

SANMINA-SCI CORP
Form DEF 14A
January 29, 2007

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant x

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Check the appropriate box:

- o Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- x Definitive Proxy Statement
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Sanmina-SCI Corporation

(Name of Registrant as Specified In Its Charter)

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

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SANMINA-SCI CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on February 26, 2007

The Annual Meeting of Stockholders of Sanmina-SCI Corporation (Sanmina-SCI) will be held on February 26, 2007, at 11:00 a.m., local time, at Sanmina-SCI's corporate offices, located at 30 E. Plumeria Drive, San Jose, California 95134, for the following purposes (as more fully described in the Proxy Statement accompanying this Notice):

1. To elect directors of Sanmina-SCI Corporation.
2. To ratify the appointment of KPMG LLP as our independent registered public accountants for the fiscal year ending September 29, 2007.
3. To transact such other business as may properly come before the meeting.

Stockholders of record at the close of business on January 16, 2007 are entitled to vote at the Annual Meeting and are cordially invited to attend the meeting. However, to ensure your representation at the meeting, you are urged to mark, sign, date and return the enclosed proxy as promptly as possible in the postage-prepaid envelope enclosed for that purpose. If you attend the meeting, you may vote in person even if you return a proxy.

FOR THE BOARD OF DIRECTORS

/s/ DAVID L. WHITE

David L. White

Secretary

San Jose, California

January 29, 2007

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IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE AND PROMPTLY RETURN THE ENCLOSED PROXY IN THE ENVELOPE PROVIDED. IF YOU ATTEND THE MEETING, YOU MAY VOTE IN PERSON, EVEN IF YOU RETURN A PROXY.

SANMINA-SCI CORPORATION

PROXY STATEMENT FOR

2007 ANNUAL MEETING OF STOCKHOLDERS

INFORMATION CONCERNING VOTING AND PROXY SOLICITATION

General

The enclosed proxy is solicited on behalf of the Board of Directors of Sanmina-SCI Corporation (Sanmina-SCI) for use at the Annual Meeting of Stockholders to be held on Monday, February 26, 2007 at 11:00 a.m., local time, or at any adjournment thereof. The Annual Meeting will be held at Sanmina-SCI s corporate offices, located at 30 E. Plumeria Drive, San Jose, California 95134. The telephone number at the meeting location is (408) 964-3555.

This Proxy Statement was mailed on or about January 29, 2007, to all stockholders entitled to vote at the meeting. Stockholders of record at the close of business on January 16, 2007 (the Record Date) are entitled to vote at the meeting.

Revocability of Proxies

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before its use by delivering to our secretary a written notice of revocation or a duly executed proxy bearing a later date or by attending the meeting and voting in person.

Voting and Solicitation

Each stockholder is entitled to one vote for each share held as of the Record Date. Stockholders will not be entitled to cumulate their votes in the election of directors.

The required quorum for the transaction of business at the Annual Meeting is a majority of the votes eligible to be cast by holders of shares of Common Stock issued and outstanding on the Record Date. Shares that are voted FOR, AGAINST or ABSTAIN are treated as being present at the meeting for purposes of establishing a quorum and are also treated as shares entitled to vote at the Annual Meeting (the Votes Cast) with respect to such matter.

While there is no definitive statutory or case law authority in Delaware as to the proper treatment of abstentions, Sanmina-SCI believes that abstentions should be counted for purposes of determining both (i) the presence or absence of a quorum for the transaction of business and (ii) the total number of Votes Cast with respect to a proposal (other than the election of directors). In the absence of a controlling precedent to the contrary, Sanmina-SCI intends to treat abstentions in this manner. Accordingly, abstentions will have the same effect as a vote against the proposal.

