

Intermec, Inc.
Form DEF 14A
April 16, 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 under § 240.14a-12

Intermec, 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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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Time and Date	10:00 a.m. Pacific time, on Wednesday, May 26, 2010
Place	Intermec Headquarters, 6001 36th Avenue West, Everett, Washington 98203-1264
Items of Business	<p>To elect nine directors nominated by our directors for a term expiring at the 2011 Annual Meeting of Stockholders and until their successors are elected and qualified.</p> <p>To vote on an advisory proposal to ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for 2010.</p> <p>To transact such other business as may properly come before the meeting or any postponement or adjournment thereof.</p>
Record Date	You are entitled to vote if you were a stockholder as of the close of business on March 29, 2010.
Voting	<p>We urge you to read this proxy statement and vote your shares promptly, whether or not you expect to attend the meeting in person. You can vote your shares by proxy over the Internet or by telephone. You can also vote by proxy if you complete, sign and date your voting instruction form and return it by mail (if you are a beneficial owner) or if you request a printed proxy card to complete, sign and return by mail (if you are a stockholder of record).</p> <p>By order of the Board of Directors,</p> <p>Janis L. Harwell</p> <p>Senior Vice President, General Counsel and Corporate Secretary</p>
Everett, Washington	
April 16, 2010	

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Intermec, Inc.

6001 36th Avenue West

Everett, Washington 98203-1264

425.348.2600

PROXY STATEMENT

FOR ANNUAL MEETING OF STOCKHOLDERS

MAY 26, 2010

QUESTIONS AND ANSWERS ABOUT

THE PROXY MATERIALS AND THE ANNUAL MEETING

1. Why am I receiving these materials?

We have made these materials available to you on the Internet or, upon your request, have delivered printed copies of these materials to you by mail because our Board of Directors is soliciting your proxy to vote your shares at our Annual Meeting of Stockholders to be held at 10:00 a.m., Pacific time, on May 26, 2010, at our headquarters, 6001 36th Avenue West, Everett, Washington 98203-1264. This proxy statement provides information that we are required to provide you under the rules of the Securities and Exchange Commission to assist you in voting your shares.

2. Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials this year instead of a full set of proxy materials?

In accordance with rules adopted by the SEC, we provide access to this proxy statement and our 2009 Report to Stockholders over the Internet. Accordingly, we sent a Notice of Internet Availability of Proxy Materials to our stockholders of record and beneficial owners, which contained instructions on how to access this proxy statement and our 2009 Report to Stockholders and how to vote.

We expect to mail the Notice of Internet Availability to stockholders on or about April 16, 2010. If you receive a Notice of Internet Availability, you will not receive a printed copy of the proxy materials unless you specifically request one. If you would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability.

Most stockholders can elect to view future proxy materials via email instead of receiving paper copies in the mail. Please see the information included in the Notice of Internet Availability. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to our proxy materials and a link to the proxy voting website. Your election to receive proxy materials by email will remain in effect until you terminate it.

3. How can I obtain Intermec's 2009 Annual Report on Form 10-K?

Our 2009 Annual Report on Form 10-K including exhibits, as amended (which we refer to throughout as our Form 10-K) is available at http://www.intermec.com/about_us/investor_relations/compliance/index.aspx. Stockholders may request a free copy of our Form 10-K by contacting Investor Relations at the address provided under Corporate Governance Availability of Information and Communications with the Board. We will furnish any exhibit to our Form 10-K if specifically requested.

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4. What items of business will be voted on at the Annual Meeting?

- (1) The election of nine directors, nominated by our Board, to serve until our 2011 Annual Meeting and until their successors are elected and qualified; and
- (2) An advisory management proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2010.

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We will also consider any other business that is properly brought before the Annual Meeting.

5. How does the Board recommend I vote?

Our Board recommends that you vote **FOR** each of the director nominees and **FOR** the advisory proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2010.

6. What shares can I vote?

Our only class of stock outstanding is common stock, par value \$.01 per share. Each share of common stock outstanding as of the close of business Eastern time on the record date, March 29, 2010, is entitled to one vote on all items of business at the Annual Meeting. You may vote all shares you owned at that time, which may be (1) shares held directly in your name as the stockholder of record or (2) shares held for you as beneficial owner through a broker, trustee or other nominee, such as a bank, including shares purchased through our Employee Stock Purchase Plan. On the record date, there were 62,253,998 shares of common stock outstanding and entitled to vote. There were 9,930 stockholders of record and approximately 18,225 beneficial owners on the record date. The last sale price of the common stock for that date was \$14.27.

7. What is the difference between holding shares as a stockholder of record and as a beneficial owner?

Most stockholders hold their shares through a broker, trustee or other nominee rather than directly in their own names. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, Mellon Investor Services, you are considered to be a stockholder of record with respect to those shares. The Notice of Internet Availability has been sent to you, and if specifically requested, we will send you printed copies of these proxy materials. You may have certificates for those shares, or they may be registered in book-entry form. As the stockholder of record, you have the right to grant your voting proxy directly to our proxy holders or to vote in person at the Annual Meeting. We have provided instructions on voting and granting your voting proxy in the Notice of Internet Availability, and if specifically requested, we will also send a printed proxy card for your use.

