and
- (4) To transact such other business as may properly come before the Annual Meeting or any postponements or adjournments thereof.

Only shareholders of record at the close of business on March 22, 2010 are entitled to notice of and to vote at the Annual Meeting. On any business day from May 19, 2010 until May 21, 2010, during ordinary business hours, shareholders may examine the list of shareholders for any proper purpose relevant to the Annual Meeting at the Company's executive offices at 7800 Woodley Avenue, Van Nuys, California 91406.

Your vote is important. Whether or not you expect to attend the Annual Meeting in person, please vote as promptly as possible. This will ensure the presence of a quorum at the Annual Meeting. The Company will save the expense and extra work of additional solicitation if you promptly vote your shares via the Internet or by telephone, or by requesting and returning a signed and dated proxy card. Such action will not affect your right to vote in person should you choose to attend the Annual Meeting. Please review the instructions regarding your voting options described in the Notice of Internet Availability previously delivered to shareholders.

By Order of the Board of Directors

/s/Robert A. Earnest
Robert A. Earnest

Vice President, General Counsel and Corporate
Secretary

Van Nuys, California
Dated: April 5, 2010

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**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE SHAREHOLDER MEETING TO BE HELD ON MAY 21, 2010**

The Notice of Internet Availability previously delivered to shareholders provides instructions as to how shareholders can access our Proxy Statement and Annual Report to Shareholders via the Internet, contains a listing of matters to be considered at the Annual Meeting, and includes instructions as to how shares can be voted via the Internet at www.proxyvote.com or by telephone. You may request a printed version of the proxy card, our Proxy Statement and Annual Report to Shareholders. Please see the Notice of Internet Availability for instructions.

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SUPERIOR INDUSTRIES INTERNATIONAL, INC.
7800 Woodley Avenue
Van Nuys, California 91406

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS

To Be Held May 21, 2010

This Proxy Statement is furnished to the shareholders of Superior Industries International, Inc., a California corporation (referred to herein as “Superior,” the “Company” or in the first person notation “we,” “us” and “our”), in connection with the solicitation of proxies by the Company’s Board of Directors for use at the Annual Meeting of Shareholders (the “Annual Meeting”) to be held at the Airtel Plaza Hotel, 7277 Valjean Avenue, Van Nuys, California 91406 on Friday, May 21, 2010 at 10:00 A.M. Pacific Time and at all postponements and adjournments thereof. The cost of this solicitation will be borne by Superior. The solicitation will be by mail, telephone, Internet, or oral communication with shareholders. The Company has requested that brokers, custodians, nominees and other record holders forward copies of the Notice of Internet Availability and other soliciting materials to persons for whom they hold shares of Superior common stock and request authority for the exercise of proxies. In such cases, the Company will reimburse such record holders for their reasonable expenses.

The matters to be considered and voted upon at the Annual Meeting are set forth in the Notice of Internet Availability and also in the Notice of Annual Meeting of Shareholders which accompanies this Proxy Statement.

If your shares are registered directly in your name, you are considered a stockholder of record and you may vote in person at the Annual Meeting. A proxy, if properly executed, duly returned and not revoked, will be voted in accordance with the instructions contained thereon. If a properly executed proxy is returned without instructions, the proxy will be voted FOR the election as directors of the individuals named in Proposal 1 below, FOR the approval of the bylaw amendment and AGAINST the shareholder proposal, in each case as recommended by the Board of Directors. If the proxy is not returned, your vote will not be counted. Any shareholder who executes and delivers a proxy has the right to revoke it at any time before it is exercised, by filing with the Corporate Secretary of Superior a written notice revoking it or a duly executed proxy bearing a later date, or, if the person executing the proxy is present at the meeting, by voting his or her shares in person.

If your shares are registered through a bank or brokerage firm, your shares are considered to be held beneficially in street name. If your shares are held beneficially in street name and you wish to vote in person at the Annual Meeting, you will need to obtain a proxy from the bank or brokerage firm that holds your shares. Please note that even if you plan to attend the Annual Meeting in person, the Company recommends that you vote before the Annual Meeting.

If your shares are held beneficially in street name and you do not instruct your bank or brokerage firm, your bank or brokerage firm will not vote your shares, and your shares will be considered “broker-non-votes.”

The Notice of Internet Availability and related proxy materials are being distributed or made available to shareholders on or about April 9, 2010. The address of the principal executive offices of the Company is 7800 Woodley Avenue, Van Nuys, California 91406.

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VOTING SECURITIES AND PRINCIPAL HOLDERS

There were issued and outstanding 26,668,440 shares of Superior's common stock, no par value (the "Common Stock"), on March 22, 2010, which has been set as the record date for the purpose of determining the shareholders entitled to notice of and to vote at the Annual Meeting. Each holder of Common Stock will be entitled to one vote, in person or by proxy, for each share of Common Stock standing in his or her name on the books of Superior as of the record date; votes may not be cumulated. To constitute a quorum for the transaction of business at the Annual Meeting, there must be present, in person or by proxy, a majority of the shares entitled to vote.

