

MANITOWOC CO INC  
Form DEFR14A  
March 27, 2009

**Table of Contents**

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

**Amendment No. 1  
to  
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities  
Exchange Act of 1934 (Amendment No. 1)

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

**The Manitowoc Company**

---

(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:

---

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:

---

- 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:

---

SEC 1913 (02-02) **Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

---

**TABLE OF CONTENTS**

PROXY STATEMENT

SOLICITATION AND VOTING

PROPOSAL 1 -- ELECTION OF DIRECTORS

The Board of Directors Recommends Election of the Nominees Whose Names Follow

Nominees for Three-Year Terms Expiring at the Annual Meeting to be Held in the Year 2012

Members of the Board of Directors Continuing In Office

Terms Expiring at the Annual Meeting to be Held in the Year 2010

Terms Expiring at the Annual Meeting to be Held in the Year 2011

PROPOSAL 2 -- RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS

LLP AS THE COMPANY'S REGISTERED INDEPENDENT REGISTERED PUBLIC ACCOUNTING

FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2009

2. GOVERNANCE OF THE BOARD AND ITS COMMITTEES

Governance of the Company

Transactions with Related Persons

Corporate Governance Committee

Audit Committee

Compensation Committee

3. CORPORATE GOVERNANCE COMMITTEE REPORT

4. AUDIT COMMITTEE REPORT

Independent Registered Public Accounting Firm

5. EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

6. OWNERSHIP OF SECURITIES

Stock Ownership of Beneficial Owners of More than Five Percent

Stock Ownership of Directors and Management

Section 16(a) Beneficial Ownership Reporting Compliance

7. NON-EMPLOYEE DIRECTOR COMPENSATION

Non-Employee Directors' Compensation

8. COMPENSATION DISCUSSION AND ANALYSIS AND COMPENSATION COMMITTEE

REPORT

COMPENSATION DISCUSSION AND ANALYSIS

Overview

Compensation Program Administration

Compensation Program Objectives and Philosophy

Total Compensation

Compensation Elements

Stock Ownership Guidelines

Other Pay Elements

Other Executive Compensation Policies

COMPENSATION COMMITTEE REPORT

9. EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

ALL OTHER COMPENSATION TABLE

GRANTS OF PLAN-BASED AWARD

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

OPTION EXERCISES AND STOCK VESTED

Non-Qualified Deferred Compensation

Post-Employment Compensation

Estimated Payments Upon A Change In Control

10. MISCELLANEOUS

Other Matters

Shareholder Proposals

Annual Report

Householding Information

---

**Table of Contents**

**THE MANITOWOC COMPANY, INC.**  
**2400 South 44<sup>th</sup> Street**  
**P.O. Box 66**  
**Manitowoc, Wisconsin 54221-0066**  
**(920) 684-4410**

March 26, 2009

Dear Shareholder:

You are cordially invited to attend the 2009 Annual Meeting of Shareholders of The Manitowoc Company, Inc. which will be held at the Holiday Inn Manitowoc, located at 4601 Calumet Avenue, Manitowoc, Wisconsin 54220, on Tuesday, May 5, 2009, at 9:00 a.m. (CDT).

As set forth in the enclosed proxy materials, the following matters of business are scheduled to be acted upon at the meeting:

1. The election of two directors.
2. The ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009.
3. Such other business as may properly come before the annual meeting.

The Board of Directors of the Company recommends a vote **FOR** election of the two directors named in the enclosed proxy materials, each of whom will serve a term expiring at the annual meeting of the shareholders in 2012; and **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009.

Whether or not you are able to attend the 2009 Annual Meeting, we welcome your questions and comments about the Company. To make the best use of time at the meeting, we would appreciate receiving your questions or comments, in writing, in advance of the meeting, so they can be answered as completely as possible at the meeting. If you wish to make a comment or ask a question in writing, we would appreciate receiving it by April 27, 2009.

It is important that your shares be represented and voted at the meeting. You should have already received an Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting with instructions on how to access the proxy materials and vote. As indicated in that notice, you may view the proxy materials online at [www.proxydocs.com/mtw](http://www.proxydocs.com/mtw) and you may also access and complete the proxy card online at [www.proxypush.com/mtw](http://www.proxypush.com/mtw). Or if you prefer you may obtain a copy of the proxy materials, including a hard copy of the proxy card, through the website [www.investorelections.com/mtw](http://www.investorelections.com/mtw), by phone at 1-866-648-8133, or by email at [paper@investorelections.com](mailto:paper@investorelections.com).

To help us plan for the meeting, please mark your proxy card telling us if you will be attending personally.

Sincerely,

Glen E. Tellock  
CEO and President



**Table of Contents**

**THE MANITOWOC COMPANY, INC.  
2400 South 44<sup>th</sup> Street  
P.O. Box 66  
Manitowoc, Wisconsin 54221-0066  
(920) 684-4410**

March 26, 2009

**Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on Tuesday, May 5, 2009.**

**This communication presents only an overview of the more complete proxy materials that are available to you on the Internet. We encourage you to access and review all of the important information contained in the proxy materials before voting.**

**The proxy statement and annual report to shareholders are available at [www.proxydocs.com/mtw](http://www.proxydocs.com/mtw).**

**If you want to receive a paper or email copy of these documents, you must request one. There is no charge to you for requesting a copy. Please make your request for a copy as instructed below on or before April 27, 2009 to facilitate timely delivery.**

**To the Shareholders of  
THE MANITOWOC COMPANY, INC.**

The Annual Meeting of the Shareholders of The Manitowoc Company, Inc. will be held as follows:

Meeting date:	Tuesday, May 5, 2009
Meeting time:	9:00 a.m. Central Daylight Time
Meeting place:	Holiday Inn, 4601 Calumet Avenue, Manitowoc, Wisconsin 54220
Materials available:	Proxy Statement, Proxy Card and Annual Report
View Materials:	<a href="http://www.proxydocs.com/mtw">www.proxydocs.com/mtw</a>
Request materials:	Internet: <a href="http://www.investorelections.com/mtw">www.investorelections.com/mtw</a> Phone: 1-866-648-8133 Email: <a href="mailto:paper@investorelections.com">paper@investorelections.com</a>

The Annual Meeting of Shareholders of The Manitowoc Company, Inc. will be held for the following purposes:

1. To elect two directors of The Manitowoc Company, Inc., all as set forth and described in the accompanying Proxy Statement.
2. To ratify the appointment of PricewaterhouseCoopers LLP, as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009.
3. To transact such other business as may properly come before the Annual Meeting.

**Shareholders of record as of the close of business on February 27, 2009, are cordially invited to attend and are entitled to vote at the Annual Meeting. However, whether or not you expect to attend the Annual Meeting in**



**person, you are requested to properly complete the proxy card on line at [www.proxypush.com/mtw](http://www.proxypush.com/mtw) or to obtain, complete, date, sign, and promptly return a hard copy of the proxy card which can be obtained by request through the website, toll free number or the email address noted above.**

By Order of the Board of Directors

MAURICE D. JONES  
Senior Vice President, General Counsel  
and Secretary

Manitowoc, Wisconsin

---

Table of Contents

**PROXY STATEMENT**

**THE MANITOWOC COMPANY, INC.**  
**2400 South 44<sup>th</sup> Street**  
**P.O. Box 66**  
**Manitowoc, Wisconsin 54221-0066**  
**(920) 684-4410**

**SOLICITATION AND VOTING**

This Proxy Statement is furnished by the Board of Directors (the Board of Directors ) of The Manitowoc Company, Inc., a Wisconsin corporation (referred to in this Proxy Statement as we or the Company ), to the shareholders of the Company in connection with a solicitation of proxies for use at the Annual Meeting of Shareholders (the Annual Meeting ) to be held at 9:00 a.m., Central Daylight Time, on Tuesday, May 5, 2009, at the Holiday Inn Manitowoc located at 4601 Calumet Avenue, Manitowoc, Wisconsin 54220, and at any and all adjournments thereof. This Proxy Statement and the accompanying materials are being provided to shareholders on or about March 25, 2009.

On February 27, 2009, the record date for determining shareholders entitled to vote at the Annual Meeting, there were outstanding 130,550,954 shares of Company Common Stock, \$0.01 par value per share (the Common Stock ). Each share outstanding on the record date is entitled to one vote on all matters presented at the meeting.

Any shareholder entitled to vote may vote in person or by duly executed proxy. Shareholders of record will have the option to vote by written proxy or electronically via either the Internet or a touch-tone telephone. Proxy voting through electronic means is valid under Wisconsin law, and the Company is offering electronic services both as a convenience to its shareholders and as a step towards reducing costs. Shareholders not wishing to utilize electronic voting methods may continue to cast votes by returning their signed and dated proxy card.

For this year's Annual Meeting, the Company has elected to use the Securities and Exchange Commission's ( SEC ) Notice and Access model for distribution of proxy materials. Accordingly, all proxy materials for the 2009 Annual Meeting, including this Proxy Statement, are available on the Internet. All shareholders have been separately provided with an Important Notice Regarding the Availability of Proxy Materials. As indicated in that notice, the proxy materials, including this Proxy Statement and the Annual Report to Shareholders, are available online at [www.proxydocs.com/mtw](http://www.proxydocs.com/mtw). Also as indicated in that notice, if you want to receive a paper or email copy of these documents, you must request one. There is no charge to you for requesting a copy. Please make your request as instructed in that notice on or before April 27, 2009 to facilitate timely delivery.

A proxy may be revoked at any time before it is exercised by filing a written notice of revocation with the Secretary of the Company, by delivering a duly executed proxy bearing a later date, or by voting in person at the Annual Meeting. Attendance at the Annual Meeting will not in itself constitute revocation of a proxy. The shares represented by all properly executed unrevoked proxies received in time for the Annual Meeting will be voted as specified on the proxies. Shares held for the accounts of participants in the Company Dividend Reinvestment Plan and The Manitowoc Company, Inc. 401(k) Retirement Plan (for which the proxies will serve as voting instructions for the shares) will be voted in accordance with the instructions of participants or otherwise in accordance with the terms of those Plans. If no direction is given on a properly executed unrevoked proxy, it will be voted **FOR** each of the two director nominees, and **FOR** ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ended December 31, 2009.

The cost of soliciting proxies will be borne by the Company. Solicitation will be made principally by distribution via mail and the Internet pursuant to the Notice and Access rules, but also may be made by e-mail, telephone, facsimile, or other means of communication by certain directors, officers, employees, and agents of the Company. The directors, officers, and employees will receive no compensation for these proxy solicitation efforts in addition to their regular compensation but may be reimbursed for reasonable out-of-pocket expenses in connection with the solicitation. The Company will request persons holding shares in their names for the benefit of others or in the names of their nominees to send proxy material to and obtain proxies from their principals and will reimburse such persons for their expenses in so doing.

---

## **Table of Contents**

To be effective, a matter presented for a vote of shareholders at the Annual Meeting must be acted upon by a quorum (i.e., a majority of the votes entitled to be cast represented at the Annual Meeting in person or by proxy). Abstentions, shares for which authority is withheld to vote for director nominees, and broker non-votes (i.e., proxies from brokers or nominees indicating that such persons have not received instructions from the beneficial owners or other persons entitled to vote shares as to a matter with respect to which the brokers or nominees do not have discretionary power to vote) will be considered present for the purpose of establishing a quorum. Once a share is represented at the Annual Meeting, it is deemed present for quorum purposes throughout the meeting or any adjourned meeting, unless a new record date is or must be set for the adjourned meeting.

### **Required Vote**

*Proposal 1: Election of Directors.* Directors are elected by a plurality of the votes cast by the holders of shares entitled to vote in the election at a meeting at which a quorum is present. A plurality means that the individuals who receive the largest number of votes are elected as directors up to the maximum number of directors to be chosen at the election (two at the Annual Meeting). Votes attempted to be cast against a director nominee are not given legal effect and are not counted as votes cast in an election of directors. Any shares not voted, whether by withheld authority, broker non-vote or otherwise, will have no effect on the election of directors except to the extent that the failure to vote for an individual results in another nominee receiving a larger number of votes.

*Proposal 2: Ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009.* Ratification of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009, will be effective if the number of valid votes FOR ratification exceed the number of votes cast AGAINST ratification, provided that a majority of the outstanding shares of the Company's Common Stock are voted on the proposal. Assuming this proviso is met, any shares not voted (whether by broker non-vote or otherwise, except abstentions) have no impact on the vote. Shares of Common Stock as to which holders abstain from voting will be treated as votes against ratification.

The Board of Directors recommends a vote **FOR** the election of the two directors named in the proposal and **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm.

## **1. PROPOSALS REQUIRING YOUR VOTE**

### **PROPOSAL 1 ELECTION OF DIRECTORS**

Two directors are to be elected at the Annual Meeting. The names of the nominees to the Board are set forth below, along with additional information regarding each nominee and the other directors continuing in office. If elected, Ms. Egnotovitch and Mr. Packard will hold office for a three-year term expiring in the year 2012, or until their respective successors are duly elected and qualified. Ms. Egnotovitch and Mr. Packard are presently serving as directors of the Company. Pursuant to the Company's Corporate Governance Guidelines, no director will stand for reelection if he/she will have reached the age of 72 by the date of the next annual meeting and in such event the director will resign from the Board effective as of the date of such next annual meeting. Because Mr. Daniel W. Duval has reached the age of 72 and his term as a director also expires at the upcoming Annual Meeting, Mr. Duval will not be nominated for re-election to the Board. Instead, Mr. Duval's service as a director of the company will end as of the date of the Annual Meeting on May 5, 2009. As previously announced, Mr. Growcock retired as Chairman of the Board and a director of the Company as of December 31, 2008.

The election will be determined by a plurality of the votes duly cast. Shares represented by proxies in the accompanying form will be voted for the election of the nominees listed below, unless a contrary direction is indicated. The two nominees have indicated that they are able and willing to serve as directors. However, if any of the nominees should be unable to serve, an eventuality which management does not contemplate, it is intended that the proxies will vote for the election of such other person or persons as management may recommend.

**Table of Contents**

**The Board of Directors Recommends Election of the Nominees Whose Names Follow**

Both nominees were recommended to the Board by the Corporate Governance Committee, and both are incumbent directors.