Beneficial Owner. If your shares are held in a brokerage account or by a trustee or other nominee, you are considered to be the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you together with a voting instruction form by the broker, trustee or nominee, or an agent hired by the broker, trustee or nominee. As a beneficial owner, you have the right to direct your broker, trustee or nominee on how to vote, and you are also invited to attend the Annual Meeting. You will be asked to show some evidence of your ownership (for example, a brokerage statement) to be admitted to the Annual Meeting.

Because a beneficial owner is not the stockholder of record, you may not vote these shares directly at the Annual Meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting. Your broker, trustee or nominee has enclosed or provided voting instructions for you to use in directing the broker, trustee or nominee on how to vote your shares.

8. How can I vote my shares in person at the Annual Meeting?

We will provide a ballot to anyone who requests one at the Annual Meeting. Shares held in your name as the stockholder of record may be voted on that ballot. Shares held beneficially in street name may be voted on a ballot only if you bring a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or voting instruction form as described below so that your vote will be counted if you later decide not to attend the Annual Meeting.

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9. How can I vote my shares without attending the Annual Meeting?

Whether you hold shares directly as a stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. If you are a stockholder of record, you may vote by submitting a proxy. If you hold shares beneficially in street name, you may vote by submitting voting instructions to your broker, trustee or nominee. For directions on how to vote, please refer to the instructions below and those on the Notice of Internet Availability, proxy card or voting instruction form provided.

By Internet. Stockholders of record may submit proxies over the Internet by following the instructions on the Notice of Internet Availability or, if printed copies of the proxy materials were requested, the instructions on the printed proxy card. Most beneficial stockholders may vote by accessing the website specified on the voting instruction forms provided by their brokers, trustees or nominees. Please check your voting instruction form for Internet voting availability.

By Telephone. Stockholders of record may submit proxies using any touch-tone telephone from within the United States by following the instructions on the Notice of Internet Availability or, if printed copies of the proxy materials were requested, the instructions on the printed proxy card. Most beneficial owners may vote using any touch-tone telephone from within the United States by calling the number specified on the voting instruction forms provided by their brokers, trustees or nominees.

By Mail. Stockholders of record may submit proxies by mail by requesting printed proxy cards and completing, signing and dating the printed proxy cards and mailing them in the accompanying pre-addressed envelopes. Beneficial owners may vote by completing, signing and dating the voting instruction forms provided and mailing them in the accompanying pre-addressed envelopes.

Intermec is incorporated under Delaware law, which specifically permits electronically transmitted proxies, provided that each such proxy contains or is submitted with information from which the inspector of election can determine that such proxy was authorized by the stockholder. (Delaware General Corporation Law, Section 212(c).) The electronic voting procedures provided for the Annual Meeting are designed to authenticate each stockholder by use of a control number to allow stockholders to vote their shares and to confirm that their instructions have been properly recorded.

10. Can I change my vote?

If you are a stockholder of record and have submitted a proxy, you can change your vote by attending the Annual Meeting and voting in person. Attendance at the Annual Meeting will not cause your previously granted proxy to be revoked unless you vote again. You may also revoke your proxy at any time before it is voted by sending a written notice of revocation or by submitting a signed proxy card bearing a later date, in either case to Intermec, Inc., c/o Broadridge Financial Solutions, 51 Mercedes Way, Edgewood, NY 11717. Broadridge must receive any such revocation of proxy by 5:00 p.m., Eastern time, on May 25, 2010, for it to be effective. If you vote by telephone or on the Internet and wish to change your vote, you should call the toll-free number or go to the Internet site, whichever method you used earlier, and follow the directions for changing your vote. Broadridge's telephone and Internet voting sites will close at 11:59 p.m., Eastern time, on May 25, 2010.

If you are a beneficial owner, you may change your vote by submitting new voting instructions to your broker, trustee or nominee as set forth in the voting instruction form. If you have obtained a legal proxy from your broker, trustee or nominee giving you the right to vote your shares, you can change your vote by attending the Annual Meeting and voting in person.

11. What is the quorum required in order to conduct business at the Annual Meeting?

A majority of the shares outstanding at the record date must be present at the Annual Meeting for a quorum to conduct business. Shares are counted as present at the Annual Meeting if the stockholder attends the Annual Meeting or is represented at the Annual Meeting by a duly authorized proxy.

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12. What is the voting requirement to approve each of the proposals and how are votes counted?

You may vote for or against one or more of the director nominees, or you may abstain. Directors will be elected by a majority of the votes cast at the Annual Meeting. An abstention will not be counted as a vote cast for purposes of determining a majority.

