

LAMAR ADVERTISING CO/NEW

Form DEF 14A

April 06, 2018

Table of Contents

**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 under Rule 14a-12

**Lamar Advertising Company**  
**(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.

Table of Contents

- (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:
  
  
  
  
  
  
  
  
  
  
- (5) Total fee paid:

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.

- (1) Amount Previously Paid:
  
  
  
  
  
  
  
  
  
  
- (2) Form, Schedule or Registration Statement No.:
  
  
  
  
  
  
  
  
  
  
- (3) Filing Party:

(4) Date Filed:

Table of Contents

**LAMAR ADVERTISING COMPANY**

**5321 Corporate Boulevard**

**Baton Rouge, Louisiana 70808**

**(225) 926-1000**

**NOTICE OF 2018 ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MAY 17, 2018**

To our Stockholders:

The 2018 Annual Meeting of Stockholders of Lamar Advertising Company, a Delaware corporation (the Company), will be held at the offices of Lamar Advertising Company, 5321 Corporate Boulevard, Baton Rouge, Louisiana, at 9:00 a.m. Central Daylight Time on Thursday, May 17, 2018, for the following purposes:

1. To elect seven directors, each for a one-year term.
2. To ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2018 fiscal year.
3. To transact any other business as may properly come before the meeting.

Only stockholders of record at the close of business on March 19, 2018 will be entitled to vote at the meeting.

We have elected to provide access to our proxy materials over the internet for the holders of our Class A Common Stock under the Securities and Exchange Commission's notice and access rules. Detailed information concerning these matters is set forth in the Important Notice Regarding the Availability of Proxy Materials (the Notice), which holders of our Class A Common Stock have received in the mail, and in this Notice of Annual Meeting of Stockholders and the attached Proxy Statement.

**It is important that your shares be represented at the meeting. Therefore, whether or not you plan to attend the meeting, please either vote by telephone or internet (if you hold shares of our Class A Common Stock) or, if you received printed proxy materials and wish to vote by mail, please promptly sign and return your proxy card in the enclosed envelope. Please review the instructions on each of your voting options described in the attached Proxy Statement as well as in the Notice you received in the mail. If you attend the Annual Meeting and wish to vote your shares in person, your proxy will not be used.**

By order of the Board of Directors,  
James R. McIlwain  
*Secretary*

Baton Rouge, Louisiana  
April 6, 2018

Table of Contents

**PROXY STATEMENT**  
**TABLE OF CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| <u>GENERAL INFORMATION</u>   | 1           |
| <u>SHARE OWNERSHIP</u>   | 4           |
| <u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>                       | 7           |
| <u>EXECUTIVE OFFICERS OF THE REGISTRANT</u>  | 7           |
| <u>PROPOSAL NO. 1: ELECTION OF DIRECTORS</u>   | 8           |
| <u>BOARD OF DIRECTORS AND COMMITTEES</u>   | 12          |
| <u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>                                | 14          |
| <u>EXECUTIVE OFFICER AND DIRECTOR COMPENSATION</u>                                   | 16          |
| <u>EQUITY COMPENSATION PLAN INFORMATION</u>  | 30          |
| <u>AUDIT COMMITTEE REPORT</u>  | 31          |
| <u>PROPOSAL NO. 2: RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u> | 32          |
| <u>ADDITIONAL INFORMATION</u>  | 34          |

**Table of Contents**

**LAMAR ADVERTISING COMPANY**  
**PROXY STATEMENT**  
**FOR THE ANNUAL MEETING OF STOCKHOLDERS**  
**TO BE HELD ON MAY 17, 2018**  
**GENERAL INFORMATION**

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Lamar Advertising Company for use at the Annual Meeting of Stockholders to be held at the offices of Lamar Advertising Company, 5321 Corporate Boulevard, Baton Rouge, Louisiana, at 9:00 a.m. Central Daylight Time on Thursday, May 17, 2018, and at any adjournments of the Annual Meeting.

We have elected to distribute our proxy materials for the Annual Meeting to holders of our Class A Common Stock via the internet under the "notice and access" approach permitted by the rules of the Securities and Exchange Commission (the "SEC"). Accordingly, on or about April 6, 2018, we will mail a Notice of Internet Availability of Proxy Materials (the "Notice") to holders of Class A Common Stock that contains instructions on how to access the proxy materials, including this proxy statement and our annual report to stockholders for the fiscal year ended December 31, 2017, on the internet. Our annual report to stockholders includes a copy of our annual report on Form 10-K for the fiscal year ended December 31, 2017, as filed with the SEC on February 27, 2018, except for certain exhibits. Holders of our Class B Common Stock and Series AA Preferred Stock will receive printed copies of our proxy materials.

If you are a holder of our Class A Common Stock and would prefer to receive a paper copy of our proxy materials, please follow the instructions included in the Notice.

**Important Notice Regarding the Availability of Proxy Materials**  
**for the Stockholder Meeting to Be Held on May 17, 2018**

The proxy statement and annual report to security holders are available at <https://materials.proxyvote.com/512816>.

**Record Date, Voting Rights and Outstanding Shares**

The Board of Directors has fixed March 19, 2018, as the record date for determining the holders of our capital stock who are entitled to vote at the Annual Meeting.

