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MAIL WELL INC
Form DEF 14A
March 16, 2004

SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934 (AMENDMENT NO.)

Filed by the Registrant /X/

Filed by a Party other than the Registrant / /

Check the appropriate box:

/ / Preliminary Proxy Statement / / Confidential, for Use of the
/X/ Definitive Proxy Statement Commission Only (as permitted
by Rule 14a-6(e)(2))

/ / Definitive Additional Materials
/ / Soliciting Material Pursuant to
Rule 14a-11(c) or Rule 14a-12

MAIL-WELL, INC.
(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

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

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

MAIL-WELL, INC.

[LOGO]

8310 South Valley Highway, #400
Englewood, Colorado 80112
(303) 790-8023

NOTICE OF ANNUAL MEETING AND PROXY STATEMENT

To Our Stockholders:

On Thursday, April 29, 2004, Mail-Well will hold its 2004 annual meeting of stockholders at its principal executive offices, 8310 South Valley Highway, #400, Englewood, Colorado. The meeting will begin at 8:30 a.m. Mountain Time.

Stockholders who owned shares of our common stock at the close of business on March 5, 2004, may attend and vote at the meeting. We ask that all stockholders be present at the meeting in person or by proxy so that we have a quorum. At the meeting, you will be asked to:

1. Elect seven directors for terms expiring at the 2005 annual meeting of stockholders;
2. Amend our articles of incorporation to change our corporate name to "Cenveo, Inc.";
3. Amend our long-term equity incentive plan to (a) increase by 3,025,000 the number of shares which may be granted under the plan and (b) amend the limitation that only 800,000 shares may be granted as awards other than options;
4. Ratify the selection of Ernst & Young, LLP as our independent

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auditors for 2004; and

- 5. Attend to any other business properly presented at the meeting.

We do not know of any other business that will come before the meeting. In order to vote without attending the meeting, you may sign and date the enclosed proxy card and return it in the postage prepaid envelope.

A copy of our 2003 Annual Report is enclosed. This notice and proxy statement, the proxy card and the 2003 Annual Report are being mailed on or about March 19, 2004.

Regardless of whether you plan to attend the meeting in person, we urge you to vote in favor of each of the proposals as soon as possible.

By Order of the Board of Directors,

Mark L. Zoeller
Vice President-General Counsel and Secretary

Englewood, Colorado
March 19, 2004

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QUESTIONS AND ANSWERS

1. Q: WHY AM I RECEIVING THESE MATERIALS?
A: The Board of Directors of Mail-Well is providing these proxy materials to you in connection with Mail-Well's annual meeting of stockholders which will take place on April 29, 2004. As a stockholder, you are invited to attend the meeting and may vote on the proposals described in this proxy statement.
2. Q: WHAT INFORMATION IS CONTAINED IN THESE MATERIALS?
A: The information included in this proxy statement relates to the proposals to be voted on at the meeting, the voting process, the compensation of directors and executive officers and certain other required information. Our 2003 Annual Report is also enclosed.
3. Q: WHO MAY VOTE AT THE MEETING?
A: Only stockholders of record at the close of business on March 5, 2004, may vote at the meeting. As of the record date, 48,348,123 shares of Mail-Well's common stock were issued and outstanding. Each stockholder is entitled to one vote for each share of common stock held on the record date.
4. Q: WHAT IS THE DIFFERENCE BETWEEN HOLDING SHARES AS A STOCKHOLDER OF RECORD AND AS A BENEFICIAL OWNER?
A: Most stockholders hold shares through a stockbroker, bank or other nominee rather than directly in their own name. There are some distinctions between shares held of record and shares owned beneficially, which are summarized below:
- Stockholder of Record. If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, Inc., you are considered to be the stockholder of record of those shares and these proxy materials are being sent directly to you by Mail-Well. As the stockholder of record, you have the right to vote by proxy or to vote in person at the meeting. In that case, we have enclosed a proxy card for you to use.
- Beneficial Owner. If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by your broker or bank which is considered to be the

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stockholder of record of those shares. As the beneficial owner, you have the right to direct your broker how to vote and are also invited to attend the meeting. If you wish to vote these shares at the meeting, you must contact your bank or broker for instructions as to how to do so. Your broker or bank has enclosed a voting instruction card for you to use in directing the broker or nominee how to vote your shares for you.

