

ATLANTIS PLASTICS INC

Form DEF 14A

April 29, 2004

Table of Contents

SCHEDULE 14A INFORMATION

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

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

- o Preliminary Proxy Statement.
- o Confidential, for Use of the Commission Only.
- x Definitive Proxy Statement.
- o Definitive Additional Materials.
- o Soliciting Material pursuant to Rule 14a-11(c) or Rule 14a-12.

ATLANTIS PLASTICS, INC.

(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) 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:

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- o Fee paid previously with preliminary materials.
- o 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:

Table of Contents

ATLANTIS PLASTICS, INC.

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 25, 2004**

To our Shareholders:

The 2004 Annual Meeting of Shareholders of Atlantis Plastics, Inc. will be held at 9:00 a.m., local time, on Tuesday, May 25, 2004 at the Grand Bay Hotel, 2669 South Bayshore Drive, Miami, Florida 33133. At the meeting, shareholders will vote on the following matters:

1. Election of nine directors, each for a term of one year; and

2. Any other matters that properly come before the meeting and any postponement or adjournment thereof.

Shareholders of record as of the close of business on March 26, 2004 are entitled to notice of, and to vote at the meeting and any postponement or adjournment thereof.

Whether or not you expect to be present please sign, date and return the enclosed proxy card in the enclosed pre-addressed envelope as promptly as possible. No postage is required if mailed in the United States.

By Order of the Board of Directors,

/s/ Marilyn D. Kuffner
Secretary

Miami, Florida
April 29, 2004

THIS IS AN IMPORTANT MEETING AND ALL SHAREHOLDERS ARE INVITED TO ATTEND THE MEETING IN PERSON. THOSE SHAREHOLDERS WHO ARE UNABLE TO ATTEND ARE RESPECTFULLY URGED TO EXECUTE AND RETURN THE ENCLOSED PROXY CARD AS PROMPTLY AS POSSIBLE. SHAREHOLDERS WHO EXECUTE A PROXY CARD MAY NEVERTHELESS ATTEND THE MEETING, REVOKE THEIR PROXY AND VOTE THEIR SHARES IN PERSON.

Table of Contents

TABLE OF CONTENTS

	<u>Page</u>
<u>ABOUT THE MEETING</u>	1
<u>What is the purpose of the annual meeting?</u>	1
<u>Who is entitled to vote at the meeting?</u>	1
<u>What are the voting rights of shareholders?</u>	1
<u>Who may attend the meeting?</u>	1
<u>What constitutes a quorum?</u>	2
<u>How do I vote?</u>	2
<u>Can I change my vote after I return my proxy card?</u>	2
<u>What are the board's recommendations?</u>	2
<u>What vote is required to approve each item?</u>	2
<u>What are the effects of broker non-votes?</u>	3
<u>Who will pay for the preparation of the proxy?</u>	3
<u>Annual Report and Other Matters</u>	3
<u>STOCK OWNERSHIP</u>	4
<u>Who are the largest owners of our stock and how much do our directors and executive officers own?</u>	4
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	6
<u>ELECTION OF DIRECTORS</u>	7
<u>Directors Standing for Election</u>	7
<u>How are directors compensated?</u>	7
<u>How often did the board meet during 2003?</u>	7
<u>What committees has the board established?</u>	8
<u>MANAGEMENT</u>	10
<u>Directors and Executive Officers</u>	10
<u>EXECUTIVE COMPENSATION AND OTHER INFORMATION</u>	13
<u>Summary Compensation Table</u>	13
<u>Stock Option Grants in the Last Fiscal Year</u>	14

Table of Contents

	Page
<u>Stock Option Exercises and Values for Fiscal 2003</u>	15
<u>Equity Compensation Plan Information</u>	15
<u>Report of the Compensation Committee</u>	16
<u>Compensation Committee Interlocks and Insider Participation</u>	17
<u>Employment Contracts and Termination of Employment Arrangements</u>	17
<u>PERFORMANCE GRAPH</u>	19
<u>REPORT OF THE AUDIT COMMITTEE</u>	20
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	21
<u>RELATIONSHIP WITH INDEPENDENT AUDITORS</u>	22
<u>Audit Committee Pre-Approvals</u>	22
<u>2003 ANNUAL REPORT ON FORM 10-K</u>	22
<u>OTHER MATTERS</u>	23
<u>SHAREHOLDER PROPOSALS FOR THE 2005 ANNUAL MEETING</u>	23

Table of Contents

ATLANTIS PLASTICS, INC.

ANNUAL MEETING OF SHAREHOLDERS

PROXY STATEMENT

The enclosed proxy is solicited on behalf of Atlantis Plastics, Inc., a Florida corporation, for use at our annual meeting of shareholders to be held on Tuesday, May 25, 2004, beginning at 9:00 a.m. local time, at the Grand Bay Hotel, 2669 South Bayshore Drive, Miami, Florida 33133. The purpose of this proxy statement is to solicit proxies from the holders of our Class A common stock for use at the meeting. Our Class B common stock is not registered under Section 12 of the Securities Exchange Act of 1934, and no proxies are being solicited from the holders of our Class B common stock.

