

MYERS INDUSTRIES INC
Form PRRN14A
April 07, 2015

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

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

(Amendment No. 1)

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 Rule 14a-12

MYERS INDUSTRIES, INC.
(Name of Registrant as Specified in Its Charter)

GAMCO ASSET MANAGEMENT INC.
MARIO J. GABELLI
PHILIP T. BLAZEK
F. JACK LIEBAU, JR.
BRUCE M. LISMAN

(Name of Persons(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:

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

PRELIMINARY COPY SUBJECT TO COMPLETION
DATED APRIL 7, 2015

GAMCO ASSET MANAGEMENT INC.

_____, 2015

Dear Fellow Shareholder:

GAMCO Asset Management Inc. (“GAMCO Asset Management”), Mario J. Gabelli and certain of their affiliates (collectively, “GAMCO” or “we”) are the beneficial owners of an aggregate of 6,661,208 shares of common stock, without par value per share (the “Common Stock”), of Myers Industries, Inc., an Ohio corporation (“Myers Industries” or the “Company”), representing approximately 21.51% of the outstanding shares of Common Stock. For the reasons set forth in the attached Proxy Statement, we are seeking representation on the Board of Directors of the Company. We are seeking your support at the annual meeting of shareholders scheduled to be held at the Louis S. Myers Training Center, 1554 South Main Street, Akron, Ohio 44301, on Friday, April 24, 2015 at 9:00 A.M. (local time), including any adjournments or postponements thereof and any meeting which may be called in lieu thereof (the “Annual Meeting”), for the following:

1. To elect GAMCO’s director nominees, Philip T. Blazek, F. Jack Liebau, Jr. and Bruce M. Lisman (the “Nominees”), to the Board of Directors of the Company (the “Board”) to serve until the 2016 annual meeting of shareholders and until their respective successors is duly elected and qualified;
2. To approve the Amended and Restated 2008 Incentive Stock Plan;
3. To ratify the appointment of Ernst & Young LLP as the Company’s independent registered public accounting firm for fiscal 2015;
4. To cast a non-binding advisory vote to approve executive compensation;
5. To cast a vote on a shareholder proposal; and
6. To consider such other business as may be properly brought before the meeting or any adjournments thereof.

GAMCO and its affiliates have followed Myers Industries through our research for over three decades. We believe that the Company is in urgent need of fresh perspective and a focus on enhancing shareholder value, which, we believe, the Nominees will provide.

We are seeking to change a minority of the Board to ensure that the interests of the shareholders, the true owners of the Company, are appropriately represented in the boardroom. The Board is currently composed of nine directors, all of whom are up for election at the Annual Meeting. Through the attached Proxy Statement and enclosed BLUE proxy card, we are soliciting proxies to elect the Nominees. Shareholders who vote on the enclosed BLUE proxy card will also have the opportunity to vote for the candidates who have been nominated by the Company other than Vincent C. Byrd, Richard P. Johnson and Edward W. Kissel. Shareholders will therefore be able to vote for the total number of directors up for election at the Annual Meeting. The names, backgrounds and qualifications of the Company’s Nominees, and other information about them, can be found in the Company’s proxy statement. There is no assurance that any of the Company’s nominees will serve as directors if our Nominees are elected.

We urge you to carefully consider the information contained in the attached Proxy Statement and then support our efforts by signing, dating and returning the enclosed BLUE proxy card today. The attached Proxy Statement and the enclosed BLUE proxy card are first being furnished to the shareholders on or about [___], 2015.

If you have already voted for the incumbent management slate, you have every right to change your vote by signing, dating and returning a later dated proxy.

If you have any questions or require any assistance with your vote, please contact GAMCO at our address listed below.

Thank you for your support.

/s/ Mario J. Gabelli

Mario J. Gabelli
GAMCO Asset Management Inc.

If you have any questions, require assistance in voting your BLUE proxy card, or need additional copies of GAMCO's proxy materials, please contact GAMCO at the phone number listed below.

GAMCO ASSET MANAGEMENT INC.

