

SPRINT NEXTEL CORP
Form PRE 14A
March 26, 2012
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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 under §240.14a-12

SPRINT NEXTEL CORPORATION

(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:

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.. Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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PRELIMINARY PROXY STATEMENT SUBJECT TO COMPLETION

DEFINITIVE PROXY MATERIALS INTENDED TO BE RELEASED ON APRIL 5, 2012

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS AND PROXY STATEMENT

MAY 15, 2012

We will hold the annual meeting of shareholders of Sprint Nextel Corporation on Tuesday, May 15, 2012 at 10:00 a.m. Central time at the Sheraton Overland Park Hotel, 6100 College Boulevard; Overland Park, Kansas, 66211 (913-234-2100).

The purpose of the annual meeting is to consider and take action on the following:

1. Election of ten directors named in the proxy statement;
2. Ratification of the selection of the independent registered public accounting firm;
3. Advisory resolution to approve executive compensation;
4. Approval of amendment to Article SEVENTH of our Articles of Incorporation to opt-out of the Kansas Business Combination Statute;
5. Approval of amendment to Article SEVENTH of our Articles of Incorporation to remove our Business Combination Provision;
6. Approval of material terms of performance objectives under 2007 Omnibus Incentive Plan, as amended;
7. Vote on two shareholder proposals, if presented at the meeting; and
8. Any other business that properly comes before the meeting and any adjournment or postponement of the meeting.

We are taking advantage of Securities and Exchange Commission rules that allow us to furnish proxy materials to you via the Internet. Unless you have already requested to receive a printed set of proxy materials, you will receive a Notice Regarding the Availability of Proxy Material, or Notice. The Notice contains instructions on how to access proxy materials and vote your shares via the Internet or, if you prefer, to request a printed set of proxy materials at no additional cost to you. We believe that this approach provides a convenient way for you to access your proxy materials and vote your shares, while lowering our printing and delivery costs and reducing the environmental impact associated with our annual meeting.

Shareholders of record as of March 16, 2012 can vote at the annual meeting. On or about April [__], 2012, we mailed the Notice or, for shareholders who have already requested to receive a printed set of proxy materials, this proxy statement, the accompanying proxy card and the Annual Report on Form 10-K for the year ended December 31, 2011. Please vote before the annual meeting in one of the following ways to ensure your vote is counted:

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1. By Internet You can vote over the Internet at www.proxyvote.com by entering the control number found on your Notice or proxy card;
2. By Telephone You can vote by telephone by calling 1-800-690-6903 and entering the control number found on your Notice or proxy card; or
3. By Mail If you received your proxy materials by mail, you can vote by signing, dating and mailing the proxy card in the pre-paid enclosed envelope.

Your vote is very important. Your proxy may be revoked at any time before the vote at the annual meeting by following the procedures outlined in this proxy statement.

By order of the Board of Directors,

Overland Park, Kansas
April [], 2012

James H. Hance, Jr.
Chairman of the Board of Directors

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL
MEETING OF SHAREHOLDERS TO BE HELD ON MAY 15, 2012.**

The Notice of Annual Meeting, Proxy Statement and Annual Report on Form 10-K for the year ended

December 31, 2011 are available at www.proxyvote.com.

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Proposal 1 Election of Directors

PROPOSAL 1. ELECTION OF DIRECTORS

(Item 1 on Proxy Card)

We currently have ten seats on our board. Each of the ten nominees, if elected, will serve until the 2013 annual meeting and until a successor has been duly elected and qualified. The persons named in the accompanying proxy will vote your shares for the election of the nominees named below unless you direct otherwise. Each nominee has consented to be named and to continue to serve if elected. If any of the nominees becomes unavailable for election for any reason, the proxies will be voted for the other nominees and for any substitutes.

All our directors bring to our board significant executive leadership experience derived from their service as executives and, in most cases, chief executive officers, of large corporations. They also all bring extensive board experience and a diversity of views and perspectives derived from their individual experiences working in a broad range of industries and occupations. Certain individual experiences, qualifications and skills of our directors that contribute to our board's effectiveness as a whole are described under "Nominees for Director" below.

Director Nomination Process

In evaluating prospective candidates or current board members for nomination, the Nominating and Corporate Governance Committee, or Nominating Committee, considers all factors it deems relevant, including, but not limited to, the candidate's:

character, including reputation for personal integrity and adherence to high ethical standards;

judgment;

knowledge and experience in leading a successful company, business unit or other institution;

independence from our company;

ability to contribute diverse views and perspectives;

business acumen; and

ability and willingness to devote the time and attention necessary to be an effective director—all in the context of an assessment of the needs of our board at that point in time.