We have two classes of common stock and one class of preferred stock issued and outstanding: Class A Common Stock, \$0.001 par value per share, Class B Common Stock, \$0.001 par value per share, and Series AA Preferred Stock, \$0.001 par value per share. We refer to our Class A Common Stock and our Class B Common Stock collectively as our common stock.

With respect to the matters submitted for vote at the Annual Meeting, each share of Class A Common Stock is entitled to one vote, each share of Class B Common Stock is entitled to ten votes, and each share of Series AA Preferred Stock is entitled to one vote.

Our Class A Common Stock, Class B Common Stock and Series AA Preferred Stock will vote as a single class on the matters submitted at the Annual Meeting. On March 19, 2018, there were outstanding and entitled to vote 83,977,918 shares of Class A Common Stock, 14,420,085 shares of Class B Common Stock, and 5,719.49 shares of Series AA Preferred Stock.



## **Table of Contents**

The presence at the Annual Meeting, in person or by proxy, of the holders of one-third of the issued and outstanding shares of Class A Common Stock, Class B Common Stock, and Series AA Preferred Stock entitled to vote at the close of business on March 19, 2018 will constitute a quorum for the transaction of business. If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a broker non-vote. We will count broker non-votes, votes withheld, and abstentions as being present at the Annual Meeting for purposes of determining whether a quorum exists.

Holders of our Class A Common Stock who do not attend the Annual Meeting in person may vote their shares electronically via the internet or by telephone, or may request printed proxy materials and submit the proxy card enclosed therein by mail. Holders of our Class B Common Stock and Series AA Preferred Stock who do not attend the Annual Meeting in person may vote their shares by submitting the proxy card enclosed in our printed proxy materials by mail, but may not vote their shares electronically via the internet or by telephone.

Internet and telephone voting are available through 11:59 p.m. Central Daylight Time on May 16, 2018. Proxy cards sent by mail, if received in time for voting and not revoked, will be voted at the Annual Meeting according to the instructions on the proxy cards. If no instructions are indicated, the shares represented by the proxy will be voted:

**FOR** the election of the director nominees named herein;

**FOR** the ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for the 2018 fiscal year; and

In accordance with the judgment of the proxy holders as to any other matter that may be properly brought before the Annual Meeting or any adjournments of the Annual Meeting.

Shares counted as present at the Annual Meeting that abstain from voting on a particular matter or that are represented by a broker non-vote as to a particular matter will not be considered as votes cast on that matter. Accordingly, abstentions and broker non-votes will not affect the outcome of any matter to be voted on at the Annual Meeting that requires the affirmative vote of a certain percentage or a plurality of the votes cast on a matter to approve it.

## **Voting of Proxies**

If you hold shares of our Class A Common Stock, please refer to the Notice for instructions regarding how to access our proxy materials and vote your shares electronically via the internet or by telephone. The Notice also contains instructions if you would like to receive a paper copy of our proxy materials and vote by mail. You may also vote in person at the Annual Meeting. If you hold your shares through a bank, broker or other nominee, it will give you separate instructions for voting your shares.

If you hold shares of our Class B Common Stock or Series AA Preferred Stock, you may vote by mail by submitting the proxy card enclosed in our printed proxy materials. You may also vote in person at the Annual Meeting.

**Table of Contents**

**Revocability of Proxies**

Any stockholder giving a proxy has the power to revoke it at any time before it is exercised. You may revoke the proxy by filing an instrument of revocation or a duly executed proxy bearing a later date with our Secretary at our principal executive offices, 5321 Corporate Boulevard, Baton Rouge, Louisiana 70808. You may also revoke your proxy by attending the Annual Meeting and voting in person. If you do not revoke your proxy, we will vote the proxy at the Annual Meeting in accordance with the instructions indicated on your proxy card.

**Householding of Annual Meeting Materials**

As permitted by the SEC, we have adopted a procedure called "householding" to satisfy the rules regarding delivery of proxy materials. This means that only one copy of our Notice or proxy materials may have been sent to multiple stockholders with the same last name in your household. We will promptly deliver a separate copy of any document to you upon request. Requests may be made by calling Broadridge Financial Solutions, Inc., toll-free in the United States at 1-866-540-7095 or by writing to Broadridge Financial Solutions, Inc. Attn. Householding Department, 51 Mercedes Way, Edgewood, New York 11717.

**Table of Contents****SHARE OWNERSHIP****Common Stock**

The following table sets forth certain information known to us as of March 19, 2018 with respect to the shares of our Class A Common Stock and Class B Common Stock beneficially owned as of that date by: (i) each of our directors and each of our nominees for director; (ii) each of our executive officers named in the 2017 Summary Compensation Table contained in this proxy statement; (iii) all of our directors and executive officers as a group; and (iv) each person known by us to beneficially own more than 5% of our Class A Common Stock or Class B Common Stock. Our Class B Common Stock is convertible into Class A Common Stock on a one-for-one basis. Except as otherwise indicated, we believe each beneficial owner named below has sole voting and sole investment power with respect to all shares beneficially owned by that holder. Percentage calculations of beneficial ownership are based on 83,977,918 shares of Class A Common Stock and 14,420,085 shares of Class B Common Stock outstanding on March 19, 2018.

