

OLD DOMINION FREIGHT LINE INC/VA
Form DEF 14A
April 17, 2014

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

- 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 (as permitted by Rule 14a-6(e)(2))
 x Definitive Proxy Statement
 o Definitive Additional Materials
 o Soliciting Material Pursuant to §240.14a-12

OLD DOMINION FREIGHT LINE, 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.
 o 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:

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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)Filing Party:

4)Date Filed:

OLD DOMINION FREIGHT LINE, INC.

500 Old Dominion Way
Thomasville, North Carolina 27360

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of Shareholders of Old Dominion Freight Line, Inc. will be held Thursday, May 22, 2014, at 10:00 a.m. Eastern Daylight Time, in our principal executive offices, 500 Old Dominion Way, Thomasville, North Carolina 27360, for the following purposes:

1. To elect eight directors to our Board of Directors for one-year terms and until their respective successors have been elected and qualified or until their death, resignation, removal or disqualification or until there is a decrease in the number of directors, as set forth in the accompanying proxy statement.
2. To approve, on an advisory basis, the compensation of our named executive officers.
3. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2014.
4. To transact such other business, if any, as may be properly brought before the meeting or any adjournment thereof.

Shareholders of record at the close of business on March 19, 2014, are entitled to notice of and to vote at the meeting.

By Order of the Board of Directors
Ross H. Parr
Vice President – Legal Affairs,
General Counsel and Secretary

Thomasville, North Carolina
April 17, 2014

If you do not intend to be present at the meeting, we ask that you vote your shares using a toll-free telephone number, the Internet or by signing, dating and returning the accompanying proxy card promptly so that your shares of common stock may be represented and voted at the Annual Meeting. Instructions regarding the different voting options that we provide are contained in the accompanying proxy statement.

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OLD DOMINION FREIGHT LINE, INC.

Principal Executive Offices: 500 Old Dominion Way
Thomasville, North Carolina 27360

PROXY STATEMENT

Important Notice Regarding the Availability of Proxy Materials
for the Shareholder Meeting to be held on May 22, 2014:

The Notice of Annual Meeting of Shareholders, Proxy Statement, Form of Proxy and 2013 Annual Report to Shareholders are available on our corporate website at www.odfl.com/company/proxy.shtml.

This proxy statement is first being sent to shareholders on or about April 17, 2014, in connection with the solicitation of proxies by and on behalf of the Board of Directors of Old Dominion Freight Line, Inc. for use at the Annual Meeting of Shareholders to be held in our principal executive offices, 500 Old Dominion Way, Thomasville, North Carolina 27360 on Thursday, May 22, 2014, at 10:00 a.m. Eastern Daylight Time, and at any adjournment thereof. If you need directions so you can attend the Annual Meeting and vote in person, please contact our Corporate Secretary at (336) 889-5000.

2014 PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting.

Annual Meeting of Shareholders

- Time and Date 10:00 a.m., Thursday, May 22, 2014
- Place Old Dominion's principal executive office
500 Old Dominion Way
Thomasville, North Carolina 27360
- Record Date March 19, 2014
- Voting Shareholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on at the meeting.
- Admission If you decide to attend the meeting in person, upon your arrival you will need to register with our receptionist in the main lobby of our principal executive office. See page 4 for further instructions.

Meeting Agenda/Proposals

	Board Vote Recommendation	Page Reference (for more detail)
• Election of eight directors	FOR ALL	<u>9</u>
• Approval, on an advisory basis, of the compensation of our named executive officers	FOR	<u>40</u>
• Ratification of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2014	FOR	<u>41</u>

Transact other business that properly comes before the meeting

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Election of Directors

Our directors are elected annually for one-year terms, and each of the nominees currently is serving as a director of Old Dominion. The following table provides summary information about each director nominee. The nominees receiving a plurality of the votes cast at the meeting will be elected as directors.

