

OWENS & MINOR INC/VA/
Form DEF 14A
March 14, 2005
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant ☒ Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material Pursuant to §240.14a-12

Owens & Minor

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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**Notice of
2005
Annual Meeting
and
Proxy Statement**

**WHETHER OR NOT YOU PRESENTLY PLAN TO ATTEND THE MEETING IN
PERSON, THE BOARD OF DIRECTORS URGES YOU TO VOTE.**

Owens & Minor, Inc.

4800 Cox Road

Glen Allen, Virginia 23060-6292

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March 14, 2005

Dear Shareholders:

It is a pleasure to invite you to our Annual Meeting of Shareholders on Thursday, April 28, 2005 at 10:00 a.m. The meeting will be held at the Virginia Historical Society, 428 North Boulevard, Richmond, Virginia. Directions are on the last page of the Proxy Statement. Morning refreshments will be served.

The primary business of the meeting will be to (i) elect five directors, (ii) approve the proposed 2005 Stock Incentive Plan, and (ii) ratify the appointment of KPMG LLP as our independent registered public accountants for 2005. In addition to considering these matters, we will review major developments since our last shareholders meeting as well as future opportunities. Our Board of Directors and management team will be there to chat with you and answer any questions.

You may vote your shares by the Internet, by telephone or by mailing the enclosed proxy card in the postage-paid envelope provided. Whichever method you choose, your vote is important so please vote as soon as possible. All of us at Owens & Minor appreciate your continued interest and support.

Warm regards,

G. GILMER MINOR, III

Chairman and Chief Executive Officer

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YOUR VOTE IS IMPORTANT

Whether or not you plan to attend the Annual Meeting, please vote your shares promptly by the Internet, by telephone or by completing, signing and mailing your proxy card in the enclosed envelope. Instructions for all three voting options are set forth on your proxy card.

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Be Held Thursday, April 28, 2005

TO THE SHAREHOLDERS OF OWENS & MINOR, INC.:

The Annual Meeting of Shareholders of Owens & Minor, Inc. (the Company or Owens & Minor) will be held on Thursday, April 28, 2005 at 10:00 a.m. at the Virginia Historical Society, 428 North Boulevard, Richmond, Virginia.

The purposes of the meeting are:

1. To elect five directors to serve until the Annual Meeting of Shareholders in 2008;
2. To approve the proposed 2005 Stock Incentive Plan;
3. To ratify the appointment of KPMG LLP as independent registered public accountants for 2005; and
4. To transact any other business properly before the Annual Meeting.

Shareholders of record as of March 3, 2005 will be entitled to vote at the Annual Meeting.

Your attention is directed to the attached Proxy Statement. This Proxy Statement, proxy card and Owens & Minor s 2004 Annual Report are being distributed on or about March 14, 2005.

BY ORDER OF THE BOARD OF DIRECTORS

GRACE R. DEN HARTOG

Senior Vice President, General Counsel & Corporate Secretary

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Street Address

4800 Cox Road
Glen Allen, Virginia 23060-6292

Mailing Address

P.O. Box 27626
Richmond, Virginia 23261-7626

PROXY STATEMENT

Annual Meeting of Shareholders

to be held on April 28, 2005

ABOUT THE MEETING

What You Are Voting On

Proxies are being solicited by the Board of Directors for purposes of voting on the following proposals and any other business properly brought before the meeting:

Proposal 1: Election of the following five directors, each for a three-year term:

G. Gilmer Minor, III, J. Alfred Broaddus, Jr., Eddie N. Moore, Jr., Peter S. Redding and Craig R. Smith.

Proposal 2: Approval of the proposed 2005 Stock Incentive Plan.

Proposal 3: Ratification of KPMG LLP as Owens & Minor's independent registered public accountants.

Who is Entitled to Vote

Shareholders as of the close of business on March 3, 2005 (the Record Date) are entitled to vote. Each share of the Company's Common Stock (Common Stock) is entitled to one vote. As of March 3, 2005, 39,682,436 shares of Common Stock were issued and outstanding.

How to Vote

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You can vote by the Internet, by telephone or by mail.

By Internet. You may vote by the Internet by following the specific instructions on the enclosed proxy card. If your shares are held in street name (through a broker), please contact your broker to determine whether you will be able to vote electronically.

By Telephone. You may vote by telephone using the toll-free number and following the instructions listed on the enclosed proxy card. If your shares are held in street name, please contact your broker to determine whether you will be able to vote by telephone.

By Mail. You may vote by mail by completing, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided.

However you choose to vote, you may revoke a proxy prior to the meeting by (1) submitting a subsequently dated proxy, (2) giving notice in writing to the Corporate Secretary of the Company or (3) voting in person at the meeting.

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What Happens if You Don't Make Selections on Your Proxy Card

If you properly vote your proxy card and do not make a selection on one or more proposals, you give authority to the individuals designated on the proxy card to vote on such proposal(s) and any other matter that may arise at the meeting. If no specific instructions are given, it is intended that all proxies that are signed and returned will be voted FOR the election of all nominees for director, FOR approval of the 2005 Stock Incentive Plan and FOR the ratification of the appointment of KPMG LLP.

What it Means if You Get More Than One Proxy Card

Your shares are probably registered differently or are held in more than one account. Sign and return or otherwise vote all proxy cards to ensure that all your shares are voted. Please have all of your accounts registered in the same name and address. You may do this by contacting our transfer agent, The Bank of New York, at 1-800-524-4458.

What Constitutes a Quorum

A majority of the outstanding shares, present or represented by proxy, constitutes a quorum. A quorum is required to conduct the Annual Meeting. If you vote your proxy card, you will be considered part of the quorum. Abstentions and shares held by brokers or banks in street name that are voted on any matter are included in the quorum. Broker shares that are not voted on any matter will not be included in determining whether a quorum is present.

The Vote Required to Approve Each Item

Election of Directors. The affirmative vote of a plurality of the votes cast at the meeting is required for the election of directors. A properly executed proxy marked Withhold authority with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum.

Approval of 2005 Stock Incentive Plan. Approval of the 2005 Stock Incentive Plan requires the affirmative vote of a majority of the shares of Common Stock cast on this proposal; provided that the total vote cast on the proposal represents over 50% of the outstanding shares of Common Stock. Abstentions and broker non-votes (described below) will not be counted as votes cast on the 2005 Stock Incentive Plan.

Ratification of Appointment of KPMG LLP. The ratification of the appointment of KPMG LLP requires that the votes cast in favor of the ratification exceed the number of votes cast opposing the ratification.

Whether Your Shares Will be Voted if You Don't Provide Your Proxy

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Whether your shares will be voted if you don't provide your proxy depends on how your ownership of shares of Common Stock is registered. If you own your shares as a registered holder, which means that your shares of Common Stock are registered in your name, your unvoted shares will not be represented at the meeting and will not count toward the quorum requirement, which is explained above. If a quorum is obtained, your unvoted shares will not affect whether a proposal is approved or rejected.

If you own your shares of Common Stock in street name, which means that your shares are registered in the name of your broker, your shares may be voted even if you do not provide your broker with voting instructions. Brokers have the authority under New York Stock Exchange rules to vote shares for which their customers do not provide voting instructions on certain routine matters.

The election of directors and the ratification of the designation of KPMG LLP as independent registered public accountants of the Company are considered routine matters for which brokerage firms may vote unvoted shares. The approval of the 2005 Stock Incentive Plan is not considered a routine matter on which brokerage firms may vote unvoted shares. When a proposal is not a routine matter and the brokerage firm has not received voting instructions from the beneficial owner of the shares with respect to that proposal, the

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brokerage firm cannot vote the shares on that proposal. This is called a broker non-vote. As such, broker non-votes and abstentions will have no effect on the proposal to approve the 2005 Stock Incentive Plan, provided that the total vote cast on the plan represents over 50% of the outstanding shares of Common Stock. Except as provided in the preceding sentence, abstentions, broker non-votes and, with respect to the election of directors, withheld votes will not be included in the vote totals and will not affect the outcome of the vote.

Costs of Soliciting Proxies

Owens & Minor will pay all costs of this proxy solicitation. The Company has retained Georgeson Shareholder Communications, Inc. to aid in the distribution and solicitation of proxies for approximately \$6,000 plus expenses. The Company will reimburse stockbrokers and other custodians, nominees and fiduciaries for their expenses in forwarding proxy and solicitation materials.

CORPORATE GOVERNANCE

General. The Company is managed under the direction of the Board of Directors, which has adopted Corporate Governance Guidelines to set forth certain corporate governance practices. During 2004, the Company continued to review its corporate governance policies and practices relative to the policies and practices recommended by groups and authorities active in corporate governance as well as the requirements of the Sarbanes-Oxley Act of 2002 and rules promulgated thereunder or adopted by the Securities and Exchange Commission (SEC) and the New York Stock Exchange (NYSE), the exchange on which the Company's common stock is listed. As part of this ongoing effort, the Company revised the charters of the Audit Committee, Governance & Nominating Committee and Compensation & Benefits Committee in 2004. The Company also revised its Corporate Governance Guidelines. For a description of the Governance & Nominating Committee's function with respect to corporate governance, see the Report of the Governance & Nominating Committee on page 5.

Corporate Governance Materials. The Company's Corporate Governance Guidelines, Code of Honor and the charters of the Audit, Compensation & Benefits, and Governance & Nominating Committees are available on the Company's website at www.owens-minor.com/corporate-governance and are available in print to any shareholder upon request to Corporate Secretary, Owens & Minor, Inc., 4800 Cox Road, Glen Allen, VA 23060.

Code of Honor. The Board of Directors has adopted a Code of Honor that is applicable to all employees of the Company, including the principal executive officer, the principal financial officer and the principal accounting officer, as well as the members of the Board of Directors. The Code of Honor is available on the Company's website at www.owens-minor.com/corporate-governance. The Company intends to post any amendments to or waivers from its Code of Honor (to the extent applicable to the Company's chief executive officer, principal financial officer, principal accounting officer, any other executive officer or any director) on its website.

Director Independence. The Board of Directors determined in 2005 that the following ten members of its twelve-member Board are independent within the meaning of NYSE listing standards and the Company's Corporate Governance Guidelines: A. Marshall Acuff, Jr., J. Alfred Broaddus, Jr., John T. Crotty, James B. Farinholt, Jr., Richard E. Fogg, Vernard W. Henley, Peter S. Redding, James E. Rogers, James E. Ukrop and Anne Marie Whittemore. To assist it in making determinations of independence, the Board has adopted categorical standards which are contained in Section I of the Company's Corporate Governance Guidelines included in this proxy statement as Annex A. The Board has determined that all directors identified as independent in this proxy statement meet these standards.

