

J&J SNACK FOODS CORP
Form DEF 14A
December 20, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

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

Filed by the Registrant x
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Check the appropriate box:

- o Preliminary Proxy Statement
- o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to Rule §240.14a-12

J & J SNACK FOODS CORP.

(Name of Registrant as Specified In Its Charter)

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

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
February 7, 2013

TO OUR SHAREHOLDERS:

The annual Meeting of Shareholders of J & J SNACK FOODS CORP. will be held on Wednesday, February 7, 2013 at 10:00 A.M., E.S.T., at The Crowne Plaza, 2349 West Marlton Pike (Route 70), Cherry Hill, New Jersey 08002 for the following purpose:

1. To elect one director;
2. To have an advisory vote on the approval of compensation of the Company's executive officers;
3. To consider and act upon such other matters as may properly come before the meeting and any adjournments thereof;

The Board of Directors has fixed December 11, 2012 as the record date for the determination of shareholders entitled to vote at the Annual Meeting. Only shareholders of record at the close of business on that date will be entitled to notice of, and to vote at, the Annual Meeting.

YOU ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING IN PERSON. WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING IN PERSON, YOU ARE URGED TO SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY. A SELF-ADDRESSED, STAMPED ENVELOPE IS ENCLOSED FOR YOUR CONVENIENCE. NO POSTAGE IS REQUIRED IF MAILED IN THE UNITED STATES.

By Order of the Board of Directors

Dennis G. Moore,
Secretary

December 20, 2012

TABLE OF CONTENTS

	Page
PROXY STATEMENT	1
PROPOSAL ONE – INFORMATION CONCERNING NOMINEE FOR ELECTION TO BOARD	4
INFORMATION CONCERNING CONTINUING DIRECTORS AND EXECUTIVE OFFICERS	4
CORPORATE GOVERNANCE	5
BENEFICIAL OWNERSHIP OF SHARES	9
COMPENSATION DISCUSSION AND ANALYSIS	10
EXECUTIVE COMPENSATION SUMMARY COMPENSATION TABLE	13
OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END	14
GRANTS OF PLAN-BASED AWARDS IN FISCAL 2012	15
OPTION EXERCISES	15
CERTAIN TRANSACTIONS	15
POTENTIAL PAYMENT UPON TERMINATION OR CHANGE IN CONTROL	16
REPORT OF THE AUDIT COMMITTEE	16
INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS	17
PROPOSAL TWO –AN ADVISORY VOTE ON APPROVAL OF COMPENSATION OF EXECUTIVES	18
OTHER MATTERS	18
ANNUAL REPORT TO SHAREHOLDERS AND FORM 10-K	18

ABOUT THE MEETING

Why did you send me this proxy statement?

We sent this proxy statement and the enclosed proxy card to you because our Board of Directors is soliciting your proxy to vote at the 2013 Annual Meeting of Shareholders. This proxy statement summarizes information concerning the matters to be presented at the meeting and related information that will help you make an informed vote at the meeting. This proxy statement and the accompanying proxy card are first being mailed to shareholders on or about December 20, 2012.

When is the annual meeting?

The annual meeting will be held on Wednesday, February 7, 2013 at 10:00 a.m., EST, at The Crowne Plaza, 2349 West Marlton Pike (Route 70), Cherry Hill, New Jersey.

What am I voting on?

At the annual meeting, you will be voting:

- To elect one director for a five-year term;
- On an advisory vote on approval of the compensation of executives; and
- Any other matter, if any, as may properly come before the meeting and any adjournment or postponement of the annual meeting.

How do you recommend that I vote on these items?

The Board of Directors recommends that you vote:

- FOR the director nominee.
- FOR the advisory resolution approving executive compensation

Who is entitled to vote?

You may vote if you owned our common shares as of the close of business on December 11, 2012, the record date for the annual meeting. On the record date there were 18,774,966 shares of Common Stock outstanding.

Who pays expenses related to the proxy solicitation?

The expenses of the proxy solicitation will be borne by J & J Snack Foods Corp. (“J & J” or the “Company”). In addition to solicitation by mail, proxies may be solicited in person or by telephone by directors, officers or employees of J & J and its subsidiaries without additional compensation. J & J may engage the services of a proxy-soliciting firm. J & J is required to pay the reasonable expenses incurred by record holders of J & J common stock, no par value (“Common Stock”), who are brokers, dealers, banks or voting trustees, or their nominees, for mailing proxy material and annual shareholder reports to the beneficial owners of Common Stock they hold of record, upon request of such

recordholders.