Name	Age	Director Since	Occupation	Experience/ Qualification	Independent	Committees		
						AC	CC	GNC
Earl E. Congdon	83	1952	Executive Chairman of the Board of Directors, Old Dominion	Leadership, Industry, Operations, Strategy				
David S. Congdon	57	1998	President and CEO, Old Dominion	Leadership, Industry, Operations, Strategy				
J. Paul Breitbach	76	2003	Private investor	Leadership, Accounting, Management	X	X		X
John R. Congdon, Jr.	57	1998	Chairman of the Board of Directors, Old Dominion Truck Leasing, Inc.	Leadership, Fleet Management, Logistics				
Robert G. Culp, III	67	2003	Chairman of the Board of Directors, Culp, Inc.	Leadership, Global	X	X	C	
John D. Kasarda, Ph.D.	68	2008	Professor and Director of Center for Air Commerce for Kenan Institute of Private Enterprise at the University of North Carolina at Chapel Hill	Leadership, Economic Development, Logistics	X			C

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Leo H. Suggs	74	2009	Private investor	Leadership, Logistics, Operations	X		X	X
D. Michael Wray	53	2008	President, Riverside Brick & Supply Company, Inc.	Leadership, Accounting, Management	X	C	X	

AC Audit Committee GNC Governance and Nomination Committee

CC Compensation Committee C Committee Chair

Approval, on an Advisory Basis, of the Compensation of our Named Executive Officers

We are asking our shareholders to approve, on a non-binding, advisory basis, the compensation of our named executive officers. The Board believes that our executive compensation policies are designed appropriately and are functioning as intended to produce long-term value for our shareholders.

Ratification of Independent Registered Public Accounting Firm

As a matter of good corporate governance, we are asking our shareholders to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the year ending December 31, 2014.

Executive Compensation Elements

Type	Form	General Purpose and Terms
Cash	Base Salary	Retention component that is reviewed annually and adjusted as needed, and executives are generally eligible for annual increase.
	Non-Equity Performance Incentive Plan	Motivates and rewards performance by linking a significant portion of compensation to profitability. Earned monthly based upon a fixed percentage, or participation factor, of our pre-tax income. No payment unless pre-tax income exceeds a required minimum performance threshold.
Equity-based	Phantom Stock	Aligns executive compensation with shareholder value and provides a long-term benefit that supplements our 401(k) plan. Generally vests in increments of 20% per year, subject to continued service requirements, and can be settled only in cash.
Other Employee Benefits	401(k) Plan	Retirement plan with company match; receive the same benefit as all employees.
	Nonqualified Deferred Compensation Plan	Supplemental retirement benefit; can defer significant percentages of annual base salary and monthly non-equity performance-based incentive compensation.

Fiscal 2013 Compensation Decisions

The principal factors in the Compensation Committee's executive compensation decisions for 2013 were our financial performance, the relationship of executive compensation to our income before taxes, the amount of compensation that is performance-based, and the review and analysis conducted by its independent compensation consultant, Pearl Meyer & Partners. Based on the improvement in our financial results during 2012 and the outlook for 2013, the Compensation Committee approved a 3% increase in the base salaries for our named executive officers as well as all other officers effective in January 2013. For 2013, our year-over-year revenue increased 9.5% to \$2.3 billion, our net income increased 21.6% to \$206.1 million, and our earnings per diluted share grew 21.3% to \$2.39. In keeping with our philosophy of pay-for-performance, the improvement in our financial performance during 2013 also resulted in increases in our Performance Incentive Plan, or PIP, payouts to our officers, including our named executive officers, as compared to 2012, and these PIP payouts were directly aligned with our performance. As a result, total cash compensation as a group for our named executive officers increased 16.9% in

2013 from 2012, which was less than the 20.4% increase in our income before taxes for the same period.

We believe our compensation program aligns executive compensation with both our business objectives and the interests of our shareholders.

Fiscal 2013 Compensation Summary

The following table summarizes the compensation of our Chief Executive Officer, our Chief Financial Officer, and our next three most highly compensated executive officers, to whom we refer collectively as our named executive officers, for the fiscal year ended December 31, 2013.

Name	Salary (\$)	Stock Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$)	Total Compensation (\$)
Earl E. Congdon Executive Chairman of the Board	\$540,453	\$278,695	\$3,418,332	\$64,003	\$4,301,483
David S. Congdon President, Chief Executive Officer and Director	\$540,453	\$278,695	\$3,418,332	\$73,027	\$4,310,507