

WINNEBAGO INDUSTRIES INC
Form DEF 14A
November 21, 2003

SCHEDULE 14A INFORMATION

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 Section 240.14a-11(c) or Section 240.14a-12

WINNEBAGO INDUSTRIES

(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):

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- (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):
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-

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD JANUARY 13, 2004

To the Shareholders of
WINNEBAGO INDUSTRIES, INC.

The Annual Meeting of Shareholders of Winnebago Industries, Inc. will be held on Tuesday, January 13, 2004, at 7:30 p.m., Central Standard Time, at Friendship Hall, Highway 69 South, Forest City, Iowa, for the following purposes:

1. To elect two Class I directors to hold office for three-year terms;
2. To consider and vote upon the Winnebago Industries, Inc. 2004 Incentive Compensation Plan; and
3. To transact such other business as may properly come before the meeting or any adjournment or adjournments thereof.

The Board of Directors of the Company has fixed the close of business on November 10, 2003, as the record date for the determination of shareholders entitled to notice of and to vote at this meeting and at any and all adjournments thereof.

By Order of the Board of Directors

RAYMOND M. BEEBE
Secretary

Forest City, Iowa
November 24, 2003

YOUR VOTE IS IMPORTANT

Whether or not you expect to attend the meeting in person, please date, sign and return the proxy card in the enclosed envelope so your shares will be voted at the Annual Meeting. A prompt response is helpful and your cooperation is appreciated.

WINNEBAGO INDUSTRIES, INC.

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors of Winnebago Industries, Inc., an Iowa corporation (the *Company*), P.O. Box 152, Forest City, Iowa 50436, of proxies to be used at the Annual Meeting of Shareholders of the Company to be held at Friendship Hall, Highway 69 South, Forest City,

Iowa on January 13, 2004, at 7:30 p.m., Central Standard Time, and at any and all adjournments thereof. This Proxy Statement was first mailed to shareholders on or about November 24, 2003.

Only holders of Common Stock of record at the close of business on November 10, 2003, will be entitled to vote at the Annual Meeting of Shareholders. At such date, the Company had outstanding 16,925,614 shares of Common Stock, par value \$.50 per share (*Common Stock*). Each share of Common Stock entitles the holder to one vote upon each matter to be voted upon at the meeting. A majority of the outstanding shares of Common Stock will constitute a quorum for the Annual Meeting of Shareholders. Election of each director (Item 1) and approval of any other matters that may properly come before the Annual Meeting (including Item 2) require the affirmative vote of the holders of a majority of the shares of the Company's Common Stock present or represented by proxy and voted at the meeting. Abstentions and broker non-votes (*i.e.*, shares held by a broker for its customers that are not voted because the broker does not receive instructions from the customer or because the broker does not have discretionary voting power with respect to the item under consideration) will be counted as present for purposes of determining the presence of a quorum. Abstentions and broker non-votes will not have any effect on any matters at the Annual Meeting of Shareholders.

A form of proxy is enclosed for use at the meeting. If the proxy is executed and returned, it may nevertheless be revoked at any time insofar as it has not been exercised. A person giving the enclosed proxy may revoke it by (i) giving written notice to the Secretary, (ii) subsequently granting a later-dated proxy or (iii) attending the annual meeting and voting in person. You may also be represented by another person at the annual meeting by executing a proper proxy designating that person. Unless revoked, the shares represented by validly executed proxies will be voted at the meeting in accordance with the instructions indicated thereon. Withholding authority to vote on a director nominee will in effect count as a vote against the director nominee.

If no instructions are indicated on the proxy, it will be voted: (i) for the election of the two nominees for director named below (Item 1); (ii) for the approval of the Winnebago Industries, Inc. 2004 Incentive Compensation Plan (Item 2); and (iii) in the discretion of the named proxies upon such other matters as may properly come before the meeting.

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VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The following table contains information with respect to the ownership of the Common Stock by each person known to the Company who is the beneficial owner of more than five percent of the outstanding Common Stock.

Name and Address of Beneficial Owner	Shares of Common Stock owned Beneficially at November 10, 2003	Percent of Common Stock (%)
Hanson Capital Partners, L.L.C. c/o Mr. John V. Hanson 7019 SE Harbor Circle Stuart, Florida 34996	3,517,306 ⁽¹⁾	20.8
Edward C. Johnson III, Abigail P. Johnson and FMR Corp. 82 Devonshire Street Boston, Massachusetts 02109	2,815,520 ⁽²⁾	16.6

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Name and Address of Beneficial Owner	Shares of Common Stock owned Beneficially at November 10, 2003	Percent of Common Stock (%)
Janus Capital Management LLC 100 Fillmore Street Denver, Colorado 80206	1,492,753 ⁽³⁾	8.8

- (1) Hanson Capital Partners, L.L.C. (*HCP*) is a Delaware limited liability company whose members are the Luise V. Hanson Qualified Terminable Interest Property Marital Deduction Trust (the *QTIP Trust*), which has a 34.9% membership interest in HCP, the Luise V. Hanson Revocable Trust, dated September 22, 1984 (the *Revocable Trust*), which has a 64.4% membership interest in HCP, the John V. Hanson Family Trust, which has a .2% membership interest in HCP, the Paul D. Hanson Family Trust, which has a .2% membership interest in HCP and the Mary Joan Boman Family Trust, which has a .2% membership interest in HCP. John V. Hanson (a director of the Company), Mary Joan Boman (the wife of Gerald E. Boman, a director of the Company) and Paul D. Hanson (each an *Individual Trustee* and collectively, the *Individual Trustees*) and Bessemer Trust Company, N.A. (the *Corporate Trustee*) act as co-trustees under the QTIP Trust and the Revocable Trust. By virtue of the Revocable Trust's 64.4% membership interest in HCP, a majority of the Individual Trustees together with the Corporate Trustee have sole voting power with respect to the 3,517,306 shares of Common Stock of which HCP is the beneficial owner. A majority of the Individual Trustees together with the Corporate Trustee have sole dispositive power with respect to the 3,517,306 shares of Common Stock of which HCP is the beneficial owner, except that disposition of all or substantially all of those shares requires the unanimous approval of all members of HCP.
- (2) The number of shares owned as of February 14, 2003 according to Amendment No. 2 to Schedule 13G filed with the Securities and Exchange Commission on February 14, 2003. Mr. Johnson serves as Chairman and his daughter Abigail P. Johnson is a Director of FMR Corp. Mr. Johnson owns 12.0% and Abigail P. Johnson owns 24.5% of the outstanding voting stock of FMR Corp. Members of the Edward C. Johnson III family own shares of common stock representing approximately 49% of the voting power of FMR Corp. Mr. Johnson and members of his family may be deemed to form a controlling group with respect to the common voting stock of FMR Corp.

Of these 2,815,520 shares of Common Stock:

1,146,885 are owned by Fidelity Management & Research Company, an investment advisor and a wholly owned subsidiary of FMR Corp. Edward J. Johnson, III, and FMR Corp. through its control of Fidelity Management & Research Company each has sole power to dispose of these shares.