ONE CORPORATE CENTER

RYE, NEW YORK 10580

(800) 422-3554

PRELIMINARY COPY SUBJECT TO COMPLETION
DATED APRIL 7, 2015

2015 ANNUAL MEETING OF SHAREHOLDERS
OF
MYERS INDUSTRIES, INC.

PROXY STATEMENT
OF
GAMCO ASSET MANAGEMENT INC.

PLEASE SIGN, DATE AND MAIL THE ENCLOSED BLUE PROXY CARD TODAY

GAMCO Asset Management Inc. (“GAMCO Asset Management”), Mario J. Gabelli and certain of their affiliates (collectively, “GAMCO” or “we”) are significant shareholders of Myers Industries, Inc., an Ohio corporation (“Myers Industries” or the “Company”), owning in the aggregate approximately 21.51% of the outstanding shares of common stock, no par value per share (the “Common Stock”), of the Company. We are seeking representation on the Board of Directors of the Company (the “Board”) because we believe that the Board could be improved by the addition of directors who have strong, relevant background and who are committed to fully exploring all opportunities to unlock shareholder value. We are seeking your support at the annual meeting of shareholders scheduled to be held at the Louis S. Myers Training Center, 1554 South Main Street, Akron, Ohio 44301, on Friday, April 24, 2015 at 9:00 A.M. (local time) (including any adjournments or postponements thereof and any meeting which may be called in lieu thereof, the “Annual Meeting”), for the following:

1. To elect GAMCO’s director nominees, Philip T. Blazek, F. Jack Liebau, Jr. and Bruce M. Lisman (the “Nominees”), to serve until the 2016 annual meeting of shareholders and until their respective successors is duly elected and qualified;
2. To approve the Amended and Restated 2008 Incentive Stock Plan;
3. To ratify the appointment of Ernst & Young LLP as the Company’s independent registered public accounting firm for fiscal 2015;
4. To cast a non-binding advisory vote to approve executive compensation (the “Say-on Pay-Proposal”);
5. To cast a vote on a shareholder proposal; and
6. To consider such other business as may be properly brought before the meeting or any adjournments thereof.

As of the date hereof, GAMCO Asset Management and its affiliates collectively own 6,661,208 shares of Common Stock, constituting approximately 21.51% of the outstanding shares of Common Stock. We intend to vote such shares of Common Stock FOR the election of the Nominees, AGAINST the approval of the Amended and Restated 2008 Incentive Stock Plan, FOR the ratification of the appointment of Ernst & Young LLP as the Company’s independent registered public accounting firm for fiscal 2015, AGAINST the approval of the Say-on-Pay Proposal, and FOR the shareholder proposal, as described herein.

The Company has set the close of business on March 2, 2015 as the record date for determining shareholders entitled to notice of and to vote at the Annual Meeting (the "Record Date"). The mailing address of the principal executive offices of the Company is 1293 South Main Street, Akron, Ohio 44301. Shareholders of record at the close of business on the Record Date will be entitled to vote at the Annual Meeting. According to the Company, as of the Record Date, there were 30,969,672 shares of Common Stock outstanding.

THIS SOLICITATION IS BEING MADE BY GAMCO AND NOT ON BEHALF OF THE BOARD OF DIRECTORS OR MANAGEMENT OF THE COMPANY. WE ARE NOT AWARE OF ANY OTHER MATTERS TO BE BROUGHT BEFORE THE ANNUAL MEETING OTHER THAN AS SET FORTH IN THIS PROXY STATEMENT. SHOULD OTHER MATTERS, WHICH GAMCO IS NOT AWARE OF A REASONABLE TIME BEFORE THIS SOLICITATION, BE BROUGHT BEFORE THE ANNUAL MEETING, THE PERSONS NAMED AS PROXIES IN THE ENCLOSED BLUE PROXY CARD WILL VOTE ON SUCH MATTERS IN OUR DISCRETION.

GAMCO URGES YOU TO SIGN, DATE AND RETURN THE BLUE PROXY CARD IN FAVOR OF THE ELECTION OF THE NOMINEES.

