

TELEDYNE TECHNOLOGIES INC

Form DEF 14A

March 08, 2011

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**SCHEDULE 14A  
(RULE 14a-101)  
INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION  
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

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 Section 240.14a-11c or Section 240.14a-12

TELEDYNE TECHNOLOGIES INCORPORATED

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
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  - (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.
  - (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date Filed:



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*Teledyne Technologies Incorporated*  
*1049 Camino Dos Rios*  
*Thousand Oaks, CA 91360*

March 8, 2011

Dear Stockholder:

We are pleased to invite you to attend the 2011 Annual Meeting of Stockholders of Teledyne Technologies Incorporated. The meeting will be held on Wednesday, April 27, 2011, beginning at 9:00 a.m. (Pacific Time), at the Company's offices at 1049 Camino Dos Rios, Thousand Oaks, California 91360.

This booklet includes the notice of meeting as well as the Company's Proxy Statement.

Enclosed with this booklet are the following:

Proxy or voting instruction card (including instructions for telephone and Internet voting).

Proxy or voting instruction card return envelope (postage paid if mailed in the U.S.).

A copy of the Company's 2010 Annual Report (which contains our 2010 Form 10-K) is also included.

Please read the Proxy Statement and vote your shares as soon as possible. We encourage you to take advantage of voting by telephone or Internet as explained on the enclosed proxy or voting instruction card. Or, you may vote by completing, signing and returning your proxy or voting instruction card in the enclosed postage-paid envelope. It is important that you vote, whether you own a few or many shares and whether or not you plan to attend the meeting.

If you are a stockholder of record and plan to attend the meeting, please mark the **WILL ATTEND** box on your proxy card so that you will be included on our admittance list for the meeting.

Thank you for your investment in our Company. We look forward to seeing you at the 2011 Annual Meeting.

Sincerely,

Robert Mehrabian  
Chairman, President and  
Chief Executive Officer

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**TELEDYNE TECHNOLOGIES INCORPORATED**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**MEETING DATE:** April 27, 2011

**TIME:** 9:00 a.m. Pacific Time

**PLACE:** Teledyne Technologies Incorporated  
1049 Camino Dos Rios  
Thousand Oaks, California 91360

**RECORD DATE:** March 1, 2011

**AGENDA**

- 1) Election of a class of three directors for a three-year term;
- 2) Ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal year 2011;
- 3) Approval of a non-binding advisory resolution on the Company's executive compensation (commonly referred to as a "say on pay" resolution);
- 4) Non-binding advisory vote on the frequency of future stockholder votes on the Company's executive compensation; and
- 5) Transaction of any other business properly brought before the meeting.

**STOCKHOLDER LIST**

A list of stockholders entitled to vote will be available during business hours for 10 days prior to the meeting at the Company's executive offices, 1049 Camino Dos Rios, Thousand Oaks, California 91360, for examination by any stockholder for any legally valid purpose.

**ADMISSION TO THE MEETING**

Teledyne's stockholders or their authorized representatives by proxy may attend the meeting. If you are a stockholder of record and you plan to attend the meeting, please mark the "WILL ATTEND" box on your proxy card so that you will be included on our admittance list for the meeting. If your shares are held through an intermediary, such as a broker or a bank, you should present proof of your ownership at the meeting. Proof of ownership could include a proxy from your bank or broker or a copy of your account statement.

**Important Notice Regarding the Availability of Proxy Materials for the 2011 Annual Meeting to be held on April 27, 2011: In accordance with rules issued by the Securities and Exchange Commission, you may access**

**our 2010 Annual Report and our Proxy Statement at [www.teledyne.com/2011annualmeeting](http://www.teledyne.com/2011annualmeeting), which does not have cookies that identify visitors to the site.**

By Order of the Board of Directors,

John T. Kuelbs  
Executive Vice President, General Counsel  
and Secretary

March 8, 2011

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**DEFINED TERMS**

In this Proxy Statement, Teledyne Technologies Incorporated is sometimes referred to as the Company or Teledyne. References to ATI mean Allegheny Technologies Incorporated, formerly known as Allegheny Teledyne Incorporated, the company from which we were spun off on November 29, 1999.

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**PROXY STATEMENT  
FOR 2011 ANNUAL MEETING OF STOCKHOLDERS**

This Proxy Statement, the accompanying proxy card and the Annual Report to Stockholders of Teledyne are being mailed on or about March 18, 2011. The Board of Directors of Teledyne is soliciting your proxy to vote your shares at the 2011 Annual Meeting of Stockholders. The Board is soliciting your proxy to give all stockholders of record the opportunity to vote on matters that will be presented at the Annual Meeting. This Proxy Statement provides you with information on these matters to assist you in voting your shares.