5. Q: WHAT MAY I VOTE ON AT THE MEETING?
A: You may vote to elect seven nominees to serve on Mail-Well's Board of Directors for terms expiring at the next annual meeting, to amend our articles of incorporation to change our corporate name to "Cenveo, Inc.," to amend our long-term equity incentive plan and to ratify the selection of Ernst & Young, LLP as our independent auditors for 2004.

6. Q: HOW DOES THE BOARD OF DIRECTORS RECOMMEND I VOTE?
A: The Board of Directors recommends that you vote your shares FOR each of the seven listed director nominees, FOR the amendment to our articles of incorporation, FOR the amendment of our long-term equity incentive plan and FOR the ratification of the independent auditors.

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7. Q: HOW CAN I VOTE MY SHARES?
A: You may vote either in person at the meeting or by appointing a proxy. Please refer to the instructions included on your proxy card to vote by proxy. If you hold your shares through a bank, broker or other record holder, then you may vote by the methods your bank or broker makes available using the instructions the bank or broker has included with this proxy statement.

8. Q: HOW ARE VOTES COUNTED?
A: In the election of directors, you may vote FOR all of the director nominees or your vote may be WITHHELD with respect to one or more nominees. You may vote FOR, AGAINST or ABSTAIN on the proposals to amend the articles of incorporation to change our corporate name, amend our long-term equity incentive plan and ratify the auditors.

9. Q: HOW ARE ABSTENTIONS AND BROKER NON-VOTES TREATED?
A: Assuming a quorum is present at the meeting, if a majority of our outstanding shares vote in favor of a proposal, then the proposal will be approved (other than in the election of directors). Abstentions and broker non-votes will be counted for purposes of determining whether a quorum is present. Abstentions and broker non-votes will have the effect of voting against the proposals.

10. Q: CAN I CHANGE MY VOTE?
A: You have the right to revoke your proxy at any time before the meeting by:

o providing written notice to Mail-Well's corporate

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- o secretary that you revoke your proxy,
- o voting in person at the meeting, or
- o appointing a new proxy before the meeting begins.

Attending the meeting will not by itself revoke a proxy unless you specifically revoke your proxy in writing.

11. Q: WHO WILL COUNT THE VOTES?
A: ADP/Investor Communication Services will count the votes and Jeff Dykes, our assistant secretary, will report on the results at the meeting as the inspector of election.
12. Q: WHAT DOES IT MEAN IF I GET MORE THAN ONE PROXY CARD?
A: If your shares are registered differently and are held in more than one account, then you will receive more than one proxy card. Be sure to vote all of your accounts so that all of your shares are voted. We encourage you to have all accounts registered in the same name and address whenever possible. You can do this by contacting ADP/Investor Communication Services at 51 Mercedes Way, Edgewood, New Jersey 11717, phone (631) 274-8024.
13. Q: HOW WILL VOTING ON ANY OTHER BUSINESS BE CONDUCTED?
A: We do not know of any business to be considered at the meeting other than:
- o election of seven directors,
 - o amendment of our articles of incorporation to change our corporate name to Cenveo, Inc.,
 - o amendment of our long-term equity incentive plan to (a) increase by 3,025,000 the number of shares which may be granted under the plan and (b) amend the limitation that only 800,000 shares may be granted as awards other than options, and
 - o ratification of our independent auditors.
- If any other business is properly presented at the meeting, your proxy gives Herbert H. Davis, our senior vice president--corporate development and chief legal officer, and Mark L. Zoeller, our vice president--general counsel and secretary, authority to vote on these matters in their discretion.
14. Q: WHO MAY ATTEND THE MEETING?
A: All stockholders who owned shares of our common stock on March 5, 2004 may attend the meeting. You may indicate on the enclosed proxy card if you plan to attend the meeting.

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15. Q: WHERE AND WHEN WILL I BE ABLE TO FIND THE RESULTS OF THE VOTING?
A: The results of the voting will be announced at the meeting. We will also publish the final results in our quarterly report on Form 10-Q for the second quarter of 2004 to be filed with the Securities and Exchange Commission.
16. Q: IS MY VOTE CONFIDENTIAL?