You may vote for or against the advisory proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2010, or you may abstain. The approval of this proposal requires the affirmative vote of a majority of the shares present in person or represented by proxy at the Annual Meeting. An abstention has the same effect as a vote against this proposal.

If you provide specific instructions with regard to the proposals, your shares will be voted as you instruct. If you sign and return your proxy card or voting instruction form or otherwise submit your vote by proxy without giving specific instructions, your shares will be voted in accordance with the recommendations of the Board. The proxy holders will vote in their discretion on any other matters that properly come before the Annual Meeting.

If you are a stockholder of record and do not submit your vote by proxy or vote in person at the Annual Meeting, your shares will not be voted. However, if you hold shares beneficially in street name, the result may be different. If you do not return the voting instruction form, your broker, trustee or nominee may vote your shares in certain circumstances and on certain proposals. Brokers may not use discretionary authority to vote shares on Proposal 1 if they have not received instructions from their clients. However, the NYSE rules consider a proposal such as Proposal 2 to be routine and would permit brokers to vote on Proposal 2 in their discretion if they have not received instructions from their clients. When a broker votes a client's shares on some but not all of the proposals at a meeting, the missing votes are referred to as broker non-votes. Those shares will be included in determining the presence of a quorum at the Annual Meeting, but are not considered present for purposes of voting on non-discretionary matters.

13. What happens if additional matters are presented at the Annual Meeting?

Other than the two proposals described in this proxy statement, we are not aware of any other business to be acted on at the Annual Meeting. If you grant a proxy, the persons named as proxy holders, Patrick J. Byrne, Robert J. Driessnack and Janis L. Harwell, will have the discretion to vote your shares on any additional matters properly presented for a vote at the Annual Meeting. If for any unforeseen reason any of our director nominees are not available as candidates for election as a director, the proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the Board.

14. Who will count the votes?

An inspector of election has been appointed to tabulate the votes cast at the Annual Meeting.

15. What does it mean if I receive more than one Notice of Internet Availability or more than one set of voting materials?

It means you have multiple accounts with the transfer agent and/or with brokers and banks. Please submit each proxy and/or voting instruction form you receive.

16. Who will pay the costs of soliciting votes for the Annual Meeting?

We are making this solicitation and will pay the entire cost of preparing, printing, mailing and distributing the Notice of Internet Availability to stockholders of record and beneficial owners and printed proxy materials to those who specifically request them, as well as the cost associated with soliciting votes. If you choose to access the proxy materials and/or vote over the Internet, you are responsible for Internet access charges you may incur. If you choose to vote by telephone, you are responsible for telephone charges you may incur. In addition to

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posting our proxy materials on the Internet and mailing the Notice of Internet Availability and printed copies of these proxy materials, the solicitation of proxies may be made in person, by telephone or by electronic communication by our directors, officers and other employees who will not receive any additional compensation for such activities. We have retained MacKenzie Partners, Inc. to assist us in the distribution of proxy materials and the solicitation of votes, for a fee of \$7,500 plus customary costs and expenses for these services. We will also reimburse brokerage firms, banks and other custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses in forwarding proxy and solicitation materials to the beneficial owners of our common stock.

17. Where can I find the voting results of the Annual Meeting?

We expect to announce preliminary voting results at the Annual Meeting. Voting results also will be disclosed on a Current Report on Form 8-K filed with the SEC within four business days after the Annual Meeting. You can access that Form 8-K, and all of our other reports filed with the SEC, at our website, <http://www.intermec.com/InvestorRelations/>, or at the SEC's website, <http://www.sec.gov>.

18. Is a list of stockholders entitled to vote at the Annual Meeting available?

The list of stockholders of record as of the record date will be available at the Annual Meeting. It will also be available ten days prior to the Annual Meeting, between the hours of 9 a.m. and 4 p.m., Pacific time, Monday through Friday, at the offices of the Corporate Secretary, 6001 36th Avenue West, Everett, Washington 98203-1264. Any holder of our common stock may examine the list for any purpose germane to the Annual Meeting.

19. What is the deadline to propose actions for consideration at next year's Annual Meeting?

There are two different procedures by which stockholders may submit proposals for action at our annual meetings of stockholders. The first procedure is provided by the SEC's rules and the second by our By-Laws.

SEC Rule 14a-8 permits stockholders to submit proposals they would like to have included in our proxy statement and proxy card. In order for such proposals to be considered for our 2011 Annual Meeting, our Corporate Secretary must receive them no later than December 17, 2010.

Section 2.7 of our By-Laws permits stockholders of record to propose business to be considered at an annual meeting without being included in the proxy statement and proxy card. Such business must be a proper matter for stockholder action, and the stockholder proposing it must comply with the applicable notice provisions of our By-Laws. For the 2011 Annual Meeting, notice must be delivered to our Corporate Secretary no earlier than January 26, 2011 and no later than February 25, 2011. If, however, the date of the 2011 Annual Meeting is more than 30 days before or more than 60 days after the first anniversary of the 2010 Annual Meeting, then notice must be delivered not earlier than 120 days before the 2011 Annual Meeting and not later than 90 days before the 2011 Annual Meeting or, if we provide less than 100 days' advance notice of the date of the 2011 Annual Meeting, not later than ten days following the day on which public announcement of the date of the 2011 Annual Meeting is first made.