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REPORT OF THE GOVERNANCE & NOMINATING COMMITTEE

The Governance & Nominating Committee was formed by the Board of Directors in 1996 to promote good corporate governance practices. Composed of five independent directors who met five times during 2004, the Governance & Nominating Committee operates under a charter that sets forth its purpose:

- (i) to assist the Board by identifying and recommending nominees for election to the Board;
- (ii) to oversee the governance of the Company, including recommending to the Board corporate governance guidelines for the Company;
- (iii) to lead the Board in its annual review of the Board's performance; and
- (iv) to recommend to the Board director nominees for each Board committee and each committee chairperson.

The Governance & Nominating Committee continues to study and implement good corporate governance practices at Owens & Minor as it endeavors to stay on the leading edge of corporate governance matters. Under the Committee's guidance, the Company's Corporate Governance Guidelines (included in this proxy statement as Annex A) were revised in 2004 to enhance the role and responsibilities of the Lead Director.

In addition, during the past year, the Governance & Nominating Committee focused on establishing a more formal and organized director continuing education policy and a new director orientation program. In 2004, the Company held three in-house director education seminars provided by outside experts and several directors attended director education programs accredited by Institutional Shareholder Services.

Finally, the Committee recruited two distinguished new outside directors who will stand for election at the 2005 Annual Meeting of Shareholders. Both nominees, J. Alfred Broaddus, Jr. and Eddie N. Moore, Jr., were recommended by non-management directors of the Company and, as part of their assessment by the Governance & Nominating Committee and the Board in accordance with the Company's Corporate Governance Guidelines, were determined to be independent.

The Governance & Nominating Committee's charter, together with the Corporate Governance Guidelines, can be viewed on the Company's website. The Governance & Nominating Committee has welcomed the recent efforts of legislators, the SEC and the NYSE to refine corporate governance practices and will continue to support the implementation of corporate governance best practices at Owens & Minor.

THE GOVERNANCE & NOMINATING

COMMITTEE

A. Marshall Acuff, Jr., Chairperson

J. Alfred Broaddus, Jr.

Vernard W. Henley

James E. Ukrop

Anne Marie Whittemore

BOARD MEETINGS

The Board of Directors held six meetings during 2004. All directors attended at least 75% of the meetings of the Board and committees on which they served. The Company's Corporate Governance Guidelines provide that, absent unusual or unforeseen circumstances, directors are expected and encouraged to attend each annual meeting of shareholders. All directors attended the 2004 Annual Meeting of Shareholders.

Under the Company's Corporate Governance Guidelines, non-management directors meet in executive session following each regularly scheduled Board meeting. These meetings are chaired by a Lead Director who is elected annually by the non-management directors following each Annual Meeting of Shareholders. James E. Rogers currently serves as Lead Director and presides over these executive sessions. As Lead Director, Mr. Rogers is also invited to participate in meetings of all Board committees but is permitted to vote only in the meetings of committees of which he is a member. Shareholders and other interested parties may contact the Lead Director by following the procedures set forth in Communications with the Board of Directors on page 8.

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The Board of Directors has the following committees:

Audit Committee: Oversees (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the qualification and independence of the Company's independent registered public accountants; (iv) the performance of the Company's independent registered public accountants and internal audit functions and (v) issues involving the Company's ethical and legal compliance responsibilities. The Audit Committee has sole authority to appoint, retain, compensate, evaluate and terminate the Company's independent registered public accountants (subject, if applicable, to shareholder ratification). The Board of Directors has determined that James B. Farinholt, Jr., Chairman of the Audit Committee, is an audit committee financial expert, as defined by SEC regulations. All members of the Audit Committee are independent.

Compensation & Benefits Committee: Administers executive compensation programs, policies and practices. Advises the Board on salaries and compensation of the executive officers and makes other studies and recommendations concerning compensation and compensation policies. All members of the Compensation & Benefits Committee are independent.

Governance & Nominating Committee: Considers and recommends nominees for election as directors and officers and nominees for each Board committee. Reviews and evaluates the procedures, practices and policies of the Board and its members and leads the Board in its annual self-review. Oversees the governance of the Company, including recommending Corporate Governance Guidelines. All members of the Governance & Nominating Committee are independent.

Executive Committee: Exercises limited powers of the Board when the Board is not in session.

Strategic Planning Committee: Reviews and makes recommendations for the strategic direction of the Company.

BOARD COMMITTEE MEMBERSHIP

Director	Board	Audit	Compensation & Benefits	Executive	Governance & Nominating	Strategic Planning
A. Marshall Acuff, Jr.	X	X		X	X*	
Henry A. Berling	X					X
J. Alfred Broadus, Jr.	X		X		X	
John T. Crotty	X	X				X*
James B. Farinholt, Jr.	X	X*		X		X
Richard E. Fogg	X	X				X
Vernard W. Henley	X		X	X	X	
G. Gilmer Minor, III	X*			X*		
Peter S. Redding	X		X			X
James E. Rogers	X			X		
James E. Ukrop	X		X		X	

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Anne Marie Whittemore	X		X*	X	X	
No. of meetings in 2004	6	11	5	2	5	1

*Chairperson

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Employee directors receive no additional compensation other than their normal salary for serving on the Board or any of its committees.

Non-employee directors receive the following annual cash and stock compensation:

DIRECTOR COMPENSATION TABLE

Type of Compensation	Cash	Stock
Annual Retainer	\$ 15,000	\$15,000
Additional Retainer for Lead Director	\$ 10,000	
Additional Retainer for Audit Committee Chair	\$ 5,000	
Additional Retainer for Other Committee Chairs	\$ 4,000	
Board or Committee Attendance Fee (per meeting, other than Audit Committee)	\$ 1,200*	
Audit Committee Attendance Fee (per meeting)	\$ 1,500*	
Board or Committee Telephone Conference (per meeting, other than Audit Committee)	\$ 800	
Audit Committee Telephone Conference (per meeting)	\$ 1,000	
Board Retreat (annual 2-day meeting)	\$ 1,800	
Stock Options		Option for 5,000 shares

*The attendance fee for an audit committee meeting on the same day as a Board meeting is \$1,000 and for any other committee meeting held on the same day as a Board meeting is \$800.

Directors may defer the receipt of all or part of their director fees. Amounts deferred are invested in bookkeeping accounts that measure earnings and losses based on the performance of a particular investment. Directors may elect to defer their fees into the following two subaccounts: (i) an account based upon the price of the Common Stock and (ii) an account based upon the current interest rate of the Company's fixed income fund in its 401(k) plan. Subject to certain restrictions, a director may take cash distributions from a deferred fee account either prior to or following the termination of his or her service as a director. Directors are also permitted to receive payment of their director fees in Common Stock.

DIRECTOR NOMINATING PROCESS

Director Candidate Recommendations and Nominations by Shareholders. The Governance & Nominating Committee charter provides that the Governance & Nominating Committee will consider director candidate recommendations by shareholders. Shareholders should submit any such recommendations to the Governance & Nominating Committee through the method described under Communications with the Board of Directors on page 8. In addition, the Company's Bylaws provide that any shareholder of record and entitled to vote for the election of directors at the applicable meeting of shareholders may nominate directors by complying with the notice procedures set forth in the bylaws and summarized in Shareholder Proposals on page 29.

Process for Identifying and Evaluating Director Candidates. The Governance & Nominating Committee evaluates all director candidates in accordance with the director qualification standards described in the Corporate Governance Guidelines. The Governance & Nominating Committee evaluates any candidate's qualifications to serve as a member of the Board based on the skills and characteristics of individual Board members as well as the composition of the Board as a whole. In addition, the Governance & Nominating

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Committee will evaluate a candidate's independence and diversity, age, skills and experience in the context of the Board's needs. The Company's Bylaws provide that no director nominee can stand for election if, at the time of appointment or election, the nominee is over the age of 69. There are no differences in the manner in which the Governance & Nominating Committee evaluates director candidates based on whether the candidate is recommended by a shareholder. The Governance & Nominating Committee did not receive any recommendations from any shareholders in connection with the Annual Meeting.

COMMUNICATIONS WITH THE BOARD OF DIRECTORS

The Board of Directors has approved a process for shareholders to send communications to the Board. Shareholders can send written communications to the Board, any committee of the Board, the Lead Director or any other individual director at the following address: P.O. Box 26383, Richmond, Virginia 23260. All communications will be relayed directly to the applicable director(s), except for communications screened for security purposes.

PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors is divided into three classes. One class is elected at each annual meeting to serve for a three-year term. Five directors will be elected at the Annual Meeting to serve for a three-year term expiring at the Company's Annual Meeting in the year 2008. Each nominee has agreed to serve if elected. If any nominee is not able to serve, the Board may designate a substitute or reduce the number of directors serving on the Board. Proxies will be voted for the nominees shown below (or if not able to serve, such substitutes as may be designated by the Board). The Board has no reason to believe that any of the nominees will be unable to serve.

Information on each nominee and each continuing director, including age and principal occupation during the past five years, is set forth below.

NOMINEES FOR ELECTION

For Three-Year Term Expiring in 2008:

G. Gilmer Minor, III, 64, is Chairman and Chief Executive Officer of Owens & Minor. Mr. Minor, who joined the Company in 1963, has served as Chairman of the Board since 1994 and Chief Executive Officer since 1984. He also serves on the board of directors of SunTrust Banks, Inc. Mr. Minor has been a director since 1980.

J. Alfred Broaddus, Jr., 65, retired in August 2004 as President of the Federal Reserve Bank of Richmond, a position he had held since 1993. During his tenure as President, Mr. Broaddus also served as a rotating member of the Federal Open Market Committee of the Federal Reserve System. Prior to his term as President, he held a variety of positions in his 34-year career with the Federal Reserve Bank of Richmond, including director of research. Mr. Broaddus is a member of the Board of Visitors of Virginia Commonwealth University and serves on the boards of the E. Angus Powell Endowment for American Enterprise, the Richmond Memorial Health Foundation, the Virginia Council on Economic Education and the Virginia Historical Society. He also is a member of the boards of directors of Albemarle Corporation,

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Markel Corporation and T. Rowe Price Group. Mr. Broaddus was appointed to the Board of Directors in August 2004.