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- A: Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within Mail-Well or to third parties except:
- o as necessary to meet applicable legal requirements,
 - o to allow for the counting and certification of votes, or
 - o to help our Board solicit proxies.
17. Q: WHEN ARE STOCKHOLDER PROPOSALS FOR THE 2005 ANNUAL MEETING DUE?
- A: All stockholder proposals to be considered for inclusion in our proxy statement for the 2005 annual meeting must be received by our corporate secretary at our principal office by November 10, 2004.
18. Q: WHO WILL BEAR THE COST OF SOLICITING PROXIES FOR THE MEETING AND HOW WILL THESE PROXIES BE SOLICITED?
- A: We will pay the cost of preparing, assembling, printing, mailing and distributing these proxy materials, including the charges and expenses of brokers, banks, nominees and other fiduciaries who forward proxy materials to their principals. Proxies may be solicited by mail, in person, by telephone or by electronic communication by our officers and employees who will not receive any additional compensation for these solicitation activities.

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PROPOSALS TO BE VOTED ON

PROPOSAL 1--ELECTION OF DIRECTORS

Seven directors will be elected this year for terms expiring in 2005. The nominees for election are:

Paul V. Reilly Thomas E. Costello Martin J. Maloney David M. Olivier
Jerome W. Pickholz Alister W. Reynolds Susan O. Rheney

Each nominee is currently serving as a director of Mail-Well. Each person elected as a director will serve until the 2005 annual meeting of stockholders or until his or her successor has been elected and qualified.

The seven nominees receiving the most affirmative votes at the meeting will be elected as directors assuming a quorum is present. Consequently any shares not voted at the meeting, whether by abstention or otherwise, will have no effect on the election of directors. If any of the nominees should unexpectedly decline or become unable to serve, the proxies we are soliciting may be voted for a substitute nominee or the Board may reduce the

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number of directors to be elected. Stockholders may not cumulate their votes when electing directors.

Brief biographies of the director nominees are included beginning at page 6. These biographies include their age, business experience and the names of publicly held and certain other corporations of which they are also directors. Unless stated otherwise, each director has been engaged in his or her present occupation for at least the past five years.

The Board recommends a vote FOR election of these seven director nominees.

PROPOSAL 2--AMENDMENT OF OUR ARTICLES OF INCORPORATION TO CHANGE OUR CORPORATE NAME TO "CENVEO, INC."

On October 29, 2003, we announced that we were reorganizing Mail-Well into two business segments which focus on Mail-Well's customer base: commercial and resale. Our commercial segment serves the needs of direct customers while our resale segment serves wholesalers and value-added resellers. This reorganization is part of our overall strategy to align our business to our customers' needs. To further the goals of our reorganization and our strategy, our Board approved management's recommendation that we conduct our business under a new name: "Cenveo" (senn-VAY-oh). By adopting a new common name for each of our operating locations, we believe we will be better able to execute our "total customer solutions" strategy which offers customers one-stop shopping for all of their visual communications needs.

To conform our corporate name with the name under which we will be doing business, on February 5, 2004, our Board approved the following amendment to Article I of our articles of incorporation: "The name of the corporation is Cenveo, Inc."

Our Board believes that changing our corporate name from Mail-Well to Cenveo is the natural next step in our strategy to unite our company and differentiate our brand. The Cenveo name - which will replace the multiple names of our local and regional companies - is expected to strengthen our identity with customers and raise our profile as the industry's most capable "total solutions" provider. In addition to being a major building block in our sales strategy, the new name will reinforce our workplace identity as one company with 10,000 employees working together to maximize our resources, strengths and opportunities.

You are being asked to approve the change of our corporate name to "Cenveo, Inc." The amendment to our articles of incorporation must be approved by the affirmative vote of a majority of our outstanding shares and then filed with the Colorado Secretary of State before it becomes effective.

The Board recommends a vote FOR this amendment to our articles of incorporation to change our corporate name to "Cenveo, Inc."

