

DENTSPLY INTERNATIONAL INC /DE/
Form DEF 14A
April 21, 2011

DENTSPLY International Inc.
World Headquarters
Susquehanna Commerce Center Suite 60W
221 West Philadelphia Street
York, PA 17405-0872
(717) 845-7511 Direct
(717) 854-2343 Fax

April 21, 2011

Dear DENTSPLY Stockholder:

You are cordially invited to attend the 2011 Annual Meeting of Stockholders to be held on Wednesday, May 25, 2011, at 9:30 a.m., at the Company's World Headquarters, 221 West Philadelphia Street, Suite 60W, in York, Pennsylvania.

The Annual Meeting will include voting on the matters described in the accompanying Notice of Annual Meeting and Proxy Statement, a report on Company operations and discussion.

Whether or not you plan to attend, you can ensure that your shares are represented at the Annual Meeting by voting your proxy. You have three ways to vote your proxy. You may vote by mail by promptly completing, signing, dating and returning the enclosed proxy card in the envelope provided, you may vote by telephone by calling 1-800-690-6903 and following the instructions, or you may vote by internet by following the instructions on the proxy card or going to the internet at www.proxyvote.com and following the instructions on that site. Your vote is important. Please take a moment to vote through one of the above methods.

Sincerely,

Bret W. Wise
*Chairman of the Board and
Chief Executive Officer*

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**DENTSPLY INTERNATIONAL INC.
SUSQUEHANNA COMMERCE CENTER SUITE 60W
221 WEST PHILADELPHIA STREET
YORK, PENNSYLVANIA 17405-0872**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON WEDNESDAY, MAY 25, 2011**

The Annual Meeting of Stockholders (the "Annual Meeting") of DENTSPLY International Inc. (the "Company"), a Delaware corporation, will be held on Wednesday, May 25, 2011, at 9:30 a.m., local time, at the Company's World Headquarters, 221 West Philadelphia Street, Suite 60W, in York, Pennsylvania, for the following purposes:

1. To elect four Class I directors to serve for a term of three years and until their respective successors are duly elected and qualified;
2. To ratify the appointment of PricewaterhouseCoopers LLP, independent registered public accounting firm, to audit financial statements of the Company for the year ending December 31, 2011;
3. To provide a non-binding advisory vote on the Company's executive compensation;
4. To provide a non-binding advisory vote on the frequency of voting on executive compensation; and
5. To transact such other business as may properly come before the Annual Meeting and any and all adjournments and postponements thereof.

The Board of Directors of the Company (the "Board") fixed the close of business on March 28, 2011 as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment or postponement thereof.

The enclosed proxy is solicited by the Board. Reference is made to the accompanying Proxy Statement for further information with respect to the business to be transacted at the Annual Meeting.

A complete list of the stockholders entitled to vote at the Annual Meeting will be available during ordinary business hours for examination by any stockholder, for any purpose germane to the Annual Meeting, for a period of at least ten days prior to the Annual Meeting, at the office of the Company's Secretary, Susquehanna Commerce Center - Suite 60W, 221 West Philadelphia Street, York, Pennsylvania.

The Board urges you to vote your proxy by mail, by telephone or through the internet. You are cordially invited to attend the Annual Meeting in person. The voting of your proxy will not affect your right to revoke your proxy or to vote in person if you do attend the Annual Meeting.

By Order of the Board of Directors,
Deborah M. Rasin
*Vice President, Secretary and
General Counsel*

York, Pennsylvania
April 21, 2011

**YOUR VOTE IS IMPORTANT, NO MATTER HOW MANY
SHARES YOU
OWNED ON THE RECORD DATE.**

PLEASE INDICATE YOUR VOTING INSTRUCTIONS ON THE ENCLOSED PROXY CARD, DATE AND SIGN IT, AND RETURN IT IN THE ENVELOPE PROVIDED, WHICH IS ADDRESSED FOR YOUR CONVENIENCE AND NEEDS NO POSTAGE IF MAILED IN THE UNITED STATES. OR, IF YOU WISH, YOU MAY PROVIDE YOUR PROXY INSTRUCTION USING THE TELEPHONE BY CALLING 1-800-690-6903, OR THE INTERNET BY FOLLOWING THE INSTRUCTIONS ON THE ENCLOSED PROXY CARD. IN ORDER TO AVOID THE ADDITIONAL EXPENSE TO THE COMPANY OF FURTHER SOLICITATION, WE ASK YOUR COOPERATION IN VOTING YOUR PROXY PROMPTLY.

YOUR VOTE IS IMPORTANT, NO MATTER HOW MANY SHARES YOU OWNED ON THE RECORD DATE.

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**DENTSPLY INTERNATIONAL INC.
SUSQUEHANNA COMMERCE CENTER SUITE 60W
221 WEST PHILADELPHIA STREET
YORK, PENNSYLVANIA 17405-0872**

PROXY STATEMENT

GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors (the Board) of DENTSPLY International Inc. (DENTSPLY or the Company), a Delaware corporation, for use at the Company's 2011 Annual Meeting of Stockholders (together with any and all adjournments and postponements thereof, the Annual Meeting) to be held on Wednesday, May 25, 2011, at 9:30 a.m., local time, at the Company's World Headquarters, 221 West Philadelphia Street, Suite 60W, in York, Pennsylvania, for the purposes set forth in the accompanying Notice of Annual Meeting (the Notice). This Proxy Statement, together with the foregoing Notice and the enclosed proxy card, are first being sent to stockholders on or about April 21, 2011.

The Board fixed the close of business on March 28, 2011 as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting. On the record date, there were 141,040,435 shares of Common Stock of the Company, par value \$0.01 per share (Common Stock), outstanding and entitled to vote. Each share of Common Stock is entitled to one vote per share on each matter properly brought before the Annual Meeting. Shares can be voted at the Annual Meeting only if the stockholder is present in person or is represented by proxy. The presence, in person or by proxy at the Annual Meeting, of shares of Common Stock representing at least a majority of the total number of shares of Common Stock outstanding on the record date will constitute a quorum for purposes of the Annual Meeting.

Whether or not you are able to attend the Annual Meeting, you are urged to vote your proxy, either by mail, telephone or the internet, which is solicited by the Board and which will be voted as you direct. In the absence of instructions, shares represented by properly provided proxies will be voted as recommended by the Board.

Any proxy may be revoked at any time prior to its exercise by attending the Annual Meeting and voting in person, by notifying the Secretary of the Company of such revocation in writing or by delivering a duly executed proxy bearing a later date, provided that such notice or proxy is actually received by the Company prior to the taking of any vote at the Annual Meeting.

The cost of solicitation of proxies for use at the Annual Meeting and sought by the Board will be borne by the Company. Solicitations will be made primarily by mail, facsimile or through the internet, and employees or agents of

the Company may solicit proxies personally or by telephone for no additional consideration. The Company may specifically engage a firm to assist in the solicitation of proxies on behalf of the Board and would anticipate paying a reasonable fee for such services plus reasonable out-of-pocket expenses.

Brokers, banks and other nominee holders will be requested to obtain voting instructions of beneficial owners of stock registered in their names. The Company will reimburse these record holders for their reasonable out-of-pocket expenses incurred in doing so. Shares represented by a duly completed proxy submitted by a nominee holder on behalf of beneficial owners will be counted for quorum purposes, and will be voted to the extent instructed by the nominee holder on the proxy card or through the internet. The rules applicable to a nominee holder may preclude it from voting the shares that it holds on certain kinds of proposals unless it receives voting instructions from the beneficial owners of the shares (sometimes referred to as broker non-votes).

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PROPOSAL 1

ELECTION OF DIRECTORS

The Restated Certificate of Incorporation and the by-laws of the Company provide that the number of directors (which is to be not less than three) is to be determined from time to time by the Board. The Board is currently comprised of eleven persons.

