

CROWN HOLDINGS INC  
Form DEF 14A  
March 20, 2009

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under ss. 240.14a-12

Crown Holdings, Inc.  
(Name of Registrant as Specified In Its Charter)

N/A  
(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

N/A

(2) Aggregate number of securities to which transaction applies:

N/A

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

N/A

(4) Proposed maximum aggregate value of transaction:

N/A

(5) Total fee paid:

N/A

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- 1) Amount Previously Paid:
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  - 3) Filing Party:
  - 4) Date Filed:
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Crown Holdings, Inc.  
One Crown Way  
Philadelphia, Pennsylvania 19154

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS  
2009

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NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of CROWN HOLDINGS, INC. (the "Company") will be held at the Company's office located at One Crown Way, Philadelphia, Pennsylvania on the 23rd day of April 2009 at 9:30 a.m. to elect Directors; to ratify the appointment of independent auditors for the fiscal year ending December 31, 2009; and to transact such other business as may properly come before the Annual Meeting.

Only Shareholders of Common Stock of record as of the close of business on March 10, 2009 will be entitled to vote.

By Order of the  
Board of  
Directors

WILLIAM T.  
GALLAGHER  
Senior Vice  
President,  
Secretary  
& General  
Counsel

Philadelphia, Pennsylvania  
March 20, 2009

WE CORDIALLY INVITE YOU AND HOPE THAT YOU WILL ATTEND THE MEETING IN PERSON, BUT, IF YOU ARE UNABLE TO ATTEND, THE BOARD OF DIRECTORS REQUESTS THAT YOU SIGN THE PROXY AND RETURN IT, WITHOUT DELAY, IN THE ENCLOSED ENVELOPE OR REGISTER YOUR VOTE BY TELEPHONE OR THROUGH THE INTERNET AS DESCRIBED ON THE PROXY CARD.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on April 23, 2009:

The Proxy Statement and Proxy Card relating to the Annual Meeting of Shareholders and Annual Report to Shareholders are available at <http://investors.crowncork.com/phoenix.zhtml?c=85121&p=proxy>

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Crown Holdings, Inc.

One Crown Way  
Philadelphia, Pennsylvania 19154

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PROXY STATEMENT - MEETING, April 23, 2009

TO ALL SHAREHOLDERS:

The accompanying Proxy is solicited by the Board of Directors of the Company for use at the Annual Meeting of Shareholders to be held on April 23, 2009, and, if properly executed, shares represented thereby will be voted by the named Proxies at such Annual Meeting. The cost of soliciting Proxies will be borne by the Company. The Company has engaged D.F. King & Co., Inc. to assist in the solicitation of Proxies for a fee of \$9,000 plus reimbursement for out-of-pocket expenses and certain additional fees for services rendered in connection with such solicitation. Certain Officers and employees of the Company may also solicit Proxies by mail, telephone, facsimile or in person without any extra compensation. Any Shareholder giving a Proxy has the power to revoke it at any time before it is voted by giving written notice of revocation to the Secretary of the Company, by executing and delivering a later-dated Proxy or by voting in person at the Annual Meeting.

The persons named as Proxies were selected by the Board of Directors of the Company, and all are Officers of the Company.

The Annual Report for the year ended December 31, 2008, containing audited financial statements, is being mailed to Shareholders contemporaneously with this Proxy Statement and accompanying Proxy, i.e., on or about March 20, 2009.

On March 2, 2009, there were 159,693,143 outstanding shares of Common Stock, par value \$5.00 per share ("Common Stock").