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PROPOSAL 3--AMENDMENT OF OUR LONG-TERM EQUITY INCENTIVE PLAN

You are being asked to amend our long-term equity incentive plan to (a)

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increase by 3,025,000, from 4,425,000 to 7,450,000 the number of shares which may be issued under the plan and (b) amend the limitation that only 800,000 shares may be granted as awards other than options. The amendments to our long-term equity incentive plan are described beginning at page 22. The amendments will be effective if they are approved by the affirmative vote of a majority of our outstanding shares.

This plan promotes the interests of Mail-Well and our stockholders by:

- o attracting and retaining key officers, employees, directors and consultants,
- o motivating these individuals by granting them performance-related incentives to achieve long-range performance goals, and
- o linking their compensation to the long-term interests of Mail-Well and our stockholders.

The Board recommends a vote FOR amendment of our long-term equity incentive plan to (a) increase by 3,025,000 from 4,425,000 to 7,450,000 the number of shares which may be issued under the plan and (b) amend the limitation that only 800,000 shares may be granted as awards other than options.

PROPOSAL 4--RATIFICATION OF SELECTION OF INDEPENDENT AUDITORS

The firm of Ernst & Young, LLP served as our independent auditor for 2003 and our audit committee has selected the firm as our independent auditors for 2004. Representatives of Ernst & Young will attend the annual meeting and will have the opportunity to make a statement and to answer questions.

The following audit services were performed by Ernst & Young for the year ended December 31, 2003:

- o examination of the financial statements of Mail-Well and our subsidiaries and employee benefit plans,
- o services related to our filings with the Securities and Exchange Commission, and
- o consultation on matters related to accounting and financial reporting.

Additional information concerning Ernst & Young's services for Mail-Well can be found on pages 26-28. The affirmative vote of a majority of our outstanding shares will ratify the selection of Ernst & Young as our independent auditors.

The Board recommends a vote FOR ratification of Ernst & Young as our independent auditor for 2004.

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NOMINEES FOR THE BOARD OF DIRECTORS

Biographies

- o Paul V. Reilly
 - o Thomas E. Costello
 - o Martin J. Maloney
 - o David M. Olivier
 - o Jerome W. Pickholz
-

The following nominees are currently serving as Board members of Mail-Well and are standing for re-election.

PAUL V. REILLY

Paul Reilly, age 51, has served as our president, chief executive officer and chairman of the Board since 2001. He has been a director since 1998. Mr. Reilly was our president and chief operating officer from 1998 to 2001 and was senior vice president--finance and chief financial officer from 1995 to 1998. Mr. Reilly spent 14 years with Polychrome Corporation, a prepress supplier to the printing industry, where he held a number of positions including assistant corporate treasurer, corporate treasurer, vice president and chief financial officer and general manager of United States operations. Mr. Reilly is a certified public accountant.

THOMAS E. COSTELLO

Thomas Costello, age 64, became a director in 2003. From 1991 through retirement in 2002, Mr. Costello served as chief executive officer of Xpedx, a multi-billion dollar distributor of printing and packaging products, and senior vice president of International Paper Co. Xpedx is a wholly owned division of International Paper. He is also a director of Cadmus Communications Corporation, a customized printer, and Intertape Polymer Group, a manufacturer of tape for plastic packaging. Mr. Costello is a member of our compensation and human resources committee and our health, safety and environmental committee.

MARTIN J. MALONEY

Martin Maloney, age 59, became a director in 2003. Since 1984 Mr. Maloney has served as chairman and co-founder of Broadford and Maloney, Inc., an agency specializing in public relations, advertising and marketing communications for graphic arts related companies. Since 1989 he has served on the Board of advisors of the New York University Center for Graphic Arts Management. He is also a director of the Association of Graphic Communications and serves on the board of governors of Legatus. Mr. Maloney served as internal auditor and prepared annual reports for companies for over 20 years. Mr. Maloney is a member of our audit committee and our compensation and human resources committee.

DAVID M. OLIVIER

David Olivier, age 60, became a director in 2003. Mr. Olivier was with Wyeth

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Corporation, a pharmaceutical company, and its affiliated entities for over 35 years when he retired in 2002. He was a director and senior vice president at the time of his retirement. He is also a director of Summerset Medical Center, a director and advisor to Taratec, a management consulting company, and an advisor to AIG Healthcare Partners, a private equity firm. Mr. Olivier is a member of our compensation and human resources committee and our health, safety and environmental committee.