***Nominees for Three-Year Terms Expiring at the Annual Meeting to be Held in the Year 2012***

**Cynthia M. Egnotovich**, 51 Vice President (2002 to present) Goodrich Corporation and Segment President, Nacelles and Interior Systems (2007 to present) of Goodrich Corporation. Goodrich Corporation is a leading aerospace manufacturer located in Charlotte, NC. Previously with Goodrich Corporation, Segment President, Engine Systems (2005 to 2007); Segment President, Electronic Systems (2003 to 2005); Segment President, Engine and Safety Systems (2002 to 2003). Previous to 2002, Ms. Egnotovich held other positions of increasing responsibility with Goodrich Corporation since she joined the company in 1986. A member of The Manitowoc Company, Inc. Board of Directors since 2008. (1)

**James L. Packard**, 66, Retired Executive Chairman (4/05 to 12/06), Chairman of the Board (1986 to 4/05), President (1980-2002) and Chief Executive Officer (1984-2005) of Regal-Beloit Corporation. Regal-Beloit is a worldwide manufacturer of mechanical power transmission equipment, electric motors and controls, and electric power generators headquartered in Beloit, WI. Also a director of Clarcor, Inc., Nashville, TN, and First National Bank and Trust, Beloit, WI. A member of The Manitowoc Company, Inc. s Board of Directors since 2000. (2)

**Members of the Board of Directors Continuing In Office**

***Terms Expiring at the Annual Meeting to be Held in the Year 2010***

**Virgis W. Colbert**, 69, Senior adviser to MillerCoors Brewing Company, a leading beer brewer headquartered in Milwaukee, WI. Retired Executive Vice President (1997-2005) of Miller Brewing Company. Also a director of Bank of America, Charlotte, NC, Stanley Works, New Britain, CT, Sara Lee Corporation, Downers Grove, IL, and Lorillard, Inc., Greensboro, NC. A member of The Manitowoc Company, Inc. s Board of Directors since 2001. (2)(3)

**Kenneth W. Krueger**, 52, Chief Operating Officer (5/06 to present) and former executive vice president (12/05 to 5/06) of Bucyrus International, Inc., a global leader in surface mining equipment manufacturing headquartered in South Milwaukee, WI. Former Sr. Vice President and Chief Financial Officer of A. O. Smith Corporation (8/00-6/05), a global manufacturer of electric motors and water heaters in Milwaukee, WI. Former Vice President Finance and Planning, Hydraulics, Semiconductor Equipment and Specialty Controls Group, Eaton Corporation, Cleveland, OH (7/99-8/00). A member of The Manitowoc Company, Inc. s Board of Directors since 2004. (1)(2)

**Robert C. Stiff**, 67, current director and retired Chairman, President and Chief Executive Officer (3/00-12/01) of Strategic Industries, LLC, Edison, NJ, a manufacturer of industrial and consumer products. A member of The Manitowoc Company, Inc. s Board of Directors since 1998. (1)

***Terms Expiring at the Annual Meeting to be Held in the Year 2011***

**Dean H. Anderson**, 68, President, director and Owner (2001 to present) of Dynamic Specialties Inc. (privately held), located in Houston, TX specializing in the sale of equipment and systems to the factory and process automation markets located the southwestern United States. Previously (retired) Senior Vice President Strategic Development (7/97-3/01) and Vice President Strategic Development (2/95-7/97) of ABB Vetco Gray Inc., an oilfield equipment manufacturer headquartered in Houston, TX. A director of Array Holdings, Inc., Muskogee, OK (privately held). A

member of The Manitowoc Company, Inc.'s Board of Directors since 1992. *(1)(3)*

**Keith D. Nosbusch**, 58, Chairman (2/05 to present), President and Chief Executive Officer of Rockwell Automation, Inc. (2/04 to present). Rockwell Automation is a leading global provider of industrial automation power, control and information solutions. Also a director of Rockwell Automation, Inc. (2/04 to present). Previously President, Control Systems, a business unit of Rockwell Automation, Inc., and Senior Vice President

**Table of Contents**

of Rockwell Automation, Inc. (11/98-2/04). A member of The Manitowoc Company, Inc.'s Board of Directors since 2003. (3)

**Glen E. Tellock**, 48, President and Chief Executive Officer of The Manitowoc Company, Inc. (May 2007 to present). Previously the Senior Vice President of The Manitowoc Company, Inc. (1999-2007), President of the Manitowoc Crane Group (2002-2007) and Chief Financial Officer (1999-2002). Mr. Tellock also serves as an Emeritus Board member of the University of Wisconsin-Madison School of Business Dean's Advisory Board, Board member and Chairman of the Association of Equipment Manufacturers (AEM), and a Board member of Astec Industries, Inc. A member of The Manitowoc Company, Inc.'s Board of Directors since 2007.

*(1) Audit Committee*

*(2) Compensation Committee*

*(3) Corporate Governance Committee*

**PROPOSAL 2 RATIFICATION OF THE APPOINTMENT OF  
PRICEWATERHOUSECOOPERS LLP AS THE COMPANY'S REGISTERED  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING  
DECEMBER 31, 2009**

The Audit Committee and the Board of Directors have appointed PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009, and asks that the shareholders ratify that appointment. A representative of PricewaterhouseCoopers LLP is expected to be present at the Annual Meeting to respond to appropriate questions and to make a statement if he or she desires to do so. Although ratification is not required by the Company's Bylaws or otherwise, the Board of Directors is submitting the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year December 31, 2009 to its shareholders for ratification as a matter of good corporate practice and because the Board values the input of its shareholders on this matter. As previously pointed out, ratification of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ended December 31, 2009, will be effective if the number of valid votes FOR ratification exceeds the number of votes cast AGAINST ratification, provided that a majority of the outstanding shares of the Company's Common Stock are voted on the proposal. If the shareholders fail to ratify the appointment of PricewaterhouseCoopers LLP, the Audit Committee will consider it as a direction by shareholders to consider the appointment of a different audit firm. Nevertheless, the Audit Committee will still have the discretion to determine who to appoint as the Company's independent registered public accounting firm for the December 31, 2009, fiscal year. Even if the appointment of PricewaterhouseCoopers LLP is ratified, the Audit Committee, in its discretion, may select a different independent public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company.

**The Board of Directors recommends a vote FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009.**

**2. GOVERNANCE OF THE BOARD AND ITS COMMITTEES**

**Governance of the Company**



Currently the Board is comprised of nine directors; however, pursuant to the Company's Corporate Governance Guidelines, no director will stand for reelection if he/she will have reached the age of 72 by the date of the next annual meeting and in such event the director will resign from the Board effective as of the date of such next annual meeting. Because Mr. Daniel W. Duval has reached the age of 72 and his term as a director also expires at the upcoming Annual Meeting, Mr. Duval will not be nominated for re-election to the Board. Instead, Mr. Duval's service as a director of the Company will end as of the date of the Annual Meeting on May 5, 2009. The Board of Directors has determined that none of the current eight non-employee directors has a material relationship with the Company and that each non-employee director (viz., Dean H. Anderson, Virgis W. Colbert, Daniel W. Duval,

**Table of Contents**

Cynthia M. Egnotovitch, Kenneth W. Krueger, Keith D. Nosbusch, James L. Packard and Robert C. Stift) is independent as defined in the Company’s Corporate Governance Guidelines (which may be viewed on the Company’s website at [www.manitowoc.com](http://www.manitowoc.com)), under applicable law and the New York Stock Exchange listing standards. In determining whether a director has a material relationship with the Company, the Board has adopted nine criteria. Those criteria may be viewed on the Company’s website at [www.manitowoc.com](http://www.manitowoc.com). Any director who meets all of the nine criteria will be presumed by the Board to have no material relationship with the Company. All eight non-employee directors meet all nine of the criteria.

The Company has adopted Corporate Governance Guidelines in order to set forth internal Board policies and procedures. A copy of the current Corporate Governance Guidelines may be viewed on the Company’s website at [www.manitowoc.com](http://www.manitowoc.com). A copy of the Corporate Governance Guidelines is also available in print to any shareholder who requests a copy.

As set forth in the Corporate Governance Guidelines, all directors are strongly encouraged to attend all annual shareholder meetings of the Company. All of the directors attended the annual shareholders’ meeting in 2008.

The Company has a Code of Business Conduct that includes a Global Ethics Policy that pertains to all employees. The Company has adopted a code of ethics that applies to the Company’s principal executive officer, principal financial officer, and controller, which is part of the Company’s Code of Business Conduct and Global Ethics Policy. A copy of these policies can be viewed at the Company’s website at [www.manitowoc.com](http://www.manitowoc.com) and is also available in print to any shareholder who requests a copy.

During the fiscal year ended December 31, 2008, the Board of Directors met eight times. All members of the Board attended at least 75 percent of the meetings held by the Board and the committees on which they served. As required in the Corporate Governance Guidelines, the Board met in executive session at each regular Board meeting during 2008. The Corporate Governance Guidelines provide that the chairperson of the Corporate Governance Committee will serve as the presiding director for the executive session. If for any reason the chairperson of the Corporate Governance Committee is unable to attend or perform the presiding role at a particular executive session, he/she will designate the chairperson of either the Compensation Committee or the Audit Committee to assume the role of the presiding director for the particular executive session.

The Company has standing Corporate Governance, Audit, and Compensation Committees of the Board of Directors, comprised as follows:

<b>Corporate Governance Committee</b>	<b>Audit Committee</b>	<b>Compensation Committee</b>
Keith D. Nosbusch, Chairman	Robert C. Stift, Chairman	James L. Packard, Chairman
Dean H. Anderson	Dean H. Anderson	Virgis W. Colbert
Virgis W. Colbert	Daniel W. Duval	Kenneth W. Krueger
Daniel W. Duval	Cynthia M. Egnotovitch	
	Kenneth W. Krueger	

**Transactions with Related Persons**

The Company’s policies and procedures regarding the review, approval and ratification of related party transactions are circumscribed in the director independence criteria adopted by the Board and may be viewed on the Company’s website at [www.manitowoc.com](http://www.manitowoc.com), and in the Company’s Code of Business Conduct and Code of Ethics which also may be viewed on the Company’s website at [www.manitowoc.com](http://www.manitowoc.com). The Company’s code of ethics specifically required that

(a) without the prior approval of the Chief Executive Officer, the Chief Financial Officer or General Counsel of the Company no officer or employee will enter into any transaction for or on behalf of the Company with any other person or entity in which the employee or officer has a direct or indirect interest; (b) directors and officers of the Company are required to report annually on a director and officer questionnaire circulated by the Company, any material interest that such director or officer has in any business enterprise with which the Company conducts business; and (c) any transactions or agreements relating to transactions between the Company and any such business enterprise must be approved by those members of the Company's Board of Directors who have no interest in the business enterprise, which approval may be a continuing approval. There were no reportable transactions with related parties during 2008.

**Table of Contents**

**Corporate Governance Committee**

The Corporate Governance Committee is also the Company's nominating committee. The purpose of the Corporate Governance Committee is to assist the Board in its corporate governance responsibilities, including to identify individuals qualified to become Board members, to recommend to the Board for the Board's selection director nominees, and to recommend to the Board the corporate governance principles and guidelines. The Corporate Governance Committee has a charter that may be viewed on the Company's website at [www.manitowoc.com](http://www.manitowoc.com) and is available in print to any shareholder who requests a copy.

All members of the Corporate Governance Committee are independent as defined in the Company's Corporate Governance Guidelines (which may be viewed at the Company's website at [www.manitowoc.com](http://www.manitowoc.com)), applicable law, and the corporate governance listing standards of the New York Stock Exchange.

There were four meetings of the Corporate Governance Committee during the Company's fiscal year ended December 31, 2008. For further information see the Corporate Governance Committee Report below.

**Audit Committee**

The purpose of the Audit Committee, which is established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, is to (A) assist the Board of Directors in fulfilling its oversight of (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, (4) the performance of the Company's internal audit function and independent auditors, (5) the Company's compliance with ethical standards established by law, rule, regulation, and Company policy, and (6) the Company's disclosure processes and procedures; and (B) prepare the report that SEC rules require be included in the Company's annual Proxy Statement. The Audit Committee has a charter, which may be viewed on the Company's website at [www.manitowoc.com](http://www.manitowoc.com) and is available in print to any shareholder who requests a copy.

All the members of the Audit Committee are independent, as defined in the Company's Corporate Governance Guidelines (which may be viewed on the Company's website at [www.manitowoc.com](http://www.manitowoc.com)), applicable law, and the corporate governance listing standards of the New York Stock Exchange relating to audit committees. The Board has designated Messrs. Anderson, Krueger, and Stift and Ms. Egnotovich as audit committee financial experts as defined in the Company's Audit Committee Charter and in the Securities and Exchange Commission regulations. The Board has further determined that all members of the Audit Committee are financially literate and that the designation of Messrs. Anderson, Krueger, and Stift and Ms. Egnotovich as audit committee financial experts does not mean that the other Audit Committee members do not meet the qualifications of a financial expert.

During the fiscal year ended December 31, 2008, the Audit Committee met five times. For further information see the Audit Committee Report below.

**Compensation Committee**

The Compensation Committee provides assistance to the Board of Directors in fulfilling its responsibility to achieve the Company's purpose of maximizing the long-term total return to shareholders by ensuring that officers, directors, and employees are compensated in accordance with the Company's philosophy, objectives, and policies. The Compensation Committee reviews and approves compensation and benefits policies, strategies, and pay levels necessary to support corporate objectives and provides an annual report on executive compensation for inclusion in the Company's Proxy Statement, in accordance with applicable rules and regulations. A copy of the Compensation

Committee Charter can be viewed on the Company's website at [www.manitowoc.com](http://www.manitowoc.com) and is available in print to any shareholder who requests a copy.

The Compensation Committee is primarily responsible for administering the Company's executive compensation program. As such, the Compensation Committee reviews and approves all elements of the executive compensation program that cover the named executive officers. Management is responsible for making recommendations to the Compensation Committee (except with respect to compensation paid to the CEO) and effectively implementing the executive compensation program, as established by the Compensation Committee. To assist the Compensation Committee with its responsibilities regarding the executive compensation program, the Committee has retained Towers Perrin as its independent compensation consultant.

## **Table of Contents**

The Compensation Committee's responsibilities include:

Acting on behalf of the Board of Directors in setting compensation policy, administering compensation plans and making decisions with respect to the compensation of key Company executives, including the review and approval of merit/other compensation budgets and payouts under incentive plans.

Reviewing and approving annual base salary levels, short-term and long-term incentive opportunity levels, executive perquisites, employment agreements (if and when appropriate), benefits and supplemental benefits of the CEO and other key executives of the corporation.

Annually appraising the performance of the chief executive officer and providing developmental feedback to the CEO and, when appropriate, to other key executives of the organization.

Annually evaluating CEO and other key executives' compensation levels and payouts against (1) pre-established, measurable performance goals and objectives; and (2) an appropriate comparison group.

Reviewing and recommending pay levels for non-employee directors for vote by the full Board.

There were six meetings of the Compensation Committee during fiscal year ended December 31, 2008. For further information see the Compensation Discussion and Analysis and Compensation Committee Report below.