IF YOU HAVE ALREADY SENT A PROXY CARD FURNISHED BY COMPANY MANAGEMENT OR THE BOARD, YOU MAY REVOKE THAT PROXY AND VOTE ON EACH OF THE PROPOSALS DESCRIBED IN THIS PROXY STATEMENT BY SIGNING, DATING AND RETURNING THE ENCLOSED BLUE PROXY CARD. THE LATEST DATED PROXY IS THE ONLY ONE THAT COUNTS. ANY PROXY MAY BE REVOKED AT ANY TIME PRIOR TO THE ANNUAL MEETING BY DELIVERING A WRITTEN NOTICE OF REVOCATION OR A LATER DATED PROXY FOR THE ANNUAL MEETING OR BY VOTING IN PERSON AT THE ANNUAL MEETING.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting—This Proxy Statement and our BLUE proxy card are available at www.gproxyonline.com

IMPORTANT

Your vote is important, no matter how few shares of Common Stock you own. GAMCO urges you to sign, date, and return the enclosed BLUE proxy card today to vote FOR the election of the Nominees.

- If your shares of Common Stock are registered in your own name, please sign and date the enclosed BLUE proxy card and return it to GAMCO in the enclosed postage-paid envelope today.
- If your shares of Common Stock are held in a brokerage account or bank, you are considered the beneficial owner of the shares of Common Stock, and these proxy materials, together with a BLUE voting form, are being forwarded to you by your broker or bank. As a beneficial owner, you must instruct your broker, trustee or other representative how to vote. Your broker cannot vote your shares of Common Stock on your behalf without your instructions.
- Depending upon your broker or custodian, you may be able to vote either by toll-free telephone or by the Internet. Please refer to the enclosed voting form for instructions on how to vote electronically. You may also vote by signing, dating and returning the enclosed voting form.

Since only your latest dated proxy card will count, we urge you not to return any proxy card you receive from the Company. Even if you return the management proxy card marked “withhold” as a protest against the incumbent directors, it will revoke any proxy card you may have previously sent to us. Remember, you can vote for our Nominees only on our BLUE proxy card. So please make certain that the latest dated proxy card you return is the BLUE proxy card.

GAMCO ASSET MANAGEMENT INC.

ONE CORPORATE CENTER

RYE, NEW YORK 10580

(800) 422-3554

Background to the Solicitation

The following is a chronology of material events leading up to this proxy solicitation.

- GAMCO has been a major shareholder of the Common Stock of Myers Industries on behalf of our clients for many years. In 2013, GAMCO nominated a director candidate, Daniel Lee, for election to the Board at the 2013 Annual Meeting of the shareholders of Myers Industries.
- In 2014, Myers Industries re-nominated Mr. Lee on the Company's slate and on April 25, 2014, at the Company's 2014 Annual Meeting, each of the Company's nominees, including Mr. Lee was elected as a director.
- On November 13, 2014, GAMCO filed Amendment No. 44 to its Schedule 13D stating that in light of the upcoming deadlines to submit shareholder proposals and director nominations for consideration at the Issuer's 2015 Annual Meeting of Shareholders, GAMCO, on behalf of its investment advisory clients was evaluating all options available to it.
- On November 20, 2014, GAMCO, pursuant to Rule 14a-8 under the Exchange Act, presented the GAMCO Proposal (as defined herein) to the Company, for inclusion in the Proxy and Proxy Statement for the Annual Meeting. The GAMCO Proposal generally requests that the Board ensure that the Company does not engage in a transaction, either through acquisition of assets, stock or otherwise, by which the Company would acquire an operating business until the Company completes the sale of the Company's Lawn & Garden Segment and returns 50% of its cash flow to shareholders.
- On January 8, 2015, the Company filed a Form 8-K announcing that a subsidiary had entered into an Asset Purchase Agreement to sell substantially all of the assets of the Lawn and Garden business to an entity controlled by Wingate Partners V, L.P. for a total purchase price of \$115 million, plus the assumption of certain liabilities.
- On January 28, 2015, GAMCO filed Amendment No. 46 to its Schedule 13D stating that in light of the opening of the Issuer's window for nominations to its Board, GAMCO, on behalf of its investment advisory clients, intends on moving forward with the submission of nominations of one or more individuals for election to the Board.
- On February 18, 2015, the Company filed a Form 8-K announcing, among other things, that the Company entered into an Amended and Restated Asset Purchase Agreement with respect to the sale of the Lawn and Garden business which, among other things, adjusted the purchase price to \$110 million, including a reduction in the principal amount of the promissory note from \$25 million to \$20 million. The Company also announced that it completed the disposition of assets described in the Amended and Restated Asset Purchase Agreement.
- On February 19, 2015, GAMCO delivered a nomination letter to the Company, in accordance with the requirements of the Company's organizational documents with respect to its nomination of Messrs. Lisman, Blazek and Liebau for election as directors of the Company at the Annual Meeting.

