

SpartanNash Co
Form DEF 14A
April 10, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934 (Amendment No.)

Filed by 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
SpartanNash Company

(Name of Registrant as Specified in Its Charter)

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(1) Amount previously paid:

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

(3) Filing party:

(4) Date filed:

SpartanNash Company

850 76th Street, S.W.

P.O. Box 8700

Grand Rapids, Michigan 49518-8700

(616) 878-2000

SpartanNash Company Notice of Annual Meeting and Proxy Statement

April 10, 2019

Dear SpartanNash Shareholder:

In 2018, SpartanNash made significant progress against key strategic initiatives, including sales growth, expansion of the customer base and execution of new programs with existing customers, diversification of sales channels and investment in our retail store base, all despite a challenging operating environment. Our accomplishments included:

• Increasing consolidated net sales by 1.3% over the prior year, to \$8.1 billion.

• Growing sales in the food distribution segment by 4.3% over the prior year, to \$4.0 billion.

• Increasing the quarterly cash dividend from \$0.165 to \$0.18 per common share. Returning \$45.9 million to shareholders through dividends and share repurchases.

Going forward, we will continue to focus on executing strategic initiatives that drive sales growth, improve margins, and ultimately deliver value to our shareholders. These initiatives include:

• Strengthening our management team, systems and supply chain operations, enabling us to grow with existing customers and build technology resources and infrastructure to improve our efficiency and provide a better experience to our customers in each of our business segments.

• Investing in our private brand programs, ranging from our partnership with the Defense Commissary Agency in the military segment to the private brand products sold in our corporate-owned retail stores and those of our independent retailers, including the Our Family® brand.

• Enhancing our corporate-owned retail store experience by aligning our marketing and merchandising strategies with consumer behavior. Significant investments in our brand positioning under the Family Fare banner will be executed in 2019 to support these objectives.

• Delivering value through the execution of our company-wide initiative, Project One Team, designed to transform our culture and empower associates at all levels to continuously drive sustainable improvements to business processes and results.

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On behalf of the Board of Directors, our leadership team, and all of our associates, I thank you for your continued support and investment in SpartanNash Company.

Sincerely,

David M. Staples

President and Chief Executive Officer

Your vote is important. Even if you plan to attend the meeting,

PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD PROMPTLY OR
VOTE BY PHONE OR ONLINE.

SPARTANNASH COMPANY

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To our shareholders:

The 2019 Annual Meeting of Shareholders of SpartanNash Company will be held at the JW Marriott Hotel, 235 Louis Street NW, Grand Rapids, Michigan 49503, on Wednesday, May 22, 2019, at 9:00 a.m., Eastern Daylight Time. At the meeting, we will consider and vote on:

1. The election of directors from among the nominees identified in this proxy statement;
2. Advisory approval of the Company's executive compensation (the "say-on-pay" vote);
3. Ratification of the selection of Deloitte & Touche LLP as our independent auditors for the current fiscal year (the fiscal year ending December 28, 2019); and
4. Any other business that may properly come before the meeting.

Record date: You may vote if you were a shareholder of record on March 25, 2019.

If you plan to attend the meeting: Only shareholders of the Company, the holders of shareholder proxies, and invited guests may attend. If you are a shareholder of record, you must bring the admission ticket attached to your proxy card or your notice of availability of proxy materials to be admitted to the meeting. "Street name" shareholders must bring a copy of a brokerage statement reflecting stock ownership as of March 25, 2019. All attendees must present valid federal or state issued photo identification.

Important Notice Regarding the Availability of Proxy Materials: SpartanNash's Proxy Statement and annual report to shareholders for the fiscal year ended December 29, 2018 are currently available for viewing via online at www.edocumentview.com/SPTN.

The Notice of Annual Meeting and accompanying Proxy Statement, Proxy, and 2018 annual report to shareholders were first sent or made available to our shareholders on April 10, 2019.

