

ADC TELECOMMUNICATIONS INC

Form DEFR14A

January 17, 2007

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**SCHEDULE 14A INFORMATION  
PROXY STATEMENT PURSUANT TO SECTION 14(a)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

- Filed by the Registrant
  - Filed by a Party other than the Registrant
- Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

ADC TELECOMMUNICATIONS, INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
  - 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:
    - 2) Aggregate number of securities to which transaction applies:
    - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):
    - 4) Proposed maximum aggregate value of transaction:
    - 5) Total fee paid:
  - Fee paid previously with preliminary materials.
    - Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
      - 1) Amount Previously Paid:
      - 2) Form, Schedule or Registration Statement No.:
      - 3) Filing Party:
      - 4) Date Filed:
-

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ADC Telecommunications, Inc.  
13625 Technology Drive  
Eden Prairie, Minnesota 55344-2252  
(952) 938-8080

**ADC TELECOMMUNICATIONS, INC.**

**January 23, 2007**

Dear ADC Shareowner:

You cordially are invited to attend the Annual Shareowners Meeting of ADC Telecommunications, Inc., which will be held in the Auditorium at ADC's World Headquarters on Tuesday, March 6, 2007, at 9:00 a.m. Central Standard Time. ADC's World Headquarters are located at 13625 Technology Drive, Eden Prairie, Minnesota 55344. Details of the business to be conducted at the annual meeting are given in the attached notice of annual shareowners meeting.

If you do not plan to attend the annual meeting, please complete, sign, date and return the enclosed proxy card promptly in the accompanying reply envelope, or follow the instructions on the proxy card for voting via telephone or the Internet. If you decide to attend the annual meeting and wish to change your proxy vote, you may do so automatically by voting in person at the annual meeting.

We look forward to seeing you at the annual meeting.

John A. Blanchard III  
Non-executive Chairman of the Board

Eden Prairie, Minnesota

**YOUR VOTE IS IMPORTANT**

**In order to ensure your representation at the annual meeting, please complete, sign and date the enclosed proxy card and return it as promptly as possible in the enclosed envelope (for which no postage is required if mailed in the United States). For alternative voting methods, please refer to the information under the captions **Vote by Internet** and **Vote by Phone** on the proxy card.**

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ADC Telecommunications, Inc.  
13625 Technology Drive  
Eden Prairie, Minnesota 55344-2252  
(952) 938-8080

**NOTICE OF ANNUAL SHAREOWNERS MEETING  
TO BE HELD MARCH 6, 2007**

To the Shareowners of ADC Telecommunications, Inc.:

NOTICE IS HEREBY GIVEN that the Annual Shareowners Meeting of ADC Telecommunications, Inc. will be held at the Auditorium of the World Headquarters of ADC Telecommunications, Inc., 13625 Technology Drive, Eden Prairie, Minnesota 55344, on Tuesday, March 6, 2007, at 9:00 a.m. Central Standard Time, for the purpose of considering and acting upon:

- (1) The election of four directors for terms expiring in 2010;
- (2) A proposal to set the number of directors at ten;
- (3) The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for our fiscal year ending October 31, 2007; and
- (4) The transaction of such other business as may come properly before the meeting or any adjournment thereof.

Shareowners of record at the close of business on January 10, 2007, are the only persons entitled to notice of and to vote at the meeting.

Your attention is directed to the attached proxy statement. If you do not expect to be present at the meeting, you may submit your proxy by voting on the Internet or by telephone by no later than 10:59 p.m. Central Standard Time on March 5, 2007 (as directed on your proxy card), or by completing, signing, dating and mailing the enclosed proxy card as promptly as possible. **We encourage you to vote on the Internet or by telephone in order to reduce our mailing and handling expenses.** If you choose to return the proxy card by mail, we have enclosed an envelope addressed to ADC for which no postage is required if mailed in the United States.

By Order of the Board of Directors

Jeffrey D. Pflaum  
*Vice President, General Counsel  
and Secretary*

January 23, 2007

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ADC Telecommunications, Inc.  
13625 Technology Drive  
Eden Prairie, Minnesota 55344-2252  
(952) 938-8080

**PROXY STATEMENT**

**ANNUAL SHAREOWNERS MEETING  
TO BE HELD ON MARCH 6, 2007**

This proxy statement has been prepared on behalf of the Board of Directors of ADC Telecommunications, Inc. in connection with the solicitation of proxies for our Annual Shareowners Meeting to be held on Tuesday, March 6, 2007, and at any and all adjournments of the annual meeting. The cost of soliciting proxies, including the cost of preparing and mailing the Notice of Annual Shareowners Meeting and this proxy statement, is being paid by us. In addition, we will, upon the request of brokers, dealers, banks, voting trustees and their nominees who are holders of record of shares of our common stock on the record date specified below, bear their reasonable expenses for mailing copies of these materials to the beneficial owners of these shares. In addition, our officers and other employees may solicit proxies in person or by telephone or facsimile, but will receive no extra compensation for these services. This proxy statement and the accompanying form of proxy card are first being mailed to shareowners on or about January 23, 2007.

Shareowners of record at the close of business on January 10, 2007, are the only persons entitled to notice of and to vote at the annual meeting. As of that date, there were 117,264,069 issued and outstanding shares of our common stock, our only outstanding voting securities. Each shareowner is entitled to one vote for each share held, and there is no cumulative voting.