| <b>Beneficial Owner</b>   | <b>Title of Class</b>  | <b>No. of Shares Owned</b>    | <b>Percent of Class</b> |
|---|------------------------|-------------------------------|-------------------------|
| <b>Directors, Nominees for Director and Executive Officers</b>                  |                        |                               |                         |
| Kevin P. Reilly, Jr. <sup>o</sup>   | Class A                | 357,591 <sup>(1)</sup>        | *                       |
|   | Class B <sup>(2)</sup> | 11,362,250 <sup>(3)(4)</sup>  | 78.79% <sup>(5)</sup>   |
| Sean E. Reilly  | Class A                | 133,319 <sup>(6)</sup>        | *                       |
|   | Class B <sup>(2)</sup> | 10,557,835 <sup>(4)(7)</sup>  | 73.22% <sup>(8)</sup>   |
| Anna Reilly <sup>o</sup>  | Class A                | 152,566 <sup>(9)</sup>        | *                       |
|   | Class B <sup>(2)</sup> | 10,000,000 <sup>(4)(10)</sup> | 69.35% <sup>(11)</sup>  |
| Wendell Reilly <sup>o</sup>   | Class A                | 10,736 <sup>(12)</sup>        | *                       |
|   | Class B <sup>(2)</sup> | 9,500,000 <sup>(4)(13)</sup>  | 65.88% <sup>(14)</sup>  |
| Keith A. Istre  | Class A                | 200,547 <sup>(15)</sup>       | *                       |
| Stephen P. Mumbrow <sup>o</sup>   | Class A                | 7,031 <sup>(16)</sup>         | *                       |
| John Maxwell Hamilton <sup>o</sup>  | Class A                | 16,709 <sup>(17)</sup>        | *                       |
| Thomas V. Reifenheiser <sup>o</sup>   | Class A                | 47,677 <sup>(18)</sup>        | *                       |
| John E. Koerner, III <sup>o</sup>   | Class A                | 32,441 <sup>(19)</sup>        | *                       |
| Marshall Loeb   | N/A                    | 0                             | *                       |
| All Current Directors and Executive Officers as a Group (9 Persons)             | Class A & B            | 15,388,702 <sup>(20)</sup>    | 15.64% <sup>(21)</sup>  |
| <b>Five Percent Stockholders</b>  |                        |                               |                         |
| The Reilly Family Limited Partnership   | Class B <sup>(2)</sup> | 9,000,000                     | 62.41% <sup>(22)</sup>  |
| Janus Henderson Group plc<br>201 Bishopsgate EC2M 3AE<br>London, United Kingdom | Class A                | 8,133,870 <sup>(23)</sup>     | 9.69%                   |
| BlackRock, Inc.<br>55 East 52nd Street<br>New York, NY 10055                    | Class A                | 7,690,836 <sup>(24)</sup>     | 9.16%                   |
| The Vanguard Group<br>100 Vanguard Blvd.<br>Malvern, PA 19355                   | Class A                | 7,082,613 <sup>(25)</sup>     | 8.43%                   |



**Table of Contents**

| <b>Beneficial Owner</b>  | <b>Title of Class</b> | <b>No. of Shares Owned</b> | <b>Percent of Class</b> |
|--|-----------------------|----------------------------|-------------------------|
| Entities affiliated with Capital World Investors<br>333 South Hope Street<br>Los Angeles, CA 90071 | Class A               | 4,993,322 <sup>(26)</sup>  | 5.95%                   |

\* Less than 1%.

Nominee for director.

o Current director.

- (1) Includes 100,000 shares subject to stock options exercisable within 60 days of March 19, 2018.
- (2) Upon the sale of any shares of Class B Common Stock to a person other than to a Permitted Transferee, such shares will automatically convert into shares of Class A Common Stock. Permitted Transferees include (i) a descendant of Kevin P. Reilly, Sr.; (ii) a spouse or surviving spouse (even if remarried) of any individual named or described in (i) above; (iii) any estate, trust, guardianship, custodianship, curatorship or other fiduciary arrangement for the primary benefit of any one or more of the individuals named or described in (i) and (ii) above; and (iv) any corporation, partnership, limited liability company or other business organization controlled by and substantially all of the interests in which are owned, directly or indirectly, by any one or more of the individuals and entities named or described in (i), (ii), and (iii) above. Except for voting rights, the Class A Common Stock and Class B Common Stock are substantially identical. The holders of Class A Common Stock and Class B Common Stock vote together as a single class (except as may otherwise be required by Delaware law), with the holders of Class A Common Stock entitled to one vote per share and the holders of Class B Common Stock entitled to ten votes per share on all matters on which the holders of common stock are entitled to vote.
- (3) Includes 566,211 shares held by Ninemile, L.L.C., of which Kevin P. Reilly, Jr. is the managing member, all of which are pledged as collateral for a loan. Kevin P. Reilly, Jr. has sole voting power over the shares held by Ninemile, L.L.C. but dispositions of the shares require the approval of 66% of the outstanding membership interests. Kevin P. Reilly, Jr. disclaims beneficial ownership in the shares held by Ninemile, L.L.C., except to the extent of his pecuniary interest therein.
- (4) Includes, 9,000,000 shares held by the Reilly Family Limited Partnership (the RFLP), of which Kevin P. Reilly, Jr. is the managing general partner, 500,000 shares of which are pledged as collateral for a loan. Kevin P. Reilly, Jr.'s three siblings, Anna Reilly (a nominee for director), Sean E. Reilly (our Chief Executive Officer) and Wendell Reilly (a nominee for director) are the other general partners of the RFLP. The managing general partner has sole voting power over the shares held by the RFLP but dispositions of the shares require the approval of 50% of the general partnership interests of the RFLP. Anna Reilly, Sean E. Reilly, and Wendell Reilly disclaim beneficial ownership in the shares held by the RFLP, except to the extent of their pecuniary interest therein.
- (5) Represents 11.55% of the Class A Common Stock if all shares of Class B Common Stock are converted into Class A Common Stock.
- (6) Includes 100,000 shares subject to stock options exercisable within 60 days of March 19, 2018.
- (7) Includes 757,375 shares held by Jennifer and Sean Reilly Family, LLC.
- (8) Represents 10.73% of the Class A Common Stock if all shares of Class B Common Stock are converted into Class A Common Stock.
- (9) Includes 142,213 shares owned jointly by Anna Reilly and her spouse and 10,000 shares subject to stock options exercisable within 60 days of March 19, 2018.
- (10) Includes 1,000,000 shares owned jointly by Ms. Reilly and her spouse.
- (11) Represents 10.16% of the Class A Common Stock if all shares of Class B Common Stock are converted into Class A Common Stock.

