

INSIGHT ENTERPRISES INC
Form DEF 14A
April 05, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

Exchange Act of 1934 (Amendment No. ____)

Filed by the Registrant
the Registrant

Filed by a Party other
than

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 under §240.14a-12

INSIGHT ENTERPRISES, INC.

(Name of Registrant as Specified in its Charter)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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

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In 2016, our team delivered top-line growth overall, gaining market share in key categories in North America and EMEA. In addition, our focus on profitability and tight cost management allowed us to deliver double-digit earnings from operations growth and double digit earnings per share growth. We believe that our strong foundation, built on strategic and operational discipline, combined with growth opportunities from our Datalink acquisition, position us well to deliver value to our clients, partners and stockholders in 2017.

Dear Fellow Stockholder,

On behalf of our Board of Directors, I am pleased to invite you to Insight's 2017 Annual Meeting of Stockholders. The meeting will be held on Monday, May 15, 2017 at 10:00 a.m. MST, at our client support center located at 910 West Carver Road, Suite 110, Tempe, Arizona. The attached Notice of Annual Meeting of Stockholders and Proxy Statement will serve as your guide to the business to be conducted at the meeting.

For Insight, 2016 was a year of strong financial performance and strategic progress, as we improved profitability and made strategic investments for the future.

For more information on Insight and to take advantage of the many stockholder resources and tools available, we encourage you to visit our Investor Relations website at www.insight.com.

Your vote is very important. Whether or not you plan to attend the Annual Meeting, we urge you to vote either via the Internet, by telephone or by signing and returning a proxy card. Please vote as soon as possible so that your shares will be represented at the meeting.

Thank you for your trust in Insight and your investment in our business.

Kenneth T. Lamneck
President and Chief Executive Officer
April 10, 2017

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

When:

**Monday, May 15, 2017
10:00 a.m. MST**

Where:

**Insight Client Support Center
910 West Carver Road, Suite 110
Tempe, Arizona**

We are pleased to invite you to the Insight Enterprises, Inc. 2017 Annual Meeting of Stockholders (the Annual Meeting).

Items of Business:

1. To elect six directors for a term expiring at the 2018 Annual Meeting of Stockholders (or until their respective successors have been duly elected and qualified);
2. To approve, on an advisory basis, named executive officer compensation;
3. To vote, on an advisory basis, on the frequency of future advisory votes to approve named executive officer compensation;
4. To ratify KPMG LLP as the Company's independent registered public accounting firm for the year ending December 31, 2017; and
5. To consider any other business that may properly come before the Annual Meeting or any adjournments or postponements of the meeting.

Record Date:

Holders of our common stock at the close of business on March 24, 2017 are entitled to notice of, and to vote at, the Annual Meeting.

How to Vote:

Your vote is important to us. Please see Voting Information on page 1 for instructions on how to vote your shares.

These proxy materials are first being distributed on or about April 10, 2017.

April 10, 2017

By Order of the Board of Directors,

Samuel C. Cowley
*Senior Vice President, General Counsel and
Secretary*

Important Notice Regarding Availability of Proxy Materials for the Annual Meeting to be Held on May 15, 2017: The proxy materials relating to our 2017 Annual Meeting (notice, proxy statement and annual report) are available at www.proxypush.com/nsit.

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You are entitled to vote at the Annual Meeting if you were a stockholder of Insight Enterprises, Inc. (the Company or Insight) as of the close of business on March 24, 2017, the record date for the Annual Meeting.

Participate in the Future of Insight Vote Today

Please cast your vote as soon as possible on all of the proposals listed below to ensure that your shares are represented.

		More	Board
		Information	Recommendation
Proposal 1	Election of Directors	Page 14	FOR each Director Nominee
Proposal 2	Advisory Vote to Approve Named Executive Officer Compensation	Page 25	FOR
Proposal 3	Advisory Vote on Frequency of Future Advisory Votes to Approve Named Executive Officer Compensation	Page 25	FOR every one year
Proposal 4	Ratification of Independent Registered Public Accounting Firm	Page 53	FOR

Voting in Advance of the Annual Meeting

Even if you plan to attend our Annual Meeting in person, please read this proxy statement with care and vote right away as described below. For stockholders of record, have your notice and proxy card in hand and follow the instructions. If you hold your shares through a broker, bank or other nominee, you will receive voting instructions from your broker, bank or other nominee, including whether telephone or Internet options are available.

INTERNET / MOBILE

PHONE

MAIL

Visit 24/7:
www.proxypush.com/nsit

Dial toll free 24/7:
1-866-883-3382

Mark, sign and date your
proxy card and return it in

Use the Internet to vote
your proxy until 11:59
p.m. (CT) on May 14,
2017.

Use a touch-tone telephone to
vote your proxy until 11:59
p.m. (CT) on May 14, 2017.

the postage-paid
envelope provided.

Voting at the Annual Meeting

You may vote in person at the Annual Meeting, which will be held on Monday, May 15, 2017, at 10:00 a.m. MST, at the Insight Client Support Center, 910 West Carver Road, Suite 110, Tempe, Arizona. If you hold your shares through a broker, bank or other nominee and would like to vote in person at the Annual Meeting, you must first obtain a proxy issued in your name from the institution that holds your shares.