The following table sets forth information known to Superior as of March 22, 2010 with respect to beneficial ownership of the Common Stock by each person known to the Company to be the beneficial owner of more than 5% of the Common Stock, by each director, by each of the Named Executive Officers (as defined in the Compensation Discussion and Analysis section of this Proxy Statement) and by all directors and executive officers of Superior as a group:

Name and Address (†) of Beneficial Owner	Amount and Nature of Beneficially Owned	Percent of Class
Louis L. Borick	3,685,823(7)	12.72%
Third Avenue Management LLC 622 Third Avenue, 32nd Floor New York, NY 10017	2,849,785(1)	10.69%
MetLife Advisers, LLC 501 Boylston Street Boston, MA 02116	2,290,713(2)	8.59%
Dimensional Fund Advisors LP Palisades West, Building One Austin, Texas 78746	2,040,914(3)	7.65%
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	1,809,426(4)	6.78%
Steven J. Borick	1,250,350(7)	4.50%
Michael J. O'Rourke	121,765(7)	*
Emil J. Fanelli	59,500(7)	*
Philip W. Colburn	24,430(7)	*
V. Bond Evans	23,500(7)	*
Sheldon I. Ausman	23,500(7)	*

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Robert A. Earnest	22,700(7)	*
Michael J. Joyce	15,900(7)	*
Margaret S. Dano	11,500(7)	*
Francisco S. Uranga	10,000(7)	*
Eddie R. Rodriguez	0(5)	*
Erika H. Turner	0(6)	*
Superior's Directors and Executive Officers as a Group (20 persons) (9)	(8) 5,596,224	19.49%

† All persons have the Company's principal office as their address, except as indicated.

* Less than 1%.

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- (1) Based on a Schedule 13G filed with the SEC on January 11, 2010. Securities and Exchange Commission (the "SEC").
- (2) Based on a Schedule 13G filed with the SEC on February 10, 2010, voting power over all of such shares is shared with Met Investors Series Trust.
- (3) Based on a Schedule 13G filed with the SEC on February 10, 2010, beneficial ownership of such shares is disclaimed.
- (4) Based on a Schedule 13G filed with the SEC on January 20, 2010, voting power over all of such shares is shared with BlackRock Advisors (UK) Limited, BlackRock Institutional Trust Company, N.A., BlackRock Fund Advisors, BlackRock Asset Management Australia Limited, BlackRock Investment Management, LLC and BlackRock International Ltd.
- (5) Mr. Rodriguez resigned as the Company's Vice President, Human Resources on February 19, 2010.
- (6) Ms. Turner resigned as the Company's Chief Financial Officer on October 2, 2009, effective October 23, 2009.
- (7) Includes stock options that have been previously granted in the amount of 1,132,499 for Mr. S. Borick, 260,000 for Mr. L. Borick, 119,749 for Mr. O'Rourke, 59,500 for Mr. Fanelli, 23,500 for Mr. Colburn, 23,500 for Mr. Evans, 23,500 for Mr. Ausman, 22,500 for Mr. Earnest, 15,000 for Mr. Joyce, 10,000 for Ms. Dano, and 10,000 for Mr. Uranga and that are exercisable within 60 days of March 22, 2010.
- (8) Includes 2,046,995 shares of which the directors and executive officers have the right to acquire beneficial ownership through the exercise within 60 days from March 22, 2010 of stock options that have previously been granted. Excluding Mr. L. Borick, the directors and executive officers collectively and beneficially own 1,910,401 shares, or 6.71% of the class. Each of such directors and executive officers has sole investment and voting power over his or her shares.
- (9) Information regarding our executive officers who are not also directors is contained under the caption Executive Officers of Registrant at the end of part I of our Annual Report on Form 10-K for the fiscal year ending December 27, 2009.

A copy of Superior's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission ("SEC"), will be furnished to any shareholder without charge on written request to Mr. Emil J. Fanelli, acting Chief Financial Officer, Superior Industries International, Inc., 7800 Woodley Avenue, Van Nuys, California 91406.

PROPOSAL 1 ELECTION OF DIRECTORS

One of the purposes of the Annual Meeting is to elect three people to Class II of the Board of Directors. Our Restated Articles of Incorporation divide our directors into three classes, as equal in number as possible. The term of office of our Class II directors expires at the 2010 Annual Meeting; the term of office of our Class III directors expires at the 2011 Annual Meeting; and the term of office of our Class I directors expires at the 2012 Annual Meeting. Class II

Directors will be elected to serve a three-year term ending at the 2013 Annual Meeting and until their successors are elected and qualified.

The Board has previously been comprised of nine directors; three in each of Class I, Class II and Class III. In May, 2007, Mr. Jeffrey Ornstein resigned from the Board of Directors reducing the number of sitting Class I directors from three to two. As further outlined in Proposal 2, the vacancy in Class I has not been filled, and the Board of Directors is proposing that the shareholders approve a reduction in the size of the Board of Directors to a minimum of seven and a maximum of nine members, with the Board of Directors to continue to have eight members following the Annual Meeting.

Unless instructed otherwise, the persons named in the proxy will vote the shares for the election of the nominees named within this proxy to Class II of the Board of Directors. Although it is not contemplated that any nominee will decline or be unable to serve, the shares will be voted by the proxy holders in their discretion for another person if this should happen. The term of each person elected as a director will continue until his or her term has expired and his or her successor is elected and qualified.

Information Regarding Director Nominees

Messrs. Sheldon I. Ausman, V. Bond Evans, and Michael J. Joyce are currently serving as directors in Class II. They were elected at the 2007 Annual Meeting of Shareholders for a term of office expiring at the 2010 Annual Meeting. The Board of Directors recommends all of the nominees for re-election.

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For each nominee and for each of the other directors who will continue in office after the Annual Meeting, shown below and in the tables elsewhere in this Proxy Statement are the name, age, principal business or occupation, the year in which each first became a director of the Company, committee memberships, ownership of equity securities of the Company and other information.

Each of the following people are nominated for election to Class II of the Board of Directors to serve a three-year term ending at the 2013 Annual Meeting and until their successors are elected and qualified.