1

How many votes are needed to elect a director?

Pursuant to the New Jersey Business Corporation Act (the “NJBCA”), the election of directors will be determined by a plurality vote and the one (1) nominee receiving the most “FOR” votes will be elected. Approval of any other proposal will require the affirmative vote of a majority of the votes cast on the proposal.

What constitutes a quorum?

The holders of a majority of the aggregate outstanding shares of Common Stock, present either in person or by proxy, will constitute a quorum for the transaction of business at the Annual Meeting and at any postponement or adjournment of the Annual Meeting. Pursuant to the NJBCA, abstentions and broker non-votes (described below) will be counted for the purpose of determining whether a quorum is present.

What is the effect of abstentions and broker non-votes?

Under the NJBCA, abstentions, or a withholding of authority, or broker non-votes, are not counted as votes cast and, therefore, will have no effect on any proposal at the Annual Meeting. Brokers who hold shares for the accounts of their clients may vote such shares either as directed by their clients or in their own discretion if permitted by the applicable stock exchange or other organization of which they are members. Members of the New York Stock Exchange (“NYSE”) are permitted to vote their clients’ shares in their own discretion as to certain “routine” matters if the clients have not timely furnished voting instructions prior to the Annual Meeting. The election of directors is not considered a routine matter. When a broker votes a client’s shares on some but not all of the proposals at a meeting, the omitted votes are referred to as “broker non-votes.”

How do I vote my shares?

If you are a registered shareholder (that is, if your stock is registered in your name), you may attend the Annual Meeting and vote in person, or vote by proxy. To vote by mail - mark, sign and date your proxy card and return such card in the postage-paid envelope J & J has provided you.

If you hold your shares in street name (that is, if you hold your shares through a broker, bank or other holder of record), you will receive a voting instruction form from your broker, bank or other holder of record. This form will explain which voting options are available to you. If you want to vote in person at the annual meeting, you must obtain an additional proxy card from your broker, bank or other holder of record authorizing you to vote. You must bring this proxy card to the meeting.

J & J encourages you to vote your shares for matters to be covered at the Annual Meeting.

What if I do not specify how I want my shares voted?

If you submit a signed proxy card but do not indicate how you want your shares voted, the persons named in the enclosed proxy will vote your shares of Common Stock:

- “for” the election of the nominee for director; and
- with respect to any other matter that properly comes before the Annual Meeting, the proxy holders will vote the proxies in their discretion in accordance with their best judgment and in the manner they believe to be in the best interest of J & J.

Can I change my vote after submitting my proxy?

Yes. You can change your vote at any time before your proxy is voted at the Annual Meeting. If you are a shareholder of record, you may revoke your proxy by:

- submitting a later-dated proxy by mail; or
- attending the Annual Meeting and voting in person. Your attendance alone will not revoke your proxy. You must also vote in person at the Annual Meeting.

2

If you hold your shares in street name, you must contact your broker, bank or other nominee regarding how to change your vote.

Can shareholders speak or ask questions at the Annual Meeting?

Yes. J & J encourages shareholders to ask questions or to voice their views. J & J also wishes to assure order and efficiency for all attending shareholders. Accordingly, the Chairman of the Annual Meeting will have sole authority to make any determinations on the conduct of the Annual Meeting, including time allotted for each shareholder inquiry or similar rules to maintain order. Such determination by the Chairman of the Annual Meeting will be final, conclusive and binding. Anyone who is disruptive or refuses to comply with such rules of order will be excused from the Annual Meeting.

Can I attend the Annual Meeting?

Shareholders are encouraged to personally attend the Annual Meeting whether or not you utilize proxy voting. If your shares are registered in street name, your method of voting is described above.

PROPOSAL ONE

INFORMATION CONCERNING NOMINEE FOR ELECTION TO BOARD

One (1) director is expected to be elected at the Annual Meeting to serve on the Board of Directors of J & J until the expiration of his term as indicated below and until his successor is elected and has qualified.

The following table sets forth information concerning J & J's nominee for election to the Board of Directors. If the nominee becomes unable or for good cause will not serve, the persons named in the enclosed form of proxy will vote in accordance with their best judgment for the election of such substitute nominee as shall be designated by the Board of Directors. The Board of Directors of J & J expects the nominee to be willing and able to serve.