Proposals should be sent to our Corporate Secretary at 6001 36th Avenue West, Everett, Washington 98203-1264. You may obtain a copy of the By-Law provisions regarding these requirements by writing to the Corporate Secretary at that address.

YOUR VOTE IS IMPORTANT

Whether or not you plan to attend the 2010 Annual Meeting, please promptly vote your shares on the Internet, by telephone or by completing, signing and dating your voting instruction form and returning it by mail (if you are a beneficial owner) or by requesting a printed proxy card and completing, signing, dating and returning it by mail (if you are a stockholder of record).

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CORPORATE GOVERNANCE

Availability of Information and Communications with the Board

We have established a Corporate Governance section on our website (our Corporate Governance Webpage), which can be accessed at <http://www.intermec.com/investorrelations>, and selecting the Corporate Governance option. The charters of the Board's standing committees, the Standards of Independence, the Corporate Governance Guidelines and the Standards of Conduct that apply to all directors, officers and other employees are posted there. We intend to disclose on our Corporate Governance Webpage any amendment to the Standards of Conduct and any waiver of the Standards of Conduct related to executive officers or directors.

Stockholders or other interested parties who wish to communicate with any individual director, including the Chairman of the Board, our Board as a group, or a specified committee or group of directors, such as our independent directors, can do so by sending written communications by mail or courier, in care of the Corporate Secretary at the street address below, or by email to Board@intermec.com. All correspondence should indicate to whom it is addressed. Our annual meeting also provides an opportunity for stockholders to ask questions or otherwise communicate directly with members of our Board on matters relevant to our Company.

This proxy statement and the 2009 Report to Stockholders (which includes our Form 10-K) are also available on our Corporate Governance Webpage, indicated above. Stockholders may obtain free printed copies of these materials by contacting Investor Relations as follows:

Intermec, Inc.
6001 36th Avenue West
Everett, Washington 98203-1264

Telephone: 425.348.2600
Email: invest@intermec.com

The Board of Directors

Our Board currently has nine members. The Chairman of the Board is Allen J. Lauer, an independent, non-management director. Our Chief Executive Officer, Patrick J. Byrne, also serves as a director. The Board has three standing committees, which are the Audit and Compliance Committee, the Compensation Committee and the Governance and Nominating Committee. The Board also has established an Equity Grant Committee, which is not a standing committee, to which authority has been delegated to make grants to employees who are not executive officers of the Company.

Board Independence

With the exception of Patrick J. Byrne, our Board consists of non-management directors. Mr. Byrne is not an independent director because he also is President and Chief Executive Officer of the Company. The Governance and Nominating Committee and the Board consider the relationships our non-management directors have with the Company and determine whether such directors are independent of the Company and management. The Board has adopted Standards of Independence, which our stockholders can access on our Corporate Governance Webpage, to help determine whether any of our non-management directors have a material relationship with the Company. After considering relevant facts and circumstances, the Board determined that all of our non-management directors who served during 2009, Eric J. Draut, Gregory K. Hinckley, Lydia H. Kennard, Allen J. Lauer, Stephen P. Reynolds, Steven B. Sample, Oren G. Shaffer and Larry D. Yost, were independent within the meaning of SEC regulations, the NYSE standards for director independence and our Standards of Independence, and had either no relationship with the Company (other than being a director and/or stockholder) or only immaterial relationships with the Company that are permissible within the parameters set forth in our Standards of Independence. We monitor relationships between the Company and the directors and the other companies for which they or their applicable family members are directors or employees, including some that are not required to be disclosed in this proxy statement as related person transactions. We transact

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business with some of such other companies, in amounts that do not exceed the limitations contained in our Standards of Independence. In the case of Mr. Draut, the Board considered the fact that he is the Chief Financial Officer and Board member of our largest stockholder, Unitrin, Inc., and took into account Unitrin's investment in Intermec and the transactions between Unitrin and Intermec. There is no agreement between Unitrin and Intermec regarding Mr. Draut's nomination or election to our Board. The Board concluded, on the recommendation of the Governance and Nominating Committee, that Mr. Draut is an independent director.

The Board has determined that the standing committees consist entirely of independent directors. The Board also has determined that our Audit and Compliance Committee members meet the applicable SEC and NYSE requirements relating to audit committee membership.

Meetings and Attendance

Our Board met ten times during 2009; three of the ten meetings were held by telephone. Materials for our Board and committee meetings are sent in advance to the appropriate participants. If a director cannot attend a meeting, he or she generally communicates any comments or questions through the relevant Chair. All of our directors attended more than 75% of the aggregate number of Board meetings and meetings of committees of the Board on which that director served during 2009. In addition to executive sessions scheduled as part of regularly scheduled Board meetings, our independent directors met six times during 2009. These meetings are chaired by Mr. Lauer.