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Eddie N. Moore, Jr., 57, is President of Virginia State University. Prior to assuming this position in 1993, Mr. Moore served as state treasurer for the Commonwealth of Virginia, heading up the Department of the Treasury and serving on fifteen state boards and authorities. Mr. Moore entered the public sector in 1985 as the Commonwealth of Virginia's assistant controller for accounting and reporting after which he was selected to serve concurrently as the controller for the College of William and Mary and as treasurer for its endowment association. Before entering the public sector, Mr. Moore directed major accounting and budgeting functions during his 14-year tenure with Gulf Oil Corporation. Mr. Moore currently serves as vice chairman of the board and chairman of the Finance Committee of the Central Intercollegiate Athletic Association and serves on the boards of the Virginia Board of Agriculture, the Virginia Center for Innovative Technology and the Virginia Historical Society. He also serves on the boards of Universal Corporation and the Vantagepoint Funds. Mr. Moore would join the Board as a new director of Owens & Minor.

Peter S. Redding, 66, retired in 2000 as President and Chief Executive Officer of Standard Register Company. He serves on the boards of directors of Projects Unlimited in Dayton, Ohio and Nietech Corporation in Santa Rosa, California. Mr. Redding has been a director since 1999.

Craig R. Smith, 53, is President and Chief Operating Officer of Owens & Minor. Mr. Smith, who joined the Company in 1989, has served as President of the Company since 1999 and as Chief Operating Officer since 1995. He also serves on the board of directors of Imagistics, Inc. Mr. Smith would join the Board as a new director of Owens & Minor.

The Board of Directors recommends a vote FOR the election of each nominee as director.

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DIRECTORS CONTINUING IN OFFICE

Terms expiring in 2007:

A. Marshall Acuff, Jr., 65, is President of AMA Investment Counsel, LLC. He retired in 2001 as Senior Vice President and Managing Director of Salomon Smith Barney, Inc. where he was responsible for equity strategy as a member of the firm's Investment Policy Committee. Mr. Acuff is a Chartered Financial Analyst. He is a member of the board of directors of Sweet Briar College and a number of other private organizations, including the Virginia Foundation for Independent Colleges, the Community Foundation of Richmond, the Jamestown-Yorktown Foundation, Inc., the Endowment Association of the College of William and Mary, the Virginia Theological Seminary and Lewis Ginter Botanical Garden. He also serves on the board of directors of Eastern Point Advisors. Mr. Acuff has been a director since 2001.

James B. Farinholt, Jr., 70, is a Managing Director of Tall Oaks Capital Partners, LLC, which manages an investment fund focused on start-up and early stage businesses in information technology and the life sciences fields. Mr. Farinholt retired in 2002 as Special Assistant to the President for Economic Development of Virginia Commonwealth University. He also serves on the board of directors of PharmaNetics, Inc. Mr. Farinholt has been a director since 1974.

Anne Marie Whittemore, 58, is a partner and member of the Executive Committee in the law firm of McGuireWoods LLP. Ms. Whittemore serves on the boards of directors of T. Rowe Price Group, Inc. and Albemarle Corporation. She also serves on the boards of the VMI Foundation and the Wilderness Conservancy at Mountain Lake, Inc. Ms. Whittemore has been a director since 1991.

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Terms expiring in 2006:

John T. Crotty, 67, is Managing Partner of CroBern Management Partnership, a healthcare investment firm, and President of CroBern, Inc., a healthcare consulting and advisory firm. Prior to co-founding these businesses, Mr. Crotty held several senior management positions during 19 years with American Hospital Supply Corporation, including corporate vice president of planning and business development and president of the services operating group. He also serves on the boards of directors of three private companies in the healthcare industry and one public company, Omnicare, Inc. Mr. Crotty has been a director since 1999.

Richard E. Fogg, 64, retired in 1997 from Price Waterhouse, LLP (now PricewaterhouseCoopers LLP) where he was a partner for 23 years and served in a variety of leadership positions, including Associate Vice Chairman, Tax. Mr. Fogg is a Certified Public Accountant. Since his retirement in 1997, Mr. Fogg has provided strategic consulting services to several non-public companies. Mr. Fogg has been a director since 2003.

James E. Rogers, 59, is President of SCI Investors Inc, a private equity investment firm. Mr. Rogers also serves on the boards of directors of Wellman, Inc., Caraustar Industries, Inc., Cadmus Communications Inc. and New Market Corp. Mr. Rogers has been a director since 1991.

James E. Ukrop, 67, is Chairman of Ukrop's Super Markets, Inc., a retail grocery chain, and Chairman of First Market Bank. Mr. Ukrop also serves on the board of directors of Legg Mason, Inc. Mr. Ukrop has been a director since 1987.

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DEPARTING DIRECTORS

Vernard W. Henley. Effective at the Annual Meeting, Vernard W. Henley's term will expire, at which time he will retire from the Board. Mr. Henley has reached our mandatory retirement age and, accordingly, was not eligible to be nominated for another term. The Company gratefully acknowledges Mr. Henley's 12 years of service to Owens & Minor.

Henry A. Berling. Effective at the Annual Meeting, Henry A. Berling will retire from the Board. Mr. Berling retired as Executive Vice President of Owens & Minor on January 1, 2005 after providing nearly 40 years of service to the Company. The Company acknowledges its sincere gratitude to Mr. Berling for his many years of service and dedication to Owens & Minor.

PROPOSAL 2: APPROVAL OF PROPOSED OWENS & MINOR, INC. 2005 STOCK INCENTIVE PLAN

The Board of Directors proposes that the shareholders approve the Owens & Minor, Inc. 2005 Stock Incentive Plan (the "2005 Plan") adopted by the Board on February 4, 2005, subject to the approval of the Company's shareholders.

In 1998, the Board of Directors adopted, and the shareholders approved, the Owens & Minor, Inc. 1998 Stock Option and Incentive Plan (the "1998 Plan"). In 2001, the Board of Directors adopted, and the shareholders approved, an amendment to the 1998 Plan to increase the number of shares that could be issued under the 1998 Plan from 1,380,000 shares to 2,780,000 shares and to extend its expiration date to April 28, 2005.

The 1998 Plan expires on April 28, 2005 and the Board wishes to replace it with the 2005 Plan. The following paragraphs summarize the principal features of the 2005 Plan. A copy of the full text of the 2005 Plan is included as Annex B to this Proxy Statement.

Summary of the 2005 Stock Incentive Plan

Purposes. The Board believes that the 2005 Plan will benefit the Company by assisting it in recruiting and retaining key employees and members of the Board by enabling them to participate in the future success of the Company and its related entities and associating their interests with those of the Company and its shareholders.

Administration. The Compensation & Benefits Committee (the "Compensation Committee") will administer the 2005 Plan except that awards to non-employee directors will be administered by the Governance & Nominating Committee (subject to final approval of the Board). The Compensation Committee may delegate its authority to administer the 2005 Plan to one or more officers of the Company; provided that, it may not delegate its authority with respect to individuals who are subject to Section 16 ("Section 16") of the Securities

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Exchange Act of 1934 (the "Exchange Act"). As used in this summary, the term "Administrator" means the Compensation Committee and any delegate or, in the case of awards to non-employee directors, the Governance & Nominating Committee.

Eligibility. Each employee of the Company or a related entity, any member of the Board or a person who provides services to the Company or a related entity is eligible to participate in the 2005 Plan. The Administrator will select the individuals who will participate in the 2005 Plan ("Participants"). The Administrator may, from time to time, grant stock options, stock appreciation rights ("SARs"), stock awards, incentive awards or performance shares to Participants.

Options. Options granted under the 2005 Plan may be incentive stock options ("ISOs") or nonqualified stock options. A stock option entitles the Participant to purchase shares of Common Stock from the Company at the option price. The option price will be fixed by the Administrator at the time the option is granted, but the price cannot be less than the fair market value of the Common Stock on the date of grant. The Administrator cannot adjust or amend the exercise price of a previously granted option whether through amendment, cancellation, replacement grant or any other means (except for adjustments to reflect changes in the Company's capitalization). The option price may be paid in cash, with shares of Common Stock, or with a combination of cash and Common Stock. No individual may be awarded, in any consecutive 36-month period, options covering more than 2,000,000 shares of Common Stock.

SARs. SARs entitle the Participant to receive, with respect to each share of Common Stock encompassed by the exercise of the SAR, an amount determined by the Administrator and set forth in an agreement. In the absence of such a determination, the SAR holder will receive the excess of the fair market value of a share of Common Stock on the date of exercise over the initial value of the SAR. The initial value of a SAR granted independently of an option is determined by the Administrator on the date of grant but cannot be less than the fair market value of a share of Common Stock on the date of grant. The initial value of a Corresponding SAR (defined below) is the option price per share of the related option. The Administrator cannot adjust or amend the initial value of a previously granted SAR whether through amendment, cancellation, replacement grant or any other means (except for adjustments to reflect changes in the Company's capitalization). The amount payable upon the exercise of an SAR may be paid in cash, Common Stock, or a combination of the two. No individual may be granted, in any consecutive 36-month period, SARs with respect to more than 2,000,000 shares of Common Stock. SARs may be granted in relation to option grants ("Corresponding SARs") or independently of option grants. The difference between these two types of SARs is that to exercise a Corresponding SAR, the Participant must surrender, unexercised, that portion of the stock option to which the Corresponding SAR relates and vice versa.

Stock Awards. Participants may be awarded shares of Common Stock pursuant to a stock award. The Administrator, in its discretion, may prescribe that a Participant's rights in a stock award shall be non-transferable or forfeitable or both unless certain conditions are satisfied. These conditions may include, for example, a requirement that the Participant continue employment with or service to the Company or a related entity for a specified period or that the Company, a related entity or an operating unit achieve certain Performance Objectives (described below). If a Participant's rights in a stock award are restricted, the period of restriction until full vesting generally cannot be less than three years. However, the minimum period of restriction is one year in the case of stock awards granted to a nonemployee director and stock awards that vest based on achieving Performance Objectives. No individual may be granted, in any consecutive 36-month period, stock awards covering more than 500,000 shares of Common Stock.

Performance Shares. The 2005 Plan permits the award of performance shares. A performance share award entitles the Participant to receive a payment equal to the fair market value of a specified number of shares of Common Stock if certain requirements are met. The Administrator will prescribe the requirements that must be satisfied before a performance share award is earned. The performance share requirements may include, for

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example, a requirement that the Participant continue employment with or service to the Company or a related entity for a specified period or that the Company, a related entity, or an operating unit achieve certain Performance Objectives (described below). The period in which any performance criteria must be satisfied generally cannot be less than three years. However, the minimum period of restriction is one year in the case of performance shares awarded to a nonemployee director and performance shares that are earned based on achieving Performance Objectives. To the extent that performance shares are earned, the obligation may be settled in cash, by the grant of a stock award or by a combination of the two. No individual may be granted, in any consecutive 36-month period, performance shares covering more than 500,000 shares of Common Stock.

