

RCM TECHNOLOGIES INC
Form DEF 14A
April 27, 2010

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 X

Filed by a Party other than the Registrant O

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

RCM Technologies, 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.
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 - (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:

RCM Technologies, Inc.

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JUNE 17, 2010**

To Our Stockholders:

The RCM Technologies, Inc. 2010 Annual Meeting of Stockholders will be held at the offices of Morgan, Lewis & Bockius LLP, 1701 Market Street, Philadelphia, Pennsylvania 19103, on Thursday, June 17, 2010, at 6:00 p.m. local time.

The purposes of the meeting are to:

1. Elect two Class B directors, each to serve until his term expires and until his successor is elected and qualified;
2. Ratify our Audit Committee's appointment of Amper, Politziner & Mattia, LLP as our independent accountants for our fiscal year ending January 1, 2011; and
3. Transact such other business as may properly come before the meeting or any adjournment(s) of the meeting.

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We have fixed April 19, 2010 as the record date for determining the stockholders entitled to vote at the meeting. You are not entitled to notice of, or to vote at, the meeting if you were not a stockholder of record at the close of business on that date.

You are cordially invited to attend the meeting. Whether or not you expect to attend the meeting in person, please sign, date and promptly return the enclosed proxy to ensure that your shares will be represented at the meeting. The enclosed envelope requires no postage if mailed within the United States. Most of our stockholders hold their shares in street name through brokers, banks and other nominees and may choose to vote their shares by telephone instead of using the enclosed proxy card. If you wish to vote by telephone, please follow the instructions on your proxy card. If you attend the meeting, you may revoke your proxy and vote in person.

By Order of the Board of Directors,

Kevin D. Miller
Secretary

Pennsauken, New Jersey
April 26, 2010

RCM TECHNOLOGIES, INC.

**2500 McClellan Avenue
Suite 350
Pennsauken, New Jersey 08109**

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

JUNE 17, 2010

About this Proxy Statement

Our Board of Directors is soliciting proxies to be used at our 2010 Annual Meeting of Stockholders. The meeting will be held at the offices of Morgan, Lewis & Bockius LLP, 1701 Market Street, Philadelphia, Pennsylvania 19103 on Thursday, June 17, 2010, at 6:00 p.m. local time. This proxy statement, the notice of annual meeting and the form of proxy will be mailed to stockholders beginning on or about April 29, 2010.

VOTING PROCEDURES

Who Can Vote

Only RCM common stockholders at the close of business on the record date, April 19, 2010, may vote at the annual meeting. You are entitled to cast one vote for each share of RCM common stock that you owned as of the close of business on the record date. At the close of business on the record date, there were 12,999,178 shares of RCM common stock outstanding.

How You Can Vote

You can vote by:

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- marking your proxy card, dating and signing it, and returning it in the postage-paid envelope we have provided,
- phoning in your vote using the information provided on your voting form, or
- attending the meeting and voting in person.

How You Can Revoke Your Proxy or Change Your Vote

You can revoke your proxy at any time before it is voted at the meeting by:

- sending a written notice that you have revoked your proxy to our Secretary, Kevin D. Miller, at 2500 McClellan Avenue, Suite 350, Pennsauken, New Jersey 08109-4613,
- submitting a later-dated proxy card, or
- attending the meeting, giving our Secretary written notice of your revocation and voting your shares.

If a bank, broker or other holder of record holds your shares in its name, you must obtain a proxy card executed in your favor from the holder of record to be able to vote your shares at the meeting.

General Information on Voting

A quorum must exist for voting to take place at the meeting. A quorum exists if holders of a majority of the outstanding shares of our common stock are present at the meeting in person or are represented by proxy at the meeting.

Director nominees are elected by a plurality of the votes cast for the election of directors at the meeting. Thus, the nominees who receive the most votes will be elected as a director. All other matters to be voted upon at the meeting must be approved by a majority of the votes cast on those matters.

Shares represented by a proxy marked `abstain` or `withheld` on any matter will be considered present at the meeting for purposes of determining whether there is a quorum, but will not be considered as votes `FOR` or `AGAINST` that matter. Shares represented by a proxy as to which there is a `broker non-vote` (that is, where a broker holding your shares in `street` or `nominee` name indicates to us on a proxy that you have given the broker the discretionary authority to vote your shares on some but not all matters), will be considered present at the meeting for purposes of determining a quorum but will not be voted on matters as to which there is a `broker non-vote`. Abstentions and `broker non-votes` will therefore have no effect on the outcome of any vote taken at the meeting.