**VOTING PROCEDURES**

**Who May Vote**

If you were a stockholder at the close of business on March 1, 2011, you may vote at the Annual Meeting. On that day, there were 36,629,072 shares of our common stock outstanding.

Each share is entitled to one vote. In order to vote, you must either designate a proxy to vote on your behalf or attend the meeting and vote your shares in person. Our Board of Directors requests your proxy so that your shares will count toward determination of the presence of a quorum and your shares can be voted at the meeting.

**Methods of Voting**

All stockholders of record may vote by transmitting their proxy cards by mail. Stockholders of record can also vote by telephone or Internet. Stockholders who hold their shares through a bank or broker can vote by telephone or Internet if their bank or broker offers those options.

*By Mail.* Stockholders of record may complete, sign, date and return their proxy cards in the postage-paid envelope provided. If you sign, date and return your proxy card without indicating how you want to vote, your proxy will be voted as recommended by the Board of Directors.

*By Telephone or Internet.* Stockholders of record may vote by using the toll-free number or Internet website address listed on the proxy card. Please see your proxy card for specific instructions.

**Revoking Your Proxy**

You may change your mind and revoke your proxy at any time before it is voted at the meeting by:

sending a written notice to the Secretary for receipt prior to the meeting that you revoke your proxy;

transmitting a proxy dated later than your prior proxy either by mail, telephone or Internet; or

attending the Annual Meeting and voting in person or by proxy (except for shares held in the employee benefit plan).

**Voting By Employee Benefit Plan Participants**

Participants who hold common stock in the Teledyne Technologies Incorporated 401(k) Plan may instruct the plan trustee how to vote the shares of common stock allocated to their accounts. You may either (1) sign and return the voting instruction card provided by the plan or (2) transmit your instructions by telephone or Internet. If you do not

transmit instructions by 11:59 p.m. (Eastern Time), on April 22, 2011, your shares will not be voted by the plan trustee, except as otherwise required by law.

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### **Voting Shares Held By Brokers, Banks and Other Nominees**

Votes will be counted by the inspector of election appointed for the meeting, who will separately count For and Withhold and, with respect to any proposals other than the election of directors, Against votes, abstentions and broker non-votes. The inspector of election will also separately count the votes for the options included in the advisory vote on the frequency of say on pay. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that proposal and has not received instructions with respect to that proposal from the beneficial owner, despite voting on at least one other proposal for which it does have discretionary authority or for which it has received instructions. Abstentions will be counted towards the vote total for each proposal, and will have the same effect as Against vote for proposals other than the election of directors and the advisory vote on the frequency of future advisory votes on executive compensation. For the election of directors and the advisory vote on the frequency of future advisory votes on executive compensation, abstentions will have no effect. Broker non-votes have no effect and will not be counted towards the vote total for any proposal, including the election of directors, say on pay and frequency of say on pay. Abstentions and broker non-votes will be included in determining the presence of a quorum.

If your shares are held by your broker, bank or other agent as your nominee (that is, in street name), you will need to obtain a proxy form from the institution that holds your shares and follow the instructions included on that form regarding how to instruct your broker, bank or other agent to vote your shares. If you do not give instructions to your broker, bank or other agent, they can vote your shares with respect to discretionary items, but not with respect to non-discretionary items. Discretionary items are proposals considered routine under the rules of the New York Stock Exchange on which your broker, bank or other agent may vote shares held in street name in the absence of your voting instructions. The only item that is considered routine under the rules of the New York Stock Exchange to be considered at this year's Annual Meeting is the ratification of the selection of our independent auditors (Item 2). On non-discretionary items for which you do not give instructions to your broker, bank or other agent, the shares will be treated as broker non-votes.

### **Confidential Voting Policy**

We maintain a policy of keeping stockholder votes confidential.

## **BOARD COMPOSITION AND PRACTICES**

### **Information and Meetings**

The Board of Directors directs the management of the business and affairs of the Company as provided in our Amended and Restated Bylaws and pursuant to the laws of the State of Delaware. Except for Dr. Robert Mehrabian, our Chairman, President and Chief Executive Officer, the Board is not involved in day-to-day operations. Members of the Board keep informed about our business through discussions with the senior management and other officers and managers of the Company and its subsidiaries, by reviewing information provided to them, and by participating in Board and committee meetings.

We encourage, but do not require, that all our directors attend all meetings of the Board of Directors, all committee meetings on which the directors serve and the annual stockholders meeting. In 2010, the Board of Directors held seven meetings and acted by written consent three times. During 2010, all directors attended at least 75% of the aggregate number of meetings of the Board and Board committees of which they were members. All of the current directors attended the 2010 Annual Meeting of Stockholders.

