

MSC INDUSTRIAL DIRECT CO INC  
Form DEF 14A  
December 16, 2016

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

**SCHEDULE 14A  
(Rule 14a-101)**

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

Filed by the Registrant ☒ ☐  
Filed by a Party other than the Registrant ☐ ☒  
Check the appropriate box:

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

**MSC INDUSTRIAL DIRECT CO., INC.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.  
☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.  
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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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**Notice of 2017 Annual Meeting  
and 2016 Proxy Statement**

**Thursday, January 26, 2017  
9:00 a.m., local time  
The Hilton Long Island/Huntington  
598 Broad Hollow Road**

**Melville, New York 11747**

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# Notice of 2017 Annual Meeting of Shareholders January 26, 2017

To the shareholders of MSC Industrial Direct Co., Inc.:

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders of MSC Industrial Direct Co., Inc., a New York corporation, will be held on January 26, 2017 at 9:00 a.m., local time, at the Hilton Long Island/Huntington, 598 Broad Hollow Road, Melville, New York 11747, for the following purposes:

1. to elect nine directors to serve for one-year terms;
  2. to ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2017;
  3. to approve, on an advisory basis, the compensation of our named executive officers; and
  4. to consider and act upon such other matters as may properly come before the annual meeting or any adjournments or postponements thereof.
- Only shareholders of record at the close of business on December 7, 2016 are entitled to vote at the annual meeting and any adjournments or postponements thereof.

All shareholders are cordially invited to attend the annual meeting. However, to assure your representation at the annual meeting, you are urged to vote on the Internet, by telephone or by completing, signing and dating the enclosed proxy card as promptly as possible, and returning it in the postage-paid envelope provided. Any shareholder attending the annual meeting may vote in person even if he or she has already voted on the Internet, by telephone or by returning a proxy.

**By Order of the Board of Directors,**

**Steve Armstrong**  
Senior Vice President, General Counsel and  
Corporate Secretary

Melville, New York  
December 16, 2016

## REVIEW THE PROXY STATEMENT AND VOTE IN ONE OF FOUR WAYS

### **Via the Internet**

Visit [www.proxyvote.com](http://www.proxyvote.com)

### **By Telephone**

Call the telephone number on your proxy card, voting instruction form or notice.

### **By Mail**

Sign, date and return your proxy card or voting instruction form

### **In Person**

Attend the annual meeting at the Hilton Long Island/Huntington, 598 Broad Hollow Road, Melville, New York 11747

**IMPORTANT: The prompt return of proxies will ensure that your shares will be voted. A self-addressed envelope is enclosed for your convenience. No postage is required if mailed within the United States.**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JANUARY 26, 2017**

**Our Proxy Statement and Annual Report are available online at:**

**<https://materials.proxyvote.com/553530>**

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We are furnishing this proxy statement to you in connection with the solicitation of proxies by our Board of Directors, which we refer to as our Board, to be used at our 2017 annual meeting of shareholders, or at any adjournments or postponements thereof. This proxy statement describes the matters to be presented at the meeting and related information that will help you vote at the meeting. References in this proxy statement to the company, we, us, our or similar terms mean MSC Industrial Direct Co., Inc.

We have elected to take advantage of the notice and access rule of the Securities and Exchange Commission (which we refer to as the SEC) that allows us to furnish proxy materials to shareholders online. We believe that electronic delivery expedites the receipt of proxy materials, while significantly lowering costs and reducing the environmental impact of printing and mailing full sets of proxy materials. As a result, on or about December 16, 2016, we mailed to our shareholders of record as of the close of business on December 7, 2016, either (i) a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy materials online and how to request paper copies of our proxy materials or (ii) a printed set of proxy materials, which includes the notice of annual meeting, this proxy statement, our 2016 annual report to shareholders and a proxy card. If you received a Notice of Internet Availability of Proxy Materials by mail, you will not receive a printed copy of the materials unless you specifically request one. If your shares are held in the MSC Industrial Direct Co., Inc. 401(k) Plan, you will receive a printed set of proxy materials and the enclosed proxy will serve as a voting instruction card for the trustee of our 401(k) Plan, T. Rowe Price Trust Company, who will vote all shares of Class A common stock of the company allocated to your 401(k) account in accordance with your instructions. If you hold your shares through a broker, bank or other nominee, rather than directly in your own name, your intermediary will either forward to you printed copies of the proxy materials or will provide you with instructions on how you can access the proxy materials electronically.

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## 2016 PROXY STATEMENT SUMMARY

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

### Annual Meeting

Date and Time 9:00 a.m., January 26, 2017  
Location The Hilton Long Island/Huntington, 598 Broad Hollow Road, Melville, New York 11747  
Record Date December 7, 2016  
Voting Record and beneficial shareholders as of the record date are entitled to vote. Holders of our Class A common stock and our Class B common stock vote together as a single class, with each holder of Class A common stock entitled to one vote per share of Class A common stock and each holder of Class B common stock entitled to ten votes per share of Class B common stock.

### Meeting Agenda and Voting Matters

Proposal	Board Voting Recommendation	Page Reference (for more detail)
Election of nine directors	FOR EACH NOMINEE	Page <u>1</u>
Ratification of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2017	FOR	Page <u>19</u>
Advisory vote to approve the compensation of our named executive officers	FOR	Page <u>55</u>

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Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships		
					AC	CC	N&CGC
Jonathan Byrnes	68	2010	Senior Lecturer at Massachusetts Institute of Technology	ü	ü		ü
Roger Fradin	63	1998	Vice Chairman of Honeywell International Inc.	ü		ü	ü
Erik Gershwind	45	2010	President and Chief Executive Officer of the company				
Louise Goeser	63	2009	President and Chief Executive Officer of Grupo Siemens S.A. de C.V.	ü		ü	üC
Mitchell Jacobson (Board Chair)	65	1995	Non-executive Chairman of the Board of Directors of the company				
Michael Kaufmann	54	2015	Chief Financial Officer of Cardinal Health, Inc.	ü	ü	ü	
Denis Kelly	67	1996	Investment Banker at Scura Paley Securities LLC	ü	ü		üC
Steven Paladino	59	2015	Executive Vice President and Chief Financial Officer of Henry Schein, Inc.	ü	ü	ü	
Philip Peller (Lead Director)	77	2000	Independent Director; Retired Partner of Arthur Andersen LLP				