

Wilhelmina International, Inc.
Form DEF 14A
April 30, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

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

(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

Wilhelmina International, Inc.
(Name of Registrant as Specified in Its Charter)

(Name of Persons(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)(1) and 0-11.

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

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

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

(4) Proposed maximum aggregate value of transaction:

(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

WILHELMINA INTERNATIONAL, INC.
200 Crescent Court, Suite 1400
Dallas, Texas 75201

May 7, 2009

Dear Stockholder:

You are invited to attend the 2009 Annual Meeting of Stockholders (the "Annual Meeting") of Wilhelmina International, Inc. The Annual Meeting will be held on June 4, 2009, at 9:00 a.m. local time, at our offices located at 200 Crescent Court, Suite 1400, Dallas, Texas, or at any adjournment or postponement thereof.

This year, you are being asked to act upon the following matters: (i) the election of seven directors to serve until our 2010 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified; and (ii) the approval and adoption of the 2009 Incentive Stock Plan. These matters are discussed in greater detail in the attached Notice of Annual Meeting of Stockholders and Proxy Statement.

Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the Annual Meeting, please sign, date and return the enclosed proxy card as soon as possible in the prepaid envelope provided. Submitting your proxy now will not prevent you from voting your shares in person at the Annual Meeting if you desire to do so, as your proxy is revocable at your option before it is exercised at the Annual Meeting.

On behalf of the Board of Directors, I would like to express our appreciation for your continued interest in Wilhelmina International, Inc. We look forward to seeing you at the Annual Meeting.

Sincerely,

Mark E. Schwarz
Chairman of the Board
and Chief Executive Officer

Table of Contents

WILHELMINA INTERNATIONAL, INC.
200 Crescent Court, Suite 1400
Dallas, Texas 75201

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

May 7, 2009

To the Stockholders of Wilhelmina International, Inc.:

NOTICE IS HEREBY GIVEN that the 2009 Annual Meeting of Stockholders (the "Annual Meeting") of Wilhelmina International, Inc., a Delaware corporation, will be held on June 4, 2009, at 9:00 a.m. local time, at our offices located at 200 Crescent Court, Suite 1400, Dallas, Texas 75201, or at any adjournment or postponement thereof. You are cordially invited to attend the Annual Meeting, which will be held for the following purposes:

1. to elect seven directors to our Board of Directors to serve until the 2010 Annual Meeting of Stockholders and until their successors are duly elected and qualified;
2. to consider and vote upon a proposal to approve and adopt the 2009 Incentive Stock Plan; and
3. to consider such other business as may properly be brought before the Annual Meeting.

These items of business are described in the attached Proxy Statement, which we encourage you to read in its entirety before voting. Only holders of record of our common stock at the close of business on May 5, 2009 are entitled to notice of the Annual Meeting and to vote and have their votes counted at the Annual Meeting.

A complete list of our stockholders of record entitled to vote at the Annual Meeting will be available for 10 days before the Annual Meeting at our principal executive offices for inspection by stockholders during ordinary business hours for any purpose germane to the Annual Meeting.

Your vote is important regardless of the number of shares you own. Whether or not you plan to attend the Annual Meeting, please sign, date and return the enclosed proxy card as soon as possible in the prepaid envelope provided. Submitting your proxy now will not prevent you from voting your shares in person at the Annual Meeting if you desire to do so, as your proxy is revocable at your option before it is exercised at the Annual Meeting.

Table of Contents

Thank you for your participation. We look forward to your continued support.

