

HARLEY DAVIDSON INC
Form DEF 14A
March 19, 2010
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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 Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14A-6(E)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

Harley-Davidson, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(4) Date Filed:

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NOTICE OF ANNUAL MEETING

AND

PROXY STATEMENT

Harley-Davidson, Inc.

3700 West Juneau Avenue

Milwaukee, Wisconsin 53208

(414) 342-4680

March 19, 2010

Dear Fellow Shareholder:

On behalf of the Board of Directors and management of Harley-Davidson, Inc., I cordially invite you to attend the 2010 Annual Meeting of Shareholders to be held at 10:30 a.m., Central Daylight Time, on Saturday, April 24, 2010, at the Harley-Davidson Museum, 400 W. Canal Street, Milwaukee, Wisconsin. If the shareholders approve the amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation at the Annual Meeting to eliminate our classified board structure, we will close the polls and adjourn the Annual Meeting prior to the vote for directors and reconvene the Annual Meeting at 11:00 a.m., Central Daylight Time, on Monday, April 26, 2010, at the Harley-Davidson Museum.

The attached Notice of Annual Meeting of Shareholders and Proxy Statement describe the formal business that the shareholders will transact at the Annual Meeting. During the Annual Meeting, there will also be brief reports on our operations. Once the shareholders conclude the business of the Annual Meeting, we will give shareholders an opportunity to ask questions.

We sincerely hope you will be able to attend our Annual Meeting. However, whether or not you are personally present, it is important that you vote your shares.

We are pleased to once again offer multiple options for voting your shares. As described in the section called, *Questions and Answers About the Meeting How Do I Vote?* of the Notice of Annual Meeting of Shareholders and Proxy Statement, you may vote your shares by telephone, the Internet, mail or written ballot at the Annual Meeting.

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If you own shares through a broker, bank or other nominee, please vote your shares by providing your broker, bank or nominee with your voting instructions.

Thank you for your continued support of Harley-Davidson, Inc.

Sincerely yours,

Keith E. Wandell

President and Chief Executive Officer

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

April 24, 2010

The 2010 Annual Meeting of Shareholders of Harley-Davidson, Inc. will be held at the Harley-Davidson Museum, 400 W. Canal Street, Milwaukee, Wisconsin, on Saturday, April 24, 2010 at 10:30 a.m., Central Daylight Time, for the following purposes:

1. To approve amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and to approve an adjournment of the Annual Meeting to implement the amendments;
2. To approve the adoption of the Harley-Davidson, Inc. Employee Incentive Plan;
3. To approve the adoption of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan;
4. To ratify the selection of Ernst & Young LLP, independent registered public accounting firm, to be the auditors for the fiscal year ending December 31, 2010;
5. To vote on a shareholder proposal, if properly presented before the 2010 Annual Meeting;
6. To elect four directors to the Board of Directors; and
7. To take action upon any other business as may properly come before the 2010 Annual Meeting and any adjournments or postponements of that meeting.

The Board of Directors recommends a vote FOR items 1, 2, 3, 4 and 6. The Board of Directors has considered the shareholder proposal, which is item 5, and recommends a vote AGAINST it. The Board of Directors or proxy holders will use their discretion on other matters that may arise at the 2010 Annual Meeting.

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The Board of Directors fixed the close of business on March 5, 2010 as the record date for determining shareholders entitled to notice of and to vote at the 2010 Annual Meeting and any adjournments or postponements of that meeting.

By Order of the Board of Directors,

Harley-Davidson, Inc.

Gail A. Lione

Secretary

Milwaukee, Wisconsin

March 19, 2010

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We urge you to submit your proxy as soon as possible. If the records of our transfer agent, Computershare Investor Services LLC, show that you own shares in your name, or you own shares in our Dividend Reinvestment Plan, then you can submit your proxy for those shares by using a toll-free telephone number or the Internet. Or you can mark your votes on the proxy card we have enclosed, sign and date it, and mail it in the postage-paid envelope we have provided. Instructions for using these convenient services are set forth on the proxy card.

If you own shares in street name, we encourage you to provide voting instructions to your bank, broker or other nominee. Street name holders may also vote by telephone or the Internet if their bank, broker or other nominee makes those methods available, in which case the bank, broker or other nominee will enclose the instructions along with this Proxy Statement. Street name holders who wish to vote at the meeting cannot vote in person at the 2010 Annual Meeting unless they first obtain a proxy issued in their name from their broker, bank or other nominee.

**Important Notice Regarding the Availability of Proxy Materials for the
Shareholder Meeting to be Held on April 24, 2010**

Pursuant to rules of the Securities and Exchange Commission, we have elected to provide access to our proxy materials both by sending you this full set of proxy materials, including a proxy card, and by notifying you of the availability of our proxy materials on the Internet. This proxy statement and our 2009 Annual Report on Form 10-K are available at <http://www.proxyvote.com>.

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3700 West Juneau Avenue

Milwaukee, Wisconsin 53208

March 19, 2010

PROXY STATEMENT

The Board of Directors of Harley-Davidson, Inc. requests the proxy accompanying this Proxy Statement for use at the 2010 Annual Meeting of Shareholders to be held on April 24, 2010 and at any adjournment or postponement of that meeting (the Annual Meeting). We first sent this Proxy Statement and the accompanying proxy to shareholders on or about March 19, 2010.

As used in this Proxy Statement, we, the company or Harley-Davidson refers to Harley-Davidson, Inc. Motor Company refers to our subsidiaries, Harley-Davidson Motor Company Operations, Inc., Harley-Davidson Motor Company Group, LLC and Harley-Davidson Motor Company, Inc. They do business as Harley-Davidson Motor Company. In addition, HDFS refers to Harley-Davidson Financial Services, Inc. and its subsidiaries; Buell refers to Buell Motorcycle Company, LLC and Buell Distribution Company, LLC; and MV refers to MV Agusta Motor S.P.A.

QUESTIONS AND ANSWERS ABOUT THE MEETING

Q: What Is the Purpose of the Annual Meeting?

A: At the Annual Meeting, shareholders will: (1) approve an amendment to the Harley-Davidson, Inc. Restated Articles of Incorporation to declassify the Harley Davidson Board and approve an adjournment of the Annual Meeting to implement the amendments, (2) approve the Harley-Davidson, Inc. Employee Incentive Plan, (3) approve the Amended and Restated Director Stock Plan, (4) ratify the selection of our independent registered public accounting firm, (5) vote on a shareholder proposal and (6) elect four directors. The Notice of Annual Meeting of Shareholders and Proxy Statement describe these matters in more detail. In addition, members of management will report on our 2009 performance and, once the shareholders conclude the business of the Annual Meeting, respond to shareholders' questions as time permits.

- Q: What Will Happen if Shareholders Approve the Amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to Eliminate the Classified Board Structure?**
- A:** If the shareholders approve the amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure, we will close the polls and adjourn the Annual Meeting following the vote on Proposal 5, the shareholder proposal. We will need to adjourn until Monday, April 26, 2010, the first business day after the date of the Annual Meeting, because the amendments will not become legally effective until the company files articles of amendment with the Department of Financial Institutions of the State of Wisconsin

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whose offices are closed on the weekend. On that Monday, we will file articles of amendment to the company's Restated Articles of Incorporation with the Department of Financial Institutions. Following the filing of the amendments, we intend to reconvene the Annual Meeting for the shareholders to vote on Proposal 6, the election of directors. It will not be necessary for Shareholders to appear at the reconvened meeting in person to vote their shares, and it will not be necessary for Shareholders to submit a separate proxy, so long as they have submitted a valid proxy or written ballot at the Annual Meeting. If the Shareholders do not approve the amendments, then the Annual Meeting will continue without an adjournment.

Q: Who Is Entitled to Vote?

A: Only holders of the 233,974,154 shares of our common stock outstanding as of the close of business on March 5, 2010 can vote at the Annual Meeting. Each of these shareholders has one vote for each share of our stock held on that date.

Q: Who Can Attend the Annual Meeting?

A: All shareholders, or individuals that shareholders have duly appointed as their proxies, may attend the Annual Meeting. Appointing a proxy in response to this request will not affect a shareholder's right to attend the Annual Meeting and to vote in person. Please note that if you hold your shares in street name (that is, through a broker, bank or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of March 5, 2010 to enter the Annual Meeting.

Q: What Constitutes a Quorum?

A: A majority of the 233,974,154 shares of our stock outstanding on March 5, 2010 must be present, in person or by proxy, to provide a quorum at the Annual Meeting. If you vote, your shares will count toward satisfying the quorum requirement. If you return a proxy card marked "ABSTAIN" or without voting instructions, your shares of common stock will also count toward satisfying the quorum requirement. Also, in those instances where banks, brokers or other nominees who hold shares on behalf of others have returned a proxy but could not vote the shares on particular matters without receiving voting instructions from the beneficial owners (broker nonvotes), those shares will count toward satisfying the quorum requirement. Broker nonvotes will not count as votes for or against any proposal. If you own shares in street name, we encourage you to provide voting instructions to your broker, bank or other nominee.

Q: What Is the Effect of Not Voting?

A: The consequences of not voting will depend on how you own your shares. If the records of our transfer agent, Computershare Investor Services LLC, show that you own shares in your name or if you own shares through our Dividend Reinvestment Plan and you do not vote, we cannot consider those shares present at the meeting and they will not count toward satisfying the quorum requirement.

If you own shares in street name and do not vote, your broker, bank or other nominee may vote your shares at the meeting. If you do not give voting instructions for your shares, your broker, bank or other nominee may or may not be able to vote your shares in its discretion depending on the proposals before the meeting. Your broker, bank or other nominee may vote your shares in its discretion on routine matters such as Proposal 4, the ratification of the selection of our

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independent registered public accounting firm, but may not vote your shares in its discretion on Proposal 1, approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and approval of an adjournment of the Annual Meeting to implement the amendments, Proposal 2, approval of the Harley-Davidson, Inc. Employee Incentive Plan, Proposal 3, approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan, the shareholder proposal or Proposal 6, the election of directors. If you own shares in street name, we encourage you to provide voting instructions to your broker, bank or other nominee.

Q: How Do I Vote?