Pursuant to the Company's Restated Certificate of Incorporation, the members of the Board are divided into three classes. Each class is to consist, as nearly as may be possible, of one-third of the whole number of members of the Board. The term of the Class I directors expires at the Annual Meeting. The terms of the Class II and Class III directors will expire at the 2012 and 2013 Annual Meetings of Stockholders, respectively. At each Annual Meeting, the directors elected to succeed those whose terms expire are of the same class as the directors they succeed and are elected for a term to expire at the third Annual Meeting of Stockholders after their election and until their successors are duly elected and qualified. A director elected to fill a vacancy is elected to the same class as the director he/she succeeds, and a director elected to fill a newly created directorship holds office until the next election of the class to which such director is elected.

Four incumbent Class I directors are nominees for election to the Board this year for a three year term expiring at the 2014 Annual Meeting of Stockholders.

The proxy named in the proxy card and on the internet voting site intends to vote for the election of the four Class I nominees listed below unless otherwise instructed. If any nominee becomes unable to serve, the proxy may vote for another person designated by the Board or the Board may reduce the number of directors. The Company has no reason to believe that any nominee will be unable to serve.

The Company's by-laws require that stockholders seeking to nominate persons for election to the Board, or to propose other business to be brought before an Annual Meeting of Stockholders, comply with certain procedures. See Stockholder Proposals for Proxy Statement and Nominations in this Proxy Statement.

Set forth below is certain information with regard to each of the nominees for election as Class I directors and each continuing Class II and Class III director.

In addition to the attributes and skills identified for all directors as described in the Corporate Governance and Nominating Committee (Governance Committee) report on page 9 of this Proxy Statement, the Governance Committee also considered the qualifications of each director described below their biographical information.

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Nominees for Election as Class I Directors

Name and Age	Principal Occupation and Directorships
Michael C. Alfano, D.M.D., Ph.D. Age 63	<p>Dr. Alfano is Executive Vice President at New York University (NYU) where he is responsible for Finance, Budget, Endowment, Real Estate, Facilities, Information Technology, Treasury and Human Resources. He is also Professor of Basic Science and Craniofacial Biology at the NYU College of Dentistry since 1998, where he served as Dean until 2006. Beginning in 1982 until 1998 he held a number of positions with Block Drug Company, including Senior Vice President for Research & Technology and President of Block Professional Dental Products Company. He served on the Board of Directors of Block Drug Company, Inc. from 1988 to 1998. He serves as a member of, or consultant to, various public health organizations, including the Editorial Board of the American Journal of Dentistry since 1987, the Consumer Healthcare Product Association and as the industry representative to the Non-Prescription Drugs Advisory Committee of the FDA from 2001 to 2005. He is a founding director of the Friends of the National Institute for Dental and Craniofacial Research, and he is a founding director of the not-for-profit Santa Fe Group. He was also a Trustee of the New York State Dental Foundation until 2006. In 2010, Dr. Alfano became a director of the not-for-profit Delta Dental of New York and of the YMCA of Greater New York. Dr. Alfano was appointed to the DENTSPLY Board of Directors in February 2001.</p> <p>Qualifications considered for Dr. Alfano included his education, training and experience as a dentist; his experience in research management and in a publicly traded medical technology company; his knowledge and experience in FDA matters; and his leadership role in the health and dental field.</p>
Eric K. Brandt Age 48	<p>Mr. Brandt serves as Executive Vice President and Chief Financial Officer of Broadcom Corporation, a Fortune 500 high-tech company, which he joined in March 2007. From September 2005 until March 2007, he served as President and Chief Executive Officer at Avanir Pharmaceuticals. Beginning in 1999, he held various positions at Allergan, Inc., including Corporate Vice President and Chief Financial Officer until 2001, President of Consumer Eye Care from 2001 to 2002, and in 2005, until his departure, Executive Vice President of Finance and Technical Operations and Chief Financial Officer. Prior to joining Allergan, he was Vice President and Partner at Boston Consulting Group (BCG), and a senior member of the BCG Health Care and Operations practices. Mr. Brandt served as a director of Vertex Pharmaceuticals, Inc. from 2005 to 2009 and as a director of Avanir Pharmaceuticals from 2006 to 2007. He serves on the Board of Directors for LAM Research Corporation. Mr. Brandt was appointed to the DENTSPLY Board of Directors in November 2004.</p>

Qualifications considered for Mr. Brandt included his general business skills, expertise and experience; his experience in publicly traded medical technology companies; his experience in business development and corporate strategy development; and his experience in accounting and financial matters.

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Name and Age

Principal Occupation and Directorships

William F. Hecht
Age 68

Mr. Hecht retired as Chairman of the Board and Chief Executive Officer of PPL Corporation, a diversified utility and energy services company, on October 1, 2006. He was elected President and Chief Operating Officer in 1991 and Chairman and Chief Executive Officer in 1993. In addition to PPL Corporation, he served on the Boards of PPL Electric Utilities Corporation and PPL Energy Supply, LLC, subsidiaries of PPL Corporation. Mr. Hecht also served as Chairman of the Board of Directors of the Federal Reserve Bank of Philadelphia through December 31, 2009. He served as a director of RenaissanceRe Holdings Ltd., through August 2010. He also serves as a trustee of Lehigh University and as a trustee of the Lehigh Valley Health Network. Mr. Hecht was appointed to the DENTSPLY Board of Directors in March 2001.

Qualifications considered for Mr. Hecht included his knowledge and general business experience, including leadership roles as an executive and a board member; his extensive experience in financial matters; and his extensive experience in business development and corporate strategy development.

Francis J. Lunger
Age 65

Mr. Lunger served on the Board of Millipore Corporation from 2001 until March 2005, including serving as Chairman from April 2002 until April 2004. Mr. Lunger joined Millipore in 1997 as Senior Vice President and Chief Financial Officer and held several executive management positions, which included serving as Executive Vice President and Chief Operating Officer from 2000 until 2001, and President and Chief Executive Officer from August 2001 until January 2005. Prior to joining Millipore, Mr. Lunger held executive management positions at Oak Industries, Inc., Nashua Corporation, and Raychem Corporation. From June 2007 through July 2010, Mr. Lunger served as a director of NDS Surgical Imaging. Since July 2009, Mr. Lunger has been an Operating Partner with Linden LLC. Mr. Lunger was elected to the DENTSPLY Board of Directors in May 2005.

Qualifications considered for Mr. Lunger included his deep and significant business experience, including leadership roles as an executive and a board member; his experience in a publicly traded life sciences tools company; and his experience in accounting and financial matters.

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Directors Continuing as Class II Directors