- (12) Includes 5,000 shares held by his spouse and 4,000 shares subject to stock options exercisable within 60 days of March 19, 2018. Also includes 1,383 shares that are pledged as collateral for a loan.
- (13) Includes 500,000 shares pledged as collateral for a loan.
- (14) Represents 9.65% of the Class A Common Stock if all shares of Class B Common Stock are converted into Class A Common Stock.

**Table of Contents**

- (15) Includes 50,000 shares of Class A Common Stock subject to stock options exercisable within 60 days of March 19, 2018.
- (16) Includes 6,501 shares held in a brokerage margin account. The margin balance outstanding, if any, pursuant to such account may vary from time to time.
- (17) Includes 8,000 shares of Class A Common Stock subject to stock options exercisable within 60 days of March 19, 2018.
- (18) Includes 23,200 shares of Class A Common Stock subject to stock options exercisable within 60 days of March 19, 2018.
- (19) Includes 20,000 shares of Class A Common Stock subject to stock options exercisable within 60 days of March 19, 2018.
- (20) See Notes 1, 3, 4, 6, 7, 9, 10, 12, 13 and 15-19.
- (21) Assumes the conversion of all shares of Class B Common Stock into shares of Class A Common Stock.
- (22) Represents 9.15% of the Class A Common Stock if all shares of Class B Common Stock are converted into Class A Common Stock.
- (23) As reported in the Schedule 13G filed on February 13, 2018 with the SEC for the year ended December 31, 2017, Janus Henderson Group plc ( Janus Henderson ) has an ownership stake in certain asset management entities, which furnish investment advice to various fund, individual and/or institutional clients ( Managed Portfolios ), including Janus Capital Management LLC ( Janus Capital ). Janus Henderson has shared voting and dispositive power with respect to all such shares. Includes 4,249,302 shares beneficially owned by Janus Enterprise Fund ( JEF ) of which Janus Capital serves as an investment adviser, 1,516,506 shares beneficially owned by Janus Capital s wholly-owned subsidiary Perkins Investment Management LLC ( Perkins ) as a result of Perkins s serving as investment adviser of various Managed Portfolios, and 15,210 shares beneficially owned by Janus Capital s majority-owned subsidiary INTECH Investment Management ( INTECH ) as a result of INTECH s serving as investment adviser of various Managed Portfolios.
- (24) As reported in the Schedule 13G/A filed on January 25, 2018 with the SEC for the year ended December 31, 2017, BlackRock, Inc. has sole voting power with respect to 7,390,020 shares and sole dispositive power with respect to 7,690,836 shares.
- (25) As reported in the Schedule 13G/A filed on February 9, 2018 with the SEC for the year ended December 31, 2017, The Vanguard Group ( Vanguard ) has sole voting power with respect to 47,109 shares, shared voting power with respect to 8,885 shares, sole dispositive power with respect to 7,033,336 shares and shared dispositive power with respect to 49,277. Includes 40,392 shares beneficially owned by Vanguard s wholly-owned subsidiary Vanguard Fiduciary Trust Company ( VFTC ) as a result of VFTC s serving as investment manager of collective trust accounts and 15,602 shares beneficially owned by Vanguard s wholly-owned subsidiary Vanguard Investments Australia, Ltd. ( VIA ) as a result of VIA s serving as investment manager of Australian investment offerings.
- (26) As reported in the Schedule 13G/A filed on February 14, 2018 with the SEC for the year ended December 31, 2017, as a result of Capital Research and Management Company ( CRMC ) and Capital International Limited acting as investor advisers to various investment companies registered under Section 8 of the Investment Company Act of 1940, Capital World Investors ( CWI ) is deemed to be the beneficial owner of 4,993,322 shares over which it has sole voting and dispositive power. CWI holds more than five percent of the outstanding Class A Common Stock of Lamar Advertising Company as of December 29, 2017 on behalf of The Income Fund of America.