Securities and Exchange Commission rules allow us to furnish our proxy statement and annual report to our shareholders on the Internet. We are pleased to take advantage of these rules and believe that they enable us to provide our shareholders with the information that they need, while lowering the cost of delivery and reducing the environmental impact of the documents related to our Annual Meeting. You may obtain electronic copies of all of our filings with the U.S. Securities and Exchange Commission in the "Investor Relations" section of our website, www.spartannash.com, by clicking the "SEC Filings" link.

We will not report on our results of operations at the meeting. Please visit the Investor Relations section of our website, www.spartannash.com, for information about our business and results of operations.

The Annual Meeting will be webcast live. Anyone may access the webcast by visiting the "Investor Relations" section of our website, www.spartannash.com, and following the links to the live webcast. It is important that your shares be represented at the Annual Meeting, regardless of how many shares you own. Please vote your shares using any of the means described in our proxy statement. Voting your shares prior to the meeting will not affect your right to vote in person if you attend.

BY ORDER OF THE BOARD OF DIRECTORS

Kathleen M. Mahoney

Executive Vice President Chief Legal Officer and Secretary

April 10, 2019

Your vote is important. Even if you plan to attend the meeting, PLEASE VOTE PROMPTLY BY PHONE OR ONLINE, OR BY SIGNING, DATING AND RETURNING A PROXY CARD. See the information in the “Questions and Answers” section of our proxy statement regarding how to vote by phone or online, obtain a printed proxy card, revoke a proxy, and vote in person.

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SpartanNash Company

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD May 22, 2019

PROXY STATEMENT

Dated April 10, 2019

PROXY SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider. You should carefully read the entire proxy statement and the Company's annual report on Form 10-K before voting. We refer to the fiscal year ended December 29, 2018 as "2018," the fiscal year ended December 30, 2017 as "2017," and the fiscal year ended December 31, 2016 as "2016." We refer to SpartanNash Company as "SpartanNash," the "Company," "we," and "us."

Annual Meeting of Shareholders

- Date and Time May 22, 2019; 9:00 a.m. Eastern Daylight Time
- Place JW Marriott Hotel
235 Louis Street NW
Grand Rapids, Michigan 49503
- Record Date March 25, 2019
- Voting Shareholders as of the close of business on the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on.
- Admission The 2019 Annual Meeting Admission Ticket, notice of availability of proxy materials or brokerage statement and valid driver's license or other federal or state issued photo identification is required to enter the SpartanNash Annual Meeting.

Meeting Agenda

- Election of directors from among those named in this proxy statement.
- Advisory approval of the Company's executive compensation as disclosed in this proxy statement.
- Ratification of the selection of Deloitte & Touche LLP as our independent auditors for the fiscal year ending December 28, 2019.

• Transact any other business that may properly come before the meeting.

Voting Matters and Vote Recommendations

The Board of Directors recommends that you vote FOR the election of each nominee, FOR approval of the Company's executive compensation, and FOR the ratification of the selection of Deloitte & Touche LLP.

Quorum and Vote Required

The presence in person or by properly executed proxy of the holders of a majority of all issued and outstanding shares of SpartanNash common stock entitled to vote at the meeting is necessary for a quorum. We will count toward a quorum any shares that are present or represented by proxy, including abstentions and shares represented by a broker non-vote on any matter.

1 SpartanNash Company Proxy Statement

PROXY SUMMARY (cont'd)

A plurality of the shares voting is required to elect directors. This means that, if there are more nominees than positions to be filled, the nominees who receive the most votes will be elected to the open director positions. Abstentions, broker non-votes and other shares that are not voted in person or by proxy will not be included in the vote count to determine if a plurality of shares voted in favor of each nominee. A director-nominee receiving a greater number of votes “withheld” than votes “for” election is required to offer promptly his or her resignation to the Nominating and Corporate Governance Committee upon certification of the shareholder vote.