Incentive Awards. The 2005 Plan allows the Administrator to grant incentive awards. An incentive award entitles the Participant to receive a cash payment from the Company or one of its related entities. The Administrator will prescribe the requirements that must be satisfied before an incentive award is earned. The incentive award requirements may include, for example, a requirement that the Participant continue employment with or service to the Company or a related entity for a specified period or that the Company, a related entity or an operating unit achieve certain Performance Objectives (described below). The period in which any performance criteria must be satisfied cannot be less than one year. No individual may be granted, in any consecutive 36-month period, incentive awards exceeding \$3,000,000.

Performance Objectives. The Administrator may condition grants and awards under the 2005 Plan on the achievement of objectives based on the Company's, a related entity's, an operating unit's or a business segment's (i) gross, operating or net earnings before or after taxes, (ii) return on equity, (iii) return on capital, (iv) return on sales, (v) return on assets or net assets, (vi) earnings per share, (vii) cash flow per share, (viii) book value per share, (ix) earnings growth, (x) sales growth, (xi) volume growth, (xii) cash flow (as defined by the Compensation Committee), (xiii) fair market value of the Common Stock, (xiv) share price or total shareholder return, (xv) market share, (xvi) productivity, (xvii) level of expenses, (xviii) quality, (xix) safety, (xx) customer satisfaction, (xxi) total economic value added or (xxii) peer group comparisons of any of the aforementioned criteria.

Share Authorization. The maximum number of shares of Common Stock that may be issued under the 2005 Plan is 3,000,000 shares plus the number of shares of Common Stock remaining available for issuance under the 1998 Plan on the effective date of the 2005 Plan. The maximum aggregate number of shares of Common Stock that may be issued under the plan is subject to additions as provided below and adjustment as the Compensation Committee deems to be equitably required in the event of a stock dividend, stock split, combination, reclassification, recapitalization or other similar events.

Share Additions. If any awards granted under the 2005 Plan, or awards granted under the 1998 Plan and outstanding on the effective date of the 2005 Plan, are cancelled, forfeited, expire or otherwise terminate without the issuance of shares of Common Stock, or if any award is settled for cash or otherwise does not result in the issuance of all or a portion of the shares of Common Stock subject to such award, the shares of Common Stock shall, to the extent of such cancellation, forfeiture, expiration, termination, cash settlement or non-issuance, again be available for issuance under the 2005 Plan.

In addition, if (i) any option granted under the 2005 Plan is exercised by the surrender of Common Stock (either actually or by attestation) or by the withholding of shares of Common Stock by the Company or (ii) withholding tax liabilities resulting from such option or other award granted under the plan are satisfied by the withholding of shares of Common Stock (not to exceed the minimum required tax withholding rate), then only the number of shares of Common Stock issued net of the shares of Common Stock tendered or withheld shall be deemed issued for purposes of determining the maximum number of shares of Common Stock available for issuance under the 2005 Plan. Furthermore, shares of Common Stock available for issuance under the 2005 Plan will not be reduced on account of the assumption or substitution of awards previously granted by a company that is combined with, or acquired by, the Company or a related entity.

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Finally, shares of Common Stock reacquired by the Company on the open market using Option Proceeds (defined below) shall be available for issuance under the 2005 Plan; provided that the number of such shares shall not be greater than the amount of the Option Proceeds divided by the fair market value of a share of Common Stock on the date of exercise of the option(s) giving rise to such Option Proceeds. Option Proceeds means the cash actually received by the Company in connection with the exercise of options granted under the 2005 Plan or granted under the 1998 Plan that are exercised after the effective date of the 2005 Plan plus the maximum tax benefit that could be realized by the Company as a result of the exercise of such options.

On March 3, 2005, the fair market value of the Common Stock was \$27.73 per share.

Expiration, Termination and Amendment. No performance shares may be awarded and no stock award, option, SAR or incentive award may be granted under the 2005 Plan more than ten years after the date that the 2005 Plan is approved by the Company's shareholders. The Board may sooner terminate the 2005 Plan without further action by shareholders. The Board may also amend the 2005 Plan except that no amendment that (1) increases the number of shares of Common Stock that may be issued under the plan, (2) changes the class of individuals who may be selected to participate in the plan or (3) is required by NYSE rules to be approved by shareholders will be effective until it is approved by shareholders.

New Plan Benefits. Neither the number of individuals who will be selected to participate in the 2005 Plan nor the type or size of awards that will be approved by the Administrator can be determined. The Company is also unable to determine the number of individuals who would have participated in the 2005 Plan or the type or size of awards that would have been made under such plan had it been in effect in 2004.

Change in Control. The terms of an agreement between the Company and a Participant specifying the terms and conditions of an award under the 2005 Plan may provide that, upon a Change in Control (as defined in the 2005 Plan), options or SARs will become exercisable, stock awards will become transferable and nonforfeitable and performance awards and incentive awards shall be earned, all in accordance with the terms of the applicable agreement. In addition, in the event of a Change in Control, the Compensation Committee may in its discretion provide that (i) an outstanding option, SAR, stock award, performance share or incentive award be assumed by, or replaced with, a substitute award granted by the surviving entity in the Change in Control or (ii) an outstanding option, SAR, stock award or performance share be cancelled in exchange for a payment in cash, shares of Common Stock or other securities or consideration received by shareholders in the Change in Control transaction.

The Company may reduce the benefits payable under the 2005 Plan if the benefit, payment or accelerated vesting of the award would result in a parachute payment under the Internal Revenue Code. In that event the benefit payable under the 2005 Plan may be reduced to the maximum amount that may be paid without the participant incurring liability for the Code's parachute payment excise tax. The 2005 Plan benefits will not be reduced, however, if the participant will realize greater after-tax benefits by receiving the full benefits and paying his or her own excise tax liability. Nor will the 2005 Plan benefits be reduced in the case of any Participant who is entitled to indemnification from the parachute payment excise tax pursuant to an agreement with the Company.

Federal Income Tax Consequences

The Company has been advised by counsel regarding the federal income tax consequences of the 2005 Plan. No income is recognized by a Participant at the time an option is granted. If the option is an ISO, no income will be recognized upon the Participant's exercise of the option. Income is recognized by a Participant when he or she disposes of shares acquired under an ISO. The exercise of a nonqualified stock option generally is a taxable event that requires the participant to recognize, as ordinary income, the difference between the shares' fair market value and the option price.

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No income is recognized upon the grant of a SAR. The exercise of a SAR generally is a taxable event. The Participant generally must recognize ordinary income equal to the total of any cash that is paid to the Participant and the fair market value of any Common Stock that is received in settlement of a SAR.

The Participant will recognize ordinary income on account of a stock award on the first day that the shares are either transferable or not subject to a substantial risk of forfeiture. The amount of ordinary income recognized by the Participant is equal to the fair market value of the Common Stock received on the date such restrictions lapse.

The Participant will recognize ordinary income on account of the settlement of a performance share award. The Participant will recognize ordinary income equal to any cash that is paid and the fair market value of Common Stock (on the date that the shares are first transferable or not subject to a substantial risk of forfeiture) that is received in settlement of the award.

The Participant will recognize ordinary income equal to the amount of any cash paid under an incentive award.

The employer (either the Company or a related entity) will be entitled to claim a federal income tax deduction on account of the exercise of a nonqualified option or SAR, the vesting of a stock award, the settlement of a performance share award, and the settlement of an incentive award. The amount of the deduction is equal to the ordinary income recognized by the Participant. The employer will not be entitled to a federal income tax deduction on account of the grant or the exercise of an ISO. The employer may claim a federal income tax deduction on account of certain dispositions of Common Stock acquired upon the exercise of an ISO.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE OWENS & MINOR, INC. 2005 STOCK INCENTIVE PLAN.

Table of Contents**PROPOSAL 3: APPROVAL OF INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS**

The Audit Committee has selected KPMG LLP to serve as the Company's independent registered public accountants for 2005, subject to ratification by the shareholders. Representatives of KPMG LLP will be present at the Annual Meeting to answer questions and to make a statement, if they desire to do so.

The Board of Directors recommends a vote FOR the ratification of the appointment of KPMG LLP to serve as Owens & Minor's independent registered public accountants for 2005.

FEES PAID TO INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

For each of the years ended December 31, 2003 and 2004, KPMG LLP billed the Company the fees set forth below in connection with professional services rendered by that firm to the Company:

	Year 2003	Year 2004
Audit Fees	\$ 216,950	\$ 724,000
Audit-Related Fees	\$ 29,500	\$ 22,360
Tax Fees	\$ 12,760	\$ 0
All Other Fees	\$ 0	\$ 0
Total	\$ 259,210	\$ 746,360

Audit Fees. These are fees for professional services performed for the audit of the Company's annual financial statements and review of financial statements included in the Company's 10-Q filings as well as any services normally provided in connection with statutory and regulatory filings or engagements. In 2004, audit fees also include fees of \$490,000 for professional services rendered for the audits of (i) management's assessment of the effectiveness of internal control over financial reporting and (ii) the effectiveness of internal control over financial reporting.

Audit-Related Fees. These are fees primarily for the annual audits of the Company's employee benefit plan financial statements and consultations by management related to financial accounting and reporting matters.

Tax Fees. These are fees for non-audit related tax services provided to certain officers who selected KPMG LLP to provide personal tax assistance. The Company adopted a policy, effective beginning in 2004, that officers who receive personal tax services paid for by the Company as part of their compensation package may not select KPMG LLP to provide such services.

All Other Fees. KPMG LLP did not provide any services other than those described above.

The Audit Committee has established policies and procedures for the approval and pre-approval of audit services and permitted non-audit services. The Audit Committee has the responsibility to engage and terminate the Company's independent registered public accountants, to pre-approve their performance of audit services and permitted non-audit services and to review with the Company's independent registered public accountants their fees and plans for all auditing services. All services provided by and fees paid to KPMG LLP in 2004 were pre-approved by the Audit Committee and there were no instances of waiver of approval requirements or guidelines during this period. The Audit Committee's pre-approval policies and procedures for services by independent registered public accountants are appended to the Audit Committee Charter attached hereto as Annex C.

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REPORT OF THE AUDIT COMMITTEE

The Audit Committee is composed of four directors, each of whom is independent within the meaning of the listing standards of the NYSE. The Audit Committee operates under a written charter adopted by the Board of Directors, a copy of which is included as Annex C to this proxy statement. The Audit Committee reviews its charter at least annually and revises it as necessary to ensure compliance with current regulatory requirements.

Management is responsible for:

Establishing and maintaining the Company's internal control over financial reporting;

Assessing the effectiveness of the Company's internal control over financial reporting as of the end of each year; and

Preparation, presentation and integrity of the Company's consolidated financial statements.