- On March 13, 2015, the Company announced that Mr. Lee had tendered his resignation after he was informed by the Board that he will not be re-nominated for election to the Board because GAMCO intended to run a proxy contest.
 - On March 17, 2015, the Company filed its preliminary proxy statement for the Annual Meeting.

REASONS FOR THE SOLICITATION

GAMCO IS THE LARGEST SHAREHOLDER OF MYERS OWNING MORE THAN 21% OF THE OUTSTANDING SHARES. GAMCO BELIEVES THAT SHAREHOLDER REPRESENTATIVES ARE NEEDED IN THE MYERS INDUSTRIES' BOARDROOM TO HELP ENSURE THAT SHAREHOLDERS' VOICES ARE REPRESENTED AND DECISIONS ARE MADE IN THE BEST INTERESTS OF SHAREHOLDERS

We are Concerned that the Board Has Been Unable to Create Value for Shareholders

We Believe the Board is Comprised with Directors who Lack Capital Allocation & Capital Markets Expertise which has led to Failed Oversight of the Company's Strategic Use of Corporate Resources

If elected at the Annual Meeting, our Nominees will, subject to their fiduciary responsibility as directors, endeavor to work with the other members of the Board to assist management with capital allocation, specifically regarding Mergers and Acquisitions. Over the past five years, the Company has been forced to impair over \$90 million in goodwill – in what we believe is a direct result of poor decisions regarding both acquisition targets and the prices paid.

GAMCO believes the current Directors lack capital allocation and capital markets expertise, which are critical to overseeing the key drivers of value creation for Myers. Additionally, our Nominees would help the Company address Financial Engineering from a position of strength. In 2014, Myers chose to buy plastic container manufacturer Scepter before the long awaited sale of its Lawn & Garden business was finally executed. The result, in our view, was additional and unnecessary stress to the Company's balance sheet that made the disposition of the Lawn & Garden business more urgent than it should have been. We believe shareholders would be better served with directors who are more grounded in fundamental valuation analysis and corporate strategy.

We are Concerned with Excessive Executive and Director Pay Without Commensurate Underlying Performance

The 2015 base cash compensation for the Company's Directors is set to increase approximately 17% despite nearly 30 points of stock underperformance vs. the S&P 500 in 2014 (MYE Down 17% versus the S&P 500 Up 13%) and without any increase in operating profit. Further, the Company is set to increase the salary of both its CEO and CFO after a year of results that we, as well as the Company (according to its own conference calls) consider to have been below expectations. We believe shareholders would be better served with directors who will place the interests of shareholders first and who will follow a pay for performance philosophy.

We are Concerned with the Board's Lack of Sufficient Stock Ownership

The independent members of the Board collectively own a de minimis percentage of the outstanding shares of Common Stock, totaling less than 1%. In contrast, GAMCO, on behalf of its clients, and its affiliates collectively own 6,661,208 shares of Common Stock, or approximately 21.51% of the outstanding shares of Common Stock. We are concerned that this lack of meaningful investment in the stock of the Company by its Directors creates a misalignment between the interests of the Directors and Myers Industries' shareholders. We believe the Board's minimal ownership of shares of Common Stock may compromise the Board's ability to properly evaluate and address the serious challenges facing the Company with the best interests of shareholders in mind. Further, we believe the Board should better reflect the ownership of its long-term shareholders.

