

VICOR CORP  
Form DEF 14A  
April 29, 2008

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**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 Pursuant to §240.14a-12

**Vicor Corporation**

(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)(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:

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- o Fee paid previously with preliminary materials.
- o 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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April 29, 2008

Dear Stockholder:

You are cordially invited to attend the 2008 Annual Meeting of Stockholders (the Annual Meeting ) of Vicor Corporation (the Corporation ). The Annual Meeting will be held:

DATE: June 26, 2008  
TIME: 5:00 P.M. local time  
PLACE: Andover Country Club  
60 Canterbury Street  
Andover, Massachusetts

The attached Notice of Annual Meeting and Proxy Statement cover the formal business of the Annual Meeting. The Proxy Statement contains a discussion of the matters to be voted upon at the Annual Meeting. At the Annual Meeting, your management will report on the operations of the Corporation, and the directors and officers of the Corporation will be available to respond to appropriate questions from stockholders.

The Board of Directors encourages you to promptly complete, date, sign and return your Proxy Card. Return of the Proxy Card indicates your interest in the Corporation's affairs. If you attend the Annual Meeting and wish to vote your shares in person, you may revoke your proxy at that time.

Sincerely yours,

PATRIZIO VINCIARELLI  
*Chairman of the Board, President and  
Chief Executive Officer*

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**VICOR CORPORATION**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON THURSDAY, JUNE 26, 2008**

NOTICE IS HEREBY GIVEN that the 2008 Annual Meeting of Stockholders (the Annual Meeting ) of Vicor Corporation, a Delaware corporation (the Corporation ) will be held on Thursday, June 26, 2008 at 5:00 p.m., local time, at the Andover Country Club, 60 Canterbury Street, Andover, Massachusetts, for the following purposes:

1. To fix the number of Directors at seven and to elect seven Directors to hold office until the 2009 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified; and
2. To consider and act upon any other matters which may be properly brought before the Annual Meeting and at any adjournments or postponements thereof.

Any action may be taken on the foregoing matters at the Annual Meeting on the date specified above, or on any date or dates to which, by original or later adjournment, the Annual Meeting may be adjourned or to which the Annual Meeting may be postponed.

The Board of Directors has fixed the close of business on April 30, 2008 as the record date for determining the stockholders entitled to receive notice of and to vote at the Annual Meeting and any adjournments or postponements thereof. Only stockholders of record at the close of business on that date will be entitled to receive notice of and to vote at the Annual Meeting and any adjournments or postponements thereof.

You are requested to authorize a proxy to vote your shares by completing, dating and signing the enclosed Proxy Card, which is being solicited by the Board of Directors, and by mailing it promptly in the enclosed postage-prepaid envelope. Any proxy may be revoked by a writing delivered to the Corporation stating that the proxy is revoked or by delivery of a properly executed, later dated proxy. Stockholders of record who attend the Annual Meeting may vote in person by notifying the Secretary, even if they have previously delivered a signed proxy.

By Order of the Board of Directors

James A. Simms  
*Secretary*

Andover, Massachusetts  
April 29, 2008

**Whether or not you plan to attend the Annual Meeting, please complete, sign, date and promptly return the enclosed Proxy Card in the enclosed postage-prepaid envelope. If you attend the Annual Meeting, you may vote your shares in person if you wish, even if you have previously returned your Proxy Card.**



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**VICOR CORPORATION  
25 FRONTAGE ROAD  
ANDOVER, MASSACHUSETTS 01810  
TELEPHONE (978) 470-2900**

**PROXY STATEMENT**

**FOR THE 2008 ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON THURSDAY, JUNE 26, 2008**

April 29, 2008

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Vicor Corporation (the Corporation) from holders of the outstanding shares of capital stock of the Corporation for use at the 2008 Annual Meeting of Stockholders (the Annual Meeting) of the Corporation to be held on Thursday, June 26, 2008 at 5:00 p.m., local time, at the Andover Country Club, 60 Canterbury Street, Andover, Massachusetts, and at any adjournments or postponements thereof. At the Annual Meeting, stockholders will be asked to consider and vote on the proposals set forth in this Proxy Statement.