### **3. CORPORATE GOVERNANCE COMMITTEE REPORT**

The Corporate Governance Committee has adopted the following policies and procedures regarding consideration of candidates for the Board.

*Consideration of Candidates for the Board of Directors Submitted by Shareholders.* The Corporate Governance Committee will only review recommendations for director nominees from any shareholder beneficially owning, or group of shareholders beneficially owning in the aggregate, at least 5% of the issued and outstanding Common Stock of the Company for at least one year as of the date that the recommendation was made (a Qualified Shareholder). Any Qualified Shareholder must submit its recommendation no later than the 120<sup>th</sup> calendar day before the date of the Company's proxy statement released to the shareholders in connection with the previous year's annual meeting, for the recommendation to be considered by the Corporate Governance Committee. Any recommendation must be submitted in accordance with the policy in the Corporate Governance Guidelines captioned Shareholder/Interested Person Communications. In considering any timely submitted recommendation from a Qualified Shareholder, the Corporate Governance Committee shall have sole discretion as to whether to nominate the individual recommended by the Qualified Shareholder, except that in no event will a candidate recommended by a Qualified Shareholder who is not independent as defined in the Company's Corporate Governance Guidelines and who does not meet the minimum expectations for a director set forth in the Company's Corporate Governance Guidelines, be recommended for nomination by the Corporate Governance Committee.

The Corporate Governance Committee did not receive, prior to the deadline noted in the foregoing policy, any recommendations for director nominees from any Qualified Shareholder (as defined in the foregoing policy).

*Consideration of Candidates for Board that are Incumbent Directors.* The process of evaluating directors for re-election will include a peer review of each director wishing to stand for re-election at the expiration of his/her current term. The Corporate Governance Committee may engage an independent third party professional to assist in the process. The Corporate Governance Committee may also interview each candidate individually. The Corporate Governance Committee will make a recommendation to the Board for the Board's final decision on each candidate

seeking re-election. The Corporate Governance Committee shall have sole authority to retain and terminate any search firm to be used to identify director candidates and any independent third party professional consultant used in the evaluation process for directors wishing to stand for re-election. Such authority shall include the sole authority to approve the search firm's and third party professional's fees and other retention terms.

*Consideration of Candidates for Board that are Non-incumbent Directors.* In the event of a vacancy in the Board of Directors that the Corporate Governance Committee anticipates will not be filled by an incumbent director, the Corporate Governance Committee will manage the process of searching for a suitable director. The Corporate Governance Committee will be free to use its judgment in structuring and carrying out the search process based on the Corporate Governance Committee's and the Board's perception as to what qualifications would best suit the Board's needs for each particular vacancy. The process may include the consideration of candidates recommended by officers, Board members, shareholders, and/or a third party professional search firm retained by

## **Table of Contents**

the Corporate Governance Committee. The Corporate Governance Committee shall have sole authority to retain and terminate any third party to be used to identify director candidates and/or evaluate any director candidates. Any candidate should meet the expectations for directors set forth in the Company's Corporate Governance Guidelines. Strong preference should be given to candidates who are independent, as that term is defined in the Corporate Governance Guidelines and the New York Stock Exchange rules, and to candidates who are sitting or former executives of companies whose securities are listed on a national securities exchange and registered pursuant to the Securities Exchange Act of 1934. The Corporate Governance Committee is not required to consider candidates recommended by a shareholder except in accordance with the Policy captioned "Consideration of Candidates for the Board of Directors Submitted by Shareholders," set forth in the Corporate Governance Committee Charter. If the Corporate Governance Committee determines to consider a candidate recommended by a shareholder, the Committee will be free to use its discretion and judgment as to what deference will be given in considering any such candidate.

*Shareholder/Interested Person Communications.* As set forth in the Company's Corporate Governance Guidelines, which may be viewed on the Company's website at [www.manitowoc.com](http://www.manitowoc.com), any shareholder or interested person may communicate with the Board of Directors in accordance with the following process. If an interested party desires to communicate with the Board of Directors or any member of the Board of Directors, the interested party may send such communication in writing to the Company to the attention of the Director of Investor Relations and/or the General Counsel. Such communication must include the following information in order to be considered for forwarding on to the Board of Directors or the applicable director:

1. The name, address, and phone number of the interested party.
2. The basis of the party's interest in the Company, e.g., if the interested party is a shareholder, a statement to that effect with the number of shares owned by the shareholder and the length of time that such shares have been beneficially owned.
3. The identity of the director or directors for whom such communication is intended.
4. The address where any reply or questions may be sent by the Company, the Board or any Board member.
5. Whether such interested party requests that the Company let the interested party know whether or not such communication has been forwarded to the Board or the particular Board member.
6. Such other information that the Company may subsequently request in order to verify the foregoing information or to clarify the communication.

Any communication which the Company's Director of Investor Relations or General Counsel determines, in his or her discretion, to be or to contain any language which is offensive or to be dangerous, harmful, illegal, illegible, not understandable, or nonsensical, may, at the option of such person, not be forwarded to the Board or any particular director. Any communication from an interested party shall not be entitled to confidential treatment and may be disclosed by the Company or by any Board member as the Company or the Board member sees fit. Neither the Company nor the Board nor any Board member shall be obligated to send any reply or response to the interested party, except to indicate to the interested party (but only if the interested party specifically requested such an indication) whether or not the interested party's communication was forwarded to the Board or the applicable Board member.

### **Corporate Governance Committee**

Keith D. Nosbusch, Chairman

Dean H. Anderson



Virgis W. Colbert  
Daniel W. Duval

**Table of Contents****4. AUDIT COMMITTEE REPORT**

In connection with its function to oversee and monitor the financial reporting process of the Company, the Audit Committee has done the following:

reviewed and discussed the audited financial statements for the fiscal year ended December 31, 2008, with the Company's management;

discussed with PricewaterhouseCoopers LLP, the Company's independent registered public accounting firm, those matters required to be discussed by Statement on the Auditing Standards No. 114 (The Auditor's Communication With Those Charged With Governance); and

received the written disclosure and the letter from PricewaterhouseCoopers LLP required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), considered whether the provisions of non-audit services by PricewaterhouseCoopers LLP is compatible with maintaining PricewaterhouseCoopers LLP's independence, and discussed with PricewaterhouseCoopers LLP its independence.

Based on the foregoing, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's annual report on Form 10-K for the fiscal year ended December 31, 2008.

**Fees Billed to the Company by PricewaterhouseCoopers LLP during  
Fiscal 2008 and 2007**

Fees billed or expected to be billed by PricewaterhouseCoopers LLP for each of the last two years are listed in the following table.

<b>Year Ended December 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2008	\$ 2,368,100	\$ 528,500	\$ 178,600	\$ 1,500
2007	\$ 1,761,800	\$ 212,900	\$ 166,600	\$ 1,500

Audit fees include fees for services performed to comply with Generally Accepted Auditing Standards (GAAS), including the recurring audit of the Company's consolidated financial statements. This category also includes fees for audits provided in connection with statutory filings or services that generally only the principal auditor reasonably can provide to a client, such as procedures related to consents and assistance with a review of documents filed with the Securities and Exchange Commission (SEC).

Audit related fees include fees associated with assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. This category includes fees related to assistance in financial due diligence related to mergers and acquisitions.

Tax fees primarily include fees associated with tax compliance, tax consulting, as well as domestic and international tax planning.

All other fees primarily include fees associated with a work force diagnostic review.

The Company's policy and procedures for pre-approval of non-audit services to be performed by the Company's independent registered public accounting firm are set forth in Section III of the Audit Committee Charter. A copy of the Audit Committee Charter may be viewed on the Company's website at [www.manitowoc.com](http://www.manitowoc.com) and is available in print to any shareholder who requests a copy. All services performed by PricewaterhouseCoopers LLP that are encompassed in the audit related fees, tax fees, and all other fees were approved by the Audit Committee in advance in accordance with the pre-approval policy and process set forth in the Audit Committee Charter.

**Table of Contents****Independent Registered Public Accounting Firm**

In accordance with the recommendation of the Audit Committee, and at the direction of the Board of Directors, the Company has retained PricewaterhouseCoopers LLP as its independent registered public accounting firm for the fiscal year ending December 31, 2009. As set forth in this Proxy Statement, the appointment of PricewaterhouseCoopers LLP is being submitted to the shareholders for ratification at the upcoming Annual Meeting. A representative of PricewaterhouseCoopers LLP is expected to be present at the Annual Meeting to respond to appropriate questions and to make a statement if he or she desires to do so.

**Audit Committee**

Robert C. Stift, Chairman

Dean H. Anderson

Daniel W. Duval

Cynthia M. Egnotovich

Kenneth W. Krueger

**5. EQUITY COMPENSATION PLANS**

The following table summarizes, as of December 31, 2008, the number of shares of the Company's Common Stock that may be issued under the Company's equity compensation plans and the number of shares available under such plans pursuant to which grants of options, warrants, and rights to acquire shares may be made from time to time.

**Equity Compensation Plan Information**

<b>Plan Category</b>	<b>Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights (A)</b>	<b>Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights (B)</b>	<b>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (A)) (C)</b>
Equity compensation plans not approved by security holders <sup>(1)(3)</sup>	941,150 <sup>(2)</sup>	\$5.6894 <sup>(2)</sup>	0 <sup>(2)</sup>
Equity compensation plans approved by security holders <sup>(4)</sup>	2,937,626 <sup>(4(a))</sup> 186,800 <sup>(4(b))</sup> 216,000 <sup>(4(c))(2)</sup>	\$22.47 <sup>(4(a))</sup> \$22.78 <sup>(4(b))</sup> \$6.66 <sup>(4(c))(2)</sup>	8,929,366 <sup>(4(a))</sup> 589,000 <sup>(4(b))</sup> 0 <sup>(4(c))(2)</sup>
Total <sup>(3)</sup>	4,281,576		9,518,366

(1) Consists of the Company's 1995 Stock Plan (which is the predecessor to the 2003 Incentive Stock and Awards Plan) and Deferred Compensation Plan. No additional awards are available for issuance under the 1995 Stock Plan. For a description of the key provisions of the Deferred Compensation Plan, see the discussion contained in

this Proxy Statement under section 8 - Compensation Discussion and Analysis and Compensation Committee Report under the subsection captioned *Deferred Compensation* and the discussion contained under section 7 Non-Employee Director Compensation.

- (2) Column (A) does not include 302,897 Common Stock units issued under the Deferred Compensation Plan as of December 31, 2008. Each Common Stock unit under the Deferred Compensation Plan represents the right to receive one share of Company Common Stock following the participant's death, disability, termination of service as a director or employee, a date specified by the participant, or the earlier of any such events to occur. Since the Common Stock units are acquired by participants through a deferral of fees or compensation, there is no exercise price associated with the Common Stock units. As a result, the weighted-average exercise price in column (B) is calculated solely on the basis of outstanding options issued under the 1995 Stock Plan, the 1999 Non-Employee Director Stock Option Plan, the 2003 Incentive Stock and Awards Plan, and the 2004 Non-Employee Director Stock and Awards Plan, and does not take into account the Common Stock units issued

**Table of Contents**

under the Deferred Compensation Plan. The operation of the Deferred Compensation Plan requires the plan trustees to make available as and when needed a sufficient number of shares of Company Common Stock to meet the needs of the plan. Accordingly, since there is no specific number of shares reserved for issuance under the Deferred Compensation Plan, column (C) includes only those shares remaining available for issuance under the 1995 Stock Plan, the 1999 Non-Employee Director Stock Option Plan, the 2003 Incentive Stock and Awards Plan, and the 2004 Non-Employee Director Stock and Awards Plan.

- (3) Does not include the 8,660 shares underlying the outstanding stock options issued under the Grove Investors, Inc. 2001 Stock Incentive Plan, which were assumed by the Company in connection with the acquisition of Grove Investors, Inc. Those options have a weighted average exercise price of \$4.575. No additional options may be granted under the Grove Investors, Inc. 2001 Stock Incentive Plan.
- (4) Consists of (a) the Company's 2003 Incentive Stock and Awards Plan, (b) the 2004 Non-Employee Director Stock and Awards Plan, and (c) the 1999 Non-Employee Director Stock Option Plan. The 1999 Non-Employee Director Stock Option Plan (the 1999 Director Stock Plan) is the predecessor to the 2004 Non-Employee Director Stock and Awards Plan (the 2004 Director Stock Plan). Upon the effective date of the 2004 Director Stock Plan no further awards can be made from the 1999 Director Stock Plan and all shares that would otherwise have been available for new grants under the 1999 Director Stock Plan are no longer available for granting. For a description of the key provisions of the 2003 Incentive Stock and Awards plan, see the discussion contained in this Proxy Statement under section 8 Compensation Discussion and Analysis and Compensation Committee Report under the subsection captioned *Long-Term Incentives*. For a description of the key provisions of the 2004 Director Stock Plan, see the discussion contained in this Proxy Statement under section 7 Non-Employee Director Compensation.

**6. OWNERSHIP OF SECURITIES****Stock Ownership of Beneficial Owners of More than Five Percent**

The following table sets forth information regarding the beneficial ownership of each person or entity known by the Company to have beneficial ownership of more than 5% of the Company's outstanding Common Stock as of December 31, 2008.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
Barclays Global Investors, NA. <sup>(1)</sup> 45 Fremont Street San Francisco, California 94105	8,646,923	6.63%

- (1) This information is based solely on a Schedule 13G, filed with the SEC by Barclays Global Investors, NA. (Barclays) on February 5, 2009. The Schedule 13G was filed jointly with the following Barclay affiliates: Barclays Global Fund Advisors, Barclays Global Investors, Ltd., Barclays Global Investors Japan Limited, Barclays Global Investors Canada Limited, Barclays Global Investors Australia Limited and Barclays Global Investors (Deutschland) AG. In that Schedule 13G, Barclays reported that it and its affiliates had sole voting power as to 7,379,954 shares and sole dispositive power as to 8,646,923 shares of common stock.

**Table of Contents****Stock Ownership of Directors and Management**

The following table sets forth information regarding the beneficial ownership of Common Stock by each director and director nominee of the Company, by each executive officer of the Company named in the Summary Compensation Table below, and by the directors and executive officers of the Company as a group. Unless otherwise indicated, the information is provided as of February 27, 2009. Each of the persons listed below is the beneficial owner of less than 1% of the outstanding shares of Common Stock and the executive officers and directors as a group own less than 2% of the outstanding shares of Common Stock. The table also reflects for each person the number of Common Stock units associated with compensation deferred under the Company's Deferred Compensation Plan. None of the persons named below has pledged any of their shares as security.