The other proposals set forth in this proxy statement will be approved if a majority of the shares that are voted on the proposal at the meeting are voted in favor of approval. Abstentions, broker non-votes and other shares that are not voted on a proposal in person or by proxy will not be included in the vote count to determine if a majority of shares voted on the proposal voted in favor of approval. The outcome of the advisory vote to approve executive compensation will not be binding on the Company, but the Compensation Committee and the Board of Directors will consider the voting results when making future compensation decisions.

We do not know of any other matters to be presented at the meeting. Generally, any other proposal to be voted on at the meeting would be approved if a majority of the shares that are voted on the proposal at the meeting are voted in favor of the proposal. Abstentions, broker non-votes and other shares that are not voted on the proposal in person or by proxy would not be included in the vote count to determine if a majority of shares voted on the proposal voted in favor of each such proposal.

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PROXY SUMMARY (cont'd)

Board of Directors

The following table provides summary information about our directors during fiscal 2018. During fiscal 2018, each director attended at least 75% of the meetings of the Board and each committee on which he or she was a member.

Name	Occupation	Independent ⁽¹⁾	Committee Memberships		
			AC	CC	NCGC
M. Shân Atkins	Independent Business Executive and Retired Retail and Consumer Executive		C, F		M
Dennis Eidson	Chairman of the Board				
Mickey Foret ⁽²⁾	Retired Executive Vice President and Chief Financial Officer of Northwest Airlines, Inc. and Retired Chairman and Chief Executive Officer of Northwest Airlines Cargo, Inc.		F		M
Frank M. Gambino	Professor of Marketing and the Director of the Food & Consumer Packaged Goods Marketing Program at Western Michigan University		M		
Douglas A. Hacker	Lead Independent Director			M	M
Yvonne R. Jackson	Independent Business Executive President, Principal and Co-Founder of BeecherJackson			C	M
Matthew Mannelly	Retired CEO of Prestige Brands		M		
Elizabeth A. Nickels	Independent Business Executive and Former Chief Financial Officer of Herman Miller, Inc. and Former		F		M

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Chief Financial Officer of Universal

Forest Products, Inc.

Timothy O'Donovan ⁽²⁾	Retired Chairman of the Board and	M	M
	Chief Executive Officer of Wolverine		
	World Wide, Inc.		
Major General (Ret.)	Managing Partner of Proctor & Boone	M	
Hawthorne L. Proctor	Consulting LLC and Senior Logistic		
	Consultant of Intelligent Decisions, Inc.		
David M. Staples	Chief Executive Officer of SpartanNash		
Gregg A. Tanner ⁽⁴⁾	Retired CEO of Dean Foods	M	
William R. Voss	Managing Director of Lake Pacific	M	C
	Partners, LLC		

AC Audit Committee

C Chair

CC Compensation Committee

M Member

NCGC Nominating and Corporate Governance Committee

F Member and Financial Expert

- (1) Independent under Nasdaq independence standards for directors generally and for each Committee on which the director serves.
- (2) Mr. Foret concluded his board service on May 23, 2018. Until that time, he served as Chair of the Audit Committee.
- (3) Mr. O'Donovan concluded his board service on May 23, 2018. Until that time he served as Lead Independent Director.
- (4) Mr. Tanner passed away on January 24, 2019.

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PROXY SUMMARY (cont'd)

Corporate Governance Highlights

The Board believes that effective corporate governance should reinforce a culture of corporate integrity, foster the Company's pursuit of profitable growth and ensure quality and continuity of corporate leadership. Highlights of our governance practices include:

- Annual election of all directors

- Any director who fails to achieve a majority vote "for" must offer his or her resignation

- No supermajority requirements for shareholder voting

- Lead Independent Director (Douglas Hacker)

- Policy against hedging and pledging of our securities

- Clawback policy for the recovery of incentive compensation

- Annual say-on-pay vote

- At least two-thirds of the board must be independent directors (currently 8 out of 10 directors are independent)

 - Board reflects diverse viewpoints, backgrounds, skills, experiences and expertise

