

HAVERTY FURNITURE COMPANIES INC  
Form DEF 14A  
March 30, 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 Registrant  x  
Filed by a Party other than Registrant  ..

Check the appropriate box:

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

HAVERTY FURNITURE COMPANIES, 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):

- x No fee required.
- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

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- 4) Proposed maximum aggregate value of transaction:
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- 1) Amount Previously Paid:
- 2) Form, Schedule or Registration Statement No.:

3)  
4)

Filing Party:  
Date Filed:

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780 Johnson Ferry Road, Suite 800  
Atlanta, GA 30342

NOTICE OF 2010 ANNUAL MEETING OF STOCKHOLDERS

- Time and Date: 10: 00 a.m. Eastern Time, Monday, May 10, 2010
- Place: Marriott SpringHill, 16 Calvert Street, Baltimore, Maryland
- Items of Business:
1. Holders of Class A common stock to elect seven directors.
  2. Holders of common stock to elect three directors.
  3. Ratification of the appointment of Ernst & Young LLP as our independent auditor.
  4. Transact such other business as may properly come before the annual meeting or any adjournments.
- Who May Vote: You may vote if you owned shares of our common stock or Class A common stock at the close of business on March 12, 2010.
- Proxy Voting: Your vote is very important! Please vote in one of these ways:
1. Visit the web site listed on your proxy or vote instruction card;
  2. Use the toll-free telephone number shown on the enclosed proxy or vote instruction card; or
  3. Mark, sign, date and promptly return the enclosed proxy or vote instruction card in the postage-paid envelope provided.
- D a t e o f Availability: We are pleased to take advantage of the Securities and Exchange Commission rules that allow companies to furnish proxy materials to their shareholders over the Internet. We believe this allows us to provide you with the information you need, while also lowering the printing and delivery costs to us and reducing the environmental impact of our annual meeting. On or about March 30, 2010, we will mail to certain shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement and 2009 annual report and how to vote online.

By Order of the Board of Directors

Jenny Hill Parker  
Vice President, Secretary and Treasurer

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## QUESTIONS AND ANSWERS ABOUT THE MEETING AND VOTING

Our board of directors is furnishing you this proxy statement to solicit proxies on its behalf in connection with the 2010 annual meeting of stockholders (“annual meeting”) of Haverty Furniture Companies, Inc. (“we”, “us” or “Havertys”). The meeting will be held on May 10, 2010 at the Marriott SpringHill, 16 South Calvert Street, Baltimore, Maryland, beginning promptly at 10:00 a.m. local time. This proxy statement will be mailed to our stockholders or made available on the Internet on or about March 30, 2010.

Your vote is very important. Who may vote?

Stockholders as of the close of business on March 12, 2010 of common stock or Class A common stock are entitled to vote. The owners of common stock are entitled to one vote for each share held on all stockholder matters. The owners of Class A common stock are entitled to ten votes for each share held on all stockholder matters except for the election of directors, in which they are entitled to one vote per share.

What am I voting on at the annual meeting?

Two items depending on which class of common stock you hold:

- the election of eight directors to represent holders of Class A common stock; or
- the election of two directors to represent holders of common stock; and
- ratification of the appointment of our independent auditor.

Why are there two groups of directors?

The owners of common stock and Class A common stock vote as separate classes in the election of directors. The owners of common stock are entitled to elect 25% of the members of the board, or the nearest higher whole number that is at least 25% of the total number of directors standing for election. The owners of Class A common stock are entitled to elect the remaining number of directors standing for election.

Will there be other business on the agenda?

We do not expect any other items of business. However by signing your proxy card, you give discretionary authority to the persons named on the proxy with respect to any other matters that might be brought before the meeting. The proxies’ will vote in accordance with their best judgment and only applies to shares you own as a stockholder of record.

How will a quorum be determined?

A majority of the outstanding shares of the combined classes of common stock present or represented by proxy, constitutes a quorum for the annual meeting. As of the record date, we had 17,628,448 shares of common stock and 3,852,532 shares of Class A common stock.

How does the board recommend that I vote?

The board recommends that you vote FOR each of the nominees for director and FOR the ratification of the selection of Ernst & Young LLP as our independent auditors.

Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?

We are pleased to take advantage of the Securities and Exchange Commission (“SEC”) rules that allow companies to furnish proxy materials to their shareholders over the Internet. We believe this allows us to provide you with the information you need, while also lowering the printing and delivery costs to us and reducing the environmental impact of our annual meeting. Most of our stockholders will receive a Notice of Internet Availability of Proxy Materials instead of a paper copy of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a paper copy are found in the notice.