The approximate date that this proxy statement, the accompanying notice of annual meeting and the enclosed form of proxy are being sent to shareholders is April 29, 2004. You should review this information in conjunction with our 2003 Annual Report to Shareholders, which accompanies this proxy statement.

ABOUT THE MEETING

What is the purpose of the annual meeting?

At the annual meeting, shareholders will act upon the matters outlined in the accompanying notice of meeting, including the election of directors. In addition, our management will report on our performance during 2003 and respond to questions from shareholders.

Who is entitled to vote at the meeting?

Only shareholders of record at the close of business on the record date, March 26, 2004, are entitled to receive notice of the annual meeting and to vote the shares of common stock that they held on that date at the meeting, or any postponements or adjournments of the meeting.

What are the voting rights of shareholders?

We currently have outstanding two classes of common stock, Class A common stock and Class B common stock, both of which are entitled to vote at the meeting. Each holder of the Class A common stock is entitled to one vote per share on all matters that are voted on at the meeting. The holders of Class A common stock will vote separately as a class to elect three of our directors. Each holder of the Class B common stock is entitled to 10 votes per share on all matters voted on at the meeting, except for the election of directors. The Class B common shareholders vote separately as a class to elect six of our directors. On all matters except the election of directors, the holders of both classes of common stock vote together as a single class.

Who may attend the meeting?

Edgar Filing: ATLANTIS PLASTICS INC - Form DEF 14A

All shareholders as of the record date, or their duly appointed proxies, may attend the meeting. Please note that if you hold shares in street name (that is, through a broker or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the record date.

Table of Contents

What constitutes a quorum?

The presence at the meeting, in person or by proxy, of the holders of a majority of the shares of each of the Class A and Class B common stock outstanding on the record date will constitute a quorum, permitting the meeting to conduct its business. As of the record date, 5,354,191 shares of our Class A common stock and 2,327,632 shares of our Class B common stock were outstanding. Proxies received but marked as abstentions and broker non-votes will be included in the calculation of the number of shares considered to be present at the meeting.

If less than a majority of the outstanding shares of each class of common stock are represented at the meeting, a majority of the shares present at the meeting may adjourn the meeting without further notice.

How do I vote?

If you complete and properly sign the accompanying proxy card and return it to us, it will be voted as you direct. If you are a registered shareholder and attend the meeting, you may deliver your completed proxy card in person. Street name shareholders who wish to vote at the meeting will need to obtain a proxy form from the institution that holds their shares.

Can I change my vote after I return my proxy card?

Yes. Even after you have submitted your proxy, you may revoke the proxy and change your vote at any time before the proxy is exercised by filing with us either a notice of revocation or a duly executed proxy bearing a later date. The powers of the proxy holders will be suspended if you attend the meeting in person and so request, although attendance at the meeting will not by itself revoke a previously granted proxy.

What are the board's recommendations?

Unless you give other instructions on your proxy card, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of our board of directors. Each of the board's recommendations is set forth together with the description of each item in this proxy statement. In summary, the board recommends a vote for election of its nominees for directors.

Our board of directors does not know of any other matters that may be brought before the meeting nor does it foresee or have reason to believe that the proxy holders will have to vote for substitute or alternate board nominees for directors. In the event that any other matter should properly come before the meeting or any nominee for director is not available for election, the proxy holders will vote as recommended by the board of directors or, if no recommendation is given, in accordance with their best judgment.

What vote is required to approve each item?

Election of Directors. The holders of our Class A common stock and Class B common stock will each vote separately as a class for the election of directors. The affirmative vote of a plurality of the votes cast at the meeting by each class of common stock (either in person or by proxy) is required for the election of directors by that class.

Other Items. For each other item, the affirmative vote of a plurality of the votes cast at the meeting by both classes of common shareholders, voting together as a single class (either in person or by proxy), will be required for approval. A properly executed proxy marked **ABSTAIN** with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention will have the effect of a negative vote.

Table of Contents

What are the effects of broker non-votes ?

If you hold your shares in street name through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some of the matters to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters. Shares represented by these broker non-votes will, however, be counted in determining whether there is a quorum. As a result, broker non-votes will have the effect of a negative vote.

Who will pay for the preparation of the proxy?

We will pay the cost of preparing, assembling, and mailing the proxy statement, notice of meeting, and enclosed proxy card. In addition to the use of mail, our employees may solicit proxies personally and by telephone. Our employees will receive no compensation for soliciting proxies other than their regular salaries. We may request banks, brokers, and other custodians, nominees, and fiduciaries to forward copies of the proxy material to the beneficial owners of our common stock and to request authority for the execution of proxies, and we may reimburse such persons for their expenses incurred in connection with these activities.

Our principal executive offices are located at 1870 The Exchange, Suite 200, Atlanta, Georgia 30339, and our telephone number is (800) 497-7659. A list of shareholders entitled to vote at the annual meeting will be available at our offices for a period of 10 days prior to the meeting and at the meeting itself for examination by any shareholder.