<b>Name</b>	<b>Number of Shares of Common Stock Beneficially Owned<sup>(1)</sup></b>	<b>Number of Deferred Common Stock Units Beneficially Owned<sup>(2)</sup></b>
Dean H. Anderson	65,632 <sup>(5)</sup>	32,798
Virgis W. Colbert	107,300 <sup>(6)</sup>	16,353
Daniel W. Duval	37,182 <sup>(7)</sup>	16,185
Cynthia M. Egnotovich	5,000 <sup>(8)</sup>	0
Terry D. Growcock	513,651 <sup>(9)</sup>	0
Maurice D. Jones	140,699 <sup>(3)(4)(10)</sup>	8,218
Kenneth W. Krueger	62,700 <sup>(11)</sup>	12,194
Carl J. Laurino	164,002 <sup>(3)(4)(12)</sup>	540
Thomas G. Musial	274,035 <sup>(3)(4)(13)</sup>	8,587
Keith D. Nosbusch	78,700 <sup>(14)</sup>	10,966
James L. Packard	109,200 <sup>(15)</sup>	25,719
Robert C. Stift	106,700 <sup>(16)</sup>	26,943
Glen E. Tellock	346,300 <sup>(3)(4)(17)</sup>	9,800
Total of all above-named executive officers and directors	2,011,110	168,303
Total of all executive officers and directors as a group (17 persons)	5,297,366 <sup>(18)</sup>	307,493 <sup>(19)</sup>

- (1) Unless otherwise noted, the specified persons have sole voting power and sole dispositive power as to the indicated shares.
- (2) The Company has the sole right to vote all shares of Common Stock underlying the Common Stock units held in the Deferred Compensation Plan Trust. The independent trustee of the Trust has dispositive power as to such shares.
- (3) For the following current executive officers, includes the indicated number of shares which were held in their respective 401(k) Retirement Plan accounts as of December 31, 2008, as to which they have sole voting power and shared investment power: Glen E. Tellock 17,187, Carl J. Laurino 29,204, Terry D. Growcock 8,257, Thomas G. Musial 20,805, and Maurice D. Jones 3,948.

(4)

Edgar Filing: MANITOWOC CO INC - Form DEFR14A

Reflects shares beneficially owned as of December 31, 2008, under the 401(k) Retirement Plan, as amended effective April 1, 1999, to provide that, after July 1, 1999, Plan accounts are valued on a daily basis.

- (5) Includes 20,600 shares which Mr. Anderson has the right to acquire pursuant to the 1999 Non-Employee Director Stock Option Plan and/or the 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting. Excludes 6,000 shares held in an IRA for Mr. Anderson's spouse and 2,520 shares held in trusts for the benefit of Mr. Anderson's grandchildren.
- (6) Includes 55,200 shares which Mr. Colbert has the right to acquire pursuant to the 1999 Non-Employee Director Stock Option Plan and/or the 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting.



**Table of Contents**

- (7) Includes 15,600 shares which Mr. Duval has the right to acquire pursuant to the 1999 Non-Employee Director Stock Option Plan and/or the 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting. Excludes 12,000 shares as to which voting and investment power is shared with spouse.
- (8) Includes 2,000 shares which Ms. Egnotovich has the right to acquire pursuant to the 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting.
- (9) Includes 212,359 shares held in a joint revocable trust as to which voting and investment power is shared with Mr. Growcock's spouse. Also includes 239,846 shares that Mr. Growcock has the right to acquire pursuant to the 1995 Stock Plan and/or the 2003 Incentive Stock and Awards Plan within sixty days following the record date for the Annual Meeting.
- (10) Includes 100,400 shares which Mr. Jones has the right to acquire pursuant to the 1995 Stock Plan and/or the 2003 Incentive Stock and Awards Plan within sixty days following the record date for the Annual Meeting.
- (11) Includes 37,200 shares which Mr. Krueger has the right to acquire pursuant to the 1999 Non-Employee Director Stock Option Plan and/or the 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting.
- (12) Includes 86,786 shares which Mr. Laurino has the right to acquire pursuant to the 1995 Stock Plan and/or the 2003 Incentive Stock and Awards Plan within sixty days following the record date for the Annual Meeting. Also, excludes 1,200 shares owned by Mr. Laurino's spouse.
- (13) Includes 157,574 shares which Mr. Musial has the right to acquire pursuant to the 1995 Stock Option Plan and/or the 2003 Incentive Stock and Awards Plan within sixty days following the record date for the Annual Meeting.
- (14) Includes 57,200 shares which Mr. Nosbusch has the right to acquire pursuant to the 1999 Non-Employee Director Stock Option Plan and/or 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting.
- (15) Includes 109,200 shares which Mr. Packard has the right to acquire pursuant to the 1999 Non-Employee Director Stock Option Plan and/or 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting.
- (16) Includes 85,200 shares which Mr. Stift has the right to acquire pursuant to the 1999 Non-Employee Director Stock Option Plan and/or 2004 Non-Employee Director Stock and Awards Plan within sixty days following the record date for the Annual Meeting. Also, excludes 4,000 shares held by Mr. Stift's spouse in a revocable trust as to which Mr. Stift disclaims beneficial ownership.
- (17) Includes 17,827 shares as to which voting and investment power is shared with Mr. Tellock's spouse. Also includes 251,100 shares which Mr. Tellock has the right to acquire pursuant to the 1995 Stock Plan and/or the 2003 Incentive Stock and Awards Plan within sixty days following the record date for the Annual Meeting. Also excludes 600 shares held by Mr. Tellock's spouse as custodian for their daughter.
- (18) Includes 230,186 shares of Common Stock as to which voting and investment power are shared, and 3,175,915 shares, as of February 27, 2009, held by the 401(k) Retirement Plan (persons within the group hold

sole voting power with respect to 79,401 of these shares, and share investment power with respect to all of these shares by virtue of the Plan's administration by an investment committee of benefit management executive officers).

- (19) Also includes 139,190 shares, as of February 27, 2009, as to which the Company, through certain officers, have sole voting power under the Deferred Compensation Plan Trust.

**Table of Contents**

**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's officers and directors and persons owning more than ten percent of the Company's Common Stock to file reports of ownership and changes in ownership of equity and derivative securities of the Company with the Securities and Exchange Commission and the New York Stock Exchange. To the Company's knowledge, based on information provided by the reporting persons, all applicable reporting requirements for fiscal year 2008 were complied with in a timely manner except for a purchase by Mr. Dean Anderson of 2,000 shares of the Company's Common Stock on October 30, 2008, which he inadvertently failed to disclose at that time. This purchase was disclosed pursuant to a filing made on March 17, 2009.

**7. NON-EMPLOYEE DIRECTOR COMPENSATION**

The annual compensation package for non-employee directors is designed to attract and retain highly experienced and qualified individuals to serve on the Company's Board of Directors.

The 2008 compensation package consisted of cash (Board and committee annual retainers and meeting fees) and equity (stock options and restricted stock) awards. Directors are also entitled to reimbursement of their reasonable out-of-pocket expenses in connection with their travel to and from and attendance at Board and committee meetings and other Company events. The compensation package is intended to be competitive relative to general industrial companies of comparable size to the Company. The Compensation Committee typically reviews the market competitiveness of the non-employee director compensation program every two years. The last review of the program was conducted in 2008.

Approximately two-thirds of the target annual compensation package is delivered in the form of equity, which is designed to promote a greater alignment of interest between the Company's non-employee directors and its shareholders. In 2008, the Compensation Committee with the assistance of its compensation consultant, Towers Perrin, undertook an analysis of its non-employee director compensation. As a result of that analysis, upon recommendation from the Compensation Committee, the full Board approved changes to the non-employee director compensation to bring the compensation more in line with market median practices. These changes are summarized in the table below. In 2008, the equity grant was set based on the Company's recent average stock price ending in January 2008. The actual grant price and accounting expense was determined at the date of grant (February 15, 2008). An individual director's actual annual compensation will vary based on committee memberships, committee chair responsibilities, and the number of Board and committee meetings attended.

Stock awards in 2008 were granted out of the 2004 Non-Employee Director Stock and Awards Plan (the 2004 Director Stock Plan). The purpose of the 2004 Director Stock Plan is three-fold: (i) to promote the long-term growth and financial success of the Company; (ii) to attract and retain highly experienced and qualified individuals to serve on the Company's Board of Directors; and (iii) to assist the Company in promoting a greater alignment of interest between the Company's non-employee directors and its shareholders. The 2004 Director Stock Plan is designed to achieve these goals by providing non-employee directors of the Company with incentives to increase shareholder value by offering them the opportunity to acquire shares of the Company's Common Stock, receive incentives based on the value of such Common Stock, or receive other equity-based incentives as provided in the 2004 Director Stock Plan. Only non-employee directors of the Company are eligible to receive awards under the 2004 Director Stock Plan. The Compensation Committee of the Company's Board of Directors may, in its discretion, grant awards from time to time in such amounts as it determines and to such non-employee directors as it selects.

**Table of Contents**

The following tables summarize the 2008 compensation elements provided to the Company's non-employee directors. At its May 5, 2008 meeting, as reflected in the table below, the Board of Directors increased the annual Board member cash retainer and increased the annual chairperson retainer for the Audit Committee chairperson and the Compensation Committee chairperson. Commencing in 2009, the equity grant guidelines for non-employee director compensation will be targeted to provide an annual equity value of \$100,000.

<b>Element</b>	<b>Amount Previous to May 5, 2008</b>	<b>Amount as of May 5, 2008</b>
Annual Board Member Cash Retainer	\$30,000	\$60,000
Board Per-Meeting Fee	\$1,500	\$1,500
Committee Per-Meeting Fee	\$1,500	\$1,500
Audit Committee Chairperson Annual Retainer	\$7,500	\$15,000
Compensation Committee Chairperson Annual Retainer	\$7,500	\$9,000
Governance Committee Chairperson Annual Retainer	\$7,500	\$7,500
Annual Stock Option Grant <sup>(1)</sup>	2,600 options	no change
Annual Restricted Stock Grant <sup>(2)</sup>	1,200 shares	no change

- (1) Stock options were granted to all non-employee directors other than Ms. Egnotovitch on February 15, 2008. Ms. Egnotovitch joined the board effective July 24, 2008. Ms. Egnotovitch was awarded options for 2,000 shares on October 20, 2008. All options granted to non-employee directors in 2008 were granted with an exercise price equal to the fair market value on the grant date. The options fully vested upon granting and have a 10-year exercise term.
- (2) The restricted stock was granted to all non-employee directors other than Ms. Egnotovitch on February 15, 2008. Ms. Egnotovitch joined the Board effective July 24, 2008. Ms. Egnotovitch was awarded 1,000 shares of restricted stock on October 20, 2008. The restrictions on all the shares of restricted stock granted to non-employee directors lapse on the third anniversary of the grant date.

Effective in 2005, the Board implemented stock ownership guidelines for non-employee directors, which require a non-employee director to acquire an amount of the Company's Common Stock with a value equal to five times such director's total annual Board member cash retainer (does not include meeting fees or the annual committee chairperson retainers). The guideline requires the stock ownership amount to be met by the later of the end of 2009 or the end of the fifth full calendar year after the director is first elected to the Board. As of December 31, 2007, each of the non-employee directors was in compliance or projected to be in compliance with his/her respective ownership guideline. However, due to the significant decline in the price of common stock of the Company as of December 31, 2008 when compared to the price as of December 31, 2007, several non-employee directors would no longer meet the guideline if it were required to have been met as of December 31, 2008.

In addition, under the Company's Deferred Compensation Plan, each non-employee director may elect to defer all or any part of the director's annual retainer and meeting fees for future payment upon death, disability, termination of service as a director, a date specified by the participant, or the earlier of any such date to occur. A director may use the Deferred Compensation Plan as a means of achieving the director's stock ownership guideline by electing to defer a portion of his/her compensation under the Company's Deferred Compensation Plan and investing in stock units (value equivalent to Manitowoc's stock price).

In 2008, stock options and restricted stock were granted at the February meeting of the Board of Directors. Stock options are granted with an exercise price equal to the closing stock price on the date of grant. The stock options have

a 10-year term and vest immediately. The restrictions on the restricted stock awards lapse on the third anniversary of the grant date. The restrictions provide that, unless the Compensation Committee in its discretion determines otherwise, (i) the restricted shares will be immediately forfeited if the director ceases to be a member of the Board prior to the restriction lapse date for any reason other than the director's retirement (due to reaching the mandatory retirement age established by the Board), death or disability; and (ii) the restricted shares are generally transferable, but may not be assigned, pledged or mortgaged prior to the restriction lapse date.

**Table of Contents****Non-Employee Directors Compensation**

The following table sets forth the total compensation earned by non-employee directors during the fiscal year ending December 31, 2008.

Name	Fees Earned	Stock Awards <sup>(3)</sup>	Option Awards <sup>(4)</sup>	Change in	All Other Compensation <sup>(5)</sup>	Total
	or Paid in Cash <sup>(1)</sup>			Nonqualified Deferred Compensation		
Dean H. Anderson	\$ 79,500	\$69,235	\$ 52,719	\$ 0	\$ 0	\$201,454
Virgis W. Colbert	\$ 81,000	\$69,235	\$ 52,719	\$ 0	\$ 0	\$202,954
Daniel W. Duval	\$ 82,500	\$69,235	\$ 52,719	\$ 0	\$ 0	\$204,454
Cynthia M. Egnotovich	\$ 37,500	\$681	\$ 10,120	\$ 0	\$ 0	\$48,301
Kenneth W. Krueger	\$ 82,500	\$69,235	\$ 55,173	\$ 0	\$ 0	\$206,908
Keith D. Nosbusch	\$ 79,500 <sup>(2)</sup>	\$69,235	\$ 52,719	\$ 0	\$ 0	\$201,454
James L. Packard	\$ 83,625 <sup>(2)</sup>	\$69,235	\$ 52,719	\$ 0	\$ 0	\$205,579
Robert C. Stift	\$ 89,828 <sup>(2)</sup>	\$69,235	\$ 52,719	\$ 0 <sup>(6)</sup>	\$ 0 <sup>(6)</sup>	\$211,782

(1) Includes meeting fees for the December 2008 Board and Committee meetings which were paid in January 2009.

(2) Includes committee chairperson annual retainer of \$7,500 prior to May 5, 2008 and committee chairperson annual retainers in the following amounts as of May 5, 2008, Audit \$15,000, Compensation \$9,000 and Corporate Governance \$7,500. Mr. Nosbusch served as chair of the Corporate Governance Committee, Mr. Packard served as chair of the Compensation Committee, and Mr. Stift served as chair of the Audit Committee.