Shareowners can vote their shares through the Internet or by telephone as an alternative to completing and mailing the enclosed proxy card. The procedures for Internet and telephone voting are described on the proxy card. The Internet and telephone voting procedures are designed to verify shareowners' identities, allow shareowners to give voting instructions and confirm that their instructions have been recorded properly. Shareowners who vote through the Internet should be aware that they may incur costs to access the Internet, such as usage charges from telephone companies or Internet service providers, and that these costs must be borne by the shareowner. Shareowners who vote by Internet or telephone need not return a proxy card by mail.

Whether shareowners submit their proxies by mail, telephone or the Internet, a shareowner may revoke a proxy by sending a written notice of revocation or submitting another proxy with a later date (either by mail, telephone or the Internet) at any time prior to the date of the annual meeting or by voting in person at the annual meeting. Unless so revoked, properly executed proxies will be voted in the manner set forth in this proxy statement or as otherwise specified by the shareowner giving the proxy.

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BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth the number of shares of our common stock that were beneficially owned as of December 31, 2006, by our directors, our executive officers included in the Summary Compensation Table set forth under the caption Executive Compensation below, all of our directors and executive officers as a group and all shareowners known by us to be beneficial owners of more than five percent of our common stock. Except as otherwise indicated, the shareowners listed in the table have sole voting and investment power with respect to the common stock owned by them.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Common Stock Outstanding
Lord, Abbett & Co. LLC 90 Hudson Street Jersey City, NJ 07302	11,956,146(1)	10.20%
AllianceBernstein L.P. c/o AXA Financial, Inc. 1290 Avenue of the Americas New York, NY 10104	10,072,028(2)	8.6%
Robert E. Switz	689,589(3)	*
Gokul V. Hemmady	101,298(3)	*
Patrick D. O'Brien	96,847(3)	*
Richard B. Parran	28,383(3)	*
Jeffrey D. Pflaum	80,760(3)	*
John J. Boyle III	152,586(4)	*
John A. Blanchard III	83,134(4)	*
John D. Wunsch	44,694(4)	*
Jean-Pierre Rosso	52,508(4)	*
James C. Castle, Ph.D.	38,630(4)	*
Larry W. Wangberg	31,547(4)	*
Mickey P. Foret	26,452(4)	*
Lois M. Martin	13,584(4)	*
J. Kevin Gilligan	12,584(4)	*
John E. Rehfeld	13,584(4)	*
William R. Spivey, Ph.D.	12,584(4)	*
All executive officers and directors as a group (19 persons)	1,615,324(5)	1.38%

\* Less than 1%.

(1) Based on information in a Schedule 13G/A dated July 31, 2006, filed by Lord, Abbett & Co. LLC.

(2) Based on information in a Schedule 13G/A dated October 31, 2006, filed by AXA Financial, Inc. on behalf of AllianceBernstein L.P.

- (3) Includes (a) shares issuable pursuant to stock options exercisable within 60 days after December 31, 2006 and (b) shares held in trust for the benefit of the executive officers pursuant to our Retirement Savings Plan, which we call the 401(k) Plan in this proxy statement as follows: for Mr. Switz, (a) options to purchase 543,274 shares and (b) 9,018 shares; for Mr. Hemmady, (a) options to purchase 82,554 shares and (b) 210 shares; for Mr. O'Brien, (a) options to purchase 74,739 shares and (b) 3,336 shares; for Mr. Parran, (a) options to purchase 27,835 shares and (b) 0 shares; and for Mr. Pflaum, options to purchase 62,666 shares and (b) 2,237 shares.

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- (4) Includes the following shares issuable pursuant to options exercisable within 60 days after December 31, 2006: for Mr. Boyle, 140,113 shares; for Mr. Blanchard, 43,908 shares; for Mr. Wunsch, 39,552 shares; for Mr. Rosso, 46,908 shares; for Dr. Castle, 15,755 shares; for Mr. Wangberg, 30,833 shares; for Mr. Foret, 16,452 shares; for Ms. Martin, 12,584 shares; for Mr. Gilligan, 12,584 shares; for Mr. Rehfeld, 12,584 shares; and for Dr. Spivey, 12,584 shares.
- (5) Includes (a) 1,276,342 shares issuable pursuant to stock options exercisable within 60 days after December 31, 2006; and (b) 22,026 shares held in trust for the benefit of executive officers pursuant to the 401(k) Plan.

**CORPORATE GOVERNANCE AND BOARD MATTERS**

**Governance Principles and Code of Ethics**

Our Board of Directors is committed to sound and effective corporate governance practices. The Board has adopted written Principles of Corporate Governance, which govern the composition of the Board, Board meetings and procedures and the standing committees of the Board. The Board of Directors has the following standing committees: Audit Committee, Compensation Committee, Governance Committee (which includes Board nomination responsibility), and Finance and Strategic Planning Committee. Each of these committees has a written charter. Our Principles of Corporate Governance and the charters for each of our standing committees are available for review on our website at [www.adc.com/investorrelations/corporategovernance](http://www.adc.com/investorrelations/corporategovernance).

Our Principles of Corporate Governance provide that a majority of our directors and all members of our Audit Committee, Compensation Committee and Governance Committee will be independent. Currently, we have a Non-executive Chairman of the Bo