The Company's independent registered public accountants are responsible for:

Performing an independent audit of the Company's consolidated financial statements and the Company's internal control over financial reporting;

Expressing an opinion as to the conformity of the Company's consolidated financial statements with U.S. generally accepted accounting principles; and

Expressing an opinion as to management's assessment of the effectiveness of the Company's internal control over financial reporting and the effectiveness of the Company's internal control over financial reporting.

The Audit Committee is responsible for:

Selecting the Company's independent registered public accountants, subject to shareholder ratification; and

Overseeing and reviewing the accounting and financial reporting processes of the Company.

In this context, the Audit Committee has met and held discussions with management and KPMG LLP, the Company's independent registered public accountants. Management represented to the Audit Committee that the Company's consolidated financial statements for the year ended December 31, 2004 were prepared in accordance with U.S. generally accepted accounting principles. The Audit Committee has reviewed and discussed these consolidated financial statements with management and KPMG LLP, including the scope of the independent registered public accountants' responsibilities, critical accounting policies and practices used and significant financial reporting issues and judgments made in

connection with the preparation of such financial statements.

The Audit Committee has discussed with KPMG LLP the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees). The Audit Committee has also received the written disclosures and the letter from KPMG LLP relating to the independence of that firm as required by Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees) and has discussed with KPMG LLP the firm's independence from the Company.

In addition, the Audit Committee has discussed with management its assessment of the effectiveness of internal control over financial reporting and has discussed with KPMG LLP its opinion as to both the effectiveness of the Company's internal control over financial reporting and management's assessment thereof.

Based upon its discussions with management and KPMG LLP and its review of the representations of management and the report of KPMG LLP to the Audit Committee, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2004 for filing with the SEC.

THE AUDIT COMMITTEE

James B. Farinholt, Jr., Chairperson
A. Marshall Acuff, Jr.
John T. Crotty
Richard E. Fogg

Table of Contents**STOCK OWNERSHIP INFORMATION****Compliance With Section 16(a) Reporting**

Section 16(a) of the Exchange Act requires the Company's directors and executive officers to file reports with the SEC of holdings and transactions in the Company's Common Stock. Based on the Company's records and information provided by the directors and officers, the Company believes that the filing requirements were satisfied in 2004.

Stock Ownership Guidelines

Under the Company's Management Equity Ownership Program (MEOP) adopted in 1997, officers are expected, over a five-year period, to achieve the following levels of ownership of Common Stock:

<u>Officer</u>	<u>Value of Common Stock Owned</u>
Chief Executive Officer	4.0 x Base Salary
President	3.0 x Base Salary
Executive Vice Presidents	2.0 x Base Salary
Senior Vice Presidents	1.5 x Base Salary
Vice Presidents, Regional Vice Presidents	1.0 x Base Salary

Each officer who has served as an officer of the Company for at least five years has achieved his or her ownership objective.

In addition, the Board of Directors adopted a policy in 1997 that each director achieve, over a five-year period, a level of ownership in Common Stock equal to at least five times the annual retainer fee (including both cash and stock retainer). Each Director who has served on the Board of Directors for at least five years has achieved this ownership objective.

Stock Ownership By Management and the Board of Directors

The following table shows, as of March 3, 2005, the number of shares of Common Stock beneficially owned by each director and nominee, the Named Executive Officers (hereafter defined in the Summary Compensation Table) and all current executive officers and directors of the Company as a group.

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Name of Beneficial Owner	Sole Voting and Investment		Aggregate Percentage Owned
	Power (1)	Other(2)	
G. Gilmer Minor, III	528,682	28,796	1.40%
A. Marshall Acuff, Jr.	20,962	0	*
Henry A. Berling	487,129	8,457	1.25%
J. Alfred Broaddus, Jr.	4,477	0	*
John T. Crotty	34,099	87	*
James B. Farinholt, Jr.	30,033	0	*
Richard E. Fogg	14,410	0	*
Vernard W. Henley	38,271	0	*
Eddie N. Moore, Jr.	0	0	*
Peter S. Redding	34,224	278	*
James E. Rogers	43,117	0	*
James E. Ukrop	83,652	0	*
Anne Marie Whittemore	54,893	0	*
Craig R. Smith	402,320	90	1.01%
Jeffrey Kaczka	59,120	0	*
Mark Van Sumeren	23,851	0	*
All Executive Officers and Directors as a group (22 persons)	2,273,818	39,708	5.83%

* Represents less than 1% of the total number of shares outstanding.

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(1) Includes 994,540 shares which certain officers and directors of the Company have the right to acquire through the exercise of stock options within 60 days following March 3, 2005. Stock options exercisable within 60 days of March 3, 2005 for each of the Named Executive Officers are as follows:

Mr. Minor 27,000; Mr. Smith 303,000; Mr. Berling 166,000; Mr. Kaczka 48,100; Mr. Van Sumeren 9,840

(2) Includes: (a) shares held by certain relatives or in estates; (b) shares held in various fiduciary capacities; and (c) shares for which the shareholder has shared power to dispose or to direct disposition. These shares may be deemed to be beneficially owned under the rules and regulations of the SEC, but the inclusion of such shares in the table does not constitute an admission of beneficial ownership.

Stock Ownership By Certain Shareholders

The following table shows, as of March 3, 2005, the organizations deemed by SEC rules to beneficially own more than 5% of the Common Stock (based on the information contained in Schedule 13G filings made by each such organization in February 2005).

Name and Address of Beneficial Owner	Shares Beneficially Owned	Percentage Owned
Wellington Management Company, LLP		
75 State Street, Boston, MA 02109	2,975,300(1)(2)	7.50%
T. Rowe Price Associates, Inc.		
100 E. Pratt Street, Baltimore, MD 21202	2,407,400(1)	6.07%
Barclays Global Investors, NA,		
45 Fremont Street, San Francisco, CA 94105	2,207,490(1)(3)	5.56%
Vanguard Specialized Funds Vanguard Health Care Fund		
100 Vanguard Blvd., Malvern, PA 19355	2,200,000(2)	5.54%
Westport Asset Management, Inc.		
253 Riverside Avenue, Westport, CT 06880	2,064,650(1)	5.20%
AXA Financial, Inc.,		
1290 Avenue of the Americas, New York, NY 10104	1,988,946(1)(4)	5.01%

(1) According to such organization's Schedule 13G, such shares are owned in its capacity as an investment advisor.

(2) The 2,200,000 shares beneficially owned by Vanguard Specialized Funds Vanguard Health Care Fund are also included in the 2,975,300 shares beneficially owned by Wellington Management Company, LLP in its capacity as an investment advisor.

(3) Reflects beneficial ownership by Barclays Global Investors, NA and its affiliated entities.

(4) Reflects beneficial ownership by AXA Financial, Inc. and its affiliated entities.

Equity Compensation Plan Information

The following table shows, as of December 31, 2004, information with respect to compensation plans under which shares of Common Stock are authorized for issuance.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by shareholders (1)	1,782,000	\$17.12	592,373
Equity compensation plans not approved by shareholders (2)	0	0	0
Total	1,782,000	\$17.12	592,373

(1) These equity compensation plans are the 1993 Stock Option Plan, 1998 Stock Option and Incentive Plan, 1998 Directors Compensation Plan and the 2003 Directors Compensation Plan.

(2) The Company does not have any equity compensation plans that have not been approved by shareholders.

Table of Contents**EXECUTIVE COMPENSATION****SUMMARY COMPENSATION TABLE**

The following table shows for each of the past three years the compensation paid by the Company to its Chief Executive Officer and four most highly compensated executive officers (Named Executive Officers).

Name and Principal Position	Year	Long-Term					
		Annual Compensation			Compensation (1)		
		Salary (\$)**	Bonus (\$)	Other Annual Compensation (\$)(2)	Awards		
					Restricted Stock Awards (\$)(3)	Securities Underlying Options (#)(4)	All Other Compensation (\$)(5)
G. Gilmer Minor, III	2004	\$ 750,774	\$ 408,813		\$ 249,287	30,000	\$ 54,573
Chairman & Chief Executive Officer	2003	751,583	500,000		282,768	50,000	44,709
	2002	693,338	382,417		235,684	45,000	34,129
Craig R. Smith	2004	578,388	256,897		153,474	50,000	28,526
President & Chief Operating Officer	2003	552,635	311,145		232,546	50,000	16,796
	2002	509,808	224,951		141,468	45,000	21,332
Henry A. Berling	2004	394,160	143,073		74,374	20,000	33,452
Executive Vice President	2003	395,770	177,877		83,074	20,000	17,195
	2002	367,470	132,150		70,158	18,000	20,612
Jeffrey Kaczka	2004	364,080	130,967		60,501	4,000	13,103
Senior Vice President & Chief Financial Officer	2003	378,000	163,163		56,404	5,000	13,154
	2002	359,358	128,128		38,471	18,000	7,678
Mark Van Sumeren	2004	384,695	82,460		54,169	9,600	7,220
Senior Vice President, OMSolutions (6)	2003	152,346	150,000		37,494	15,000	60
	2002						

**Salaries in 2003 reflect 27 pay periods rather than the normal 26 pay periods per calendar year.

(1) The Company has no Long-Term Incentive Plans as defined by applicable SEC rules.

(2) None of the Named Executive Officers received Other Annual Compensation in excess of the lesser of \$50,000 or 10% of combined salary and bonus for fiscal years 2004, 2003 or 2002.

(3) Of the total Restricted Stock awards for 2004, the following amounts were awarded to the Named Executive Officers for achieving their stock ownership requirement under the Management Equity Ownership Program (MEOP):

Mr. Minor	\$147,084	Mr. Kaczka	\$27,760
Mr. Smith	\$ 89,250	Mr. Van Sumeren	\$33,554
Mr. Berling	\$ 38,606		

Aggregate restricted stock holdings and values at December 31, 2004 for the Named Executive Officers are as follows:

Mr. Minor	84,859 shares, \$2,390,478	Mr. Kaczka	7,004 shares, \$197,303
Mr. Smith	35,785 shares, \$1,008,063	Mr. Van Sumeren	12,868 shares, \$362,492
Mr. Berling	24,002 shares, \$ 676,136		

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Dividends are paid on restricted stock at the same rate as for all shareholders of record.

(4) No SARs were granted in 2004, 2003 or 2002.

(5) Includes for each officer Company contributions or benefits attributable in 2004 to the following:

	401(k) Plan	Stock Purchase Plan	Life Insurance
Mr. Minor	\$ 6,500	\$ 720	\$ 47,353
Mr. Smith	6,500	720	21,306
Mr. Berling	6,500	0	26,952
Mr. Kaczka	6,500	720	5,883
Mr. Van Sumeren	6,500	720	0

(6) Mr. Van Sumeren joined the Company as Senior Vice President, OMSolutions on August 4, 2003.