(3) Reflects the FAS 123R expense during 2008 for outstanding restricted stock awards as to which the restrictions had not lapsed at the beginning of 2008 (includes outstanding awards made in prior years (2005, 2006 and 2007)). The restrictions on restricted stock awards lapse on the third anniversary of the grant date. At year end, each non-employed director other than Ms. Egnotovich had 11,800 shares of restricted stock outstanding. At year end, Ms. Egnotovich had 1,000 shares of restricted stock outstanding.

(4) Reflects the FAS 123R expense during 2008 for outstanding stock option awards (includes outstanding awards made in prior years). The options expire ten years from the grant date. Options granted in 2005, 2006, 2007 and 2008 vest immediately. Options granted prior to 2005 vest in 25% increments annually beginning on the first anniversary of the grant date and continuing on each subsequent anniversary until the fourth anniversary. At year end, the directors had the following options outstanding: Dean H. Anderson 20,600, Virgis W. Colbert 55,200, Daniel W. Duval 15,600, Cynthia M. Egnotovich 2,000, Kenneth W. Krueger 37,200, Keith D. Nosbusch 57,200, James L. Packard 109,200, Robert C. Stift 85,200.

- (5) Not included in these numbers are travel-related expenses of the director's spouse. From time to time, spouses may be invited to accompany the directors at a Company function at the Company's expense. During 2008, spouses of directors were invited to attend the February Board meeting and the October Board meeting. Mr. Nosbusch's spouse did not attend either event and Mr. Anderson's spouse did not attend the October event. Thus, there were no expenses incurred or reimbursed for those spouses at those events. At the February event the company reimbursed air fares for the spouses of Mr. Anderson, Mr. Colbert and Mr. Krueger at an average of \$732 per spouse. Meals and other expenses (other than airfare) reimbursed for the spouses attending the February event averaged \$250 per spouse. At the October event, the Company reimbursed air fares for the spouses of all directors other than Mr. Anderson and Mr. Nosbusch at an average of \$12,535 per spouse. Meals and other expenses (other than airfare) reimbursed for spouses attending the October event averaged \$3,500 per spouse.
- (6) Amounts do not include \$89,235.48 paid to Mr. Stift during 2008 pursuant to the terms of a Supplemental Executive Retirement Plan of Grove North America, Division of Kidde Industries, Inc. (the predecessor of

**Table of Contents**

Grove Investors, Inc.) ( Grove ). Prior to becoming a member of the Board of the Company, Mr. Stift served as an officer of Grove until his retirement in April 1998, and was a participant in the plan when Grove was acquired by the Company in 2002. The benefits Mr. Stift receives under the plan relate solely to his prior service as an officer of Grove and do not relate to his service as a member of the Board of Directors of the Company.

**8. COMPENSATION DISCUSSION AND ANALYSIS AND COMPENSATION COMMITTEE REPORT**

**COMPENSATION DISCUSSION AND ANALYSIS**

**Overview**

The discussion and analysis below is designed to assist you with understanding the objectives of our executive compensation program (the executive compensation program ), the different components of compensation paid to our named executive officers (the CEO, CFO, and three other most highly compensated executive officers other than the CEO and CFO) and the basis for our compensation decisions. This discussion and analysis should be read together with the compensation tables located elsewhere in this Proxy Statement.

**Compensation Program Administration**

The Compensation Committee of the Board of Directors ( Compensation Committee ) is primarily responsible for administering the Company s executive compensation program. As such, the Compensation Committee reviews and approves all elements of the executive compensation program that cover the named executive officers. Additional information about the role and processes of the Compensation Committee is presented in the *Governance of the Board and its Committees Compensation Committee* section.

**Compensation Program Objectives and Philosophy**

Our executive compensation program aligns the interests of our executives with the interests of our shareholders and motivates our executives to maximize long-term total returns to our shareholders. In addition, our executive compensation program provides competitive total compensation opportunities, at a reasonable cost, in order to attract, motivate and retain highly-qualified executives critical to the achievement of the Company s financial and strategic goals.

Our compensation program is intended to motivate executives by:

*Paying for performance.* A significant portion of the compensation paid to an executive is variable and at risk, and is earned based on the achievement of the Company s financial goals and/or stock price appreciation.

*Providing market competitive compensation.* Compensation opportunities for executives are established based on a review of compensation offered to executives in comparable positions at general industrial companies of similar size.

*Encouraging long service.* The Company offers several retirement and savings plans, which are payable after retirement from the Company and provide employees with the opportunity to earn Company contributions or save pre-tax dollars for retirement.

*Facilitating executive stock ownership.* Long-term incentive awards are paid solely in Company stock, and executive officers are subject to minimum stock ownership guidelines.



It is the Compensation Committee's philosophy to set overall compensation and each element of compensation paid to our named executive officers and other executive officers to be within a competitive range of market median practices. In connection with its executive compensation determinations, the Company reviews survey data among comparable companies and broader market trends/developments, as provided by the Compensation Committee's compensation consultant, Towers Perrin. Given the range of its businesses, the Company reviews market pay data among comparably-sized general industrial companies; a specific peer group for pay benchmarking is not used.

**Table of Contents**

Survey data of comparable positions are analyzed annually in considering adjustments to base salaries and target short-term and long-term incentive award opportunities. Survey data are reviewed periodically for other elements of compensation.

**Total Compensation**

Overall target compensation for named executive officers is set to be within a competitive range of market median practices. In setting an individual executive's salary and target incentive award opportunities, the CEO (with respect to his team) and Compensation Committee also consider experience, length of service, individual and Company performance, current market practices, internal equity, and business/people needs. Actual total compensation can vary from target compensation based on the individual's and the Company's performance.

**Compensation Elements**

We believe the executive compensation program described below, by element and in total, best achieves our objectives.

<b>Element</b>	<b>Purpose</b>	<b>Characteristics</b>
<i>Base Salary</i>	Establish a certain element of pay for an individual's competencies, skills, experience and performance	Not at risk; eligible for annual merit increases and adjustments for changes in job responsibilities
<i>Short-Term Incentives</i>	Motivate and reward the achievement of annual Company financial goals, as assessed by Economic Value Added (EVA) results, relative to targeted levels	Performance-based (variable) cash opportunity; amount earned will vary based on actual results achieved
<i>Long-Term Incentives</i>	Motivate and reward the achievement of stock price appreciation over time	Majority is performance-based opportunity; amount realized by the executive is dependent upon stock price performance
<i>Retirement Benefits</i>	Facilitate long service with the Company by providing a targeted replacement income level upon retirement	Both fixed and variable aspects; contributions drive growth of funds and future payments
<i>Benefits and Perquisites</i>	Provide additional financial security and other enhanced benefits for executives	Generally fixed; actual cost is based on participation and usage
<i>Change in Control (CIC) Continued Employment and Severance Benefits</i>	Provide continuity of the leadership team leading up to and after a change in control	Contingent component; provides for continued employment upon a CIC and severance benefits if an executive's employment is terminated following a CIC

In setting total compensation, a consistent approach is applied for all executive officers. Executive officers may also receive pay increases at the time of promotions, which, on May 1, 2007, occurred for Mr. Tellock (promoted to President and Chief Executive Officer). In connection with those promotions, the Compensation Committee increased base salary and target short-term incentive award percentages, and made additional long-term incentive grants.

Additional detail regarding each pay element is presented below. Other than the Change in Control Severance Arrangements (Contingent Employment Agreements) described below, the Company does not have employment agreements with any of the named executive officers.

*Base Salary.* Salaries are reviewed annually, and adjustments, if any, are based on consideration of the Company's overall budget for base salaries for the year, individual factors (competencies, skills, experience, and performance), internal equity, and market pay data. In 2008, based on consideration of the above mentioned factors, the annualized base salaries of our named executive officers in the same position as the prior year were increased, on

## **Table of Contents**

average, by 7% from 2007. Based upon the survey data provided by the Compensation Committee's compensation consultant, the base salaries paid to the named executive officers in 2008, on average, approximated the median base salaries of comparable positions in considering an individual's experience, performance and other factors.

*Short-Term Incentives.* The Short-Term Incentive Plan ( STIP ) rewards eligible participants for maximizing shareholder value. The Company believes the creation of shareholder value is best measured by EVA<sup>®</sup>, a technique developed by Stern Stewart & Co., which measures the economic profit generated by a business. EVA<sup>®</sup> is equal to the difference between:

- i. Net operating profit after tax (for certain participants who are likely to directly affect improvements in the Company's tax rate) or net operating profit before tax (for participants who are not likely to directly affect improvements in the Company's tax rate), defined as operating earnings adjusted to eliminate the impact of, among other things, certain accounting charges such as bad debt and inventory reserve expenses, and research and development costs; and
- ii. A capital charge, defined as capital employed multiplied by the weighted average cost of capital.

The weighting of an EVA<sup>®</sup> center for a particular executive depends upon the executive's primary operating unit responsibilities. The 2008 weightings for the named executive officers were as follows:

Corporate Officers: awards based 100% on Corporate EVA<sup>®</sup> performance

Business Segment Presidents: awards based 50% on Business Segment and 50% on Corporate EVA<sup>®</sup> performance

Participants under the STIP are divided into thirteen classifications, which in 2008 had target incentive award levels ranging from 5% to 80% of base salary. The classification assignment corresponds with what the Company believes is the relative effect of a participant's job on the Company's performance.

Awards under the STIP are based on results relative to target EVA<sup>®</sup> for the participant's EVA<sup>®</sup> center (or combination of centers in the case of business segment presidents). The target EVA<sup>®</sup> for 2008 varied among the various business units (or participating groups); in total in 2008 there were seven participating groups. The named executive officers were in the Corporate Group. For 2008 the target EVA<sup>®</sup> for all participating groups was determined by the actual EVA<sup>®</sup> achieved for the respective participating groups in 2007 plus the expected improvement in EVA<sup>®</sup> for 2008. For all participating groups in 2008, the Plan also set forth a maximum EVA<sup>®</sup> that could be earned which is determined by the actual EVA<sup>®</sup> achieved in the preceding year, plus the expected improvement in EVA<sup>®</sup> for the performance year and an amount equal to 150% of the leverage factor for the performance year.

Probabilities of achievement are considered in calibrating the expected improvement and leverage factors. The leverage factor is the amount of EVA<sup>®</sup> above the target EVA<sup>®</sup> that must be achieved before an incentive award of two times the target incentive award percentage is earned, or stated in the converse, it is the minimum amount of EVA<sup>®</sup> below the target EVA<sup>®</sup> that would result in a zero incentive award being earned. The expected improvement and leverage factors are evaluated and recalibrated no less than every three years, and were recalibrated in 2008 for 2009 performance. The Company retained the services of Stern Stewart & Co. to assist with the recalibration for 2009 performance.

The 2008 target annual incentive award percentages assigned to the Company's named executive officers ranged from 50% to 80% of the applicable officer's base salary, and based on the position's responsibilities and business impact. Awards earned under the STIP can range from 0% to 250% of an individual's target award opportunity based on actual

EVA<sup>®</sup> results versus the target EVA<sup>®</sup> for the year. Earned awards, if any, will be fully paid out after the end of the year.

2008 Awards Reflect Excellent Performance. The Company's actual 2008 EVA<sup>®</sup> performance for the Corporate Group was above target EVA<sup>®</sup> levels resulting in STIP payouts for 2008 performance for the named executive officers equal to the maximum potential award of 250% of their respective award targets. Presented below are the 2008 actual EVA<sup>®</sup> performance for the EVA<sup>®</sup> centers applicable to named executive officers and the award earned.

**Table of Contents**

<b>EVA® Center</b>	<b>2008 Target EVA®</b>	<b>2008 Actual EVA®</b>	<b>Award Earned (As a % of Target Opportunity)</b>
Corporate	\$211,373,000	\$268,087,000	250%

The actual incentive award payouts for the named executive officers are presented in the Summary Compensation Table, in the column, Non-Equity Incentive Plan Compensation. The potential dollar range of the 2008 annual incentive awards, by named executive officer, is presented in the Grants of Plan-Based Awards table.

**Use of Discretion.** The Compensation Committee does not use discretion to pay awards under the STIP that would not have otherwise been earned. However, on May 1, 2007, Mr. Tellock was promoted to President and Chief Executive Officer of the Company. In connection with that promotion, the Compensation Committee increased his base salary and target incentive award percentage. The effect of this incentive award was to provide Mr. Tellock with total short-term incentive compensation for 2007 as if his target award percentage were increased to 80% as of January 1 and was calculated as if his base salary had been increased as of January 1, rather than May 1. The STIP does include certain discretionary elements. The STIP allows the Compensation Committee to apply discretion in considering potential adjustments (e.g., certain accounting charges such as bad debt and inventory reserve expenses and research and development costs) presented by management in order to assess performance of continuing operations. In practice, the Compensation Committee has made a limited number of adjustments, which, for awards to be earned by executives during a particular year, must be determined no later than the Compensation Committee's February meeting. The Compensation Committee reviews the actual results for a year and considers and approves potential adjustments in accordance with the STIP. With respect to the officers of the Company, these adjustments for a plan year must be made no later than the February Compensation Committee meeting of that year.

**Long-Term Incentives.** Long-term incentive awards are granted under the Company's 2003 Incentive Stock and Awards Plan. The 2003 Incentive Stock and Awards Plan allows the Company to grant incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, performance share awards, and performance units. The Compensation Committee has full authority to make awards to executive officers of the Company under the 2003 Incentive Stock and Awards Plan. It determines the type, the number of shares, and the other terms of the awards.

Long-term incentive awards are granted to align the interests of executives with those of shareholders by allowing executives to share in the growth and financial success of the Company, as reflected in Manitowoc's stock price. In addition, long-term incentive awards facilitate the attraction, retention and motivation of executives and key employees.

In 2008, in order to achieve the executive compensation program's objectives, the Company granted officers (including named executive officers) 75% of their total long-term awards in stock options and the remaining 25% in restricted stock. Other employees received grants of stock options and/or restricted stock.

**Stock Options.** Stock options align executives' interests with those of shareholders, since options only have realizable value if the price of Manitowoc stock increases relative to the grant/exercise price.

Stock options granted to the named executive officers and other employees during fiscal 2008 have the following terms:

Exercise price is the closing trading price on the grant date.

Vest annually in 25% increments beginning on the second anniversary of the grant date and continuing on each subsequent anniversary until the fifth anniversary.

Expire 10 years from the grant date.

Restricted Stock. Restricted stock is granted to executives to facilitate retention and, for newly hired executives, recruitment. The restrictions on the restricted stock awards granted to executives in 2008 lapse on the third anniversary of the grant date. During the restrictive period, the executive is entitled to any dividends paid on the restricted stock. The restrictions generally provide that, unless the Compensation Committee in its discretion determines otherwise, during the term of the restrictions the shares may not be sold or otherwise transferred, and the

## **Table of Contents**

shares will be immediately forfeited in the event of the executive's termination of employment for any reason other than death, disability or retirement.