### **Number of Directors**

The Board of Directors determines the number of directors, which under our Amended and Restated By-laws must consist of not less than four members and not more than 10 members. The Board has currently fixed the number at nine members.

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### **Director Terms**

The directors are divided into three classes and the directors in each class serve for a three-year term. The term of one class of directors expires each year at the Annual Meeting of Stockholders. The Board may fill a vacancy by electing a new director to the same class as the director being replaced. The Board may also create a new director position in any class and elect a director to hold the newly created position until the term of the class expires.

### **Directors Retirement Policy**

On June 1, 2000, we adopted a retirement policy for directors. This policy, as amended, generally requires directors to retire at the Annual Meeting following their 75th birthday. Mr. Cahouet, age 78, is currently serving through the 2011 Annual Meeting under a waiver granted by the Board, which waiver will be extended through the 2014 Annual Meeting if Mr. Cahouet is elected at the 2011 Annual Meeting. This policy also requires a director to offer to tender his or her resignation if such director has a change in professional status. In 2010, two directors notified the Company and the Nominating and Governance Committee of changes in their business affiliations. In June 2010, Mr. Dahlberg notified the Company that he had retired as Chairman of SAIC and in July 2010, Ms. Austin stepped down as President and Chief Executive Officer of Move Networks, Inc. The Nominating and Governance Committee and the Board of Directors determined not to request resignations from either director as a result of changes in their professional status.

### **Board Structure**

The Board of Directors currently consists of nine directors, eight of whom are considered independent under existing rules of the New York Stock Exchange and the Securities and Exchange Commission. The Chairman of the Board, who is also our President and Chief Executive Officer and is not considered an independent director, presides at meetings of stockholders and Board meetings. The Board has formally designated Frank V. Cahouet, one of our independent directors, to serve as the lead director under circumstances when the Chairman, President and Chief Executive Officer is unable to perform the duties of that office. In addition, the Board's three standing committees consist solely of independent directors.

The Board believes that its current independent Board structure is best for our Company and provides good corporate governance and accountability. The Board does not have a fixed policy regarding the separation of the roles of the Chairman of the Board and the Chief Executive Officer because it believes the Board should be able to freely select the Chairman of the Board based on criteria that it deems to be in the best interests of the Company and its stockholders. The Board does not believe its independence is compromised by having a single person serve as Chairman and Chief Executive Officer. The functions of the Board are carried out by the full Board, and when delegated, by the Board committees. Each director is a full and equal participant in the major strategic and policy decisions of our Company and the Chairman has no greater or lesser vote on matters considered by the Board. Our non-management directors meet in executive session without management (including the Chief Executive Officer) on a regularly scheduled basis. Committee chairs rotate as presiding director in such sessions.

The Board believes that currently it is in the best interests of the Company and its stockholders to have a single person serve as Chairman and Chief Executive Officer to provide unified leadership and direction and an independent lead director to serve when the Chairman and Chief Executive Officer is unable to perform the duties of that office. However, consistent with good corporate governance principles, the Nominating and Governance Committee will continue to review periodically this issue to determine whether, based on the relevant facts and circumstances at such future times, separation of these offices would serve the best interests of the Company and its stockholders.



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**CORPORATE GOVERNANCE**

**Director Independence**

In April 2010, our Nominating and Governance Committee assessed, and our Board of Directors determined, the independence of each director in accordance with the then existing rules of the New York Stock Exchange and the Securities and Exchange Commission. In order to comply with such items, our Nominating and Governance Committee considered various relationship categories including: whether the director is an employee, amount of stock ownership and commercial, industrial, banking, consulting, legal, accounting or auditing, charitable and familial relationships, as well as a range of individual circumstances. See *Certain Transactions* at page 57. The Board did consider that certain directors consider themselves to be social friends. As a result, the Nominating and Governance Committee, followed by the Board, determined that each member of our Board of Directors did not have any material relationships with us and was thus independent, with the exception of Dr. Mehrabian, our Chairman, President and Chief Executive Officer. Our management, after reviewing director questionnaires, reported to our Board in February 2011 that information on which the board based its independence assessment in April 2010 has not materially changed. The independent directors by name are: Roxanne S. Austin, Frank V. Cahouet, Charles Crocker, Kenneth C. Dahlberg, Simon M. Lorne, Paul D. Miller, Michael T. Smith and Wesley W. von Schack.