What are the benefits of electronic delivery?

Electronic delivery reduces the company's printing and mailing costs. It is also a convenient way for you to receive your proxy materials and makes it easy to vote your shares online. If you have shares in more than one account, it is an easy way to avoid receiving duplicate copies of proxy materials.

How do I vote?

- By Telephone or Internet. You can vote by telephone or Internet by following the instructions included on your notice or proxy card.
- By Written Proxy: You can vote by written proxy by signing, dating and returning your proxy card in the postage-paid envelope provided. If you sign and return your proxy card, the shares represented by the proxy will be voted in accordance with the terms of the proxy, unless you subsequently revoke your proxy.
- In Person: If you are a record stockholder, you can vote in person at the meeting.

How do I vote shares that are held by my broker?

If you have shares held by a broker or other nominee, you may instruct your broker or other nominee to vote your shares by following instructions that the broker or nominee provides to you. Most brokers offer voting by mail, by telephone and on the Internet.

What is broker discretionary voting?

This means that if your shares are held by a broker, the broker will ask you how you want your shares to be voted. If you give the broker instructions, your shares will be voted as you direct. If you do not give instructions, one of two things can happen, depending on the type of proposal. For the ratification of the auditor, the broker may vote your shares in its discretion. For the election of directors, the broker may not vote your shares at all unless you specifically direct them how to vote.

Can I change my mind after I vote?

You may change your vote at any time before the polls close at the meeting. You may do this by: (1) signing another proxy with a later date and returning it to us prior to the meeting, or (2) voting again by telephone or over the Internet prior to 11:59 p.m. (EDT) on May 9, 2010, or (3) voting again at the meeting.

How many votes are required to elect directors?

Directors are elected by a plurality vote. That means that for a director to be elected, the number of shares voted "for" a director must exceed the votes cast against the nominee.

How many votes are needed to ratify the appointment of Ernst & Young LLP as our independent auditors for 2010?

Ratification of the appointment of Ernst & Young LLP as our independent auditors for the year ending December 31, 2010 requires the affirmative vote of a combined majority of the shares of our common stock and Class A common stock entitled to vote on the proposal.

If I vote by mail, telephone or Internet, may I still attend the annual meeting?

Yes. The board recommends that you vote using one of the methods discussed above, as it is not practical for most stockholders to attend and vote at the annual meeting. Using another method to vote will not limit your right to vote at or attend the annual meeting. If your shares are held in street name you must obtain a proxy, executed in your favor, from your bank, broker or other holder of record to be able to vote at the annual meeting. We have historically received proxies representing approximately 90% of eligible shares and had no stockholders in attendance at our annual meetings. Accordingly, this is a very brief meeting conducted by our corporate secretary and not attended by our directors.





Who tabulates the votes?

Broadridge Financial Solutions, Inc., an independent tabulator, will count the votes.

Where can I find the voting results of the annual meeting?

We will announce voting results at the annual meeting and we will publish the final results in a Form 8-K to be filed with the SEC on or before May 14, 2010. You may access or obtain a copy of this and other reports free of charge on our website at [www.havertys.com](http://www.havertys.com), or by contacting our corporate secretary.

How do I submit a shareholder proposal for the 2011 annual meeting?

If a stockholder wishes to have a proposal considered for inclusion in next year's proxy statement, he or she must submit the proposal in writing so that we receive it by November 30, 2010. Proposals should be addressed to: Corporate Secretary, Haverty Furniture Companies, Inc., 780 Johnson Ferry Road, Suite 800, Atlanta, GA 30342.

What is householding?

We have adopted "householding," a procedure under which stockholders of record who have the same address and last name and do not receive proxy materials electronically will receive only one copy of our annual report and proxy statement unless one or more of these stockholders notifies us that they wish to continue receiving individual copies. This procedure saves printing and postage costs by reducing duplicative mailings.

What if I want to receive a paper copy of the annual report and proxy statement?

If you wish to receive a paper copy of the 2009 annual report and 2010 proxy statement, or future annual reports and proxy statements, please call 1-800-241-4599 or write to: Corporate Secretary, Haverty Furniture Companies, Inc., 780 Johnson Ferry Road, Suite 800, Atlanta, GA 30342. We will deliver the requested documents to you promptly upon your request.

## ELECTION OF DIRECTORS

The board of directors currently consists of eleven members. Clarence H. Ridley, chairman of the board is retiring from the board effective as of the date of the 2010 annual meeting. In connection with the retirement of Mr. Ridley, the board has authorized a reduction in its size to ten members effective as of May 10, 2010, as permitted by our bylaws. Ten directors are to be elected at the 2010 annual meeting to hold office until the 2011 annual meeting. At this annual meeting, three directors will be elected by the holders of common stock and seven will be elected by the holders of Class A common stock.