1,104,750 are owned by Fidelity Management Trust Company, a bank and a wholly owned subsidiary of FMR Corp. Mr. Johnson and FMR Corp. through its control of Fidelity Management Trust Company each has sole power to dispose of these shares and sole power to vote or direct the vote of these shares.

563,800 are owned by Fidelity International Limited, an investment advisor, which has the sole power to vote and dispose of these shares. A partnership controlled by Mr. Johnson and members of his family owns shares of Fidelity International Limited voting stock with the right to cast 39.9% of the total votes which may be cast by all holders of Fidelity International Limited voting stock.

85 are owned by Geode Capital Management, LLC, a registered investment advisor (*Geode*), which is wholly owned by Fidelity Investors III Limited Partnership (*FILP III*). Fidelity Investors Management, LLC

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(*FIML*) is the general partner and investment manager of FILP III. The managers of Geode, the members of FIML and the limited partners of FILP III are certain shareholders and employees of FMR Corp. FILP III has sole power to vote and dispose of these shares.

No one client owns more than 5% of such shares.

The information contained in this footnote has been derived from information contained in the Amendment No. 2 to Schedule 13G filed by FMR Corp. with the Securities and Exchange Commission referred to above.

- (3) The number of shares owned as of February 14, 2003 according to a statement on Schedule 13G filed with the Securities and Exchange Commission on February 14, 2003. Janus Capital Management LLC (*Janus Capital*) has an indirect 100% ownership stake in Bay Isle Financial LLC (*Bay Isle*) and an indirect 50.1% ownership stake in Enhanced Investment Technologies LLC (*INTECH*). Due to the above ownership structure, holdings for Janus Capital, Bay Isle and INTECH are aggregated for purposes of the Schedule 13G filed by Janus Capital. Janus Capital, Bay Isle and INTECH are registered investment advisers, each furnishing investment advice to various investment companies registered under Section 8 of the Investment Company Act of 1940 and to individual and institutional clients (collectively referred to herein as *Managed Portfolios*). As a result of its role as investment adviser or sub-adviser to the Managed Portfolios, Janus Capital may be deemed to be the beneficial owner of the 1,492,753 shares of Winnebago Industries, Inc. Common Stock held by such Managed Portfolios. However, Janus Capital does not have the right to receive any dividends from, or the proceeds from the sale of, the securities held in the Managed Portfolios and disclaims any ownership associated with such rights. Janus Fund, an investment company registered under the Investment Company Act of 1940, is the beneficial owner of 1,016,460 of the 1,492,753 shares.

The following table contains information with respect to the ownership of Common Stock by (i) each director, (ii) each nominee for election as a director, (iii) each executive officer listed in the Summary Compensation Table and (iv) the group named below.

Name	Shares of Common Stock Owned Beneficially at November 10, 2003 ⁽¹⁾	Percent of Common Stock (%)
Irvin E. Aal	0	(3)
Edwin F. Barker	30,401 ⁽⁴⁾	(3)
Raymond M. Beebe	30,397 ⁽⁴⁾	(3)
Gerald E. Boman	72,748 ⁽²⁾⁽⁴⁾	(3)
Jerry N. Currie	20,000 ⁽⁴⁾	(3)
Joseph W. England	17,082 ⁽⁴⁾⁽⁵⁾	(3)
Robert L. Gossett	19,274 ⁽⁴⁾	(3)
John V. Hanson	20,130 ⁽²⁾⁽⁴⁾	(3)
Bruce D. Hertzke	176,372 ⁽⁴⁾	(3)
Gerald C. Kitch	29,791 ⁽⁴⁾⁽⁵⁾	(3)
Robert J. Olson	32,057 ⁽⁴⁾	(3)
Richard C. Scott	9,572 ⁽⁴⁾⁽⁵⁾	(3)
Frederick M. Zimmerman	13,278 ⁽⁴⁾⁽⁵⁾	(3)
Directors and officers as a group (17 persons)	494,151 ⁽⁴⁾⁽⁵⁾	2.9

- (1) Includes shares held jointly with or by spouse and shares held as custodian, beneficial ownership of which is disclaimed.
- (2) See Note (1) to the preceding table.
- (3) Less than one percent.

- (4) Includes 2,986, 14,397, 20,000, 15,000, 14,000, 10,085, 20,000, 110,962, 20,000, 13,734, 0, 8,000, and 255,482 shares, respectively, which Messrs. Barker, Beebe, Boman, Currie, England, Gossett, Hanson, Hertzke, Kitch, Olson, Scott, Zimmerman and the directors and officers as a group have the right to acquire within 60 days of November 10, 2003, through the exercise of stock options.
- (5) Includes 3,082, 9,791, 9,572 and 4,128 Winnebago Stock Units, respectively, held by Messrs. England, Kitch, Scott and Zimmerman, respectively, under the Company's Directors' Deferred Compensation Plan as of November 1, 2003. The Winnebago Stock Units are payable in an equal number of shares of Common Stock upon the respective directors' termination of service as a director, or January 1, 2008 in the case of Mr. England.

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ITEM 1
ELECTION OF DIRECTORS

The Board of Directors of the Company is divided into three classes with staggered terms, each consisting of approximately one-third of the total number of the members of the Board of Directors. Directors are elected for a term of three years. At the Annual Meeting of Shareholders, the term of office of the Class I directors will expire, and two persons will be nominated to serve in that class until the Company's Annual Meeting of Shareholders in 2007 or until their respective successors are elected. The terms of office of the Class II and Class III directors will expire at the Company's Annual Meetings of Shareholders in 2005 and 2006, respectively.

Discretionary authority is solicited to vote for the election of a substitute for any of said nominees who, for any reason currently unknown, cannot be a candidate for election. **The shares represented by the enclosed proxy will be voted for the election as directors of the nominees for Class I directors named below if no direction is made otherwise.**

Richard C. Scott, who has served as a Director of the Company since 1997, is not standing for re-election in accordance with the Board of Directors' retirement policy.