We are Concerned by the Apparent Entrenchment Tactics Displayed by the Board

On April 12, 2013, Myers and GAMCO reached an agreement that the Company would expand its Board from 9 to 10 members and that Myers would nominate GAMCO's nominee, Mr. Daniel R. Lee, to the Board to fill the newly created directorship. Mr. Lee was re-nominated by the Board on its slate in 2014 and was elected to the Board by the Company's shareholders at Myers' 2014 Annual Meeting.

On March 13, 2015, Myers announced that Mr. Daniel R. Lee tendered his resignation from the Company's Board after he was informed by the Board that he would not be re-nominated for election at the 2015 Annual Meeting. We are troubled that, according to Mr. Lee's resignation letter, he was informed by the Company's Board that the decision not to re-nominate Mr. Lee for election was not the result of any doubt over his qualifications or his performance as a director but merely because GAMCO intended to nominate three new independent Directors at Myers' 2015 Annual Meeting. The fact that Mr. Lee was re-nominated for election by the Company's Board in 2014 and elected to the Board by shareholders at the 2014 Annual Meeting causes concerns that the Company's Board may be more concerned with self-preservation than comprising a board with experienced directors focused on enhancing shareholder value.

We are Concerned about the Integrity of the Company's Financial Controls and Reporting

In a March 16, 2015 filing with the SEC, Myers stated that it was unable to file its Form 10-K for its fiscal year ended December 31, 2014 on time. According to the Company's filing, the Company "recently uncovered what appears to be errors in the accounting for inventory and possibly fraudulent activity at its Brazilian operations," according to the filing. Further, the Company said this development may negatively impact 2014 earnings, and it expected to report "a material weakness in its internal control over financial reporting." Shareholders expect and deserve both financial integrity and transparent reporting. In the "Press Release" section on Myers' website (which states that "Myers Industries strives to provide reporting transparency with respect to key initiatives, business outlook and future goals, providing the information necessary to make good decisions and continually grow our business"), there has been no press release or mention of the March 16, 2015 SEC filing, or potential earnings reduction or "material weakness." We believe the actions (or lack thereof) by the Board and management in addressing the "material weakness" and the potential distribution of materially misleading business information have done little to rehabilitate the confidence of shareholders. Shareholders would be better served by proactive Board members who would encourage management to hold a conference call or issue a detailed press release during these problematic circumstances so that concerns of shareholders may be assuaged. Further, shareholders will be better served by the addition of new, independent, highly-qualified directors that can help assure that internal controls will be more vigilantly monitored.

We are Concerned by the Company's Corporate Governance Issues

GAMCO is concerned by the Company's use of plurality voting, along with a resignation policy, in uncontested elections of directors. Under the Company's current rules, an incumbent nominee for reelection who receives merely one vote "for" such nominee, may be elected to the Board. In the event that an incumbent nominee who receives more "withhold" votes than "for" votes is required to tender his or her resignation as a director. Upon receiving such resignation, the Board has the discretion to decide whether to accept or reject the resignation. GAMCO believes that the Company should adopt a majority voting standard for the election of directors in uncontested elections and such standard should be set forth in the Company's Bylaws. Under a majority standard, directors would be more accountable to the shareholders they represent as they will not be elected to the Board if they do not have the support of a majority of the shareholders represented at a meeting.

OUR THREE NOMINEES HAVE THE EXPERIENCE, QUALIFICATIONS AND OBJECTIVITY NECESSARY TO FULLY EXPLORE AVAILABLE OPPORTUNITIES TO UNLOCK VALUE FOR SHAREHOLDERS

As Myers Industries' largest shareholder, we have heightened concerns that the Board lacks the objectivity necessary to act in the best interests of shareholders. We have identified highly qualified, independent directors who we believe will bring a fresh perspective into the boardroom and would be extremely helpful in evaluating and executing on initiatives to unlock value at the Company. Further, we believe Myers Industries' continued underperformance warrants the addition of a direct shareholder representative on the Board to ensure that all decisions are made with the best interests of all shareholders as the primary objective.