The Nominating and Governance Committee, followed by the Board, also determined that each member of our Personnel and Compensation Committee is an outside director within the meaning of Rule 162(m) of the Internal Revenue Code and are non-management directors within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934.

All of the Board's standing committees consist only of independent directors.

**Corporate Governance and Ethics Guidelines**

At the time we became a public company in 1999, our Board of Directors adopted many best practices in the area of corporate governance, including separate standing committees of the Board for each of audit, nominating and governance and personnel and compensation matters, charters for each of the committees, and corporate ethics and compliance guidelines.

Our ethics and compliance guidelines for employees are contained in the Corporate Objectives and Guidelines for Employee Conduct. These guidelines apply to all our employees, including our principal executive, financial and accounting officers. Our employees receive annual ethics training and questionnaires are distributed annually to various personnel in an effort to confirm compliance with these guidelines. It is our policy not to waive compliance with these guidelines. We also have a specialized code of ethics for financial executives that supplements the employee guidelines. In addition, we have ethics and compliance guidelines for our service providers.

In July 2007, our Board of Directors adopted a code of business conduct and ethics for directors. This code is intended to provide guidance to directors to help them recognize and deal with ethical issues, including conflicts of interest, corporate opportunities, fair dealing, compliance with law and proper use of the company's assets. It also provides mechanisms to report possible unethical conduct.

Our Board of Directors has adopted Corporate Governance Guidelines. These Corporate Governance Guidelines were initially developed by our Nominating and Governance Committee and are reviewed at least annually by such Committee. These Corporate Governance Guidelines incorporate practices and policies under which our Board has

operated since its inception, in addition to many of the requirements of the Sarbanes-Oxley Act of 2002 and the New York Stock Exchange. Some of the principal subjects covered by the Corporate Governance Guidelines include:

Director qualification standards.

Director responsibilities.



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Director access to management and independent advisors.

Director compensation.

Director orientation and continuing education.

Management succession.

Annual performance evaluation of the Board and Committees.

Copies of our Corporate Governance Guidelines, our Corporate Objectives and Guidelines for Employee Conduct, our codes of ethics for directors, financial executives and service providers and our committee charters are available on our website at [www.teledyne.com](http://www.teledyne.com). We intend to post any amendments to these policies, and any waivers of the provisions thereof related to directors or executive officers, on our website. If at any time you would like to receive a paper copy, free-of-charge, please write to John T. Kuelbs, Executive Vice President, General Counsel and Secretary, Teledyne Technologies Incorporated, 1049 Camino Dos Rios, Thousand Oaks, California 91360.

## **Risk Management Oversight**

The risk oversight function of the Board is carried out by both the Board and the Audit Committee. As provided in its charter, the Audit Committee meets periodically with management to discuss the Company's major financial and operating risk exposures and the steps, guidelines and policies taken or implemented relating to risk assessment and risk management. Matters of strategic risk are considered by the Board as a whole. At each meeting, our Chief Business Risk Assurance Officer reports directly to the Audit Committee on the activities of the Company's internal audit function. Management also reports to the Audit Committee on legal, tax, finance, accounting and pension matters at least quarterly. The Board is provided with reports on legal matters at periodic scheduled meetings and on other matters related to risk oversight on an as needed basis. In addition, the Audit Committee reviews with management the risk factors that appear in our Annual Report on Form 10-K prior to its filing.

In 2009 an Enterprise Risk Management Committee, consisting of executive officers and other employees, was created to implement a program designed to identify significant company risks and determine whether we have appropriate risk management policies, practices, and procedures in place. Our Vice President and Treasurer periodically reports to the Audit Committee on the progress and results of this program.

## **Risks Related to Compensation Policies and Practices**

The Company and the Personnel and Compensation Committee have undertaken a process to determine whether the Company's overall compensation program for employees creates incentives for employees to take excessive or unreasonable risks that could materially harm the Company. As part of this process, management prepared a framework of potential risk and evaluated the Company's compensation policies in the context of this framework. The results of this evaluation were reviewed by and discussed with the Company's Chairman, President and Chief Executive Officer and the Personnel and Compensation Committee. The Committee also received input on this subject matter from its independent compensation consultants.

We believe that several features of our compensation policies for management employees appropriately mitigate such risks, including a balanced mix of long- and short-term compensation incentives, the use of incentive award plans with capped payouts, the use of a diverse mix of performance measures in our incentive award plans and our stock ownership requirements for key officers. In addition, we use our annual business plan as a baseline for our Annual

Incentive Plan targets, which the Personnel and Compensation Committee regards as setting an appropriate level of risk taking for the Company. We also believe the Company's internal legal and financial controls appropriately mitigate the probability and potential impact of an individual employee committing the Company to a harmful long-term business transaction in exchange for short-term compensation benefits. In light of

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these features of our compensation program and these additional controls, our management and our Personnel and Compensation Committee have concluded that the risks arising from our employee compensation policies and practices are not reasonably likely to have a material adverse effect on the Company.