Shares that have been properly voted and not revoked will be voted at the meeting in accordance with the instructions on your proxy card. If you sign your proxy card but do not mark your choices, Leon Kopyt or Kevin D. Miller, the persons named on the enclosed proxy card, will vote the shares represented by your proxy card:

- `FOR` the persons we nominated for election as director;
- `FOR` the ratification of our Audit Committee's appointment of Amper, Politziner & Mattia, LLP as our independent accountants for our fiscal year ending January 1, 2011.

If any other matters are properly presented at the meeting for consideration, Mr. Kopyt and Mr. Miller will have the discretion to vote on those matters for you. Currently, we are not aware of any such matters.

Costs of Solicitation

We will pay for preparing, assembling and mailing this proxy statement. Our directors, officers and employees may solicit proxies through the mails, direct communication or otherwise. None of our directors, officers or employees will receive additional compensation for soliciting proxies. We may reimburse brokerage firms and other custodians, nominees or fiduciaries for their reasonable expenses for forwarding proxy and solicitation materials to stockholders.

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Important Notice Regarding the Availability of

Proxy Materials for the Annual Meeting of Stockholders to be Held on June 17, 2010

This proxy statement and our 2009 annual report to stockholders are available at

<http://www.amstock.com/ProxyServices/ViewMaterial.asp?CoNumber=08117>

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS,
DIRECTORS AND MANAGEMENT**

Security Ownership of Certain Beneficial Owners

The following table lists the persons we know to be beneficial owners of at least five percent of our common stock as of April 1, 2010.

Name and Address of Beneficial Owner	Number of Shares	Approximate Percentage of Outstanding Common Stock
Columbia Wanger Asset Management, L.P. 227 West Monroe Street, Suite 3000 Chicago, IL 60606	1,539,000(1)	11.9%
FMR LLC 82 Devonshire Street Boston, MA 02109	1,275,663(2)	10.0%
Heartland Advisors, Inc. 789 North Water Street Milwaukee, WI 53202	1,000,000(3)	7.7%
Dimensional Fund Advisors LP 1299 Ocean Avenue, 11th Floor Santa Monica, CA 90401	978,707(4)	7.6%

(1) Based on a Schedule 13G, dated February 11, 2010, filed with the Securities and Exchange Commission (the Commission) by Columbia Wanger Asset Management, L.P. (CWAM), a registered investment advisor, and WAM Acquisition GP, Inc. for itself and as general partner of CWAM, joined by Columbia Acorn Investment Trust and Wanger Advisors Trust. The Schedule 13G states that CWAM has sole voting and dispositive power over all of these shares and that WAM Acquisition GP, Inc. shares voting and dispositive power as to all of these shares. The Schedule 13G also states that Columbia Acorn Trust holds 6.1% of RCM's outstanding common stock and that Wanger Advisors Trust holds 5.8% of RCM's outstanding common stock.

(2) Based on information provided to the Company in writing on March 22, 2010 by representatives of FMR LLC, a parent holding corporation, on behalf of itself, Edward C. Johnson III, Fidelity Management, Research Company and Fidelity Low Priced Stock Fund. This information confirmed that Fidelity Management & Research Company, a wholly-owned subsidiary of FMR LLC and a registered investment advisor, is the beneficial owner of all of these shares as a result of acting as investment adviser to various registered investment companies, including Fidelity Low Priced Stock Fund which owns all of these shares. Edward C. Johnson, III and FMR LLC, through its control of Fidelity Management & Research Company and Fidelity Low Priced Stock Fund, each have sole dispositive power as to all of these shares. The provided information also confirmed that Fidelity Low Priced Stock Fund's Board of Trustees has sole voting power as to all of these shares.

(3) Based on a Schedule 13G, dated February 10, 2010, filed with the Commission. The Schedule 13G states that Heartland Advisors, Inc., a registered investment advisor, and William J. Nasgovitz have shared voting power as to 1,000,000 of these shares and shared dispositive power as to all of these shares. The Heartland Value Fund, an account managed by Heartland Advisors, Inc., owns 1,000,000 shares, or 7.7%, of RCM's outstanding common stock. Heartland Advisors, Inc. and William J. Nasgovitz each disclaim beneficial ownership of any of these shares.

(4) Based on a Schedule 13G, dated February 8, 2010, filed with the Commission. The Schedule 13G states that Dimensional Fund Advisors LP has sole voting and investment power as to all of these shares. Dimensional Fund Advisors LP disclaims beneficial ownership of these shares, which are held by four investment companies to which Dimensional Fund Advisors LP provides investment advice.

Security Ownership of Management

The following table lists the number of shares of our common stock beneficially owned, as of April 1, 2010, by each director and director nominee, each of our executive officers, certain members of our senior management, and by our directors, nominees and executive officers as a group. In general, beneficial ownership includes those shares a person has the power to vote or transfer, as well as shares owned by immediate family members who live with that person.