All directors are expected to attend our annual meetings of stockholders. All of our directors attended the annual meeting of stockholders held in 2009.

Board Committees

In 2009, our Board had three standing committees: the Audit and Compliance Committee, the Compensation Committee and the Governance and Nominating Committee. Independent directors other than committee Chairs are generally expected to serve on two committees.

The following table shows our current directors' memberships on the standing committees of the Board during 2009.

Director	Audit and Compliance	Compensation	Governance and Nominating
Eric J. Draut		Member	Member
Gregory K. Hinckley	Member	Member	
Lydia H. Kennard		Member	Member
Allen J. Lauer			Chair
Stephen P. Reynolds	Member		Member
Steven B. Sample	Member		Member
Oren G. Shaffer	Chair		
Larry D. Yost			Chair

Audit and Compliance Committee. The Audit and Compliance Committee (the Audit Committee) consists of four independent directors. The current members are Mr. Shaffer (Chair), Mr. Hinckley, Mr. Reynolds and Dr. Sample. The Board has determined that, under the rules of the SEC and NYSE, all the members of the Audit Committee are independent and financially literate. The Board has also determined that Mr. Hinckley and Mr. Shaffer each meet the SEC criteria for audit committee financial expert. The Audit Committee's authority and responsibilities are set forth in a charter adopted by the Board and reviewed annually. That charter is available on our Corporate Governance Webpage.

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The Audit Committee, which met nine times in 2009, evaluates the qualifications, performance and independence of our independent registered public accounting firm, which reports directly to the Audit Committee, and has the responsibility to retain or to terminate the independent registered public accounting firm as our independent auditors. The Audit Committee reviews and discusses with the independent auditors and with management our annual audited consolidated financial statements and quarterly financial statements, the effects of regulatory and accounting initiatives and any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements. The Audit Committee also reviews and discusses with the independent auditors, internal auditors and management the adequacy of our system of internal controls and procedures. Additionally, the Audit Committee reviews and discusses with the independent auditors and management our internal audit department's responsibilities, budget and staffing as well as any recommended changes to the internal audit scope and plan. The Audit Committee's policy is that all audit and non-audit services to be performed by our independent auditors must be approved in advance. The Audit Committee reviews with management and discusses proposed earnings releases. The Audit Committee periodically meets separately with management, internal audit, and our independent auditors.

The Audit Committee reviews management's implementation and enforcement of compliance with our Standards of Conduct. The Audit Committee also considers other possible conflicts-of-interest situations brought to its attention and makes appropriate recommendations concerning these situations. In addition, it oversees management's compliance with our Related Person Transactions Policy, as described in Certain Relationships and Related Persons Transactions Policies, Procedures and Practices.

The report of the Audit Committee appears in this proxy statement under the caption Report of the Audit and Compliance Committee.

Compensation Committee. The Compensation Committee consists of four independent directors. They currently are Mr. Yost (Chair), Mr. Draut, Mr. Hinckley and Ms. Kennard. The Compensation Committee met eight times in 2009. The Board has determined that all the members of the Compensation Committee are independent, non-employee, outside directors within the meanings of SEC regulations, NYSE listing standards, and the Internal Revenue Code of 1986, as amended (the Code). The Compensation Committee's authority and responsibilities are set forth in a charter adopted by the Board and reviewed annually. That charter is available on our Corporate Governance Webpage.

The Compensation Committee recommends to the Board policies for executive compensation and approves the remuneration of our Chief Executive Officer (CEO), executive officers, and those vice presidents who report directly to the CEO (collectively, Senior Officers). It oversees the administration of the employee equity and cash incentive plans, cash bonus plans, Employee Stock Purchase Plan, and certain other compensation and retirement arrangements.

The Compensation Committee acts on elements of Senior Officer compensation at various times during the year. Shortly before the end of each year, the Compensation Committee comprehensively reviews the total compensation of each Senior Officer and relevant peer group comparisons with the Compensation Committee's outside compensation consultant. Decisions on Senior Officer salaries for the following year are made during the same meeting. In the first quarter of each year, the Compensation Committee determines cash incentive plan payments to Senior Officers based on performance achieved during the preceding year. In the same quarter, the Compensation Committee sets the performance metrics for the current year's cash incentive plan and multi-year performance-based equity grants to Senior Officers, which includes our named executive officers. Our annual grants of stock options and restricted stock units are made at the time of the annual meeting of stockholders, during the second quarter of the year.