- Directors may not serve on more than three other public company boards of directors without prior approval of the Nominating and Corporate Governance Committee (management directors limited to one outside public company board)

Executive Compensation Advisory Vote

We are asking our shareholders to approve on an advisory basis our named executive officer compensation for 2018 (the "say-on-pay" proposal). The Board recommends a FOR vote because it believes that our compensation policies and practices are effective in achieving the Company's goal of attracting, motivating, rewarding and retaining the senior management talent required to achieve our corporate objectives and increase shareholder value through long-term profitable growth. The Board believes that executive compensation is appropriately tied to corporate performance, as 80% of our CEO's 2018 target total direct compensation (salary, annual bonus opportunity, and long-term incentive opportunity) is at-risk, and our other named executive officers have nearly 65% of their 2018 target total direct compensation at risk.

Executive Compensation Highlights

Key accomplishments in 2018 included:

- Consolidated net sales increased 1.3% over the prior year, to \$8.1 billion.

- Food distribution segment sales increased 4.3% over the prior year, to \$4.0 billion.

- Increased quarterly cash dividend from \$0.165 per common share to \$0.18 per common share.

- The Company returned \$20.0 million to shareholders through share repurchases.

Executive Compensation Results

The Company fell short of objectives with respect to key performance measures under both the annual cash incentive and the long term cash incentive plans. Due to the correlation between pay and performance in the Company's incentive plans, the Company paid less incentive compensation under these programs (as reported in the Summary

Compensation Table) in 2018 compared to 2017.

Shareholder Outreach

During 2018 our executive leadership team actively sought out engagement with our investors to discuss our Company, our governance practices, and other topics of importance to investors. Our Board of Directors believes that Company management should proactively seek productive dialogue with our shareholders.

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ELECTION OF DIRECTORS

The Board of Directors proposes that the following individuals be elected as directors of SpartanNash for a one-year term expiring at the 2020 Annual Meeting:

M. Shân Atkins

Dennis Eidson

Frank M. Gambino

Douglas A. Hacker

Yvonne R. Jackson

Matthew Mannelly

Elizabeth A. Nickels

Hawthorne L. Proctor

David M. Staples

William R. Voss

Biographical information concerning the nominees appears below under the heading “The Board of Directors.” The persons named as proxies on the proxy card intend to vote for the election of each of the nominees. The proposed nominees are willing to be elected and to serve as directors. If any nominee becomes unable to serve or is otherwise unavailable for election, which we do not anticipate, the incumbent Board of Directors may select a substitute nominee. If a substitute nominee is selected, the shares represented by your proxy card will be voted for the election of the substitute nominee, unless you give other instructions. If a substitute is not selected, all proxies will be voted for the election of the remaining nominees. Proxies will not be voted for more than eleven nominees.

Your Board of Directors recommends that you vote FOR election of all nominees as directors.

ADVISORY (NON-BINDING) APPROVAL OF THE COMPENSATION OF NAMED
EXECUTIVE OFFICERS

As required under Section 14A of the Securities Exchange Act of 1934, shareholders may cast an advisory vote on the compensation of the Company's named executive officers as disclosed in this proxy statement pursuant to the SEC's compensation disclosure rules. At the Company's 2017 Annual Meeting, shareholders voted in favor of advisory approval of named executive officer compensation on an annual basis. The next shareholder vote regarding the frequency of advisory approval of named executive officer compensation will occur at the 2023 Annual Meeting.

As described in more detail in the "Executive Compensation" section of this proxy statement, the Company has designed its executive compensation programs to attract, motivate, reward and retain the senior management talent to manage the Company to achieve our corporate objectives and increase shareholder value through long-term profitable growth. We believe our compensation programs are focused on pay-for-performance principles and are strongly aligned with the long-term interests of our shareholders. For these reasons, and the reasons discussed in the "Compensation Discussion and Analysis" section of this proxy statement, we are asking our shareholders to vote "FOR" the adoption of the following resolution:

"RESOLVED, that the shareholders of SpartanNash Company (the "Company") approve, on an advisory basis, the compensation of the Company's named executive officers, as disclosed in the Company's proxy statement for the 2019 annual meeting under the heading entitled "Executive Compensation."