Name and Age	Principal Occupation and Directorships
Willie A. Deese Age 55	<p>Mr. Deese has served as Executive Vice President at Merck & Co., Inc., since 2008 and President of the Merck Manufacturing Division since 2005. Mr. Deese originally joined Merck in 2004 as the company's Senior Vice President of Global Procurement. Previously, Mr. Deese served as Senior Vice President of Global Procurement and Logistics at GlaxoSmithKline and as Vice President of Purchasing, at Kaiser Permanente. Mr. Deese was appointed to the DENTSPLY Board of Directors in February 2011.</p> <p>Qualifications considered for Mr. Deese included his business experience, including leadership roles as an executive and his experience and expertise in the manufacturing of regulated medical products.</p>
Leslie A. Jones Age 71	<p>Mr. Jones served as Chairman of the Board of the Company from May 1996 to May 1998. From January 1991 to January 1992, he was a Senior Vice President and Special Assistant to the President of DENTSPLY. Prior to that time, Mr. Jones served as Senior Vice President of North American Operations. Mr. Jones has served as a director of the Company since the merger of Dentsply International Inc., (Old Dentsply) with Gendex Corporation (Gendex) on June 11, 1993 (the Merger), and prior to the Merger served as a director of Old Dentsply.</p> <p>Qualifications considered for Mr. Jones included his general business experience; his long history and knowledge of the dental industry; and in particular, his knowledge and experience with the Company.</p>
Bret W. Wise Age 50	<p>Mr. Wise has served as Chairman of the Board and Chief Executive Officer of the Company since January 1, 2007 and also served as President in 2007 and 2008. Prior to that time, Mr. Wise served as President and Chief Operating Officer in 2006, as Executive Vice President in 2005 and Senior Vice President and Chief Financial Officer from December 2002 through December 2004. Prior to that time, Mr. Wise was Senior Vice President and Chief Financial Officer with Ferro Corporation of Cleveland, OH (1999 – 2002), Vice President and Chief Financial Officer at WCI Steel, Inc., of Warren, OH, (1994 – 1999) and prior to that was a partner with KPMG LLP and qualified as a Certified Public Accountant. Mr. Wise serves on the boards of the National Foundation of Dentistry for the Handicapped and the Dental Trade Alliance, currently as its chairman, and served on the Board of IMS Health until February 26, 2010, when the company was sold. He joined the DENTSPLY Board of Directors in August 2006 and was named Chairman of the Board in January 2007.</p> <p>Qualifications considered for Mr. Wise included his role as the current Chief Executive Officer of the Company; his deep and active</p>

knowledge and understanding of the dental business and the Company; and his overall general business, financial and accounting knowledge.

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Directors Continuing as Class III Directors

Name and Age	Principal Occupation and Directorships
Paula H. Cholmondeley Age 64	<p>Ms. Cholmondeley served as a private consultant on Strategic Planning from 2004 to 2009. She served as the Vice President and General Manager of Specialty Products for Sappi Fine Paper, a subsidiary of Sappi Limited from April 2000 until January 2004, and prior to that from January 1998 until April 2000, she was a private consultant on Strategic Planning and Mergers and Acquisitions. From 1992 until January 1998, Ms. Cholmondeley held various management positions with Owens Corning, including General Manager of Residential Insulation. Ms. Cholmondeley served as a White House Fellow and a Special Assistant to the U.S. Trade Representative for several countries in the Far East from 1982 to 1983. She has also held a number of significant positions with other companies including managerial positions with Westinghouse Elevator Company, and as Chief Financial Officer and Senior Vice President for Blue Cross of Greater Philadelphia. She is a former Certified Public Accountant. Ms. Cholmondeley is an independent trustee of Nationwide Mutual Fund. She also serves on the Boards of Terex Corporation, Albany International, and Minerals Technologies, Inc. Ms. Cholmondeley served on the Board of Ultralife Batteries from June 2004 until June 2010. Ms. Cholmondeley was appointed to the DENTSPLY Board of Directors in September 2001. Qualifications considered for Ms. Cholmondeley included her general and varied business operating experience, including leadership positions and experience in international matters; her experience serving as a board member; and her experience in accounting and financial matters.</p>
Michael J. Coleman Age 67	<p>Mr. Coleman is the Chairman of the Board of Cool Media Company and a partner in CS&W Associates Media Management, both based in Cocoa Beach, Florida. He served as Chairman of Cape Publications in Melbourne, Florida until retiring from that position on January 1, 2007. He previously served as Publisher of FLORIDA TODAY and President of the Gannett Co., Inc., South Newspaper Group from 1991 to April 2006. He serves as a director of Ron Jon Surf Shops Worldwide and Florida Bank of Commerce, Orlando, Florida, and as a Trustee of the Freedom Forum and its Diversity Institute and its Newseum, all based in Washington, D.C. Mr. Coleman has served as a director of the Company since the Merger, and prior thereto as a director of Gendex. Qualifications considered for Mr. Coleman included his general business experience and his leadership role in several business positions, as well as his long history with and knowledge of the Company and the dental industry.</p>

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Name and Age

Principal Occupation and Directorships

John C. Miles, II
Age 69

Mr. Miles served as Chairman of the Board from May 1998 until May 2005, and remains a director of the Company. In January 2004, he retired from his position as Chief Executive Officer, a position which he held since January 1, 1996. Mr. Miles served as Vice Chairman of the Board from January 1, 1997 until becoming Chairman of the Board in May 1998. Prior to January 1, 1996, he had been President and Chief Operating Officer since the Merger, and served as President and Chief Operating Officer of Old Dentsply prior to the Merger. Mr. Miles has been a director of the Company since the Merger and was a director of Old Dentsply commencing January 1990.

Qualifications considered for Mr. Miles included his general business experience; leadership experience in the medical device industry; his long history and knowledge of the dental industry; his knowledge and experience with the Company; his experience as a board member of several medical device companies; and his experience in financial matters.

John L. Miclot
Age 52

Mr. Miclot is currently an Executive-in-Residence at Warburg Pincus. From November 2008 through March 2010, he served as President and Chief Executive Officer of CCS Medical Inc., a provider of products and services for patients with chronic diseases. Prior to joining CCS Medical, he was the President and Chief Executive Officer of Respironics, Inc., from 2003 until November 2008. Mr. Miclot served in various positions at Respironics, Inc. from 1998 to 2003, including Chief Strategic Officer and President of the Homecare Division. Previously, Mr. Miclot served in various positions at Healthdyne Technologies, Inc., including Senior Vice President, Sales and Marketing, from 1995 to 1998. Mr. Miclot is a director of Wright Medical and serves as Chairman of the Board of Breathe Technologies, as well as a director of the Pittsburgh Zoo & PPG Aquarium and Burger King Cancer Caring Center.

Qualifications considered for Mr. Miclot included his experience in publicly traded medical technology companies; his general business skills, expertise and experience; and his general experience in financial matters.

Votes Required

Nominees for director in an uncontested election are to be elected by a majority vote of the votes cast at the Annual Meeting (known as majority voting). If any nominee who is a sitting director receives less than a majority of the votes cast, a previously tendered resignation by such director becomes effective. The acceptance or rejection of such resignation shall be determined by the Board, taking into consideration, to the extent determinable, the reasons the nominee did not receive a majority vote.

The Board of Directors unanimously recommends a vote FOR the nominees for election as Class I Directors.

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BOARD OF DIRECTORS AND COMMITTEES

Board of Directors Meetings

The Board held six meetings during 2010, one of which was a telephone meeting. The Board has determined that the following directors are independent under the Listing Standards: Michael C. Alfano, Eric K. Brandt, Paula H. Cholmondeley, Michael J. Coleman, Willie A. Deese, William F. Hecht, Leslie A. Jones, Francis J. Lunger, John L. Miclot and John C. Miles, II. In determining the independence of Dr. Alfano, the Board considered the fact that Dr. Alfano is the Executive Vice President of New York University and from time to time the Company sells products to, and sponsors research conducted by certain dental professionals of the New York University College of Dentistry. The Board determined that Dr. Alfano has no personal interest or involvement in such transactions and that such transactions are conducted by the relevant businesspeople on an arms length basis with the College of Dentistry. The Board has an Executive Committee, an Audit and Finance Committee, a Governance Committee and a Human Resources Committee. No directors attended fewer than 75% of the total number of meetings of the Board and the meetings of any committee of the Board on which a director served during the year ended December 31, 2010. The current composition and activities of the committees are described below.

Executive Committee

The Executive Committee acts for the Board and provides guidance to the executive officers of the Company between meetings of the Board. The members of the Executive Committee in 2010 were Messrs. Wise (Chairperson), Hecht, Jones and Miles. The Executive Committee held four telephone meetings during 2010. The Executive Committee members remain the same as of March 28, 2011.