Shareholders of Common Stock of record as of March 10, 2009 are entitled to vote at the Annual Meeting. Each share of Common Stock is entitled to one vote. Shareholders may be represented by Proxy at the Annual Meeting by completing and returning the Proxy or voting by telephone or through the Internet. The presence, in person or by Proxy, of Shareholders entitled to cast a majority of votes will be necessary to constitute a quorum for the transaction of business. Proxies solicited herein will be voted, and if the person solicited specifies by means of the ballot provided in the Proxy a choice with respect to matters to be acted upon, the shares will be voted in accordance with such specification. Votes withheld from Director nominees, abstentions and broker non-votes will be counted in determining the presence of a quorum. Under Pennsylvania law and the Company's By-Laws, votes withheld from Director nominees, abstentions and broker non-votes are not considered to be "votes" and, therefore, will not be given effect either as affirmative or negative votes. Directors are elected by plurality vote. Other matters are determined by a majority of the votes cast.

## ELECTION OF DIRECTORS

The persons named in the Proxy shall vote the shares for the nominees listed below, all of whom are now Directors of the Company, to serve as Directors for the ensuing year or until their successors shall be elected. None of the persons named as a nominee for Director has indicated that he or she will be unable or will decline to serve. In the event that any of the nominees are unable or decline to serve, which the Nominating and Corporate Governance Committee of the Board of Directors does not believe will happen, the persons named in the Proxy will vote for the remaining nominees and others who may be selected by the Board of Directors.

The Board of Directors currently consists of 10 Directors. The By-Laws of the Company provide for a variable number of Directors from 10 to 18. The Board of Directors has currently fixed the number of Directors at 10. It is intended that the Proxies will be voted for the election of the 10 nominees named below as Directors, and no more than 10 will be nominated by the Company.

The names of the nominees and information concerning them and their associations as of March 2, 2009, as furnished by the nominees, follow. The principal occupations stated below are the occupations which the nominees have had during at least the last five years.

THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS  
VOTE FOR ELECTION OF EACH OF THE NOMINEES NAMED BELOW.

Name	Age	Principal Occupation	Year Became Director
Jenne K. Britell, Ph.D. (b)	66	Chairman of United Rentals and Chief Executive Officer of Structured Ventures; former Executive Officer of several General Electric financial services companies; also a Director of Quest Diagnostics and U.S.-Russia Investment Fund	2000
John W. Conway (a)	63	Chairman of the Board, President and Chief Executive Officer; also a Director of PPL Corporation	1997
Arnold W. Donald (c)	54	Former President and Chief Executive Officer of the Juvenile Diabetes Research Foundation International; former Chairman and Chief Executive Officer of Merisant Company; also a Director of Carnival Corporation, The Laclede Group and Oil-Dri Corporation of America	1999
William G. Little (b), (d)	66	Former Chairman and Chief Executive Officer of West Pharmaceutical Services	2003

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Name	Age	Principal Occupation	Year Became Director
Hans J. Löliger (c), (d)	66	Vice Chairman of Winter Group; former Chief Executive Officer of SICPA Group; also a Director of Bühler Holding, Franke Holding and Fritz Meyer Holding	2001
Thomas A. Ralph (a), (b), (d)	68	Retired Partner, Dechert LLP	1998
Hugues du Rouret (b)	70	Chairman of Automobile Club de France Management Company; Chairman of the European School of Management; Executive Vice President International of the Chamber of Commerce and Industry of Paris; former Chairman and Chief Executive Officer of Shell France; also a Director of Banque Saint-Olive, CF Partners and Gras Savoye	2001
Alan W. Rutherford (a)	65	Vice Chairman of the Board and Executive Vice President	1991
Jim L. Turner (c)	63	Principal of JLT Beverages LP; former Chairman, President and Chief Executive Officer of Dr Pepper/Seven Up Bottling Group; also a Director of Dean Foods	2005
William S. Urkiel (b)	63	Former Senior Vice President and Chief Financial Officer of IKON Office Solutions; also a Director of Suntron Corporation	2004

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(a) Member of the Executive Committee  
(b) Member of the Audit Committee

(c) Member of the Compensation Committee  
(d) Member of the Nominating and Corporate Governance Committee  
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COMMON STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS,  
DIRECTORS AND EXECUTIVE OFFICERS

The following table shows, as of March 2, 2009, the number of shares of Common Stock beneficially owned by each person or group that is known to the Company to be the beneficial owner of more than 5 percent of the Company's outstanding Common Stock.

