

VIAD CORP
Form PRE 14A
March 29, 2012
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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

VIAD CORP

(Name of Registrant as Specified In Its Charter)

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(4) Date Filed:

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VIAD CORP

1850 North Central Avenue, Suite 1900

Phoenix, Arizona 85004-4565

April [], 2012

Dear Fellow Viad Corp Shareholder:

We look forward to your attendance in person or by proxy at the 2012 Annual Meeting of Shareholders of Viad Corp. We will hold the meeting on Tuesday, May 15, 2012, at 9:00 a.m. at The Phoenician, 6000 East Camelback Road, Scottsdale, Arizona 85251, in Ballroom A. The formal notice of the meeting is attached. No admission tickets or other credentials will be required for attendance at the meeting. You may use the hotel's free valet parking.

Directors and officers will be available at the meeting to speak with you. There will be an opportunity during the meeting for your questions regarding the affairs of the Company and for a discussion of the business to be considered at the meeting, as explained in the notice and proxy statement.

The agenda for this year's annual meeting includes the following items:

Agenda Item	Board Recommendation
Election of Directors	FOR
Ratification of Deloitte & Touche LLP as our independent registered public accountants	FOR
Advisory vote on executive compensation	FOR
Approval of material terms of the performance goals of the 2007 Viad Corp Omnibus Incentive Plan	FOR
Approval of the Amended and Restated Rights Agreement	FOR

We want to briefly call your attention to our proposal for approval of the Amended and Restated Rights Agreement, which is commonly referred to as a shareholder rights plan. Our Board of Directors unanimously recommends that you vote **FOR** approval of the shareholder rights plan at the annual meeting. As you may know, our shareholder rights plan was adopted in February 2002 and was scheduled to expire on February 28, 2012. As the expiration date approached, our Board determined that maintaining a shareholder rights plan is in the best interests of the Company and our shareholders. Accordingly, on February 28, 2012, we amended the shareholder rights plan in its entirety and extended its expiration date, subject to binding shareholder approval. If shareholders do not approve the amended shareholder rights plan by February 28, 2013, it will terminate on that date; otherwise, it will terminate on February 28, 2015, unless the underlying rights are earlier redeemed or exchanged (as described in the attached proxy statement).

The amended shareholder rights plan was designed to assist our Board to enable all shareholders to realize the long-term value of their investment, to ensure that all shareholders receive fair and equal treatment in the event of any proposed takeover and to protect Viad and its shareholders from abusive takeover tactics.

It is important to note that the amendment to our shareholder rights plan was not adopted in response to any specific takeover proposal, but in response to the general takeover environment and the fact that 19.56% of our shares of common stock are held by one shareholder and its affiliates, based on the shareholder's recent filing with the Securities and Exchange Commission (as described in the attached proxy statement).

Additional detailed information on the amended shareholder rights plan and each of the other proposals included on the agenda for the annual meeting are provided in the attached proxy statement.

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Your vote is important, and we urge you to cast your vote promptly. Whether you plan to attend the meeting or not, please sign, date and return the enclosed proxy card in the envelope provided, or you may vote your shares by telephone or the Internet as described on your proxy card. If you plan to attend the meeting, you may vote in person.

Thank you for your continued support of Viad Corp.

Sincerely,

Paul B. Dykstra
Chairman, President and Chief Executive Officer

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VIAD CORP

1850 North Central Avenue, Suite 1900

Phoenix, Arizona 85004-4565

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

AND AVAILABILITY OF PROXY MATERIALS

April [], 2012

To Viad Corp Shareholders:

We will hold the Annual Meeting of Shareholders of Viad Corp, a Delaware corporation, at The Phoenician, 6000 East Camelback Road, Scottsdale, Arizona 85251, in Ballroom A, on Tuesday, May 15, 2012, at 9:00 a.m., Mountain Standard Time. No admission tickets or other credentials will be required for attendance at the meeting. You may use the hotel's free valet parking. The purposes of the meeting are to:

1. Elect three directors to Viad's Board of Directors, each for a three-year term;
2. Ratify the appointment of Deloitte & Touche LLP as our independent registered public accountants for 2012;
3. Approve, in an advisory vote, the compensation of Viad's named executive officers;
4. Approve material terms of the performance goals of the 2007 Viad Corp Omnibus Incentive Plan;
5. Approve the Amended and Restated Rights Agreement; and
6. Consider any other matters which may properly come before the meeting and any adjournments.