The Compensation Committee sets award guidelines for each officer and job classification level based upon market median levels and the Company's recent average stock price. In 2008, equity grant guidelines were set based on the Company's 90-day average stock price ending January 2008. The actual grant price and accounting expense was determined at the date of grant (February 13, 2008). Grant guidelines for stock options and restricted stock awards are determined based on a methodology used in the consultant's survey data, which is consistently applied for market comparison purposes. This methodology is similar to, but not the same as, the accounting methodology used for determining the FAS 123R fair value that is disclosed in the Summary Compensation Table and Grants of Plan-Based Awards table.

The grant date accounting (FAS 123R) fair value of the 2008 stock option grants and restricted stock awards is presented in the Grants of Plan-Based Awards Table. The ultimate value, if any, which will be realized, is not determinable at the date of grant.

### **Stock Ownership Guidelines**

Effective beginning in fiscal 2005, the Compensation Committee approved stock ownership guidelines for executive officers. The guidelines provide that by the end of 2009 (or within 5 years after the date that the executive officer commenced employment as an officer (or as CEO), whichever is later) each executive officer should hold an amount of stock with a value at least equal to the following:

CEO: 5x base salary

Other executive officers: 3x base salary

Stock ownership includes shares owned outright, restricted stock, and stock equivalents held in deferred compensation/retirement arrangements. Additionally, one-half of the guideline amounts can be met by vested, in-the-money stock options held by the executive. As of December 31, 2007, each of the named executive officers was in compliance or projected to be in compliance with his/her respective ownership guideline. However, due to the significant decline in the price of common stock of the Company as of December 31, 2008 when compared to the price on December 31, 2007, several officers would no longer meet the guideline if it were required to have been met as of December 31, 2008, notwithstanding an increase by each such officer of the number of shares held.

If an executive does not meet his/her ownership requirement measured as of the end of any given year (commencing in 2009 or the fifth anniversary of the date the executive officer was named an officer or became CEO), the executive may be required to acquire during the subsequent year, shares of the Company's stock having a dollar value equal to, at the time of acquisition, 50% of any earned STIP awards payable during such subsequent year, determined after tax, until compliance is achieved.

### **Other Pay Elements**

The Company's executive officers are eligible to participate in the following other pay elements:

Retirement benefits

Deferred compensation



Perquisites/Other benefits

Change in control severance arrangements

*Retirement Benefits.* In order to facilitate the long service of highly-qualified executives, the Company provides retirement benefits. Executives may be selected by the Compensation Committee to be eligible to participate in the nonqualified Supplemental Executive Retirement Plan ( SERP ). An executive is not eligible to participate in the SERP until the executive has at least five years of credited service with the Company and/or its subsidiaries; additional criteria for participation may be considered by the Compensation Committee. As of

## **Table of Contents**

January 1, 2008, all of the named executive officers were eligible to participate in the SERP. Benefits provided under the SERP are intended to provide a life annuity equal to 55% of a participant's five-year final average pay (salary plus STIP-related awards). When a participant becomes eligible for a distribution from the SERP, the participant may elect to receive the distribution in a single lump sum or over a period not to exceed ten years. As amended effective January 1, 2009 for any executive who becomes a participant after December 31, 2008 and whose projected total service at his or her target retirement date is less than 25 years, the 55% target retirement benefit will be prorated based on the projected total service years divided by 25.

In addition, active, regular, full-time, non-union, U.S.-based employees (including the named executive officers) are eligible to participate in The Manitowoc Company, Inc. 401(k) Retirement Plan, which allows employees to build retirement savings on a tax-deferred basis. The plan has a tax-qualified defined contribution savings component, the 401(k) Savings feature, in which participating employees receive a Company match. In addition, the plan has a Retirement Plan feature, in which the Company provides an annual contribution of at least 3% of eligible compensation to another defined contribution account. There are no employee contributions to the Retirement Plan feature. Contributions under the Retirement Plan feature are based on an EVA<sup>®</sup> formula, subject to a cap, and are reviewed and approved by the retirement committee.

The actuarial change from 2007 in the named executive officers' SERP benefits and the value of Company annual contributions to The Manitowoc Company, Inc. 401(k) Retirement Plan are presented in the Summary Compensation Table. Detailed information about the SERP is presented in the Pension Benefits Table.

*Deferred Compensation.* In order to further help in attracting and retaining highly-qualified employees, to facilitate stock ownership and to encourage saving for retirement, executive officers and other key employees are eligible to participate in the Deferred Compensation Plan. Eligible participants may elect to defer up to 40% of base salary and up to 100% of awards under the STIP.

Credits to deferred compensation accounts for key employees will also include a contribution by the Company. This contribution equals the amount of compensation deferred by the key employee for the plan year (subject to a maximum of 25% of eligible compensation) multiplied by a rate equal to the greater of 3% or the rate of variable retirement plan contributions that the participant has received from the Company for the year under the 401(k) Retirement Plan plus one percent.

Deferred amounts can be invested into a variety of accounts, which mirror the performance of several different mutual funds offered in the 401(k) Retirement Plan, as well as the Company Stock Fund (which includes only Common Stock of the Company). Transfers between the Company Stock Fund and the other funds are not permitted. Key employee participants are not required to direct any minimum amount of deferred compensation into the Company Stock Fund.

The value of the Company's annual contributions in 2008 to the Deferred Compensation Plan is presented in the Summary Compensation Table. Detailed information about this Plan is presented in the Non-Qualified Deferred Compensation Table.

*Perquisites/Other Benefits.* In order to provide a market competitive total compensation package, the Company provides certain perquisites to executives. In 2008, Manitowoc provided the following perquisites and supplemental benefits:

Supplemental long-term disability insurance: The Company paid for the amount of the annual premium for long-term disability coverage for each executive above the basic coverage amount.

Tax preparation: The Company paid for the fees incurred by the executive in preparing his or her tax return and in planning for the subsequent year.

Club membership: The Company paid for the executive's personal use of corporate memberships and in certain cases the executive's membership in a local country club that may be beneficial to the executive in fulfilling his or her responsibilities to meet with and/or entertain others in connection with his or her employment responsibilities. The taxable amount of this benefit is disclosed in the All Other Compensation Table.

## **Table of Contents**

**Car allowance:** The Company paid each executive a car allowance in the amounts noted under the All Other Compensation Table.

**Internet access:** In order to facilitate the performance of his or her responsibilities, the Company will pay for internet access fees for the executive at one remote location.

**Spousal travel:** The Company paid for the expense of the executive's spouse in accompanying the executive at the February Board meeting and at certain other limited events.

The value of perquisites and supplemental benefits, in total and itemized, provided in 2008 are presented in the Summary Compensation Table and All Other Compensation Table.

*Change in Control Severance Arrangements.* In order to facilitate attraction and retention of highly-qualified executives, the Company has arrangements (Contingent Employment Agreements) with certain key executives (including the named executive officers) which provide for the executives' continued employment (for a period ranging from one to three years) upon a change in control. All Contingent Employment Agreements with named executive officers are for a period of three years. In addition, the arrangements provide for certain severance benefits in the event the executive is terminated without cause (as defined in the agreements) prior to the end of the employment period. For some named executive officers (Growcock, Tellock, Musial, Laurino and Jones) certain benefits are payable if the executive elects to terminate employment within 90 days of the change in control. Further detail regarding these agreements is presented in the Post-Employment Compensation section.

The Company does not have a formal severance plan for other forms of employment termination for the named executive officers. Whether and to what extent the Company will provide severance benefits to named executive officers upon termination (other than due to a change in control) depends upon the facts and circumstances.

### **Other Executive Compensation Policies**

*Stock Option Granting Policy.* In 2008, based on the approval of the Compensation Committee, the Company granted stock awards (stock options and restricted stock) to its executive officers and other key employees. Stock awards were granted to key employees in February. Stock awards are also used to attract executives and key employees, and as such, stock awards are often made to executives and key employees at the time they become employees or officers of the Company. In such cases, the grant date would be the date employment commences or the date the Compensation Committee approves the awards. In all cases, the exercise price of stock options is the closing trading price on the grant date.

*Securities Trading Policy.* The Company maintains an Insider Trading Policy which imposes specific standards on directors, officers and key employees of the Company. The policy is intended not only to forbid such persons from trading in Company stock on the basis of inside information, but to avoid even the appearance of improper conduct on the part of such persons. In addition to the specific restrictions set forth in the policy, the policy requires that all transactions in Company stock by such persons and by others in their households be pre-cleared by the Corporate Secretary's office. The only exception to the pre-clearance requirement is regular, ongoing acquisitions of Company stock resulting from continued participation in employee benefit plans that the Company or its agents administer.

*Tax Deductibility of Executive Compensation.* Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), limits the Company's federal income tax deduction to \$1,000,000 per year for compensation to its CEO and certain other highly compensated executive officers. Qualified performance-based compensation for the CEO and certain covered officers is not, however, subject to the deduction limit, provided certain requirements of

Section 162(m) are satisfied. Certain awards under the 1995 Stock Plan, the 2003 Incentive Stock and Awards Plan, and the Short-Term Incentive Plan (as amended effective January 1, 2008) are intended to qualify for the performance-based compensation exception under Section 162(m). It is the Compensation Committee's intent to preserve the deductibility of executive compensation to the extent reasonably practicable and consistent with the best interests of the Company and its shareholders. All of the named executive officers met the requirements of a covered officer under Section 162(m) in 2008.

**Table of Contents****COMPENSATION COMMITTEE REPORT**

Management of the Company has prepared the foregoing Compensation Discussion and Analysis of the compensation program for named executive officers. The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis for fiscal year 2008 (included in this proxy statement) with the Company's management. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors of the Company, and the Board has approved, that the Compensation Discussion and Analysis be included in the Company's proxy statement for the fiscal year ended December 31, 2008, for filing with the Securities and Exchange Commission.

**Compensation Committee**

James L. Packard, Chairman

Virgis W. Colbert

Kenneth W. Krueger

**9. EXECUTIVE COMPENSATION****SUMMARY COMPENSATION TABLE**

The following table sets forth the total compensation earned by our named executive officers during the fiscal year ending December 31, 2008. Actual payouts are presented in the Salary (before deferrals) and Non-Equity Incentive Plan Compensation columns. The accounting expense attributed during the year to equity-based grants in 2007 and prior years is shown in the Stock Awards and Options Awards columns. The actuarial change in the pension value from last year is presented in the Change in Pension Value column; the Company does not provide above market earnings on nonqualified deferred compensation.

					Non-Equity Incentive Plan Compensation <sup>(3)</sup>	Change in Pension Value & Nonqualified Deferred Compensation Earnings <sup>(4)</sup>	All Other Compensation
Year	Salary	Bonus	Stock Awards <sup>(1)</sup>	Option Awards <sup>(2)</sup>			
2008	\$700,000	\$0	\$306,961	\$1,340,585	\$1,400,000	\$934,329	\$69,652
2007	\$492,308	\$550,000 <sup>(6)</sup>	\$208,289	\$506,101	\$564,696	\$886,824	\$56,958
2006	\$365,000	\$0	\$110,144	\$378,647	\$516,571	\$227,270	\$57,528
2008	\$305,000	\$0	\$141,353	\$476,628	\$457,500	\$200,010	\$50,838
2007	\$290,000	\$0	\$127,783	\$239,273	\$371,419	\$158,143	\$62,372
2006	\$275,000	\$0	\$77,488	\$168,373	\$352,669	\$0	\$53,985
2008	\$850,000	\$0	\$518,191	\$1,087,028	\$1,700,000	\$1,791,258	\$97,151
2007	\$850,000	\$0	\$619,124	\$1,419,877	\$1,831,933	\$3,080,648	\$102,148

2006	\$800,000	\$0	\$381,488	\$1,113,144	\$1,631,933	\$990,534	\$70,122
2008	\$350,000	\$0	\$132,965	\$456,498	\$525,000	\$528,740	\$54,941
2007	\$330,000	\$0	\$122,476	\$318,510	\$419,933	\$263,655	\$62,244
& 2006	\$315,000	\$0	\$77,680	\$275,682	\$401,183	\$241,884	\$52,629
2008	\$340,000	\$0	\$121,039	\$423,541	\$510,000	\$235,290	\$58,919
2007	\$320,000	\$0	\$108,468	\$247,827	\$413,397	\$266,342	\$55,743
& 2006	\$290,000	\$0	\$67,632	\$197,931	\$375,897	\$120,379	\$59,178

(1) Reflects the FAS 123R expense during the year indicated for outstanding restricted stock awards as to which the restrictions have not lapsed. The restrictions on restricted stock awards lapse on the third anniversary of the grant date.

**Table of Contents**

- (2) Reflects the FAS 123R expense during the year indicated for outstanding stock option awards. The options expire ten years from the grant date and vest in 25% increments annually beginning on the second anniversary of the grant date and continuing on each subsequent anniversary until the fifth anniversary.
- (3) Consists of cash awards made under the Company's Short-Term Incentive Plan. The amount reflects (i) the amount earned for performance during the year indicated but not paid until the next year, and (ii) for 2006 and 2007 the individual's remaining portion of his positive bonus bank balance that existed at the commencement of the Company's 2005 fiscal year following the payment of the awards for the 2004 fiscal year. There were no bonus bank balances remaining after the payment of the 2007 award. Previous to fiscal year 2005, the Company's short-term incentive plan contained a bonus bank feature, which held back a portion of target incentive compensation awards or credited negative balances (if actual performance improvement was negative) to be applied to future awards. Previously accrued bonus bank balances were paid out/settled over a three-year period (fiscal year 2005 through fiscal year 2007, with the final settlements made with the incentive award payment for fiscal year 2007).
- (4) Consists of the change in the actuarial present value of the individual's accumulated benefit under the Company's Supplemental Executive Retirement Plan from December 31, 2007 to December 31, 2008. The Company does not provide above-market earnings on non-qualified deferred compensation.
- (5) Consists of compensation included in the All Other Compensation Table which follows this table.
- (6) On May 1, 2007, Mr. Tellock was promoted to President and Chief Executive Officer of the Company. In connection with that promotion, the Compensation Committee increased his base salary as of May 1 and increased his target incentive award percentage effective January 1 to 80% but calculated as if his base salary had been increased as of January 1, rather than May 1. Because the Short Term Incentive Plan does not allow for an increase in the incentive compensation subsequent to the February meeting of the Compensation Committee, a supplemental award was made to Mr. Tellock. The effect of the supplemental award was provided to Mr. Tellock with total short-term incentive compensation for 2007 as if his target incentive award percentage was increased to 80% as of January 1, 2007 and was calculated as if his base salary had been increased as of January 1, 2007, rather than May 1, 2007.
- (7) Mr. Growcock retired as President and Chief Executive Officer as of May 1, 2007, and he retired as Chairman of the Board as of December 31, 2008.