Audit and Finance Committee

The Audit and Finance Committee (the Audit Committee) is responsible for selecting and retaining the independent registered public accounting firm, setting the independent registered public accounting firm's compensation, pre-approving all auditing and permitted non-audit services by the independent registered public accounting firm, reviewing with the independent registered public accounting firm the scope and results of the audit, reviewing the adequacy and effectiveness of the Company's system of internal control and performing the other duties set forth in the Audit Committee Charter (a copy of the Audit Committee Charter is attached to this Proxy Statement as Appendix B).

The members of the Audit Committee in 2010 were Messrs. Lunger (Chairperson) and Miles and Ms. Cholmondeley, who was on the Committee through May 10. Mr. Miclot joined the Audit Committee on May 10. All of the Audit Committee Members are independent as defined in the Listing Standards. The Board has determined that Mr. Lunger is an Audit Committee Financial Expert under the rules and regulations of the Securities and Exchange Commission (the SEC). The Audit Committee held ten meetings during 2010, five of which were telephone meetings. As of March 28, 2011, the Audit Committee members remain the same as at the end of 2010.

Governance Committee

The Governance Committee is responsible for identifying and recommending individuals as nominees to serve on the Board, reviewing and recommending Board policies and governance practices and appraising the performance of the Board and performing the other duties set forth in the Governance Committee Charter (a copy of the Governance

Committee Charter is attached to this Proxy Statement as Appendix C). The members of the Governance Committee in 2010 were Messrs. Hecht (Chairperson), Jones and Smith, who was on the Committee until he retired on May 10, and Ms. Cholmondeley, beginning May 10, all of whom are independent as defined in the Listing Standards. The Corporate Governance Committee held eight meetings during 2010, three of which were telephone meetings. As of March 28, 2011, the members of the Governance Committee remain the same as at the end of 2010.

It is the policy of the Governance Committee to consider any candidates for nomination to the Board who are recommended and submitted by stockholders in accordance with the Company's by-laws (see

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Stockholder Proposals for Proxy Statement and Nominations in this Proxy Statement). No such candidates were submitted to the Company for consideration. The Governance Committee's policy is to evaluate any proposed candidates under the criteria utilized by the Governance Committee to evaluate all potential nominees, including, at a minimum, the following attributes:

- the proven ability and experience to bring informed, thoughtful and well-considered opinions to corporate management and the Board;
- the competence, maturity and integrity to monitor and evaluate the Company's management, performance and policies;
- the willingness and ability to devote the necessary time and effort required for service on the Board;
- the capacity to provide additional strength, diversity of view and new perceptions to the Board and its activities;
- the necessary measure of communication skills and self-confidence to ensure ease of participation in Board discussion; and
- who hold or have held a senior position with a significant business corporation or a position of senior leadership in an educational, medical, religious, or other non-profit institution or foundation of significance.

When the Governance Committee engages in a process to identify director candidates, other than directors standing for re-election, the Governance Committee polls the existing directors for recommendations and generally utilizes the service of a search firm to identify potential candidates. All potential candidates are screened relative to their qualifications and go through an interview process with the Governance Committee and, if desired, by other members of the Board. When the Governance Committee uses a search firm, a fee is paid for such services.

Diversity Considerations

The Board recognizes the value of having a Board comprised of individuals that have varied experience and can bring different perspectives to Board discussions and activities. For this reason, when considering nominees for Board seats, the Board Governance Committee considers the diversity of nominees or candidates for election to the Board. Included in the criteria the Governance Committee considers in evaluating candidates for the Board is to identify candidates who have the capacity to provide additional strength and diversity of view to the Board and its activities.

Human Resources Committee

The Human Resources (HR) Committee is responsible for evaluating and administering compensation levels for all senior officers of the Company, reviewing and evaluating employee compensation generally and employee benefit plans, and other activities as set forth in the HR Committee Charter (a copy of the HR Committee Charter is attached to this Proxy Statement as Appendix D). The role of the Committee with respect to executive compensation is to oversee DENTSPLY's compensation plans and policies, administer its equity incentive plans, including review and approve all compensation decisions relating to executive officers, (including the executive officers named in the Summary Compensation Table other than the Chief Executive Officer (CEO), whose compensation is established by the independent directors of the board) (collectively the Named Executive Officers). Its members in 2010 were Mr. Coleman (Chairperson), Dr. Alfano, Mr. Brandt, and Ms. Dixon, who was on the committee until July 28, all of whom are independent as defined in the Listing Standards. The HR Committee met seven times during 2010, three of which were telephone meetings. As of March 28, 2011, the members of the HR Committee remain the same as at the end of 2010.

Human Resources Committee Interlocks and Insider Participation

None of the current members of the HR Committee has ever been an officer or employee of DENTSPLY. None of our executive officers served as a member of the Board or compensation committee of any entity that has one or more executive officers serving on our Board or HR Committee.

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Attendance at Annual Meetings

The Company has no policy regarding the attendance of Board members at the Company's Annual Meeting. In 2010, all Board members attended the Annual Meeting.

Related Person Transactions

No related person transactions were noted for the year ended December 31, 2010.

The Company has a written policy and procedures with respect to the review and approval of Related Person Transactions (Transaction), as defined below. The Governance Committee reviews the material facts of all Transactions that require the Governance Committee's approval and either approves or disapproves of the entry into the Transaction, subject to certain identified exceptions described below. In determining whether to approve or ratify a Transaction, the Governance Committee takes into account, among other factors it deems appropriate, whether the Transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances and the extent of the Related Person's interest in the Transaction. The Chair of the Governance Committee is delegated the authority by the Board to approve Transactions that, because of timing or scheduling, are not feasible to be approved by the full Governance Committee.

The policy applies to any transaction, arrangement or relationship in which the Company (including any of its subsidiaries) will be a participant and in which any Related Person (as defined by SEC Rules) will have a direct or indirect material interest, and the amount involved exceeds \$120,000 (a Related Person Transaction).

The Governance Committee has pre-approved, under the policy, the following Transactions without regard to the amount involved:

1. any Transaction involving the compensation, employment and/or benefits of an executive officer of the Company if the compensation arising from the Transaction is required to be reported in the Company's proxy statement;
2. any Transaction involving the compensation, employment and/or benefits of an executive officer of the Company that is not a Named Executive Officer (as that term is defined in Item 402(a)(3) of Regulation S-K) if (a) the executive officer is not an immediate family member of another executive officer or director of the Company, (b) the compensation arising from the Transaction would have been reported under Item 402 as compensation earned for services to the Company if the executive officer was a Named Executive Officer, and (c) such compensation had been approved, or recommended to the Board for approval, by the HR Committee of the Board;
3. any Transaction involving the compensation, services and/or benefits of a director if the compensation arising from the Transaction is required to be reported in the Company's proxy statement;
4. any Transaction where the Related Person's interest arises solely from the ownership of the Company's Common Stock and all holders of the Company's Common Stock received the same benefit on a pro rata basis;
5. any Transaction with a Related Person involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority;
6. any Transaction with a Related Person involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services; and
7. any Transaction in which the interest of the Related Person arises solely from such person's position as a director of another firm, corporation or other entity that is a party to the Transaction.

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Except to the extent pre-approved, as noted above, Transactions are subject to the following procedures. The Related Person notifies the General Counsel of the Company of any proposed Transaction, including: the Related Person's relationship to the Company and interest in the proposed Transaction; the material terms of the proposed Transaction; the benefits to the Company of the proposed Transaction; and the availability from alternative sources of the products or services that are the subject of the proposed Transaction.

The proposed Transaction is submitted to the Governance Committee for consideration at the next Governance Committee meeting or, if the legal department, after consultation with the CEO or the CFO, determines that the Company should not wait until the next Governance Committee meeting, to the Chair of the Governance Committee acting pursuant to authority delegated by the Board. Any Transactions approved pursuant to delegated authority by the Chair of the Governance Committee, is reported to the Governance Committee at the next Governance Committee meeting.