The foregoing items of business are more fully described in the proxy statement accompanying this notice. Our 2011 Annual Report, including financial statements, is included with your proxy materials. Only shareholders of record of common stock at the close of business on March 28, 2012, are entitled to receive this notice and to vote at the meeting. A list of shareholders entitled to vote will be available at the meeting for examination by any shareholder for any proper purpose. The list will also be available on the same basis for 10 days prior to the meeting at Viad's principal executive offices at the address listed above. To assure your representation at the meeting, please vote your shares by telephone, the Internet or by signing, dating and returning the enclosed proxy card at your earliest convenience. The Internet and automated telephone voting features are described on the proxy card. We have enclosed a return envelope, which requires no postage if mailed in the United States, if you choose to mail your proxy. Your proxy is being solicited by the Board of Directors.

By Order of the Board of Directors

DEBORAH J. DEPAOLI

General Counsel and Secretary

Important Notice Regarding the Availability of Proxy Materials for Shareholder Meeting

To Be Held on May 15, 2012:

The 2012 Proxy Statement and 2011 Annual Report are available at viad.investorroom.com/proxy_notices

(or go to www.viad.com and then click onto the link 2012 Annual Meeting Proxy Materials).

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APPENDIX A (2007 VIAD CORP OMNIBUS INCENTIVE PLAN)

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APPENDIX B (AMENDED AND RESTATED RIGHTS AGREEMENT)

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VIAD CORP

1850 North Central Avenue, Suite 1900

Phoenix, Arizona 85004-4565

PROXY STATEMENT

GENERAL INFORMATION ABOUT THE MEETING

Viad Corp 2012	Tuesday, May 15, 2012	The Phoenician
Annual Meeting	9:00 a.m., Mountain Standard Time	6000 East Camelback Road
		Scottsdale, Arizona 85251

- Agenda**
1. Elect three directors.
 2. Ratify the appointment of Deloitte & Touche LLP as our independent registered public accountants (also referred to as independent auditors) for 2012.
 3. Hold an advisory vote on the compensation of Viad s named executive officers.
 4. Approve material terms of the performance goals of the 2007 Viad Corp Omnibus Incentive Plan.
 5. Approve the Amended and Restated Rights Agreement.
 6. Any other proper business.

Proxies Solicited By Board of Directors of Viad Corp.

First Mailing Date We anticipate mailing the proxy statement on April [], 2012.

Record Date March 28, 2012. On the record date, we had 20,256,575 shares of our common stock outstanding.

Voting If you were a holder of common stock on the record date, you may vote at the meeting. Each share held by you is entitled to one vote. You can vote in person at the meeting, by the Internet, by automated telephone voting, or by proxy.

Proxies We will vote signed returned proxies FOR the Board s director nominees, FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accountants for 2012, FOR the approval of the compensation of Viad s named executive officers, FOR the approval of the material terms of the performance

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goals of the 2007 Viad Corp Omnibus Incentive Plan and FOR the approval of the Amended and Restated Rights Agreement, unless you vote differently on the proxy card. The proxy holders will use their discretion on other matters. If a nominee cannot or will not serve as a director, proxy holders will vote for a person whom they believe will carry on our present policies.

Revoking Your Proxy You may revoke your proxy before it is voted at the meeting. To revoke your proxy, follow the procedures listed under the Voting Procedures/Revoking Your Proxy section of this proxy statement.