By Order of the Board of Directors

Mark E. Schwarz
Chairman of the Board
and Chief Executive Officer

Important Notice Regarding the Availability of Proxy Materials for the Wilhelmina International, Inc. 2009 Annual Meeting of Stockholders to be Held on June 4, 2009

The Proxy Statement and 2008 Annual Report on Form 10-K are available at
www.wilhelmina.com/investorrelations.cfm

Table of Contents

<u>Questions and Answers About the Annual Meeting and Voting</u>	1
<u>Security Ownership of Certain Beneficial Owners and Management</u>	6
<u>Proposal No. 1 - Election of Directors</u>	9
<u>Directors, Nominees for Election to the Board, Executive Officers and Certain Other Employees</u>	9
<u>Arrangements Regarding Nomination for Election to the Board</u>	11
<u>Transactions with Related Persons</u>	12
<u>Involvement in Certain Legal Proceedings</u>	15
<u>Family Relationships Between Directors and Executive Officers</u>	15
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	15
<u>Vote Required</u>	15
<u>Proposal No. 2 - Adoption and Approval of the 2009 Incentive Stock Plan</u>	16
<u>Description of the 2009 Incentive Stock Plan</u>	16
<u>U.S. Federal Income Tax Consequences</u>	20
<u>Equity Compensation Plan Information</u>	21
<u>Vote Required</u>	22
<u>Corporate Governance</u>	23
<u>Meetings and Committees of the Board of Directors</u>	23
<u>Nomination of Directors</u>	24
<u>Code of Conduct and Ethics</u>	25
<u>Stockholder Communications with the Board</u>	26
<u>Director Independence</u>	26
<u>Executive Compensation</u>	27
<u>Summary Compensation Table</u>	27
<u>Employment Agreements and Arrangements</u>	27
<u>Potential Payments Upon Termination or Change in Control</u>	28
<u>Outstanding Equity Awards at Fiscal Year-End Table</u>	28
<u>Director Compensation</u>	28
<u>Audit Committee Report</u>	30
<u>Independent Registered Public Accounting Firm Disclosure</u>	31
<u>Fees Billed During Fiscal 2008 and 2007</u>	31
<u>Pre-Approval Policies and Procedures</u>	32
<u>Stockholder Proposals</u>	33
<u>Proxy Solicitation</u>	34
<u>Annual Report</u>	34

Table of Contents

WILHELMINA INTERNATIONAL, INC.
200 Crescent Court, Suite 1400
Dallas, Texas 75201

PROXY STATEMENT

This Proxy Statement is furnished by the Board of Directors (the “Board”) of Wilhelmina International, Inc., a Delaware corporation (the “Company,” “we,” “our” or “us”), in connection with the Board’s solicitation of proxies for use at the 2009 Annual Meeting of Stockholders (the “Annual Meeting”) to be held on June 4, 2009, at 9:00 a.m. local time, at the Company’s offices located at 200 Crescent Court, Suite 1400, Dallas, Texas 75201, or at any adjournment or postponement thereof. This Proxy Statement, along with either a proxy card or a voting instruction card, is being mailed to stockholders beginning on or around May 7, 2009.

QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING

Q: Why did I receive this Proxy Statement?

A: The Board of Directors is soliciting your proxy to vote at the Annual Meeting because you were a stockholder at the close of business on Tuesday, May 5, 2009 (the “Record Date”), and are entitled to vote at the Annual Meeting.

This Proxy Statement summarizes the information you need to know to vote at the Annual Meeting. You do not need to attend the Annual Meeting to vote your shares.

Q: What information is contained in this Proxy Statement?

A: The information in this Proxy Statement relates to the proposals to be voted on at the Annual Meeting, the voting process, the compensation of directors and certain executive officers, and certain other required information.

Q: What am I voting on at the Annual Meeting?

A: You are voting on the following matters:

- the election of seven directors to the Board to serve until the 2010 Annual Meeting of Stockholders and until their successors are duly elected and qualified;
- the approval and adoption of the 2009 Incentive Stock Plan; and
- the consideration of such other business as may properly be brought before the Annual Meeting.

The Board recommends a vote “FOR” the election of each of the director nominees and “FOR” the approval and adoption of the 2009 Incentive Stock Plan.

Q: What are the voting requirements to approve each of the proposals?