Name	Number of Shares	Approximate Percentage of Outstanding Common Stock
Leon Kopyt(1)	613,594	4.5%
Norman S. Berson(2)	86,471	*
Robert B. Kerr(3)	83,471	*
Richard D. Machon(4)	0	*
Lawrence Needleman(5)	10,000	*
S. Gary Snodgrass(6)	0	*
Kevin D. Miller(7)	478,028	3.5%
Rocco Campanelli(8)	163,760	*
William D. Gargano(9)	30,000	*
Michael Saks(10)	32,000	*
All directors and executive officers as a group (10 persons)(11)	1,497,324	10.7%

* Represents less than one percent of our outstanding common stock.

(1) Includes 250,000 shares issuable upon the exercise of options under our stock option plans.

(2) Includes 60,000 shares issuable upon the exercise of options under our stock option plans.

(3) Includes 55,000 shares issuable upon the exercise of options under our stock option plans.

(4) Elected Class A Director on March 8, 2010.

(5) Includes 10,000 shares issuable upon the exercise of options under our stock option plans.

(6) Elected Class C Director on March 8, 2010.

(7) Includes 150,000 shares issuable upon the exercise of options under our stock option plans.

(8) Includes 137,000 shares, issuable upon the exercise of options under our stock option plans.

(9) Includes 30,000 shares, issuable upon the exercise of options under our stock option plans.

(10) Includes 32,000 shares, issuable upon the exercise of options under our stock option plans.

(11) Includes 724,000 shares issuable upon the exercise of options under our stock option plans.

PROPOSAL 1

ELECTION OF DIRECTORS

Our Board of Directors is divided into three classes. There are two Class B directors, one Class A director and one Class C director. Directors are elected to staggered three-year terms and will serve until their successors have been elected and qualified. The descriptions of the nominees for election and the directors whose terms will continue after this year's annual meeting set forth the experience, qualifications, attributes and skills that have led our Independent Directors to conclude that these nominees should serve as members of our Board of Directors.

The terms of our current Class B directors, Robert B. Kerr and Lawrence Needleman, will expire at this year's annual meeting. The Class C directors, Leon Kopyt and S. Gary Snodgrass, will serve until the annual meeting in 2011. The Class A directors, Norman S. Berson and Richard D. Machon, will serve until the annual meeting in 2012.

Board Independence

The Board of Directors has determined that Norman S. Berson, Robert B. Kerr, Richard D. Machon, Lawrence Needleman and S. Gary Snodgrass are independent directors as defined in Marketplace Rule 4200(a)(15) of the National Association of Securities Dealers. In this Proxy, these five directors are referred to individually as an Independent Director and collectively as the Independent Directors.

Two Class B directors will be elected at this year's annual meeting to serve for a three-year term expiring at our annual meeting in 2013. Robert B. Kerr and Lawrence Needleman have been nominated to serve as Class B directors. Messrs. Kerr and Needleman have consented to serve a term on our Board of Directors. The persons named as proxy holders on the enclosed proxy card, Mr. Kopyt and Mr. Miller, intend to vote FOR the election of Messrs. Kerr and Needleman unless you mark a contrary instruction on your proxy card. Unless you indicate otherwise on your proxy card, if Messrs. Kerr and Needleman are unable to serve as a director at the time of this year's annual meeting, Mr. Kopyt or Mr. Miller will vote FOR the election of another person that the Board may nominate in his place.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF ROBERT B. KERR AND LAWRENCE NEEDLEMAN AS CLASS B DIRECTORS.

Nominees for Election as Director

Class B Director Nominees

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Robert B. Kerr, Director since 1994, age 67

Mr. Kerr was a founding partner of Everingham & Kerr, Inc., a merger & acquisition consulting firm which started in 1987. The company, formerly located in Haddon Heights, New Jersey, served small and medium-sized manufacturing, distribution and service businesses. Mr. Kerr retired from Everingham & Kerr, Inc. in 2008.

Lawrence Needleman, Director since 2007, age 68

Mr. Needleman is founding member of a financial services, consulting and tax practice located in Richboro, PA, which has been in operation since 1987. He is a member of Accreditation Council for Accountancy and Taxation and is an Enrolled Tax Agent in the Commonwealth of Pennsylvania.

Current Board Members

Class A Director

Norman S. Berson, Director since 1987, age 83

Mr. Berson has been Of Counsel to the Philadelphia, Pennsylvania law firm of Fineman Krekstein & Harris, P.C., and its predecessors, since 1981. Previously, Mr. Berson was a member of the House of Representatives of the Commonwealth of Pennsylvania for 18 years.

Richard D. Machon, Director since 2010, age 63

Mr. Machon has been providing indepen