Your Comments Your comments about any aspect of our business are welcome. Although we may not respond on an individual basis, your comments receive consideration and help us measure your satisfaction.

Prompt return of your proxy will help reduce the costs of resolicitation.

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PROPOSAL 1: ELECTION OF DIRECTORS

Introduction

Upon the recommendation of the Corporate Governance and Nominating Committee, the Board of Directors (the Board of Directors or the Board) of Viad Corp (Viad, we or the Company) has nominated the three persons listed below to serve as directors. Each of the director nominees proposed for election at this year's annual meeting are independent directors within the meaning of the New York Stock Exchange listing standards, applicable Securities and Exchange Commission (SEC) regulations and Viad's Corporate Governance Guidelines.

Majority Vote Standard for Election of Directors

For uncontested elections of directors, Viad's Bylaws (the Bylaws) provide that the vote standard is a majority of votes cast, which means that the number of shares voted for a director nominee must exceed the number of votes cast against that director nominee. The Bylaws further provide that if a nominee who already serves as a director is not elected by a majority vote, then the director will be obligated to tender his or her resignation to the Board. The Corporate Governance and Nominating Committee of the Board will make a recommendation to the Board on whether to accept or reject the resignation, or whether other action should be taken. The Board will be required to publicly disclose its decision and the rationale behind it within 90 days of the certification of the election results. The director who tenders his or her resignation will not participate in the Board's decision. In contested elections where the number of nominees exceeds the number of directors to be elected, the Bylaws provide for a plurality vote standard. If a nominee, who was not already serving as a director, is not elected at the annual meeting, the Bylaws provide that the nominee would not become a director.

Skills, Qualifications and Experience of Viad's Directors

While Viad's directors have many individual qualifications, our Board believes that certain specific qualifications are common to all of Viad's directors, and these qualifications (as well as others) led the Board to conclude that each director listed below under the Director Nominees and Directors Continuing in Office sections should serve on the Board. These qualifications include:

Highest ethical standards and integrity;

Willingness to act on and be accountable for Board decisions;

Ability to provide informed and thoughtful counsel to top management on a range of issues;

History of achievement that reflects superior standards for himself/herself and others;

Loyalty and commitment to driving the success of Viad;

Willingness to ask questions and pursue answers;

Ability to take tough positions while at the same time work as a team player;

Willingness to devote sufficient time to carrying out his/her duties and responsibilities effectively as a Board member, and commitment to serve on the Board for an extended period of time;

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Adequate time to spend learning the businesses of Viad; and

Individual background that provides a portfolio of experience, knowledge and personal attributes commensurate with Viad's needs.

Board Structure

Our Board consists of 10 persons divided into three classes or groups. The term of one class of directors expires at each annual meeting, and nominees are elected to that class for a term of three years. Three directors are proposed for election at this year's annual meeting.

Director Nominees

Our Board of Directors has nominated Daniel Boggan Jr., Richard H. Dozer and Robert E. Munzenrider for election at the 2012 Annual Meeting of Shareholders. These nominees are currently members of the Board of Directors and, if elected, have agreed to serve another term, which will expire in 2015. Information about the director nominees is presented below.

Daniel Boggan Jr.

Mr. Boggan is a retired Senior Vice President and Chief Operating Officer of the National Collegiate Athletic Association (NCAA), a voluntary organization which governs college and university athletic programs, from 1996 through his retirement in August 2003. He was Chief of Staff, Office of the Mayor, Oakland, California from January 2007 to August 2007, and prior

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thereto, Vice President-Business Development for Siebert Brandford Shank & Co., L.L.C., a municipal finance firm which provides investment banking, sales and trading and financial advisory services, from October 2005 until March 2006. From 2003 to 2005, Mr. Boggan served as a consultant for Siebert Brandford Shank & Co., L.L.C. Mr. Boggan is also a trustee of The California Endowment, currently serving as Chair of the Investment and Finance Committee and formerly serving as Chairman of the Board from 2008 to 2010. He served as a trustee of Albion College from 1993 to 2011. He also has served as the President of the Board of Alameda County Medical Center from 2010 to present and is a director of Collective Brands, Inc. and The Clorox Company. Mr. Boggan has specific knowledge regarding the marketing industry, sales and the industries specific to Viad. Age 66. Director since 2005.