2004 OPTION GRANTS

This table shows options granted during 2004 to the Named Executive Officers. The Company did not grant any SARs during 2004.

Name	Number of Securities Underlying Options Granted	Individual Grants(1)		Expiration Date	Value(2)
		% of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price (\$/Share)		
G. Gilmer Minor, III	30,000	9.03%	\$ 24.64	4/28/11	\$ 210,300
Craig R. Smith	50,000	15.04%	24.64	4/28/11	350,500
Henry A. Berling	20,000	6.02%	24.64	4/28/11	140,200
Jeffrey Kaczka	4,000	1.20%	24.64	4/28/11	28,040
Mark Van Sumeren	9,600	2.89%	24.64	4/28/11	67,296

(1) The vesting schedule is as follows: 40% one year after grant, 30% two years after grant and 30% three years after grant.

(2) Based upon Black Scholes option valuation model. Assumptions include a risk-free interest rate of 3.4%, annual dividend yield of 1.7%, an average period outstanding of four years and expected volatility of approximately 35.8%.

2004 OPTION EXERCISES AND YEAR-END OPTION VALUES

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This table shows for the Named Executive Officers any options exercised during 2004 and unexercised options held on December 31, 2004. There were no SARs exercised during 2004 or outstanding on December 31, 2004. Value of unexercised options is calculated using the difference between the option exercise price and \$28.17, the closing price per share of Common Stock on December 31, 2004, multiplied by the number of shares underlying the option.

Name	Shares Acquired Upon Exercise	Value Realized	Number of Securities Underlying Unexercised Options at Year End		Value of Unexercised In-the-Money Options at Year End	
			Exercisable	Unexercisable	Exercisable	Unexercisable
G. Gilmer Minor, III	176,443	\$ 1,912,394	20,000	73,500	\$ 193,800	\$ 575,745
Craig R. Smith	30,000	325,125	274,500	93,500	4,063,698	646,345
Henry A. Berling	37,500	356,363	146,600	37,400	2,138,087	187,938
Jeffrey Kaczka	0	0	39,600	12,400	476,082	114,848
Mark Van Sumeren	0	0	6,000	18,600	21,420	66,018

Table of Contents**RETIREMENT PLANS**

Pension Plan. The Company provides retirement benefits under a defined benefit pension plan to substantially all employees who had earned benefits as of December 31, 1996. Benefits under the pension plan are based upon both length of service and compensation and are determined under a formula based on an individual's earnings and years of credited service. Funding is determined on an actuarial basis. Effective December 31, 1996, participants in the pension plan ceased to accrue additional benefits; provided, however, that participants who had completed at least five years of service as of January 1, 1997 and whose age plus years of service equaled at least 65 continued to earn an accrued benefit until the earlier of (i) December 31, 2001 or (ii) retirement, death or termination of employment (with the exception of certain highly compensated employees if the pension plan did not meet certain coverage requirements of the Internal Revenue Code).

The following table shows estimated annual benefits payable under the pension plan at normal retirement age of 65 years based on the specified remuneration and years of service:

Average Compensation(1)	Average Straight Life Annuity Benefits Based On Years of Credited Service				
	15 yrs.	20 yrs.	25 yrs.	30 yrs.	35 yrs.
200,000	32,055	41,674	51,293	60,912	70,531
300,000	39,736	54,315	68,893	83,472	98,050
400,000	46,680	66,218	85,756	105,294	124,832
500,000	53,623	78,121	102,618	127,116	151,613
600,000	60,566	90,023	119,480	148,937	160,000
700,000	67,510	101,926	136,343	160,000	160,000
800,000	74,453	113,829	153,205	160,000	160,000
900,000	81,396	125,732	160,000	160,000	160,000
1,000,000	88,340	137,635	160,000	160,000	160,000
1,100,000	95,283	149,537	160,000	160,000	160,000
1,200,000	102,226	160,000	160,000	160,000	160,000
1,300,000	109,169	160,000	160,000	160,000	160,000
1,400,000	116,113	160,000	160,000	160,000	160,000

(1) Average compensation represents compensation based upon a benefit formula applied to an employee's career average earnings, which approximates the amount of salary set forth in the Summary Compensation Table. The maximum amount of covered compensation is \$170,000, or some other amount as may be determined by the Secretary of Treasury pursuant to Section 401(a)(17) of the Internal Revenue Code.

Benefits are computed on a straight life annuity basis and are not subject to offset for Social Security benefits or other amounts. The years of service credited to the Named Executive Officers and the annual benefits payable to the Named Executive Officers under the pension plan at normal retirement age of 65 years based on remuneration and years of service as of December 31, 2001 are as follows: Mr. Minor, 36 years, \$77,818; Mr. Smith, 11 years, \$10,144; Mr. Berling, 33 years, \$48,963; Mr. Kaczka, not eligible; and Mr. Van Sumeren, not eligible.

Supplemental Executive Retirement Plan. The Company provides supplemental retirement benefits to certain employees selected by the Compensation Committee under the Supplemental Executive Retirement Plan (SERP). The SERP entitles participants who meet its age and service requirements to receive a specified percentage (in the case of Messrs. Minor, Smith and Berling, 65%, and the other Named Executive Officers, 60%) of the participant's average base monthly salary (plus bonus for certain participants, including the Named Executive Officers) during the five years preceding his or her retirement reduced by the benefit payable under the

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pension plan, Social Security and any defined benefit pension plan of a prior employer. The estimated annual benefits payable under the SERP upon retirement at normal retirement age for the Named Executive Officers are:

Mr. Minor \$676,286, Mr. Smith \$568,477, Mr. Berling \$280,378, Mr. Kaczka \$316,002, and Mr. Van Sumeren \$299,451.

SEVERANCE AGREEMENTS

On December 31, 2004, the Board of Directors amended and restated the form of executive severance agreement entered into by the Company with certain officers (including the Named Executive Officers). The purpose of the severance agreements is to encourage key management personnel to remain with the Company and to avoid distractions regarding potential or actual changes in control of the Company.

The severance agreements provide for the payment of a severance benefit if the officer's employment with the Company is terminated within two years after a change in control unless such termination is (i) due to death or disability, (ii) by the Company for cause (as defined therein) or (iii) by the officer for good reason (as defined therein). For the Named Executive Officers, the severance benefit is equal to 2.99 times the officer's annual base salary plus bonus. In consideration for any severance benefits paid, the severance agreements impose certain non-competition and non-solicitation restrictive covenants on the officers and prohibit the disclosure and use of confidential Company information.

Each severance agreement continues in effect through December 31, 2005, and unless notice is given to the contrary, the term is automatically extended for an additional year at the end of each year.

REPORT OF THE COMPENSATION & BENEFITS COMMITTEE

The Compensation Committee is comprised of five independent directors who are not current or past employees of the Company. The Compensation Committee's philosophy is to:

establish and maintain programs and practices that promote achievement of the Company's strategic objectives,

provide rewards that reflect the Company's performance, and

align executives' financial interests with those of shareholders.

Accordingly, compensation for executives is based on measures of the Company's financial performance and strategic results intended to translate into increased shareholder value.

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The Compensation Committee also strives to maintain market competitive compensation levels. To meet this objective, the Compensation Committee evaluates executive compensation levels through comparisons to the peer companies included in the performance graph of this Proxy Statement and other companies of similar size and operating characteristics. Base salaries are targeted at the competitive market median for similarly experienced executives. Annual incentive compensation opportunities, when combined with base salaries, are intended to reach competitive median total cash compensation levels as warranted by the Company's and the individual officer's performance. Longer-term incentive compensation opportunities, such as stock options and restricted stock, link executive compensation with achievement of strategic objectives and shareholder value growth. This combination is intended to focus management on both the annual and longer-term success of the Company.

Committee Process and Compensation Administration

To maintain the desired level of competitiveness and technically sound compensation and benefit programs, the Compensation Committee obtains information and guidance from the Company's Human Resources Department as well as independent outside advisors. It reviews available compensation information for executive

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officers of the peer and other comparable companies. In addition, the Compensation Committee considers the total value of the annual compensation for each executive and all executives as a group. Periodically, the Compensation Committee also reviews the total compensation that would be paid to executive officers upon the occurrence of certain events, particularly an officer's retirement or a change in control of the Company. In connection with approving amendments to both the Company's SERP and form of executive severance agreement in 2004, the Compensation Committee reviewed the compensation that would be paid to each executive officer at retirement and upon a change in control transaction that resulted in the payment of benefits.

In deciding base salary levels, incentive payments and granting of stock options and restricted stock, the Compensation Committee seeks recommendations from the Chief Executive Officer and the President on senior executives. The Compensation Committee meets in executive session, without the presence of management (including the Chief Executive Officer), to evaluate the performance of and determine compensation levels for the Chief Executive Officer.

2004 Developments

During 2004, the Compensation Committee, with the assistance of an independent outside consultant, comprehensively reviewed the Company's overall executive benefit program to ascertain whether its plans and benefits were appropriate, market competitive and consistent with corporate governance best practices. As a result of this undertaking, the Compensation Committee made a number of changes to the Company's benefit programs of which the following are most notable:

Revised the form of executive severance agreement to be more restrictive by requiring "good reason" in the event of a voluntary termination by an executive upon a change of control and to add non-competition and non-solicitation restrictive covenants for the benefit of the Company;

Amended the SERP to reduce the percentage rate of payable benefits for the majority of participating officers in keeping with best practices of other comparable companies; and

To offer a more competitive total compensation program, adopted an unfunded Deferred Compensation Plan that permits certain officers, including the Named Executive Officers, to defer receipt of their salary and/or annual incentive payments.

Components of Executive Compensation

Base Salary

Executive officer base salaries in 2004 were based on median competitive compensation data, overall individual and Company performance levels and expected future contribution to the Company. The Compensation Committee reviews base salaries each April and makes appropriate adjustments. The 2004 salaries for the Named Executive Officers presented in the Summary Compensation Table are the actual salaries received by such officers during the year. In April 2004, The Chief Executive Officer received an increase in base salary of 3% from \$735,420 to \$757,483.

Annual Incentive

Each year the Compensation Committee meets to review key aspects of the upcoming year's business plan and establish annual incentive goals for each corporate officer (the Annual Incentive Plan). These goals are weighted to reflect their importance and contribution to Company performance.

The Annual Incentive Plan for 2004 was designed to provide incentive compensation targets of between 40% and 75% of base salary for the Named Executive Officers, subject to the achievement of the Company's target performance objectives. The target incentive was based on achievement of financial performance targets established for net income, net sales and other financial and operational objectives designed to promote key Company initiatives, including SG&A and gross margin objectives. The incentive amount increased or decreased

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in relationship to the financial performance targets and no incentive would have been payable (other than possible discretionary bonuses) if financial performance was below a specified minimum level. The performance targets were established by the Compensation Committee and approved by the Board of Directors in the fourth quarter of 2003.