Name	Age	Position	Year of Expiration of Term as Director
Sidney R. Brown	55	Director	2018

INFORMATION CONCERNING CONTINUING
DIRECTORS AND NAMED EXECUTIVE OFFICERS

Name	Age	Position	Year of Expiration of Term as Director
Gerald B. Shreiber	71	Chairman of the Board, Chief Executive Officer, Director	2015
Leonard M. Lodish	69	Director	2014
Peter G. Stanley	70	Director	2016
Dennis G. Moore	57	Senior Vice-President, Chief Financial Officer, Secretary, Treasurer and Director	2017
Daniel Fachner	52	President, The ICEE Company	--
Robert M. Radano	63	Senior Vice President, Chief Operating Officer	--
Gerard G. Law	38	Senior Vice President, Assistant to the President	--

Sidney R. Brown is the Chief Executive Officer of NFI Industries, Inc., a comprehensive provider of freight transportation, warehousing, third party logistics, contract manufacturing and real estate development. He is Vice Chairman of Sun National Bank, a national bank operating in New Jersey, Delaware and Pennsylvania. He became a director in 2003. Mr. Brown has management experience in running a private company and experience in executing strategic acquisitions. He has broad experience in freight transportation. He also has a strong background in sales, marketing and finance.

Gerald B. Shreiber is the founder of the Company and has served as its Chairman of the Board, President, and Chief Executive Officer since its inception in 1971. In addition to his leadership skills as Chief Executive Officer, Mr. Shreiber has a broad range of experience in production, marketing and finance. Also, he has a deep understanding of J & J's business and its industry.

Leonard M. Lodish became a director in 1992. He is the Samuel R. Harrell Professor in the Marketing Department and Leader of the Global Consulting Practicum at The Wharton School at the University of Pennsylvania where he has been a professor since 1968. Dr. Lodish's primary research and consulting areas are in entrepreneurial marketing, strategic and tactical marketing resource planning, marketing decision support systems, and application in marketing strategy, sales force, advertising, and promotion planning.

Dennis G. Moore joined the Company in 1984, and has served in various capacities since that time. He was named Chief Financial Officer in 1992 and was elected to the Board of Directors in 1995.

Peter G. Stanley became a director in 1983. Since November 1999 he is the Vice Chairman of the Board of Emerging Growth Equities, Ltd., an investment banking firm. Mr. Stanley brings to the Board experience as a commercial and investment banker, with knowledge of strategic acquisitions and corporate finance. He provides the Board with strong financial skills and chairs our Audit Committee.

Daniel Fachner has been an employee of The ICEE Company since 1979 and became its President in August 1997.

Robert M. Radano joined the Company in 1972 and in May 1996 was named Chief Operating Officer of the Company.

Gerard Law joined the Company in 1992. He served in various manufacturing and sales management capacities prior to becoming Senior Vice President, Western Operations in 2009. He was named to his present position in 2011 in which he has responsibility for marketing, research and development and overseeing a number of the manufacturing facilities of J & J.

The Board recommends that you vote "FOR" the election of the nominee.

CORPORATE GOVERNANCE

Corporate Governance Guidelines

J & J is a Company incorporated under the laws of the State of New Jersey. In accordance with New Jersey law and J & J's By-laws, the Board of Directors has responsibility for overseeing the conduct of J & J's business. J & J has established a Code of Business, Conduct and Ethics which is applicable to all directors, officers and employees of the Company. In addition, the Company has adopted a Code of Ethics for Chief Executive and Senior Financial Officers. Copies of these codes are available on the Company's website.

Director Independence

The rules of NASDAQ require that a majority of the Company's Board of Directors and the Members of the Audit Committee, Compensation Committee and the Nominating/ Governance Committee meet its independence criteria. No director qualifies as independent unless the Board determines that the director has no direct or indirect material relationship with the Company. The Board considers all relevant facts and circumstances of which it is aware in making an independence determination.

Based on the NASDAQ guidelines the Board has determined that each of the following directors is independent: Sidney R. Brown, Leonard M. Lodish and Peter G. Stanley. Neither Dr. Lodish nor Mr. Stanley who qualify as independent has a business, financial, family or other type of relationship with J & J. Mr. Brown's company, NFI Industries, provided transportation services to the Company totaling approximately \$1.8 million in 2012.