### **Sarbanes-Oxley Disclosure Committee**

In September 2002, we formally constituted the Sarbanes-Oxley Disclosure Committee. Current members include: John T. Kuelbs, Executive Vice President, General Counsel and Secretary; Dale A. Schnittjer, Senior Vice President and Chief Financial Officer; Susan L. Main, Vice President and Controller; Stephen F. Blackwood, Vice President and Treasurer; Ivars R. Blukis, Chief Business Risk Assurance Officer; Robyn E. McGowan, Vice President, Administration and Human Resources and Assistant Secretary; Melanie S. Cibik, Vice President, Associate General Counsel and Assistant Secretary; Brian A. Levan, Director of External Financial Reporting and Assistant Controller; S. Paul Sassalos, Senior Corporate Counsel and Assistant Secretary; Jason VanWees, Vice President, Corporate Development and Investor Relations; and Patrick Neville, Vice President and Chief Information Officer. Among its tasks, the Disclosure Committee discusses and reviews disclosure issues to help us fulfill our disclosure obligations on a timely basis in accordance with SEC rules and regulations and is intended to be used as an additional resource for employees to raise questions regarding accounting, auditing, internal controls and disclosure matters.

Since we became a public company in 1999, we have had a confidential Ethics/Help Line, where questions or concerns about us can be raised confidentially and anonymously. The Ethics/Help line is available to all of our employees, as well as concerned individuals outside the company. The toll-free help line number is 1-877-666-6968.

The receipt of concerns about our accounting, internal controls and auditing matters will be reported to the Audit Committee.

### **Communications with the Board**

Our Corporate Governance Guidelines provide that any interested parties desiring to communicate with our non-management directors, including our lead director, may contact them through our Secretary, John T. Kuelbs, whose address is: Teledyne Technologies Incorporated, 1049 Camino Dos Rios, Thousand Oaks, California 91360.

## **ITEM 1 ON PROXY CARD ELECTION OF DIRECTORS**

The Board of Directors has nominated for election this year the class of three incumbent directors whose terms expire at the 2011 Annual Meeting. The three-year term of the class of directors nominated and elected this year will expire at the 2014 Annual Meeting. The three individuals who receive the highest number of votes cast will be elected.

If you sign and return your proxy card, the individuals named as proxies in the card will vote your shares for the election of the three named nominees, unless you provide other instructions. You may withhold authority for the proxies to vote your shares on any or all of the nominees by following the instructions on your proxy card. If a nominee becomes unable to serve, the proxies will vote for a Board-designated substitute or the Board may reduce the number of directors. The Board has no reason to believe that any nominee will be unable to serve.

Background information about the nominees and continuing directors follows, including the specific experiences, qualifications, attributes and skills that the Board believes qualifies each of the below named individuals to serve as a director of the Company, in light of the Company's business and structure.

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**Nominees For Terms Expiring at 2014 Annual Meeting (Class III)**

*Roxanne S. Austin*  
*President of Austin Investment Advisors*  
*Director since 2006*  
*Age: 50*

Roxanne S. Austin is the President of Austin Investment Advisors, a private investment and consulting firm. From July 2009 through July 2010, Ms. Austin was President and Chief Executive Officer of Move Networks, Inc., a provider of Internet television services. From December 2004 through July 2009, she was President of Austin Investment Advisors, a private investment and consulting firm. Ms. Austin served as President and Chief Operating Officer of DIRECTV, Inc. from June 2001 to December 2003. She also served as Executive Vice President of Hughes Electronics Corporation and as a member of its executive committee until December 2003. From 1997 to June 2001, Ms. Austin was the Corporate Senior Vice President and Chief Financial Officer of Hughes Electronics Corporation. Prior thereto, she held various senior financial positions with Hughes Electronics Corporation. Prior to joining Hughes in 1993, Ms. Austin was a partner at the accounting firm Deloitte & Touche. Ms. Austin is also a director of Target Corporation, Abbott Laboratories and Telefonaktiebolaget LM Ericsson. She serves on the Board of Trustees of the California Science Center. Ms. Austin is a member of our Personnel and Compensation Committee and our Nominating and Governance Committee.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Ms. Austin should serve as a director: her professional background and experience, current and previously held senior-executive level positions, her service on other public and private company boards, Teledyne board experience, board attendance and participation, and her extensive experience in electronics, communications, aerospace, defense and related industries and specialized expertise in public company accounting and mergers and acquisitions.