**Preferred Stock**

The Company also has outstanding 5,719.49 shares of Series AA Preferred Stock. Holders of Series AA Preferred Stock are entitled to one vote per share. The Series AA Preferred Stock is held as follows: 3,134.8 shares (54.8%) by the RFLP, of which Kevin P. Reilly, Jr. is the managing general partner and Anna Reilly, Sean E. Reilly, and Wendell Reilly are the general partners; 1,500 shares (26.2%) by Charles W. Lamar III; 784.69 shares (13.7%) by Mary Lee

Lamar Dixon; and 300 shares (5.3%) by the Josephine P. Lamar Test. Trust #1. The aggregate outstanding Series AA Preferred Stock represents less than 1% of the capital stock of the Company.



**Table of Contents****SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Our directors, our executive officers and anyone owning beneficially more than ten percent of our registered equity securities are required under Section 16(a) of the Securities Exchange Act of 1934 to file with the SEC reports of their ownership and changes to their ownership of our securities. They must also furnish copies of the reports to us. Based solely on our review of the reports furnished to us and any written representations we received that no other reports were required, we believe that, during the fiscal year ended December 31, 2017, our officers, directors and ten-percent stockholders complied with all Section 16(a) filing requirements applicable to them.

**EXECUTIVE OFFICERS OF THE REGISTRANT**

| <b>Name</b>          | <b>Age</b> | <b>Title</b>                          |
|----------------------|------------|---------------------------------------|
| Kevin P. Reilly, Jr. | 63         | Chairman of the Board and President   |
| Sean E. Reilly       | 56         | Chief Executive Officer               |
| Keith A. Istre       | 65         | Chief Financial Officer and Treasurer |

Each officer's term of office extends until the meeting of the Board of Directors following the next annual meeting of stockholders and until a successor is elected and qualified or until his earlier resignation or removal.

Kevin P. Reilly, Jr. has served as our President since February 1989 and as one of our directors since February 1984. Mr. Reilly also served as our Chief Executive Officer from February 1989 until February 2011. Prior to becoming President and Chief Executive Officer, Mr. Reilly served as the President of our Outdoor Division from 1984 to 1989. Mr. Reilly, our employee since 1978, has also served as General Manager of our Baton Rouge Region and Vice President and General Manager of the Louisiana Region. Mr. Reilly received a B.A. from Harvard University in 1977.

Sean E. Reilly has served as our Chief Executive Officer since February 2011. Prior to becoming Chief Executive Officer, Mr. Reilly had been Chief Operating Officer and President of the Company's Outdoor Division, a position that he had held since November 2001. He began working with the Company as Vice President of Mergers and Acquisitions in 1987 and served in that capacity until 1994. He also served as a director of the Company from 1989 to 1996 and from 1999 until 2003. Mr. Reilly was the Chief Executive Officer of Wireless One, Inc., a wireless cable television company, from 1994 to 1997, after which he rejoined the Company. Mr. Reilly received a B.A. from Harvard University in 1984 and a J.D. from Harvard Law School in 1989.

Keith A. Istre has been Chief Financial Officer of the Company since February 1989. Mr. Istre joined the Company as Controller in 1978 and became Treasurer in 1985. Prior to joining the Company, Mr. Istre was employed by a public accounting firm in Baton Rouge from 1975 to 1978. Mr. Istre graduated from the University of Southwestern Louisiana in 1974 with a degree in Accounting.



**Table of Contents****PROPOSAL NO. 1: ELECTION OF DIRECTORS**

The Board of Directors has fixed the number of directors at seven for the coming year. The Board of Directors, upon recommendation from the Nominating and Governance Committee, has nominated the individuals listed below for election as directors at the Annual Meeting of Stockholders to be held on May 17, 2018, to serve until the next Annual Meeting of Stockholders and until their successors are elected and qualified. Each nominee has consented to being named a nominee in this proxy statement and to serve, if elected, as a director. If any nominee is unable to serve, proxies will be voted for such other candidates as may be nominated by the Board of Directors.

**Required Vote**

Directors will be elected by a plurality of the votes cast by the stockholders entitled to vote on this proposal at the meeting. Abstentions, broker non-votes, and votes withheld will not be treated as votes cast for this purpose and will not affect the outcome of the election.

**The Board of Directors recommends that you vote FOR the election  
of each of the nominees listed below.**

**Nominees for Director**

The following table contains certain information about the nominees for director as of March 19, 2018, including their business experience, qualifications and other directorships. All of the directors' present terms expire in 2017.

| <b>Name and Age</b>                | <b>Business Experience During Past Five Years,<br/>Other Directorships and Qualifications</b>  | <b>Director<br/>Since</b> |
|------------------------------------|--|---------------------------|
| Kevin P.<br>Reilly, Jr.<br>Age: 63 | Kevin P. Reilly, Jr. has served as our President since February 1989 and as one of our directors since February 1984. Mr. Reilly also served as our Chief Executive Officer from February 1989 until February 2011. Prior to becoming President and Chief Executive Officer, Mr. Reilly served as the President of our Outdoor Division from 1984 to 1989. Mr. Reilly, our employee since 1978, has also served as General Manager of our Baton Rouge Region and Vice President and General Manager of the Louisiana Region. | 1984                      |

Kevin P. Reilly, Jr., with over 35 years of experience at Lamar and 29 years as our President, has unparalleled knowledge of our business and operating history. He is also the managing general partner of our controlling stockholder, the Reilly Family Limited Partnership. The RFLP and members of the Reilly family are permitted holders of our Class B Common Stock, which was put in place in connection with our initial public offering in 1996 to provide for continuity of control over the Company and entitles its holders to ten votes per share. Board representation by members of the Reilly family, which has ties to the Lamar family dating back to 1958, also serves to preserve the principles upon which Lamar was founded.