Sheldon I. Ausman

On May 23, 2007, Mr. Ausman was elected to the newly established position of Lead Director for Superior. For 34 years until his retirement, Mr. Ausman was with the international firm of Arthur Andersen, accountants and auditors. He retired as the Managing Partner of the Southwest United States, Australia, and New Zealand offices. He also served as a member of the firm's Board of Partners and various other committees. Prior to reaching retirement age, Mr. Ausman served on the Board of Northern Trust Bank of California and was a director of Allen Telecom, Inc., a New York Stock Exchange listed manufacturer of wireless equipment to the telecommunications industry, prior to its merger with Andrew Corporation in July 2003. He currently is a Principal of Gumbiner Savett, Inc., a regional public accounting firm. In addition, he is a director of several nonprofit and privately owned companies. Mr. Ausman chairs our Audit Committee and serves on our Compensation and Benefits Committee of the Board of Directors. Mr. Ausman brings expertise in audit of manufacturing companies, private equity, and mergers and acquisitions to his position of Lead Director.

V. Bond Evans

Mr. Evans has over 37 years of domestic and international experience in engineering, manufacturing and general management disciplines, primarily in the aluminum industry. He graduated from General Motors Institute of Technology and Management and began his career with General Motors Diesel Ltd. Canada. In 1960, he joined Kawneer Company Canada Limited. He became President with responsibility for Canadian and European operations in 1968. He was named President of the parent company in 1970 with responsibility for worldwide operations. Following the acquisition of Kawneer, Inc. by Alumax, Inc., a New York Stock Exchange listed company, he held a succession of upper management positions in Alumax, becoming President and Chief Executive Officer of the company in 1991. During his career Mr. Evans served as a Director and Committee Chairman of the Aluminum Association and the International Primary Aluminum Institute. Mr. Evans brings expertise in plant design and site selection, manufacturing industry engineering and management knowledge, and foreign and domestic labor, contract, and regulatory negotiation skills to the Board. He also chairs the Compensation and Benefits Committee of the Board of Directors.

Michael J. Joyce

Mr. Joyce has more than 30 years of experience in automotive and automotive related industries. He is currently a Director of Auxilio, Inc. Prior to his retirement, Mr. Joyce was President, CEO and a principal owner of Pacific Baja Light Metals, Inc., a manufacturer of aluminum wheels and other machined aluminum castings for the automotive industry. Pacific Baja has manufacturing facilities in the United States and Mexico. From 1983 to 1990, Mr. Joyce was Group President of the Aluminum Wheel Group of the Kelsey-Hayes Company. From 1971 to 1983, Mr. Joyce

held various management positions with Rockwell International, the last as Vice President and General Manager of its Western Wheel Division, a manufacturer of aluminum wheels. Mr. Joyce holds a degree in physics from Kent State University and a MBA from Ohio State University. Mr. Joyce brings expertise to the Board in international manufacturing, operations and finance, aluminum foundry and machining equipment and operations, and also serves on the Compensation and Benefits Committee of the Board of Directors.

Vote Required and Board Recommendation

The three people receiving the largest number of “yes” votes will be elected as Class II directors. Under California law, since there is no particular percentage of either the outstanding shares or the shares represented at the meeting required to elect a director, abstentions and broker non-votes will have no effect on the election of our Class II directors. Shares subject to such abstentions or non-votes will be counted in determining whether there is a quorum for taking shareholder action under California law and our Restated Bylaws. However, our Corporate Governance Guidelines provide that in an uncontested election, any nominee for director who receives a greater number of votes “withheld” from his or her election than votes “for” such election shall promptly tender his or her resignation following certification of the shareholder vote. The Nominating and Corporate Governance Committee and the Board must then act upon the tendered resignation, culminating with a public disclosure explaining the Board’s decision and decision-making process.

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THE SUPERIOR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS
A VOTE FOR THE ELECTION OF THESE NOMINEES AS CLASS II DIRECTORS.

Class I and Class III Directors

Directors in the other two classes of directors whose terms are not expiring at the Annual Meeting are as follows:

Class I Serving until the 2012 Annual Meeting of Shareholders and until their respective successors are elected and qualified:

Philip W. Colburn

Mr. Colburn has more than 40 years of business experience as an entrepreneur, senior executive, CEO and Chairman of privately held and public companies. Prior to the merger with Andrew Corporation in July 2003, he was the Chairman of Allen Telecom, Inc., a New York Stock Exchange listed manufacturer of wireless equipment to the global telecommunications industry. He held this position since 1988 and was CEO of the company from 1988 to 1993. A CPA, Mr. Colburn has a BS from UCLA in Finance and a Masters in Economics from the University of Denver. Mr. Colburn has been a Director of nine different public companies. He has expertise in senior management, finance, management of foreign and domestic automotive operations, and transactional negotiation. Mr. Colburn serves on our Audit and Nominating and Corporate Governance Committees of the Board of Directors.

Margaret S. Dano

Ms. Dano has 30 years of experience in large, industry leading companies. Ms. Dano was Vice President, Worldwide Operations of Garrett Engine Boosting Systems, a division of Honeywell International, Inc., from June 2002 until her retirement from that position in 2005. From April 2002 to June 2002, she was Vice President, Global Operations, Automation and Controls Solutions of Honeywell. She was Vice President, Supply Chain, Office Products of Avery Dennison Corporation from January 1999 to April 2002, and was Avery Dennison's Vice President, Corporate Manufacturing and Engineering from 1997 to 1999. Previously, she was Vice President, Operations Accessories, North America, of Black & Decker Corporation, and she served as a Program Manager, Product Manager and Plant Manager for General Electric Corporation for a five-year period in the early 1990s. Ms. Dano received a BSME in mechanical-electrical engineering from the General Motors Institute. She is currently the Lead Director and Chair of the Compensation Committee for Anthony International, a consumer products company and previously served as a director of Fleetwood Enterprises, Inc. from 2000 to 2009, serving on both their Audit and Governance and Nominating Committees. Ms. Dano was appointed to our Board of Directors effective January 1, 2007. Ms. Dano brings expertise in strategic planning, product management, start-up and global operations, and cost and quality improvements to the Board, and now chairs our Nominating and Corporate Governance Committee and serves on our Audit Committee.