Annual Report and Other Matters

Our 2003 Annual Report to Shareholders, which was mailed to shareholders with or preceding this proxy statement, contains financial and other information about our company, but is not incorporated into this proxy statement and is not to be considered a part of these proxy soliciting materials or subject to Regulations 14A or 14C or to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended. The information contained in the Compensation Committee Report on Executive Compensation, Report of the Audit Committee, and Performance Graph below shall not be deemed filed with the Securities and Exchange Commission, or the SEC, or subject to Regulations 14A or 14C or to the liabilities of Section 18 of the Exchange Act.

We will provide, without charge, a copy of our Annual Report on Form 10-K for the year ended December 31, 2003 as filed with the SEC to each shareholder who requests a copy in writing. Any exhibits listed in the Form 10-K report also will be furnished upon request at the actual expense we incur in furnishing such exhibit. Any such requests should be directed to our company's secretary at our executive offices set forth in this proxy statement.

Table of Contents**STOCK OWNERSHIP*****Who are the largest owners of our stock and how much do our directors and executive officers own?***

The following table shows the amount of each class of common stock beneficially owned as of March 26, 2004 by (a) each of our directors and nominees for director, (b) each of our current executive officers named in the Summary Compensation Table below, (c) all of our directors and current executive officers as a group, and (d) each person known by us to own beneficially more than five percent of our outstanding common stock. Unless otherwise indicated, the address of each person is 2665 South Bayshore Drive, Suite 800, Miami, Florida 33133.

Name and Address	Class A Common Stock Beneficially Owned(1)(2)		Class B Common Stock Beneficially Owned(1)		Voting Stock
	Shares	Percent(3)	Shares	Percent(3)	
Directors and Executive Officers					
Cesar L. Alvarez (4) (18)	12,000	*			*
Keith R. Boehringer (5) (19)	42,000	*			*
Anthony F. Bova (6) (20)	542,200	9.3%			1.9%
John A. Geary (7) (19)	83,770	1.5%			*
Phillip T. George, M.D. (8) (18)	605,591	11.3%	788,828	33.9%	29.7%
Larry D. Horner (9) (18)	12,000	*			*
Charles D. Murphy, III (10) (18)	37,216	*			*
V.M. Bud Philbrook (19)					
Joseph D. Piccione (11) (19)	84,800	1.6%			*
Earl W. Powell (12) (18)	897,536	16.8%	1,208,720	51.9%	45.4%
Paul G. Saari (13) (19)	93,900	1.7%			*
Jay Shuster (14) (18)	10,900	*			*
Chester B. Vanatta (15) (18)	49,419	*			*
Peter Vandenberg, Jr. (16) (18)	15,000	*			*
All directors and executive officers as a group (14 persons) (17)	2,457,519	39.9%	1,997,548	85.8%	76.2%
5% Shareholders					
Michael W. Cook Asset Management, Inc. (21)	304,475	5.7%			1.1%
Dimensional Fund Advisors Inc. (22)	234,320	4.4%			*

* Represents less than 1% of our outstanding common stock.

(1) Unless otherwise indicated, each person has sole voting and investment power with respect to all such shares. For purposes of this table, a person is deemed to have beneficial ownership of any shares as of March 26, 2004 which the person has the right to acquire within 60 days after such date. For purposes of computing the outstanding shares held

by each person named above on a given date, any shares which such person has the right to acquire within 60 days after such date are deemed to be outstanding, but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person.

Table of Contents

(2) Although each named person is deemed to be the beneficial owner of shares that may be acquired within 60 days of March 26, 2004 through the exercise of exchange or conversion rights, and the Class B common stock is immediately convertible into Class A common stock on a one-for-one basis, the number of shares set forth opposite each person does not include shares of Class A common stock issuable upon conversion of Class B common stock.

(3) The percentage of each class is calculated based upon the total number of shares of each class outstanding on March 26, 2004.

(4) Represents 12,000 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Alvarez's address is c/o Greenberg Traurig, P.A., 1221 Brickell Avenue, Miami, Florida 33131.

(5) Represents 42,000 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Boehringer's address is c/o Atlantis Plastics, Inc., 1870 The Exchange, Suite 200, Atlanta, Georgia 30339.

(6) The number of shares of Class A Common Stock indicated includes (i) 35,000 shares directly owned with his wife as tenants in common and (ii) 507,200 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Bova's address is c/o Atlantis Plastics, Inc., 1870 The Exchange, Suite 200, Atlanta, Georgia 30339.

(7) The number of shares of Class A Common Stock indicated includes (i) 3,270 shares directly owned and (ii) 80,500 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Geary's address is 57850 Tailwind Court, Elkhart, Indiana 46517.

(8) The number of shares of Class A Common Stock indicated includes (i) 509,956 shares directly owned; (ii) 79,822 shares held of record by Dr. George's minor children, as to which Dr. George disclaims beneficial ownership; (iii) 13,813 shares held of record by Trivest Plan Sponsor, Inc., a Delaware corporation (Trivest Plan Sponsor), owned by Dr. George and Mr. Powell; and (iv) 2,000 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. The number of shares of Class B Common Stock indicated reflects 788,828 shares directly owned by Dr. George. Dr. George's address is 2601 South Bayshore Drive, Suite 725, Miami, Florida 33133.