The Nominating Committee reviews with our board the appropriate characteristics and background needed for directors. This review is undertaken not only in considering new candidates for board membership, but also in determining whether to nominate existing directors for another term. The Nominating Committee determines the current director selection criteria and conducts searches for prospective directors whose skills and attributes reflect these criteria. To assist in the recruitment of new members to our board, the Nominating Committee employs

one or more third-party search firms. All approvals of nominations are determined by the full board.

Consistent with our *Corporate Governance Guidelines*, the Nominating Committee places a great deal of importance on identifying candidates having a variety of views and perspectives arising out of their individual experiences, professional expertise, educational background, and skills. In considering candidates for our board, the Nominating Committee considers the totality of each candidate's credentials in the context of this standard.

It is the policy of the Nominating Committee also to consider candidates recommended by shareholders, using the same key factors described above for purposes of its evaluation. A shareholder who wishes to recommend a prospective nominee for our Board should notify the Corporate Secretary in writing with supporting material that the shareholder considers appropriate. The Nominating Committee will also consider whether to nominate any person nominated by a shareholder pursuant to the provisions of our bylaws relating to shareholder nominations described in **General Information – Nominations of Individuals to Serve as Directors**.

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Proposal 1 Election of Directors

Majority Voting

Our bylaws provide that each nominee for director in an uncontested election will be elected if the votes cast for that nominee exceed the votes cast against that nominee. Votes cast, with respect to the election of directors, do not include abstentions and broker non-votes. The date for determining if an election is contested or uncontested has been set at 14 days before we file our definitive proxy statement. This requirement is intended to help us determine for our proxy statement whether director nominees will be elected under a majority or plurality standard prior to soliciting proxies.

Our *Corporate Governance Guidelines* provide that an incumbent nominee who receives fewer votes for than against in an uncontested election is expected to tender promptly his or her resignation. The Nominating Committee will recommend, and our board will determine, whether or not to accept the tendered resignation within 90 days of the certification of the shareholder vote with respect to the director election. Our board's decision will be publicly disclosed.

Nominees for Director

ROBERT R. BENNETT, 53, director since 2006, Principal of Hilltop Investments, LLC, a private investment company.

Public Company Board Directorships: Discovery Communications, Inc., Demand Media, Inc., and Liberty Media Corporation.

Former Directorships Held During the Past Five Years: Discovery Holding Corporation.

Biography: Mr. Bennett served as President of Discovery Holding Company from March 2005 until September 2008, when the company merged with Discovery Communications, Inc. creating a new public company. Mr. Bennett also served as President and CEO of Liberty Media Corporation from April 1997 until August 2005 and continued as President until March 2006. He was with Liberty Media from its inception, serving as its principal financial officer and in various other capacities. Prior to his tenure at Liberty Media, Mr. Bennett worked with Tele-Communications, Inc. and the Bank of New York.

Qualifications: Mr. Bennett has extensive knowledge of the capital markets and other financial and operational issues from his experiences as a principal financial officer and president and chief executive officer of Liberty Media, which allows him to provide an invaluable perspective to our board's discussions on financial and operational matters.

GORDON M. BETHUNE, 70, director since 2004, retired Chairman and Chief Executive Officer of Continental Airlines, Inc., an international commercial airline company.

Public Company Board Directorships: Honeywell International, Inc. and Prudential Financial, Inc.

Former Directorships Held During the Past Five Years: Willis Group Holdings, Ltd.

Biography: Mr. Bethune served as Chief Executive Officer of Continental Airlines from 1994 and as Chairman and Chief Executive Officer from 1996 until December 2004.

Qualifications: Mr. Bethune has extensive experience serving as a chief executive officer and director of large international corporations, which provides our board a perspective of someone familiar with all facets of an international enterprise.

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Proposal 1 Election of Directors

LARRY C. GLASSCOCK, 63, director since 2007, retired Chairman of the Board of WellPoint, Inc., a health benefits company.

Public Company Board Directorships: Simon Property Group, Inc., Sysco Corporation, and Zimmer Holdings, Inc.

Biography: Mr. Glasscock served as President and Chief Executive Officer of WellPoint, Inc. from November 2004 (following the merger between Anthem, Inc. and WellPoint Health Networks, Inc.) until June 2007 and as Chairman of WellPoint, Inc. from November 2005 until March 2010. Prior to Anthem's merger with WellPoint Health Networks in November 2004, Mr. Glasscock had served as Anthem's President and Chief Executive Officer since 2001 and also as Anthem's Chairman since 2003.