Richard H. Dozer

Mr. Dozer is Chairman-Phoenix Office of GenSpring Family Offices, a wealth management firm for ultra high net worth families, a position he has held since 2008. He also serves as Treasurer of the Greater Phoenix Convention and Visitors Bureau. Prior thereto, Mr. Dozer was co-founder and a managing partner of CDK Partners, a real estate development and investment company, from 2006 to 2008. Mr. Dozer was President of the Arizona Diamondbacks, a major league baseball franchise, from its inception in 1995 until 2006, and prior thereto, was the Vice President and Chief Operating Officer of the Phoenix Suns, an NBA professional basketball franchise, from 1987 to 1995, as well as President of the US Airways Center arena (formerly, America West Arena) from 1989 to 1995. Mr. Dozer's leadership positions with the Arizona Diamondbacks, Phoenix Suns and US Airways Center provided him with skills and experience related to operations, sales and other areas related to Viad's specific industries, including marketing, corporate events and branded events. Mr. Dozer also has financial experience, which he acquired from his audit manager position and other positions he held with Arthur Andersen from 1979 to 1987, during which time he held a CPA license. Mr. Dozer is a director and Audit Committee Chairman of Swift Transportation Company, a public company, a director of Blue Cross Blue Shield of Arizona, and a director and Audit Committee member of Apollo Group, Inc., a public company. He previously served as a director of Stratford American Corporation from 1998 to 2006. Age 55. Director since 2008.

Robert E. Munzenrider

Mr. Munzenrider is Founder or Co-Founder of several E-Commerce Businesses, and is a retired President of Harmon AutoGlass, a subsidiary of Apogee Enterprises, Inc., a national chain of retail automotive services and insurance claims processor, a position he held from 2000 to 2002. In 1999, Mr. Munzenrider served as Vice President and Chief Financial Officer of the Glass Services Segment of Apogee Enterprises. He also served during part of 1999 as Executive Vice President and Chief Financial Officer of Eliance Corp., an e-commerce transaction processor. From 1997 to 1998, Mr. Munzenrider served as Vice President and Chief Financial Officer of St. Jude Medical, Inc., an international medical device manufacturing and marketing company. Mr. Munzenrider has a strong finance and accounting background, holding his CPA license since 1971 and serving in the position of Chief Financial Officer for a majority of his professional career. In addition, he has a historical familiarity with Viad operations, as he was the Chief Financial Officer of three of Viad's former operating companies from 1982 to 1997. Mr. Munzenrider is a director of Angeion Corp and Kips Bay Medical, Inc., and previously served as a director of Criticare Systems, Inc., ATS Medical, Inc. and CABG Medical, Inc. Age 67. Director since 2004.

Recommendation of the Board

The Board of Directors recommends that you vote **FOR** these director nominees.

Directors Continuing in Office

Information about the seven directors continuing in office until expiration of their designated terms is presented below.

For Terms Expiring at the 2013 Annual Meeting:

Isabella Cunningham

Dr. Cunningham is an Ernest A. Sharpe Centennial Professor in Communication at The University of Texas at Austin, where she has worked since 1983. She has been the Chair of the Department of Advertising and a

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Professor of Advertising at the university since 2001 and 1981, respectively, and serves as a member of many university and community organizations. Dr. Cunningham has extensive knowledge and expertise regarding the marketing industry, including the face-to-face marketing space in which Viad competes, and has been published extensively in the area of business and marketing. She has broad international business exposure and holds a Doctor of

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Jurisprudence degree and a Masters in Business Administration degree from two Brazilian universities. Dr. Cunningham acquired executive management experience during her service on the boards of directors of Cornell Companies, Inc. (2005 to 2006), Dupont Photomasks, Inc. (2001 to 2005) and other for-profit companies and non-profit organizations. Age 69. Director since 2005.