(9) Represents 12,000 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Horner's address is Lot 24, Caleta-Palmilla, San Jose del Cabo, B.C.S., Mexico.

(10) The number of shares of Class A Common Stock indicated includes (i) 35,216 shares directly owned and (ii) 2,000 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Murphy's address is 136 Otter Close, The Sea Ranch, California 95497.

(11) Represents 84,800 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Piccione's address is c/o Atlantis Plastics, Inc., 1870 The Exchange, Suite 200, Atlanta, Georgia 30339.

Table of Contents

(12) The number of shares of Class A Common Stock indicated includes (i) 3,090 shares of Class A Common Stock beneficially owned by Mr. Powell's spouse and held by her in an Individual Retirement Account, as to which Mr. Powell disclaims beneficial ownership; (ii) 638,151 shares directly owned; (iii) 13,813 shares held of record by Trivest Plan Sponsor; (iv) 2,000 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004; and (v) 240,482 shares owned of record by CWB Limited Partnership, a limited partnership (CWB) of which Mr. Powell is the sole limited partner. The general partner of CWB is Powell Western Investments, Inc., of which Mr. Powell is a director and a controlling shareholder. The number of shares of Class B Common Stock indicated includes (i) 844,202 shares directly owned by Mr. Powell, and (ii) 364,518 shares owned of record by CWB Limited Partnership. Mr. Powell's address is c/o Trivest Partners, L.P., 2665 S. Bayshore Drive, Suite 800, Miami, Florida 33133.

(13) The number of shares of Class A Common Stock indicated includes (i) 42,900 shares directly owned and (ii) 51,000 shares issuable upon exercise of options granted pursuant to the Company's options plans exercisable within 60 days of March 26, 2004. Mr. Saari's address is c/o Atlantis Plastics, Inc., 1870 The Exchange, Suite 200, Atlanta, Georgia 30339.

(14) The number of shares of Class A Common Stock indicated includes (i) 2,900 shares directly owned and (ii) 8,000 shares issuable upon exercise of options granted pursuant to the Company's option plans exercisable within 60 days of March 26, 2004. Mr. Shuster's address is 1066 Winding Branch Circle, Dunwoody, Georgia 30338.

(15) The number of shares of Class A Common Stock indicated includes (i) 47,419 shares directly owned and (ii) 2,000 shares issuable upon exercise of options granted under the Company's options plans exercisable within 60 days of March 26, 2004. Mr. Vanatta's address is 29990 S. 567 Road, Monkey Island, Oklahoma 74331-8180.

(16) The number of shares of Class A Common Stock indicated includes 15,000 shares directly owned. Mr. Vandenberg's address is c/o Trivest Partners, L.P., 2665 S. Bayshore Drive, Suite 800, Miami, Florida 33133.

(17) The number of shares of Class A Common Stock indicated includes 805,500 shares issuable upon exercise of options granted under the Company's options plans exercisable within 60 days of March 26, 2004.

(18) The named individual is a director of the Company.

(19) The named individual is an executive officer of the Company.

(20) The named individual is a director and executive officer of the Company.

(21) Based on a Schedule 13G filed on February 19, 2004 by Michael W. Cook Asset Management, Inc. with the SEC, which indicates that its address is 5170 Sanderlin Avenue, Suite 200, Memphis, Tennessee 38117.

(22) Based on a Schedule 13G filed on February 6, 2004 by Dimensional Fund Advisors, Inc. (Dimensional), an investment advisor registered under the Investment Advisors Act of 1940, with the SEC, which indicates that all such shares are owned by advisory clients of Dimensional, that Dimensional disclaims beneficial ownership of such shares, and that its address is 1299 Ocean Avenue, 11th Floor, Santa Monica, California 90401.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, officers, and persons who own more than 10% of a registered class of our equity securities to file reports of ownership and changes in ownership with the Securities and

Exchange Commission. These regulations require the directors, officers, and greater than 10% shareholders to furnish us with copies of all Section 16(a) forms they file. Based solely upon our review of the copies of such forms received by us during the fiscal year ended December 31, 2003, and written representations that no other reports were required, we believe that each person who, at any time during such fiscal year was a director, officer, or beneficial owner of more than 10% of our common stock, complied with all Section 16(a) filing requirements during such fiscal year.

Table of Contents

ELECTION OF DIRECTORS

Our bylaws provide that the board of directors shall consist of not fewer than two nor more than nine members. At present, the board of directors consists of nine members: three directors elected by the holders of Class A common stock and six directors elected by the holders of Class B common stock. The present term of all such directors will expire at the meeting. Each of the nine directors to be elected at the meeting will serve for a one-year term expiring at the 2005 annual meeting of shareholders and until a successor has been duly elected and qualified. The board of directors proposes that the Class A director nominees described below, each of whom is currently serving as a Class A director be re-elected by the holders of Class A common stock for a new one-year term and until their successors are duly elected and qualified.