A: If the records of our transfer agent show that you own shares in your name or if you own shares through our Dividend Reinvestment Plan at the close of business on March 5, 2010, you can appoint a proxy by telephone by calling toll-free within the United States or Canada ((800) 690-6903), by using the Internet at <http://www.proxyvote.com> or by mailing your signed proxy card in the envelope we have included with this Proxy Statement. If you own shares in street name, you may vote by telephone or the Internet if your bank, broker or other nominee makes those methods available, in which case your bank, broker or other nominee will include instructions with your Proxy Statement. The telephone and Internet voting procedures will authenticate your identity, allow you to give your voting instructions and confirm that we have properly recorded your instructions. If you vote by using the Internet, you should understand that there might be costs associated with electronic access that you must bear, such as usage charges from Internet access providers and telephone companies.

Q: Can I Change My Vote After I Submit My Proxy?

A: Yes. You can change your vote at any time before the Annual Meeting by submitting a new proxy or by providing written notice to our Secretary and voting in person at the Annual Meeting. Your presence at the Annual Meeting does not in and of itself revoke your proxy.

Unless you properly revoke your proxy, the persons you have appointed will vote your shares at the Annual Meeting. If you specify a choice by means of the proxy, the persons you have appointed will vote your shares as you specify. If you do not specify a choice, the persons you have appointed will vote your shares in accordance with the recommendations of the Board of Directors.

Q: Is My Vote Confidential?

A: We will handle all proxy instructions, ballots and voting tabulations that identify individual shareholders carefully to protect your voting privacy. No one will disclose your vote either within Harley-Davidson or to third parties, except: (i) as necessary to meet applicable legal requirements, (ii) to allow for the tabulation of votes and certification of the vote, and (iii) to facilitate a successful proxy solicitation.

Q: What Am I Voting On?

A: You are voting on five company proposals and one shareholder proposal:

Proposal 1: [Approval of Amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate our Classified Board and Approval of an Adjournment of the Annual Meeting to Implement the Amendments](#)

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We are seeking shareholder approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and provide for the annual election of directors, which the Board of Directors adopted on December 10, 2009 subject to shareholder approval, and approval of an adjournment of the Annual Meeting to implement the amendments. If shareholders do not approve these amendments, the Board structure will remain classified and each director will continue to be elected to a term of three years.

Proposal 2: Approval of Harley-Davidson, Inc. Employee Incentive Plan

We are seeking shareholder approval of the Harley-Davidson, Inc. Employee Incentive Plan, which the Board of Directors adopted on February 11, 2010 subject to shareholder approval.

Proposal 3: Approval of Amended and Restated Harley-Davidson, Inc. Director Stock Plan

We are seeking shareholder approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan, which the Board of Directors adopted on February 11, 2010 subject to shareholder approval.

Proposal 4: Ratification of Selection of an Independent Registered Public Accounting Firm

The Audit Committee of the Board of Directors has selected Ernst & Young LLP, independent registered public accounting firm, to be the auditors for the fiscal year ending December 31, 2010.

Proposal 5: Shareholder Proposal

Proposal 6: Election of Class I Directors

Election of four directors, with the following as the Board of Directors nominees:

- a. Barry K. Allen;
- b. Richard I. Beattie;
- c. Judson C. Green; and
- d. N. Thomas Linebarger.

Q: What Are the Board of Directors Recommendations?

A: The Board of Directors recommends a vote:

***FOR* approval of Amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and provide for the annual election of directors (see Proposal 1);**

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- ***FOR approval of the Harley-Davidson, Inc. Employee Incentive Plan (see Proposal 2);***
- ***FOR approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan (see Proposal 3);***

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- ***FOR* ratification of the selection of Ernst & Young LLP, independent registered public accounting firm (see Proposal 4);**
- ***AGAINST* the shareholder proposal (see Proposal 5) ; and**
- ***FOR* election of the four nominees of the Board of Directors (see Proposal 6).**

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote to approve the recommendations of the Board of Directors.

Q: What Vote Is Required to Approve Each Proposal?

A: Our Bylaws have a majority vote standard for the election of directors. The director nominees receiving the greatest number of votes will be elected. However, a nominee who receives more withheld votes than for votes must tender his or her resignation to the Board of Directors. The Nominating and Corporate Governance Committee will promptly consider that resignation and will recommend to the Board of Directors whether to accept the tendered resignation or reject it, and the Board will then act on that recommendation.

If a quorum is present at the Annual Meeting, the following matters require an affirmative vote of a majority of the shares voting on the proposal: (1) approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to eliminate the classified board structure and approval of an adjournment of the Annual Meeting to implement the amendments, (2) approval of the Harley-Davidson, Inc. Employee Incentive Plan, (3) approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan, (4) ratification of the selection of Ernst & Young LLP as the independent registered public accounting firm for fiscal year 2010 and (5) approval of a shareholder proposal.

Q: Are There Any Other Items That Are to be Acted Upon During the Annual Meeting?

A: No. We are not aware of any other matters that you will vote on at the Annual Meeting. In addition, the deadlines have passed under Rule 14a-8 of the Securities Exchange Act of 1934 and our Restated Articles of Incorporation, as amended through August 21, 2000, for shareholders to submit their own proposals for presentation at the Annual Meeting. If other matters come before the Annual Meeting with the assent of the Board of Directors, the Board or proxy holders will use their discretion on these matters.

Q: Who Will Count the Vote?

A: Broadridge Financial Solutions, Inc. will count the vote. Its representative will serve as the inspector of the election.

Q: Who Pays to Prepare, Mail and Solicit the Proxies?

A: We pay the cost of soliciting the proxies relating to the Annual Meeting, except for some costs that may arise through your use of the telephone and Internet. We may request proxies in person, by telephone, Internet, telegraph and facsimile machine, as well as through the mail. We also expect to ask banks, brokerage houses and other custodians, nominees or fiduciaries to forward proxy materials to their principals and to obtain proxies. We will reimburse these institutions for their out-of-pocket expenses. We hired D. F. King & Co., Inc. to help solicit proxies and we expect to pay them approximately \$6,500 plus out-of-pocket expenses.

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Q: How Can I Obtain Electronic Access to Shareholder Materials Instead of Receiving Mailed Copies?

A: We are pleased to offer you the option to view shareholder communications (for example, annual reports and proxy statements) over the Internet, instead of receiving those documents in print. By agreeing to view communications over the Internet, you will help us reduce our printing and mailing costs, which can be substantial. Participation is completely voluntary, but now is a good time to consent. If you give your consent, then we will notify you by U.S. mail when shareholder materials are available over the Internet and provide you with a listing of the website locations where you can access these materials. Once you give your consent, it will remain in effect until you inform us otherwise. Even if you give your consent, you can request paper copies of these documents at any time by contacting our Investor Relations Department by: (a) mail at Harley-Davidson, Inc., Attention: Investor Relations, 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653, (b) telephone at 877-HDSTOCK (toll-free) or (c) e-mail at investor.relations@harley-davidson.com. If you access documents electronically, you should understand that there might be costs to access materials electronically that you must bear, such as usage charges from Internet access providers and telephone companies.

To give your consent, please follow the directions under **Electronic Delivery of Future Proxy Materials** on your proxy card. If you hold your shares through a bank, broker or other nominee, please refer to the information that entity provides to you for instructions on how to elect this option. If you have previously consented to receive shareholder communications electronically, then you do not need to provide additional consent at this time.

We encourage you to consider agreeing to view your shareholder communications electronically.

QUESTIONS AND ANSWERS ABOUT THE COMPANY

Q: How is Management Structured?

A: We operate in two business segments: the Motorcycles and Related Products segment and the Financial Services segment. The Motorcycles and Related Products segment includes the Motor Company, Buell and MV. The Financial Services segment includes HDFS. On October 15, 2009, we announced plans to discontinue production of Buell motorcycles and to commence efforts to sell MV.

Our organizational structure consists of the Executive Leadership Team and a broad group of our leaders representing key functions and individuals in the Motor Company, MV, HDFS and Harley-Davidson that we refer to as the Senior Leadership Group. This broad group meets several times each year to have a dialogue with the Chief Executive Officer of Harley-Davidson and to share business information. While this group is not a decision-making body, it will evaluate and discuss critical, enterprise-wide business challenges throughout the year. The Chief Executive Officer determines membership in the Senior Leadership Group with input from his direct reports.

The Executive Leadership Team consists of the Chief Executive Officer of Harley-Davidson, as well as the Presidents of the Motor Company and HDFS, the Managing Director of MV and other senior officers who report directly to the Chief Executive Officer. The members of the

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Executive Leadership Team are responsible for making decisions on business issues that impact our entire company, developing high-level policies and advising our Chief Executive Officer. For Securities and Exchange Commission (SEC) purposes, we consider the Executive Leadership Team members our executive officers. Among other things, the SEC requires executive officers to disclose publicly their holdings of and transactions involving our stock.

Q: Who Are Our Executive Officers for SEC Purposes?

A: As of March 5, 2010, our executive officers for general SEC purposes were as follows:

Name and Title	Age
John P. Baker, General Manager, Corporate Strategy and Business Development of the Motor Company <i>The Motor Company has employed Mr. Baker for approximately 17 years.</i>	42
Tonit M. Calaway, Vice President, Human Resources of Harley-Davidson <i>We have employed Ms. Calaway for approximately 12 years.</i>	42
Enrico D. Onofrio, Managing Director of MV <i>MV has employed Mr. D. Onofrio for approximately one year.</i>	52
Jon R. Flickinger, President and Chief Operating Officer of Buell <i>Buell and the Motor Company have employed Mr. Flickinger for approximately 15 years.</i>	51
Susan K. Henderson, Vice President, Communications of Harley-Davidson <i>We have employed Ms. Henderson for approximately one year.</i>	57
Lawrence G. Hund, President and Chief Operating Officer of HDFFS <i>HDFS has employed Mr. Hund for approximately one year and previously employed him for approximately five years prior to 2008.</i>	53
Matthew S. Levatich, President and Chief Operating Officer of the Motor Company <i>The Motor Company has employed Mr. Levatich for approximately 16 years.</i>	45
Gail A. Lione, Executive Vice President, General Counsel and Secretary of Harley-Davidson and Chief Compliance Officer of Harley-Davidson <i>We have employed Ms. Lione for approximately 13 years. Ms. Lione will be retiring from her positions as our Executive Vice President, General Counsel, Secretary and Chief Compliance Officer effective April 30, 2010.</i>	60
James A. McCaslin, Executive Vice President, Corporate Product Planning of Harley-Davidson <i>We have employed Mr. McCaslin for approximately 18 years. Mr. McCaslin will be retiring from the Company effective April 30, 2010.</i>	61
John A. Olin, Senior Vice President and Chief Financial Officer of Harley-Davidson <i>We have employed Mr. Olin for approximately seven years.</i>	49
Mark-Hans Richer, Senior Vice President and Chief Marketing Officer of the Motor Company <i>The Motor Company has employed Mr. Richer for approximately three years.</i>	43
Keith E. Wandell, President and Chief Executive Officer of Harley-Davidson <i>We have employed Mr. Wandell for approximately one year.</i>	60

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The executive officers that we identify below have been employed by us in the respective capacities that we list above for less than five years. The following is additional biographical information for at least the last five years relating to these ten executive officers:

Mr. Baker has served as our General Manager, Corporate Strategy and Business Development since 2007. From 2005 to 2007, Mr. Baker served as our Director, Marketing Platform. From 2002 to 2005, Mr. Baker served as Lead, Marketing Platform.