Class III Serving until the 2011 Annual Meeting of Shareholders and until their respective successors are elected and qualified:

Louis L. Borick

Mr. L. Borick, Founding Chairman, currently serves as a member of the Board of Directors. A successful entrepreneur, Mr. L. Borick founded the Company in 1957 and has been on its Board of Directors since 1958, serving as Chairman until May 24, 2007. Mr. L. Borick also served as Chief Executive Officer of the Company until January 1, 2005, and President until January 1, 2003. His son, Steven J. Borick, who also serves on the Company's Board of Directors, succeeded Mr. L. Borick as President, Chief Executive Officer and Chairman of the Board of Directors of the Company. Mr. L. Borick brings expertise in automotive manufacturing and operations, sales, and entrepreneurial drive that is the cornerstone of our Company's history.

Steven J. Borick

Mr. Steven Borick has been Chairman of the Board of Directors since May 23, 2007 and is responsible for the formulation of our overall corporate policy of and that of our subsidiaries. He was previously appointed President effective January 1, 2003, and was appointed Chief Executive Officer, effective January 1, 2005. He joined us in January 1999, after serving on our Board for 18 years, and was appointed Vice President, Strategic Planning on March 19, 1999, and Executive Vice President on January 1, 2000. Prior to joining us, he was engaged in the oil exploration business for over 20 years as President of Texakota, Inc. and general partner of Texakota Oil Co. Mr. S. Borick has also served on the Board of Directors of M.D.C. Holdings, Inc., a New York Stock Exchange listed company, since April 1987, and has served as Chairman of the Compensation Committee and as a member of the Audit and Legal Committees. Currently, he is a member of their Legal Committee. Mr. Steven Borick is a son of Mr. Louis Borick.

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Francisco S. Uranga

Mr. Uranga is Corporate Vice President and Chief Business Operations Officer for Latin America at Taiwan-based Foxconn Electronics, Inc., the largest electronic manufacturing services company in the world, where he is responsible in Latin America for government relations, regulations, incentives, tax and duties, legal, customs, immigration, and land and construction issues. From 1998 to 2004, he served as Secretary of Industrial Development for the state government of Chihuahua, Mexico. Previously, Mr. Uranga was Deputy Chief of Staff and then Chief of Staff for Mexican Commerce and Trade Secretary Herminio Blanco, where he actively participated in implementing NAFTA and in negotiating key agreements with the Mexican government as part of the country's trade liberalization. Earlier, Mr. Uranga was Sales and Marketing Manager for American Industries International Corporation. He earned a B.A. in Business Administration from the University of Texas at El Paso and a Diploma in English as a Second Language from Brigham Young University. Mr. Uranga was appointed to our Board of Directors, effective January 1, 2007, and brings expertise in Mexican-American relations and operations and regulatory compliance, helping us manage our plants in Mexico, which now account for the majority of our production. Mr. Uranga now serves on our Nominating and Corporate Governance Committee of the Board of Directors.

The nominees for Class II directors and the additional directors in Class I and Class III are as follows:

	Name	Age	Principal Occupation	First Elected or Appointed as a Director
Nominees for Class II Directors	Sheldon I. Ausman	76	Lead Director; Principal, Gumbiner Savett, Inc., Certified Public Accountants and Business Advisors	1991
	V. Bond Evans	75	Retired President and Chief Executive Officer, Alumax, Inc.	1994
	Michael J. Joyce	67	Retired President and CEO, Pacific Baja Light Metals, Inc.	2005
Continuing Class III Directors	Louis L. Borick	86	Founding Chairman	1957
	Steven J. Borick	57	Chairman of the Board, Chief Executive Officer and President	1981
	Francisco S. Uranga	46	Corporate Vice President and Chief Business Operations Officer for Latin America, Foxconn Electronics, Inc.	2007
Continuing Class I Directors	Philip W. Colburn	81	Retired Chairman, Allen Telecom, Inc.	1990

Margaret S. Dano 50 Retired Vice President, Worldwide 2007
Operations of Garrett Engine
Boosting Systems, a division of
Honeywell International Inc.

CORPORATE GOVERNANCE AND THE BOARD OF DIRECTORS

Selection of Nominees for Director

It is the policy of the Board, as set forth in the Company's Corporate Governance Guidelines, to select director nominees who possess personal and professional integrity, sound business judgment, a willingness to devote the requisite time and energies to their duties as director, and relevant experience and skills to be an effective director in conjunction with the full Board in collectively serving the long-term interests of the Company's shareholders. Board members are evaluated and selected based on their individual merit as well as in the context of the needs of the Board as a whole.

The Nominating and Corporate Governance Committee is responsible for identifying, reviewing, and recommending for the Board's selection qualified individuals to be nominated for election or re-election to the Board, consistent with the criteria set forth in the Company's Corporate Governance Guidelines. The Nominating and Corporate Governance Committee, in conducting such evaluation, may also take into account such other factors as it deems relevant.