Directors Standing for Election

The holders of our Class A common stock, voting separately as a class, will elect three Class A directors at the meeting. The board of directors has nominated Larry D. Horner, Charles D. Murphy, III and Chester B. Vanatta, each of whom is currently serving as a Class A director, to stand for re-election and proxies representing our Class A common stock will be voted for them absent contrary instructions. For additional information concerning Messrs. Horner, Murphy and Vanatta, including a description of their business experience, please see Management Directors and Executive Officers.

The holders of our Class B common stock, voting separately as a class, will elect six Class B directors at the meeting. The board of directors has nominated Earl W. Powell, Phillip T. George, M.D., Anthony F. Bova, Cesar L. Alvarez, Peter Vandenberg, Jr., and Jay Shuster, all of whom are currently serving as Class B directors, to stand for re-election.

The board of directors has no reason to believe that any nominee will refuse to act or be unable to accept election. However, if any of the nominees for director to be elected by the holders of Class A common stock is unable to accept election or if any other unforeseen contingencies should arise, the board of directors may designate a substitute nominee. In that case, the persons named as proxies will vote for the substitute nominee designated by the board.

How are directors compensated?

Fees. We pay each of our non-employee directors an annual fee of \$32,000, which is paid quarterly. Additionally, we pay the chair of our executive committee \$120,000 annually, our audit committee chair \$5,000 annually, and the chair of our compensation committee \$3,000 annually. We also reimburse our directors for all out-of-pocket expenses incurred in the performance of their duties as directors.

Options. All of our directors are eligible to receive grants of stock options under one or more of our stock option plans. During 2003, our non-employee directors were not granted stock options.

How often did the board meet during 2003?

The board of directors held four meetings during 2003. Each of our directors (other than Mr. Alvarez) attended more than 75% of the total number of meetings of the board and committees on which he served. We encourage each of our directors to attend each annual meeting of shareholders. To that end, and to the extent reasonably practicable, we regularly schedule a meeting of the board of directors on the same day as our annual meeting of shareholders.

Table of Contents

What committees has the board established?

Our board of directors has established four standing committees: an executive committee, an audit committee, a nominating and corporate governance committee, and a compensation committee.

Our board of directors has adopted charters for the audit and nominating and corporate governance Committees describing the authority and responsibilities delegated to each committee by the board of directors. Our board of directors has also adopted the Nominating and Corporate Governance Committee Charter, a Whistle Blower Policy, and a Code of Ethics for the CEO and Senior Financial Officers. We post on our website at www.AtlantisPlastics.com, the charters of our audit and nominating and corporate governance committees; our Whistle Blower Policy, and Code of Ethics for the CEO and Senior Financial Officers, and any amendments or waivers thereto; and any other corporate governance materials contemplated by SEC or the American Stock Exchange regulations. These documents are also available in print to any shareholder requesting a copy in writing from our corporate secretary at our executive officers set forth in this proxy statement.

Interested parties may communicate with our board of directors or specific members of our board of directors, including the members of our various board committees, by submitting a letter addressed to the Board of Directors of Atlantis Plastics, Inc. c/o any specified individual director or directors at the address listed herein. Any such letters are sent to the indicated directors.

Executive Committee. The executive committee has, and may exercise, all of the power and authority of the board of directors in the management of our business and affairs. The current members of the executive committee are Dr. George, who chairs the committee, Messrs. Powell and Bova. The executive committee held no meetings during 2003, and took one action by unanimous written consent.

Audit Committee. The primary responsibilities of the audit committee are set forth in its charter, and include reviewing and monitoring our corporate financial reporting and our external audit, including, among other things, our control functions, the results and scope of the annual audit and other services provided by our independent auditors and our compliance with legal requirements that have a significant impact on our financial reports. The audit committee also consults with our management and our independent auditors regarding the preparation of financial statements and, as appropriate, initiates inquiries into aspects of our financial affairs. In addition, the audit committee has the responsibility to consider and recommend the appointment of, and to pre-approve services provided by, and fee arrangements with, our independent auditors. The current members of the audit committee are Mr. Vanatta, who chairs the committee, and Messrs. Murphy and Horner, each of whom is an independent director of our company under the American Stock Exchange rules as well as under rules adopted by the Securities and Exchange Commission pursuant to the Sarbanes-Oxley Act of 2002. The board of directors has determined that Messrs. Vanatta, Horner, and Murphy (whose backgrounds are detailed below) qualify as audit committee financial experts in accordance with applicable rules and regulations of the SEC. The audit committee held six meetings during 2003.