Frequently Asked Questions

We provide answers to many frequently asked questions about the meeting and voting under Frequently Asked Questions Concerning the Annual Meeting beginning on page 55 of this proxy statement.

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This summary highlights information contained elsewhere. This summary does not contain all of the information that you should consider, and you should read carefully the entire proxy statement and our Annual Report on Form 10-K for the year ended December 31, 2016 before voting at the Annual Meeting. Measures used in this proxy statement that are not based on U.S. generally accepted accounting principles (GAAP) are defined and reconciled to the most directly comparable GAAP measure in Appendix A.

Business Overview

We are a Fortune 500-ranked global provider of IT hardware, software, cloud and service solutions to business, government, healthcare and educational clients. We provide clients the guidance and expertise needed to select, implement and manage complex technology solutions to drive business outcomes. Through our world-class people, partnerships and services, and delivery solutions, we empower clients with Intelligent Technology solutions to help their businesses run smarter and realize their goals.

The Intelligent Technology solutions we offer include services and products designed to support networking, collaboration, storage, security, cloud, mobility, converged infrastructure and other advanced technologies. We believe the increasing complexity of these technologies, combined with the continual emergence of new trends and offerings, create opportunity for Insight to assist clients in effectively designing and managing their technology systems and implementing optimal IT solutions.

We are organized in three geographic operating segments:

		% of 2016
Operating Segment	Geography	Consolidated Net Sales
North America	United States and Canada	73%
EMEA	Europe, Middle East and Africa	24%
APAC	Asia-Pacific	3%

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2016 Business Highlights

For Insight, 2016 was a year of strong financial performance, highlighted by sales growth in our core business and improved profitability through expense discipline, and strategic progress. For the year, we delivered the following financial results:

Net sales growth of 2% (4% in constant currency) to \$5.5 billion

Non-GAAP adjusted earnings from operations (EFO) growth of 19%

Non-GAAP adjusted diluted earnings per share (EPS) growth of 19%

Non-GAAP adjusted return on invested capital (ROIC) of 10.93%

See Appendix A for a reconciliation of each non-GAAP adjusted financial measure to the most directly comparable GAAP measure

From a strategic standpoint, Insight continued to expand its market leading capabilities for delivering global IT solutions for complex business problems through:

- the integration of BlueMetal Architects, Inc. (BlueMetal), an interactive design and technology architecture firm;
- the acquisition and integration of Ignia, Pty Ltd (Ignia), a business technology consulting and managed services provider headquartered in Perth, Australia, with an additional office in Melbourne;
- completion of the due diligence evaluation and other preparations necessary prior to the acquisition of Datalink Corporation (Datalink) (which we closed in January 2017), a leading provider of IT services and enterprise data center solutions based in Eden Prairie, Minnesota with operations throughout the United States; and
- expansion of our digital footprint.

We also continued to make additional strategic investments for the future to develop additional capabilities to serve our customers' needs.

We believe our 2016 financial results and strategic progress were recognized by the stock market. The following chart shows how a \$100 investment in the Company's common stock on January 1, 2012 would have grown to \$264 on December 31, 2016. The chart also shows Insight's performance versus the NASDAQ US Benchmark TR Index (Market Index) (\$100 investment would have grown to

\$198) and

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the NASDAQ US Benchmark Computer Hardware TR Index (Industry Index) (\$100 investment would have grown to \$201) over the same period, with dividends reinvested quarterly.

For further details about our performance in 2016, please see the Company's Annual Report on Form 10-K for the year ended December 31, 2016.

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Independent Board. Our Board of Directors is comprised entirely of independent directors, other than our President and Chief Executive Officer.

Independent Chair of the Board. Timothy A. Crown serves as our independent Chair of the Board.

Independent Board Committees. All members of our Audit, Compensation and Nominating and Governance Committees are independent directors.

Board Committee Membership**As of April 1, 2017**

Name	Age	Director Since	Primary				Nominating & Governance
			Occupation	Independent	Audit	Compensation	
Kenneth T. Lamneck*	62	2010	President and Chief Executive Officer, Insight Enterprises, Inc.				
Timothy A. Crown	53	1994	Investor / Entrepreneur	P			
Richard E. Allen*	60	2012	Investor	P		×	
Bruce W. Armstrong*	55	2016	Operating Partner, Khosla Ventures	P	×		×
Catherine Courage*	42	2016	Vice President, Experience for Ads and Commerce, Google, Inc.	P		×	×

Bennett Dorrance*	71	2004	Managing Director, DMB Associates, Inc.	P		×	×
Michael M. Fisher*	71	2001	Investor	P	×	×	
Anthony A. Ibargüen	58	2008	President, AquaVenture Holdings LLC and Chief Executive Officer, Quench USA, Inc.	P	×		
Robertson C. Jones**	72	1995	Investor	P	×	×	
Kathleen S. Pushor	59	2005	Independent Consultant	P			×