In February 2005, the Compensation Committee met to discuss performance compared to Annual Incentive Plan goals as well as the Company's longer-term strategic business goals. These longer-term business goals centered around the Company's strategic objectives to increase profitable revenue growth through innovative programs and operational efficiencies while maintaining its focus on customer service excellence.

For 2004 the Company reported a 6.6% increase in revenue to \$4.53 billion from \$4.24 billion in 2003. Net income increased 12.8% to \$60.5 million compared to \$53.6 million in 2003. Net income per diluted common share increased 7.7% to \$1.53 compared to \$1.42 in 2003. Gross margin for 2004 was 10.2% of revenue compared to 10.3% in 2003 and SG&A expense held steady at 7.5% of revenue.

Based on these and other financial and operational results, the Company achieved 90% of its overall annual incentive target. Upon consideration of these results, the Compensation Committee awarded payments ranging from 26% to 54% of base salary for the Named Executive Officers (other than the Chief Executive Officer) for performance achieved in 2004. The Chief Executive Officer, whose target incentive was 75% of base salary, earned a bonus of \$511,016 (67% of his base salary), 20% of which was paid in Common Stock as discussed below.

Under the Company's Annual Incentive Plan, 80% of the annual incentive is paid in cash and 20% in Common Stock. This feature of the plan is designed to align the interests of executives with shareholders by increasing executive stock ownership while furthering executive retention. The shares are restricted and vest after three years, provided the officer remains an employee of the Company. The Chief Executive Officer received a cash award of \$408,813 and a restricted stock award of 3,543 shares for 2004.

Long-Term Incentive

The Company's 1998 Stock Option and Incentive Plan permits the Compensation Committee to consider grants of non-qualified stock options, incentive stock options, restricted and performance-based awards, and stock appreciation rights. The Compensation Committee's decision to approve stock awards in addition to those granted in connection with the Annual Incentive Plan as described above is discretionary and largely determined by financial performance, strategic accomplishments and individual contributions, although there are no specific performance targets for this purpose. Stock award decisions may also be based upon outstanding individual performance, job promotions and the assumption of greater responsibility within the Company.

The Compensation Committee believes stock option grants have historically been effective in focusing executives on enhancing long-term profitability and shareholder value. In 2004, the Compensation Committee granted 30,000 stock options to the Chief Executive Officer to encourage future growth in shareholder returns. Stock option grants were also provided to the other Named Executive Officers. The options were granted at fair market value and have a term of seven years. The Compensation Committee believes a seven-year term incorporates a greater performance requirement than the traditional ten-year term used by many companies.

In December 2004, the Compensation Committee adopted a new long-term incentive strategy for 2005 that will shift the mix of long-term value awards from stock options only to a balanced approach of stock options and performance accelerated restricted stock. In February 2005, the Committee recommended, and the Board approved for ratification by the shareholders at the 2005 annual meeting, the proposed 2005 Stock

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Incentive Plan to replace the expiring 1998 Stock Option and Incentive Plan.

The Compensation Committee recognizes the importance of dilution management and, accordingly, equity usage historically has been conservative compared to the Company's peer group. The Compensation Committee will continue to take a responsible approach to dilution and equity usage by managing annual equity grants and

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adopting appropriate plan provisions, such as the seven-year option term. Through these practices, as well as monitoring of the competitive landscape, the Compensation Committee intends to continue the Company's equity grant programs while maintaining an appropriate balance with shareholder interests.

Management Equity Ownership Program

In 1997 the Compensation Committee approved the Owens & Minor, Inc. Management Equity Ownership Program (MEOP) for members of the management team, including each of the Named Executive Officers. This program is intended to strengthen the alignment of management and shareholder interests by creating meaningful levels of stock ownership by management. An ownership target has been determined for each level of the management team. These targets range from four times salary for the Chief Executive Officer to one times salary for Vice Presidents. Eligible holdings in meeting these targets include direct holdings, indirect holdings, shares held through Company plans such as the 401(k) plan and stock purchase plan and restricted stock holdings. To encourage ownership and help senior officers meet their equity investment targets, participants may elect to receive a portion of their annual cash incentive award in restricted stock.

Participants are given a five-year period to reach the full target ownership amount with interim ownership targets to meet each year. As of December 31, 2004, the value of the stock owned by participants, in aggregate, well exceeded the aggregate full target ownership amount. The Named Executive Officers as a group have beneficial ownership levels (excluding stock options held) well above the median level of the Company's peer group, reflecting the Company's strong commitment to executive stock ownership.

If a participant meets his or her target level of ownership, a 10% annual equity ownership dividend (the dividend is reduced to 5% for the years subsequent to a participant reaching his or her full target ownership amount) is paid on all Common Stock owned up to the participant's full target level. The dividend is paid in the form of restricted stock that will vest five years after grant if the desired ownership level is maintained. If a participant's ownership falls below the desired level, a portion of his or her annual bonus and/or salary increase, if earned, will be paid in the form of restricted stock and dividend shares will be forfeited until the target ownership level is met. During 2004, the Chief Executive Officer was granted a dividend of 5,298 shares of restricted stock under the MEOP.

Corporate Tax Considerations

Section 162(m) of the Internal Revenue Code disallows corporate tax deductions for executive compensation in excess of \$1 million paid annually to Named Executive Officers. This law allows for certain exemptions to the deduction cap, including performance-based compensation as defined in the rules adopted under Section 162(m).

The Compensation Committee intends that the Company's pay plans generally be performance-based and therefore eligible for compensation expense deductions. The Compensation Committee, however, may exercise discretion to award compensation that is not tax deductible when it determines that doing so will better support the long-term goals of the Company and the interests of shareholders.

THE COMPENSATION & BENEFITS COMMITTEE

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Anne Marie Whittemore, Chairperson

J. Alfred Broaddus, Jr.

Vernard W. Henley

Peter S. Redding

James E. Ukrop

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COMPARISON OF FIVE-YEAR CUMULATIVE TOTAL RETURN

The following performance graph compares the performance of the Company's Common Stock to the S&P 500 Index and a Peer Group (which includes the Company and the companies listed below) for the last five years.

5-YEAR TOTAL SHAREHOLDER RETURN

This graph assumes that the value of the investment in the Common Stock and each index was \$100 on December 31, 1999 and that all dividends were reinvested.

[Graph prepared by William M. Mercer, Incorporated]

	12/1999	12/2000	12/2001	12/2002	12/2003
Owens & Minor, Inc.	100	202	214	193	262
S&P 500 COM	100	91	80	62	80
Industry Peer Index ⁽¹⁾	100	195	199	174	192

(1) The Industry Peer Group selected for purposes of the performance graphs consists of companies engaged in the business of healthcare product distribution and includes Owens & Minor, Inc., AmerisourceBergen Corporation, Cardinal Health, Inc., Henry Schein Inc., McKesson HBOC, Inc. and PSS World Medical, Inc. Moore Medical Corp. was purchased by McKesson HBOC, Inc. in April 2004 and, accordingly, is no longer a separate member of the Industry Peer Group.

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CERTAIN RELATIONSHIPS AND TRANSACTIONS; COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2004, the Company retained the services of Ewing Bemiss & Co. (Ewing Bemiss), an investment banking firm, to provide advice and assistance on strategic acquisitions for aggregate fees of \$90,000. Ewing Bemiss advised and assisted the Company in its acquisition of Access Diabetic Supply in January 2005, for which the Company paid Ewing Bemiss a commission of \$685,064. Henry Berling, a retiring director of the Company who retired as Executive Vice President of the Company on January 1, 2005, has a son who is a Managing Director of Ewing Bemiss. In addition, Mr. Berling's brother is employed by the Company as a Corporate Operations Manager for which he was paid an aggregate of \$77,530 in salary and bonus in 2004.

The Company employs the son of Mr. Minor, Chairman and Chief Executive Officer of the Company. Mr. Minor's son currently serves as Regional Vice President, Central of the Company and, for 2004, was paid an aggregate of \$287,625 in salary and bonus and was awarded \$26,996 in restricted stock (\$5,552 of which was for achieving stock ownership requirements under the MEOP) and granted 8,000 stock options (with a fair market value option price of \$24.64 on the date of grant).

During 2004, the Company retained the law firm of McGuireWoods LLP to provide advice on certain matters for aggregate fees of approximately \$35,000. Ms. Whittemore, a director of the Company and chairperson of the Compensation Committee, is a partner of McGuireWoods LLP.

SHAREHOLDER PROPOSALS

Under regulations of the SEC, any shareholder desiring to make a proposal to be acted upon at the 2006 annual meeting of shareholders must present such proposal to the Company's Corporate Secretary at the Company's principal office at 4800 Cox Road, Glen Allen, Virginia 23060 not later than November 12, 2005, in order for the proposal to be considered for inclusion in the Company's proxy statement. All shareholder proposals and director nominations must be submitted in accordance with and contain the information required by the Company's bylaws, a copy of which may be obtained by contacting the Corporate Secretary at the address indicated above. The Company will determine whether to include properly submitted proposals in the proxy statement in accordance with regulations governing the solicitation of proxies.

The Company's Bylaws provide that a shareholder of the Company entitled to vote for the election of directors may nominate persons for election as directors only at an annual meeting and if written notice of such shareholder's intent to make such nomination or nominations has been given to the Corporate Secretary of the Company not later than 90 days before the anniversary of the date of the first mailing of the Company's proxy statement for the immediately preceding year's annual meeting. The Corporate Secretary must receive written notice of a shareholder nomination to be acted upon at the 2006 annual meeting not later than the close of business on December 12, 2005. The shareholder's notice must include the information required by the Company Bylaws, including:

the name and address of record of the shareholder intending to make the nomination, the beneficial owner, if any, on whose behalf the nomination is made and of the person or persons to be nominated;

a representation that such shareholder is a shareholder of record and intends to appear in person or by proxy at such meeting to nominate the director candidate;

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the class and number of shares of Common Stock that are owned by such shareholder and such beneficial owners;

a description of all arrangements, understandings or relationships between such shareholder and each director nominee and any other person(s) (naming such person(s)) pursuant to which the nomination is to be made by such shareholder;

such other information regarding each nominee proposed by such shareholder as would be required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise

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required to be disclosed, pursuant to the proxy rules of the SEC, had the nominee been nominated, or intended to be nominated, by the Board of Directors; and

the written consent of the nominee to serve as a director if elected.