A: A plurality of the total votes cast by the stockholders entitled to vote and represented at the Annual Meeting is required for the election of directors, meaning the seven nominees who receive the most votes will be elected. You may withhold votes from any or all nominees. Except for the votes that stockholders of record withhold from any or all nominees, the persons named in the proxy card will vote “FOR” the nominees.

The affirmative vote of a majority of the votes cast by the stockholders entitled to vote and represented at the Annual Meeting is required to approve and adopt the 2009 Incentive Stock Plan.

1

Table of Contents

Your broker, bank or nominee cannot vote your shares on any proposal unless you provide instructions on how to vote in accordance with the information and procedures provided to you by your broker, bank or nominee. If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute “broker non-votes.” Abstentions and broker non-votes (withhold votes in the case of the election of directors) will be considered present for the purposes of establishing a quorum, but will have no effect on the election of directors and will have the same effect as a vote against the approval and adoption of the 2009 Incentive Stock Plan.

Q: How many votes do I have?

A: You are entitled to one vote for each share of the Company’s common stock (“Common Stock”) that you hold. As of the Record Date, there were 129,440,752 shares of Common Stock issued and outstanding.

Q: How do I vote?

A: You may vote using any of the following methods:

- Proxy card or voting instruction card. Be sure to complete, sign and date the card and return it in the prepaid envelope. If you are a stockholder of record and you return your signed proxy card but do not indicate your voting preferences, the persons named in the proxy card will vote “FOR” the election of each of the nominees, “FOR” the approval and adoption of the 2009 Incentive Stock Plan and in the discretion of the proxy holders, John P. Murray and Evan Stone, on such other business as may properly be brought before the Annual Meeting.
- In person at the Annual Meeting. All stockholders may vote in person at the Annual Meeting. You may also be represented by another person at the Annual Meeting by executing a proper proxy designating that person. If you are a beneficial owner of shares, you must obtain a legal proxy from your broker, bank or nominee and present it to the inspectors of election with your ballot when you vote at the Annual Meeting.

Q: What can I do if I change my mind after I vote my shares?

A: If you are a stockholder of record, you may revoke your proxy at any time before it is voted at the Annual Meeting by:

- sending written notice of revocation to the Company’s Corporate Secretary;
- submitting a new, proper proxy dated later than the date of the revoked proxy; or
- attending the Annual Meeting and voting in person.

If you are a beneficial owner of shares, you may submit new voting instructions by contacting your broker, bank or nominee. You may also vote in person at the Annual Meeting if you obtain a legal proxy as described in the answer to the previous question. Attendance at the Annual Meeting will not, by itself, revoke a proxy.

Q: What happens if a director nominee does not stand for election?

A: If for any reason any nominee does not stand for election, any proxies we receive will be voted in favor of the remainder of the nominees and may be voted for substitute nominees in place of those who do not stand. We have no reason to expect that any of the nominees will not stand for election.

Table of Contents

Q: What happens if additional matters are presented at the Annual Meeting?

A: Other than the two items of business described in this Proxy Statement, the Company is not aware of any other business to be brought before the Annual Meeting. If you grant a proxy, the persons named as proxy holders, John P. Murray and Evan Stone, will have the discretion to vote your shares on any additional matters properly brought before the Annual Meeting.

Q: How many shares must be present or represented to conduct business at the Annual Meeting?

A: A quorum will be present if at least a majority of the outstanding shares of our Common Stock entitled to vote, totaling 64,720,377 shares, is represented at the Annual Meeting, either in person or by proxy.

Both abstentions and broker non-votes (described in more detail above) are counted for the purpose of determining the presence of a quorum.

Q: What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A: If your shares are registered directly in your name with our transfer agent, Securities Transfer Corporation, you are considered, with respect to those shares, the “stockholder of record.” In that event, this Proxy Statement and a proxy card have been sent directly to you by the Company.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the “beneficial owner” of shares held in street name. In that event, this Proxy Statement has been forwarded to you by your broker, bank or nominee who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or nominee how to vote your shares by using the voting instruction card included in the mailing or by following their instructions for voting by telephone or the Internet, if they offer that alternative. Since a beneficial owner is not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a legal proxy from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting.