Name (Age) ⁽¹⁾	Principal Occupation and Other Directorships Held	Year First Became a Director
Class I Nominees for Directors to be Elected to Serve Until the 2007 Annual Meeting		
Irvin E. Aal (64)	Retired; former General Manager of Case Tyler Business Unit of CNH Global and predecessor corporation, manufacturer of banded application business equipment; previously President and Chief Executive Officer of Tyler Industries, privately owned specialized agricultural equipment manufacturing company	(2)
Joseph W. England (63)	Retired; former Senior Vice President of Deere & Company (a mobile power equipment manufacturer). Mr. England is a director of First Midwest Bancorp, Inc.	2001

Name (Age)⁽¹⁾	Principal Occupation and Other Directorships Held	Year First Became a Director
Class II Directors Whose Terms Expire at the 2005 Annual Meeting		
Gerald E. Boman (68)	Retired; former Senior Vice President, Winnebago Industries, Inc.	1962

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Name (Age)⁽¹⁾	Principal Occupation and Other Directorships Held	Year First Became a Director
Jerry N. Currie (58)	President & Chief Executive Officer of both CURRIES Company, manufacturer of steel doors and frames for nonresidential construction, and GRAHAM Manufacturing, manufacturer of wood doors for nonresidential construction	1996
Frederick M. Zimmerman (67)	Professor of Engineering and Technology Management at The University of St. Thomas, St. Paul, Minnesota	1992
Class III Directors Whose Terms Expire at the 2006 Annual Meeting		
John V. Hanson (61)	Retired; former Deputy Chairman of the Board of Directors of Winnebago Industries, Inc.	1996 ⁽³⁾
Bruce D. Hertzke (52)	Chairman of the Board, Chief Executive Officer and President, Winnebago Industries, Inc.	1997
Gerald C. Kitch (65)	Retired; former Executive Vice President, Pentair, Inc., diversified manufacturer of tools, equipment and ammunition	1996

(1) Reference is made to Voting Securities and Principal Holders Thereof.

(2) Not currently a director.

(3) Also served as a director from 1967 to 1979 and from 1985 to 1989.

All of the foregoing have been employed in their principal occupation or other responsible positions with the same organization for at least the last five years or are currently retired after having served in responsible positions with the organization indicated.

John V. Hanson and Gerald E. Boman are brothers-in-law.

BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

The Board has established Audit, Human Resources and Nominating Committees to assist it in the discharge of its responsibilities. The principal responsibilities of each of these committees are described below.

The members of the Audit Committee are Messrs. England, Currie and Zimmerman, all of whom are independent directors under criteria established by the Securities and Exchange Commission and the New York Stock Exchange. Based on the attributes, education and experience requirements set forth in Section 407 of the Sarbanes-Oxley Act of 2002 and associated regulations, the Board of Directors has determined that Joseph W. England qualifies as an Audit Committee Financial Expert. Each year, the committee appoints independent public accountants to examine the books of the Company. It reviews with representatives of the independent public accountants the auditing arrangements and scope of the independent public accountants examination of the books, results of those audits, their fees and any problems identified by and recommendations of the independent public accountants regarding internal controls. The Audit Committee also performs the duties set forth in its written charter which was adopted by the Board of Directors. A copy of the Audit Committee Charter is attached hereto as Appendix A. The committee is also prepared to meet privately at any time at the request of the independent public accountants or members of management to review any special situation arising on any of the above subjects. Reference is made to the Report of the Audit Committee. The committee met six times in fiscal 2003.

The Human Resources Committee members are Messrs. Kitch, Scott and Zimmerman, all of whom are independent directors, under applicable law and within the meaning of New York Stock Exchange corporate governance requirements. This committee makes recommendations to the Board of Directors as to the salary of the Chief Executive Officer (CEO) and sets the salaries and bonus payments, if any, of all other employee-directors and elected officers. It also has responsibility for administration of the Company's Incentive Compensation Plan and certain other employee incentive plans. The committee met four times in fiscal 2003.

The members of the Nominating Committee are Messrs. Hanson, Hertzke and Kitch. This committee recommended to the Board the director-nominees proposed in this Proxy Statement for election by the shareholders. It reviews the qualifications of, and recommends to the Board, candidates to fill Board vacancies as they may occur during the year. The Nominating Committee will consider suggestions from all sources, including shareholders, regarding possible candidates for director. Such suggestions, together with appropriate biographical information, should be submitted to the Secretary of the Company. See 2005 SHAREHOLDER PROPOSALS for a summary of the procedures that shareholders must follow. The committee met once in fiscal 2003.

The Board of Directors of the Company held eight meetings during fiscal 2003. Actions taken by any committee of the Board are reported to the Board of Directors, usually at its next meeting. During fiscal 2003, all of the directors attended more than 75 percent of the aggregate of Board of Directors meetings and meetings of committees of the Board on which they served.

Employee directors receive no additional compensation for serving on the Board or its Committees. Non-employee directors receive a retainer of \$1,666 per month, a \$750 per day attendance fee for Board and Committee meetings and a \$500 fee for participation in any Board meetings held telephonically. Committee Chairmen receive a \$1,000 per day attendance fee. In addition, each Outside Director under the 1997 Stock Option Plan (as those terms are defined below) has annually received options for 2,000 shares. Directors are also reimbursed for customary and usual travel expenses.

Effective April 1, 1997, the Board of Directors adopted the Winnebago Industries, Inc. Directors' Deferred Compensation Plan (the *Directors' Deferred Compensation Plan*). The purpose of the Directors' Deferred Compensation Plan is to enable non-employee directors (the *Participants*) to receive their fees and retainers as members of the Board of Directors and Committees of the Board (the *Deferred Compensation*) in a form other than as direct payments. A Participant may elect to apply 100% of his or her Deferred Compensation to either but not both of the following forms: Money Credits or Winnebago Stock Units. Money Credits are units credited in the form of dollars in accordance with the Participant's election to such Participant's account established by the Company. The Money Credits accrue interest from the credit date. The interest rate to be applied to the Participant's Money Credits is the 30 year Treasury bond yield as of the first business day of the plan year. The Board of Directors may from time to time prescribe additional methods for the accrual of interest on Money Credits with respect to Deferred Compensation. Winnebago Stock Units are units credited in the form of Common Stock of the Company in accordance with the Participant's election to such Participant's account established by the Company. The Common Stock utilized for purposes of the Directors' Deferred Compensation Plan will be treasury shares of the Company. Winnebago Stock Units will be recorded in such Participant's account on the basis of the mean between the high and the low prices of the Common Stock of the Company on the date upon which the account is to be credited, as officially reported by the New York Stock Exchange. Any Participant investing Deferred Compensation in Winnebago Stock Units will receive a matching contribution from the Company equal to 25% of the Deferred Compensation so invested.

A Participant's Winnebago Stock Unit account will vest at the rate of 33-1/3% for each of the first three complete 12 month periods of service as a Director following the time such Winnebago Stock Units are credited to the Director's Winnebago Stock Unit Account. Notwithstanding the above, the Participant's Winnebago Stock Unit account will become fully vested upon his or her attainment of age 69-1/2 while serving as a Director. In the event that a Participant terminates his or her service as a Director, any unvested Winnebago Stock Units will be forfeited by the Director and applied to future Company matching contributions. The Winnebago Stock Units credited to Participant's accounts are included in the Common Stock ownership table under VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF.

In the event of any change in the outstanding shares of Common Stock of the Company by reason of any stock dividend or split, recapitalization, merger, consolidation, spin-off, reorganization, combination or exchange of shares or other similar corporate change, then if the Directors' Deferred Compensation Plan administrator determines, in its sole discretion, that such change equitably requires an adjustment in the number of Winnebago Stock Units then held in the Participant's Winnebago Stock Unit account, such adjustments will be made by the Directors' Deferred Compensation Plan administrator and will be conclusive and binding for all purposes of said plan.