*Frank V. Cahouet*  
*Retired Chairman and Chief Executive*  
*Officer of Mellon Financial*  
*Corporation*  
*Director since 1999*  
*Age: 78*

Frank V. Cahouet served as the Chairman, President and Chief Executive Officer of Mellon Financial Corporation, a bank holding company, and Mellon Bank, N.A., prior to his retirement on December 31, 1998. Mr. Cahouet served as a director of Korn/Ferry International, a provider of recruiting services, from 1999 to 2009, and Saint-Gobain Corporation, a manufacturer of glass, ceramics, plastics and cast iron, from 1992 to 2008. Mr. Cahouet is a trustee emeritus of both Carnegie Mellon University and the University of Pittsburgh. He is on the board of regents of Saint Vincent Seminary, a member of the board of trustees for the Historical Society of Western Pennsylvania and a council member of The Pennsylvania Society. He is a director of The World Affairs Council of Pittsburgh and is director emeritus of Extra Mile Education Foundation. In addition, he serves on the Advisory Board of the Little Sisters of the Poor. Mr. Cahouet is Chair of our Audit Committee and a member of our Nominating and Governance

Committee. Mr. Cahouet has been designated to serve as our lead director under circumstances when the Chairman, President and Chief Executive Officer is unable to perform the duties of that office.

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The following experience, qualifications, attributes and/or skills led the Board to conclude that Mr. Cahouet should serve as a director: his professional background and experience, previously held senior-executive level positions, his service on other public and private company boards, leadership positions with private foundations, Teledyne board experience, board attendance and participation, and his extensive experience in accounting, finance and banking.

*Kenneth C. Dahlberg*  
*Retired Chairman of the Board and*  
*Former Chief Executive Officer of*  
*Science Applications International*  
*Corporation (SAIC)*  
*Director since 2006*  
*Age: 66*

Kenneth C. Dahlberg served as Chief Executive Officer of Science Applications International Corporation (SAIC), a research and engineering firm specializing in information systems and technology, from November 2003 through September 2009. Prior to joining SAIC, Mr. Dahlberg served as executive vice president of General Dynamics where he was responsible for its Information Systems and Technology Group and prior to that served as President and Chief Operating Officer of Raytheon Systems. Mr. Dahlberg served as Chairman of the Board of Directors of SAIC until his retirement in June 2010. Mr. Dahlberg is a member of our Personnel and Compensation Committee and our Audit Committee.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Mr. Dahlberg should serve as a director: his professional background and experience, previously held senior-executive level positions, his service on other public company boards, Teledyne board experience, board attendance and participation, his extensive experience with companies in the defense industry and his background and experience in design engineering, production, system development and services.

**The Board of Directors Recommends  
a Vote FOR the Election of the Nominees**

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**Continuing Directors    Terms Expire at 2012 Annual Meeting (Class I)**

*Simon M. Lorne*  
*Vice Chairman and Chief Legal*  
*Officer of Millennium*  
*Management LLC*  
*Director since 2004*  
*Age: 64*

Simon M. Lorne is the Vice Chairman and Chief Legal Officer of Millennium Management LLC, a hedge fund management company. From March 1999 to March 2004, prior to the time he became a Teledyne Director, Mr. Lorne was a partner with Munger Tolles & Olson, LLP, a law firm whose services Teledyne has used from time to time. Mr. Lorne has also previously served as a Managing Director, with responsibility for Legal Compliance and Internal Audit of Citigroup/Salomon Brothers and as the General Counsel at the Securities and Exchange Commission in Washington, D.C. Mr. Lorne served as a director of Opsware, Inc., a provider of data center automation software, from 2000 to 2007. Since 1999, Mr. Lorne has been co-director of Stanford Law School's Directors' College. Mr. Lorne is a member of our Audit Committee and our Nominating and Governance Committee.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Mr. Lorne should serve as a director: his professional background and experience, current and previously held senior-executive level positions, senior level experience at a government regulator, his service on other public and private company boards, Teledyne board experience, board attendance and participation, and his expertise in finance, mergers and acquisitions, securities laws and corporate governance.