Ms. Calaway became our Vice President, Human Resources in February 2010. She served as our Assistant General Counsel and Chief Compliance Counsel from 2008 until January 2010. From 2004 to 2007, Ms. Calaway served as Associate General Counsel of the Motor Company.

Mr. D Onofrio has served as the Managing Director of MV since May 2009. From February 2009 through March 2009, Mr. D Onofrio served as General Manager, Corporate of MV. From 2000 to 2009, Mr. D Onofrio served as Chief Financial Officer of Ducati Motor Holding S.p.A.

Ms. Henderson has served as our Vice President, Communications since November 2008. From 2005 to 2008, Ms. Henderson served as the Vice President of Corporate Communications of the Wm. Wrigley Jr. Company, a chewing gum and confections manufacturer. Prior to joining Wrigley, Ms. Henderson was principal in her own communications firm.

Mr. Hund has served as the President and Chief Operating Officer of HDFS since June 2009. From November 2008 through June 2009, Mr. Hund served as Executive Vice President and Chief Financial Officer of Tygris Commercial Finance Group, Inc., a commercial finance and leasing company. From January 2008 through November 2008, Mr. Hund served as Vice President and Chief Financial Officer of Bridge Finance Group, a finance company. From 2006 to 2007, Mr. Hund served as Interim Chief Operating Officer of HDFS. From 2002 to 2007, Mr. Hund served as the Chief Financial Officer of HDFS.

Mr. Levatich has served as the President and Chief Operating Officer of the Motor Company since May 2009. From August 2008 through April 2009, Mr. Levatich served as President and Managing Director of MV Augusta. From 2007 through July 2008, Mr. Levatich was Vice President and General Manager of Parts and Accessories and Custom Vehicle Operations of the Motor Company. From 2003 to 2007, Mr. Levatich was Vice President of Materials Management of the Motor Company. From 1994 to 2003, Mr. Levatich held other positions with the Motor Company.

Mr. McCaslin has served as the Executive Vice President, Corporate Product Planning of Harley-Davidson since May 2009. From 2001 through April 2009, Mr. McCaslin served as the President and Chief Operating Officer of the Motor Company.

Mr. Olin has served as the Senior Vice President and Chief Financial Officer of Harley-Davidson since September 2009. From April 2009 through September 2009, Mr. Olin served as Acting Chief Financial Officer of Harley-Davidson, and from 2003 through September 2009, Mr. Olin served as Vice President and Controller of the Motor Company.

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Mr. Richer has served as the Senior Vice President and Chief Marketing Officer of the Motor Company since 2007. Previously, he served as the Vice President and Chief Marketing Officer of the Motor Company from July 2007 to November 2007. Prior to joining the company, Mr. Richer served as the Director of Marketing at General Motors Corp., an automobile manufacturer, from 1998 to 2007.

Mr. Wandell has served as our President and Chief Executive Officer since May 2009. Prior to joining the company, Mr. Wandell served as President and Chief Operating Officer of Johnson Controls, Inc., a global manufacturer of automotive, power and building solutions, from 2006 through April 2009. Mr. Wandell previously served as Executive Vice President of Johnson Controls from 2005 to 2006, Corporate Vice President of Johnson Controls from 1997 to 2005, President of the Automotive Experience business of Johnson Controls from 2003 to 2006 and President of the Power Solutions business of Johnson Controls from 1998 to 2003.

In addition, Mark R. Kornetzke is our Chief Accounting Officer. We have employed Mr. Kornetzke for approximately 14 years.

Q: Does Harley-Davidson have a Chief Compliance Officer?

A: Yes. In 2004, the Board of Directors appointed Gail A. Lione, our Executive Vice President, General Counsel and Secretary, as our Chief Compliance Officer. Appointing Ms. Lione as Chief Compliance Officer was part of the Board's commitment to compliance and its desire to promote compliance, education and reporting within our company. This action formalized our continuing efforts to direct and promote an effective compliance program. Among other things, under this compliance program, senior management gives quarterly reports to the Legal Department regarding compliance matters. The compliance program also includes training to employees and senior management on corporate governance issues including insider trading restrictions and restrictions on disclosure of nonpublic material information. The company has a corporate compliance department reporting to Ms. Lione staffed with a chief compliance counsel and employees who also manage environmental matters and records management. Ms. Lione makes regular reports to the Audit Committee on legal and compliance matters. Ms. Lione will be retiring from her position as our Chief Compliance Officer effective April 30, 2010.

Q: Does Harley-Davidson have a Disclosure Committee?

A: Yes. In October 2002, we established a Disclosure Committee comprised of members of management responsible for considering the materiality of information and making disclosure decisions on a timely basis. The Disclosure Committee Guidelines provide that the Disclosure Committee or a subset of the Disclosure Committee comprised of the Chief Financial Officer and the General Counsel: (1) has access to all company books, records, facilities and personnel, as well as our independent registered public accounting firm and outside counsel; (2) designs, establishes and maintains disclosure controls and procedures for the SEC reporting process and modifies them from time to time, as appropriate; (3) creates and reviews all financial press releases; (4) reviews SEC filings on Form 8-K relating to quarterly earnings releases, Form 10-K, Form 10-Q and our annual proxy statement; (5) suggests appropriate disclosures or provides opinions on disclosure issues; (6) evaluates changes in SEC, New York Stock Exchange and Financial Accounting Standards Board disclosure rules and makes recommendations regarding their impact on the company; (7) consults with management,

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internal auditors, independent accountants and outside legal counsel; (8) discusses material items with employees in the internal audit function, independent registered public accounting firm and management to ensure appropriate disclosure; (9) arranges for necessary training to ensure effective implementation of the disclosure controls and procedures; and (10) annually reviews and reassesses the performance of the Disclosure Committee and these guidelines.

Q: Does Harley-Davidson have a Policy for Communicating Non-Public Material Information?

A: Yes. We adopted the Policy for Managing Disclosure of Material Information in November 2001 and amended it in January 2008. The policy describes the procedures relating to communication with the public, the investment community and third party business contacts. The Policy for Managing Disclosure of Material Information can be found on the Corporate Governance page of our website at <http://www.harley-davidson.com>.

Q: Does Harley-Davidson have an Internal Audit Department?

A: Yes. In August 2003, we established an internal audit function. The head of the internal audit function reports directly to both the Audit Committee and our Chief Financial Officer. The Audit Committee Charter specifically provides that the head of the internal audit function is ultimately accountable to the Board of Directors and the Audit Committee, and that the Audit Committee has the ultimate authority and responsibility to appoint, retain, evaluate and replace the head of the internal audit function. For more information on the internal audit function, please see the Audit Committee Report.

Q: Where Can I Find Corporate Governance Materials for Harley-Davidson?

A: The Corporate Governance page of our website at <http://www.harley-davidson.com> contains our Corporate Governance Policy, our Conflict of Interest Process for Directors, Executive Officers and Other Employees, our Code of Business Conduct, our Financial Code of Ethics, our Policy for Managing Disclosure of Material Information, the charters for the Audit Committee, Nominating and Corporate Governance Committee and Human Resources Committee, our By-Laws and a list of the Board of Directors. We are not including the information available through our website as a part of this Proxy Statement.

The Board of Directors first adopted a Code of Business Conduct in 1992 and the Board amended and restated it in 2003 for our 100th Anniversary. Our Code of Business Conduct applies to all of our employees, including all executives, and directors. Our Code of Business Conduct promotes honest and ethical conduct and provides guidance in handling various business situations. It is available worldwide to our employees in eight languages on our intranet and on the Corporate Governance page of our website. Employees may anonymously report possible violations of the Code of Business Conduct by calling third-party toll-free telephone numbers that are available 24 hours a day and seven days a week, by third-party website over the internet or by writing to our General Counsel at the following address in care of our Secretary: Harley-Davidson, Inc., 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653. Employees may also report possible violations by e-mail to their supervisor, their local human resources department or the General Counsel and Chief Compliance Officer of Harley-Davidson, Inc. For more information on our Code of Business Conduct, please see the Nominating and Corporate Governance Committee Report.

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Managers of employees and employees in the finance and accounting areas, or in areas that provide support to the finance and accounting areas, sign the Financial Code of Ethics. Employees may report possible violations of the Financial Code of Ethics directly to the Chairperson of the Audit Committee, in care of our Secretary at the above address.

As a shareholder, you can request paper copies of the documents found on the Corporate Governance page of our website at any time by contacting our Investor Relations Department by: (a) mail at Harley-Davidson, Inc., Attention: Investor Relations, 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653, (b) telephone at 877-HDSTOCK (toll-free) or (c) e-mail at investor.relations@harley-davidson.com. If you access documents electronically, you should understand that there might be costs to access materials electronically that you must bear, such as usage charges from Internet access providers and telephone companies.

Q: How May I Contact the Members of the Board of Directors?

A: The Corporate Governance page of our website lists the current members of the Board of Directors. Shareholders and other parties interested in communicating with Barry K. Allen, the Chairman of the Board, or with any director may do so by writing to that director in care of our Secretary, 3700 West Juneau Avenue, P.O. Box 653, Milwaukee, Wisconsin 53201-0653. We open and forward all mail to the director or directors specified in the communication.