Bruce M. Lisman. Mr. Lisman has extensive management experience and investment expertise, having successfully served in managerial roles with various leading investment firms. Mr. Lisman also has significant board and committee experience across a broad range of businesses and civic organizations. GAMCO believes that Mr. Lisman will be an extremely valuable addition to the Board.

Philip T. Blazek. Mr. Blazek has vast financial, strategic and investment experience working with companies in a wide range of industries. GAMCO believes that Mr. Blazek brings extensive investment experience and will be an invaluable addition to the Board that will help improve effective oversight of the Company and strengthen the Board's focus on enhancing shareholder value.

F. Jack Liebau, Jr. Mr. Liebau has vast financial, strategic, executive and investment experience across a broad range of industries. Mr. Liebau also has significant experience serving on boards of directors of companies and non-profit organizations. GAMCO believes that Mr. Liebau's background would make him an effective director who will be able successfully implement strategies that will benefit the Company and its shareholders.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

The Board is currently composed of nine directors. We believe the terms of all nine directors expire at the Annual Meeting. We are seeking your support at the Annual Meeting to elect our Nominees in opposition to three of the Company's incumbent directors. Your vote to elect the Nominee will have the legal effect of replacing these incumbent directors with the Nominees. If elected, the Nominees will represent a minority of the members of the Board, and therefore it is not guaranteed that they can implement the actions that they believe are necessary to enhance shareholder value.

THE NOMINEES

The following information sets forth the name, age, business address, present principal occupation, and employment and material occupations, positions, offices, or employments for the past five years of the Nominees. The nomination was made in a timely manner and in compliance with the applicable provisions of the Company's governing instruments. The specific experience, qualifications, attributes and skills that led us to conclude that the Nominees should serve as director of the Company is set forth above in the section entitled "Reasons for the Solicitation." This information has been furnished to us by the Nominees. Each of the Nominees is a citizen of the United States of America.

Bruce M. Lisman. Mr. Lisman, age 68, has served on the board of National Life Group, a mutual life insurance company with about \$2 billion of revenues, since 2004. He has also served as a director of PC Construction, an engineering and construction company with about \$500 million in revenues, since August 2013. Since 2005, Mr. Lisman has served as a director of Merchants Bancshares (NasdaqGS: MBVT), a community bank with \$1.8 billion of assets, since 2005. In addition, he serves on the boards of American Forests, Smithsonian Libraries, and the National Gardening Association. Mr. Lisman was Research Director, from 1984 to 1987, and Co-Head of the Institutional Equity Division, from 1987 to 2008, for Bear Stearns Companies, Inc. With his leadership, revenues grew from \$50 million to \$2.47 billion; head count from 150 to 2,350; and product and distribution expense from U.S.-only to operations in Europe, Latin America, Asia ex-China, and China. Pretax income reached \$670 million in 2007. After its acquisition by JP Morgan Chase & Co. (NYSE: JPM), Mr. Lisman became Chairman of its Global Equity Division, retiring in 2009. He also was responsible for Equity Capital Markets and worked extensively with CEOs, CFOs, and Boards across a variety of industries. Earlier in his career, Mr. Lisman was Director of Global Research at Lehman Brothers and before that he was an analyst covering banking companies (voted to Institutional Investor's Analyst All Star Team four times for banking industry analysis), as well as distribution, real estate and capital goods companies. He has also served on the boards of Central Vermont Public Service, a public company, from 2004 to 2009 and has also served on the boards of Hewitt School, Pace University, HS Broadcasting, BRUT, Inc., Vermont Electric Power Company, Inc. (VELCO), STRYKE Trading, Shelburne Museum, and the Vermont Symphony Orchestra. Mr. Lisman graduated from the University of Vermont in 1969 and also served as its Chair for two years.

GAMCO believes that Mr. Lisman's qualifications to serve on the Board of Directors include his extensive board experience as a chair, vice chair, and committee chair/member in a broad range of businesses and civic organizations. GAMCO believes Mr. Lisman brings extensive board experience, executive experience and investment experience and strongly supports the nomination of Mr. Lisman for election to the Board of Directors of the Company at the Annual Meeting.