Jess Hay

Mr. Hay is a retired Chairman and Chief Executive Officer of Lomas Financial Corporation, formerly a diversified financial services company engaged principally in mortgage banking, retail banking, commercial leasing and real estate lending, and of Lomas Mortgage USA, a mortgage banking institution, from which he retired in December 1994. Since 1987, Mr. Hay has been Chairman of the Texas Foundation for Higher Education, a non-profit organization dedicated to promoting higher education in the State of Texas. His tenure as Chairman and Chief Executive Officer of Lomas Financial Corporation and his service with five different corporations listed on the New York Stock Exchange provided Mr. Hay with extensive knowledge experience of all of the major functions within the operations of a public company. He is also a director of Hilltop Holdings, Inc., and previously served as a director of Exxon Mobil from 1982 to 2001, SBC Communications (now AT&T) from 1985 to 2004, Trinity Industries, Inc. from 1965 to 2011; M. Corp. from 1976 to 1988 and MoneyGram International, Inc. from June 30, 2004 to June 2010. Mr. Hay's time serving on these boards has allowed him to become familiar with both international and domestic business operations. His prior active involvement as a member and National Finance Chairman of the Democratic National Committee also provides him with exposure to the political processes on the national, state and local levels. Age 81. Director since 1981.

Albert M. Teplin

Dr. Teplin is a retired Senior Economist for the Board of Governors of the Federal Reserve System, where he served in that position from 2001 to October 2002 and as Chief, Flow of Funds Section from 1989 to 2001. Dr. Teplin has broad experience analyzing economic trends and their application to business practices and government policies. His background also provides him with an ability to understand and evaluate technical financial matters pertaining to mergers, acquisitions and other significant business decisions. He was previously a director of MoneyGram International, Inc. from 2004 to 2010 and Audit Committee Chair of that company from 2008 to 2010. Age 66. Director since 2003.

For Terms Expiring at the 2014 Annual Meeting:

Wayne G. Allcott

Mr. Allcott was Vice President-Arizona of U S West Corporation, a former local and long distance telecommunications and high-speed data transmission services company, from 1995 to 2000, at which time he retired in connection with the merger of that company with Qwest Corporation. In 2000, Mr. Allcott was appointed for a two-year term by the Governor of Arizona to chair the Governor's Council on Workforce Development Policy. During his 35-year career with U S West, Mr. Allcott held a variety of assignments in marketing, customer services, operations and public policy. He is currently active with various non-profit organizations in Arizona. Age 69. Director since 2004.

Paul B. Dykstra

Mr. Dykstra has served as Chairman, President and Chief Executive Officer, of Viad since April 1, 2008, President and Chief Executive Officer of Viad since April 1, 2006 and Chief Operating Officer of Viad since January 2006. Prior thereto, Mr. Dykstra was President and Chief Executive Officer of Global Experience Specialists, Inc. (GES), a subsidiary of Viad, since 2000 and Executive Vice President-International and Corporate Development of GES since 1999. He served as Executive Vice President-General Manager and in other similar executive positions with Travelers Express Company, Inc., a former subsidiary of Viad, from 1994 to 1999. Through his many executive management positions held with Viad's businesses, Mr. Dykstra has developed substantial experience in corporate strategy, operations, commercial development and sales, accounting and finance. Age 50. Director since 2006.

Robert C. Krueger

Mr. Krueger is a former U.S. Congressman, U.S. Senator, U.S. Ambassador-at-Large and Coordinator for Mexican Affairs, U.S. Ambassador (Burundi and Botswana), Special Representative of U.S. Secretary of

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State to Southern African Development Community and Duke University professor and dean. Mr. Krueger is currently a public speaker, a consultant for businesses engaged in international trade and Visiting Professor at Texas Tech University (Lubbock). Mr. Krueger has extensive international experience and became familiar with Viad's operations during his tenure as a Viad director from 2002 until the June 2004 spin-off of MoneyGram International, Inc., where he served as a director from 2004 to 2008. Age 76. Director since 2008.