Although the Nominating and Corporate Governance Committee does not have a diversity policy for the selection of nominees for director, the Nominating and Corporate Governance Committee does consider diversity when identifying director nominees. For this purpose, the Nominating and Corporate Governance Committee considers not only race, gender and ethnicity, but also differences in viewpoint, professional and business experience, education and skill, among other criteria.

Prior to nominating an existing director for re-election to the Board, the Nominating and Corporate Governance Committee considers and reviews the existing director's Board and committee meeting attendance and performance, length of Board service, independence, as well as the experience, skills and contributions that the existing director brings to the Board. Further, the Nominating and Corporate Governance Committee receives disclosures relating to a director's independence and assists the Board in making determinations as to the independence of the directors. The Nominating and Corporate Governance Committee also reviews periodically the composition and structure of the Board as a whole.

From time to time, the Nominating and Corporate Governance Committee may engage outside search firms to assist it in identifying and contacting qualified director candidates.

Any shareholder entitled to vote in the election of directors generally may nominate one or more persons for election as director at a meeting by providing written notice of such shareholder's intent to make such nomination or nominations, either by personal delivery or by United States mail, postage prepaid, to the Corporate Secretary of the Company not later than 120 days in advance of an annual meeting of shareholders, and with respect to an election to be held at a special meeting of shareholders for the election of directors, the close of business on the seventh day following the date on which notice of such meeting is first given to shareholders. A shareholder notice must contain the following information: the name and address of the shareholder who intends to make the nomination and of the person or persons to be nominated; a representation that the shareholder is a holder of stock of the corporation entitled

to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; a description of all arrangements or understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder; such other information regarding each nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the SEC, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and the consent of each nominee to serve as a director of the corporation if so elected. The chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedures, which nomination shall be void.

The Nominating and Corporate Governance Committee recommended the directors nominated by the Board for election at the Annual Meeting. When a member of the Nominating and Corporate Governance Committee is under consideration for nomination, the nominee typically recluses himself or herself from the discussion and abstains from the voting on the recommendation.

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The Company's policies and procedures regarding the selection of director nominees are described in detail in the Company's Corporate Governance Guidelines and the Nominating and Corporate Governance Committee Charter, which are available on the Company's website at <http://www.supind.com/investor>. In addition, printed copies of the Corporate Governance Guidelines and Nominating and Corporate Governance Committee Charter are available upon written request to the Company's Corporate Secretary at Superior Industries International, Inc., 7800 Woodley Avenue, Van Nuys, California 91406.

Board Leadership Structure and Risk Oversight

As is common practice among public companies in the United States, the Board has appointed the Company's Chief Executive Officer to serve as Chairman of the Board. The Board's leadership structure has combined the positions of Chairman and CEO since the Company was founded, except for a two-year transition period when the founder continued as Chairman and his son was elected CEO. Mr. Steven Borick has served as Chairman and CEO since May, 2007.

The Board believes that the combination of the Chairman and CEO roles provides more consistent communication and coordination throughout the organization, which results in a more effective and efficient implementation of corporate strategy and is important in unifying the Company's strategy behind a single vision. In addition, we have found that our CEO is the most knowledgeable member of the Board regarding risks the Company may be facing and, in his role as Chairman, is able to facilitate the Board's oversight of such risks. If a structure was established that required an independent director to serve as Chairman, the Board believes it would impair its ability to select the most qualified individual to serve as Chairman. This would not be in the best interests of the Company and its shareholders.

When Mr. Steven Borick was elected as Chairman, the independent directors of the Board also designated an independent Lead Director, Mr. Sheldon Ausman. As Lead Director, Mr. Ausman has the authority and responsibility to preside at the executive sessions of the independent directors, and which authority also includes:

- Advise the Chairman regarding the agenda, structure, schedule, appropriate length of Board meetings and materials to be provided to the directors;
 - Assign tasks to the appropriate committee in consultation with the Chairman;
 - Recommend committee assignments to the Nominating and Corporate Governance Committee;
- Facilitate the annual review of the CEO's performance together with the Chair of the Compensation and Benefits Committee; and
 - Serve as an independent point of contact for shareholders.

With the exception of the Founding Chairman and the Chairman, the Lead Director and the remaining five directors are all independent. Thus, three-fourths of the Board of Directors consists of independent directors. This independent majority and our governance practices provide an effective and independent oversight of management.

Regarding risk oversight, the Company's internal audit department provides both management and the independent Audit Committee, which discusses policies with respect to risk assessment and risk management, with ongoing assessments of the Company's risk management processes and system of internal control. The Audit Committee reports regularly to the Board, as provided in its charter. In addition, the Audit Committee identifies and requires

reporting on areas perceived as potentially posing risk to the Company's business.

For the foregoing reasons, the Board believes that its leadership structure provides an appropriate balance between the need for strategic leadership by our Chairman and CEO, and the oversight, objectivity and independence of the Lead Director and non-management directors. Further, the Board believes its leadership structure is appropriate given the Company's specific circumstances, the management of risk and the Board's administration of its oversight function.

Committees and Meetings of the Board of Directors; Director Independence

The Board of Directors of the Company held five regularly scheduled meetings in 2009. Each director attended all meetings of the Board of Directors and, with the exception of one director, the committees of the Board on which they served during 2009. One director could not attend one Audit Committee meeting. Although the Company has no formal policy with regard to Board members' attendance at its annual meeting of shareholders, it is customary for the Company's directors to attend. All of the Company's directors attended the Company's 2009 Annual Meeting of Shareholders. In addition to meeting as a group to review the Company's business, certain members of the Board of Directors also devote their time and talents to certain standing committees. Significant committees of the Board of Directors of the Company and the respective members are set forth below.