In the event of a change in the control of the Company, as defined in the Directors' Deferred Compensation Plan, the Participant will receive a lump sum distribution of his or her accounts within 30 days following his or her termination of service as a Director after such change in control. Notwithstanding the above, in no event will a Participant's receipt of a distribution of Winnebago Stock Units from his or her accounts precede the six-month anniversary of his or her election to convert Deferred Compensation into Winnebago Stock Units.

Unless terminated earlier by the Board of Directors, the Directors' Deferred Compensation Plan terminates on June 30, 2013.

The Winnebago Industries, Inc. 1997 Stock Option Plan (the *1997 Stock Option Plan*) provides that directors

who do not hold a position of employment with the Company or a subsidiary (the *Outside Directors*) shall receive nonqualified stock options and may not be granted incentive stock options. The exercise price per share of options granted to Outside Directors shall be the mean between the high and low prices for a share of the Company's Common Stock on the New York Stock Exchange on the date of grant. Except for vesting upon the occurrence of certain events which result in a change in control, unless otherwise set forth in an agreement granting options under the 1997 Stock Option Plan, no option is exercisable for six months after the date such option is granted. Thereafter, nonqualified

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stock options are exercisable for a period of not to exceed ten years from the date each such option is granted. Each Outside Director of the Company on the effective date of the 1997 Stock Option Plan who was not granted an option to purchase 10,000 shares under the Winnebago Industries, Inc. Stock Option Plan for Outside Directors was automatically granted nonqualified options to purchase 10,000 shares. Each Outside Director who, after the effective date of the 1997 Stock Option Plan is elected or appointed to the Board of Directors for the first time has, at the time such Director was so elected or appointed and duly qualified, been granted automatically a nonqualified stock option to purchase 10,000 shares at a per share price equal to the fair market value of a share on the date of grant. Effective January 1, 2004, but subject to approval of the 2004 Incentive Compensation Plan by shareholders, no new awards under the 1997 Stock Option Plan will be made. The Board of Directors intends, subject to approval of the 2004 Incentive Compensation Plan by shareholders, to provide that Non-employee Directors (as defined in such Plan) will, at the time such Director is so elected or appointed and duly qualified, be granted automatically a nonqualified stock option to purchase 10,000 shares at a per share price equal to the fair market value of a share on the date of grant.

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EXECUTIVE COMPENSATION

The following table contains certain information with respect to compensation for services in all capacities paid by the Company and its subsidiaries for the past three fiscal years, to or on behalf of (i) the Chief Executive Officer of the Company at August 30, 2003, and (ii) each of the four other most highly compensated executive officers of the Company serving at August 30, 2003.

Summary Compensation Table

Name and Principal Position	Fiscal Year	Annual Compensation ⁽¹⁾		Long Term Compensation			All Other Compensation (\$) ⁽⁶⁾
		Salary(\$)	Bonus(\$) ⁽²⁾	Awards		Payouts	
				Restricted Stock Awards (\$) ⁽³⁾	Options ⁽⁴⁾	LTIP Payouts (\$) ⁽⁵⁾	
Bruce D. Hertzke Chairman, Chief Executive Officer and President	2003	459,457	321,682	100,000	30,000	539,698	
	2002	441,755	910,121	100,000	30,000	165,060	862
	2001	399,039	256,836	228,418	50,000	265,033	1,121

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		Annual Compensation ⁽¹⁾		Long Term Compensation			
Edwin F. Barker	2003	235,346	112,744		7,200	253,975	
Senior Vice President and	2002	207,885	293,703		6,000	84,906	1,579
Chief Financial Officer	2001	193,077	85,220	42,609	10,000	145,760	1,427
Raymond M. Beebe	2003	215,423	103,439		7,200	253,975	
Vice President, General	2002	207,885	293,703		6,000	84,906	2,428
Counsel and Secretary	2001	193,077	85,220	42,609	10,000	145,760	2,132
Robert J. Olson	2003	215,423	103,439		7,200	253,975	
Vice President,	2002	207,885	293,703		6,000	84,906	467
Manufacturing	2001	193,077	85,220	42,609	10,000	145,760	424
Robert L. Gossett	2003	192,154	92,160		7,200	215,879	
Vice President,	2002	177,308	250,480		6,000	77,124	
Administration	2001	167,740	74,041	37,020	10,000	88,345	

- (1) No executive officer received personal benefits in excess of the lesser of 10% of cash compensation or \$50,000.
- (2) The bonus amounts include bonuses paid pursuant to the Company's Officers Incentive Compensation Plan as well as bonuses paid in the discretion of the Board of Directors, all as described under the caption Report of the Human Resources Committee on Executive Compensation.
- (3) Awards consisted of restricted Common Stock and are valued at the aggregate market value of the Common Stock as of the respective determination dates. The awards in fiscal 2001 were made pursuant to the Officers Incentive Compensation Plan, except that the awards to Mr. Hertzke also included stock awards made in the discretion of the Board of Directors. All awards of the restricted Common Stock vested immediately.
- (4) The numbers in the table above represent options for the purchase of shares of the Company's Common Stock granted to the named persons under the Company's 1997 Stock Option Plan.
- (5) Awards consisted of cash in fiscal 2003 and restricted Common Stock in fiscal 2002 and 2001 and are valued at the aggregate market value of the Common Stock as of the respective determination dates. The awards in fiscal 2003 were made pursuant to the Officers' Long-Term Incentive Plan, fiscal three-year period 2001, 2002 and 2003, the awards in fiscal 2002 were made pursuant to the Officers' Long-Term Incentive Plan, fiscal three-year period 2000, 2001 and 2002 and the awards in fiscal 2001 were made pursuant to the Officers' Long-Term Incentive Plan, fiscal three-year period 1999, 2000 and 2001.
- (6) Amounts of All Other Compensation are the portions of the premiums paid by the Company pursuant to the Company's Executive Split-Dollar Life Insurance Plan which constitute the economic benefit to the named executive officers. The Plan provides for preretirement death benefits for the named executives and certain other executive officers and annual or lump sum payment upon retirement at age 65.

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STOCK OPTIONS GRANTED IN FISCAL 2003

The following table provides information on options to purchase shares of the Company's Common Stock granted in fiscal 2003 to the executive officers named in the Summary Compensation Table.