Brokers may indicate on the enclosed proxy or its substitute that they do not have discretionary authority as to certain shares to vote on a particular matter for which they have not received specific instructions from the beneficial owner of the shares (broker non-votes). In a 1988 Delaware case, *Berlin v. Emerald Partners*, the Delaware Supreme Court held that, while broker non-votes should be counted for purposes of determining the presence or absence of a quorum for the transaction of business,

broker non-votes should not be counted for purposes of determining the number of Votes Cast with respect to the particular proposal on which the broker has expressly not voted. Accordingly, we intend to treat broker non-votes in this manner. Thus, a broker non-vote will not have any effect on the outcome of the voting on a proposal.

Except as described in the preceding paragraph, any proxy which is returned using the form of proxy enclosed and which is not marked as to a particular item will be voted for all matters submitted to a vote of stockholders at the Annual Meeting pursuant to this proxy statement. In addition, the proxy holders will vote as the proxy holders deem advisable on other matters that may come before the meeting, as the case may be with respect to the items not marked.

The cost of soliciting proxies will be borne by us. We may retain the services of our transfer agent, Wells Fargo Shareholder Services, or other proxy solicitors to solicit proxies. In addition, we expect to reimburse brokerage firms and other persons representing beneficial owners of shares for their expense in forwarding solicitation material to such beneficial owners. Proxies may be solicited by certain of our directors, officers and regular employees, without additional compensation, in person or by telephone or facsimile.

Stockholder Proposals for 2008 Annual Meeting of Stockholders

Proposals that are intended to be presented by our stockholders at our annual meeting of stockholders following our fiscal year ending September 29, 2007, which will be our 2008 annual stockholders meeting, must be received by us at our principal executive offices no later than October 1, 2007 in order that they may be considered for inclusion in the proxy statement and form of proxy relating to that meeting. Under our bylaws, a proposal that a stockholder does not seek to include in Sanmina-SCI's proxy materials for the 2008 annual meeting but that may still be properly brought before the fiscal 2007 annual meeting must be delivered to our secretary at our principal executive offices not less than 45 or more than 75 days prior to the annual meeting date; provided, however, that if the date of the 2008 annual meeting of stockholders is advanced more than 30 days prior to or delayed by more than 30 days after the 2007 annual meeting date (February 26), notice by the stockholder to be timely must be so delivered not later than the close of business on the later of (i) the 90th day prior to the 2007 annual meeting date or (ii) the 10th day following the day on which public announcement of the date of such meeting is first made.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

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As of January 16, 2007, the Record Date, 530,057,000 shares of our Common Stock were issued and outstanding and held of record by approximately 2,288 stockholders.

The following table sets forth certain information regarding the beneficial ownership of our Common Stock as of January 16, 2007, as to

- each person who is known to us to beneficially own more than five percent of the outstanding shares of our Common Stock;
- each director and nominee for election;
- each executive officer named in the Summary Compensation Table below; and
- all directors and executive officers as a group.

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Name	Shares Beneficially Owned(17)	Approximate Percent Owned(17)
AXA Financial, Inc. and certain affiliated entities(1) 1290 Avenue of the Americas New York, NY 10104	69,149,720	13.0 %
Barclays Global Investors, NA(2) 45 Fremont Street San Francisco, CA 94105	31,130,978	5.9 %
EARNEST Partners LLC(3) 75 Fourteenth Street, Suite 2300 Atlanta, Georgia 30309	30,665,805	5.8 %
Jure Sola(4)	8,290,505	1.6 %
Randy Furr(5)	3,239,236	*
Hari Pillai(6)	1,218,800	*
David White(7)	481,667	*
Dennis Young(8)	307,788	*
Neil R. Bonke(9)	303,620	*
Alain Couder(10)	97,961	*
Mario M. Rosati(11)	192,015	*
A. Eugene Sapp, Jr.(12)	1,481,746	*
Wayne Shortridge(13)	177,307	*
Peter J. Simone(14)	71,209	*
Jacquelyn M. Ward(15)	194,685	*
All directors and executive officers as a group (12 persons)(16)	16,056,539	3.0 %

*Less than 1%.