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Audit Committee

The Audit Committee's functions include direct responsibility for:

- appointment, compensation, retention and oversight of the work of any independent registered public accounting firm engaged to audit the Company's financial statements or to perform other audit, review or attestation services for the Company,
- discussing with the independent auditors their independence,
- reviewing and discussing with the Company's independent auditors and management the Company's audited financial statements, and
- recommending to the Company's Board of Directors whether the Company's audited financial statements should be included in the Company's Annual Report on Form 10-K for the previous fiscal year.

The Audit Committee is composed of Sheldon I. Ausman (Committee Chair), Philip W. Colburn and Margaret S. Dano. Messrs. Ausman and Colburn and Ms. Dano are independent as that term is defined in Section 303A.02 of the New York Stock Exchange's Corporate Governance Rules and Rule 10A-3(b)(ii) of the Exchange Act. The Board has determined that Mr. Ausman is an "audit committee financial expert" as defined by SEC rules based upon, among other things, his accounting background and experience. The Audit Committee met seven times in 2009. See also Audit Committee Report in this Proxy Statement.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee's functions include:

- assisting the Board in identifying qualified individuals to become directors,
- recommending to the Board qualified director nominees for election at the annual meeting of shareholders,
 - determining membership on the Board committees,
- reviewing and recommending amendments to the Corporate Governance Guidelines, and
 - oversight of annual self-evaluations by the Board.

The Nominating and Corporate Governance Committee is composed of Margaret S. Dano (Committee Chair), Philip W. Colburn and Francisco S. Uranga. Ms. Dano and Messrs. Colburn and Uranga are independent as that term is defined in Section 303A.02 of the New York Stock Exchange's Corporate Governance Rules. The Nominating and Corporate Governance Committee met four times in 2009.

Compensation and Benefits Committee

The Compensation and Benefits Committee's functions include:

- review and approval of compensation for the Company's officers and key employees, and
- administration of the Company's Equity Incentive Plan.

The Compensation and Benefits Committee consists of V. Bonds Evans (Committee Chair), Sheldon I. Ausman and Michael J. Joyce. Messrs. Ausman, Evans and Joyce are independent as that term is defined in Section 303A.02 of the New York Stock Exchange's Corporate Governance Rules. The Compensation and Benefits Committee met four times during 2009. See also Compensation Committee Report and Compensation Discussion and Analysis, in this Proxy Statement.

Other Committees; Committee Charters

In addition to its standing committees, the Board of Directors may on occasion form a special committee for a discrete purpose, such as the consideration of the settlement of a lawsuit or the approval of a transaction. During 2009, two such special purpose committees were organized and met in aggregate a total of two times. The Board of Directors does not foresee the need for these committees to meet again.

For its standing committees, the Board of Directors has adopted a written charter for each of the Audit Committee, the Compensation and Benefits Committee, and the Nominating and Corporate Governance Committee, which are available on the Company's website at <http://www.supind.com/investor/BOC.aspx>. Printed copies of these documents are also available upon written request to the Company's Corporate Secretary, Superior Industries International, Inc., 7800 Woodley Avenue, Van Nuys, California 91406.

Non-Management Executive Sessions

Non-management directors meet at least annually and generally before or after regularly scheduled meetings of the Board of Directors. The Lead Director, Mr. Sheldon I. Ausman, chairs these sessions.

Communications with Directors

Shareholders and interested parties wishing to communicate directly with the Board of Directors, the Chairman of the Board, the Lead Director, the Chair of any committee, or the non-management directors as a group about matters of general interest to shareholders are welcome to do

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so by writing the Company's Corporate Secretary at Superior Industries International, Inc., 7800 Woodley Avenue, Van Nuys, California 91406. The Corporate Secretary will forward these communications as directed. Before submitting proposals for consideration at a meeting of shareholders, the Company strongly encourages shareholders to commence a dialogue with the Board of Directors, as the Board may be able to address the shareholder's concerns informally without incurring the expense of a shareholder vote.

Corporate Governance Guidelines

The Board believes in sound corporate governance practices and has adopted formal Corporate Governance Guidelines to enhance its effectiveness. Our Board has adopted these Corporate Governance Guidelines in order to ensure that it has the necessary authority and practices in place to fulfill its role of management oversight and monitoring in the interest and for the benefit of our shareholders. The Corporate Governance Guidelines set forth the practices our Board will follow with respect to, among other areas, director qualification and independence, board and committee meetings, involvement of and access to management, and Chief Executive Officer performance evaluation and succession planning. The Corporate Governance Guidelines are publicly available on the Company's website at <http://www.supind.com/investor/CorporateGovernance.aspx> and in print upon written request to the Company's Corporate Secretary at Superior Industries International, Inc., 7800 Woodley Avenue, Van Nuys, California 91406.

Code of Business Conduct and Ethics

The Company has adopted a Code of Business Conduct and Ethics, a code of ethics that applies to all of the Company's directors, officers and employees. The Code of Business Conduct and Ethics is publicly available on the Company's website at <http://www.supind.com/investor/COBE.aspx> and in print upon written request to the Company's Corporate Secretary at Superior Industries International, Inc., 7800 Woodley Avenue, Van Nuys, California 91406. Any amendments to the Code of Business Conduct and Ethics or grant of any waiver from a provision of the code to any director or officer will be disclosed on the Company's website within five days of a vote of the Board of Directors or a designated Board committee that such an amendment or waiver is appropriate, and shall otherwise be disclosed as required by applicable law or New York Stock Exchange rules.