*Paul D. Miller*  
*Retired Chairman of Alliant*  
*Techsystems, Inc. (ATK)*  
*Director since 2001*  
*Age: 69*

Paul D. Miller was the Chairman of the Board of ATK (Alliant Techsystems, Inc.), an advanced weapon and space systems company, until April 2005. From January 1999 until October 2004, he had also been Chief Executive Officer of ATK. Prior to retirement from the U.S. Navy in 1994, Admiral Miller served as Commander-in-Chief, U.S. Atlantic Command and NATO Supreme Allied Commander Atlantic. He is also a director of Donaldson Company, Inc., a NYSE-listed manufacturer of filtration systems. Mr. Miller is a member of our Audit Committee and our Nominating and Governance Committee.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Admiral Miller should serve as a director: his executive, professional and military background and experience, current and previously held senior-executive level positions, his service on other public and private company boards, Teledyne board experience, board attendance and participation, his extensive experience with and leadership positions in the defense community, his knowledge of finance, manufacturing, human resources, corporate governance and audit functions and his extensive understanding of strategic planning, tactical business decision making and risk management.





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*Wesley W. von Schack  
Chairman of AEGIS Insurance Company  
and Retired Chairman, President and  
Chief Executive Officer of  
Energy East Corporation  
Director since 2006  
Age: 65*

Wesley W. von Schack is Chairman of AEGIS Insurance Company. He served as Chairman, President and Chief Executive Officer of Energy East Corporation, a diversified energy services company, from 1996 until his retirement in September 2009. He currently serves as the lead director and the Chair of the Executive Committee for The Bank of New York Mellon Corporation and serves on the board of Edwards Lifesciences Corporation. Dr. von Schack served as a director of Mellon Financial Corporation from 1989 to 2007. Dr. von Schack serves as trustee emeritus for the Board of Directors of Gettysburg Foundation and is a member of the President's Council Peconic Land Trust. Dr. von Schack is a member of our Nominating and Governance Committee and our Personnel and Compensation Committee.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Dr. von Schack should serve as a director: his professional background and experience, previously held senior-executive level positions, his service on other private and public company boards, his leadership positions at private foundations, his Teledyne board experience, board attendance and participation, and his extensive experience with companies in the energy and financial services sectors and in regulated industries.

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**Continuing Directors    Terms Expire at 2013 Annual Meeting (Class II)**

*Charles Crocker  
Chairman and Chief Executive Officer,  
Crocker Capital and Retired  
Chairman and Chief Executive  
Officer of BEI Technologies, Inc.  
Director since 2001  
Age: 72*

Charles Crocker currently serves as the Chairman and Chief Executive Officer of Crocker Capital, a private investment company. Mr. Crocker was the Chief Executive Officer of the Custom Sensors and Technologies Division of Schneider Electric until January 2006. Mr. Crocker was the Chairman and Chief Executive Officer of BEI Technologies, Inc., a diversified technology company, from March 2000 until October 2005, when it was acquired by Schneider Electric. Mr. Crocker served as Chairman, President and Chief Executive Officer of BEI Electronics from October 1995 to September 1997, at which time he became Chairman, President and Chief Executive Officer of BEI Technologies, Inc. He serves as a director of Franklin Resources, Inc. and its subsidiary, Fiduciary Trust International, and ConMed Healthcare Management, Inc. Mr. Crocker has been Chairman of the Board of Children's Hospital in San Francisco, Chairman of the Hamlin School's Board of Trustees and President of the Foundation of the Fine Arts Museums of San Francisco. Mr. Crocker is the Chair of our Personnel and Compensation Committee and a member of our Nominating and Governance Committee.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Mr. Crocker should serve as a director: his professional background and experience, current and previously held senior-executive level positions, his service on other public and private company boards, Teledyne board experience, board attendance and participation, and his extensive experience with technology companies serving both the commercial and defense sectors.

*Robert Mehrabian  
Chairman, President and Chief Executive  
Officer of the Company  
Director since 1999  
Age: 69*

Robert Mehrabian is the Chairman, President and Chief Executive Officer of Teledyne Technologies Incorporated. He has been the President and Chief Executive Officer of Teledyne since its formation in 1999. He became Chairman of the Board in December 2000. Prior to the spin-off of the Company by ATI in November 1999, Dr. Mehrabian was the President and Chief Executive Officer of ATI's Aerospace and Electronics segment since July 1999 and had served ATI in various senior executive capacities since July 1997. Before joining ATI, Dr. Mehrabian served as President of Carnegie Mellon University. He is also a director of PPG Industries, Inc and The Bank of New York Mellon Corporation. On February 8, 2011, Dr. Mehrabian notified The Bank of New York Mellon Corporation that he plans to retire as a director on April 12, 2011.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Dr. Mehrabian should serve as a director: his leadership skills acquired while serving as the Company's Chief Executive Officer and Chairman, previously held senior-executive

level positions at public companies and at academic institutions, his service on public company boards, and his extensive knowledge and understanding of the Company's business, operations, products and services.

