

3D SYSTEMS CORP
Form DEF 14A
April 30, 2007
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 §240.14a-12

3D SYSTEMS CORPORATION
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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 - (4) Proposed maximum aggregate value of transaction:
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3D SYSTEMS CORPORATION

**333 Three D Systems Circle
Rock Hill, SC 29730**

April 30, 2007

Dear Fellow Stockholder:

You are cordially invited to attend the Annual Meeting of Stockholders of 3D Systems Corporation scheduled to be held on Tuesday, May 15, 2007, at 10:00 a.m., Eastern Daylight Time, at our offices at 333 Three D Systems Circle, Rock Hill, South Carolina 29730. Your Board of Directors and senior management look forward to greeting you at the meeting.

At the meeting, you will be asked to elect the whole Board of Directors to serve until the next Annual Meeting and to ratify the selection of BDO Seidman, LLP as the Company's independent registered public accounting firm for 2007. These proposals are important, and we urge you to vote in favor of them.

Regardless of the number of shares of Common Stock that you own, it is important that your shares are represented and voted at the Annual Meeting. Votes may be cast by telephone or by mail. Instructions for voting by telephone are set forth in the attached Proxy Statement and on the enclosed proxy card. You may vote your shares by mail by signing, dating and mailing the enclosed proxy card in the enclosed postage-paid return envelope. Regardless of whether you plan to attend the Annual Meeting, we encourage you to vote your shares by proxy in case your plans change. Please vote today to ensure that your votes are counted.

On behalf of your Board of Directors, we thank you for your continued support.

Sincerely,

Abraham N. Reichental
President and Chief Executive Officer

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

May 15, 2007

The Annual Meeting of Stockholders of 3D Systems Corporation, a Delaware corporation (the Company), will be held on Tuesday, May 15, 2007, at 10:00 a.m., Eastern Daylight Time, at the Company's offices at 333 Three D Systems Circle, Rock Hill, South Carolina 29730, for the following purposes:

- To elect the whole Board of Directors;
- To ratify the appointment of BDO Seidman, LLP as our independent registered public accounting firm for 2007; and
- To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

These items of business are more fully described in the Proxy Statement accompanying this Notice.

The Board of Directors has fixed the close of business on March 20, 2007 as the record date for determining the stockholders entitled to notice of and to vote at the Annual Meeting. A copy of our Annual Report on Form 10-K is enclosed, and additional copies of the attached Proxy Statement and Annual Report are available upon request.

We urge you to attend the Annual Meeting so we can review the past year with you, listen to your suggestions, and answer any questions you may have. It is important that as many stockholders as possible are represented at the Annual Meeting, so please review the attached Proxy Statement promptly and vote your shares today by following the instructions for voting in the attached Proxy Statement and on the enclosed proxy card. Even if you plan to attend the Annual Meeting in person, please vote today to ensure that your votes are counted, in case your plans change. If you are a stockholder of record and attend the Annual Meeting in person, you will be able to vote your shares personally at the meeting if you so desire, even if you previously voted.

By Order of the Board of Directors

Robert M. Grace, Jr.
Secretary

Rock Hill, South Carolina
April 30, 2007

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3D SYSTEMS CORPORATION

333 Three D Systems Circle

Rock Hill, South Carolina 29730

PROXY STATEMENT

Dated April 30, 2007

**For the Annual Meeting of Stockholders
To Be Held on May 15, 2007**

GENERAL INFORMATION

Our 2007 Annual Meeting of Stockholders (the Annual Meeting) is scheduled to be held at our offices at 333 Three D Systems Circle, Rock Hill, South Carolina 29730 at 10:00 a.m., Eastern Daylight Time, on May 15, 2007. We are furnishing this Proxy Statement to the holders of our Common Stock in connection with the solicitation of proxies by our Board of Directors for use at the Annual Meeting and any adjournments or postponements thereof. This Proxy Statement and the enclosed proxy card are first being mailed to stockholders on or about May 2, 2007.

VOTING SECURITIES

Our only class of outstanding voting securities is our Common Stock, par value \$0.001 per share (the Common Stock). As of the close of business on March 20, 2007, the record date for the Annual Meeting, there were 19,152,169 shares of Common Stock issued and outstanding. Holders of record of shares of our Common Stock outstanding as of the record date are entitled to notice of and to vote at the Annual Meeting.