Table of Contents

Nominating and Corporate Governance Committee. The purpose and responsibilities of the nominating and corporate governance committee include the identification of individuals qualified to become board members, the selection or recommendation to the board of directors of nominees to stand for election as directors at each election of directors, the development and recommendation to the board of directors of a set of corporate governance principles applicable to our company, the oversight of the selection and composition of committees of the board of directors, and the oversight of the evaluations of the board of directors and management. The nominating and corporate governance committee currently consists of Mr. Horner, who chairs the Committee, and Messrs. Alvarez and Vanatta. The nominating and corporate governance committee will consider persons recommended by shareholders for inclusion as nominees for election to our board of directors if the names, biographical data, and qualifications of such persons are submitted in writing in a timely manner addressed, and delivered to our company's secretary at the address listed herein. The nominating and corporate governance committee identifies and evaluates nominees for our board of directors, including nominees recommended by shareholders, based on numerous factors it considers appropriate, some of which may include strength of character, mature judgment, career specialization, relevant technical skills, diversity, and the extent to which the nominee would fill a present need on our board of directors. As discussed below, Messrs. Alvarez, Horner and Vanatta of the nominating and corporate governance committee are independent, as that term is defined by the listing standards of the American Stock Exchange. The nominating and corporate governance committee held no meetings in 2003, and acted once by written consent.

Compensation Committee. The purpose and responsibilities of the compensation committee, include reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer, evaluating the performance of our Chief Executive Officer in light of those goals and objectives, and determining and approving the compensation level of our Chief Executive Officer based on this evaluation. The compensation committee also recommends to the board of directors with respect to, or, as directed by the board of directors, determines and approves compensation of our other executive officers, and considers the grant of stock options to our executive officers under our stock option plans. The compensation committee has the exclusive power to make compensation decisions affecting Mr. Powell, Dr. George, Mr. Bova, and Trivest Partners, L.P. The current members of the compensation committee are Mr. Horner, who chairs the committee, and Messrs. Murphy, Schuster and Vanatta. The compensation committee held two meetings in 2003, and did not act by written consent.

Table of Contents**MANAGEMENT*****Directors and Executive Officers***

The following table, together with the accompanying text, present certain information, as of March 26, 2004, with respect to each of our directors and executive officers. Each of our directors is a United States citizen. Each of our directors is elected annually until the next annual meeting of shareholders and until a successor is duly elected and qualified. Each of our executive officers serves until the election and qualification of his successor or until his death, resignation or removal by our board of directors.

NAME	AGE	POSITION(S) HELD WITH THE COMPANY
Earl W. Powell	65	Chairman of the Board
Phillip T. George, M.D.	64	Vice Chairman of the Board and Chairman of the Executive Committee of the Board of Directors
Anthony F. Bova	58	President, Chief Executive Officer and Director
Paul G. Saari	48	Senior Vice President of Finance and Chief Financial Officer
Keith R. Boehringer	58	Senior Vice President of Operations Stretch Film Division
Joseph J. Piccione	42	Senior Vice President and General Manager - Plastic Films Group
V.M. Bud Philbrook	50	President, Plastic Films Division
John A. Geary	57	Senior Vice President and General Manager Molded Products Group
Cesar L. Alvarez	56	Director
Larry D. Horner	70	Director
Charles D. Murphy, III	60	Director
Jay Shuster	49	Director
Chester B. Vanatta	68	Director
Peter Vandenberg, Jr.	49	Director

There are no family relationships among our executive officers or directors.

Earl W. Powell, one of our cofounders, has served as Chairman of our Board of Directors since our inception. Mr. Powell also served as our Chief Executive Officer until February 1995, and served as our President from November 1993 to February 1995. Mr. Powell also serves as Chairman of the Board, President, and Chief Executive Officer of Trivest Partners, L.P., a private investment firm formed by Mr. Powell and Dr. George in 1981 that specializes in management services and acquisitions, dispositions, and leveraged buyouts. Mr. Powell also serves as

the Chairman of the Board of Brown Jordan International, Inc., a designer, manufacturer, and marketer of fine contract and retail furnishings. From 1971 until 1985, Mr. Powell was a partner with KPMG Peat Marwick, certified public accountants, where his positions included serving as managing partner of Peat Marwick's Miami office.

Table of Contents

Phillip T. George, M.D., one of our cofounders, has served as the Vice Chairman of our Board of Directors since our inception. Dr. George is also the chairman of our executive committee. Since January 2000, Dr. George has served as the Chairman and Chief Executive Officer of Brava, LLC, a medical device company, as his principal occupation. From 1986 until December 1999, Dr. George served as the Vice Chairman of the Board of Trivest. Dr. George was previously engaged in the private practice of plastic and reconstructive surgery.

Anthony F. Bova has been our President, Chief Executive Officer, and a director since February 1995. From June 1991 to October 1994, Mr. Bova served as the Senior Vice President and General Manager of Packaging Corporation of America, a manufacturer and distributor of consumer packaging products. From June 1988 to May 1991, Mr. Bova served as Senior Vice President of Avery Dennison Corporation, a producer and distributor of labels, identification systems, and office products.

Paul G. Saari has served as our Senior Vice President of Finance and Chief Financial Officer since December 2000. From 1984 until 2000, Mr. Saari was employed by Rock-Tenn Company, a manufacturer of packaging, recycled paperboard, and paperboard products. Mr. Saari served as Rock-Tenn Company's Vice President of Finance from 1994 to 2000, and as Treasurer from 1988 to 1994.