(1)This information is based solely on a Schedule 13G/A filed with the SEC on February 14, 2006 by AXA Assurances I.A.R.D. Mutuelle, AXA Assurances Vie Mutuelle, AXA Courtage Assurance Mutuelle, AXA (on behalf of its subsidiary AXA Investment Managers Paris) and AXA Financial Inc. (on behalf of its three subsidiaries Alliance Capital Management L.P. (Alliance), AXA Equitable Life Insurance Company (Equitable) and Frontier Trust Company, FSB). Each reporting person is deemed to have sole voting power with respect to 39,923,486 shares, shared voting power with respect to 5,005,184 shares, sole dispositive power with respect to 69,095,041 shares, and shared dispositive power with respect to 54,679 shares. Of the 69,149,720 reported shares, 69,131,281 are owned by Alliance and 18,439 shares are owned by Equitable. Alliance has sole voting power with respect to 39,923,486 shares, shared voting power with respect to 5,005,184 shares, sole dispositive power with respect to 69,076,602 shares, and shared dispositive power with respect to 54,679 shares. Equitable has only sole dispositive power with respect to 18,439 shares.

(2)This information is based solely on a Schedule 13G/A filed with the Securities and Exchange Commission on January 23, 2007 by Barclays Global Investors, NA (Barclays) and its affiliated entities. Barclays Global Investors, NA is the beneficial owner of 23,153,786 shares and has sole voting power with respect to 19,342,554 shares and sole dispositive power with respect to all reported shares. Barclays Global Fund Advisors, a wholly owned subsidiary, is the beneficial owner of 3,571,507 shares and has sole voting power with respect to 3,569,365 shares and sole dispositive powers with respect to all shares as an investment adviser. Barclays Global Investors, Ltd., a wholly owned subsidiary, is the beneficial owner of 2,969,309 shares, and has sole voting power and sole dispositive power with respect to all reported shares. Barclays Global Investors Japan Trust and Banking Co., Ltd., a wholly owned subsidiary, is the beneficial owner of 668,614 shares, and has sole voting and dispositive power with respect to all reported shares. Barclays Global Investors Japan Limited, a wholly owned

subsidiary, is the beneficial owner of 767,762 shares, and has sole voting and sole dispositive power with respect to all reported shares.

(3) This information is based solely on a Schedule 13G/A filed with the Securities and Exchange Commission on February 14, 2006 by EARNEST Partners, LLC (EARNEST). EARNEST is the beneficial owner of all of the reported shares, has sole voting power with respect to 10,338,578 shares, has shared voting power with respect to 12,399,967 shares and has sole dispositive power with respect to all of the reported shares. EARNEST is filing as an investment adviser to various investors.

(4) Includes 5,113,665 shares subject to stock options Mr. Sola has the right to exercise within 60 days after January 16, 2007. Also includes 33,764 shares held by Sola Partners, L.P. and 1,000,000 shares of restricted stock subject to vesting and employment restrictions.

(5) Includes 3,239,000 shares subject to stock options Mr. Furr has the right to exercise within 60 days after January 16, 2007. Mr. Furr's service as President and Chief Operating Officer terminated as of October 24, 2005. Pursuant to a severance agreement which we entered into with Mr. Furr in November 2005, Mr. Furr forfeited his restricted share award. In addition, Mr. Furr has the ability to exercise vested unexpired stock options through November 2008.

(6) Includes 997,505 shares subject to stock options Mr. Pillai has the right to exercise within 60 days after January 16, 2007. Also includes 6,440 shares held by Ramakrishna Pillai C/F Sudha Yvonne Pillai and Sanjay Hari Pillai UTMA/CA, Ramakrishna Hari Pillai, as Custodian and 200,000 shares of restricted stock subject to vesting and employment restrictions.

(7) Includes 281,667 shares subject to stock options Mr. White has the right to exercise within 60 days after January 16, 2007. Also includes 200,000 shares of restricted stock subject to vesting and employment restrictions.