Each share of Common Stock is entitled to one vote on each matter to be voted on at the Annual Meeting.

VOTING MATTERS

Your vote is very important. Stockholders of record may vote by telephone or by mail. A toll-free telephone number is included on the enclosed proxy card for telephone voting. If you wish to vote by mail, you may use the enclosed proxy card and the enclosed postage-paid return envelope. You may save us the expense of a second mailing if you vote promptly.

Record Date

The Board of Directors has fixed the close of business on March 20, 2007 as the record date for determining the stockholders entitled to notice of and to vote at the Annual Meeting. As required by Delaware law, a list of the stockholders of record as of the record date will be kept at our principal office at 333 Three D Systems Circle, Rock Hill, South Carolina 29730 for a period of ten days prior to the Annual Meeting.

Quorum

A majority of the outstanding shares of Common Stock present in person or represented by proxy will constitute a quorum for the transaction of business at the Annual Meeting.

Vote Required

The votes required to approve the matters to be considered at the Annual Meeting are as follows:

- *Election of Directors.* The directors are elected by a plurality of the votes cast in the election.
- *Ratification of Selection of Auditors.* The ratification of the appointment of the independent registered public accounting firm must be approved by the affirmative vote of the holders of a majority of the votes cast at the Annual Meeting.
- *Voting on Other Matters.* If any other matters are properly presented for consideration at the Annual Meeting, the proxy holders named on the enclosed proxy card will have the discretion to vote your shares on those matters in accordance with the Board of Directors' recommendations on any such matters. If the Board of Directors does not make a recommendation on any such matters, the proxy holders will be entitled to vote in their discretion on those matters. We do not know of any other matters to be presented for consideration at the Annual Meeting.

Voting Policies

Regardless of the method by which you vote, if you specify how your shares are to be voted on a matter, the shares represented by your proxy will be voted in accordance with your instructions. If you grant an otherwise valid proxy without giving specific voting instructions, your shares will be voted FOR the election of the director nominees described below and FOR the ratification of the selection of the Company's independent registered public accounting firm.

If you hold your shares in a brokerage account or bank or through another nominee holder, 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 other nominee holder along with a voting instruction card. As the beneficial owner, you have the right to direct your broker or nominee how to vote your shares, and that party is required to vote your shares in accordance with your instructions.

Multiple Accounts

If you hold shares in more than one account, shares that are registered in different names or shares that are held through one or more banks, brokerage firms or other nominees, you may receive more than one proxy card or voting instruction card for shares that you own. **Please sign, date and return all proxy cards and voting instruction cards that you receive to ensure that all of your shares are represented and voted at the Annual Meeting. If you are a record stockholder, you may also vote by telephone as described below. Finally, if you hold shares through a nominee, you may also be given the alternative of voting by telephone or via the internet.**

Householding; Delivery of Documents to Security Holders Sharing an Address

We are delivering this Proxy Statement and our 2006 Annual Report on Form 10-K to all stockholders of record as of the record date for the Annual Meeting.

We will promptly deliver an additional copy of the 2006 Annual Report on Form 10-K and Proxy Statement to street-name stockholders in a single household who participate in a householding program upon their request to receive separate copies in the future. Instructions to request additional copies of these documents should be provided on the voting instruction form sent to them by their bank, broker or other holder of record.

Street-name stockholders who are receiving multiple copies may request that only a single set of materials be sent to them in the future by following the householding instructions on the voting instruction form provided to them by their bank, broker or other nominee holder. Alternatively, street-name stockholders whose nominee holders utilize the services of Broadridge Financial Solutions, Inc. (as indicated on the voting instruction form sent to them) may send written instructions to Household Department, 51 Mercedes Way, Edgewood, New York 11717 or call (800) 542-1061. The instructions must include the stockholder's name and account number and the name of the bank, broker or other nominee holder. Otherwise, street-name stockholders should contact their bank, broker or other nominee holder.

Similarly, street-name stockholders residing in the same household may receive only one annual report and proxy statement if they have previously made a householding election furnished to them by their bank, broker or other nominee holder to deliver only one copy to them. This process, by which only one annual report or proxy statement, as the case may be, is delivered to multiple security holders sharing an address is called householding. Householding may provide convenience for stockholders and cost savings for companies. Once initiated, householding may continue until one or more of the stockholders within the household provide instructions to the contrary to their nominee.