Qualifications: Mr. Glasscock's prior experience as the chairman, president and chief executive officer of WellPoint, Inc. and its predecessor companies, during which time the companies grew from approximately \$6 billion in revenue to more than \$60 billion in revenue, provides a unique insight into the challenges and opportunities involved in growing a company within a highly competitive industry, and his expertise derived from over 20 years of experience in financial services and as a senior executive and director enables him to provide invaluable assistance to our board on financial and marketing matters. Throughout his career, Mr. Glasscock has developed expertise in the successful completion and integration of mergers, utilization of technology to improve productivity and customer service, and team building and human capital development. Mr. Glasscock also has significant experience as a public company director and as a member of various committees related to important board functions, including audit, finance, governance and compensation.

JAMES H. HANCE, JR., 67, director since 2005, Chairman of the Board of Sprint Nextel, and an Operating Executive with The Carlyle Group, a global alternative asset manager.

Public Company Board Directorships: Cousins Properties Incorporated, Duke Energy Corporation, Ford Motor Company, and Morgan Stanley.

Former Directorships Held During the Past Five Years: Rayonier Corporation and EnPro Industries, Inc.

Biography: Mr. Hance joined Carlyle in November 2005 and has worked primarily in its Global Market Strategies segment and the financial services sector. Prior to joining Carlyle in 2005, he served as the Vice Chairman of Bank of America Corporation from 1993 until his retirement in January, 2005 and as the Chief Financial Officer of Bank of America Corporation from 1988 until April 2004.

Qualifications: Mr. Hance's experience as a director for a wide variety of large corporations and his extensive experience in the financial services industry, which included responsibility for financial and accounting matters while serving as Chief Financial Officer of Bank of America Corporation, provide an invaluable perspective into the diverse issues facing an international enterprise, particularly relating to financial matters.

DANIEL R. HESSE, 58, director since 2007, President and Chief Executive Officer of Sprint Nextel.

Former Directorships Held During the Past Five Years: Clearwire Corporation, Nokia Corporation, and VF Corporation.

Biography: Before becoming the President and Chief Executive Officer of Sprint Nextel on December 17, 2007, Mr. Hesse was Chairman, President, and Chief Executive Officer of Embarq Corporation. He served as Chief Executive Officer of Sprint's Local Telecommunications Division from

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Proposal 1 Election of Directors

June 2005 until the Embarq spin-off in May 2006. Before that, Mr. Hesse served as Chairman, President and Chief Executive Officer of Terabeam Corp., a wireless telecommunications service provider and technology company, from 2000-2004. Prior to serving at Terabeam Corp., Mr. Hesse spent 23 years at AT&T during which he held various senior management positions, including President and Chief Executive Officer of AT&T Wireless Services. He serves on the board of directors of the National Board of Governors of the Boys and Girls Clubs of America.

Qualifications: As our president and chief executive officer, Mr. Hesse provides our board with unparalleled insight into our company's operations, and his 35 years of experience in the telecommunications industry provides substantial knowledge of the challenges and opportunities facing our company.

V. JANET HILL, 64, director since 2005, Principal, Hill Family Advisors.

Public Company Board Directorships: The Wendy's Company and Dean Foods, Inc.

Former Directorships Held During the Past Five Years: Wendy's/Arby's Group, Inc.

Biography: In 2010, Mrs. Hill retired from Alexander & Associates, Inc., a corporate consulting firm, after serving as a Vice President since 1981.

Qualifications: Mrs. Hill's significant experience as a consultant to and director of large commercial enterprises provides our board with the keen insight of someone whose expertise is advising companies on the governance and operational challenges facing international consumer companies.

FRANK IANNA, 63, director since 2009, Chief Executive Officer and Director, Attila Technologies LLC, a mobile networking company that designs wireless communications systems.

Public Company Board Directorships: Tellabs, Inc.

Former Directorships Held During the Past Five Years: Clearwire Corporation.

Biography: Mr. Ianna retired from AT&T in 2003 after a 31-year career serving in various executive positions, most recently as President of Network Services. Following his retirement, Mr. Ianna served as a business consultant, executive and board member for several private and nonprofit enterprises.

Qualifications: Mr. Ianna's technical background and expertise, and his vast experience in the telecommunications industry as an executive and director for a diverse array of enterprises allows him to provide a unique perspective to our board on a wide variety of issues.

SVEN-CHRISTER NILSSON, 67, director since 2008, Owner and Founder, Ripasso AB, Ängelholm, Sweden, a private business advisory company.