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Margaret E. Pederson

Ms. Pederson has served as the President of Amirexx LLC, a consulting firm focused on exhibitions, conferences, events and media, since 2008; and Managing Director, Golden Seeds Fund LP, an investment group that is dedicated to investing in early and growth stage companies founded and/or led by women, since 2010. Ms. Pederson served as Chairman of the Board, International Association of Exhibitions and Events, an international association representing those who plan, produce and service exhibitions, conferences and proprietary corporate events, from 2008 to 2009. She also served as President, Penton Exhibitions group of Penton Media, Inc., an exhibition and conference organizer, from 1999 to 2008. Ms. Pederson has extensive industry experience and knowledge concerning the industries in which Viad's Marketing & Events Group competes. She also has substantial experience in international business. Age 57. Director since 2011.

THE BOARD OF DIRECTORS AND ITS COMMITTEES**Corporate Governance**

In accordance with applicable laws and the Bylaws, the business and affairs of Viad are governed under the direction of the Board of Directors. The system of governance practices the Company follows is set forth in its Corporate Governance Guidelines (the "Corporate Governance Guidelines") and in the charters of each of the committees of the Board of Directors. The Corporate Governance Guidelines set forth the practices our Board will follow with respect to its duties, operations, committee matters, director qualifications and selection process, director compensation, director independence, director orientation and continuing education, chief executive officer evaluation, management succession and annual Board and committee evaluation. The Corporate Governance Guidelines and committee charters are reviewed periodically to ensure the effective and efficient governance of Viad and compliance in a timely manner with all laws and the listing standards of the New York Stock Exchange (NYSE) that are applicable to corporate governance.

The Corporate Governance Guidelines and committee charters, as well as the Code of Ethics applicable to Viad's directors, officers and employees, may be viewed by selecting the "Corporate Governance" link on Viad's web site at www.viad.com/investors/. They are also available in print upon request to the Corporate Secretary of Viad at the address listed on the first page of this proxy statement.

Board Committees and Director Independence

Our Board maintains three standing committees to assist in fulfilling its responsibilities: the Audit Committee, the Corporate Governance and Nominating Committee and the Human Resources Committee. Each committee meets periodically during the year, reports regularly to the full Board and annually evaluates its performance. The table below provides current membership and meeting information for each committee. In addition, the table identifies the independent directors, as determined by our Board in February 2012, within the meaning of the NYSE listing standards, applicable SEC regulations and the Corporate Governance Guidelines. The Corporate Governance Guidelines include categorical standards for independence that meet or exceed the NYSE listing standards.

Name	Audit	Corporate Governance and Nominating	Human Resources	Independent Director
Mr. Allcott	Member	Member		Yes
Mr. Boggan		Member	Member	Yes
Dr. Cunningham		Member	Member	Yes
Mr. Dozer	Member		Member	Yes
Mr. Dykstra				No
Mr. Hay	Member		Chair	Yes
Mr. Krueger		Member		Yes
Mr. Munzenrider	Member	Chair		Yes
Ms. Pederson		Member		Yes
Dr. Teplin	Chair		Member	Yes
2011 Meetings	11	4	5	

The particular areas of responsibility of each Board committee and other related information are described below. Each committee may form and delegate authority to a subcommittee of one or more members of the committee.

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Audit Committee. The Audit Committee appoints Viad's independent registered public accountants and assists the Board in monitoring the quality and integrity of the financial statements of Viad, the compliance by Viad with legal and regulatory requirements and the independence and performance of Viad's internal auditors and external independent registered public accountants. The Committee conducts regularly scheduled executive sessions with individual members of

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Viad's management and with Viad's independent registered public accountants. The Committee has sole authority to appoint or replace Viad's independent registered public accountants. The independent registered public accountants report directly to the Committee. The Board has determined that all members of the Audit Committee are financially literate, as defined by NYSE listing standards, and that Mr. Munzenrider qualifies as an audit committee financial expert, as defined by SEC regulations.

Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee proposes a slate of directors for election by the shareholders at each annual meeting and proposes candidates to fill any vacancies on the Board. The Committee is also responsible for an assessment of the Board's performance to be discussed with the full Board annually, and for review of, and from time to time for proposal of changes to, the Corporate Governance Guidelines and the compensation and benefits of non-employee directors. The Committee has sole authority to retain and/or terminate any search firm or compensation consultant to identify director candidates or to assist in the evaluation of director compensation.

Human Resources Committee. The Human Resources Committee oversees development and implementation of a compensation strategy designed to enhance profitability and shareholder value. The Committee also reviews and approves, subject to ratification by independent members of the Board, the salary and equity and incentive compensation of Viad's Chief Executive Officer (the CEO), approves salaries and compensation of other Viad executive officers and approves incentive compensation targets and awards under various compensation plans and programs of Viad. In addition, the Committee has sole authority to retain and/or terminate any compensation consultant to assist in the evaluation of the compensation of the CEO and other senior executives. The Committee also has authority to obtain advice and assistance from internal or external legal, accounting or other advisors. While the Corporate Governance and Nominating Committee has responsibility to review and make recommendations to the Board regarding non-employee director compensation and benefits, the Human Resources Committee has sole authority to approve grants of equity compensation to non-employee directors under the 2007 Viad Corp Omnibus Incentive Plan.

Aon Hewitt Associates, a nationally-known independent consulting firm, has been retained by the Human Resources Committee and Viad's Human Resources Department to provide services, advice and counsel on executive compensation and to serve as a technical resource for market data on executive and director compensation. Viad's Human Resources and Law Departments support the Committee in its work and in some cases act pursuant to delegated authority to fulfill various functions in administering Viad's compensation programs. The CEO makes a recommendation to the Committee on the compensation of other executive officers of Viad; however, the Committee has sole authority to approve, for the CEO and other executive officers, (a) the annual base salary level, (b) the annual incentive opportunity level and granting of incentive awards, (c) the long-term incentive opportunity level and granting of awards and (d) any special or supplemental benefits, with the salary, equity and incentive compensation of the CEO being subject to ratification by independent members of the Board.

Board Meetings and Annual Shareholder Meeting

Under Viad's Corporate Governance Guidelines, each director is expected to attend the Annual Meeting of Shareholders, Board meetings and meetings of committees on which they serve. The Board of Directors held four regular meetings and four special meetings during 2011. Each director who held office in 2011 attended 100% of his or her Board and committee meetings in 2011. All directors who held office in May 2011 were in attendance at the 2011 Annual Meeting of Shareholders.

Meetings of Non-Management Directors and Presiding Director

Our Board held four executive sessions of the independent, non-management directors in 2011. Regular executive sessions of the non-management directors have been scheduled for 2012. Mr. Hay has served as Presiding Director of Viad since May 17, 2005, and was designated by the Board to continue as Presiding Director for the period beginning January 1, 2011, and ending December 31, 2012, or until such other time as his successor is chosen by action of the non-management directors of Viad.

Board Leadership Structure

The Board combines the role of chairman of the board with the role of chief executive officer. The Board also has a presiding director, who is an experienced and long-tenured independent director. The Board believes this governance structure provides efficient and effective leadership for Viad. Having a single person lead both the Board and management fosters effective decision-making, enabling the definition of corporate strategies to be driven by a unified vision and supported by a clear path of accountability. Furthermore, Mr. Dykstra, Viad's Chairman and CEO, is receptive to input from the Board, and fosters frequent communication with members of the Board, as appropriate. The Board also believes that Viad has appropriate governance practices to ensure that the full Board maintains independent oversight, including:

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All directors on the Board are independent, except the CEO;

Executive sessions of the independent directors are held at regular meetings of the Board, and such meetings are chaired by the Presiding Director;

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An annual review of the performance of the CEO is conducted by the Human Resources Committee, whose members are all independent directors;

An annual review of the Board's performance is led by the Corporate Governance and Nominating Committee, whose members are all independent directors;

The process for selecting new directors is led by the Corporate Governance and Nominating Committee; and

Regular succession planning reviews are conducted by the Board for the positions of the CEO and his senior management team, as well as other significant management positions within Viad's operating companies. The Board periodically reviews interim (e.g., emergency-response) and long-term succession plans with a view toward providing for orderly transitions (in the cases of both planned and unplanned management changes) related to each of Viad's key executive positions.

Corporate Governance and Nominating and Human Resources Committees Interlocks and Insider Participation

Viad is not aware of any interlocking relationships between any member of the Human Resources Committee or Corporate Governance and Nominating Committee and any of Viad's executive officers that would require disclosure under the applicable rules promulgated under the U.S. federal securities laws.

Review and Approval of Transactions with Related Persons

In February 2007, the Board adopted a written policy and procedures for review, approval and monitoring of transactions involving the Company and related persons (including directors and executive officers or their immediate family members or shareholders and their immediate family members owning 5% or greater of the Company's outstanding stock). The policy applies to any transaction in which Viad or an operating company is a participant and any related person has a direct or indirect interest, excluding *de minimus* transactions of a commercial or other nature between a related person and Viad or one of its operating companies, as well as any compensation arrangements with executive officers or directors of Viad that have been approved or authorized by the Board or the Human Resources Committee.

The Corporate Governance and Nominating Committee is responsible for reviewing, approving and/or ratifying any transaction involving a related person. Management will bring the matter to the attention of the Corporate Governance and Nominating Committee and provide it with all material information with respect to related person transactions. A related person transaction must be approved in advance whenever practicable, otherwise it must be ratified as promptly as practicable; provided that if ratification is not forthcoming, management will make all reasonable efforts to cancel or annul the transaction. In determining whether to authorize, approve and/or ratify a related person transaction, the Committee considers all information that it determines is reasonable under the circumstances. Specifically, the Committee inquires into whether the transaction is fair and reasonable and whether the terms of the transaction are more or less favorable to Viad than terms Viad could obtain in a comparable arm's length transaction with an unrelated third party. A related person transaction will be submitted to the Committee for consideration at its next meeting or, in those instances in which the CEO determines that it is not practicable or desirable for Viad to wait until the next Committee meeting, to the Chairman of the Committee (who has the delegated authority to act between Committee meetings with respect to this policy). The Chairman of the Committee will report to the Committee at the next Committee meeting any approval under this policy pursuant to delegated authority. The Committee will annually review with management existing related person transactions, if any, and report annually to the Board, to ensure that such transactions are being pursued in accordance with understandings and commitments made at the time they were approved, that payments are being made appropriately and that such transactions continue to serve the interests of Viad.

Director Nominations

As provided in its charter, the Corporate Governance and Nominating Committee has established procedures for consideration of candidates for Board membership suggested by its members and other sources, including shareholders. The Committee has authority under its charter to employ a third-party search firm to assist it in identifying candidates for director. A shareholder who wishes to recommend a prospective nominee for the Board should notify Viad's Corporate Secretary in writing at the address listed on page 1 of this proxy statement. Any such recommendation should include:

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the name and address of the candidate;

a brief biographical description, including his or her occupation for at least the last five years, and a statement of the qualifications of the candidate, taking into account the qualification requirements set forth below; and

the candidate's signed consent to serve as a director if elected and to be named in the proxy statement.

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The Committee will review the qualifications of any person properly nominated by a shareholder in accordance with the Bylaws relating to shareholder proposals as described in the Submission of Shareholder Proposals and Director Nominations section of this proxy statement.