Name and Address	Amount of Common Stock of the Company Owned Beneficially, Directly or Indirectly (1)	Percentage of Outstanding Shares (2)
Iridian Asset Management LLC and its affiliates 276 Post Road West Westport, Connecticut 06880	10,325,975	6.5%

(1) Based on Amendment No. 2 to the Schedule 13G filed on February 4, 2009 with the Securities and Exchange Commission (the "SEC"), Iridian Asset Management LLC has direct beneficial ownership of such shares of the Company's Common Stock in the accounts for which it serves as the investment adviser under its investment management agreements. The address of BIAM (US) Inc., the controlling member of Iridian, and BankIreland (US) Holdings, Inc., the sole shareholder of BIAM (US) Inc., is Liberty Park #15, 282 Route 101, Amherst, NH 03110. The address of BIAM Holdings, the sole shareholder of BancIreland (US) Holdings, Inc., and The Governor and Company of the Bank of Ireland, the sole shareholder of BIAM Holdings, is Head Office, Lower Baggot Street, Dublin 2, Ireland.

(2) Percentages are derived based upon 159,693,143 shares of Common Stock outstanding as of March 2, 2009.



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The following table shows, as of March 2, 2009, the number of shares of Common Stock beneficially owned by each Director; the Company's Chief Executive Officer, Chief Financial Officer and the three other Executive Officers who were the highest paid during 2008; and all Directors and Executive Officers as a group. The Directors and Executive Officers of the Company have sole voting and investment power with respect to the securities of the Company listed in the table below.

Name	Amount of Common Stock of the Company Owned Beneficially, Directly or Indirectly	Percentage of Outstanding Shares (1)
Jenne Britell	57,227	*
John Conway(2)(3)	2,687,334	1.7%
Timothy Donahue (3) (4)	362,290	*
Arnold Donald (5)	63,044	*
Christopher Homfray (6)	167,471	*
William Little	24,918	*
Hans Löliger	51,512	*
Raymond McGowan (7)	86,337	*
Thomas Ralph	52,744	*
Hugues du Rouret	41,021	*
Alan Rutherford (8)	1,054,074	*
Jim Turner	51,132	*
William Urkiel	16,351	*
Directors and Executive Officers as a Group of 15 (9)	4,933,445	3.1%

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\* Less than 1%

- (1) Percentages are derived based upon 159,693,143 shares of Common Stock outstanding as of March 2, 2009.
- (2) Includes 1,459,500 shares of Common Stock subject to presently exercisable options held by Mr. Conway.
- (3) Excludes 3,000,000 shares of Common Stock held in the Crown Cork & Seal Company, Inc. Master Retirement Trust on behalf of various Company pension plans (the "Trust Shares"). Messrs. Conway and Donahue are each members of the Benefits Plan Investment Committee of the trust, which has sole voting and dispositive power with respect to the Trust Shares, but disclaim beneficial ownership of the Trust Shares.
- (4) Includes 213,000 shares of Common Stock subject to presently exercisable options held by Mr. Donahue.
- (5) Includes 45,026 shares of Common Stock held in a revocable family trust, of which Mr. Donald is trustee.
- (6) Includes 45,000 shares of Common Stock subject to presently exercisable options held by Mr. Homfray.
- (7) Includes 17,500 shares of Common Stock subject to presently exercisable options held by Mr. McGowan.
- (8) Includes 661,000 shares of Common Stock subject to presently exercisable options held by Mr. Rutherford.
- (9)

Includes 2,579,250 shares of Common Stock subject to presently exercisable options held by certain Directors and Executive Officers.

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CORPORATE GOVERNANCE

Meetings of the Board of Directors. In 2008, there were five meetings of the Board of Directors. Each incumbent Director of the Company attended at least 75% of the aggregate meetings held by the Board of Directors and by the Committees on which he or she served.