**Table of Contents****ALL OTHER COMPENSATION TABLE**

The following table sets forth the specific items included in the All Other Compensation column of the Summary Compensation Table.

Name	Year	Registrant	Registrant	Tax				Total
		Contributions	Contributions	Preparation	Reimbursement	Car	Other <sup>(3)</sup>	
		to Defined	to Deferred	Insurance	Fee	Allowance		
		Plans <sup>(1)</sup>	Accounts <sup>(2)</sup>	Premiums				
Glen E. Tellock	2008	\$34,418	\$3,901	\$4,496	\$9,873	\$15,600	\$1,364	\$69,652
	2007	\$31,371	\$1,808	\$4,675	\$1,290	\$14,000	\$3,814	\$56,958
	2006	\$35,039	\$2,480	\$4,675	\$787	\$10,800	\$3,747	\$57,528
Carl J. Laurino	2008	\$34,418	\$3,667	\$999	\$0	\$10,800	\$954	\$50,838
	2007	\$31,371	\$3,484	\$987	\$7,765	\$10,800	\$7,965	\$62,372
	2006	\$36,537	\$4,711	\$987	\$0	\$10,800	\$950	\$53,985
Terry D. Growcock	2008	\$34,418	\$0	\$4,679	\$44,534	\$13,200	\$320	\$97,151
	2007	\$31,371	\$0	\$4,866	\$52,711	\$13,200	\$7,965	\$102,148
	2006	\$33,815	\$0	\$4,866	\$16,166	\$13,200	\$2,075	\$70,122
Thomas G. Musial	2008	\$34,418	\$0	\$6,807	\$2,916	\$10,800	\$0	\$54,941
	2007	\$31,371	\$0	\$7,079	\$2,800	\$10,800	\$10,194	\$62,244
	2006	\$33,815	\$0	\$7,079	\$608	\$10,800	\$327	\$52,629
Maurice D. Jones	2008	\$34,418	\$2,637	\$2,193	\$5,060	\$10,800	\$3,811	\$58,919
	2007	\$31,371	\$2,436	\$2,280	\$4,045	\$10,800	\$4,811	\$55,743
	2006	\$36,122	\$3,168	\$2,280	\$2,013	\$10,800	\$4,795	\$59,178

(1) Consists of contributions made by the Company during the year indicated under The Manitowoc Company, Inc. 401(k) Retirement Plan. As explained in the Compensation Discussion and Analysis, this Plan includes both a tax-qualified defined contribution savings component in which the participant receives a Company match, and a retirement plan feature in which the Company provides an annual contribution of at least 3% of eligible compensation to another defined contribution account.

(2) Consists of contributions made by the Company in the year subsequent to the year indicated, based on performance in the year indicated, to the Company's Deferred Compensation Plan and credited to the executive's account. The amount is equal to the amount of deferred compensation of the key employee for the plan year (subject to a maximum of 25% of eligible compensation) multiplied by a rate equal to the greater of 3% or the rate of variable retirement account contributions that the participant has received from the Company for the year under the 401(k) Retirement Plan plus one percent.

(3) For 2006, includes (a) estimate of \$200 each for meals and other related expenses for spouse of each executive (other than Thomas G. Musial) accompanying the executive at the February Board meeting. Spouses of

executives were invited to attend the February Board meeting with the executive, at the Company's expense; (b) reimbursed club membership fees and/or the executive's personal use of a corporate club membership: Glen E. Tellock \$3,547, Carl J. Laurino \$750, Terry D. Growcock \$750, Thomas G. Musial \$0, and Maurice D. Jones \$4,595; and (c) internet access fees: Glen E. Tellock \$0, Carl J. Laurino \$0, Terry D. Growcock \$1,125, Thomas G. Musial \$327, and Maurice D. Jones \$0.

For 2007, includes (a) estimate of \$200 each for meals and other related expenses for spouse of each executive (other than Thomas G. Musial) accompanying the executive at the February Board meeting. Spouses of executives were invited to attend the February Board meeting with the executive, at the Company's expense; and (b) reimbursed club membership fees and/or the executive's personal use of a corporate club membership: Glen E. Tellock \$3,614, Carl J. Laurino \$7,765, Terry D. Growcock \$7,765, Thomas G. Musial \$9,815, and Maurice D. Jones \$4,611.

For 2008, does not include: (a) estimate of \$250 each for meals and other related expenses for spouse of each executive (other than Thomas G. Musial) accompanying the executive at the February Board meeting. Spouses of executives were invited to attend the February Board meeting with the executive, at the Company's expense;

**Table of Contents**

and (b) airfare for spouses attending the October Board meeting: Glen E. Tellock \$17,707, Carl J. Laurino \$0, Terry D. Growcock \$18,000, Thomas J. Musial \$0, and Maurice D. Jones \$0; and estimated expenses for meals and entertainment of spouses attending the October Board meeting: Glen E. Tellock \$3,500, Carl J. Laurino \$3,500, Terry D. Growcock \$3,500, Thomas G. Musial \$0, and Maurice D. Jones \$0.

**GRANTS OF PLAN-BASED AWARD**

The following table sets forth the 2008 awards under the Company's Short-Term Incentive Plan (STIP) and the 2003 Incentive Stock and Awards Plan (stock options and restricted stock). Awards under the STIP were earned in 2008 and paid in 2009. Other than the stock option awards and the restricted stock awards, which are disclosed below, there were no equity-based incentive awards granted to the named executive officers.

Award Type	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			All Other Stock	All Other Option	Exercise	Fair Value of Award
		Threshold (\$)	Target (\$)	Maximum (\$)	Awards: Number of Shares of Stock or Units (#)	Awards: Number of Securities Underlying Options (#)	or Base Price of Option Awards (\$/Sh)	
STIP		-0-	\$560,000	\$1,400,000				
Stock Option	2-15-08					63,400	\$39.13	\$97
Restricted Stock	2-15-08				9,500			\$37
STIP		-0-	\$183,000	\$457,500				
Stock Option	2-15-08					18,400	\$39.13	\$28
Restricted Stock	2-15-08				2,800			\$10
STIP		-0-	\$680,000	\$1,700,000				
Stock Option	2-15-08					-0-	\$39.13	
Restricted Stock	2-15-08				-0-			
STIP		-0-	\$210,000	\$525,000				
Stock Option	2-15-08					17,900	\$39.13	\$27
Restricted Stock	2-15-08				2,700			\$10

STIP		-0-	\$204,000	\$510,000		
Stock Option	2-15-08				17,400	\$39.13
Restricted Stock	2-15-08			2,600		

- (1) Reflects the FAS 123R expense over the life of the stock option awards. The options expire ten years from the grant date and vest in 25% increments annually beginning on the second anniversary of the grant date and continuing on each subsequent anniversary until the fifth anniversary.
- (2) Reflects the FAS 123R expense over the life of the restricted stock awards. The restrictions on restricted stock awards lapse on the third anniversary of the grant date.

Table of Contents**OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END**

The following table sets forth the stock option awards previously granted to the named executive officers (in any year prior to 2009), which were outstanding at the end of 2008 either due to the award not yet being vested or due to the executive's decision not to exercise vested awards. The table also sets forth the restricted stock awards previously granted to the named executive officers (in any year prior to 2009) for which the restrictions have not yet lapsed.

<b>Name</b>	<b>Option Awards<sup>(1)</sup></b>				<b>Stock Awards<sup>(2)</sup></b>	
	<i>Number of Securities Underlying Unexercised Options (#) Exercisable</i>	<i>Number of Securities Underlying Unexercised Options (#) Unexercisable</i>	<i>Option Exercise Price (\$)</i>	<i>Option Expiration Date</i>	<i>Number of Shares or Units of Stock That Have Not Vested (#)</i>	<i>Market Value of Shares or Units of Stock That Have Not Vested (\$)</i>
Glen E. Tellock	180,000	0	\$6.3075	October 15, 2012	27,500	\$238,150
	45,200	45,200	\$10.14	May 3, 2015		
	16,550	49,650	\$26.10	May 3, 2016		
	0	37,400	\$29.515	February 27, 2017		
	0	27,000	\$36.04	May 1, 2017		
	0	63,400	\$39.13	February 15, 2018		
Carl J. Laurino	31,400	31,400	\$10.14	May 3, 2015	13,200	\$114,312
	11,800	35,400	\$26.10	May 3, 2016		
	0	27,600	\$29.515	February 27, 2017		
	0	18,400	\$39.13	February 15, 2018		
Terry D. Growcock	114,652	0	\$6.3075	October 15, 2012	49,800	\$431,208
	67,344	154,200	\$10.14	May 3, 2015		
	57,850	173,350	\$26.10	May 3, 2016		
	0	129,000	\$29.515	February 27, 2017		
Thomas G. Musial	18,274	0	\$6.3959	February 16, 2009	12,300	\$106,518
	16,810	0	\$6.3125	February 15, 2010		
	864	0	\$4.875	October 17, 2010		
	90,600	0	\$6.3075	October 15, 2012		
	32,000	32,000	\$10.14	May 3, 2015		
	11,550	34,650	\$26.10	May 3, 2016		
	0	23,000	\$29.515	February 27, 2017		
	0	17,900	\$39.13	February 15, 2018		
Maurice D. Jones	57,300	0	\$6.3075	October 15, 2012	11,200	\$96,992
	27,800	27,800	\$10.14	May 3, 2015		

Edgar Filing: MANITOWOC CO INC - Form DEFR14A

10,000	30,000	\$26.10	May 3, 2016
0	21,200	\$29.515	February 27, 2017
0	17,400	\$39.13	February 15, 2018

- (1) Consists of incentive and non-qualified options to purchase Common Stock of the Company under The Manitowoc Company, Inc. 1995 Stock Plan or the Company's 2003 Incentive Stock and Awards Plan.
- (2) Consists of restricted stock awarded under the Company's 2003 Incentive Stock and Awards Plan. Market value calculated based on the closing stock price on December 31, 2008 of \$8.66.

**Table of Contents****OPTION EXERCISES AND STOCK VESTED**

The following table presents, for each named executive officer, the stock options exercised and the number of restricted shares as to which restrictions lapsed during 2008. The value realized from the exercise of stock options reflects the total pre-tax value realized by the officers (stock price at exercise minus the option's exercise price). Value from these option exercises was only realized to the extent Manitowoc's stock price increased relative to the stock price at grant (exercise price). These options were granted to the named executive officers prior to 2008, and options vest in 25% increments annually commencing on the second anniversary of the grant date. Consequently, the value realized by the executives upon exercise of the options was actually earned over several years.

<b>Name</b>	<b>Option Awards<sup>(1)</sup></b>		<b>Stock Awards<sup>(2)</sup></b>	
	<i>Number of Shares</i>		<i>Number of Shares</i>	
	<i>Acquired on Exercise (#)</i>	<i>Value Realized on Exercise (\$)</i>	<i>Acquired on Vesting (#)</i>	<i>Value Realized on Vesting (\$)</i>
Glen E. Tellock	79,964	\$1,548,415	16,800	\$664,776
Carl J. Laurino	56,314	\$1,869,127	11,600	\$459,012
Terry D. Growcock	25,356	\$776,373	57,600	\$2,279,232
Thomas G. Musial	0	\$0	12,000	\$474,840
Maurice D. Jones	32,700	\$1,167,462	10,400	\$411,528

(1) The dollar value realized by stock option exercises in 2008 represents the total pre-tax value realized by the named executive officers upon exercise.

(2) Represents the number of shares of restricted stock as to which restrictions lapsed and valued as at market value of \$39.57 which is the closing stock price on the lapse date.

**RETIREMENT AND NON-QUALIFIED DEFERRED COMPENSATION PLANS**

**Pension Benefits  
(Supplemental Executive Retirement Plan)**

The following table sets forth information with respect to the Supplemental Executive Retirement Plan as of December 31, 2008.

<b>Name</b>	<b>Plan Name</b>	<b>Number of Years Credited Service<sup>(1)</sup> (#)</b>	<b>Present Value of Accumulated Benefit (\$)</b>	<b>Payments During Last Fiscal Year (\$)</b>
Glen E. Tellock	SERP	8.58	\$2,740,432	\$ 0
Carl J. Laurino	SERP	2.00	\$358,153	\$ 0
Terry D. Growcock	SERP	8.58	\$8,542,274	\$ 0

Edgar Filing: MANITOWOC CO INC - Form DEFR14A

Thomas G. Musial	SERP	8.58	\$3,721,890	\$ 0
Maurice D. Jones	SERP	4.00	\$711,048	\$ 0

(1) Reflects the number of years since the participant began participating in the plan. The plan was adopted by the Company in May of 2000. Currently an executive of the Company is not eligible to participate under the plan until the executive has at least five credited years of service with the Company. Mr. Growcock, Mr. Tellock and Mr. Musial became plan participants at the time of the plan's adoption in 2000. Mr. Jones began participating in the plan as of January 1, 2005. Mr. Laurino began participating under the plan as of January 1, 2007. As of December 31, 2008, the named executive officers had the following actual years of service with the Company: Glen E. Tellock 17.98 years, Carl J. Laurino 8.99 years, Terry D. Growcock 14.46 years, Thomas G. Musial 31.42 years, and Maurice D. Jones 9.46 years.

Under the Company's Supplemental Executive Retirement Plan, eligible executives are entitled to receive retirement benefits which are intended to fund a life annuity equal to 55% of a participant's final average pay at the



**Table of Contents**

earlier of normal retirement (age 65) or the first of the month following the date on which the participant s attained age plus years of service with the Company equals eighty (80). A participant s final five-year average pay is computed by averaging the participant s projected base salary (including elective deferrals) and STIP-related awards payable for each year (short-term incentive compensation plus LTIP payments for the year) for the five consecutive calendar year period when the participants receives or is projected to receive his or her highest average compensation prior to the earlier of normal retirement (age 65) or the first of the month following the date on which the participant s attained age plus years of service with the Company equals eighty (80). Benefits are computed using a straight-life annuity and are not reduced for social security or other offsets. Under the Plan, an account balance is maintained for each participant, which account reflects (a) an annual contribution credit that is determined by calculating the present value of the lump sum actuarial equivalent of fifty-five percent (55%) of the participant s five-year final average pay payable as a life annuity, at the earlier of (i) normal retirement (age 65) or (ii) the first of the month following the date on which the participant s attained age plus years of service with the Company equals eighty (80); and (b) an annual increase in the account balance at the end of each year equal to nine percent (9%) of the account balance at the beginning of the year. When a participant becomes eligible for a distribution under the plan, the participant may elect to receive his/her account balance in a lump sum or over a fixed number of years not to exceed ten (10) years. Currently, the Compensation Committee has determined that an executive will not be eligible to participate under the plan until the executive has five credited years of service with the Company and/or its subsidiaries. Additionally, as amended effective January 1, 2009 for any executive who becomes a participant after December 31, 2008 and whose projected total service at his or her target retirement date is less than 25 years, the 55% target retirement benefit will be prorated based on the projected total service years divided by 25.