Q: How May I Recommend a Candidate to serve on the Board of Directors?

A: Shareholders may recommend candidates for consideration by the Nominating and Corporate Governance Committee at any time by writing to the Chairperson of the committee in care of our Secretary at the above address. To enable the committee to consider a shareholder recommendation in connection with the 2011 annual meeting of shareholders, we must receive the recommendation on or before November 19, 2010. Under Nominating and Corporate Governance Committee, on page 39, we discuss the criteria that the Nominating and Corporate Governance Committee considers for identifying and recommending new candidates to serve on the Board.

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PROPOSALS TO BE VOTED ON

PROPOSAL 1

**APPROVAL OF AMENDMENTS TO THE HARLEY-DAVIDSON, INC. RESTATED ARTICLES OF INCORPORATION
TO ELIMINATE THE CLASSIFIED BOARD STRUCTURE AND APPROVAL OF AN ADJOURNMENT OF THE
ANNUAL MEETING TO IMPLEMENT THE AMENDMENTS**

The Board of Directors unanimously recommends a vote FOR the proposal below.

We are seeking Shareholder approval of amendments to the Harley-Davidson, Inc. Restated Articles of Incorporation to declassify the Board and provide for the annual election of all directors, and approval of an adjournment of the Annual Meeting to implement the amendments if Shareholders approve them, as described below.

Current Classified Board Structure. Article VI of the company's current Restated Articles of Incorporation, as amended through August 21, 2000, divides the company's directors into three classes, with members of each class serving three-year terms of office. Consequently, at any given annual meeting of shareholders, the Shareholders have the ability to elect only one class of directors, constituting roughly one-third of the entire Board.

Proposed Declassification of the Board. On December 10, 2009, the Board of Directors voted to approve, and to recommend that the Shareholders approve at the Annual Meeting, amendments to the Restated Articles of Incorporation that would eliminate the Board's classified structure and provide for the annual election of all Directors. If Shareholders approve the proposed amendments, then we will close the polls and adjourn the Annual Meeting following the vote on Proposal 5. We will need to adjourn until Monday, April 26, 2010, the first business day after the date of the Annual Meeting, because the amendments will not become legally effective until the company files articles of amendment with the Department of Financial Institutions of the State of Wisconsin whose offices are closed on the weekend. On that Monday, we will file articles of amendment to the company's Restated Articles of Incorporation with the Department of Financial Institutions. Following the filing of the amendments, we intend to reconvene the Annual Meeting for the shareholders to vote on Proposal 6, the election of directors. At that reconvened meeting, the Class I Director nominees will be elected to a one-year term. It will not be necessary for Shareholders to appear at the reconvened meeting in person to vote their shares and it will not be necessary for Shareholders to submit a separate proxy so long as they have submitted a valid proxy or written ballot at the Annual Meeting. If the Shareholders do not approve the amendments, then the Annual Meeting will continue without an adjournment and the Class I Director nominees will be elected to three-year terms to serve until the 2013 annual meeting of shareholders.

Directors who have been elected to three-year terms prior to the effectiveness of the amendments will complete those terms. Going forward, directors whose previous terms are expiring will be subject to election for a one-year term expiring at the next annual meeting. Thus, beginning with the 2012 annual meeting of shareholders, the entire Board will be elected annually.

Rationale for Declassification. The Board of Directors heard our shareholders' broad support in favor of a non-binding shareholder proposal at the 2009 annual meeting of shareholders requesting that the Board of Directors declassify the Board so that Shareholders elect directors annually.

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Additionally, the Board is committed to good corporate governance at the company. Accordingly, in determining whether to propose declassification as described above, the Board carefully reviewed the various arguments for and against a classified Board structure.

The Board recognizes that a classified structure may offer several advantages, such as promoting Board continuity and stability, encouraging directors to take a long-term perspective, and reducing a company's vulnerability to coercive takeover tactics. The Board also recognizes, however, that a classified structure may appear to reduce directors' accountability to shareholders, since such a structure does not enable shareholders to express a view on each director's performance by means of an annual vote. The Board also believes that implementing annual elections for all directors would support the company's ongoing effort to adopt best practices in corporate governance.

In view of the considerations described above, the Board of Directors has unanimously determined that it is in the best interests of the company and its shareholders to eliminate the classified Board structure as proposed.

Text and Legal Effectiveness of Proposed Amendments. Approval of this proposal will cause Article VI of the Restated Articles of Incorporation to be amended and restated in its entirety. A copy of Article VI as it is proposed to be amended and restated is attached to this proxy statement as Appendix A.

Under Wisconsin law, if the shareholders approve the amendments, the amendments will not become legally effective until the company files articles of amendment with the Department of Financial Institutions of the State of Wisconsin, which we intend to do on the first business day after the date of the Annual Meeting, which is Monday, April 26, 2010.

Vote Requirement. The affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting is required for approval of the amendments to eliminate the Board's classified structure, provided that shareholders holding a majority of the outstanding shares of our common stock cast votes on the proposal. For purposes of determining the vote regarding this proposal, abstentions and broker nonvotes will have no impact on the vote, provided that shareholders holding a majority of the outstanding shares of common stock cast votes on the proposal. Proxies solicited by the Board will be voted FOR approval of the amendments unless a shareholder specifies otherwise.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDMENTS TO THE HARLEY-DAVIDSON, INC. RESTATED ARTICLES OF INCORPORATION TO ELIMINATE THE CLASSIFIED BOARD STRUCTURE.

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PROPOSAL 2

APPROVAL OF HARLEY-DAVIDSON, INC. EMPLOYEE INCENTIVE PLAN

The Board of Directors unanimously recommends a vote FOR the proposal below.

We are seeking Shareholder approval of the Harley-Davidson, Inc. Employee Incentive Plan. The company has long used various plans to provide performance-based incentive compensation to employees. Shareholders approved one of those plans in 1994, 1999 and 2004. Shareholders also approved the Employee Incentive Plan as the Employee Short-Term Incentive Plan in 2005. So that compensation that the company pays under the Employee Incentive Plan may continue to constitute qualified performance-based compensation for purposes of Section 162(m) of the Internal Revenue Code (Section 162(m)), the company must, at the Annual Meeting obtain Shareholder approval of the Employee Incentive Plan. The following summary description is qualified in its entirety by reference to the full text of the Employee Incentive Plan, which is attached to this Proxy Statement as Appendix B.

Summary of Proposal. The company intends to continue to provide a total compensation opportunity for its employees that includes incentive compensation dependent upon continuously improving performance. The company has historically provided short term incentive compensation plans in which substantially all employees of the company's divisions and subsidiaries are eligible to participate. The purpose of the Employee Incentive Plan is to maintain a single framework for non-equity incentive plans and to provide the ability to grant long-term awards. The amounts paid under short-term incentive plans over the past three years to the Chief Executive Officer, his predecessor, the Chief Financial Officer, his predecessor and the other executive officers identified in the Summary Compensation Table (the named executive officers) are included in non-equity incentive plan compensation amounts set forth in the Summary Compensation Table. Under the Employee Incentive Plan, potential awards and pertinent performance criteria are established at the beginning of each performance period which may be several years, a year or a portion of a year (the performance period). Final incentive awards are determined after the end of each performance period based upon actual performance and the Employee Incentive Plan refers to the final awards as performance awards.

Administration. The Human Resources Committee, or a successor committee to the Human Resources Committee, administers the Employee Incentive Plan. The Human Resources Committee may delegate its administrative authority to one or more company officers, other than with respect to awards that are subject to Section 162(m).

Eligibility. In general, all regular salaried and hourly employees of the company and of its affiliates that are designated by the Human Resources Committee are eligible to participate in the Employee Incentive Plan. Hourly employees at the company's assembly facility in York, Pennsylvania are not eligible to participate in the Employee Incentive Plan. Salaried employees who participate in a Sales Incentive Program in any year are not eligible to participate in the Employee Incentive Plan for such year. Accordingly, employees eligible to participate in the Sales Incentive Program are eligible to participate in the Employee Incentive Plan in any year in which they are not participating in the Sales Incentive Program. As of December 31, 2009, the number of eligible individuals was approximately 6,400. The Human Resources Committee selects, in its sole discretion, the eligible employee participants in the Employee Incentive Plan for a given performance period.

Award Description. Under the Employee Incentive Plan, the Human Resources Committee is required to fix target awards and performance criteria prior to the commencement of each performance

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period (or such later date as may be permitted under Section 162(m)). The Human Resources Committee will fix a target award for each participant at the same time that it selects the eligible employee participants in the Employee Incentive Plan. A participant's target award for the period is equal to a percentage (specified by the Human Resources Committee) multiplied by the participant's compensation. Compensation generally means the participant's base salary or wages, plus workers compensation payments. The Human Resources Committee may, at the time it grants an award, include or exclude types of compensation for purposes of determining a participant's target award. The Human Resources Committee also determines, with respect to each participant for a performance period, the performance measures that will be applied to determine the size of the participant's final performance award. The Employee Incentive Plan specifies that the Human Resources Committee may use any one or more of the financial performance categories set forth in Section 2.19 of the Employee Incentive Plan for any one or more participants. In addition to the financial performance categories, the Human Resources Committee may establish other performance measures for awards not intended to comply with Section 162(m), including individual performance measures and subjective performance targets. If the Human Resources Committee chooses more than one performance category for any one or more participants for purposes of determining the amount of a performance award, then the Human Resources Committee gives each performance category a weight so that for each participant the total weight of all applicable performance categories equals 100%.

The Employee Incentive Plan does not specify target performance for the performance categories. Rather, as to each performance category that the Human Resources Committee selects as the basis for potential awards in any performance period, the Human Resources Committee also establishes a performance scale. The performance scale may be a linear scale or a step scale or a combination of the two. The Human Resources Committee must approve a scale so that, at the end of the performance period, a performance percentage may be objectively calculated for any given level of actual performance within that category during the performance period.

The Human Resources Committee may also, at the time it grants an award, provide that a performance award will be reduced or eliminated depending on the performance under one or more performance categories. Performance categories that serve to reduce or eliminate a potential award may, but are not required to, be assigned a performance scale and weightings, if more than one such category is selected.