**Table of Contents**

| <b>Name and Age</b>       | <b>Business Experience During Past Five Years,<br/>Other Directorships and Qualifications</b>  | <b>Director<br/>Since</b> |
|---------------------------|--|---------------------------|
| Anna Reilly<br>Age: 54    | <p>Anna Reilly serves as Vice Chair of the Board for Helen Simoneau Danse. From 2009-2014, she served on the Asset Development Committee of the Winston Salem Foundation. From 2005-2012, she served on the Board of Visitors for Duke University's Sanford School of Public Policy, during which time she served as the chair of their Developmental Committee for three years. From 2007 to 2012, she served as a Director of the Bethesda Center for the Homeless. From 2001 to 2006, Ms. Reilly served on the Board of Directors of St. Joseph Capital Bank, a public company that is now Old National Bank. During that time, she also served as a trustee of the Stanley Clark School and as a Director of the Community Foundation of St. Joseph County. From 1995 until 2000, Ms. Reilly owned and operated Lula's Café, a restaurant in South Bend, Indiana.</p> <p>Anna Reilly is a general partner of our controlling stockholder, the RFLP, and brings knowledge of our business and operations to the Board. The RFLP and members of the Reilly family are permitted holders of our Class B Common Stock, which was put in place in connection with our initial public offering in 1996 to provide for continuity of control over the Company and entitles its holders to ten votes per share. In addition, Board representation by members of the Reilly family, which has ties to the Lamar family dating back to 1958, also serves to preserve the principles upon which Lamar was founded. Ms. Reilly's background and continued commitment to civic service also provide us with a valuable perspective on local issues, which is important to us due to our focus on local advertising.</p> | 2001                      |
| Wendell Reilly<br>Age: 60 | <p>Wendell Reilly has been the Managing Partner of Grapevine Partners LLC since 2000, and in 2009, he joined Peachtree Equity Partners II as a General Partner. Mr. Reilly currently serves as Chairman of Berman Capital Advisors, as Lead Director on the board of Brown and Brown, Inc. and on the investment committee of the Community Foundation for Greater Atlanta. He also serves as a Trustee Emeritus of Emory University and Trustee of The Carter Center in Atlanta. He previously served as the Company's Chief Financial Officer from 1985 to 1989 and director from 1999 to 2001. Mr. Reilly also served as CFO of Haas Publishing Companies from 1989 to 1994, CEO of Grapevine Communications, a group of seven network-affiliated TV stations, from 1996 to 2000 and CEO of SignPost Networks from 2003 to 2011.</p> <p>Wendell Reilly, with over 30 years of private equity, entrepreneurial and executive management experience in media and communications, has extensive expertise in our industry from both inside and outside Lamar. He also brings valuable insight into the issues facing our management through his experience as a founder and principal in other media companies. Mr. Reilly is also a general partner of our controlling stockholder, the RFLP. The RFLP and members of the Reilly family are permitted holders of our Class B Common Stock, which was put in place in connection with our</p>  | 2005                      |

initial public offering in 1996 to provide continuity of control over the Company and entitles its holders to ten votes per share. In addition, Board representation by members of the Reilly family, which has ties to the Lamar family dating back to 1958, also serves to preserve the principles upon which Lamar was founded.

**Table of Contents**

| <b>Name and Age</b>              | <b>Business Experience During Past Five Years,<br/>Other Directorships and Qualifications</b>  | <b>Director<br/>Since</b> |
|----------------------------------|--|---------------------------|
| Stephen P. Mumblow<br>Age: 62    | <p>Stephen P. Mumblow is the President and Owner of Manhan Media, Inc., Deerfield Media, Inc. and the Deerfield Media group of companies, which own and operate television stations in nine mid-size U.S. television markets and engage in the production and distribution of sports related programming in the United States. Until January 2002, Mr. Mumblow was the President and a Director of Communications Corporation of America, a television and radio broadcasting company, having joined that company in 1998. Mr. Mumblow was a Managing Director of Chase Securities, Inc., an investment banking firm, from March 1988 to August 1998. Prior to that, he was a Vice President of Michigan Energy Resources Company, an intrastate natural gas utility company and cable television and broadcasting concern, and Citibank, N.A., a commercial bank.</p> <p>Mr. Mumblow brings to the Board experience in advertising and marketing trends based upon his ownership of Manhan Media and Deerfield Media. He also has extensive banking expertise, including with respect to the financing of a wide range of media enterprises and merger and acquisition activity within the media industry. He has also gained valuable expertise both operating and serving on the boards of businesses in the television, radio and newspaper industries, experience which provides him with insight into the Company's competitive and strategic landscape. His financial acumen and experience, including qualification as an Audit Committee Financial Expert, provides our Board with valuable skills and a strong background in financial reporting and balance sheet management.</p> | 1999                      |
| Thomas V. Reifenhiser<br>Age: 82 | <p>Thomas V. Reifenhiser was a Managing Director and Group Executive for the Global Media and Telecom Group of Chase Securities Inc., an investment banking firm, from 1995 to 2000. He joined Chase in 1963 and was the Global Media and Telecom Group Executive since 1977. He has served as a director of Cablevision Systems Corporation, Mediacom Communications Corporation, F+W Publications Inc. and Citadel Broadcasting Corporation.</p> <p>Mr. Reifenhiser possesses expertise in the finance and banking sector with a specialization in the media industry. His extensive experience serving on corporate boards makes him an invaluable resource on matters of corporate governance, executive compensation, effective board oversight and strategic planning. Mr. Reifenhiser's vast experience in the broadcasting and publishing industries provides strategic perspective and insight into our industry. His service on our Board also provides us with additional financial expertise.</p>  | 2000                      |