**Non-Qualified Deferred Compensation**

The following table sets forth information with respect to the Company s Deferred Compensation Plan, a non-qualified plan, as of December 31, 2008.

<b>Name</b>	<b>Executive Contributions in Last FY<sup>(1)</sup></b>	<b>Registrant Contributions in Last FY<sup>(2)</sup></b>	<b>Aggregate Earnings in Last FY</b>	<b>Aggregate Withdrawals/Distributions</b>	<b>Aggregate Balance at Last FYE<sup>(3)</sup></b>
Glen E. Tellock	\$55,735	\$3,901	\$(505,933)	\$0	\$253,122
Carl J. Laurino	\$52,392	\$3,667	\$(92,083)	\$0	\$137,319
Terry D. Growcock	\$0	\$0	\$(186,144)	\$2,108,255	\$0
Thomas G. Musial	\$0	\$0	\$(605,338)	\$0	\$1,001,513
Maurice D. Jones	\$37,670	\$2,637	\$(254,786)	\$0	\$139,263

(1) Reflects elective deferrals of compensation earned or payable in 2008. These amounts were also included in the Salary, Bonus and Non-Equity Incentive Plan Compensation columns in the Summary Compensation Table.

(2) Consists of contributions made by the Company in early 2009, based on 2008 performance, to the Company s Deferred Compensation Plan and credited to the executive s account. The amount is equal to the amount of deferred compensation of the key employee for the plan year (subject to a maximum of 25% of eligible compensation) multiplied by a rate equal to the greater of 3% or the rate of variable profit sharing contributions that the participant has received from the Company for the year under the 401(k) Retirement Plan plus one percent. The contributions made in 2008 based on 2007 performance were \$1,808 for Glen E. Tellock, \$3,484 for Carl J. Laurino, \$0 for Terry D. Growcock , \$0 for Thomas G. Musial, and \$2,436 for Maurice D. Jones. These amounts were also included in the All Other Compensation column in the Summary Compensation Table.



**Table of Contents****Post-Employment Compensation**

The Company has entered into Contingent Employment Agreements (the Contingent Employment Agreements ) with the named executive officers (and certain other key executives and employees of the Company and certain subsidiaries). The Contingent Employment Agreements provide generally that in the event of a change in control (as defined in the Agreements) of the Company, each executive will continue to be employed by the Company for a period ranging from one to three years. Under the Contingent Employment Agreements, each executive will remain employed at the same position held as of the change in control date, and will receive a salary at least equal to the salary in effect as of such date, plus all bonuses, incentive compensation, and other benefits extended by the Company to its executive officers and key employees. After a change in control, the executive's compensation would be subject to upward adjustment at least annually based upon his contributions to the Company's operating efficiency, growth, production, and profits. Each Contingent Employment Agreement terminates prior to the end of the applicable employment period, if the executive first attains the age of 65, voluntarily retires from the Company, or is terminated by the Company for cause, as defined in the Contingent Employment Agreement.

In the event the executive is terminated by the Company without cause, the executive would be entitled to receive a monthly amount equal to the base salary and benefits the executive would have otherwise been paid but for the termination, and the annual incentive compensation the executive would have otherwise been paid but for the termination, through the end of the applicable employment period. Upon a change in control, accelerated vesting of stock options and accelerated lapsing of restrictions on restricted stock is specified in the 2003 Incentive Stock and Awards Plan and the Contingent Employment Agreement. In the event the executive is terminated by the Company for cause, the executive is only entitled to the salary and benefits accrued and vested as of the effective date of the termination. A Contingent Employment Agreement is terminable by either party at any time prior to a change in control. There are two categories of Contingent Employment Agreements. These categories are:

Level A. This category provides, in addition to the other general rights that are common among all the Contingent Employment Agreements, (i) the executive has the right to terminate his or her employment at any time within ninety days following a change in control and receive an immediate payout essentially equal to three times the executive's base salary and three times the executive's average incentive compensation over the previous three years, (ii) if any of the payments to the executive constitute an excess parachute payment under Section 4999 of the Internal Revenue Code, the Company will pay the executive an amount necessary to offset any excise taxes or additional taxes resulting from the payment of any excess parachute payment, and (iii) if the executive exercises his/her rights outlined in clause (i) above, the executive will be prohibited from competing with the Company for the balance of the three-year period.

Level B. The Level B form is the basic Contingent Employment Agreement without the special rights and non-competition obligations described above for the Level A form. The employment period for executives under the Level B form may be for any agreed upon period up to three years.

Messrs. Tellock, Laurino, Growcock, Musial and Jones have Contingent Employment Agreements with the rights described in Level A.

**Table of Contents****Estimated Payments Upon A Change In Control**

The following table presents the estimated payouts that would be made upon a change in control coupled with an executive's termination of employment (other than for cause or retirement), assuming the change in control occurred as of December 31, 2008. The calculations are intended to provide reasonable estimates, based on the noted assumptions, of the potential benefits payable. The actual amount of severance benefits, including excise tax gross-ups (if any); will depend upon the executive's pay, terms of a change in control transaction and the subsequent impact on the executive's employment.

Name	Annual			Restricted Stock Awards <sup>(4)</sup>	Benefits <sup>(5)</sup>	Excise	Total
	Base Salary <sup>(1)</sup>	Incentive-Based Compensation <sup>(2)</sup>	Stock Options <sup>(3)</sup>			Tax Gross Up <sup>(6)</sup>	
Glen E. Tellock	\$2,100,000	\$3,001,875	\$0	\$238,150	\$5,076,081	\$4,427,338	\$14,843,444
Carl J. Laurino	\$915,000	\$1,163,750	\$0	\$114,312	\$2,074,869	\$2,042,742	\$6,310,673
Terry D. Growcock	\$2,550,000	\$4,900,000	\$0	\$431,268	\$1,492,843	\$0	\$9,374,111
Thomas G. Musial	\$1,050,000	\$1,331,250	\$0	\$106,518	\$194,304	\$0	\$2,682,072
Maurice D. Jones	\$1,020,000	\$1,272,500	\$0	\$96,992	\$2,004,483	\$0	\$4,393,975

(1) Represents 3 times the executive's base salary at the end of December 31, 2008.

(2) Represents 3 times the executive's average earned incentive compensation under the Company's Short-Term Incentive Plan during the most recently completed 3 fiscal years (2006 through 2008) and in the case of Mr. Tellock, includes the supplemental bonus for 2007 as disclosed on the Summary Compensation Table.

(3) Intrinsic value of unvested stock options based on the closing trading price (\$8.66) of the Company's Common Stock at December 31, 2008.

(4) Represents the value of unvested restricted stock, on which restrictions would lapse upon a change in control, based on the closing price (\$8.66) of the Company's common stock at December 31, 2008.

(5) Represents 3 times the value of the annual benefits provided to the executive and 3 years additional credited service under the SERP. Mr. Musial would not receive additional benefits under the SERP as Mr. Musial's benefit is fully accrued.

(6) Represents the estimated amount payable for excise and related income taxes owed on potential severance-related payments following a change in control and termination of employment, as of December 31, 2008. The estimate was developed based on applicable provisions of the Internal Revenue Code.

As stated in the Compensation Discussion and Analysis, the Company does not have a formal severance plan or other forms of employment termination for any of the named executive officers. Whether and to what extent the Company will provide severance benefits to named executive officers upon termination (other than due to a change in control) depends upon the facts and circumstances. As such, the Company is unable to estimate the potential payouts under other employment termination scenarios.

## **10. MISCELLANEOUS**

### **Other Matters**

Management knows of no business which will be presented for action at the Annual Meeting other than as set forth in the Notice of Annual Meeting accompanying this Proxy Statement. If other matters do properly come before the Annual Meeting, proxies will be voted in accordance with the best judgment of the person or persons exercising authority conferred by such proxies.

**Table of Contents**

**Shareholder Proposals**

Shareholder proposals for the Annual Meeting of Shareholders in 2010 must be received no later than November 26, 2009, at the Company's principal executive offices, 2400 South 44th Street, P.O. Box 66, Manitowoc, Wisconsin 54221-0066, directed to the attention of the Secretary, in order to be considered for inclusion in next year's Annual Meeting proxy material under the Securities and Exchange Commission's proxy rules.

Under the Company's Bylaws, written notice of shareholder proposals for the 2010 Annual Meeting of Shareholders of the Company which are not intended to be considered for inclusion in next year's Annual Meeting proxy material (shareholder proposals submitted outside the processes of Rule 14a-8) must be received not less than 50 nor more than 75 days prior to March 26, 2010, directed to the attention of the Secretary, and such notice must contain the information specified in the Company's Bylaws.

**Annual Report**

A copy (without exhibits) of the Company's Annual Report to the Securities and Exchange Commission on Form 10-K for the fiscal year ended December 31, 2008 is available online at [www.proxydocs.com/mtw](http://www.proxydocs.com/mtw) and also through the Company's website: [www.manitowoc.com](http://www.manitowoc.com). In addition, the Company will provide to any shareholder, without charge, upon written request of such shareholder, an additional copy of such Annual Report and a copy of any other document referenced in this Proxy Statement as being available to a shareholder upon request. Such requests should be addressed to Maurice D. Jones, Senior Vice President, General Counsel and Secretary, The Manitowoc Company, Inc., P.O. Box 66, Manitowoc, Wisconsin 54221-0066.

**Householding Information**

We have adopted a procedure approved by the SEC called "householding." Under this procedure, shareholders of record who have the same address and last name and do not participate in electronic delivery of proxy materials will receive only one copy of our Annual Report and Proxy Statement unless one or more of these shareholders notifies us that they wish to continue receiving individual copies. This procedure will reduce our printing costs and postage fees. Shareholders who participate in householding will continue to receive separate proxy cards. Also, householding will not in any way affect dividend check mailings. If you and other shareholders of record with whom you share an address currently receive multiple copies of Annual Reports and/or Proxy Statements, or if you hold stock in more than one account and in either case, you wish to receive only a single copy of the Annual Report or Proxy Statement for your household, please contact Maurice D. Jones, Senior Vice President, General Counsel and Secretary (in writing: The Manitowoc Company, Inc., 2400 South 44<sup>th</sup> Street, P. O. Box 66, Manitowoc, Wisconsin 54221-0066, by telephone: 920-652-1741) with the names in which all accounts are registered.

If you participate in householding and wish to receive a separate copy of the 2008 Annual Report or this Proxy Statement, please contact Maurice D. Jones at the above address or phone number. We will deliver the requested documents to you promptly upon your request. Beneficial shareholders can request information about householding from their banks, brokers, or other holders of record.

**It is important that proxies be returned promptly. Whether or not you expect to attend the Annual Meeting in person, you are requested to complete, date, sign, and return the proxy card as soon as possible.**

By Order of the Board of Directors

MAURICE D. JONES  
Senior Vice President, General Counsel and Secretary

Manitowoc, Wisconsin  
March 26, 2009

**Table of Contents**

The Manitowoc Company, Inc. ANNUAL MEETING OF THE MANITOWOC COMPANY, INC.  
Wisconsin Annual Meeting of the Shareholders of The Manitowoc Company, Inc. See Voting Instruction  
on Reverse Side. to be held Tuesday, May 5, 2009 Please make your marks like this: BU Use dark black  
pencil or pen only for Shareholders Of records Of February 27, 2009 The Board of Directors  
Recommends a Vote FOR the listed nominees in Proposal 1 and FOB Proposal 2. TELEPHONE  
1-Election of Directors GoTo 866-390-5369 1 election of Directors www.proxypush.com/rntw For  
withhold Cast your vote online. Use any touch-tone telephone. 01 Cynthia M. Egnotovich View Meeting  
Documents. Have your Voting Instruction Form ready. Follow the simple recorded instructions. 02 James  
L Packard OR Mark, sign and date your Voting Instruction Form. Detach your Voting Instruction Form.  
2: Issues Return your Voting Instruction Form in the Ratification of the postage-paid envelope provided.  
All votes must be received by 5:00 p.m., Eastern Time May 4, 2009. LLP, as the Company's independent  
registered public accounting firm for the fiscal year ending December 31, 2009. 3; In their discretion, to  
transact such other business as may properly come before the Annual Meeting. Comments: Please print  
your comments below. PROXY TABULATOR FOR THE MANITOWOC COMPANY, INC. PO BOX  
8016 GARY, NC 27512-9903 Please mark this box if you plan to attend the meeting In person.  
Authorized Signatures-This section must be completed for your Instructions to be executed. OFFICE #  
Please Sign Here Please Dale Above Please Sign Here Please Date Above

---



**Table of Contents**

Proxy The Manitowoc Company, inc. Proxy/Voting Instructions Solicited on Behalf of the Board of Directors for the Annual Meeting of Shareholders on May 5, 2009. The undersigned appoints Glen E. Tellock and Maurice D. Jones or either of them as proxies for the undersigned, with full power of substitution to vote the shares of stock of The Manitowoc Company, Inc. (the Company), of the undersigned at the Annual Meeting of Shareholders of the Company to be held at the Holiday Inn Manitowoc located at 4601 Calumet Ave., Manitowoc, Wisconsin on Tuesday, May 5, 2009 at 9:00 a.m. (CDT). 1. Election of Directors Nominees: Cynthia M. Egnotovich and James L. Packard 2. Ratification of the appointment of PricewaterhouseCoopers, LLR as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2009. In their discretion, upon such other business as may properly come before the Annual Meeting or any adjournment thereof, all as set forth in the Notice and Proxy Statement relating to the Annual Meeting, receipt of which is hereby acknowledged. If you hold shares of Company Common Stock in the Dividend Reinvestment Plan or The Manitowoc Company, inc. 401 (k) Retirement Plan, this proxy constitutes voting instructions for any shares so held by the undersigned. The Board of Directors of the Company recommends a vote FOR the election of the two directors named in the proxy materials, each of whom will serve a term expiring at the annual meeting of the shareholders in 2012; and FOR the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's registered independent public accountants for the fiscal year ending December 31, 2009. This proxy, when properly executed, will be voted in the manner directed herein. If no direction is made, this proxy will be voted FOR Proposals 1 and 2. You are encouraged to specify your choice by marking the appropriate box (SEE REVERSE SIDE) but you need not mark any box if you wish to vote in accordance with the Board of Directors' recommendation. The proxies cannot vote your shares unless you sign and return this card.