To the extent the Company becomes aware of a Transaction that was not previously approved under this policy, it shall be promptly reviewed as described above and be ratified, amended or terminated, as determined appropriate by the Governance Committee.

Board Leadership

The Board's current leadership structure is a Chairman, who is also the Company's CEO, and a Lead Director, who is an independent Director. The role of the Lead Director is generally described in the Company's Corporate Governance Guidelines and includes the following:

- (a) call for Executive Sessions of the independent directors;
- (b) preside at Board meetings in the absence of the Chairman and at Executive Sessions of the independent directors; provide the Chairman with input into the agenda for Board meetings, and on other matters as deemed appropriate
- (c) by the Board, or on behalf of the independent Directors, and recommend the agenda for Executive Sessions of independent Directors, to the extent deemed necessary;
- (d) be available for consultation with other Directors, act as the principal liaison between the independent Directors and the CEO, and apprise the CEO, as appropriate, of activities of the Board in Executive Sessions; and
- (e) be available for consultation with the CEO and communicate the expectations of the Board to the CEO.

The Board does not have a fixed policy on whether the Chairman should also be the Chief Executive Officer. The Board periodically evaluates its leadership structure to determine what it believes is the optimum structure at any point in time.

In general, the Board believes the combined role of Chairman and CEO promotes unified leadership and direction for the Company, which allows for a single, clear focus for management to execute the Company's strategy and business plans. This leadership structure has served the Company well and has resulted in the continued progress on the Company's strategic plan and growth and financial success of the Company. The Board believes that these results are, in part, the product of the unified and focused leadership of its Chairman and CEO.

The Company has adopted various policies to ensure a strong and independent Board. Currently, all directors, with the exception of the Chairman, are independent as defined under NASDAQ regulations, and the Audit and Finance, Corporate Governance and Nominating and Human Resources Committees of the Board are made up entirely of independent directors. In addition, the Board is comprised of strong and experienced directors who are or have been leaders in other companies or institutions, are independent thinkers and have a wide range of expertise and skills.

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Additionally, the Board regularly meets in executive session without the presence of management and the CEO. The Lead Director presides at these meetings and provides the Board's guidance and feedback to the Chairman and the Company's management team. Further, the Board has access to the Company's management team. On a regular basis, the Board and its committees receive valuable information and insight from management on the status of the Company and the Company's current and future issues.

Given the leadership roles of the Company's Chairman and CEO and the Lead Director and a Board comprised of strong and independent directors, the Board believes its current leadership structure is in the best interests of the Company and its stockholders.

Risk Oversight

The Board oversees the management of risks inherent in the operation of the Company's businesses and the implementation of its strategic plan. In this regard, the Board seeks to understand and oversee the most critical risks relating to the Company's business, allocate responsibilities for the oversight of risks among the full Board and its committees, and see that management has in place effective systems and processes for managing risks facing the Company. Risks falling within this area include but are not limited to general business and industry risks, operating risks, financial risks and compliance and regulatory risks. Overseeing risk is an ongoing process and is inherently tied to the Company's operations and overall strategy. Accordingly, the Board considers risk throughout the year and with respect to specific proposed actions. While the Board oversees risk, Company management is charged with identifying and managing risk. The Company has robust internal processes and a strong internal control environment to identify and manage risks and to communicate information about risk to the Board. Risk management is not allocated to a single risk management officer within the Company, but rather is administered by management in an approach that is designed to ensure that the most significant risks to the Company, on a consolidated basis, are being managed and monitored appropriately. This process includes:

- identifying the material risks that the Company faces;
- establishing and assessing processes for managing that risk;
- determining the Company's risk appetite and mitigation strategies and responsibilities; and

making regular reports to the Board on management's assessment of exposure to risk and steps management has taken to monitor and deal with such exposure.

The Board implements its risk oversight function both as a whole and through delegation to the Board committees. These committees meet regularly and report back to the full Board. In performing this function, each committee has full access to management, as well as the ability to engage advisors.

The Audit Committee oversees the Company's processes for assessing financial risks and the effectiveness of the Company's system of internal controls. In performing this function, the Audit Committee considers information from the Company's independent registered public accounting firm and internal auditors and discusses relevant issues with each of them and management.

The Governance Committee manages risks associated with the independence of the Board of Directors, potential conflicts of interest and overall corporate governance.

The HR Committee oversees and evaluates the risks associated with the Company's compensation philosophy and programs.

Also, the Company's leadership structure, discussed in the Board Leadership section of this Proxy, supports the risk oversight function of the Board. The Company has a combined Chairman of the Board and CEO who keeps the Board informed about the risks facing the Company in general and with respect to specific activity. In addition, independent directors chair the Board committees involved with risk oversight and there is open communication between senior management and directors.

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Members of the Board who are not employees of the Company (Outside Directors) received an annual fee in 2010 of \$40,000. Outside Directors who were chairpersons of the Human Resources and Governance Committees received an additional annual fee of \$7,500, the chairperson of the Audit Committee received an additional annual fee of \$10,000 and the Lead Director received an additional annual fee of \$10,000. In 2010, outside Directors also received a fee of \$1,500 for each Board and committee meeting attended and \$1,000 for each Board and committee meeting attended via teleconferencing. As of March 28, 2011, these fees remain the same. Annual fees are paid quarterly. Each Outside Director receives equity incentive grants, currently stock options and restricted stock units, as fixed from time to time by the Board. In 2010, the equity incentive compensation for directors was set at an expected annual value of \$115,000, using the binomial method of calculation; however, because of the change in timing of equity grants, as described below, the actual grant values varied for the directors. There were 91,787 nonqualified stock options and 11,100 restricted stock units granted to directors collectively in 2010. Directors are reimbursed for travel and other expenses relating to attendance at Board and committee meetings.

Effective January 1, 1997, the Company established a Directors Deferred Compensation Plan (the Deferred Plan). The Deferred Plan permits Outside Directors to elect to defer receipt of directors fees or other compensation for their services as directors. Outside Directors can elect to have their deferred payments administered as a cash with interest account or a stock unit account. Distributions to a director under the Deferred Plan will not be made to any Outside Director until the Outside Director ceases to be a Board member.

The following table shows the compensation paid to the Company s Outside Directors for the year ended December 31, 2010.

2010 Directors Compensation

Name(1)	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)	Total (\$)
Dr. Michael C. Alfano (2)	55,500	39,860	108,072	203,432
Eric K. Brandt (3)	56,500	39,860	91,525	187,885
Paula H. Cholmondeley (4)	60,000	39,860	91,525	191,385
Michael J. Coleman (5)	63,500	39,860	91,525	194,885
Dr. Wendy L. Dixon (6)	29,000	39,860	91,525	160,385
William F. Hecht (7)	81,500	39,860	101,476	222,836
Leslie A. Jones (8)	60,000	39,860	91,525	191,385
Francis J. Lunger (9)	71,000	39,860	91,525	202,385
John L. Miclot (10)	40,500	39,860	91,525	171,885
John C. Miles II (11)	65,000	39,860	91,525	196,385
W. Keith Smith (12)	12,667			12,667

(1) Mr. Wise is not shown in this table since he was an employee of the Company as of December 31, 2010. His compensation is shown in the Summary Compensation Table.

(2)

Dr. Alfano elected to receive his compensation in the form of cash. Compensation to Dr. Alfano consisted of fees of \$15,500 for attending Board and committee meetings and the annual fee of \$40,000.

(3) Mr. Brandt elected to receive his compensation in the form of cash. Compensation to Mr. Brandt consisted of fees of \$16,500 for attending Board and committee meetings and the annual fee of \$40,000.

(4) Ms. Cholmondeley elected to receive her compensation in form of cash. Compensation to Ms. Cholmondeley consisted of fees of \$20,000 for attending Board and committee meetings and the annual fee of \$40,000.