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*Michael T. Smith*  
*Retired Chairman of the Board and Chief*  
*Executive Officer of Hughes*  
*Electronics Corporation*  
*Director since 2001*  
*Age: 67*

Michael T. Smith is the retired Chairman of the Board and Chief Executive Officer of Hughes Electronics Corporation, holding such positions from October 1997 until May 2001. Mr. Smith is also a director of Ingram Micro Corporation, a technology sales, marketing and logistics company, FLIR Systems, Inc., which produces infrared cameras, thermal imaging software and temperature measurement devices, and WABCO Holdings, Inc., which provides electronic and electromechanical products for the automotive industry. Mr. Smith served as a director of ATK (Alliant Techsystems, Inc.), an advanced weapon and space systems company from 1997 to 2009, and Anteon International Corporation, an information technology and systems engineering solutions company, from 2005 to 2006. Mr. Smith is also the former chairman of the Aerospace Industries Association, an industry trade organization, and is a charter member of the Electronic Industries Foundation Leadership Council. Mr. Smith is the Chair of our Nominating and Governance Committee and is a member of our Audit Committee.

The following experience, qualifications, attributes and/or skills led the Board to conclude that Mr. Smith should serve as a director: his professional background and experience, previously held senior-executive level positions, his service on other public and private company boards, Teledyne board experience, board attendance and participation, and his extensive experience with companies in the aerospace, defense, engineering, communications and manufacturing sectors.

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**COMMITTEES OF OUR BOARD OF DIRECTORS**

Our Board of Directors has established an Audit Committee, a Nominating and Governance Committee and a Personnel and Compensation Committee. From time to time, our Board of Directors may establish other committees. Each of the Audit Committee, Nominating and Governance Committee and Personnel and Compensation Committee has a written charter that can be accessed on our website at [www.teledyne.com](http://www.teledyne.com).

**Audit Committee**

The members of the Audit Committee are:

Frank V. Cahouet, Chair  
Kenneth C. Dahlberg  
Simon M. Lorne  
Paul D. Miller  
Michael T. Smith

The Audit Committee held seven meetings in 2010.

The primary purpose of the Audit Committee is to assist the Board's oversight of the integrity of our financial statements, our compliance with legal and regulatory requirements, the qualification and the independence of our independent auditor, and the performance of our internal audit function and independent auditor. As provided in its charter, the Audit Committee is directly responsible for the appointment, retention, compensation, oversight, evaluation and termination of our independent auditor (including resolving disagreements between management and the independent auditor regarding financial reporting). The Audit Committee has been designated as the qualified legal compliance committee. In carrying out its responsibilities, the Audit Committee undertakes to do many things, including:

Retain and approve the terms of the engagement and fees to be paid to the independent auditor.

Evaluate the performance of the independent auditor.

Receive written periodic reports from the independent auditor delineating all relationships between the independent auditor and us.

Review with the independent auditor any problems or difficulties the independent auditor may have encountered and any management letter provided by the independent auditor and our response to that letter.

Review our annual audited financial statements and the report thereon and quarterly unaudited financial statements with the independent auditor and management prior to publication of such statements.

Discuss with management the earnings press releases (including the type of information and presentation of information).

Review major issues regarding accounting principles and financial statement presentations and judgments made in connection with the preparation of our financial statements.

Meet periodically with management to review our financial risk exposures and the steps management has taken to monitor and control such exposures.

Review with our General Counsel legal matters that may have a material impact on the financial statements, our compliance policies and any material reports or inquiries received from regulators or governmental agencies.

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The charter of the Audit Committee was last amended and restated on December 15, 2009. The Audit Committee charter provides that our senior internal auditing executive reports directly and separately to the Chair of the Audit Committee and the Chief Executive Officer. As required by the charter, our Audit Committee also has established procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls and auditing matters. See Corporate Governance Sarbanes-Oxley Disclosure Committee at page 6.

The Audit Committee meets the size, independence and experience requirements of the New York Stock Exchange, including the enhanced independence requirements for Audit Committee members under Exchange Act Rule 10A-3. The Board of Directors has determined that Frank V. Cahouet is an audit committee financial expert within the meaning of the SEC regulations and all of the members are independent and financially literate under the New York Stock Exchange listing standards. Our Corporate Governance Guidelines provide that no director may serve as a member of the Audit Committee if such director serves on the audit committees of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Audit Committee. Any such determination must be disclosed in the annual Proxy Statement. Besides our Audit Committee, Mr. Smith simultaneously serves on the audit committee of two other public companies and Admiral Miller simultaneously serves on the audit committee of one other public company.

The report of the Audit Committee is included under Item 2 on Proxy