Board Meetings

During the fiscal year the Board of Directors held four regularly scheduled meetings. Each Director attended at least 75% of the total meetings of the Board of Directors and the Committees on which he served.

Annual Meeting Attendance

It has been longstanding practice of the Company for all Directors to attend the Annual Meeting of Shareholders. All Directors attended the 2012 Annual Meeting.

Executive Sessions of Independent Directors

The Independent Directors meet in executive sessions without management present before or after regularly scheduled Board meetings. In addition, the Independent Directors meet at least once annually with the Chief Executive Officer at which time succession issues are discussed.

Director Stock Ownership Guidelines

The Board has established stock ownership guidelines for the non-employee directors. Within two years of election as a director, the director must attain and hold 5000 shares of J & J's Common Stock. All current non-employee directors meet this guideline.

Board Leadership

The Board has reviewed and discussed the leadership structure. Mr. Shreiber serves as both principal executive officer and chairman of the board. Mr. Shreiber is the founder of the Company and has been its Chief Executive

Officer and Chairman since its inception. He currently beneficially owns 20% of the Company's stock and may be deemed to be its controlling shareholder. It is Mr. Shreiber's position, which is shared by the Board, that a controlling shareholder, who is active in the business, as Mr. Shreiber has been for over the last 40 years, should hold both roles.

Board Committees

In order to fulfill its responsibilities, the Board has delegated certain authority to its committees. There are three standing committees: (i) Audit Committee, (ii) Compensation Committee and (iii) Nominating/Governance Committee. Each Committee has its own Charter which is reviewed annually by each committee to assure ongoing compliance with applicable law and sound governance practices. Committee charters may be found on our website at www.jjsnack.com under the “Investor Relations” tab and then under “Corporate Governance”. Paper copies are available at no cost by written request to Dennis G. Moore, Corporate Secretary, J & J Snack Foods Corp., 6000 Central Highway, Pennsauken, New Jersey 08109.

The Audit Committee

The Audit Committee is comprised of directors Stanley (Chairman), Brown and Lodish, each of whom qualifies as an independent director and meets the other requirements to serve on the Audit Committee under rules of the NASDAQ Stock Market. The principal functions of the Audit Committee include, but are not limited to, (i) the oversight of the accounting and financial reporting processes of the Company and its internal control over financial reporting; (ii) the oversight of the quality and integrity of the Company’s financial statements and the independent audit thereof; and (iii) the approval, prior to the engagement of, the Company’s independent auditors and, in connection therewith, to review and evaluate the qualifications, independence and performance of the Company’s independent auditors. The Audit Committee convened six (6) times during the 2012 fiscal year.

The Audit Committee currently does not have an Audit Committee Financial Expert, as such term is defined in Section 407 of the Sarbanes-Oxley Act of 2002. The Audit Committee believes that the background and experience of its members allow them to perform their duties as members of the Audit Committee. This background and experience includes a former banker and current investment banker who regularly reviews financial statements of companies, a Professor at The Wharton School of the University of Pennsylvania, one of the leading business schools in the United States, and a Chief Executive Officer of a substantial private company with financial oversight responsibilities.

The Compensation Committee

The Compensation Committee is comprised of directors Brown (Chairman), Lodish and Stanley, each of whom qualifies as an independent director under the rule of the NASDAQ Stock Market, as non-employee directors under Rule 16b-3 of the Securities Exchange Act of 1934, and as outside director under Section 162(m) of the Internal Revenue Code. The Committee has responsibility for the following:

- Annually review and determine the compensation of the CEO and other officers without the CEO being present during the voting or deliberations of the compensation committee with respect to his or her compensation.
 - Review and approve compensation paid to family members of officers and directors.
 - Determine the Company’s policy with respect to the application of Internal Revenue Code Section 162(m).
- Approve the form of employment contracts, severance arrangements, change in control provisions and other compensatory arrangements with officers.
- Approve cash incentives and deferred compensation plans for officers (including any modification to such plans) and oversee the performance objectives and funding for executive incentive plans.
-

Approve compensation programs and grants involving the use of the Company's stock and other equity securities, including the administration of the Stock Option Plan.

- Prepare an annual report on executive compensation for inclusion in the Company's proxy statement for each annual meeting of shareholders in accordance with applicable rules and regulations.
- Retain and terminate any compensation consultant to be used to assist the evaluation of the compensation of the directors, CEO or officers of the Company, including the sole authority to sele