Compensation of Directors

During 2009, all non-employee directors of the Company were each compensated at the rate of \$36,000 per year for services as directors and \$1,000 for each Board meeting attended. In addition, they received \$2,000 for each committee meeting attended or \$2,500 for each committee meeting chaired. The Lead Director receives additional compensation of \$10,000 annually. As a management member of the Board of Directors, Mr. Steven J. Borick, Chairman of the Board, CEO and President, is not directly compensated for his service as a director.

The Company typically enters into Salary Continuation Agreements or a Salary Continuance Plan with its non-employee directors, which provide for the Company to pay to the individual, upon ceasing to serve as a director of the Company for any reason, a monthly benefit up to 30% of the individual's final average compensation over the preceding 36 months. The benefit is payable after having reached specified vesting dates and after reaching the age of 65 (or in the event of death while employed by the Company). Benefit payments continue through the later of ten years or, if subsequent to retirement, the individual's death. Final average compensation does not include fees paid for attending Board and committee meetings. The Company also entered into such agreement with its former CEO and President Mr. Louis L. Borick, Founding Chairman. Effective March 1, 2007, Mr. Borick began to receive an annual

benefit of \$300,000 pursuant to the terms of his Salary Continuation Agreement. No other current director is currently receiving such benefits.

Effective January 1, 2005, Mr. Louis L. Borick began receiving, per the terms of his 1994 Employment Agreement, one-twelfth of his annual base compensation as of December 31, 2004, during each of the ensuing 60 months. Commencing 2010, he will receive one-half of such amount during each of the 120 months following. Mr. L. Borick's annual base compensation on December 31, 2004 was \$1 million. In the event of his demise, this benefit will terminate immediately.

As former President, CEO and Chairman of the Board, Mr. L. Borick also continues to receive compensation as set forth in his Services Agreement, dated January 1, 2005, and amended effective March 1, 2007. The amended Services Agreement provides Mr. L. Borick the use of a company automobile and medical and dental benefits. Mr. L. Borick also receives an assisted living benefit.

Lastly, Mr. L. Borick was entitled under his 1994 Employment Agreement to life insurance under a split dollar arrangement for a face value of \$2,500,000. As the cost of maintaining the two life insurance policies had become very expensive, the split dollar arrangement was terminated during 2009. In exchange for terminating the split dollar arrangement and all future liability for premiums, the Company relinquished any right to be reimbursed for accumulated premium payments and transferred a life insurance policy with a cash value to The Louis L. Borick Irrevocable Trust-1998.

Non-employee directors also participate in the Company's Equity Incentive Plan, which is described under Compensation

Discussion and Analysis – 2008 Executive Compensation Components – Long-Term Equity Incentive Compensation in this Proxy Statement. The Company has not granted any stock appreciation rights or stock awards to its non-employee directors, but has granted stock options. Grants made to non-employee directors under the Company's Equity Incentive Plan may be made at the same time as grants made to the Company's Named Executive Officers and other key employees. However, no policy has been adopted as to the timing of such grants. See also Table 8 – Director Compensation for a summary of director compensation.

Transactions with Related Persons

Policies and Procedures for Review, Approval or Ratification of Related Person Transactions

The Audit Committee, pursuant to the Audit Committee Charter approved by our Board, has oversight for reviewing material transactions, contracts and agreements, including related person transactions. The Audit Committee Charter requires that management of the Company inform the Audit Committee of all related person transactions. In addition, our Code of Business Conduct and Ethics requires our directors, officers and employees to report actual and potential conflicts of interest. Directors and officers are required to report such information to the Chairman of the Nominating and Corporate Governance Committee.

Our Board and the Nominating and Corporate Governance Committee review annually any related person transaction involving a director in determining the independence of our directors pursuant to our Corporate Governance Guidelines, SEC rules and the New York Stock Exchange listing standards.

Related Person Transactions

During 2009, there was one new related person transaction, namely, the Company and The Louis L. Borick Irrevocable Trust-1998 negotiated to terminate their split dollar life insurance arrangement, as described above in Compensation of Directors.

Superior's main office and manufacturing facilities located at 7800 Woodley Avenue, Van Nuys, California, are subleased from The Louis L. Borick Trust and the Nita Borick Management Trust. The trusts are respectively controlled by Mr. L. Borick, who is a director of the Company, and Nita Borick, who is Mr. L. Borick's former spouse and the mother of Mr. S. Borick. One of the two buildings on the property is a casting plant containing approximately 85,000 square feet and the other is a combined office, manufacturing and warehouse structure. The offices comprise approximately 24,000 square feet and the manufacturing and warehouse area comprise approximately 236,000 square feet. The current sublease expires in 2012. The Company holds an option to renew for an additional ten-year period. During fiscal year 2009, Superior paid approximately \$1,921,728 in rentals under the land and building leases. The Company believes this transaction was on terms that are fair to the Company.

PROPOSAL 2

BYLAW AMENDMENT TO REDUCE THE SIZE OF THE BOARD OF DIRECTORS

Our Restated Articles of Incorporation provide that our directors be divided into three classes, as equal in number as possible. Our Bylaws require that the number of directors at any time must be between nine and fifteen directors. The Board has previously contained nine directors; three in each of Class I, Class II and Class III. In 2007, our then Chief Financial Officer retired and resigned from the Board of Directors, reducing the number of sitting Class I directors

from three to two. When we replaced our CFO, the Board of Directors concluded that it was not necessary for our CFO to be a member of the Board of Directors, even though it had been our practice in the past. Moreover, the Board decided it was not necessary or in our best interest for the vacancy to be filled by adding an additional independent director. Accordingly, we proposed at our 2009 Annual Meeting that our shareholders approve an amendment to the Bylaws to reduce the size of the Board to a minimum of five and a maximum of nine, as compared to a minimum of nine and a maximum of fifteen. The proposal also sought to set the exact number of directors initially at the current number of eight.