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Mr. Coleman elected to receive his compensation in the form of deferral to a savings account with interest. His (5) compensation consisted of fees of \$16,000 for attending Board and committee meetings and the annual fee of \$47,500, which included the fee for chairing the HR Committee during 2010.

Dr. Dixon elected to receive her compensation in the form of cash. Compensation to Dr. Dixon consisted of fees of (6) \$9,000 for attending Board and committee meetings and the annual fee of \$20,000. Dr. Dixon resigned from the Board as of July 2010.

Mr. Hecht elected to receive his compensation in the form of deferral to stock units with dividends. Compensation to Mr. Hecht consisted of fees of \$24,000 for attending Board and committee meetings and the annual fee of (7) \$57,500, which included the fee for chairing the Governance Committee for the 3rd and 4th quarter and serving as the Lead Director role in 2010.

Mr. Jones elected to receive his compensation in the form of deferral to a savings account with interest. (8) Compensation to Mr. Jones consisted of fees of \$20,000 for attending Board and committee meetings and the annual fee of \$40,000.

Mr. Lunger elected to receive his compensation in the form of cash. His compensation consisted of fees of \$21,000 (9) for attending Board and committee meetings and the annual fee of \$50,000, which included the fee for chairing the Audit and Finance Committees during 2010.

Mr. Miclot elected to receive his compensation in the form of deferral to a savings account with interest. (10) Compensation to Mr. Miclot consisted of fees of \$10,500 for attending Board and committee meetings and the annual fee of \$30,000.

Mr. Miles elected to receive his compensation in the form of deferral to a savings account with interest. (11) Compensation to Mr. Miles consisted of fees of \$25,000 for attending Board and committee meetings and the annual fee of \$40,000.

Mr. Smith elected to receive his compensation in the form of cash. Compensation to Mr. Smith consisted of fees (12) of \$6,000 for attending Board and committee meetings and the annual fee of \$6,667. Mr. Smith retired from the Board in May 2010.

In 2007, the Governance Committee of the Board adopted a plan to move all directors to a May annual grant schedule, rather than the historic anniversary date grant schedule. Because all directors were on a grant schedule of every third year, the Governance Committee implemented a transition plan to effectuate the change to an annual grant schedule. The transition to the annual grant took about three years, which was finalized in 2010. Under the transition plan every director received a pro-rated grant on the third anniversary of their last grant, as well as annual grants in May. The date and amount of the anniversary grant for each director varied depending upon when their service began and when the grant was made.

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The following table shows grants issued to the Company's Outside Directors for the year ended December 31, 2010.

Name	Grant Date	Market Price on Grant Date (\$)	Stock Awards Granted (#)	Option Awards Granted (#)	Aggregate Number of Stock Awards Outstanding at 12/31/2010 (#)	Aggregate Number of Option Awards Outstanding at 12/31/2010 (#)
Dr. Michael C. Alfano	February 14, 2010	32.64		1,765		
	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	10,665	4,250	35,316
Eric K. Brandt	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900	3,387	45,410
Paula H. Cholmondeley	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900	4,250	46,604
Michael J. Coleman	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900	3,387	60,993
Dr. Wendy L. Dixon	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900		
William F. Hecht	March 21, 2010	34.52		1,022		
	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	9,922	4,250	52,573
Leslie A. Jones	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900	4,250	60,993
Francis J. Lunger	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900	3,387	43,003
John L. Miclot	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900	1,110	8,900
John C. Miles II	May 11, 2010	35.91	1,110	8,900		
	Total		1,110	8,900	4,250	43,394

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AUDIT AND FINANCE COMMITTEE DISCLOSURE

The Audit Committee was comprised of three directors in 2010, all of whom are independent as defined by the Listing Standards. In addition, Mr. Lunger has been designated by the Board as Audit Committee Financial Expert under applicable rules and regulations of the SEC. The Audit Committee operates under a written charter adopted by the Board. This charter is reviewed at least annually by the Audit Committee and the Board and amended as determined appropriate (a copy of this charter is attached to this Proxy Statement as Appendix B).

The Audit Committee reviews the Company's financial reporting process on behalf of the Board. In addition, the Audit Committee approves and retains the Company's independent registered public accounting firm.

Management is responsible for the Company's internal controls, including internal control over financial reporting, and the financial reporting process. The independent registered public accounting firm is responsible for performing an audit of the Company's financial statements and an audit of the Company's internal control over financial reporting in accordance with standards of the Public Company Accounting Oversight Board (PCAOB); and to issue a report thereon. The Audit Committee's responsibility is to oversee these processes.

In this context, the Audit Committee has met and held discussions with management and PricewaterhouseCoopers LLP (PwC), the Company's independent registered public accounting firm. Management represented to the Audit Committee that the Company's financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee has reviewed and discussed the audited financial statements with management and PwC. The Audit Committee discussed with PwC the matters required to be discussed by Statement on Auditing Standards No. 61, as amended, (AICPA Professional Standards, Vol. 1 AU Section 380), as adopted by the PCAOB in Rule 3200 T.

In addition, the Audit Committee has discussed with PwC the firm's independence from the Company and its management and has received the written disclosures and the letter from PwC required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence.

The Audit Committee discussed with PwC the overall scope and plans for their audits. The Audit Committee meets with PwC, with and without management present, to discuss the results of their examinations, the evaluations of the Company's internal controls, and the overall quality of the Company's financial reporting.

Based upon the Audit Committee's discussions with management and PwC and the Audit Committee's review of the representations of management and the report of PwC to the Audit Committee, the Audit Committee recommended that the Board include the audited financial statements in the Company's Form 10-K for the year ended December 31, 2010 filed with the SEC.

AUDIT AND FINANCE COMMITTEE

Francis J. Lunger

John C. Miles, II

John L. Miclot

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The Audit Committee appointed PricewaterhouseCoopers LLP, independent registered public accounting firm, to audit the financial statements of the Company and to audit the Company's internal control over financial reporting for the year ending December 31, 2011.

In connection with the audit of the Company's financial statements, it is expected that PwC will also audit the financial statements of certain subsidiaries of the Company at the close of their current fiscal years. A representative of PwC will be present at the Annual Meeting and will have the opportunity to make a statement, if such person desires to do so, and to respond to appropriate questions.

Following is a summary of the fees billed to the Company by PwC for professional services rendered during 2010 and 2009, and are categorized in accordance with the rules of the SEC on auditor independence as follows (in thousands):

	2010 (\$)	2009 (\$)
Audit (1)	2,433	2,377
Audit related (2)	81	87
Tax (3)	152	137
Other	2	2
Total	2,668	2,603

The audit fees for the years ended December 31, 2010 and 2009, respectively, were for professional services rendered for each of the indicated fiscal years in connection with the audits of the Company's annual Consolidated Financial Statements included in Form 10-K and review of quarterly Consolidated Financial Statements included in (1) Form 10-Qs, or for services that are normally provided by the accountants in connection with statutory and regulatory filings or engagements. In addition, for the years ended December 31, 2010 and 2009, audit fees included professional services related to the audit of the Company's internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002.

The audit related fees for the years ended December 31, 2010 and 2009, respectively, were for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. Such services include consultations on financial accounting and reporting standards and certain attestation services.

Tax fees for the years ended December 31, 2010 and 2009, respectively, were for tax compliance related to tax audits in each of the indicated fiscal years.

The Audit Committee reviewed summaries of the services provided by PwC and the related fees and determined that the provision of non-audit services is compatible with maintaining the independence of PwC.