The nominees for election at the 2010 annual meeting were recommended and approved for nomination by the Nominating and Corporate Governance Committee (the "Governance Committee") of the board. The election of our directors requires a plurality of votes cast at the meeting by the holders of the respective classes of common stock. We expect that each of the nominees will be available for election, but if any of them is unable to serve at the time the election occurs, it is intended that the proxies will vote for the election of another nominee to be designated by the Governance Committee and the board.

The board believes that it is necessary for each of our directors to possess many qualities and skills. When searching for new candidates, the Governance Committee considers the evolving needs of the board and searches for candidates that fill any current or anticipated future need. The board also believes that all directors must possess a considerable amount of business management experience and education. The Governance Committee first considers a candidate's management experience and then considers issues of judgment, background or stature, conflicts of interest, integrity, ethics and commitment to the goal of maximizing stockholder value when considering director candidates. The Governance Committee also focuses on issues of diversity, such as diversity of gender, race and national origin, education, professional experience and differences in viewpoints and skills. The Governance Committee does not have a formal policy with respect to diversity, however the board and the Governance Committee believe that is essential that the board members represent diverse viewpoints. In considering candidates for the board, the Governance Committee considers the entirety of each candidate's credentials in the context of these standards. With respect to the nomination of continuing directors for re-election, the individual's contributions to the board are also considered.

All of our directors bring to our board a wealth of executive leadership experience. Certain individual qualifications and skills of our directors that contribute to the board's effectiveness as a whole follow their biography.

PROPOSAL 1:  
COMMON STOCK

## NOMINEES FOR ELECTION BY HOLDERS OF CLASS A

| Name                | Principal Occupation, Directorships,<br>Areas of Relevant Experience and Board Service  | Age | Director<br>since |
|---------------------|---|-----|-------------------|
| John T. Glover      | <p>Principal Occupation: Managing Partner of J&amp;SG Investments, LLP, a private investment firm, since 1994. Vice Chairman of Post Properties, Inc., a real estate investment trust that develops and operates upscale multifamily apartment communities, from March 2000 to February 2003.</p> <p>Directorships: Member of the Board of Trustees of Emory University and a Director of Emory Healthcare, Inc.</p> <p>Areas of Relevant Experience: Real estate development and operations, financial reporting, accounting and controls and executive experience with a public company.</p> <p>Board Committees: Chairman of the Audit Committee</p> <p>Independent Director</p> | 63  | 1996              |
| Rawson Haverty, Jr. | <p>Principal Occupation: Senior Vice President, Real Estate and Development of Havertys since 1998. Over 25 years with Havertys in various positions.</p> <p>Directorships: Member of the Board of Directors of the High Museum of Art and the Center for Ethics at Emory University.</p> <p>Areas of Relevant Experience: Extensive market knowledge relating to housing and furniture retailing. Experience in market and retail store site analysis and modeling, strategic planning, and asset management.</p> <p>Management Director</p>   | 53  | 1992              |
| L. Phillip Humann   | <p>Principal Occupation: Retired, former Chairman of the Board of SunTrust Bank, Inc. ("SunTrust") from 1998 to 2008. Chief Executive Officer of SunTrust from 1998 to 2007 and President from 1998 to 2004.</p> <p>Directorships: Coca-Cola Enterprises Inc. and Equifax, Inc.</p> <p>Areas of Relevant Experience: Corporate finance and banking, risk assessment and executive experience with a public company.</p>   | 64  | 1992              |

Board Committees: Compensation Committee and Executive  
Committee

Independent Director

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PROPOSAL 1:  
COMMON STOCK

NOMINEES FOR ELECTION BY HOLDERS OF CLASS A

| Name            | Principal Occupation, Directorships,<br>Areas of Relevant Experience and Board Service   | Age | Director<br>since |
|-----------------|--|-----|-------------------|
| Mylle H. Mangum | <p>Principal Occupation: Chief Executive Officer of IBT Enterprises, LLC, a provider of design, construction and consultant services for the retail banking and specialty retail industries since 2003; Chief Executive Officer of MMS Incentives, Inc., a private equity company concentrating on high-tech marketing solutions from 1999 to 2002.</p> <p>Directorships: Barnes Group, Inc., Collective Brands and Decatur First Bank. Formerly a director of Emageon Inc., Scientific-Atlanta, Inc. and Respironics, Inc.</p> <p>Areas of Relevant Experience: Developing retail</p> |     |                   |