Copies of this Proxy Statement and our 2006 Annual Report on Form 10-K are available upon request by calling (803) 326-4010 or by writing to Investor Relations, 3D Systems Corporation, 333 Three D Systems Circle, Rock Hill, South Carolina 29730.

Voting by Telephone

For stockholders of record, you may vote by calling the toll-free number listed on the proxy card. Telephone voting is available 24 hours a day, seven days a week, except that no telephone votes will be accepted after Midnight, Eastern Daylight Time, on Monday, May 14, 2007, the day prior to the Annual Meeting.

Easy-to-follow voice prompts allow you to vote your shares and confirm that your voting instructions have been properly recorded. Our telephone voting procedures are designed to authenticate stockholders by using the individual control numbers provided on each proxy card. Accordingly, please have your proxy card available when you call. If you vote by telephone, you do not need to return your proxy card. Please see the enclosed proxy card for additional telephone voting instructions.

Voting by Mail

If you are a stockholder of record and choose to vote by mail, simply mark, sign and date the enclosed proxy card, and return it in the enclosed postage-paid envelope. As stated above, if you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be voted FOR the nominees for election to the Board of Directors described below and FOR the ratification of the selection of BDO Seidman, LLP as our independent registered public accounting firm for 2007, as described below. On any other matters that properly may come before the Annual Meeting, your proxy will be voted as

recommended by the Board of Directors or, if no recommendation is made, in the discretion of the proxy holders named on the enclosed proxy card.

If You Wish to Revoke Your Proxy

Regardless of the method you use to vote, you may revoke your proxy at any time before your shares are voted at the Annual Meeting by:

- voting by telephone at a later time;
- submitting a properly signed proxy with a later date; or
- voting in person at the Annual Meeting if you are a stockholder of record (or hold a valid proxy from the nominee who holds your shares in their name.)

Please remember that, as described above, there will be no telephone voting available after Midnight, Eastern Daylight Time, on Monday, May 14, 2007, the day prior to the Annual Meeting.

Voting in Person at the Annual Meeting

Any stockholder of record may vote in person at the Annual Meeting whether or not he or she has previously voted, and regardless of whether the prior vote was by telephone or by mail. If you hold your shares in street name, that is, if you hold your shares through a bank, broker or other nominee holder, you must obtain a written proxy, executed in your favor, from the nominee holding your shares in order to vote your shares in person at the Annual Meeting.

Abstentions; Broker Non-Votes

Abstentions, votes withheld and broker non-votes will be treated as being present for the purpose of determining the presence of a quorum at the Annual Meeting. A broker non-vote occurs when a bank, broker or other nominee holder has not received voting instructions with respect to a particular matter and the nominee holder does not have discretionary authority to vote on that matter.

In the election of directors, the seven director nominees receiving the most affirmative votes out of the shares of Common Stock present or represented and entitled to vote at the meeting will be elected as directors. The affirmative vote of a majority of the shares of Common Stock present or represented and entitled to vote is required to ratify the selection BDO Seidman, LLP as our independent registered public accounting firm for 2007.

Abstentions and broker non-votes will have no effect on the election of directors. With respect to the ratification of our selection of BDO Seidman, LLP as our independent registered public accounting firm for 2007, any abstentions will have the effect of a vote against the proposal and any broker non-votes will have no effect on the proposal.

Stockholder Proposals for the 2008 Annual Meeting

Under Rule 14a-8 of the Securities Exchange Act of 1934, as amended, certain stockholder proposals may be eligible for inclusion in our proxy statement and form of proxy. The date by which we must receive stockholder proposals to be considered for inclusion in the proxy statement and form of proxy for the 2008 Annual Meeting of Stockholders is January 1, 2008 (or if the date of the 2008 Annual Meeting is changed by more than 30 days from May 15, 2008, a reasonable time before we begin to print and mail the proxy materials for the 2008 Annual Meeting).