Name	Individual Grants				Potential	
	Options Granted	Percent of Total Options Granted to Employees in Fiscal 2003	Exercise Price per Share (\$)	Expiration Date	Realizable Value at Assumed Annual Rates of Stock Price Appreciation	
Bruce D. Hertzke	30,000 ⁽¹⁾	16.30 ⁽²⁾	36.50 ⁽³⁾	10/8/2012	686,650	1,160,000
Edwin F. Barker	7,200 ⁽¹⁾	3.90 ⁽²⁾	36.50 ⁽³⁾	10/8/2012	165,276	418,838
Raymond M. Beebe	7,200 ⁽¹⁾	3.90 ⁽²⁾	36.50 ⁽³⁾	10/8/2012	165,276	418,838
Robert L. Gossett	7,200 ⁽¹⁾	3.90 ⁽²⁾	36.50 ⁽³⁾	10/8/2012	165,276	418,838
Robert J. Olson	7,200 ⁽¹⁾	3.90 ⁽²⁾	36.50 ⁽³⁾	10/8/2012	165,276	418,838

- (1) Stock options granted on October 8, 2002, under the Company's 1997 Stock Option Plan. One-third of the options became exercisable on October 8, 2003, an additional one-third become exercisable on October 8, 2004, and the final one-third on October 8, 2005.
- (2) Based on total grants during fiscal 2003 of 184,800 shares.
- (3) The exercise price per share represents the mean between the high and low prices for a share of the Company's Common Stock on the New York Stock Exchange on October 8, 2002.

Aggregated Option Shares Exercised in Last Fiscal Year and Fiscal Year-End Option Values

The following table provides information related to the stock options exercised during fiscal 2003 and the number and value of unexercised options at August 30, 2003, by the named executive officers.

Name	Number of Shares Acquired on Exercise	Value Realized ⁽¹⁾	Number of Unexercised Options Held at August 30, 2003		Value of Unexercised, In-the-Money Options at August 30, 2003 ⁽²⁾	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Bruce D. Hertzke	43,843	\$ 1,511,499	119,002	30,000	\$ 3,864,732	\$ 531,300
Edwin F. Barker	16,000	399,125	15,401	6,800	472,469	116,460
Raymond M. Beebe	16,000	394,325	15,401	6,800	472,469	116,460
Robert L. Gossett	1,004	32,915	14,063	6,800	420,308	116,460
Robert J. Olson	8,666	269,109	13,734	6,800	386,853	116,460

- (1) The value realized is the difference between the market price of the Company's Common Stock on the date such options were exercised and the exercise price.
- (2) Represents the amount by which \$49.25 (the closing price of the Company's Common Stock on August 29, 2003 (August 30, 2003 being a non-business day)) exceeded the exercise prices of unexercised options. There is no guarantee that, if and when these options are exercised, they will have this value.

Long-Term Incentive Plan Awards in Fiscal 2003

The following table provides information concerning the participation of the named executive officers in a long-term compensation plan called the Officers' Long-Term Incentive Plan, fiscal three-year period 2003, 2004 and 2005. Under this plan, they were awarded the right to cash compensation payable in fiscal 2006 based upon the achievement of long-term performance results as measured at the end of the three-year fiscal period. Actual payouts of cash compensation, if any, will be determined based upon the financial performance of the Company as established by

a three-year plan approved by the Human Resources Committee, as administrator of this Plan. Under the Plan, the financial performance measurements are earnings per share and return on equity of the Company for

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the three-year period. Reference is made to the description of the plan under the caption "Report of the Human Resources Committee on Executive Compensation" on page 11.

Name	Cash Compensation ⁽¹⁾	Performance Period (or Other Period Until Maturation of Payment) ⁽²⁾	Estimated Future Payouts Under Non-Stock Price-Based Plans ⁽³⁾		
			Threshold (%)	Target (%)	Maximum (%)
Bruce D. Hertzke		Fiscal 2003-2005	1.6	25	37.5
Edwin F. Barker		Fiscal 2003-2005	1.6	25	37.5
Raymond M. Beebe		Fiscal 2003-2005	1.6	25	37.5
Robert L. Gossett		Fiscal 2003-2005	1.6	25	37.5
Robert J. Olson		Fiscal 2003-2005	1.6	25	37.5

- (1) The actual cash compensation, if any, that will be paid out after the conclusion of the three-year period cannot be determined because the cash compensation earned by the named executive officers will be based on the Company's future performance. The cash compensation will be a percentage of the officer's annualized base salary as of January 2003. The annualized base salary as of January 2003 for each of the named officers is as follows: Mr. Hertzke \$470,000; Mr. Barker \$249,600; Mr. Beebe \$220,000; Mr. Gossett \$200,000; and Mr. Olson \$220,000.
- (2) Payouts will be made in cash in fiscal 2006 depending on the level of attainment of the Plan approved by the Human Resources Committee for achievement of return on equity and earnings per share for the three-year period.
- (3) Shown in these columns are the percentages of the named executive officers' annualized base salary as of January 2003 that would be payable under the Plan if the Company precisely attained the threshold, target or maximum achievement of financial objectives of earnings per share and return on equity. If actual Company performance falls below a certain level, no payments are made.

Pension Plans

The Company does not provide pension benefits for its employees, including executive officers.

Report of the Human Resources Committee on Executive Compensation

Notwithstanding anything to the contrary set forth in any of the Company's previous or future filings under the Securities Act of 1933 or the Securities Exchange Act of 1934 that might incorporate this Proxy Statement in whole or in part, the following report and the Performance Graph which follows shall not be deemed to be incorporated by reference into any such filings.

The Human Resources Committee of the Board is the compensation committee of the Company. This Committee reviews and approves compensation plans for all corporate officers, including salaries, profit sharing awards and stock option grants.

In designing its compensation programs, the Company follows its belief that compensation should reflect the value created for shareholders while furthering the Company's strategic goals. In doing so, the compensation programs reflect the following goals:

- Align the interests of management with those of shareholders;
- Provide fair and competitive compensation;
- Integrate compensation with the Company's business plans;
- Reward both business and individual performance; and
- Attract and retain key executives critical to the success of the Company.

The Company's executive compensation is primarily based on three components, each of which is intended to help achieve the overall compensation philosophy; these are base salary, quarterly incentive awards and long-term incentives.

Base salary levels for the Company's executive officers are set by the Committee and approved by the Board of Directors. In determining base salary levels and annual salary adjustments for executive

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officers, including the Chief Executive Officer (CEO), the Committee considers market compensation levels of similarly sized manufacturing companies as well as individual performance and contributions.

The base salary of Mr. Hertzke as the CEO was \$437,750 for the period from the beginning of fiscal 2003 until January 1, 2003 and \$470,000 thereafter and in fiscal 2002 was \$425,000 for the period from the beginning of fiscal 2002 until January 1, 2002 and \$437,750 thereafter. The CEO participates in the quarterly incentive award program for officers and other key management personnel described below. The Committee has not found it practicable to, and has not attempted to, assign relative weights to the specific factors considered in determining the CEO's compensation.

The Company's officers including the CEO are eligible for quarterly incentive awards under the Company's Officers Incentive Compensation Plan for the Fiscal Period 2002-2003 (the *Incentive Compensation Plan*). Under the Incentive Compensation Plan, the incentive awards are based upon financial performance of the Company, as established by the Board of Directors. The Compensation Plan is an annual program that provides for quarterly cumulative measurements of financial performance and an opportunity for quarterly incentive payments based on financial results measured against the management plan adopted by the Board of Directors (the *Management Plan*).