**Table of Contents**

| <b>Name and Age</b>             | <b>Business Experience During Past Five Years,<br/>Other Directorships and Qualifications</b>   | <b>Director<br/>Since</b> |
|---------------------------------|---|---------------------------|
| John E. Koerner, III<br>Age: 75 | <p>John E. Koerner, III has been the managing member of Koerner Capital, LLC, a private investment company, or the President of its predecessor, Koerner Capital Corporation, since 1995. From 1976 to 1995, Mr. Koerner was President and co-owner of Barq's, Inc. and its subsidiary, The Delaware Punch Company. Mr. Koerner is a member of a number of civic boards including The Nature Conservancy of Louisiana and the World War II Museum. He served as Chairman of the New Orleans Regional Chamber of Commerce for 1995, was a past Co-Chairman of Metrovision, and was the 2002-2003 Chairman of the New Orleans Business Council. He serves on a number of business boards including IBERIABANK Corporation and Geocent, LLC. Mr. Koerner served on the board of Legg Mason, Inc. until July 2014.</p> <p>Mr. Koerner has extensive experience in corporate finance, the management of capital intensive organizations, and capital markets. Through his service on other boards, Mr. Koerner also has experience with a broad range of corporate governance matters. Mr. Koerner's background and civic board service also provide us with a valuable link to our community, which is important to us because of our focus on local advertising.</p> | 2007                      |
| Marshall A. Loeb<br>Age: 55     | <p>Marshall A. Loeb is the President, Chief Executive Officer and a director of EastGroup Properties, Inc., a self-administered equity real estate investment trust (REIT) focused on the development, acquisition and operation of industrial properties. He previously served as President and Chief Operating Officer of Glimcher Realty Trust from 2005 to 2015. From 2000 to 2005, he served as Chief Financial Officer of Parkway Properties, Inc.</p> <p>Mr. Loeb has more than 25 years of experience with publicly held REITS. He possesses extensive expertise in the real estate industry and in finance. His experience serving in a variety of executive roles at other REITs will provide us with an invaluable strategic perspective.</p>  |                           |

**Family Relationships**

Kevin P. Reilly, Jr., our Chairman of the Board and President, Sean E. Reilly, our Chief Executive Officer, and our directors Anna Reilly and Wendell Reilly are siblings. Kevin P. Reilly, Jr., Anna Reilly and Wendell Reilly are also nominees for director at the Annual Meeting.





---

**Table of Contents**

**BOARD OF DIRECTORS AND COMMITTEES**

During the year ended December 31, 2017, our Board of Directors held five meetings. Each of our directors attended at least 75% of the aggregate of the total number of meetings of our Board and the total number of meetings of our Board's committee meetings for the committee(s) on which that director served. The Board has standing Audit, Compensation and Nominating and Governance Committees. During the year ended December 31, 2017, the Audit Committee held six meetings, the Compensation Committee held five meetings, and the Nominating and Governance Committee held three meetings. We encourage, but do not require, our Board members to attend the Annual Meeting of Stockholders. Last year, all of our directors attended the Annual Meeting of Stockholders.

**Leadership Structure.** Kevin P. Reilly, Jr. currently serves as our Chairman of the Board, and Sean E. Reilly serves as our Chief Executive Officer. The Board does not have a policy regarding the separation of the roles of Chairman of the Board and Chief Executive Officer, as the Board believes it is in our best interests to make this determination based on an assessment of the current condition of our Company and composition of the Board. The Board has determined that having a member of senior management serve as Chairman of the Board is in the best interests of our stockholders at this time. This structure makes the best use of management's extensive knowledge of the Company and our industry, as well as fostering greater communication between management and the Board.

**Director Independence.** The Board has determined that Messrs. Hamilton, Koerner, Mumblow and Reifenheiser are independent directors as defined in the Nasdaq Stock Market listing standards, based on information known to the Company and on the annual questionnaire completed by each director.

**Meetings in Executive Session.** Our independent directors have regularly scheduled meetings at which only independent directors are present. During 2017, the independent directors met in executive session on two occasions.

**Risk Oversight.** As part of its charter, the Board is responsible for monitoring the risks that affect the Company, including operational, legal, regulatory, strategic and reputational risks. As part of routine Board meetings, management presents the Board with updates regarding key facets of the Company's operations. The Board is responsible for assessing risks based on their working knowledge of the Company and the risks inherent in its business. As discussed below, the Audit Committee is responsible for monitoring the Company's financial risk.