At our 2009 Annual Meeting, the proposal failed to receive the required affirmative vote of 80% of our outstanding shares, with approximately 74% of our outstanding shares voting in favor. The Board reviewed the considerations that gave rise to the proposal and the considerations brought forth by those that opposed the 2009 proposal. Based upon that review, a decision was made to re-submit this proposal for the 2010 Annual Meeting, with a few changes to accommodate the concerns of those that opposed it last year.

Based on their review of considerations relevant to the Company moving to a smaller-sized Board of Directors, including cost savings, efficiencies, expertise and flexibility, the Board of Directors resolved to place before our shareholders this proposal to reduce the size of the Board. The proposal would amend the Bylaws to reduce the

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authorized number of directors to a minimum of seven and a maximum of nine members. If in the future the exact number of directors was set at a number less than the number of current, sitting directors at the time, under California law no such reduction would have the effect of removing any sitting director prior to the expiration of their term of office.

The proposal is set forth below:

Resolved: Pursuant to Section 212(a) of the California Corporations Code, Article NINE of the Restated Articles of Incorporation of Superior Industries International, Inc. (the “Company”) and Section 6.01 of the Company’s Amended and Restated Bylaws (“Bylaws”), Section 1.02 of the Company’s Bylaws is hereby amended in its entirety to read as follows:

Section 1.02 Number of Directors. The number of directors of the corporation shall be not less than seven (7) nor more than nine (9). The exact number of directors shall be eight (8) until changed within the foregoing limits by a resolution amending such exact number, duly adopted by the Board of Directors or by the vote or written consent of holders of a majority of the outstanding shares entitled to vote.

Vote Required and Board Recommendation

The affirmative vote of at least eighty percent (80%) of the voting power of all the outstanding shares of Common Stock shall be required to approve this proposal. Accordingly, abstentions and broker non-votes will be counted for purposes of determining the presence or absence of the quorum for the transaction of business, but will effectively represent votes against this proposal.

THE SUPERIOR BOARD OF DIRECTORS
UNANIMOUSLY RECOMMENDS
THAT YOU VOTE FOR PROPOSAL 2.

PROPOSAL 3
SHAREHOLDER PROPOSAL

The Comptroller of the City of New York, as trustee and/or custodian of the New York City Employees’ Retirement System, the New York City Fire Department Pension Fund, the New York City Teachers’ Retirement System, the New York City Police Pension Fund and the New York City Board of Education Retirement System (the “Systems”), has informed the Company that he intends to present the proposal below at the Annual Meeting. In aggregate, the Systems hold 145,471 shares of the Company’s Common Stock. Upon request, we will provide our shareholders with each proponent’s name, address and the number of shares of Company Common Stock held by it.

Shareholder Proposal on Director Election Majority Vote Standard

The Systems proposal and supporting statement are quoted verbatim below:

Resolved: That the shareholders of Superior Industries International, Inc. (“Company”) hereby request that the Board of Directors initiate the appropriate process to amend the Company’s governance documents (certificate of incorporation

or bylaws) to provide that director nominees shall be elected by the affirmative vote of the majority of votes cast at an annual meeting of shareholders, with a plurality vote standard retained for contested director elections, that is, when the number of director nominees exceeds the number of board seats.

Supporting Statement: In order to provide shareholders a meaningful role in director elections, our company's director election vote standard should be changed to a majority vote standard. A majority vote standard would require that a nominee receive a majority of the votes cast in order to be elected. The standard is particularly well-suited for the vast majority of director elections in which only board nominated candidates are on the ballot. We believe that a majority vote standard in board elections would establish a challenging vote standard for board nominees and improve the performance of individual directors and entire boards. Our Company presently uses a plurality vote standard in all director elections. Under the plurality vote standard, a nominee for the board can be elected with as little as a single affirmative vote, even if a substantial majority of the votes cast are "withheld" from the nominee.

In response to strong shareholder support for a majority vote standard in director elections, companies are increasingly adopting a majority vote standard in company by-laws. Additionally, these companies have adopted bylaws or policies to address post-election issues related to the status of director nominees that fail to win election. Our Company has not established a majority vote standard in Company bylaws, opting only to establish a post-election director resignation governance policy. The Company's director resignation policy simply addresses post-election issues, establishing a

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requirement for directors to tender their resignations for board consideration should they receive more “withhold” votes than “for” votes. We believe that these director resignation policies, coupled with the continued use of a plurality vote standard, are a wholly inadequate response to the call for the adoption of a majority vote standard.

Companies are increasingly moving away from the resignation policy to a majority vote standard. The wishes of shareholder can be ignored with a resignation policy - three companies with director resignation policy received majority withhold votes and the Boards refused to accept the resignations.

Despite the company’s insistence that the proposal cannot be implemented under California law, California-incorporated Cisco Systems, PG&E Corporation, Quest Software and Pacific Sunwear of California (to which we submitted a similar proposal last year) adopted majority vote standard. Two proxy rating agencies, RiskMetrics and Glass Lewis, have recommended that shareholders vote for our proposal at Superior Industries, arguing that the hurdles in California are not insurmountable and that the American Bar Association amendments to the Model Business Corporation Act emphasize individual corporate action in the adoption of majority voting.

Company Response to Shareholder Proposal Regarding Method of Voting for Directors