The financial performance measurements for the Incentive Compensation Plan are earnings per share (EPS) and return on equity (ROE) of the Company. The Board of Directors believes that these financial performance measurements provide an appropriate balance between quantity and quality of earnings. Stockholders' equity at the start of the Company's fiscal year is used as the base figure for the calculation of ROE. The Committee believes that the Incentive Compensation Plan provides an excellent link between the value created for shareholders and incentives paid to participants.

Under the Incentive Compensation Plan, the amount of the participants' incentive compensation for the quarter shall be in direct proportion to the Company's financial performance expressed as a percentage (Financial Factor) against the base salary bonus (Target) for each participant as determined by the Board of Directors prior to the commencement of the fiscal year.

The Incentive Compensation Plan provides for a cash bonus (Target) of 60% of base salary, at 100% achievement of the financial objectives of EPS and ROE for participating officers, except the CEO. The Incentive Compensation Plan provides for a cash bonus (Target) of 105% of base salary, at 100% achievement of the financial objectives of EPS and ROE for the CEO. Fifty percent (50%) of the quarterly calculated incentive is paid within 45 days after the close of each quarter. The remaining fifty percent (50%) of the quarterly calculated incentive is held back and carried forward into the next quarter on a cumulative basis. At the end of the fourth fiscal quarter (fiscal year end), a final year-end accounting is made prior to the payment of any remaining incentive holdback for the year. Fifty percent (50%) of a participant's cash incentive compensation earned for the year, as described above, is matched annually. The annual supplementary cash payment is paid as soon as practical after the final fiscal year-end compensation accounting and payment of any remaining incentive compensation holdback for the fiscal year.

The Committee reserves the right to modify the Financial Factor used in determining the incentive compensation by plus or minus 20% based upon strategic organizational priorities. Strategic performance is measured only at the end of the fiscal year. Strategic measurements may focus on one or more of the following strategic factors, but are not limited to those stated.

Revenue Growth	Customer Satisfaction
Market Share	Inventory Management
Product Quality	Technical Innovation
Product Introductions	Ethical Business Practices

In the event of a Change in Control (as defined in the Incentive Compensation Plan) participants are entitled to receive awards (including the annual supplementary cash match payment described above) within 15 days of the Effective Date (as defined in the Incentive Compensation Plan) based on the Committee's estimate of the Company's financial performance through the end of the fiscal year in which such Change in Control occurs.

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Financial performance of less than 80% of the Management Plan for both EPS and ROE results in no bonus and the maximum bonus will be paid at attainment of 125% of the Management Plan for both elements.

As provided by the Incentive Compensation Plan, the Committee has the discretion and authority to make any and all determinations necessary or advisable for administration of the Incentive Compensation Plan.

Mr. Hertzke received \$321,682 in cash in fiscal 2003 and \$910,121 in cash in fiscal 2002 pursuant to the Incentive Compensation Plan. In addition, Mr. Hertzke was awarded discretionary bonuses of \$100,000 in fiscal 2003 and \$100,000 in fiscal 2002 in restricted Common Stock based on the Committee's positive assessment of his performance and contributions as CEO.

The Company's officers (including the CEO) are eligible for annual incentive awards under the Company's

Officers Long-Term Incentive Plan (the *Long-Term Incentive Plan*). The purpose of the Long-Term Incentive Plan is to promote the long-term growth and profitability of the Company and to attract and retain officers by providing the officers of the Company an opportunity for an incentive award consisting of cash compensation based on the achievement of long-term performance results as measured at the end of a three year fiscal period.

The awards under the Long-Term Incentive Plan are based upon the Company's financial performance as measured against the three year management plan approved by the Board of Directors. The financial performance measurements for the Long-Term Incentive Plan are EPS and ROE of the Company. Stockholders' equity at the start of the Company's first fiscal year of the applicable plan period is used as the base figure for the calculation of ROE.

Under the Long-Term Incentive Plan, the amount of the participants' long-term incentive award for the three year fiscal period is in direct proportion to the Company's financial performance expressed as a percentage (Financial Factor) against award targets for each participant determined by the Board of Directors prior to the commencement of the three fiscal year period. The Company's financial results for the three fiscal year period are used in determining the Financial Factor to be used for that plan period when calculating the participants long-term incentive awards.

The long-term incentive for the officers provides for an opportunity of 25% of the annualized base salary (Target) to be awarded in cash at 100% achievement of the financial long-term objectives of EPS and ROE. The annualized base salary figure used is the salary in place for each participant as of January 2003. The resultant cash award (at 100% of the three fiscal year management plan) will be adjusted up or down as determined by actual financial performance expressed as a percentage (Financial Factor) at the end of the three fiscal year period.

In the event of a Change in Control (as defined in the Long-Term Incentive Plan) participants are entitled to receive awards within 15 days of the Effective Date (as defined in the Long-Term Incentive Plan) based on the Committee's estimate of the Company's financial performance through the end of the Long-Term Incentive Plan three fiscal year period in which such Change in Control occurs.

A participant must be employed by the Company at the end of the three fiscal year period to be eligible for any long-term incentive award except for a Change in Control as described above or as waived by the Committee for normal retirement and disability.

Mr. Hertzke received \$539,698 in cash in fiscal 2003 and \$165,060 in fiscal 2002 in restricted Common Stock pursuant to the Long-Term Incentive Plans for the three-year fiscal periods ended August 30, 2003 and August 31, 2002, respectively. These Long-Term Incentive Plans provided for incentive awards consisting of stock grants made in restricted shares of the Company's Common Stock, or at the election of a participating officer, in cash. The Board of Directors amended the Long-Term Incentive Plans three-year fiscal periods 2002, 2003 and 2004, 2003, 2004 and 2005 and 2004, 2005 and 2006 to provide that all awards payable under such Plans shall be made in cash.

Other long-term incentives, provided through grants of stock options to the named executives and others, are intended to retain and motivate executives to seek to improve long-term stock market performance. Stock options are granted at the prevailing market price and will only have value if the

Company's stock price increases. No option is exercisable until six months after the date such option is granted. Thereafter, options are exercisable during the period thereof at such time or times and in such amount or amounts as determined by the Committee. No option may be exercised more than ten years from the date of its grant. Executives

must be employed by the Company at the time of vesting in order to exercise options. The Committee awarded Mr. Hertzke stock options for 30,000 shares of the Company's Common Stock in both fiscal 2003 and fiscal 2002 under the 1997 Stock Option Plan.

Since all options are granted at the then-current market price, the value of an option bears a direct relationship to the Company's stock price and is an effective incentive for executives to create value for shareholders. The Committee, therefore, views stock options as an important component of its long-term performance-based compensation philosophy, but does not believe that granting options every year is necessary to achieve such goals.

No member of the Human Resources Committee is a current or former officer or employee of the Company or any of its subsidiaries.