Following the end of each performance period, the Human Resources Committee will calculate the performance award amount for each participant. A performance percentage is determined for each performance category based upon actual performance and the applicable performance scale. Where more than one performance category applies to a participant, the resulting percentages are reduced to reflect weighting. The resulting total percentage is applied to a participant's target award to determine a potential performance award. If any performance categories were selected that may reduce or eliminate that performance award, then the actual performance for those categories is also determined and the amount of the reduction or elimination is applied. The result is the maximum incentive performance award a participant is eligible to receive under the Employee Incentive Plan for the relevant performance period. The Human Resources Committee must approve the calculations and may, in its sole discretion, reduce the amount of any maximum performance award by up to 50%. The maximum performance award, less any reduction determined by the Human Resources Committee, equals the final performance award payable to such participant for the applicable performance period.

Payments of final performance awards under the Employee Incentive Plan are to be made, in the sole discretion of the Human Resources Committee, in cash, shares of Common Stock or both. If

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shares of Common Stock are used, they will be issued pursuant to the Harley-Davidson, Inc. 2009 Incentive Stock Plan (the 2009 Plan) and will be valued at fair market value as defined in the 2009 Plan. Except as otherwise provided by the Human Resources Committee, to the extent an award is paid in shares of Common Stock, a participant cannot defer payment of the award under the terms of any deferred compensation or other plan of the company. Payments will be made no later than March 15 of the calendar year following the end of the performance period. Typically, each participant will be paid an amount equal to his or her final performance award. The company does not have to make payments, however, if such payments will result in the Company reflecting a loss rather than net income on its financial statements.

Other Limitations. Under the Employee Incentive Plan, no participant may receive more than \$6 million in the aggregate for all performance awards with performance periods beginning in any one company fiscal year.

Transferability Restrictions. Participants generally may not transfer performance awards or subject them in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance or charge.

Termination of Employment. A participant whose employment terminates prior to the end of a year generally is not entitled to receive any performance award for that year or portion of a year. However, the Human Resources Committee may, in its sole discretion, provide for a partial or complete payment if termination is due to death, disability or retirement.

Change in Control. In addition, in connection with a Change of Control Event (as defined in the 2009 Plan) during a year, the Human Resources Committee may, in its sole discretion, provide for the immediate payment to all participants of either:

(1) awards for the performance period based upon extrapolating through the remainder of the performance period performance and compensation through the end of the most recently completed fiscal month prior to the payment; or

(2) target awards for the performance period based on extrapolating through the remainder of the performance period compensation through the end of the most recently completed fiscal month prior to the payment.

Termination of or Change to the Employee Incentive Plan. The Human Resources Committee may from time to time or at any time suspend or terminate the Employee Incentive Plan or amend the Employee Incentive Plan in any manner without obtaining further shareholder approval. However, if the Human Resources Committee amends the Employee Incentive Plan to increase the maximum final performance award that can be paid to a participant for any one performance period or to change the financial performance categories set forth in the Employee Incentive Plan or to increase the class of employees eligible to participate in the Employee Incentive Plan, then further shareholder approval would be required to retain the benefits afforded by shareholder approval of the Employee Incentive Plan under the Internal Revenue Code in respect of awards to which such changes apply.

New Plan Benefits. The Human Resources Committee has discretion to determine the individual employees or group of employees to whom performance awards will be granted and the terms and conditions of such awards. The company cannot currently determine the Awards that may be granted under the Employee Incentive Plan. The Committee will make such determinations from time to time.

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Vote Requirement. The affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting is required for approval of the Employee Incentive Plan, assuming that a quorum is present. Abstentions and broker nonvotes will be counted for purposes of determining whether a quorum is present, but will not constitute a vote for or against this matter and will be disregarded in the calculation of votes cast. Proxies solicited by the Board will be voted FOR approval of the proposal to approve the Employee Incentive Plan, unless a Shareholder specifies otherwise.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE HARLEY-DAVIDSON, INC. EMPLOYEE INCENTIVE PLAN.

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PROPOSAL 3

APPROVAL OF AMENDED AND RESTATED HARLEY-DAVIDSON, INC. DIRECTOR STOCK PLAN

The Board of Directors unanimously recommends a vote FOR the proposal below.

We are seeking Shareholder approval of the Amended and Restated Harley-Davidson, Inc. Director Stock Plan. The company has used the Director Stock Plan to provide compensation to nonemployee directors in the form of company common stock or in share units. Each share unit represents the right to receive one share of company common stock and therefore has the value of one share of company common stock. To enable the company to continue to deliver shares to directors as compensation, the company must, at the Annual Meeting, obtain Shareholder approval of the Amended and Restated Director Stock Plan. The following summary description is qualified in its entirety by reference to the full text of the Amended and Restated Director Stock Plan, which is attached to this Proxy Statement as Appendix C.

Summary of Proposal. The company intends to continue to provide compensation to nonemployee directors in the form of company common stock or in share units. Such payments should provide an increased incentive for nonemployee directors to contribute to the future success and prosperity of the company. The Board believes this will, in turn, enhance the value of the stock for the benefit of the shareholders, and increase the ability of the company to attract and retain directors of exceptional skill upon whom, in large measure, its sustained growth and profitability depend.

Administration. The Nominating and Corporate Governance Committee administers the Amended and Restated Director Stock Plan.

Eligibility. Nonemployee members of the Board of Directors (and no other persons) are eligible to participate in the Amended and Restated Director Stock Plan.

Shares Subject to the Plan. Subject to adjustment as provided in the Amended and Restated Director Stock Plan, the total number of shares available for delivery under the Amended and Restated Director Stock Plan is 300,000.

Share Unit Grants. Beginning with the Annual Meeting, each nonemployee director will, as of the first business day following each annual meeting of shareholders, receive a grant of such number of share units as the Board determines. All grants of share units immediately vest in full on the date of grant. Any person who is first elected as a nonemployee director after April 24, 2010 at a time other than at an annual meeting of shareholders will automatically be granted, as of the first business day following the first meeting of the Board or a committee of the Board that the director attends, a number of share units equal to the number of share units last granted to each of the other nonemployee directors. All payments in respect of share units will be made in shares of company common stock by converting share units into company common stock on a one-for-one basis. However, if shares of company common stock are not available for delivery, all or part of the payment may be made in cash, in which case the cash payment will be determined by multiplying the number of share units to be paid by the fair market value of a share of company common stock on the last business day prior to the date payment is made. Any payment of a fractional share units will likewise be determined by multiplying the fractional share unit by the fair market value of a share of company common stock on the last business day prior to the date payment is made. In connection with the 2009 annual meeting of

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shareholders, the Board approved a grant of share units to each nonemployee director valued at \$50,000, which resulted in grants of approximately 2,571 share units to each director.

Share Election. A nonemployee director may elect to receive either 50% or 100% of his or her annual retainer fee in the form of company common stock, with the receipt of such shares to be in lieu of any cash payment for that portion of his or her annual retainer fee. However, if, at the time an annual retainer fee is payable, a nonemployee director satisfies the company's Stock Ownership Guidelines through the ownership of company common stock and/or share units credited to his or her plan account, then the nonemployee director may make an election to receive 0% of such annual retainer fee in the form of company common stock. If a nonemployee director has not made an election, the director will be deemed to have made an election to receive 50% of his or her annual retainer fee in the form of company common stock. We discuss the amount of the annual retainer for 2009 below under Narrative to Director Compensation Table on page 82.

Transfer of Shares. Subject to any deferral election, shares issuable to a nonemployee director are transferred to such director as of the first business day following each annual meeting of shareholders, except that, for a director elected to the Board at a time other than at an annual meeting of shareholders, shares are transferred to such director as of the first business day following the first meeting of the Board or a committee of the Board that the director attends. The total number of shares to be so transferred is determined by dividing the dollar amount of the annual retainer fee payable by the fair market value of a share of company common stock on the day on which the annual retainer fee is payable.

Deferral Election. Each nonemployee director may make an election to defer receiving all, 50% or none of the shares that would otherwise be transferred to such nonemployee director with respect to any annual retainer fees otherwise earned after the effective date of the election.

Transferability Restrictions. Nonemployee directors generally may not subject their right to payments under the Amended and Restated Director Stock Plan in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or garnishment.

Termination of or Change to the Amended and Restated Director Stock Plan. The Nominating and Corporate Governance Committee may from time to time or at any time suspend or terminate the Amended and Restated Director Stock Plan or amend the Amended and Restated Director Stock Plan in any manner without obtaining further shareholder approval.

New Plan Benefits. Only non-executive directors are entitled to receive benefits under the plan. The Board has discretion to determine the number of share units to grant to each nonemployee director on an annual basis. Accordingly, the company cannot currently determine the amount of share units that directors may receive under the Amended and Restated Director Stock Plan. In addition to annual grants of share units, the Amended and Restated Director Stock Plan entitles (and in some circumstances requires) nonemployee directors to elect to receive a portion of their annual retainer in shares of company common stock. It is possible that a director will not elect to receive any portion of his or her retainer in shares of company common stock. Further, to the extent a director makes such an election, the value that the director receives as a result of the election has the effect of reducing, on a dollar-for-dollar basis, the amount of the retainer that the director would have received in cash. Accordingly, we do not believe the opportunity to make this election under the Amended and Restated Director Stock Plan results in a determinable benefit to nonemployee directors.

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Vote Requirement. The affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting is required for approval of the Amended and Restated Director Stock Plan, provided that shareholders holding a majority of the outstanding shares of our common stock cast votes on the proposal. For purposes of determining the vote regarding this proposal, abstentions and broker nonvotes will have no impact on the vote, provided that shareholders holding a majority of the outstanding shares of common stock cast votes on the proposal. Proxies solicited by the Board will be voted FOR approval of the Amended and Restated Director Stock Plan unless a shareholder specifies otherwise.