Keith R. Boehringer has served as our Senior Vice President of Operations for the Plastic Films Group since March 2001. From 1976 to 2001, Mr. Boehringer was employed by Mobil Corporation and its successors, Tenneco and Pactiv where he served as Director of Operations, PE Packaging from 1999 to 2001, and as Manufacturing Manager, PE Packaging from 1997 to 1999. From 1996 to 1997, Mr. Boehringer served as Manufacturing and Technical Manager, Stretch Film, and as the Plant Manager from 1986 to 1996.

Joseph J. Piccione joined us in January 1996, and was appointed Senior Vice President of the Plastic Films Group in October 2002. In August 1996, he was appointed Senior Vice President and General Manager of our Custom and Institutional Film Division. In May 1997, he was appointed Vice President and General Manager of our Stretch Film Division. In February 2001, Mr. Piccione was appointed Senior Vice President of Sales and Marketing for Atlantis Plastics Films. From April 1993 until December 1995, Mr. Piccione served as Business Manager of the Searcy Packaging Division of Bruce Corporation. From July 1986 to July 1992, he was a Product Manager for Mobil Chemical Company.

V.M. Bud Philbrook was appointed as President of our Plastic Films Group in November 2003. From October 2002 until October 2003 he was President and Chief Executive Officer of Plassein International, Inc., which filed petitions for protection under Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware in May 2003, and was ultimately sold as an on-going concern in September 2003. From October 2000 until October 2002, Mr. Philbrook served initially as Executive Vice President and later as Group Vice President of Consumer Packaging, Americas, a diversified packaging unit of Huhtamaki Packaging Worldwide. From May 1998 through September 2000 he was President of Van Leer Flexibles, L.P., a specialty films business. From 1987 through 1997, he held various positions with The Chinnet Company, a disposable packaging subsidiary of Van Leer Packaging Worldwide.

John A. Geary was appointed Senior Vice President of the Molded Products Group in October 2002. He has served as our Vice President and General Manager of the Profile Extrusion Division since March 1995, and the Injection Molding Division since November 1995. These divisions together constitute our Molded Products Group. Mr. Geary joined us in October 1994 as the President of our Profile Extrusion Division. From October 1989 to July 1994, Mr. Geary served as the Vice President and General Manager of the plastics division of Aeroquip Corporation.

Cesar L. Alvarez was appointed as one of our directors in May 1995. Mr. Alvarez has served as the President and Chief Executive Officer of Greenberg Traurig, LLP, an international law firm, for more than five years and previously

served as the Chairman of its corporate, securities, and banking department. Greenberg Traurig, LLP provides legal services for us. See Certain Relationships and Related Matters. Mr. Alvarez also serves as a director for Pediatrix Medical Group, Inc. and Watsco, Inc., both of which are traded on the NYSE. Mr. Alvarez is an independent director.

Table of Contents

Larry D. Horner was appointed as one of our directors in March 1995. He served as Chairman of the Board of Directors of Pacific USA Holdings Corp. from August 1994 until May 2001. Mr. Horner also served as Chairman of the Board and Chief Executive Officer of Asia Pacific Wire & Cable Company Ltd. until May 2001. Previously, he was a Managing Director of Arnhold & S. Bleichroeder, Inc. from April 1991 through August 1994. From 1964 until April 1991, Mr. Horner was a partner with Peat Marwick (now KPMG), and served as the firm's Chairman and Chief Executive Officer from 1984 through 1991. Mr. Horner also serves as a director of Conoco Phillips, Technical Olympics USA, Inc., Clinical Data, Inc., and UT Starcom, Inc. Mr. Horner is an independent director and is an audit committee financial expert as determined by our board of directors and as defined in the Sarbanes-Oxley Act of 2002.

Charles D. Murphy, III was appointed as one of our directors in October 1987, and is presently a financial consultant. From August 1990 until December 2003, Mr. Murphy was an Adjunct Professor of Finance at the School of Business and Management of the University of San Francisco. From June 1981 until December 1989, he was an officer of Sutro & Co. Incorporated, an investment banking and securities brokerage firm, and served most recently as Executive Vice President and Director of Corporate Finance for that firm. Mr. Murphy is an independent director and is an audit committee financial expert as determined by our board of directors and as defined in the Sarbanes-Oxley Act of 2002.

Jay Shuster was appointed as one of our directors in April 2001, and is a business consultant. From May 1979 until September 2000, he worked for Rock-Tenn Company, a recycled paperboard and specialty packaging company, most recently serving as their Chief Operating Officer from June 1991 until September 2000. Prior to joining Rock-Tenn Company, he was a certified public accountant with Arthur Andersen & Company (now Andersen LLP). Mr. Shuster is an independent director.