In order for a shareholder to bring other business before a shareholder meeting, timely notice must be received by the Company within the time limits described in the immediately preceding paragraph. The Corporate Secretary must receive written notice of a shareholder proposal to be acted upon at the 2006 annual meeting not later than the close of business on December 12, 2005. The shareholder's notice must contain the information required by the Company's Bylaws, including:

the information described above with respect to the shareholder proposing such business;

a brief description of the business desired to be brought before the meeting, including the complete text of any resolutions to be presented at the annual meeting and the reasons for conducting such business at the annual meeting; and

any material interest of such shareholder and such beneficial owner in such business.

The requirements found in the Company's Bylaws are separate from the requirements a shareholder must meet to have a proposal included in the Company's proxy statement under the proxy rules.

OTHER MATTERS

The Board of Directors is not aware of any matters to be presented for action at the Annual Meeting other than as set forth in this Proxy Statement. However, if any other matters properly come before the Annual Meeting, or any adjournment or postponement thereof, the person or persons voting the proxies will vote them in accordance with their best judgment.

March 14, 2005

BY ORDER OF THE BOARD OF DIRECTORS

GRACE R. DEN HARTOG

Senior Vice President, General Counsel & Corporate Secretary

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Annex A

OWENS & MINOR, INC.

CORPORATE GOVERNANCE GUIDELINES

The following shall constitute the Corporate Governance Guidelines (the "Corporate Governance Guidelines") of the Board of Directors of Owens & Minor, Inc. (the "Corporation"):

I. BOARD COMPOSITION AND STRUCTURE

1. Director Qualifications

The Board of Directors of the Corporation (the "Board") will satisfy any independence requirement of the New York Stock Exchange as then in effect.

The Governance & Nominating Committee is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of Board members as well as the composition of the Board as a whole.

This assessment will include members' qualifications as independent (Directors shall inform the Chairman of that Committee of any matter bearing on the director's independence), as well as consideration of diversity, age, skills and experience in the context of the Board's needs as well as the members of the Board.

Nominees for directorship will be selected by the Governance & Nominating Committee in accordance with the policies and principles in its charter.

The invitation to join the Board will be extended by the Board through the Chairman of the Governance & Nominating Committee and the Chairman of the Board.

2. Independence Standards

A majority of the Directors shall be independent.

In order for a Director to be considered independent by the Board, he or she must (i) be free of any relationship that, applying the rules of the New York Stock Exchange, would preclude a finding of independence and (ii) not have material relationship (either directly or as a partner, shareholder or officer of an organization) with the Company or any of its affiliates or any executive officer of the Company or any of its affiliates. In evaluating the materiality of any such relationship, the Board of Directors shall take into consideration whether disclosure of the relationship would be required by the proxy rules under the Securities Exchange Act of 1934, as amended. If such disclosure is required, the Board of Directors must make a determination that the relationship is not material as a prerequisite to finding that the Director is independent.

3. Change in Principal Position

It is the sense of the Board that individual directors who change the responsibility they held when they were elected to the Board should volunteer to resign from the Board. Such a step provides an opportunity for the Board, through the Governance & Nominating Committee, to review the continued appropriateness of Board membership under the circumstances.

Directors should advise the Chairman of the Board and the Chairman of the Governance & Nominating Committee in advance of accepting an invitation to serve on another public company board.

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4. Term Limits

The Board does not believe that it is in the best interest of the Corporation or its shareholders to establish term limits for directors. The Governance & Nominating Committee will review each director's continuation on the Board every three years. This will allow each director the opportunity to conveniently confirm his or her desire to continue as a member of the Board. The Board does not believe it should establish term limits. While term limits could help insure that there are fresh ideas and viewpoints available to the Board, they have the significant disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and, therefore, provide an increasing contribution to the Board as a whole.

II. DIRECTOR RESPONSIBILITIES

1. Basic Responsibilities

The director's basic responsibility is to exercise his or her good faith business judgment of the best interests of the Corporation. In discharging that obligation, each director should be entitled to rely on the honesty and integrity of the Corporation's senior executives and its outside advisors and auditors absent evidence that makes such reliance unwarranted.

Directors are expected to attend Board meetings and meetings of committees on which they serve, to spend the time needed and meet as frequently as necessary to discharge properly their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting. Directors should review these materials in advance of the meeting.

The directors shall also be entitled (1) to have the Corporation purchase reasonable levels of directors' and officers' liability insurance on their behalf; (2) to the benefits of indemnification to the fullest extent permitted by law and the Corporation's Articles of Incorporation, Bylaws and any indemnification agreements; and (3) to exculpation as provided by Virginia law and the Corporation's Articles of Incorporation.

2. Separation of Offices of Chairman and CEO/Lead Director

The Board has no policy with respect to the separation of the offices of Chairman and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Corporation for the Board to make a determination when it elects a new chief executive officer.

The Governance & Nominating Committee shall recommend for Board approval an independent director to serve as Lead Director. The Lead Director shall be elected annually by the Board following the election of directors at the annual meeting of the shareholders. The Lead Director shall:

preside at Board meetings in the absence of the Chairman;

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preside at meetings of the independent directors; serve as principal liaison on behalf of the independent directors;

advise the Chairman and the Committee Chairmen with respect to agendas and information needs relating to Board and Committee meetings;

be authorized to call meetings of the Board and meetings of the independent directors, set agenda items for such meetings and perform such other duties as the Board may from time to time delegate to assist the Board in the fulfillment of its responsibilities.

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The identity of the Lead Director shall be disclosed in the annual proxy statement, together with a method for interested parties to communicate directly with the Lead Director.

3. Agenda

The Chairman will establish the agenda for each Board meeting in consultation with the Lead Director. At the beginning of the year the Chairman will establish a schedule of significant agenda subjects to be discussed during the year (to the degree this can be foreseen). Each Board member is encouraged to suggest the inclusion of items on the agenda. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting. The Board will review the Corporation's long-term strategic plans and the principal issues that the Corporation will face in the future during at least one Board meeting each year.

4. Executive Session

The non-management directors will meet in executive session following each regularly scheduled Board meeting and at such other times as they may determine. The independent directors (excluding any non-management director who does not qualify as an independent director under the rules of the NYSE, if any) will meet in executive session at least annually. The Lead Director shall preside at these meetings.

5. Communication Policy

The Board believes that the management speaks for the Corporation. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Corporation. It is expected that Board members would do this with the knowledge of the management and, absent unusual circumstances or as contemplated by the committee charters, only at the request of management.

6. Code of Honor

At all times, directors will comply with the provisions of the Corporation's Code of Honor.

III. BOARD COMMITTEES

The Board will have at all times an Audit Committee, a Compensation & Benefits Committee and a Governance & Nominating Committee. The members of these committees will comply with any requirements of the New York Stock Exchange as then in effect. Committee members will be appointed by the Board upon recommendation of the Governance & Nominating Committee with consideration of the desires of individual directors. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Each committee will have its own charter. The charters will set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and

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committee reporting to the Board. The charters will also provide that each committee will annually evaluate its performance.

The Chairman of each committee, in consultation with the committee members, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the committee's charter. The Chairman of each committee, in consultation with the appropriate members of the committee and management, will develop the committee's agenda. At the beginning of the year each committee will establish a schedule of the principal agenda subjects to be discussed during the year (to the degree these can be foreseen). The schedule for each committee will be furnished to all directors.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

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IV. DIRECTOR ACCESS TO OFFICERS AND TEAMMATES

Directors have full and free access to officers and teammates of the Corporation and, as necessary and appropriate, to the Corporation's independent advisors. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or the Secretary or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Corporation and will, to the extent not inappropriate, copy the CEO on any written communications between a director and an officer or teammate of the Corporation, or advise the CEO of any such oral communications.

The Board welcomes regular attendance at each Board meeting of the Corporation's senior officers. If the CEO wishes to have additional Corporation personnel attend on a regular basis, this suggestion should be brought to the Board for approval.

V. DIRECTOR COMPENSATION

The form and amount of director compensation will be determined by the Board based on a recommendation of the Governance & Nominating Committee in accordance with the policies and principles set forth in its charter. The Governance & Nominating Committee will conduct an annual review of director compensation. The Governance & Nominating Committee will consider that directors' independence may be jeopardized if director compensation and perquisites exceed customary levels, if the Corporation makes substantial charitable contributions to organizations with which a director is affiliated, or if the Corporation enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

VI. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

All new directors must participate in the Corporation's Orientation Program, which should be conducted within two months of the new director's election to the Board. This orientation will include presentations by senior management to familiarize new directors with the Corporation's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, these Guidelines, its Code of Honor, its principal officers and its internal and independent auditors. In addition, the Orientation Program will include visits to Corporation headquarters and, to the extent practical, certain of the Corporation's significant facilities. All other directors are also invited to attend the Orientation Program.

All directors are encouraged to attend programs and seminars dealing with the role and responsibility of publicly owned company directors.

VII. CEO EVALUATION AND MANAGEMENT SUCCESSION

The Compensation & Benefits Committee and Governance & Nominating Committee will conduct annual reviews of the CEO's performance, as set forth in their charters. The Board of Directors will review the Committee reports in order to ensure that the CEO is providing the best leadership for the Corporation in the long- and short-term.

The Governance & Nominating Committee should make an annual report to the Board on succession planning. The Board will work with the Governance & Nominating Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

VIII. ANNUAL PERFORMANCE EVALUATION

The Board of Directors will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Governance & Nominating Committee will receive comments from all directors and

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report annually to the Board with an assessment of the Board's performance. The assessment will focus on the Board's contribution to the Corporation and specifically focus on areas in which the Board or management believes that the Board can improve.

IX. DIRECTOR ATTENDANCE AT ANNUAL SHAREHOLDER MEETINGS

It is the Board's policy that, absent unusual or unforeseen circumstances, all of the directors of the Corporation are expected and encouraged to attend each Annual Meeting of the Corporation's shareholders.

X. CONSISTENCY WITH ARTICLES

To the extent that any provision or section of the Corporate Governance Guidelines may be inconsistent with any article, provision or section of the Articles of Incorporation or the Bylaws of the Corporation, the Articles of Incorporation or the Bylaws, as appropriate, shall fully control.

XI. AMENDMENT

These Corporate Governance Guidelines may be amended or altered at any meeting of the Board of Directors by affirmative vote of a majority of the number of Directors fixed by the Bylaws.

XII. CERTIFICATION

This Corporate Governance Guidelines, as amended, was duly approved and adopted by the Board of the Corporation on the 13th day of December, 2004.

/s/ GRACE R. DEN HARTOG

Corporate Secretary

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Annex B

OWENS & MINOR, INC.

2005 STOCK INCENTIVE PLAN

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OWENS & MINOR, INC.

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