Attendance at the Annual Meeting. Under the Company's Corporate Governance Guidelines, members of the Board of Directors are expected to attend the Company's Annual Meeting of Shareholders. In 2008, each of the Directors serving on the Board at the time attended the Annual Meeting of Shareholders.

Director Independence. The Board of Directors has determined that Jenne Britell, Arnold Donald, William Little, Hans Löliger, Thomas Ralph, Hugues du Rouret, Jim Turner and William Urkiel are "independent" under the listing standards of the New York Stock Exchange (the "NYSE") and the Company's By-Laws. The Board made this determination based on the absence of any of the express disqualifying criteria set forth in the listing standards and in compliance with the Company's By-Laws, which require that a majority of the Board nominees be "Independent Directors." A Director is an "Independent Director" under the Company's By-Laws if the Director: (1) is not and has not been employed by the Company or any of its subsidiaries in an executive capacity within the five years immediately prior to such person's nomination; (2) is not (and is not affiliated with a company or a firm that is) a regular advisor or consultant, for compensation, to the Company or any of its subsidiaries; (3) is not affiliated with a regular and significant customer or supplier of the Company or any of its subsidiaries; (4) does not have a personal services contract with the Company or any of its subsidiaries; (5) is not affiliated with a tax-exempt entity that receives significant contributions from the Company or any of its subsidiaries; and (6) is not a spouse, parent, sibling or child of any person described in (1) through (5), above.

In making the foregoing determinations, the Board of Directors considered the following transactions with third parties and the Directors' affiliations with such parties. For Dr. Britell and Mr. Little, directors of Fox Chase Cancer Center – a charitable contribution by the Company and routine Company employee medical testing. For Dr. Britell, Chairman of United Rentals – ordinary course of business equipment rentals at various Company plants and, also for Dr. Britell, a director of Quest Diagnostics – routine Company employee medical testing. For Mr. Donald, a director of The Laclede Group – ordinary course of business purchase of gas for a Company facility. None of these transactions fell within the NYSE listing standards criteria or the Company's By-Laws criteria.

The remaining Directors, John Conway and Alan Rutherford, are Executive Officers of the Company and therefore not "independent."

Director Compensation. Directors who are also employees of the Company receive no additional compensation for services as Directors. Directors who are not employees of the Company receive cash base Director's fees, annual grants of Company Common Stock and cash Committee fees and attendance fees. Cash base Director's fees are \$70,000 annually, and cash meeting attendance fees are \$1,500 per Board meeting. Annual grants of Company Common Stock consist of \$100,000 of Company Common Stock under the Stock Compensation Plan for Non-Employee Directors. Cash Committee fees are as follows: for the Audit Committee, \$15,000 annually for the Chairperson and \$10,000 annually for the other members; for other Committees, \$10,000 annually for the Chairperson and \$7,000 annually for the other members; for the Chairperson of the Nominating and Corporate Governance Committee, an additional \$10,000 annually for service as Presiding Director; and for all Committee members, an attendance fee of \$1,500 per Committee

meeting. Directors do not receive any additional fees for their service on the Executive Committee. Directors may defer receipt of all, or any part, of their Director compensation.

**Director Stock Ownership.** Under the Company's Corporate Governance Guidelines, after four years of service on the Board of Directors, Non-Employee Directors are expected to hold Company Common Stock having a market value of at least five times the cash base Director's fees.

**Audit Committee.** In 2008, the Audit Committee had nine meetings. The Audit Committee provides assistance to the Board of Directors in discharging its responsibilities in connection with the oversight of the financial accounting practices and internal controls of the Company and represents the Board of Directors in connection with the services rendered by the Company's independent auditors. The current members of the Audit Committee are Dr. Britell and Messrs. Little, Ralph, du Rouret and Urkiel. Dr. Britell serves as Chairperson of the Audit Committee. The Board of Directors has determined that the Directors who serve on the Audit Committee are all "independent" as defined in the listing standards of the NYSE and that Dr. Britell is an "audit committee financial expert" within the meaning of SEC regulations. The Board of Directors has adopted a written Audit Committee Charter.