Equity Compensation Plan Information. In accordance with SEC requirements, the following table provides information about awards outstanding and shares remaining available under the existing Director Stock Plan and all of the company's other equity compensation plans (including any individual compensation arrangements) as of December 31, 2009:

Plan category	Number of securities to be issued upon the exercise of outstanding options	Weighted-average exercise price of outstanding options(\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by shareholders:			
Management employees	7,614,217	\$ 35.14	15,408,503
Equity compensation plans not submitted to shareholders:			
Union employees			
Kansas City, MO		\$	26,718
York, PA	41,645	\$ 38.88	56,250
Non employees			
Board of Directors	17,300	\$ 49.13	9,926
	58,945	\$ 41.89	92,894
Total all plans	7,673,162	\$ 35.19	15,501,397

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDED AND RESTATED
HARLEY-DAVIDSON, INC. DIRECTOR STOCK PLAN.**

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PROPOSAL 4

RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP, an independent registered public accounting firm, performed an audit of our consolidated financial statements for the fiscal year ended December 31, 2009 and the effectiveness of our internal control over financial reporting as of December 31, 2009. The Audit Committee has selected Ernst & Young LLP to serve as our independent registered public accounting firm for the current fiscal year, and the committee is presenting this selection to shareholders for ratification. Representatives of Ernst & Young LLP will be present at the Annual Meeting to respond to shareholders' questions.

If prior to the Annual Meeting, Ernst & Young LLP declines to act as our independent registered public accountant or the Audit Committee does not want to use Ernst & Young LLP as our independent registered public accountant, the Audit Committee will appoint another independent registered public accounting firm. The Audit Committee will present any new independent registered public accounting firm for the shareholders to ratify at the Annual Meeting. If the shareholders do not ratify the engagement of Ernst & Young LLP at the Annual Meeting, then the Audit Committee will reconsider its selection of Ernst & Young LLP.

To ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010, a majority of all shares voting on the proposal must vote to approve it. For purposes of determining the vote regarding this proposal, abstentions will have no impact on the vote. Unless you specify otherwise in your proxy, the persons you have appointed will vote your shares

FOR ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2010.

We entered into an engagement letter with Ernst & Young LLP for its work in 2009. The engagement letter contains provisions that subject the company to alternative dispute resolution. The arbitration panel has the power to make an award or impose a remedy if, and only if, such award could be made or remedy imposed by a court deciding the matter in the same jurisdiction. The arbitration panel has no power to award non-monetary or equitable relief or to make an award or impose a remedy that is inconsistent with any applicable agreement between the parties. We expect that the audit work that Ernst & Young LLP performs for 2010 will be subject to a similar engagement letter.

Fees Paid to Ernst & Young LLP

During the fiscal year ended December 31, 2009, we hired Ernst & Young LLP to perform the annual audit and to provide audit-related and tax services. The Audit Committee Charter requires that the Audit Committee pre-approve all Ernst & Young LLP services. The Audit Committee also pre-approved all fees that we incurred for services that Ernst & Young LLP provided for the last two fiscal years. The fees we incurred for services that Ernst & Young LLP provided are listed in the following table.

	2009	2008
Audit fees	\$ 3,185,064	\$ 2,481,648
Audit-related fees	508,344	247,000
Tax fees	315,341	774,698
All other fees		

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Audit fees included fees for the audit of our consolidated financial statements and our internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act of 2002. This category also includes fees for audits provided in connection with government filings or services that generally only the principal auditor can reasonably provide to a client, such as comfort letters, procedures related to debt financing, consents and reviews of documents that we file with the SEC. Audit-related services included audits of employee benefit plans, procedures related to securitization transactions, transaction advisory services and consultation on accounting and internal control matters. Tax services included tax advice, planning, compliance and transaction consulting.

The Audit Committee has adopted procedures for pre-approving all audit and nonaudit services that the independent registered public accounting firm provides. These procedures include reviewing and approving a budget for audit and permitted nonaudit services. The budget includes a description of, and a budgeted amount for, particular categories of nonaudit services that are recurring in nature and that we anticipate at the time we submit the budget. In addition, the Audit Committee has established a policy that the fees we pay for nonaudit services must be less than the fees we pay for audit and audit related services. Audit Committee approval is required to exceed the budget amount for a particular category of nonaudit services and to engage the independent registered public accounting firm for any nonaudit services not included in the budget. For both types of pre-approval, the Audit Committee considers whether the services are consistent with the SEC's rules on auditor independence. The Audit Committee also considers whether the independent registered public accounting firm is best positioned to provide the most effective and efficient service. The Audit Committee may delegate pre-approval authority to one or more members of the Audit Committee. The Audit Committee periodically monitors the services that our independent registered public accounting firm provides and actual fees we have paid to the independent registered public accounting firm to ensure that the services are within the parameters that the Audit Committee has approved.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION OF THE SELECTION OF ERNST & YOUNG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM.

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PROPOSAL 5

SHAREHOLDER PROPOSAL TO ADOPT SIMPLE MAJORITY VOTE

The following proposal and supporting statement were submitted by a proponent, who is an individual shareholder (the Proponent). The proposal will be voted on at the Annual Meeting if the Proponent properly presents it at the meeting. If approved, the proposal is not binding on the company. Shareholders may obtain the Proponent's name, address, and number of shares of common stock held upon written request to our Secretary. The Board unanimously recommends a vote AGAINST this proposal. Unless you specify otherwise, the Board intends the accompanying proxy to be voted against this proposal. The shareholder proposal and supporting statement, for which the Board and the company accept no responsibility, follow. As requested by the Proponent, we have included the proposal verbatim as we received it. The Board's response follows the Statement of Proponent.

Adopt Simple Majority Vote

RESOLVED, Shareholders request that our board take the steps necessary so that each shareholder voting requirement in our charter and bylaws, that calls for a greater than simple majority vote, be changed to a majority of the votes cast for and against the proposal in compliance with applicable laws.

Statement of Proponent

Currently a 1%-minority can frustrate the will of our 79%-shareholder majority. Also our supermajority vote requirements can be almost impossible to obtain when one considers abstentions and broker non-votes. Supermajority requirements are arguably most often used to block initiatives supported by most shareowners but opposed by management.

This proposal topic also won from 74% to 88% support at the following companies in 2009: Weyerhaeuser (WY), Alcoa (AA), Waste Management (WM), Goldman Sachs (GS), FirstEnergy (FE), McGraw-Hill (MHP) and Macy's (M). The proponents of these proposals included Nick Rossi, [the Proponent], James McRitchie and Ray T. Chevedden.

The merits of this Simple Majority Vote proposal should also be considered in the context of the need for further improvements in our company's corporate governance. For instance in 2009 the following governance issues were identified:

We gave 90%-support to a 2009 shareholder proposal calling for one-year terms for directors. The Council of Institutional Investors www.cii.org recommends that management adopt shareholder proposals upon receiving their 50%-plus vote.

We had five directors with over 13 years of tenure each which is a concern, especially in conjunction with our 3-year director terms, which insulates our board from accountability to shareholders and makes profitable takeovers which aren't approved by our board much more expensive. This was compounded by directors with over 13 years of tenure each holding 8 of 18 seats on our three most important board

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committees. In 2008, shareholders withheld over 12%-support from the re-election of directors George Conrades and Sara Levinson. These withhold percentages pointed to shareholder discontent which may warrant additional examination. Our Lead Director had 17-years tenure independence concern.

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The Corporate Library www.thecorporatelibrary.com, an independent investment research firm, rated our company **D** with **High Governance Risk**, **Very High Concern** in Takeover Defenses and **High Concern** in Board Composition.

Our directors served on these eight boards rated **D** by The Corporate Library: George Conrades, Oracle (ORCL); George Miles, American International Group (AIG), HFF, Inc. (HF) and Wesco International (WCC); Judson Green, DreamWorks Animation (DWA); Keith Wandell, Dana Holding (DAN); Martha Finn Brooks, Bombardier (BBDB.TO); Norman Thomas Linebarger, Cummins (CMI) and Sara Levinson, Macy's (M).

Only 17% of CEO pay was incentive based and the CEO stock ownership requirement was only \$620,000 far from a recommended 10X base salary.

We had no shareholder right to decide certain matters based a simple majority vote standard, to elect each director annually, to elect directors through a majority vote, to act by written consent or to cumulative voting.

The above concerns shows there is need for improvement. Please encourage our board to respond positively to this proposal: Adopt Simple Majority Vote **Yes** on 5.

FOR THE REASONS STATED BELOW, THE BOARD OF DIRECTORS UNANIMOUSLY

RECOMMENDS A VOTE AGAINST PROPOSAL 5.

The Board of Directors unanimously recommends a vote AGAINST the above proposal for the following reasons:

RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board believes this shareholder proposal seeking to adopt a simple majority vote in all cases would not be in the best interests of our company and our Shareholders. **Your Board unanimously recommends that you vote AGAINST this proposal.**

A simple majority vote requirement already applies to most corporate matters submitted to a vote of our Shareholders. Our Restated Articles of Incorporation do, however, require a supermajority vote for certain significant corporate decisions that relate to fundamental elements of our corporate governance. The supermajority voting requirements help ensure that certain significant corporate actions are only taken when there is a clear consensus of a substantial majority of Shareholders that such action is prudent. Nevertheless, the Board has carefully considered this proposal and the arguments for and against eliminating the supermajority voting requirements. The Board has concluded that it is still

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appropriate to require supermajority approval of such fundamental matters and, therefore, it opposes this proposal.

Similar to provisions in the governance documents of many public corporations, our supermajority vote requirements are intended to preserve the value of our company for all Shareholders and to provide protection for all Shareholders against self-interested actions by one or a few large Shareholders. For example, removing the supermajority voting requirements would impact provisions of our Bylaws relating to special meetings of Shareholders. These provisions are protective of all Shareholders and help ensure that a limited group of Shareholders whose interests may diverge from the rest of our Shareholders cannot unduly influence the direction of our company and the decision-making ability of the Board.

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Our supermajority provisions are as follows:

- Certain transactions with an interested shareholder (owner of more than 10% of our voting power) require the approval of at least 66 2/3% of our Shareholders (including the approval of at least a majority of non-interested shareholders) unless the transaction meets certain tests intended to ensure that the transaction is fair;
- Actions by Shareholders to alter, amend or repeal Article V of our Restated Articles of Incorporation related to transactions with interested shareholders require the approval of at least 66 2/3% of our Shareholders (including the approval of at least a majority of non-interested shareholders), which provision is similar to the Fair Price Statute included in the Wisconsin Business Corporation Law that we discuss below; and
- Actions by Shareholders to alter, amend or repeal Article VII of our Restated Articles of Incorporation and Sections 1.02, 1.04 and 1.05 of our Bylaws, which primarily include procedural provisions applicable to special meetings of shareholders, require the approval of at least 80% of our Shareholders.