JEROME W. PICKHOLZ

Jerome Pickholz, age 71, has been a director since 1994. Mr. Pickholz is chairman emeritus of Ogilvy & Mather Direct Worldwide, a direct advertising agency, where he served as chief executive officer from 1978 until 1994, and as chairman in 1994 and 1995. Mr. Pickholz served as founder and chairman of Pickholz, Tweedy, Cowan, L.L.C., a marketing communications company, from 1996 until 2001 and he has been a direct marketing consultant since 2001. He is a certified public accountant. Mr. Pickholz serves as chair of our audit committee and is a member of our governance and nominating committee.

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- o Alister W. Reynolds
- o Susan O. Rheney

ALISTER W. REYNOLDS

Alister Reynolds, age 46, has been a director since 2002. Mr. Reynolds has been employed by Quest Diagnostics, Inc., a provider of diagnostic laboratory testing services, and its former parent company, Corning Incorporated, since 1982 in various positions, including senior vice president-United States operations and, most recently, senior advisor to the office of the chairman. Mr. Reynolds received an MBA in finance from Cornell University. He is also a director of Soma Logic Incorporated, a privately held biotechnology company, Health Care Waste Solutions and Viecore, Inc., a privately held software integration company. Mr. Reynolds serves as chairman of our compensation and human resources committee and is a member of our audit committee.

SUSAN O. RHENEY

Susan Rheney, age 44, has been a director since 2003. Ms. Rheney previously served as a director of Mail-Well from 1993 to 1997. She was a principal in The Sterling Group, L.P., a private investment company, from 1992 to 2001. Ms. Rheney is also a director of Genesis Energy LP, an oil pipeline company, and Texas Petrochemical Holdings, Inc., a chemical manufacturer. From 1999 through 2003 she served as a director of American Plumbing and Mechanical, Inc., a plumbing contractor. Texas Petrochemical filed a voluntary petition for reorganization under Chapter 11 of the United States Bankruptcy Code in July 2003. In connection with this filing, the holder of discount notes issued by Texas Petrochemical filed a lawsuit against the directors and officers of Texas Petrochemical in December 2003. Ms. Rheney received an MBA from Harvard University. She is a certified public accountant and was a public accounting auditor for the accounting firm of Deloitte & Touche. Ms.

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Rheney is a member of our audit committee and our governance and nominating committee.

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GOVERNANCE, BOARD COMMITTEES AND BOARD COMPENSATION

NOMINATION OF DIRECTORS

Our governance and nominating committee identifies and selects, or recommends that the Board select, the director nominees for each annual meeting of stockholders using the criteria set forth in our corporate governance guidelines. Our guidelines provide that all directors must have such education, training, experience, skills and expertise as will allow him or her to perform the duties of a director. The committee has not established any specific minimum qualification standards for Board nominees. However, the committee may identify certain skills or attributes as being particularly desirable for specific director nominees in order to complement the existing Board composition.

To date, the committee has identified and evaluated nominees for directors based on several factors, including:

- o referrals from our management, existing directors and advisors,
- o business and industry experience,
- o education,
- o diversity,
- o leadership abilities,
- o professional reputation and affiliation, and
- o personal interviews.

The committee currently has no policy in place regarding the consideration of director candidates recommended by stockholders and generally will not consider nominees recommended by stockholders. Instead, it considers nominees identified in the manner described above. We believe that our independent committee can successfully identify appropriate candidates for our board. Mail-Well does not currently pay any fee to a third party to identify or evaluate potential director nominees, although it may retain search firms to assist in finding qualified candidates.

This year each nominee is an existing director standing for re-election. We did not receive any unsolicited proposals for director nominees from stockholders. Two of our current directors, Mr. Frank Diassi and Mr. Frank J. Hevrdejs, have declined the committee's nomination for re-election as a director at the annual meeting for personal reasons. The Board size will be set at seven directors on April 29, 2004, and the committee will continue to seek qualified potential director candidates.