Frederic W. Cook & Co., Inc. (FWC) serves as the Board's outside compensation consultant on various aspects of executive and director compensation. The Compensation Committee considered findings by FWC in determining 2009 compensation levels for the executive officers. Specifically, a representative of FWC attended

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several scheduled Compensation Committee meetings and provided to the Compensation Committee relevant market data, information on compensation trends and advice on compensation levels for the executive officers for 2009 and 2010. FWC assisted the Governance and Nominating Committee with a benchmarking review of non-employee director compensation. FWC assisted both the Compensation Committee and the Governance and Nominating Committee with relevant trend and market data in their respective deliberations regarding temporary compensation reductions made in 2009 in response to prevailing economic conditions. FWC has not performed any services on behalf of management but, with the permission of the Compensation Committee, it works with management. Each year, FWC presents to the Compensation Committee a total compensation analysis for each executive officer based on market data provided by FWC at the Compensation Committee's direction. This is the Compensation Committee's frame of reference for the executive officer compensation decisions it will make in the following year. Based on this data, FWC makes recommendations to the Compensation Committee regarding CEO compensation. The CEO, with the assistance of the Vice President of Human Resources, provides recommendations to the Compensation Committee for the executive officers (excluding the CEO) also based on the data provided by FWC.

The Compensation Committee's charter allows it to delegate its authority to subcommittees or other Board committees, and it has used this authority to delegate to the Equity Grant Committee authority to make equity grants to employees who are not executive officers, typically in the case of new hires or promotions; see Executive Compensation Compensation Discussion and Analysis Equity Granting Practices.

Governance and Nominating Committee. The Governance and Nominating Committee (the Governance Committee) consists of five independent directors. The members of the Governance Committee currently are Mr. Lauer (Chair), Mr. Draut, Ms. Kennard, Mr. Reynolds and Dr. Sample. The Governance Committee met seven times in 2009. The Board has determined that, under the corporate governance rules of NYSE, all the members of the Governance Committee are independent. The Governance Committee's authority and responsibilities are set forth in a charter adopted by the Board and reviewed annually. That charter is available on our Corporate Governance Webpage.

The Governance Committee reviews and recommends to the Board practices and procedures relating to corporate governance, including the evaluation and recommendation of criteria for membership on the Board and the composition and structure of the Board and its committees. The Governance Committee also reviews succession plans related to the CEO and recommends to the Board the compensation of directors for Board and committee service each year.

The Governance Committee also develops and recommends to the Board director succession plans, it evaluates the size of the Board and it considers the qualifications of persons recommended for election to fill vacancies that may occur on the Board from time to time. The Governance Committee also evaluates the qualifications of persons recommended by the stockholders for election to the Board, as disclosed under Consideration of Director Nominees.

Compensation Committee Interlocks and Insider Participation

The members of our Compensation Committee in 2009 were Mr. Draut, Mr. Hinckley, Ms. Kennard, and Mr. Yost. None of them had, during 2009 or at any earlier time, served as an officer or employee of Intermec or its subsidiaries. None of our executive officers had, during 2009 or at any earlier time, served as a director or compensation committee member at a company where any member of our Board was an executive officer.

Board Leadership Structure

In accordance with our By-laws, the Board is free to determine whether the roles of principal executive officer and Board chairman should be held by the same person or by two separate individuals. Our Board has determined that having an independent director serve as Chairman of the Board, separate from our Chief Executive Officer, is in the best interests of the Company at this time. The separation of these roles has

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been useful in providing continuity at the Board-level during a period of transition at the CEO-level and during the recent period of economic uncertainty. The Board's method of overseeing risk management is not a factor in its choice of leadership structure.

The Board's Oversight of Risk Management

The Board oversees risk management through its standing committees and through the Board as whole. The Audit Committee reviews the Company's policies with respect to risk assessment and risk management, including the guidelines and policies governing the process used by our CEO and senior management to assess and manage the Company's exposure to risk. Key risk areas identified by management are reviewed with the pertinent committee or the full Board, as deemed appropriate by the Board in consultation with management. For example, the Audit Committee reviews major financial risk exposures and the steps management has taken to monitor and control such exposures. In addition, the Governance Committee advises the Board with respect to corporate governance practices that help position the Board to effectively carry out its risk oversight responsibility. The full Board also regularly receives reports, agendas and minutes of the proceedings of its standing committees and, in this way, remains apprised of the risks reviewed by the committees.

The Compensation Committee monitors risks related to the Company's compensation programs. Our Chief Financial Officer and our Vice President, Human Resources evaluate whether our compensation policies and practices for our employees present risks reasonably likely to have a material adverse effect on the Company. They also consider whether or how our compensation policies and practices may relate to our material business risks. These officers review their findings with the Compensation Committee. Based on this review, we do not believe that potential risks arising from our compensation policies and practices are reasonably likely to have a material adverse effect on the Company.

Consideration of Director Nominees

The Governance Committee annually assesses the size, composition and needs of the Board and whether any vacancies on the Board are expected due to retirement or otherwise. In the event that vacancies are anticipated or otherwise occur, the Governance Committee consults with the full Board. The Board may decide either to fill the vacancy or to reduce the size of the Board to eliminate the vacancy. The Board may retain a professional search firm to assist with the identification and evaluation of candidates to fill any vacancy.

