

CORNING INC /NY
Form DEFA14A
March 21, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

Corning Incorporated

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

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

(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:

Edgar Filing: CORNING INC /NY - Form DEFA14A

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:

March 21, 2011

Dear Shareholder:

We are soliciting your support for: (1) nominees for election to the Board of Directors; (2) approval of the advisory vote on executive compensation; (3) support for a one-year frequency of that advisory vote on executive compensation, and (4) ratification of PricewaterhouseCoopers as independent registered public accounting firm; as well as (5) opposing the shareholder proposal that seeks a right for 10% of shareholders to call special meetings. We wanted to summarize the following items as you consider your vote:

PROXY MATTERS

Advisory Vote on Executive Compensation (Say-on-Pay)

Advisory Vote on Frequency of Advisory Vote on Executive Compensation (Frequency of Say-on-Pay)

Ratification of Appointment of Independent Public Accounting Firm

Shareholder Proposal for Special Shareholder Meetings

ADVISORY VOTE ON EXECUTIVE COMPENSATION

Say-on-Pay vote is advisory and non-binding, but the Board values shareholder opinions

We believe our executive compensation program is well designed to support Corning's strategic framework for creating shareholder value:

84% of total direct comp. delivered in annual & long-term incentives based on annual financial targets or stock price

Annual dilution less than 1%

Adjusted to reflect current economic conditions

ADVISORY VOTE ON EXECUTIVE COMPENSATION

Executive compensation program has evolved to reflect changing governance standards:

Named executive officers subject to stock ownership guidelines

Ownership of each exceeded guidelines in 2010

Equity plan prohibits repricing of stock options

Clawback policy adopted in 2007

Hedging policy prohibits officers/directors from trading in options

Benefits under all executive severance limited to 2.99X since July 2004

Reload stock options discontinued in 2003

Corning's Board of Directors unanimously

recommends a vote of approval

ADVISORY VOTE ON FREQUENCY

OF ADVISORY VOTE ON EXECUTIVE COMPENSATION

Frequency vote is advisory and non-binding, but the Board values shareholder opinions

We believe an annual advisory vote provides the most consistent communication with shareholders on Say-on-Pay

Corning's Board of Directors unanimously

recommends an annual advisory vote

SHAREHOLDER PROPOSAL FOR SPECIAL

SHAREHOLDER MEETINGS

Proposal asking Board to amend By-Laws & Certificate so only 10% of shareholders can call special shareholder meetings

Corning's Board of Directors opposes this shareholder proposal:

Costly and time-consuming

Most S&P 500 companies don't allow shareholders to call special meetings

Proposed 10% shareholder level is very low

Most shareholder proposals seeking 10% special meeting call rights failed to pass at 2010 annual meetings

SHAREHOLDER PROPOSAL FOR SPECIAL

SHAREHOLDER MEETINGS

Special shareholder meetings are extraordinary events that are expensive, disruptive and time-consuming

Proposal is excessive and without clear benefit to other Corning shareholders:

Permits very small groups to call meetings

May be abused by self-interested shareholders

Allows advancing of narrow interests at company expense

Has no limits on number of special meetings

Best if shareholders use current Proxy & Annual Meeting process to raise issues

I hope you will join our Board in opposing the shareholder proposal. I also hope you will join in electing the six nominees to the Board of Directors, in approving the advisory vote on executive compensation and a one-year frequency of such advisory votes.

Very truly yours,

/s/ James B. Flaws

James B. Flaws

Vice Chairman and Chief Financial Officer