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CORPORATE GOVERNANCE

Our Board and management are committed to diligently exercising their oversight responsibilities throughout Mail-Well and managing our affairs consistent with the highest principles of business ethics. We have adopted a code of business conduct and ethics that applies to all employees, including our senior officers. We continue to review our corporate governance policies and practices along with the provisions of the Sarbanes-Oxley Act of 2002, the new rules of the Securities and Exchange Commission and the new listing standards of the New York Stock Exchange. Since our 2003 annual stockholders meeting the Board has:

- o updated our corporate governance guidelines,
- o updated the charter for our audit committee,
- o updated the charter for our compensation and human resources committee,
- o affirmatively determined that all of our directors and director nominees, except for Mr. Reilly, qualify as independent directors as defined by the rules of the New York Stock Exchange and our corporate governance guidelines, and
- o affirmatively determined that three of our directors qualify as an audit committee financial expert under the rules of the Securities and Exchange Commission.

You can view the current committee charters for three of our Board committees, our corporate governance guidelines and our code of business conduct and ethics on our website at www.mailwell.com under "investor relations--governance," or receive copies by writing to our corporate secretary at Mail-Well, Inc., 8310 South Valley Highway, #400, Englewood, Colorado 80112, phone 303-790-8023.

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BOARD PROCEDURES AND COMMITTEES

Our full Board of directors considers all major decisions. However, we have established an audit committee, a compensation and human resources committee, a governance and nominating committee, and a health, safety and environmental committee so that some matters can be addressed in more depth than may be possible in a full Board meeting. These four committees each operate under a written charter. The Board has affirmatively determined that each member of the following committees are independent as defined by Sections 303.01(B)(2)(a) and (3) and 303A of the New York Stock Exchange's listing standards and our corporate governance guidelines.

Governance and Nominating Committee. The current members of the governance and nominating committee are Mr. Hevrdejs (Chair), Mr. Diassi, Mr. Pickholz and Ms. Rheney. This committee:

- o identifies candidates for open director positions,
- o selects, or recommends that our Board select, the director nominees for each annual stockholders meeting,
- o oversees the evaluation of our Board's effectiveness, and
- o develops and recommends to our Board our corporate governance principles.

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The governance and nominating committee met four times in 2003.

Health, Safety and Environmental Committee. The current members of our health, safety and environmental committee are Mr. Diassi (Chair), Mr. Costello and Mr. Olivier. This committee reviews with management:

- o our health, safety and environmental policies and plans,
- o our safety results, including employee incident rates,
- o our compliance with health, safety and environmental laws, and
- o our programs and procedures for promoting safety and protecting the environment.

This committee met four times in 2003.

Audit Committee. The current members of our audit committee are Mr. Pickholz (Chair), Mr. Hevrdejs, Mr. Maloney, Mr. Reynolds and Ms. Rheney. The Board has determined that Mr. Pickholz and Ms. Rheney are each audit committee financial experts and that each member of the committee is financially literate and independent under the New York Stock Exchange's listing standards. A description of each committee member's qualifications and business experience is found beginning on page 6. The audit committee met four times during 2003. Our audit committee:

- o monitors the integrity of our financial statements, including our financial reporting process,
- o monitors our systems of internal controls regarding finance, accounting, and compliance with legal and regulatory requirements,
- o monitors the independence and performance of our independent auditor,
- o monitors the performance of our internal audit function and our financial executives,
- o reviews our annual and quarterly financial statements and earnings press releases, and
- o annually retains our independent auditor and approves the terms and scope of the work to be performed.

For more information on the audit committee, see the report of the audit committee beginning at page 26.

Compensation and Human Resources Committee. The current members of our compensation and human resources committee are Mr. Reynolds (Chair), Mr. Costello, Mr. Maloney and Mr. Olivier. This committee:

- o reviews and administers our executive compensation programs,
- o reviews matters relating to management advancement and succession,
- o reviews and recommends to our Board the compensation for our officers and directors, including incentive compensation plans and equity-based plans, and
- o reviews and approves corporate goals for our chief executive officer's compensation and evaluates his performance of those goals.

The compensation and human resources committee held six meetings in 2003. For more information on the compensation and human resources committee, see the report of the compensation and human resources committee beginning at page 20.