Gerald C. Kitch Richard C. Scott Frederick M. Zimmerman

Members of the Human Resources Committee
of the Board of Directors

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PERFORMANCE GRAPH

The following graph compares the five-year cumulative total shareholder return (including reinvestment of dividends) of the Company with the cumulative total return on the Standard & Poor's 500 Index and a peer group.¹⁾ It is assumed in the graph that \$100 was invested in the Company's Common Stock, in the stock of the companies in the Standard & Poor's 500 Index and in the stocks of the peer group companies on August 28, 1998 and that all dividends received within a quarter were reinvested in that quarter. In accordance with the guidelines of the SEC, the shareholder return for each entity in the peer group index have been weighted on the basis of market capitalization as of each annual measurement date set forth in the graph.

Comparison of 5 Year Cumulative Total Return

Company Name/Index	8/28/98	8/27/99	8/26/00	8/25/01	8/30/02	8/30/03
Winnebago Industries, Inc.	100.00	219.86	118.24	261.87	358.74	464.72
S&P 500 Index	100.00	139.83	162.64	122.98	100.85	113.02
Peer Group ¹	100.00	96.94	64.54	82.16	86.47	121.88

- (1) The peer group companies, consisting of Coachmen Industries, Inc., Fleetwood Enterprises, Inc., Monaco Coach Corporation, National R.V. Holdings, Inc. and Thor Industries, Inc., were selected by the Company on the basis of the similarity of their business to that of the Company.

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REPORT OF THE AUDIT COMMITTEE

Notwithstanding anything to the contrary set forth in any of the Company's previous or future filings under the Securities Act of 1933 or the Securities Exchange Act of 1934 that might incorporate this Proxy Statement in whole or in part, the following report and the Audit Committee Charter attached hereto as Appendix A shall not be deemed to be incorporated by reference into any such filings.

The Audit Committee hereby reports as follows:

1. The Audit Committee has reviewed and discussed the audited financial statements for the fiscal year ended August 30, 2003 (the *Audited Financial Statements*) with Winnebago Industries, Inc.'s management.

2. The Audit Committee has discussed with Deloitte & Touche LLP, the Company's independent accountants, the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees), as in effect on the date of this Proxy Statement.

3. The Audit Committee has received the written disclosures and the letter from Deloitte & Touche LLP required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees), as in effect on the date of this Proxy Statement, and has discussed with Deloitte & Touche LLP its independence.

4. Based on the review and discussion referred to in paragraphs (1) through (3) above, the Audit Committee recommended to the Board of Directors of Winnebago Industries, Inc., and the Board has approved, that the Audited Financial Statements be included in Winnebago Industries, Inc.'s Annual Report on Form 10-K for the fiscal year ended August 30, 2003, for filing with the Securities and Exchange Commission.

A copy of the Audit Committee Charter, as last updated as of November 12, 2003, is attached to this Proxy Statement as Appendix A.

THE AUDIT COMMITTEE:

Joseph W. England (Chair)

Jerry N. Currie

Frederick M. Zimmerman

PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table presents fees for professional audit services rendered by Deloitte & Touche LLP for the audit of the Company's annual financial statements for the fiscal year ended August 30, 2003, and fees billed for other services rendered by Deloitte & Touche LLP during that period.

Audit fees ⁽¹⁾	\$ 244,500
Audit related fees ⁽²⁾	77,737
Tax fees ⁽³⁾	43,700
All other fees	<u> </u>
Total	<u>\$ 365,937</u>

(1) Audit Fees represent fees for professional services provided for the audit of the Company's annual financial statements and review of the Company's quarterly financial statements.

(2) Audit-Related Fees represent fees for the benefit plan audit and accounting consulting matters.

(3) Tax Fees represent fees for professional services related to tax compliance and tax planning.

The Audit Committee considered whether the provision of tax, actuarial and benefit plan services by Deloitte & Touche LLP, to the Company is compatible with maintaining the independence of Deloitte & Touche and concluded that the independence of Deloitte & Touche is not compromised by the provision of such services.

During fiscal 2001, the Board of Directors approved Executive Change of Control Agreements (the *Agreements*) for each of the named executive officers in the Summary Compensation Table as well as certain other executive officers. The purpose of the Agreements is to reinforce and encourage such executives to maintain objectivity and a high level of attention to their duties without distraction from the possibility of a change of control of the Company. These Agreements provide that in the event of a Change of Control of the Company, as that term is defined in the Agreements and summarized below, each such executive (*provided* such Change of Control occurs when the executive is in the employ of the Company) would receive, in the event he ceases to be employed by the Company within three years following a Change of Control of the Company (for a reason other than death, disability, willful misconduct, normal retirement or under certain circumstances a voluntary termination of employment by the executive), a lump sum equal to three times the average of the aggregate annual compensation paid to the executive during the three fiscal years preceding the Change of Control.

In addition, under the Agreements, if an executive's employment is terminated (other than as described above) within three years following a Change of Control (*provided* the Change of Control occurs when the executive is in the employ of the Company) the executive would be entitled to (i) life, dental, vision, long term disability and health insurance benefits for three years following such Change of Control (*provided* that in the case of the dental, vision and health insurance benefits, such benefits shall be extended to the time the executive reaches age 65), (ii) transfer of title to the company car, if any, then utilized by such executive to such executive, (iii) continued coverage, at the Company's expense, in the Executive Split Dollar Life Insurance Program, under certain circumstances until the later of the time the executive reaches age 55 or three years following the executive's termination, (iv) immediate vesting under the Company's Deferred Compensation and Deferred Bonus Plans and immediate vesting of all stock options and rights, (v) purchase by the Company, at the option of the executive, of any restricted stock then owned by the executive at the fair market value thereof and (vi) a cash payment of the amount necessary to ensure that the payments or value of the benefits listed in this paragraph and the immediately preceding paragraph are not subject to net reduction due to the imposition of federal excise taxes.

Under the Agreements, a Change of Control occurs when (i) any person or other entity (except for the Company and certain Hanson family members or certain related persons or entities to the Company or such Hanson family members) acquires 20% or more of the outstanding stock of the Company or (ii) individuals who shall qualify as Continuing Directors (as defined below) shall have ceased for any reason to constitute at least a majority of the Board of Directors of the Company; *provided, however*, that in the case of either clause (i) or (ii) a Change of Control shall not be deemed to have occurred if the event shall have been approved prior to the occurrence thereof by a majority of the Continuing Directors who shall then be members of such Board of Directors. *Continuing Director* means (i) any member of the Company's Board of Directors, while such person is a member of the Board, who is not an affiliate or associate of any person or group described in clause (i) of the preceding sentence (an *acquiring person*) or of any such acquiring person's affiliate or associate and was a member of the Board prior to the time when such acquiring person shall have become an acquiring person, and (ii) any successor of a Continuing Director, while such successor is a member of the Board, who is not an acquiring person or any affiliate or associate of any acquiring person or a representative or nominee of an acquiring person or of any affiliate or associate of such acquiring person and is recommended or elected to succeed the Continuing Director by a majority of the Continuing Directors.