The Audit Committee has adopted procedures for pre-approval of services provided by PwC. Under these procedures, all services to be provided by PwC must be pre-approved by the Audit Committee, or can be pre-approved by the Chairman of the Audit Committee subject to ratification by the Audit Committee at its next meeting. Management makes a presentation to the Audit Committee (or the Chairman of the Audit Committee, as applicable) describing the types of services to be performed and the projected budget for such services. Following this presentation, the Audit Committee advises management of the services that are approved and the projected level of expenditure for such services. All of the fees reported above were approved by the Audit Committee in accordance with their procedures.

The proposal to ratify the appointment of PwC will be approved by the stockholders if it receives the affirmative vote of a majority of the shares present in person or represented by proxy at the meeting and entitled to vote on the proposal. If there is an abstention noted on the proxy card for this proposal, the abstention will have the effect of a vote against the proposal, as it is a share represented by proxy and entitled to vote. Broker non-votes will be treated as shares not capable of being voted on the proposal and, accordingly, will have no effect on the outcome of voting on the proposal.

The Audit Committee and the Board of Directors recommend a vote FOR ratification of the selection of PwC as independent registered public accounting firm for the Company.

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The following table sets forth certain information with respect to all persons or groups known by the Company to be the beneficial owners of more than 5% of its outstanding Common Stock as of March 28, 2011 (unless otherwise indicated).

	Shares Owned	
	Beneficially Number	Percent
Five Percent Stockholders		
Massachusetts Financial Services Co		
500 Boylston Street		
10 th Floor	14,179,595(1)	10.1%
Boston, MA 02116		
T. Rowe Price Associates, Inc.		
100 E. Pratt Sreet	10,381,268(2)	7.4%
Baltimore, MD 21202		
Fiduciary Management, Inc.		
100 East Wisconsin Avenue		
Suite 2200	8,077,065(3)	5.7%
Milwaukee, WI 53202		
The Vanguard Group, Inc.		
PO Box 2600		
V26	7,441,046(4)	5.3%
Valley Forge, PA 19482-2600		

The ownership of shares for Massachusetts Financial Services Company is based on information contained in the (1) Amended Schedule 13G filed by Massachusetts Financial Services Company on February 1, 2011 for the period ended December 31, 2010.

The ownership of shares for T. Rowe Price Associates, Inc. is based on information contained in the Amended Schedule 13G filed by T. Rowe Price Associates, Inc. (Price Associates) on February 10, 2011 for the period ended December 31, 2010. These securities are owned by various individual and institutional investors, which Price (2) Associates serves as investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities.

(3) The ownership of shares for Fiduciary Management, Inc. is based on information contained in the Schedule 13G filed by Fiduciary Management, Inc. on February 9, 2011 for the period ended December 31, 2010.

(4) The ownership of shares for Vanguard Group, Inc. is based on information contained in the Schedule 13G filed by Vanguard Group, Inc. on February 10, 2011 for the period ended December 31, 2010.

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The following table sets forth information regarding the beneficial ownership of the Company's Common Stock as of March 28, 2011 held by (i) the Company's CEO, Chief Financial Officer (CFO) and the other executive officers named in the Summary Compensation Table (the Named Executive Officers or NEO), (ii), each director and nominee for director and (iii) all directors and executive officers of the Company as a group (based on 141,040,435 shares of Common Stock outstanding as of such date).

Stock Ownership by Executive Officers and Directors	Shares Owned Beneficially	
	Number	Percent
Bret W. Wise	1,057,321 ⁽¹⁾	*
William R. Jellison	445,037 ⁽²⁾	*
Christopher T. Clark	530,875 ⁽³⁾	*
James G. Mosch	382,867 ⁽⁴⁾	*
Robert J. Size	184,455 ⁽⁵⁾	*
Dr. Michael C. Alfano	43,640 ⁽⁶⁾	*
Eric K. Brandt	42,690 ⁽⁷⁾	*
Paula H. Cholmondeley	57,727 ⁽⁸⁾	*
Michael J. Coleman	114,778 ⁽⁹⁾	*
Willie A. Deese		⁽¹⁰⁾ *
William F. Hecht	78,701 ⁽¹¹⁾	*
Leslie A. Jones	296,700 ⁽¹²⁾	*
Francis J. Lunger	43,765 ⁽¹³⁾	*
John L. Micolot	1,606 ⁽¹⁴⁾	*
John C. Miles II	56,438 ⁽¹⁵⁾	*
All directors and executive officers as a group (18 persons)	3,878,010 ⁽¹⁶⁾	2.7

*

Less than 1%

(1) This number includes 39,907 shares held direct by Mr. Wise, 500 shares held by Mr. Wise's spouse, 2,000 shares held in an IRA account, 2,233 shares held in a 401(k) account of Mr. Wise, 3,210 shares allocated to the Company Employee Stock Ownership Plan (ESOP) account of Mr. Wise, 980,572 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 28,899 shares which could be acquired pursuant to the Supplemental Executive Retirement Plan (SERP) upon retirement or termination from the Company.

(2) This number includes 20,087 shares held direct by Mr. Jellison, 3,000 shares held by Mr. Jellison's family trust, 10,799 shares allocated to the Company ESOP account of Mr. Jellison, 387,204 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 23,947 shares which could be acquired pursuant to the SERP upon retirement or termination from the Company.

(3) This number includes 22,503 shares held direct by Mr. Clark, 28,558 shares allocated to the Company ESOP account of Mr. Clark, 460,312 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 19,502 shares which could be acquired pursuant to the SERP upon retirement or termination from the Company.

(4)

This number includes 11,269 shares held direct by Mr. Mosch, 20,638 shares allocated to the Company ESOP account of Mr. Mosch, 336,612 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 14,348 shares which could be acquired pursuant to the SERP upon retirement or termination from the Company.

(5) This number includes 6,668 shares held direct by Mr. Size, 2,774 shares allocated to the Company ESOP account of Mr. Size, 167,507 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 7,506 shares which could be acquired pursuant to the SERP upon retirement or termination from the Company.

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(6) This number includes 8,324 shares held direct by Dr. Alfano and 26,956 shares, which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 8,360 shares of stock options which will vest when Dr. Alfano ceases to be a Board member.

(7) This number includes 6,263 shares held direct by Mr. Brandt, 36,026 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 401 shares which could be acquired pursuant to the Deferred Plan when Mr. Brandt ceases to be a Board member.

(8) This number includes 360 shares held direct by Ms. Cholmondeley, 37,220 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011, and 7,856 shares which could be acquired pursuant to the Deferred Plan, 9,384 shares of stock options and 2,907 shares of restricted stock units that will vest when Ms. Cholmondeley ceases to be a Board member.

(9) This number includes 19,463 shares held direct by Mr. Coleman, 12,600 shares held by Mr. Coleman's spouse, 49,995 shares which could be acquired pursuant to exercise of stock options exercisable within 60 days of March 28, 2011 and 18,335 shares which could be acquired pursuant to the Deferred Plan, 10,998 shares of stock options and 3,387 shares of restricted stock units that will vest when Mr. Coleman ceases to be a Board member.

(10) Mr. Deese was appointed to the Board in February 2011. He has no stock ownership as of March 28, 2011.

(11) This number includes 44,708 shares which could be acquired pursuant to the exercise of stock options exercisable within 60 days of March 28, 2011 and 21,878 shares which could be acquired pursuant to the Deferred Plan, 7,865 shares of stock options and 4,250 shares of restricted stock units that will vest when Mr. Hecht ceases to be a Board member.

(12) This number includes 169,005 shares held direct by Mr. Jones, 46,000 shares held by Mr. Jones's spouse, 49,995 shares which could be acquired pursuant to exercise of stock options exercisable within 60 days of March 28, 2011 and 16,452 shares which could be acquired pursuant to the Deferred Plan, 10,998 shares of stock options and 4,250 shares of restricted stock units that will vest when Mr. Jones ceases to be a Board member.