In addition, our company is incorporated in Wisconsin and subject to the laws of that state, one of which is entitled the Fair Price Statute and requires that certain business combination transactions involving a significant shareholder (owner of 10% or more of our voting power) are subject to a supermajority vote of Shareholders (80% of all votes and at least 2/3rds of the non-significant shareholder vote) unless the consideration paid in the transaction meets certain fair price standards.

Our company's Board of Directors and management have a strong and well-demonstrated commitment to sound corporate governance practices for the benefit of our company and our Shareholders. As part of the Board's commitment to consider ways in which it can better serve our company's corporate governance ideals and our Shareholders' interests, the Board continually monitors governance issues of interest to our company's Shareholders. For example, in February 2009, the Board of Directors voluntarily amended our Bylaws to implement a majority vote standard for the election of directors in an uncontested election in the form of a director resignation policy for those directors who do not receive a majority vote. Prior to this amendment, the election of our directors had been based on a simple plurality vote standard. Requiring majority voting in the election of directors makes our directors even more accountable to our Shareholders for their actions.

Also, in response to the vote of our Shareholders at the 2009 Annual Meeting in favor of the proposal to declassify the Board so that Shareholders elect directors annually, the Board approved submitting to Shareholders for consideration at the Annual Meeting an amendment to our Restated Articles of Incorporation that begins immediately to declassify the Board at the Annual Meeting and provides for the annual election of directors.

For these reasons, the Board of Directors unanimously recommends a vote AGAINST Proposal Number five.

Vote Requirement. The affirmative vote of a majority of the votes cast on this proposal at the Annual Meeting is required for approval of this proposal. For purposes of determining the vote regarding this proposal, abstentions and broker nonvotes will have no impact on the vote. Proxies solicited by the Board will be voted AGAINST approval of this proposal unless a shareholder specifies otherwise.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE AGAINST PROPOSAL 5.

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PROPOSAL 6

ELECTION OF DIRECTORS

Our Restated Articles of Incorporation provide for a Board of Directors that has between six and fifteen members. The Board determines the size from time to time by the vote of a majority of the directors then in office. Under our current Restated Articles of Incorporation, we have divided the Board into three classes. Each year, the shareholders elect one class of directors for a term of three years. At the Annual Meeting, we are asking Shareholders to approve amendments to our Restated Articles of Incorporation to eliminate the classified board structure and provide for the annual election of all Directors as we discuss under Proposal 1. If the shareholders approve the amendments, then we will close the polls and adjourn the Annual Meeting following the vote on Proposal 5. On Monday, April 26, 2010, the first business day after the date of the Annual Meeting, we will file articles of amendment to the company's Restated Articles of Incorporation with the Department of Financial Institutions of the State of Wisconsin. Following the filing of the amendments, we intend to reconvene the Annual Meeting for the shareholders to vote on Proposal 6, the election of directors. At that reconvened meeting, the Class I Director nominees will be elected to a one-year term. It will not be necessary for Shareholders to appear at the reconvened meeting in person to vote their shares and it will not be necessary for Shareholders to submit a separate proxy so long as they have submitted a valid proxy or written ballot at the Annual Meeting. If the Shareholders do not approve the amendments, then the Annual Meeting will continue without adjournment and the Class I Director nominees will be elected to three-year terms to serve until the 2013 annual meeting of shareholders.

The By-Laws provide that a director nominee in an uncontested election who receives more withheld votes than for votes must tender his or her resignation to the Chairman of the Board. The Nominating and Corporate Governance Committee will promptly consider that resignation and will recommend to the Board whether to accept the tendered resignation or reject it. The Board will then act on that recommendation no later than 90 days following the date of the shareholders' meeting at which the election occurred. However, the Board may determine to extend such 90-day period by an additional period of up to 90 days if it determines that such an extension is in the best interests of the company and its shareholders. Within four days of the Board's decision, the company must disclose the decision in a Current Report on Form 8-K filed with the Securities and Exchange Commission that includes a full explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the resignation. These requirements do not apply in a contested election.

The Board currently consists of twelve members: four with terms that expire at the Annual Meeting (Class I Directors), four with terms that expire at the 2011 annual meeting of shareholders (Class II Directors) and four with terms that expire at the 2012 annual meeting of shareholders (Class III Directors). Whether or not the Shareholders approve the amendments, the four Class II Directors and four Class III Directors will continue to serve as members of the Board for the terms noted above.

Of the four director nominees that the Board of Directors has nominated, whom we identify below, all are currently Class I Directors. All four nominees have advised us that they will serve if elected.

The four nominees receiving the most votes will be elected to the Board, assuming a quorum is present at the Annual Meeting. Any shares not voted, whether due to abstentions or broker nonvotes, will not have an impact on the election of directors. Once a share is counted as present at the Annual Meeting, it will count as present for quorum purposes throughout the Annual Meeting (including any adjournment or postponement of that meeting unless a new record date is or must be set for the adjournment or postponement).

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Unless you specify otherwise in your proxy, the persons you have appointed will vote your shares FOR the Board of Directors nominees that we name below. If any nominee becomes unable to serve, the persons you have appointed may vote your shares for another person that the Board designates.

Below, we provide the following information for each director and Board of Directors nominee:

- name

- age as of March 5, 2010

- principal occupations for at least the past five years

- the names of any other public companies where the nominee or director currently serves as a director or has served during the past five years

- the particular experience, qualifications, attributes or skills that led the Board to conclude that the person should serve as a director for the company

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**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE FOLLOWING
FOUR NOMINEES OF THE BOARD OF DIRECTORS.**

Nominees of the Board of Directors for Class I Directors

BARRY K. ALLEN, 61, has been a director since 1992.

Mr. Allen is currently a Senior Advisor to Providence Equity Partners, a private equity firm focused on media, entertainment, communications and information investments, a position he has held since 2007. In addition, he serves as President of Allen Enterprises, LLC, a private equity investment and management company he established in 2000. From 2004 to 2007 Mr. Allen served as Executive Vice President of Operations of Qwest Communications International Inc., a broadband Internet-based communications company, and prior to that time, from 2002, served as Executive Vice President and Chief Human Resources Officer of Qwest. Mr. Allen served as President of Ameritech Corporation, a telecommunications company, from 1999 until 2000. Mr. Allen was Executive Vice President of SBC Communications (f/k/a Ameritech Corporation) from 1995 to 1999. Mr. Allen holds a masters degree of business administration from Boston University and has expertise in international business matters and operations, particularly in the telecommunications area. Mr. Allen is also a member of the Board of Directors of FMI Common Stock Fund, Inc., FMI Funds, Inc. and FMI Mutual Funds, Inc., mutual funds advised by Fiduciary Management, Inc. and BCE Inc., Canada's largest communications company. Mr. Allen has served as Chairman of our Board since April 2009 and previously served as the presiding director of our Board since 2002.

RICHARD I. BEATTIE, 70, has been a director since 1996.

Mr. Beattie is currently Chairman of Simpson Thacher & Bartlett LLP, a law firm, a position he has held since 2004. Mr. Beattie has been a partner of Simpson Thacher & Bartlett LLP since 1977 and had served as Chairman of the Executive Committee of that firm from 1991 to 2004. Mr. Beattie holds a juris doctor from the University of Pennsylvania Law School and is an expert in corporate transactions and corporate governance issues, serving as counsel to numerous boards and non-management directors. Mr. Beattie also has a distinguished record of public service, including serving as General Counsel of the Department of Health, Education and Welfare during President Carter's administration and as a Senior Advisor to the Secretary of State for Reorganization Issues in 1997 during President Clinton's administration. From 1995 to 1997, Mr. Beattie served as President Clinton's Emissary for Cyprus. Mr. Beattie is also a director of Evercore Partners Inc. and Heidrick & Struggles International, Inc. Mr. Beattie is the Chair of our Board's Nominating and Corporate Governance Committee.

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JUDSON C. GREEN, 57, has been a director since 2004.

Mr. Green is Vice Chairman of NAVTEQ, a subsidiary of Nokia Corporation and a leading provider of comprehensive digital map information for automotive navigation systems, mobile navigation devices and Internet-based mapping applications. Previously, he served as President and Chief Executive Officer of NAVTEQ from 2008 to 2009 and of NAVTEQ Corporation from 2000 until its acquisition by Nokia Corporation in 2008. Prior to joining NAVTEQ Corporation, Mr. Green was the Chairman of Walt Disney Attractions, the theme park and resort segment of The Walt Disney Company, from 1998 until 2000, and President of Walt Disney Attractions from 1991 through 1998. He holds a masters degree of business administration from the University of Chicago Booth School of Business. Mr. Green has an extensive accounting and finance background and has expertise in international business matters and operations. Mr. Green is also a director of DreamWorks Animation SKG, Inc. and Hewitt Associates, Inc.

N. THOMAS LINEBARGER, 47, has been a director since 2008.

Mr. Linebarger is President and Chief Operating Officer of Cummins Inc., which designs, manufactures, distributes and services diesel and natural gas engines, electric power generation systems and engine-related component products. Mr. Linebarger had served as Executive Vice President of Cummins and President of Cummins Power Generation since 2005. Mr. Linebarger served as Cummins Vice President and President of Cummins Power Generation from 2003 to 2005 and as Cummins Chief Financial Officer from 2000 to 2003. Mr. Linebarger has a masters degree of business administration from the Stanford Graduate School of Business and has expertise in finance, engineering, international business matters and operations. Mr. Linebarger is also a director of Pactiv Corporation.

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Class II Directors Terms Expiring at 2011 Annual Meeting of Shareholders

GEORGE H. CONRADES, 71, has been a director since 2002.

Mr. Conrades is Executive Chairman of Akamai Technologies, Inc., a provider of secure, outsourced e-business infrastructure services, a position he has held since 2005. Mr. Conrades served as Chairman and Chief Executive Officer of Akamai from 1999 to 2005. Since 1998, Mr. Conrades also has served as a venture partner with Polaris Venture Partners, an early stage investment company. Mr. Conrades previously served as Executive Vice President of GTE Corporation, a telecommunications company, and President of GTE Internetworking, Inc., an Internet communications company, from May 1997 to August 1998, following that firm's acquisition of BBN Corporation, a technological research and development company, of which Mr. Conrades was Chief Executive Officer. Prior to that time and for 31 years, Mr. Conrades was employed by International Business Machines Corporation, an information technology company. Mr. Conrades holds a masters degree of business administration from the University of Chicago Booth School of Business and has expertise in international business matters and operations, particularly in the technology and telecommunications area. He was a director of Cardinal Health, Inc. from 1999 to 2008 and is currently a director of Oracle Corporation and Ironwood Pharmaceuticals, Inc. Mr. Conrades is the Chair of our Board's Human Resources Committee.