This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy and programs described in this proxy statement.

The vote is not binding on the Company, the Board of Directors or the Compensation Committee. However, the Board of Directors and Compensation Committee value the opinions of our shareholders and will take the results of the vote into consideration when making future decisions regarding executive compensation.

Your Board of Directors recommends that you vote FOR approval of the compensation of the Company's named executive officers.

RATIFICATION OF SELECTION OF INDEPENDENT AUDITORS

SpartanNash's Audit Committee has approved the selection of Deloitte & Touche LLP ("Deloitte") as the Company's independent auditors to audit the financial statements and internal controls of SpartanNash and its subsidiaries for the fiscal year ending December 28, 2019, and to perform such other appropriate accounting services as may be approved by the Audit Committee. The Audit Committee and the Board of Directors propose and recommend that shareholders ratify the selection of Deloitte to serve as the Company's independent auditors for 2019.

The Audit Committee evaluates the independence of the auditors at least annually. Deloitte has provided written affirmation that they are independent under all applicable standards, and the Audit Committee believes that Deloitte has effective internal monitoring of their independence. The Company and Deloitte have complied with SEC requirements on audit partner rotation. The lead audit partner was most recently rotated for the fiscal year ending December 29, 2018.

Independence is not the sole factor in the selection of the Company's independent auditor. The Audit Committee also considers price, quality of service and knowledge of SpartanNash and the Company's industry when selecting its auditor.

More information concerning the relationship of the Company with its independent auditors appears below under the headings "Audit Committee," "Independent Auditors," and "Audit Committee Report."

If the shareholders do not ratify the selection of Deloitte, the Audit Committee will consider a change in auditors for the next year.

Representatives of Deloitte are expected to be present at the Annual Meeting, will have the opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions from shareholders.

Your Audit Committee and Board of Directors recommend that you vote FOR ratification of the selection of Deloitte & Touche LLP as our independent auditors for the fiscal year ending December 28, 2019.

CORPORATE GOVERNANCE PRINCIPLES

SpartanNash is committed to developing and implementing principles of corporate governance to help the Board fulfill its responsibilities to shareholders and to provide a framework for overseeing the management of the Company. The Board has adopted a written Corporate Governance Policy. The Policy is designed to communicate our fundamental governance principles and to provide management, associates, and shareholders with insight to the Board's ethical standards, expectations for conducting business, and decision-making processes.

More information regarding the Company's corporate governance, including a copy of our Corporate Governance Policy, is available in the "Investor Relations — Corporate Governance" section of our website, www.spartannash.com.

Director Independence

SpartanNash's Corporate Governance Policy requires that at least two-thirds of the directors must be independent. Eight of our ten current directors are independent under Nasdaq Marketplace Rules.

Director Tenure

The Board of Directors considers the length of service of a director when determining whether he or she is "independent" under applicable rules.

Because the merger of Nash Finch and Spartan Stores in 2013 (the "Merger") fundamentally transformed each constituent company and created a new, larger, and more complex organization, the Board believes it is appropriate to measure director tenure by reference to service to the combined company. The table below presents the approximate tenure of each non-management director and the average for the Board, measured with respect to the combined companies, and the "registrant."

Director Tenure

Director	Years of Service to SpartanNash	Years of Service to "Registrant"***
	Company*	
M. Shân Atkins	5.4	15.8
Frank Gambino	5.4	15.8
Doug Hacker	5.4	5.4
Yvonne Jackson	5.4	8.5
Matthew Mannelly	1.1	1.1
Elizabeth Nickels	5.4	18.8
Hawthorne L. Proctor	5.4	5.4

William Voss