(13) This number includes 863 shares held direct by Mr. Lunger, 33,619 shares which could be acquired pursuant to exercise of stock options exercisable and 760 shares of restricted stock units that will vest within 60 days of March 28, 2011 and 8,523 shares that could be acquired pursuant to the Deferred Plan when Mr. Lunger ceases to be a Board member.

(14) This number includes 1,606 shares which could be acquired pursuant to the Deferred Plan when Mr. Miclot ceases to be a Board member.

(15) This number includes 11,000 shares held direct by Mr. Miles, 32,929 shares which could be acquired pursuant to exercise of stock options exercisable within 60 days of March 28, 2011 and 10,465 shares of stock options and 2,044 shares of restricted stock units that will vest when Mr. Miles ceases to be a Board member.

This number includes 358,584 shares held direct by all directors and executive officers, 62,100 shares held by or for the benefit of others, 2,000 shares held in an IRA, 2,233 shares held in a 401(k) account, 126,861 shares allocated to employees' ESOP accounts, 3,032,599 shares which could be acquired pursuant to the exercise of stock options exercisable and 760 shares of restricted stock units that will vest within 60 days of March 28, 2011.

(16) The number also includes 75,051 shares which could be acquired pursuant to the Deferred Plan, 58,070 shares of stock options and 16,838 shares of restricted stock units that will vest when directors cease to be Board members and 118,092 shares which could be acquired pursuant to the SERP, 21,050 shares of stock options and 3,772 shares of restricted stock units that will vest upon retirement or termination of executive officers from the Company.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Under federal securities laws, the Company's directors, certain officers and persons holding more than 10% of the Common Stock of the Company are required to report, within specified due dates, their initial ownership and any

subsequent changes in ownership of the Company's securities to the Securities and Exchange Commission. The required reporting period is two business days for most reports. The Company is required to describe in this proxy statement whether it has knowledge that any person required to file such report may have failed to do so in a timely manner. Based upon reports furnished to the Company and written representations and information provided to the Company by persons required to file reports, the Company believes that during fiscal year 2010, all such persons complied with all applicable filing requirements, except that, during the conversion to a new third party equity administration program, Form 4s were filed late for Messrs. Brandt, Coleman and Lunger for the vesting of Restricted Stock Units (RSUs) on July 31, 2010 and for each Director and Executive Officer for the quarterly dividend applied to RSUs on October 7, 2010.

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HUMAN RESOURCES COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The HR Committee of the Board is comprised of three directors, all of whom are independent under the Listing Standards of The NASDAQ Stock Market, Inc. (the Listing Standards), and operates under a written charter (a copy of the HR Committee Charter is attached to this Proxy Statement as Appendix D). The following report describes the components of the Company's executive officer compensation programs and the basis on which compensation determinations are made with respect to the executive officers of the Company. The HR Committee has reviewed and discussed with management the Company's CD&A section of this Proxy Statement. Based on such review and discussions, the HR Committee has recommended to the Board that the CD&A be included in this Proxy Statement. The Compensation Discussion and Analysis is incorporated by reference into the Company's Form 10-K for the year ended December 31, 2010.

HUMAN RESOURCES COMMITTEE

Michael J. Coleman

Michael C. Alfano

Eric K. Brandt

COMPENSATION DISCUSSION AND ANALYSIS

This section discusses the principles underlying our policies and provides information and analysis of decisions we made concerning the compensation of the Company's executive officers for 2010. This information describes the process and considerations on which compensation is earned and awarded to our executive officers and provides perspective on the tables and narrative that follow. The Human Resources Committee (referred to as the Committee in this Compensation Discussion and Analysis section) has reviewed and discussed with management this Compensation Discussion and Analysis. Based on that review and discussion, the Committee recommended to the Board of Directors that this Compensation Discussion and Analysis be included in this Proxy Statement.

The Committee is assisted in its work by the Company's Corporate Human Resources Department. In addition, with respect to the compensation established for the Named Executive Officers for 2010, the Committee engaged an independent compensation consultant, Towers Watson, to advise on matters related to Chief Executive Officer (CEO) and other executive compensation.

As part of the review of the CEO's compensation, the Committee reviews and approves goals and objectives for the Company which are relevant to the compensation of the Company's CEO, evaluates the CEO's performance with respect to those goals and objectives and determines, either as a Committee or together with the Board of Directors, the CEO's total compensation level based on such evaluation and the other information described in this report. The Committee also reviews and approves compensation and incentive arrangements (including performance-based arrangements and bonus awards under the Annual Incentive Plan) for the Company's other Named Executive Officers (as well as such other employees of the Company as the Committee may determine from time to time to be necessary or desirable) and the grant of awards pursuant to the Company's Equity Incentive Plan.

General Compensation Philosophy and Objectives

The Committee's compensation philosophy is to provide a compensation package that is designed to satisfy the following principal objectives:

to both attract and retain executives and key contributors with the skills, capabilities and experience necessary for the Company to achieve its business objectives. This requires that the Company's compensation programs be competitive with market compensation practices;

to align the interests of management and employees with corporate performance and shareholder interests. This is accomplished by rewarding performance that is directly linked to achievement of the Company's business plans, financial objectives and strategic goals, as well as increases in the Company's stock price; and

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to tie components of executives' compensation to the Company's performance by providing incentives and rewarding individual, team and collective performance, such as through the execution of actions that contribute to the achievement of the Company's strategies and goals, including accomplishments within assigned functional areas and successfully managing their respective organizations.

The Committee believes that compensation paid to the Company's executive officers should be competitive with the market, be aligned with the performance of the Company on both a short-term and long-term basis, take into consideration individual performance of the executive, and assist the Company in attracting and retaining key executives critical to the Company's long-term success. The Company's executive compensation program balances a level of fixed compensation with incentive compensation that varies with the performance of the Company and the individual executive. The Company's base pay and benefit programs for executives are intended to provide basic economic security at a level that is competitive with the market for executive management for companies of similar size and scope. The annual and long-term incentive compensation programs reward performance measured against goals and standards established by the Committee, and are designed to encourage executives to increase shareowner value by focusing on growth in revenue and earnings, generation of cash flow and efficient deployment of capital, leading to increasing the Company's stock price.

Other objectives of the total compensation program are to provide: the ability for executives to accumulate capital, predominantly in the form of equity in the Company, in order to align executive interests with those of the shareowners; a competitive level of retirement income; and in the event of certain circumstances, such as termination of employment in connection with a change in control of the Company, special severance protection to help ensure executive retention during the change in control process and to ensure executive focus on serving the Company and shareowner interests without the distraction of possible job and income loss.

In furtherance of the philosophy and objectives discussed above, the Committee has determined that the total compensation program for executive officers should consist of the following components:

- Base salaries
- Annual incentive awards based on achievement of annual objectives
- Long-term incentive compensation
- Retirement, health & welfare benefits
- Certain post termination payments

Summary of Determination of Executive Compensation

The Company focuses on developing a total annual remuneration level for executives that is intended to be externally competitive and meet the Company's compensation objectives. Salary ranges, annual bonus plan targets and equity compensation targets are developed using a total remuneration perspective.

Generally speaking, the Company designs its compensation programs such that there is a correlation between level of position and degree of risk of obtaining target compensation. Based on that guiding principle, the Company's more senior executives with the highest levels of responsibility and accountability have a higher percentage of their total potential remuneration at risk, i.e., incentive and equity compensation, than do employees with lower levels of responsibility and accountability. This means that a higher proportion of their total potential compensation is based upon variable incentive pay and equity compensation, than is the case with the Company's employees with lower levels of responsibility and accountability.

In establishing the Company's executive compensation policies, compensation programs and awards in 2010, the Committee reviewed, for purposes of market comparison, the levels of current compensation at

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companies of similar size as the Company, using compensation surveys provided by Towers Watson. In