(8) Includes 194,834 shares subject to stock options Mr. Young has the right to exercise within 60 days after January 16, 2007. Also includes 100,000 shares of restricted stock subject to vesting and employment restrictions.

(9) Includes 204,209 shares subject to stock options Mr. Bonke has the right to exercise within 60 days after January 16, 2007. Also includes 61,081 shares of restricted stock subject to vesting and employment.

(10) Includes 25,667 shares subject to stock options Mr. Couder has the right to exercise within 60 days after January 16, 2007. Also includes 27,706 shares of restricted stock subject to vesting and employment restrictions and shares held in the Sanmina-SCI Deferred Compensation Plan for Outside Directors.

(11) Includes 148,167 shares subject to stock options Mr. Rosati has the right to exercise within 60 days after January 16, 2007. Also includes 9,000 shares held by Mario M. Rosati Retirement Trust, Mario M. Rosati, Trustee and 2,248 shares held by WS Investment Co. 99B of which Mr. Rosati is a general partner.

(12) Includes 1,224,267 shares subject to stock options Mr. Sapp has the right to exercise within 60 days after January 16, 2007. Also includes 212,160 shares held jointly by A. Eugene Sapp, Jr. and Patricia V. Sapp, 4,934 shares held in the A. Eugene Sapp, Jr. Individual Retirement Account and 40,385 shares of restricted stock subject to vesting and employment restrictions.

(13) Includes 116,267 shares subject to stock options Mr. Shortridge has the right to exercise within 60 days after January 16, 2007. Also includes 29,993 shares of restricted stock subject to vesting and employment restrictions and shares held in the Sanmina-SCI Deferred Compensation Plan for Outside Directors.

(14)Includes 45,667 shares subject to stock options Mr. Simone has the right to exercise within 60 days after January 16, 2007. Also includes 25,542 shares of restricted stock subject to vesting and employment restrictions.

(15)Includes 93,983 shares subject to stock options Ms. Ward has the right to exercise within 60 days after January 16, 2007. Also includes 1,165 shares held by Arthur Lee Davis, 47,283 shares of restricted stock subject to vesting and employment restrictions and shares held in the Sanmina-SCI Deferred Compensation Plan for Outside Directors.

(16)Includes an aggregate of 11,684,898 shares subject to stock options individuals have the right to exercise within 60 days after January 16, 2007.

(17)Beneficial ownership is determined in accordance with the rules of the SEC based on factors, including voting and investment power, with respect to the securities. Common shares subject to conversion or issuable upon exercise of options currently exercisable or exercisable within 60 days after January 16, 2007 are deemed outstanding for computing the percentage ownership of the person holding the options, but are not deemed outstanding for computing the percentage of any other person. The number of shares owned by certain of our executive officers listed in the table includes unvested shares of restricted stock held by such executive officers as of January 16, 2007. Such unvested shares of restricted stock may be voted by the holders thereof, but such holders may not sell, transfer, pledge or otherwise receive any economic value from or with respect to such unvested shares.

PROPOSAL NO. 1:

ELECTION OF DIRECTORS

Our Board of Directors currently consists of eight members. All eight positions on the Board of Directors are to be elected at this meeting. All eight nominees are currently members of the Board of Directors. Unless otherwise instructed, the proxy holders will vote the proxies received by them for the eight nominees named below. If any nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee who shall be designated by the present Board of Directors to fill the vacancy. Sanmina-SCI is not aware of any nominee who will be unable or will decline to serve as a director. If stockholders nominate additional persons for election as directors, the proxy holders will vote all proxies received by them to assure the election of as many of the Board's nominees as possible, with the proxy holder making any required selection of specific nominees to be voted for. The term of office of each person elected as a director will continue until the next annual meeting of stockholders or until that person's successor has been elected.

The Board of Directors recommends a vote for the nominees listed below:

Name of Nominee	Age	Principal Occupation	Director Since
Jure Sola	56	Chairman and Chief Executive Officer of Sanmina-SCI Corporation	1989
Neil R. Bonke			