**Compensation Committee.** In 2008, the Compensation Committee had three meetings. The Compensation Committee is responsible for the review of the executive compensation program. The current members of the Compensation Committee are Messrs. Donald, Löliger and Turner, each of whom is "independent" under the listing standards of the NYSE. Mr. Löliger serves as Chairperson of the Compensation Committee. The Board of Directors has adopted a written Compensation Committee Charter. For further discussion regarding the Compensation Committee's processes and procedures for the consideration of executive compensation, see "Compensation Discussion and Analysis."

**Nominating and Corporate Governance Committee.** There were two meetings of the Nominating and Corporate Governance Committee in 2008. The current members of the Nominating and Corporate Governance Committee are Messrs. Little, Löliger and Ralph, each of whom is "independent" under the listing standards of the NYSE. Mr. Ralph serves as Chairperson of the Nominating and Corporate Governance Committee. The Board of Directors has adopted a written Nominating and Corporate Governance Committee Charter.

The Nominating and Corporate Governance Committee is responsible for leading the search for individuals qualified to become members of the Board of Directors and recommending to the Board individuals as Director nominees. The Committee also oversees the annual self-evaluation of the Board of Directors and its Committees and the annual evaluation of management by the Board of Directors, makes recommendations to the Board of Directors regarding the membership of Committees of the Board of Directors and performs other corporate governance functions. Consistent with the Company's Corporate Governance Guidelines, the Committee seeks nominees committed to upholding the highest standards of personal and professional integrity and representing the interests of all Shareholders, not particular Shareholder constituencies. The Committee identifies nominees for Director by first evaluating the current members of the Board willing to continue in service. In addition, the Committee regularly assesses the appropriate size of the Board, whether any vacancies on the Board are expected because of retirement or otherwise and whether the Board needs Directors with particular skills or experience. To identify and evaluate potential candidates for the Board, the Committee solicits ideas for possible nominees from a number of sources, which may include current Board members, senior-level Company executives and professional search firms. The Committee will also consider candidates properly submitted by Company Shareholders. Candidates for the Board are evaluated through a process that may include background and reference checks, personal interviews with members of the Committee and a

review of the candidate's qualifications and other relevant characteristics. The same identifying and evaluating procedures apply to all candidates for Director, whether submitted by Shareholders or otherwise.

Shareholders who wish to suggest qualified candidates may write, via Certified Mail-Return Receipt Requested, to the Office of the Secretary, Crown Holdings, Inc., One Crown Way, Philadelphia, PA 19154, stating in detail the qualifications of the persons they recommend. Shareholders must include a letter from each nominee affirming that he or she will agree to serve as a Director of the Company if elected by Shareholders. However, through its own resources, the Committee expects to be able to identify an ample number of qualified candidates. See "Proposals of Shareholders" for information on bringing nominations for the Board of Directors at the 2010 Annual Meeting.

**Executive Sessions.** Pursuant to the Company's Corporate Governance Guidelines, the non-management Directors of the Company meet periodically at regularly scheduled executive sessions without management Directors. The Chairperson of the Nominating and Corporate Governance Committee serves as the Presiding Director at such meetings.

**Communications with the Board of Directors.** Shareholders and other interested parties who wish to send communications on any topic to the Presiding Director, the non-management Directors or the Board as a whole may do so by writing to the Chairperson of the Nominating and Corporate Governance Committee, c/o Office of the Secretary, Crown Holdings, Inc., One Crown Way, Philadelphia, PA 19154. Communications will be forwarded to the Directors if they relate to substantive matters and include information, suggestions or comments that the Chairperson of the Nominating and Corporate Governance Committee, with the assistance of the Corporate Secretary, deems appropriate for consideration by the Directors.