Q: How can I attend and vote my shares in person at the Annual Meeting?

A: You are entitled to attend the Annual Meeting only if you were a Company stockholder or joint holder as of the close of business on the Record Date, or you hold a valid proxy for the Annual Meeting. You should be prepared to present photo identification for admittance. In addition, if you are a stockholder of record, your name will be verified against the list of stockholders of record on the Record Date prior to your being admitted to the Annual Meeting. If you are not a stockholder of record but hold shares through a broker, trustee or nominee (i.e., in street name), and you plan to attend the Annual Meeting, please send written notification to Wilhelmina International, Inc., 200 Crescent Court, Suite 1400, Dallas, Texas 75201, Attn: Corporate Secretary, and enclose evidence of your ownership (such as your most recent account statement prior to the Record Date, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of ownership). If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the Annual Meeting.

The Annual Meeting will begin promptly on June 4, 2009, at 9:00 a.m. local time. You should allow adequate time for check-in procedures.

Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting. Shares held beneficially in street name may be voted in person at the Annual Meeting only if you obtain a legal proxy from the

broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy card or voting instruction card as described herein so that your vote will be counted if you later decide not to attend the Annual Meeting.

3

Table of Contents

Q: What is the deadline for voting my shares?

A: If you hold shares as the stockholder of record, your vote by proxy must be received before the polls close at the Annual Meeting.

If you hold shares beneficially in street name with a broker, trustee or nominee, please follow the voting instructions provided by your broker, trustee or nominee. You may vote your shares in person at the Annual Meeting only if at the Annual Meeting you provide a legal proxy obtained from your broker, trustee or nominee.

Q: How are votes counted?

A: For the election of directors, you may vote "FOR" or "WITHHOLD." For the proposal to approve and adopt the 2009 Incentive Stock Plan, you may vote "FOR," "AGAINST" or "ABSTAIN."

If you provide specific instructions with regard to certain items, your shares will be voted as you instruct on such items. If you sign your proxy card or voting instruction card without giving specific instructions, your shares will be voted in accordance with the recommendations of the Board ("FOR" the election of each of the director nominees and "FOR" the approval and adoption of the 2009 Incentive Stock Plan, and in the discretion of the proxy holders on any other matters that properly come before the Annual Meeting).

Q: Where can I find the voting results of the Annual Meeting?

A: We intend to announce preliminary voting results prior to the conclusion of the Annual Meeting. The final voting results will be published no later than the date of filing of our Quarterly Report on Form 10-Q for the quarter ending June 30, 2009.

Q: What should I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this Proxy Statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you may receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a stockholder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive.

Q: How may I obtain an additional set of proxy materials, the Company's 2008 Annual Report on Form 10-K or other financial information?

A: A copy of the Company's 2008 Annual Report on Form 10-K (the "2008 Annual Report") is being sent to stockholders along with this Proxy Statement. Stockholders may request an additional free copy of all of the proxy materials, the 2008 Annual Report and other financial information from:

Wilhelmina International, Inc.
200 Crescent Court, Suite 1400
Dallas, Texas 75201
Attention: Corporate Secretary

Alternatively, current and prospective investors can access this Proxy Statement and the 2008 Annual Report at www.wilhelmina.com/investorrelations.cfm.

We will also furnish copies of any exhibit to the 2008 Annual Report if specifically requested. Our Securities and Exchange Commission (“SEC”) filings are also available free of charge at the SEC’s website at www.sec.gov.

Table of Contents

Q: What if I have questions for the Company's transfer agent?

A: Please contact our transfer agent, at the telephone number or address listed below, with questions concerning stock certificates, transfer of ownership or other matters pertaining to your stock account.