Our By-Laws set forth certain procedures that stockholders must follow in order to properly nominate a person for election to the Board of Directors or to present any other business at an annual meeting of

stockholders, other than proposals included in our proxy statement pursuant to Rule 14a-8. In addition to any other applicable requirements, to properly nominate a person for election to the Board of Directors or for business to be properly brought before the 2008 Annual Meeting by a stockholder, a stockholder of record must give timely notice thereof in proper written form to the Corporate Secretary of the Company. To be timely, a stockholder's notice to the Corporate Secretary must be received at our principal office between February 17, 2008 and March 18, 2008, provided that, if the 2008 Annual Meeting is called for a date that is not within 30 days before or after May 15, 2008, then the notice by the stockholder must be so received a reasonable time before we mail our proxy statement for the 2008 Annual Meeting. The notice also must contain specific information regarding the nomination or the business proposed to be brought before the meeting, as set forth in our By-Laws. The By-Law provisions relating to advance notice of business to be transacted at annual meetings are contained in Section 2.13 of our By-Laws, which are available on our website and can be viewed by going to www.3DSystems.com and clicking on the Corporate Governance tab and then selecting the document titled Amended and Restated By-Laws from the list of documents on the web page.

Stockholder Nominees to the Board

Our Corporate Governance and Nominating Committee will consider director nominees recommended by stockholders in accordance with a policy adopted by the Board. Recommendations should be submitted to the Corporate Secretary of the Company in writing at our offices in Rock Hill, South Carolina, along with additional required information about the nominee and the stockholder making the recommendation. A copy of our stockholder nomination policy is posted on our website, which can be viewed by going to www.3DSystems.com and clicking on the Corporate Governance tab and then selecting the document titled Policy and Procedure for Shareholders Nominees to the Board from the list of documents on the web page.

The Corporate Governance and Nominating Committee and the Board have also approved qualifications for nomination to the Board. In determining whether to recommend particular individuals to the Board, the Committee will consider, among other factors, a director's ethical character, a director's experience and diversity of background as well as whether a director is independent under applicable listing standards and financially literate. A complete copy of our Qualifications for Nominations for the Board is posted on our website at www.3DSystems.com under the Corporate Governance tab. The process by which the Committee identifies and evaluates nominees for director is the same regardless of whether the nominee is recommended by a stockholder.

When the Board or the Committee has identified the need to add a new Board member with specific qualifications or to fill a vacancy on the Board, the chairman of the Committee will initiate a search, seeking input from other directors and senior management and hiring a search firm, if necessary. The initial list of candidates that satisfy the specific criteria, if any, and otherwise qualify for membership on the Board will be identified by the Committee. At least one member of the Committee (generally the chairman) and the Chief Executive Officer will interview each qualified candidate. Other directors will also interview the candidate if possible. Based on a satisfactory outcome of those reviews, the Committee will make its recommendation for approval of the candidate to the Board.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth (a) as of the date indicated in the applicable Schedule 13D or 13G with respect to each person identified as having filed a Schedule 13D or 13G and (b) as of the record date for the Annual Meeting with respect to the other persons listed in the table, the number of outstanding shares of Common Stock and the percentage beneficially owned:

- by each person known to us to be the beneficial owner of more than five percent of our Common Stock;
- by each current director, nominee for election as a director and each executive officer identified in the Summary Compensation Table; and
- by all of our directors and executive officers identified below as a group.

Except as otherwise indicated in the footnotes to the table, and subject to any applicable community property laws, each person has the sole voting and investment power with respect to the shares beneficially owned. The address of each person listed is in care of 3D Systems Corporation, 333 Three D Systems Circle, Rock Hill, South Carolina 29730, unless otherwise noted.

Name and Address of Beneficial Owner	Shares of Common Stock Beneficially Owned(1)	
	Number of Shares	Percentage Ownership
St. Denis J. Villere & Company, L.L.C 210 Baronne Street, Suite 808, New Orleans, Louisiana 70112	3,268,205 (2)	17.1 %
T. Rowe Price Associates, Inc. 100 East Pratt Street Baltimore, Maryland 21202	2,693,490 (3)	14.1 %
The Clark Estates, Inc. One Rockefeller Plaza New York, New York 10020	2,223,157 (4)	11.6 %
Daruma Asset Management, Inc. 80 East 40th Street, 9th Floor New York, New York 10018	1,332,525 (5)	7.0 %
Miriam V. Gold	69,300 (6)	*
Charles W. Hull	436,505 (7)	2.3 %
Jim D. Kever	158,782 (8)	*
G. Walter Loewenbaum, II	1,540,580 (9)	7.9 %
Kevin S. Moore	2,273,807 (10)	11.7 %
Abraham N. Reichental	574,106 (11)	2.9 %
Richard C. Spalding	47,188 (12)	*
Daniel S. Van Riper	8,323 (13)	