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BOARD MEETINGS AND ATTENDANCE

Our Board met six times during 2003. Each director attended at least 75% of our Board meetings and the meetings of the Board committees on which they served, except for Mr. Hevrdejs who attended 69%. We strongly encourage each director to attend our annual stockholders meetings, although this is not stated in a formal policy. In 2003, all of our directors attended the annual meeting.

Our corporate governance guidelines provide that each regular Board meeting be scheduled for at least eight hours, including at least one hour for executive sessions of our independent directors. All non-management directors meet in executive session at each regular Board meeting. These executive sessions are chaired by the non-management director then serving as lead director. Our non-management directors serve as lead directors on a rotating basis each quarter based on their tenure on the Board. In 2004 Mr. Hevrdejs will serve as lead director during the first quarter, Mr. Pickholz will serve during the second quarter, Mr. Reynolds will serve during the third quarter and Mr. Costello will serve during the fourth quarter.

COMPENSATION AND HUMAN RESOURCES COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

No member of the compensation and human resources committee is an officer, or former officer, or employee of Mail-Well. No executive officer of Mail-Well had any interlocking relationship with any other for-profit entity during 2003.

BOARD COMPENSATION

During 2003 each non-employee director received:

- o an annual retainer of \$20,000,
- o 3,424 shares of restricted stock valued at \$9,998 on May 1, 2003,
- o \$1,500 for each Board meeting attended in person,
- o \$750 for each Board or committee meeting attended by telephone,
- o \$1,000 for each Board committee meeting attended in person, and
- o non-qualified options for 5,000 shares of common stock under our long-term equity incentive plan described on page 17. These options may be exercised six months following the grant date.

In addition, the chairman of the audit committee received \$7,500, the chairman of the compensation and human resources committee received \$5,000 and the chairmen of the other Board committees received \$3,500. Directors who are employees of Mail-Well do not receive compensation for their service on the Board. Board members are reimbursed for expenses incurred in connection with their attendance at Board meetings and in complying with our corporate governance policies. Mail-Well also provides directors' and officers' liability insurance and indemnity agreements for its directors.

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OWNERSHIP OF VOTING SECURITIES

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This chart shows the common stock ownership for each director and director nominee, the executive officers named on page 13, and owners of more than 5 percent of our outstanding common stock as of March 5, 2004. Each stockholder has direct ownership and sole voting and investment power for the shares listed unless otherwise noted.

| BENEFICIAL OWNERS | AMOUNT OF SHARES BENEFICIALLY OWNED | PERCENTAGE OF COMMON STOCK OUTSTANDING |
|---|--|--|
| 5% Holders | | |
| Wallace R. Weitz & Company 1125 South 103 Street, Suite 600 Omaha, Nebraska 68124 | 12,125,400 | (1) |
| Mail-Well 401(k) Savings and Retirement Plan c/o Mail-Well, Inc. 8310 S. Valley Hwy., #400 Englewood, Colorado 80112 | 2,776,373 | (2) |
| FMR Corp. 82 Devonshire Street Boston, Massachusetts 02109 | 2,533,100 | (3) |
| Mail-Well Employee Stock Ownership Plan (ESOP) c/o Mail-Well, Inc. 8310 S. Valley Hwy., #400 Englewood, Colorado 80112 | 2,524,285 | (2) |
| Directors and Executive Officers | | |
| Paul V. Reilly | 974,644 | (4) |
| Thomas E. Costello | 13,424 | (5) |
| Frank P. Diassi | 1,251,275 | (6) |
| Frank J. Hevrdejs | 1,770,635 | (7) |
| Martin J. Maloney | 13,424 | (8) |
| David M. Olivier | 13,424 | (9) |
| Jerome W. Pickholz | 87,311 | (10) |
| Alister W. Reynolds | 105,321 | (11) |
| Susan O. Rheney | 64,600 | (12) |
| Gordon A. Griffiths | 134,497 | (13) |
| Robert A. Hart | 120,997 | (14) |
| Herbert H. Davis III | 128,947 | (15) |
| Michel Salbaing | 92,879 | (16) |
| All directors and executive officers as a group (20 persons) | 3,553,805 | (17) |