Philip T. Blazek. Philip T. Blazek, age 47, has served as the President and Principal Executive Officer of Special Diversified Opportunities Inc. (OTC Markets: SDOI) leading this public company through the closing of the sale of its former operating business and related operational wind down and through the strategic alternatives process to deploy its cash, since May 2013. Mr. Blazek served as Managing Director at Korenvaes Management LLC, a family office firm focused on deep value debt and equity investments, from February 2012 until the firm's founder closed the fund for personal reasons in July 2012. From 2008 through January 2012, Mr. Blazek was President and Chief Investment Officer of Blazek Crow Holdings Capital, LP, an equity small-cap value investment fund he founded with the Crow Holdings Family Office. From 2005 to 2008, he served as a Partner of Greenway Capital, LP, an investment firm focused on providing new capital and actively working with managements of small-cap public companies. Mr. Blazek's investment banking advisory tenure included the Mergers & Acquisitions Group of Wasserstein Perella (and successor Dresdner Kleinwort Wasserstein) from 1996 to 2004 and the Telecom/Media/Technology Group in the Investment Banking Division of Goldman Sachs from 1991 to 1994. He previously served on the board of directors of State Wide Aluminum, an Elkhart, Indiana supplier to the auto industry, from January 2000 to December 2001. Mr. Blazek received an Economics degree at Harvard University in 1990 and MBA degree at Harvard Business School in 1996. He is a Chartered Financial Analyst.

GAMCO believes that Mr. Blazek's qualifications to serve on the Board of Directors include his vast financial, strategic and investment experience working with companies in a wide range of industries. GAMCO believes Mr. Blazek brings extensive investment experience and strongly supports the nomination of Mr. Blazek for election to the Board of Directors of the Company at the Annual Meeting.

F. Jack Liebau, Jr. Mr. Liebau, age 51, has been in the investment management industry for thirty years. He began as a research analyst with The Capital Group from 1984 to 1986, and from 1986 to 2003 was with Primecap Management Company ("Primecap"), where he was a partner and portfolio manager. At Primecap, he had research responsibilities for a number of industries, including media, industrials, chemicals, financials, and energy. Mr. Liebau was co-manager of two mutual funds while at Primecap, the Vanguard Primecap and Capital Opportunity Funds. In 2003, he founded Liebau Asset Management Company ("Liebau Asset"), which managed money for individuals, foundations, and corporations and was President from 2003 to 2011. In September 2011, he moved from Liebau Asset to Davis Funds, an investment management firm, in New York City, where Mr. Liebau was a partner and portfolio manager from 2011 to 2013. From July 2013 to February 2015, Mr. Liebau was with Alleghany Corporation, which was his business partner in Liebau Asset; he was President and CEO of Roundwood Asset Management, the subsidiary managing public equities for Alleghany's insurance companies. In running Roundwood, Mr. Liebau was responsible for managing the equity portfolio and investment professionals, along with other reporting and P&L responsibilities. Mr. Liebau served as a director of Media General, Inc. (NYSE: MEG) from 2008 to 2009, and served as a director of Herley Industries, Inc., from December 2010 to March 2011, when Harley Industries was acquired by Kratos Defense & Security Solutions, Inc. Mr. Liebau is a graduate of Philips Academy, Andover, and received his A.B. in Economics (with honors) from Stanford University in 1985.

GAMCO believes that Mr. Liebau's qualifications to serve on the Board of Directors include his vast financial, strategic, executive and investment experience working with companies in a wide range of industries. GAMCO believes Mr. Liebau's experience serving on boards (both corporate and non-profit) gives him pertinent insights into working effectively with management teams, analyzing strategic options, and communicating with various constituencies and strongly supports the nomination of Mr. Liebau for election to the Board of Directors of the Company at the Annual Meeting.

The principal business address of Mr. Blazek is c/o Special Diversified Opportunities Inc., 500 Crescent Court, Suite 230, Dallas, TX, 75201. The principal business address of Mr. Liebau is 568 Frogtown Road, New Canaan, CT, 06840. The principal business address of Mr. Lisman is