Public Company Board Directorships: Ceva, Inc. and Assa Abloy AB.

Former Directorships Held During the Past Five Years: TeliaSonera AB and Tilgin AB.

Biography: Mr. Nilsson serves as an advisor and board member for companies throughout the world. He previously served in various executive positions for The Ericsson Group from 1982 through 1999, including as its President and Chief Executive Officer from 1998 through 1999. He currently serves as the Chairman of the Swedish Public Service Broadcasting Foundation and of the (Swedish) Defense Materiel Administration.

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Proposal 1 Election of Directors

Qualifications: Mr. Nilsson has a decades-long record of achievement in the international telecommunications marketplace, which gives our board a unique international perspective, and his experience as a chief executive officer and director of several enterprises provides the perspective of a leader familiar with the challenges and opportunities facing our company.

WILLIAM R. NUTI, 48, director since 2008, Chairman of the Board, Chief Executive Officer and President of NCR Corporation, a global technology company.

Public Company Board Directorships: NCR Corporation

Former Directorships Held During the Past Five Years: Symbol Technologies, Inc.

Biography: Mr. Nuti has served as Chief Executive Officer and President of NCR since August 2005, and as Chairman of NCR since October 2007. Before joining NCR, Mr. Nuti served as President and Chief Executive Officer of Symbol Technologies, Inc. from 2003 to 2005, and as President and Chief Operating Officer of Symbol Technologies from 2002 to 2003. Mr. Nuti joined Symbol Technologies in 2002 following more than 10 years at Cisco Systems, where he advanced to the dual role of senior vice president of the company's Worldwide Service Provider Operations and senior vice president of U.S. Theater Operations.

Qualifications: As a current chairman and chief executive officer of a global technology company, Mr. Nuti provides our board an invaluable perspective of someone with primary responsibility for the oversight of all facets of an international enterprise in today's global economy.

RODNEY O NEAL, 58, director since 2007, Chief Executive Officer and President of Delphi Automotive PLC, a global supplier of mobile electronics and transportation systems.

Public Company Board Directorships: Delphi Automotive PLC.

Former Directorships Held During the Past Five Years: The Goodyear Tire & Rubber Company.

Biography: Mr. O Neal has served as Chief Executive Officer and President of Delphi since January 2007. From January 2005 until January 2007, he served as President and Chief Operating Officer of Delphi. In 2003, he was named president of the Dynamics, Propulsion, and Thermal Sector. Previously, he served in a variety of domestic and international operating assignments for both Delphi and its former parent company, General Motors.

Qualifications: Mr. O Neal has extensive senior management experience as both a chief executive officer and director, which provides the knowledge and expertise necessary to contribute an important viewpoint on a wide variety of governance and operational issues.

*Our Board of Directors recommends that you vote **FOR** the election of the ten nominees for director in this Proposal 1.*

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Board Operations

BOARD OPERATIONS

Corporate Governance Matters

Our board and senior management devote considerable time and attention to corporate governance matters and we are pleased to be recognized by GovernanceMetrics International as one of the 20 Most Responsible Companies. We maintain a comprehensive set of corporate governance initiatives that include the following:

refinement of our policies and goals with respect to the determination of executive compensation programs, including increasing emphasis on performance-based equity compensation, as further described under Executive Compensation Compensation Discussion and Analysis ;

amending our bylaws to implement a right to call a special meeting of shareholders for the holders of at least ten percent of our outstanding shares of common stock;

amending our bylaws to permit our shareholders to take certain actions by written consent;

implementing a majority vote standard in an uncontested election of directors;

implementing an executive compensation clawback policy, which is discussed on page 31;

implementing a policy regarding independent executive compensation consultants, which is discussed on page 24;

conducting annual board, committee and director self-evaluations;

maintaining a declassified board;

adhering to strict independence standards for directors that meet or exceed New York Stock Exchange, or NYSE, listing standards;

requiring the outside directors to hold executive sessions without management present no less than three times a year, at or in conjunction with regularly-scheduled board meetings;

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requiring the Audit Committee, the Finance Committee, the Compensation Committee and the Nominating Committee to be composed entirely of independent directors as determined on an annual basis by our board;
publishing on our website our *Corporate Governance Guidelines* and charters for all standing committees of our board, which detail important aspects of our governance policies and practices;

maintaining limits on the number of other public company boards and audit committees on which our directors may serve;

maintaining a policy that prohibits our independent registered public accounting firm from providing professional services, including tax services, to any employee or board member or any of their immediate family members that would impair the independence of our independent registered public accounting firm;