The Governance Committee has adopted general criteria for nomination to the Board. These general criteria reflect the Governance Guidelines adopted by the Board, and describe the traits, abilities and experience that, at a minimum, the Governance Committee considers in selecting candidates to recommend for nomination to the Board. The following is a summary of these criteria:

Directors should be of the highest ethical character and share the values of the Company, as represented in the Standards of Conduct and in the Corporate Governance Guidelines;

Directors should hold or have held a generally recognized position of leadership that demonstrates the ability to exercise sound judgment in a wide variety of matters;

A majority of the members of the Board must be independent within the meaning of applicable rules, regulations and listing standards;

Directors should be willing to devote a substantial amount of time to Company business so as to understand the Company's business and keep informed of operations, understand the Company's reporting system and system of internal controls, and exercise care, balance, fairness and due deliberation in the decision-making process;

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Directors should have the ability to attend Board meetings, meetings of all committees of which they are members and annual meetings of stockholders;

Directors should be able to engage in a free and open exchange of ideas and opinions with other directors at Board and committee meetings;

Directors should be able to serve for at least five years before reaching the retirement age of 75;

Directors are expected to comply with stock ownership guidelines established by the Board; and

Directors should be available to offer advice and guidance to the CEO at times other than regularly scheduled Board meetings. In addition, the Governance Committee may consider a director candidate's past contributions to the Board as a director, or specific qualities that may be needed to fill a particular vacancy, such as financial expertise and financial literacy for potential members of the Audit Committee, and other characteristics desired to achieve a balance of knowledge, experience and capability on the Board in view of the Company's current and anticipated businesses and strategies. The Board believes that diversity in age, gender, race, ethnic background, geographic origin and exposure, industry and functional or professional experience can bring distinctive skills, perspectives and experiences to the Board and strengthens the team as a whole. The Governance Committee does not have a formal policy with regard to consideration of diversity in identifying director candidates, but uses its subjective judgment in considering this among other factors.

The Governance Committee will consider director candidates recommended by stockholders if they meet the criteria referred to above. Recommendations may be sent to the Governance Committee in care of the Corporate Secretary at the address set out on the first page of this proxy statement. They must include the following:

the candidate's name and address;

a brief biographical statement of the candidate, including his or her occupation for at least the last five years, and a description of his or her qualifications for Board membership; and

the candidate's signed consent to be named in the proxy statement and to serve as a director if elected.

Any stockholder recommendation of a director candidate for election at the 2011 Annual Meeting must be received no later than December 17, 2010, in order for the Governance Committee to consider it.

Section 2.7 of our By-Laws establishes an alternative procedure for stockholders of record to nominate persons for election to our Board at an annual meeting. The By-Laws do not provide for such nominations to be included in our proxy statement and proxy card. A stockholder who intends to make a nomination at the annual meeting must give timely notice in writing to the Corporate Secretary as set out in our By-Laws. For nominations to be made at the 2011 Annual Meeting, notice must be delivered to the Corporate Secretary at the address set out on the first page of this proxy statement no earlier than January 26, 2011 and no later than February 25, 2011. If, however, the date of the 2011 Annual Meeting is more than 30 days before or more than 60 days after the first anniversary of the 2010 Annual Meeting, then notice must be delivered not earlier than 120 days before the 2011 Annual Meeting and not later than 90 days before the 2011 Annual Meeting or, if we provide less than 100 days' advance notice of the date of the 2011 Annual Meeting, not later than ten days following the day on which public announcement of the date of the 2011 Annual Meeting is first made.

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DIRECTOR COMPENSATION

Our current Director Compensation Program (the 2008 Program) was first adopted by our Board for non-employee director compensation beginning in 2008, following a review by our Governance Committee. The Governance Committee was assisted in this review by its outside compensation consultant, FWC, which provided advice and perspective regarding peer group practices (using the same companies that were used to benchmark 2008 executive compensation) and broader market trends. The 2008 Program is intended to remain in effect until amended or terminated by the Board, but may be amended from time to time.

The 2008 Program consists of annual retainers paid in cash or stock; meeting fees paid in cash or stock; stock options; and restricted deferred stock units. Directors may also elect to defer the annual retainers and meeting fees as deferred cash or deferred stock. Directors who are employees of the Company are not eligible to participate in the 2008 Program. Equity awards are made pursuant to the 2008 Program from shares authorized under our 2008 Omnibus Incentive Plan (the 2008 Plan).

In 2009, as part of our continuing effort to reduce operating costs during this period of economic uncertainty, our Board voted to reduce by 10% the cash-denominated retainer and meeting fees of our non-employee directors for all of 2009, effective January 1, 2009, pursuant to an amendment to the 2008 Program. This temporary reduction ended by its own terms at the end of 2009. Also for 2009, our Board voted to reduce the value of the 2009 annual awards of stock options and restricted deferred stock units by 25% from \$80,000 to \$60,000. No action has been taken to reduce the value of the 2010 annual awards.