**Code of Business Conduct and Ethics.** The Company has a Code of Business Conduct and Ethics that applies to all Directors and employees. The Code of Business Conduct and Ethics is available on the Company's website at <http://investors.crowncork.com/> and is also available in print to any Shareholder who requests it. The Company intends to disclose amendments to, and waivers of, the Code of Business Conduct and Ethics on the Company's website.

**Transactions with Related Persons.** The Nominating and Corporate Governance Committee is charged with reviewing and approving or ratifying all transactions with related persons required to be disclosed under Item 404(a) of Regulation S-K under the Securities Exchange Act of 1934, as amended ("Regulation S-K"). The Company policy relating to related party transactions is included in the Company's Corporate Governance Guidelines.

**Company Website.** The Company's Corporate Governance Guidelines and the Charters of the Audit, Compensation, and Nominating and Corporate Governance Committees are available on the Company's website at <http://investors.crowncork.com/>. These documents are also available in print to any Shareholder who requests them.

COMPENSATION DISCUSSION AND ANALYSIS

**Introduction.** This Compensation Discussion and Analysis (“CD&A”) provides an overview of the Company’s executive compensation program together with a description of the material factors underlying the decisions which resulted in the compensation provided for 2008 to the Company’s Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and the other three Executive Officers who were the highest paid during 2008 (collectively, the “Named Executive Officers” or “NEOs”). The following discussion and analysis contains statements regarding future individual and Company performance targets and goals. These targets and goals are disclosed in the limited context of the Company’s compensation programs and should not be understood to be statements of management’s expectations or estimates of financial results or other guidance. The Company specifically cautions investors not to apply these statements to other contexts.

**Compensation Committee.** The Compensation Committee (the “Committee”) of the Board of Directors is composed of three non-employee Directors, all of whom are independent under the NYSE listing standards. The current Committee members are Hans Löliger (Chairperson), Arnold Donald and Jim Turner. The Committee has responsibility for determining and implementing the Company’s philosophy with respect to executive compensation. To implement this philosophy, the Committee oversees the establishment and administration of the Company’s executive compensation program. The Committee operates under a written charter adopted by the Board of Directors. A copy of this charter is available on the Company’s website at <http://investors.crowncork.com/>.

**Compensation Philosophy and Objectives.** The guiding principle of the Committee’s executive compensation philosophy is that the executive compensation program should enable the Company to attract, retain and motivate a team of highly qualified executives who will create long-term value for the Shareholders. To achieve this objective, the Committee has developed an executive compensation program that is ownership-oriented and that rewards the attainment of specific annual, long-term and strategic goals that will result in improvement in total shareholder return. To that end, the Committee believes that the executive compensation program should include both cash and equity-based compensation that rewards specific performance by the executive and the Company. In addition, the Committee continually monitors the effectiveness of the program to ensure that the compensation provided to executives remains competitive relative to the compensation paid to executives in a peer group comprising select container industry and other manufacturing companies. The Committee annually evaluates the components of the compensation program as well as the desired mix of compensation among these components. The Committee believes that a substantial portion of the compensation paid to the Company’s NEOs should be at risk, contingent on the Company’s operating and stock market performance. Consistent with this philosophy, the Committee will continue to place significant emphasis on stock-based compensation and performance measures, in an effort to more closely align compensation with Shareholder interests and to increase executives’ focus on the Company’s long-term performance. During 2008, as part of its ongoing monitoring process, the Committee, with the assistance of Towers Perrin, an executive compensation consulting firm, conducted a review of long-term incentive practices with a particular emphasis on the weighting between performance-based and time-based equity awards. The Committee also reviewed information regarding the prevalence of the different types of long-term incentive plans, their various features and the number of plan performance measures utilized. Based upon such review, the Committee agreed prospectively to increase the emphasis on performance-based awards under the Company’s long-term incentive plan.

Committee Process.&#