SARA L. LEVINSON, 59, has been a director since 1996.

Ms. Levinson was the Non-Executive Chairman of ClubMom, Inc., an internet based consumer relationship company, a position she held from 2002 to 2008. Ms. Levinson previously served as President of the Women's Group of Rodale, Inc., the world's leading publisher of information on healthy, active lifestyles, a position she held from 2002 to 2005. She previously served as Chairman and Chief Executive Officer of ClubMom, Inc. from 2000 to 2002. Ms. Levinson was President of NFL Properties, Inc., a trademark licensing company for the National Football League, from 1994 to 2000. Prior to that time, Ms. Levinson served as President and Business Director of MTV: Music Television, a cable television network, from 1993 to 1994. Ms. Levinson holds a masters degree of business administration from Columbia University and has expertise in marketing and licensing. She is also a director of Macy's, Inc.

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GEORGE L. MILES, JR., 68, has been a director since 2002.

Mr. Miles is President and Chief Executive Officer of WQED Multimedia, the public broadcaster for southwestern Pennsylvania, a position he has held since 1994. Mr. Miles is also a certified public accountant who at the beginning of his career worked for over eight years with Touche Ross & Company, an accounting firm, and six years as an auditor for the federal government. Mr. Miles holds a masters degree of business administration from Fairleigh Dickinson University and has expertise in accounting and finance. He is also a director of American International Group, Inc., EQT Corporation, WESCO International, Inc. and HFF, Inc. Mr. Miles also served as director of Westwood One, Inc. from 2002 to 2006.

JOCHEN ZEITZ, 46, has been a director of the company since 2007.

Since 1993, Mr. Zeitz has served as Chairman and Chief Executive Officer of Puma AG, which develops and markets a broad range of sport and lifestyle products including footwear, apparel and accessories. From 1993 to 2005, Mr. Zeitz also served as Puma AG's Chief Financial Officer. Mr. Zeitz worked for Colgate-Palmolive in New York and Hamburg prior to joining Puma AG in 1990. Mr. Zeitz attended the European Business School of Oestrich-Winkel. Mr. Zeitz has an extensive accounting and finance background and has expertise in international business matters and marketing.

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Class III Directors Terms Expiring at 2012 Annual Meeting of Shareholders

MARTHA F. BROOKS, 50, has been a director since April 2009.

Ms. Brooks served as President and Chief Operating Officer of Novelis Inc., an aluminum rolling and recycling company, from 2007 to May 2009. She served as Chief Operating Officer of Novelis from 2005 to 2007, after Alcan, Inc. completed a spinoff of Novelis. Ms. Brooks served as President of the Americas and Asia rolled products business of Alcan, Senior Vice President of Alcan and President of Alcan Aluminum Corporation from 2002 to 2004. In addition, she was Vice President of Cummins Inc. from 1996 to 2002. Ms. Brooks holds a masters degree of business administration from Yale University. She has expertise in marketing and international business matters and operations. Ms. Brooks is also a director of Bombardier Inc. and was a director of International Paper Company from 2003 to May 2009.

DONALD A. JAMES, 66, has been a director since 1991.

Mr. James is a co-founder and a majority owner and, since 2002, has served as Chairman and Chief Executive Officer of Fred Deeley Imports Ltd., doing business as Deeley Harley-Davidson Canada (Deeley Imports), the largest independent motorcycle distributorship in Canada and the exclusive distributor of our motorcycles in Canada. He served as Vice Chairman and Chief Executive Officer of Deeley Imports from 1973 to 2002. Mr. James has expertise in the motorcycle industry and international distribution.

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JAMES A. NORLING, 68, has been a director since 1993.

Mr. Norling has served as Chairman of the Board of Directors of Chartered Semiconductor Manufacturing Ltd., a semiconductor manufacturer, since 2002. Chartered Semiconductor Manufacturing was acquired by Advanced Technology Investment Corporation in December 2009 and merged on January 13, 2010 with GlobalFoundries Inc. which Advanced Technology Investment Corporation purchased in March 2009. Following the merger, Mr. Norling will no longer serve on the Board of Chartered Semiconductor Manufacturing. Mr. Norling also served as interim President and Chief Executive Officer of that company during 2002. In August 2000, Mr. Norling retired as Executive Vice President of Motorola, Inc., a manufacturer of electronics, and as President, Personal Communications Sector of Motorola, Inc., positions that he held since 1999. He served as Executive Vice President, Deputy to Chief Executive Officer and President, Europe, Middle East and Africa for Motorola, Inc. from 1998 to 1999, and as President and General Manager, Messaging, Information and Media Sector for Motorola, Inc. from 1997 to 1998. Mr. Norling has expertise in engineering, international business matters and operations and finance. Mr. Norling is the Chair of our Board's Audit Committee.

KEITH E. WANDELL, 60, has been a director since May 2009.

Mr. Wandell is our Chief Executive Officer and President, a position he has held since May 1, 2009. Mr. Wandell was formerly the President and Chief Operating Officer of Johnson Controls, Inc., a global manufacturer of automotive, power and building solutions. He held that position since 2006. He previously served as Executive Vice President of Johnson Controls from 2005 to 2006, Corporate Vice President of Johnson Controls from 1997 to 2005, President of the Automotive Experience business of Johnson Controls from 2003 to 2006 and President of the Power Solutions business of Johnson Controls from 1998 to 2003. Mr. Wandell joined Johnson Controls in 1988. He holds a masters degree of business administration from the University of Dayton. Mr. Wandell has expertise in international business matters and operations, particularly in manufacturing. He is also a director of Dana Holding Corporation.

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OTHER MATTERS TO COME BEFORE THE ANNUAL MEETING

The Board of Directors and management do not intend to bring any matters before the Annual Meeting other than those to which we referred in the Notice of Annual Meeting and this Proxy Statement. If any other matters come before the Annual Meeting, the persons named in the proxy cards intend to vote the shares that shareholders have authorized those persons to vote in accordance with their judgment on those matters. To bring business before an annual meeting, a shareholder must give written notice to our Secretary before the meeting and comply with the terms and time periods that our Restated Articles of Incorporation specify (see Shareholder Proposals on page 87). No shareholder has given written notice to our Secretary of his or her desire to bring business before the Annual Meeting in compliance with the terms and time periods that our Restated Articles of Incorporation specify.

CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

Independence of Directors

The Board has affirmatively determined that Ms. Brooks, Ms. Levinson and Messrs. Allen, Beattie, Conrades, Green, Linebarger, Miles, Jr., Norling and Zeitz qualify as independent directors under New York Stock Exchange rules. The Board has affirmatively determined that Messrs. James and Wandell are not independent. To assist the Board in making determinations of independence, the Board adopted the categorical standards set forth below. In evaluating the independence of our directors, the Board determined that any relationships that these directors have with the company satisfy the categorical standards that we describe below.

The Board reviews and determines on the recommendation of the Nominating and Corporate Governance Committee, after reviewing all relevant facts and circumstances, whether any director has a material relationship with the company that would affect his or her independence. Under the categorical standards that the Board has established to assist it in making these determinations, the Board will not consider the following relationships material:

- The director has received, or has an immediate family member* who has received, less than \$120,000 a year in direct compensation from Harley-Davidson (not including director and committee fees and pension or other forms of deferred compensation for prior service, compensation received by the director for former services as an interim chairman of the Board, interim Chief Executive Officer or other interim executive officer and compensation received by an immediate family member* for service in a non-executive position).
- (1) The director has an immediate family member* who is a current employee of Harley-Davidson's internal or external auditor but the immediate family member* is not a partner of that firm and does not personally work on Harley-Davidson's audit; or
(2) the director or an immediate family member* was a partner or employee of Harley-Davidson's internal or external auditor but did not personally work on Harley-Davidson's audit within the last three years.

* An immediate family member as used in these categorical standards includes a person's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-laws, and anyone (other than domestic employees) who shares the person's home.

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- The director has any current or former relationship (including through an immediate family member*) with a company that makes payments to (other than contributions to tax exempt organizations), or receives payments from, Harley-Davidson for property or services in an amount which, in any single fiscal year during the previous three fiscal years, does not exceed the greater of \$1 million or 2% of the consolidated gross revenues of the company with which the director has the relationship.
- The director has any current or former relationship (including through an immediate family member*) with a tax exempt organization that receives contributions from Harley-Davidson in an amount which, in any single fiscal year during the previous three fiscal years, does not exceed the greater of \$1 million or 2% of the consolidated gross revenues of the tax exempt organization with which the director has the relationship.
- The director is a shareholder of Harley-Davidson.
- The director has a current or former relationship (including through an immediate family member*) with a company that has a relationship with Harley-Davidson, but the director's relationship with the other company is through the ownership of the stock or other equity interests of that company that is less than 10% of the outstanding stock or other equity interests of that company.
- A family member of the director has a relationship with Harley-Davidson but the family member is not an immediate family member* of the director.
- An immediate family member* of the director, other than his or her spouse, is an employee of a company that has a relationship with Harley-Davidson but the family member is not an executive officer of that company.

When making director independence determinations, the Board considered certain business relationships. We have a business relationship with Akamai Technologies, Inc., of which Mr. Conrades is the Executive Chairman, and with Cummins Inc., of which Mr. Linebarger is President and Chief Operating Officer. We discuss these relationships in more detail in the Certain Transactions section below. The Board considered the nature of the relationship and the annual amount of payments we make and determined that the dollar amount of such payments did not preclude the Board from making an independence determination for either director and that the relationship fell within our categorical standards of independence.

In addition, a director cannot qualify as independent for Audit Committee purposes if the director, other than in his or her capacity as a member of the Audit Committee, the Board, or any other Board committee meets one of the following:

- Accepts directly or indirectly any consulting, advisory, or other compensatory fee from Harley-Davidson