**Audit Committee.** The Audit Committee currently consists of Stephen P. Mumblow (Chair), Thomas V. Reifenheiser and John E. Koerner, III. Our Board of Directors has determined that each member of the Audit Committee satisfies the independence and financial literacy requirements as defined by applicable Nasdaq Stock Market listing standards governing the qualifications of Audit Committee members. Stephen P. Mumblow qualifies as an audit committee financial expert under the rules of the SEC and satisfies the financial sophistication requirements under applicable Nasdaq Stock Market listing qualifications. The Audit Committee assists our Board of Directors in fulfilling its responsibility for general oversight over the integrity of our financial statements, including compliance with legal and regulatory requirements, the independent registered public accounting firm's qualifications and independence, and the performance of our internal audit function. The Audit Committee is also responsible for the appointment (and when appropriate, replacement) and oversight of our independent registered public accounting firm and our internal auditor. The Audit Committee operates under a written charter adopted by the Board of Directors. The Audit Committee has been delegated by the Board the responsibility of monitoring the Company's financial risks. Any material financial risks identified by the Audit Committee are reported to the full Board.

**Table of Contents**

**Compensation Committee.** The Compensation Committee currently consists of Thomas V. Reifenheiser (Chair), John Maxwell Hamilton and Stephen P. Mumbrow, all of whom our Board has determined are independent directors under the listing standards of the Nasdaq Stock Market governing the independence of directors. The Compensation Committee's responsibilities include evaluating the performance of the Chief Executive Officer and our other executive officers and reviewing and determining such officers' cash and equity-based compensation and benefits. The Compensation Committee operates under a written charter adopted by the Board of Directors. For additional information regarding the Compensation Committee's role in setting compensation, delegation of their authority and our use of compensation consultants, please see the Compensation Discussion and Analysis section of this proxy statement, which begins on page 16.

**Nominating and Governance Committee.** The Nominating and Governance Committee currently consists of John E. Koerner, III (Chair), Thomas V. Reifenheiser, John Maxwell Hamilton and Stephen P. Mumbrow, all of whom our Board has determined are independent directors under the listing standards of the Nasdaq Stock Market governing the independence of directors. The Nominating and Governance Committee's responsibilities include identifying individuals qualified to become Board members and recommending to the Board the director nominees for the next Annual Meeting of Stockholders, as well as candidates to fill vacancies on the Board. Additionally, the Nominating and Governance Committee recommends to the Board the directors to be appointed to Board committees. The Nominating and Governance Committee also developed and recommended to the Board a set of corporate governance guidelines and oversees the effectiveness of our corporate governance in accordance with those guidelines. The Nominating and Governance Committee operates under a written charter adopted by the Board of Directors.

Mr. Marshall Loeb is the only nominee for director proposed to be elected at the Annual Meeting who is not currently serving as a director of the Company. In 2017, the Nominating and Governance Committee engaged Ferguson Partners Ltd. ( Ferguson Partners ) to assist it in identifying potential director candidates, which resulted in the introduction between Mr. Loeb and the Nominating and Governance Committee.

To assist in identifying director candidates in the future, the Nominating and Governance Committee may engage the services of third party firms, including Ferguson Partners. The Nominating and Governance Committee also considers director candidates suggested by members of the Nominating and Governance Committee, other directors, management and shareholders. The process followed by the Nominating and Governance Committee to evaluate director candidates, including those introduced to the Nominating and Governance Committee by Ferguson Partners, includes evaluating biographical information and background materials relating to potential candidates and interviewing (with Board members) selected candidates.

In considering whether to recommend any candidate for inclusion in the Board's slate of director nominees, the Nominating and Governance Committee will evaluate the candidate against the standards and qualifications set out in the Company's Corporate Governance Guidelines, including, among others:

the extent to which the candidate's skills, experience, and perspective adds to the range of talent appropriate for the Board and whether such attributes are relevant to our industry;

the candidate's ability to dedicate the time and resources sufficient for the diligent performance of Board duties;

whether the candidate meets the independence requirements under applicable Nasdaq Stock Market listing standards; and

the extent to which the candidate holds any position that would conflict with responsibilities to the Company.

**Table of Contents**

The Nominating and Governance Committee believes that the backgrounds and qualifications of the directors, considered as a group, should provide a significant composite mix of experience, knowledge, and abilities that will allow the Board to fulfill its responsibilities.

The Nominating and Governance Committee and the Board do not have a formal diversity policy. In identifying nominees for director, however, consideration is given to the diversity of professional experience, education and backgrounds among the directors so that a variety of points of view are represented in Board discussions and deliberations concerning our business.

Stockholders may recommend candidates for the Nominating and Governance Committee to consider as potential director nominees by submitting names, biographical information, and background materials to the Nominating and Governance Committee, c/o General Counsel, Lamar Advertising Company, 5321 Corporate Boulevard, Baton Rouge, Louisiana 70808. The Nominating and Governance Committee will consider a recommendation only if appropriate biographical information and background material is provided on a timely basis as further described in the Nominating and Governance Committee's charter. See Board of Directors and Committees Committee Charters below. Assuming that appropriate biographical and background material is provided for candidates recommended by stockholders, the Nominating and Governance Committee will evaluate those candidates by following substantially the same process, and applying substantially the same criteria used for candidates submitted by Board members. The Nominating and Governance Committee will also consider whether to nominate any person nominated by a stockholder in accordance with the provisions of the Company's bylaws relating to stockholder nominations as described in Deadline for Stockholder Proposals and Director Nominations below. To date, no stockholder has recommended a candidate for director nominee to the Nominating and Governance Committee or to the Board of Directors.