Chester B. Vanatta was appointed as one of our directors in February 1987, and is a business consultant. From 1985 until May 1990, he was an Executive in Residence and the Paul J. Adam Distinguished Lecturer for the School of Business at the University of Kansas. Mr. Vanatta was formerly Vice Chairman of Arthur Young & Company (now Ernst & Young LLP), certified public accountants. Mr. Vanatta is an independent director and is an audit committee financial expert as determined by our board of directors and as defined in the Sarbanes-Oxley Act of 2002.

Peter Vandenberg, Jr. was appointed as one of our directors in June 2003. Mr. Vandenberg is a Partner of Trivest Partners, L.P. and has worked at Trivest and its portfolio companies since 1987. He currently serves on the board of directors of Brown Jordan International, Inc., a designer, manufacturer, and marketer of fine contract and retail furnishings, Jet Industries, Inc., a leading manufacturer of injection molded disposable plastic cutlery, tumblers, dinnerware and extruded drinking straws, Regional Diagnostics, LLC, a chain of outpatient diagnostic imaging centers, and he is Chairman of Magic Holdings LLC, a franchisor of personal health counseling centers, primarily for weight loss. Prior to joining Trivest, Mr. Vandenberg, a certified public accountant, spent 10 years with KPMG Peat Marwick, the last four years as a Senior Manager in Miami.

Table of Contents**EXECUTIVE COMPENSATION AND OTHER INFORMATION**

The following table sets forth information concerning the compensation paid by us for the fiscal years ended December 31, 2003, 2002, and 2001 to our Chief Executive Officer and each of our four other highest paid executive officers.

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation		Long-Term Compensation		
		Salary(\$)	Bonus(\$)	Other Annual Compensation(\$)(1)	Under-Lying Payouts Securities LTIP Options(#)(2)	All Other Compensation(\$)(3)
Anthony F. Bova	2003	365,384	258,189			6,000
President and Chief Executive Officer	2002	355,418	353,781			5,500
	2001	347,629	345,827	35,000(4)	197,000	5,250
Keith R. Boehringer	2003	192,394	137,958			6,000
Sr. Vice President of Operations Plastic Films Group	2002	190,842	15,000			4,623
	2001	144,407	100,000(5)		75,000	
John A. Geary	2003	173,045	40,000		10,000	6,000
Sr. Vice President and General Manager - Molded Products Group	2002	167,921	101,529		15,000	5,429
	2001	161,948	30,000		25,000	4,782
Joseph J. Piccione	2003	238,942	173,616		10,000	6,000
Sr. Vice President and General Manager - Plastic Films Group	2002	232,799	40,000		15,000	5,500
	2001	226,108	100,000		38,000	5,250
Paul G. Saari	2003	238,004	134,385			6,000
Sr. Vice President of Finance and Chief Financial Officer	2002	231,830	184,140			5,500
	2001	226,920	180,000		15,000	

(1) Except as otherwise provided in this table, no amounts for perquisites and other personal benefits received by any of the named executive officers are shown because the aggregate dollar amounts were lower than the reporting requirements established by the rules of the SEC.

(2) Shares of our Class A common stock underlie these options.

- (3) Represents matching contributions by us under our 401(k) Plan and Deferred Compensation Plan.
- (4) Represents payment of automobile allowance.
- (5) Includes a signing bonus of \$15,000 paid in connection with the commencement of employment.

Table of Contents**Stock Option Grants in the Last Fiscal Year**

The following table sets forth information concerning the grant of stock options in 2003 to our Chief Executive Officer and our four other highest paid executive officers named in the Summary Compensation Table. We did not grant any stock appreciation rights in 2003.

Individual Grants							
Name	Number of Securities	% of Total	Grant		Date	Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for	
	Underlying Options Granted	Options Granted	Exercise to or	Base Price		Market Value	Option Term(2)
	(#)(1)	Fiscal Year	(\$/Sh)	(\$/Sh)	Date	5%(\$)	10%(\$)
Anthony F. Bova Keith R. Boehringer							
John A. Geary	10,000	13%	\$ 9.28	\$9.28	11/4/2013	\$ 58,361	\$147,899
Joseph J. Piccione Paul G. Saari	10,000	13%	\$ 9.28	\$9.28	11/4/2013	\$ 58,361	\$147,899

(1) Represents options to purchase shares of our Class A common stock. The options become exercisable for 20% of the underlying shares on the first anniversary of the date of grant and for the balance in equal annual installments over the four-year period thereafter, so long as the named executive remains employed by us or one of our subsidiaries. To the extent they are not already exercisable, the options generally become fully exercisable if we are liquidated or dissolved, upon a sale or other disposition of all or substantially all of our assets, or a merger or consolidation after which our existing shareholders cease to hold more than 50% of the voting power of the resulting entity. In addition, the compensation committee of our board of directors may, in its discretion, accelerate the date on which any option may be exercised, and may accelerate the vesting of any shares subject to any option.

(2) Potential realizable value assumes that the stock price increases from the date of the grant until the end of the option term (10 years) at the annual rate specified (5% and 10%). The 5% and 10% assumed annual rates of appreciation are mandated by SEC rules and do not represent our estimate or projection of the future price of our Class A common stock. We do not believe that this method accurately illustrates the potential value of a stock option.