The following describes amounts payable to our non-employee directors during 2009.

Retainers. Directors receive an annual retainer for Board service, which was \$36,000 for 2009. The non-executive Chairman of the Board and each director who serves as Chair of a Board committee also receive an additional annual retainer. Retainer fees are denominated in cash and paid in cash at the end of the quarter in which earned unless the director elects to receive the retainer in the form of Intermec common stock or defers the retainer into a deferred cash or stock account under the Director Deferred Compensation Plan. The number of shares or deferred stock units is determined after the end of the quarter in which earned and is based on the fair market value of Intermec common stock. Under the 2008 Program, fair market value is the closing price of Intermec common stock on the first business day after the end of the pertinent quarter. The annual retainer for a non-executive director serving as Chairman of the Board was \$120,000 for the 12-month period ended June 30, 2009 and is \$80,000 for each 12-month period thereafter, which retainer amount is automatically deferred into a stock account under the Director Deferred Compensation Plan. The annual retainers for service as Chair of the Audit Committee, Compensation Committee and Governance Committee were \$13,500, \$9,000 and \$9,000 for 2009, respectively, except that, through June 30, 2009, the Chairman of the Board, when also acting in the capacity of the Chair of the Governance Committee, did not receive any additional committee chair retainer. Our current non-executive Chairman, Allen J. Lauer, has declined to accept any retainer for his service as chairman of the Governance Committee although he is now eligible for such a retainer.

Meeting Fees. Directors receive fees for attendance at Board and committee meetings. The meeting attendance fees are denominated in cash and paid, at the election of the director, in cash or shares of Intermec common stock after the end of the quarter in which earned. The number of shares is determined based on the fair market value of Intermec common stock as described in the preceding paragraph. In 2009, unless otherwise deferred, each director received a fee of \$1,800 for each meeting of the Board and for each meeting of a committee of the Board that the director attended. However, effective July 1, 2009, committee meeting fees were paid only for attendance at meetings of committees of which the director was a member.

Deferred Compensation. Directors may defer all or part of their retainers or meeting attendance fees into a deferred cash or deferred stock account under our Director Deferred Compensation Plan. Each director's deferred stock account is credited with a number of deferred stock units determined based on the dollar amount deferred

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divided, under the 2008 Program, by the fair market value of Intermec common stock on the first business date after the end of the quarter. The cash account is credited with the amount of cash deferred. Credits to the deferred stock and deferred cash accounts are made on the first business day following the end of each quarter. Cash accounts accrue interest at a rate equal to the prime rate. If the Company paid regular cash dividends on the common stock, the directors' stock accounts would be credited with additional share units based on the fair market value of the common stock on the dividend payment date. Transfers between the stock account and the cash account are not permitted. Payment of deferred amounts generally begins in the January following the year in which a director leaves the Board. Directors may elect in advance to receive deferred amounts as a lump sum or in 2 to 15 substantially equal annual installments. Our Director Deferred Compensation Plan became effective in May 2008 and is intended to be a continuation of the deferral components under a predecessor plan.

Stock Options and Restricted Deferred Stock Units. For 2009, our Board voted to reduce by 25% the value of the 2009 annual awards of stock options and restricted deferred stock units to be made to our non-employee directors. The Black-Scholes value of stock options to be awarded to each non-employee director in 2009 was reduced from \$80,000 to \$60,000. The value of restricted deferred stock units to be awarded to each non-employee director in 2009, based on the fair market value of our common stock on the date of grant, was reduced from \$80,000 to \$60,000. Annual option grants generally vest and become exercisable in four equal installments on the first business day of each fiscal quarter, beginning on the date of grant, and generally expire seven years from the date of grant, subject to earlier termination if the director ceases service as a director. Restricted deferred stock unit grants become fully vested at the following annual meeting, provided a director continues to serve on the Board during that period. All restricted deferred stock unit grants to directors under the 2008 Program will automatically be deferred into and subject to the Director Deferred Compensation Plan.

Our directors were compensated in 2009 only as described above and do not participate in any Intermec pension or other benefit plans. We pay or reimburse directors for lodging, travel and other expenses incurred for the purpose of attending meetings of the Board and its committees.

The following table sets forth information regarding the compensation for each of our non-employee directors during 2009.

2009 Director Compensation Table

Name	Fees Earned or Paid in			Total (\$)
	Cash (a) (\$)	Stock Awards (b) (\$)	Option Awards (c) (\$)	
Eric J. Draut	\$ 86,400	\$ 60,003	\$ 58,609	\$ 205,012
Gregory K. Hinckley	82,800	60,003	58,609	201,412
Lydia H. Kennard	86,400	60,003	58,609	205,012
Allen J. Lauer	178,200	60,003	58,609	296,812
Stephen P. Reynolds				