CERTAIN TRANSACTIONS WITH MANAGEMENT

The Company maintains normal banking relations on customary terms with Manufacturer's Bank & Trust Company, Forest City and Crystal Lake, Iowa. Manufacturer's Bank & Trust Company is a wholly owned subsidiary

of MBT Corp. Mr. John V. Hanson owns approximately 33 1/3 percent of record and beneficially of MBT Corp. s outstanding stock. Mr. John V. Hanson is also a director of the Bank and MBT Corp. In addition, Mary Jo Boman, the wife of Gerald E. Boman, owns approximately 33 1/3 percent of record and beneficially of MBT Corp. s outstanding stock and is a director of the Bank and MBT Corp.

In October 2003, pursuant to an authorization of the Board of Directors, the Company repurchased 1,450,000 shares of its common stock from Hanson Capital Partners, LLC (*HCP*). HCP is a Delaware limited liability company whose members are the Luise V. Hanson Qualified Terminable Interest Property Marital Deduction Trust (the *QTIP Trust*), which has a 34.9 percent membership interest in HCP, the Luise V. Hanson Revocable Trust, dated September 22, 1984 (the *Revocable Trust*), which has a 64.4 percent membership interest in HCP, the John V. Hanson Family Trust, which has a .2% membership interest in HCP, the Paul D. Hanson Family Trust, which has a .2% membership interest in HCP and the Mary Joan Boman Family Trust, which has a .2% membership interest in HCP. John V. Hanson, a director of the Company, Mary Jo Boman, the wife of Gerald E. Boman, a director of the company, Paul D. Hanson and Bessemer Trust Company, N.A. act as co-trustees under the QTIP Trust and the Revocable Trust. The shares were repurchased for an aggregate purchase price of \$63,979,075 (\$44.1235 per share), plus interest in the approximate amount of \$80,000. The agreement to repurchase the shares provided that the purchase price per share is at a 15 percent discount to the closing price on the New York Stock Exchange of \$51.91 on October 17, 2003. The Company will utilize its cash on hand and cash becoming available from maturing fixed income securities to pay the purchase price of the stock in two installments (with the final installment to be paid in November 2003) with interest at the rate of two percent per annum on the outstanding balance.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934, as amended (the *Exchange Act*) requires the Company s officers and directors and persons who own more than ten percent of the Company s Common Stock (collectively *Reporting Persons*) to file reports of ownership and changes in ownership with the Securities and Exchange Commission (the *SEC*) and the New York Stock Exchange. Reporting Persons are required by the SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. Based solely on its review of the copies of such forms received or written representations from certain Reporting Persons that no Forms 5 were required for those persons, the Company believes that, during fiscal year 2003, all the Reporting Persons complied with all applicable filing requirements, with the exception of Gerald Boman, who filed one late report reporting four transactions; Mary Joan Boman, who filed one late report reporting one transaction; Messrs. England, Kitch, Scott and Zimmerman who each filed one late report reporting one transaction; and Messrs. Barker, Beebe, Gossett, Hertzke, Hrubes, Olson and Soczek who each filed one late report reporting two transactions.

ITEM 2

PROPOSAL TO APPROVE WINNEBAGO INDUSTRIES, INC.'S 2004 INCENTIVE COMPENSATION PLAN

On October 15, 2003, the Board and the independent Human Resources Committee of the Board (the *Committee*) approved the Winnebago Industries, Inc. 2004 Incentive Compensation Plan (the *Plan*) and its submission to the shareholders for their approval. The Company has elected to propose this Plan at this time in order to:

present shareholders with the opportunity to assess and approve all forms of incentive compensation provided by the Company;

obtain the requisite shareholder approval in order to deduct certain performance-based compensation under Section 162(m) of the Internal Revenue Code (the *Code*); and

streamline the former incentive compensation procedures and develop an incentive compensation strategy for the Company.

The purposes of the Plan are to align the interests of the Company's key employees and non-employee directors to the interests of the Company's shareholders while rewarding outstanding contributions to the success and profitability of the Company. The Plan will also strengthen the Company's ability to attract and retain talented employees and non-employee directors.

The Plan is intended to provide the Company the means by which to grant annual incentive compensation (*i.e.*, bonuses) as well as long-term incentive compensation to its employees. The types of awards that will be used for officers under the Plan are primarily performance-based cash and stock awards and stock options. It is the intent of the Board that long-term performance awards will be tied to total shareholder return over a three-year period relative to industry peers and short-term performance awards will be tied to annual financial and operating measures.

The Plan also allows the Company to provide equity compensation to its non-employee directors. The Board intends to use its discretion under the Plan to continue awarding options for 10,000 shares upon a non-employee director's first election to the Board, as well as annually awarding non-employee directors options for 2,000 shares. However, the Plan provides the Board with the flexibility to grant additional equity awards to non-employee directors if it determines that additional grants are appropriate.

The Plan will replace, on a prospective basis, the Winnebago Industries, Inc. 1997 Stock Option Plan (the *Prior Plan*). If the Plan is approved by the shareholders, no new grants will be made from the Prior Plan. Any awards previously granted under the Prior Plan shall continue to vest and/or be exercisable in accordance with their original terms and conditions.

Description of the 2004 Incentive Compensation Plan

The following is a summary of the terms of the Plan and is qualified in its entirety by reference to the complete text of the Plan, which is attached to this proxy statement as Appendix B.

Eligibility. Employees eligible to be considered for awards under the Plan are those employees who hold positions of responsibility and whose performance, in the judgment of the Human Resources Committee or such other independent Committee of the Board as is designated by the Board to administer the Plan (the *Committee*), can have a significant effect on the success of the Company. All non-employee directors are also eligible to be considered for awards under the Plan. As of November 10, 2003, there were nine executive officers, approximately 60 other employees and seven non-employee directors who would be eligible to participate in the 2004 Incentive Compensation Plan.

Shares Available for Awards. No more than 2,000,000 shares of common stock may be issued under the Plan (representing approximately 11.8% of the common stock outstanding at November 10, 2003). No more than 1,000,000 of these shares may be used for awards other than stock options or stock appreciation rights. The closing price per share of common stock on November 10, 2003, was \$54.39.

Shares subject to awards that are forfeited, terminated, expire unexercised, settled in cash, exchanged for other awards, tendered to satisfy the purchase price of an award, withheld to satisfy tax obligations or otherwise lapse again become available for awards. Shares delivered in settlement, assumption, or substitution of awards granted by another entity as a result of an acquisition do not reduce the number of shares available under the Plan.

The Board may make appropriate adjustments in the number of shares available under the Plan to reflect any stock split, stock dividend, recapitalization, reorganization, consolidation, merger, combination or exchange of shares or other similar event.

Administration. The Human Resources Committee has been designated by the Board to administer all employee awards under the Plan. The Committee has