This Proxy Statement and the accompanying Notice of Annual Meeting and Proxy Card are first being sent to stockholders on or about May 16, 2008. The Board of Directors has fixed the close of business on April 30, 2008 as the record date for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting (the Record Date). Only stockholders of record at the close of business on the Record Date will be entitled to receive notice of and to vote at the Annual Meeting. As of March 31, 2008, there were outstanding and entitled to vote 29,851,286 shares of Common Stock and 11,785,052 shares of Class B Common Stock of the Corporation. Each share of Common Stock entitles the holder thereof to one vote per share and each share of Class B Common Stock entitles the holder thereof to ten votes per share. Shares of Common Stock and Class B Common Stock will vote together as a single class on the proposals set forth in this Proxy Statement.

Stockholders of the Corporation are requested to complete, date, sign and return the accompanying Proxy Card in the enclosed postage-prepaid envelope. Shares represented by a properly executed Proxy Card received prior to the vote at the Annual Meeting and not revoked will be voted at the Annual Meeting as directed on the Proxy Card. If a properly executed Proxy Card is submitted and no instructions are given, the Proxy will be voted FOR the fixing of the number of Directors at seven and the election of the seven nominees for Directors of the Corporation named in this Proxy Statement. It is not anticipated that any matters other than those set forth in this Proxy Statement will be presented at the Annual Meeting. If other matters are presented, proxies will be voted in accordance with the discretion of the proxy holders.

A stockholder of record may revoke a proxy at any time before it has been exercised by (1) filing a written revocation with the Secretary of the Corporation at the address of the Corporation set forth above; (2) filing a duly executed



proxy bearing a later date; or (3) appearing in person, notifying the

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Secretary and voting by ballot at the Annual Meeting. Any stockholder of record as of the Record Date attending the Annual Meeting may vote in person whether or not a proxy has been previously given, but the presence (without further action) of a stockholder at the Annual Meeting will not constitute revocation of a previously given proxy. The presence, in person or by proxy, of holders of a majority in interest of all stock issued, outstanding and entitled to vote at the Annual Meeting shall constitute a quorum for the transaction of business at the Annual Meeting. Shares that reflect abstentions or broker non-votes (i.e., shares held by brokers or other nominees that are represented at the Annual Meeting but as to which such brokers or nominees have not received instructions from the beneficial owners or persons entitled to vote such shares and, with respect to one or more but not all matters, such brokers or nominees do not have discretionary voting power to vote such shares) will be counted for purposes of determining whether a quorum is present for the transaction of business at the Annual Meeting.

The cost of solicitation of proxies in the form enclosed herewith will be borne by the Corporation. In addition to the solicitation of proxies by mail, the Directors, officers and employees of the Corporation may also solicit proxies personally or by telephone, e-mail or other form of electronic communication without special compensation for such activities. The Corporation will also request persons, firms and corporations holding shares in their names or in the names of their nominees, which are beneficially owned by others, to send proxy materials to and obtain proxies from such beneficial owners. The Corporation will reimburse such holders for their reasonable expenses in connection therewith.

The Corporation's 2007 Annual Report (the Annual Report), including financial statements for the fiscal year ended December 31, 2007, is being mailed to stockholders concurrently with this Proxy Statement. The Annual Report, however, is not part of the proxy solicitation materials. The Corporation will deliver promptly, upon written or oral request, a separate copy of the Annual Report or proxy statement, as applicable, to a security holder at a shared address to which a single copy of the document was delivered.

**PROPOSAL 1**

**ELECTION OF DIRECTORS**

The Board of Directors of the Corporation has recommended that the number of Directors be fixed at seven and has nominated the seven individuals named below for election as Directors. Each of the nominees is presently serving as a Director of the Corporation. If elected, the nominees will serve until the 2009 Annual Meeting of Stockholders and until their respective successors are duly elected and qualified or until their earlier death, resignation or removal. Properly executed proxies will be voted for the nominees named below unless otherwise specified in the proxy. The Board of Directors anticipates each of the nominees, if elected, will serve as a Director. However, if any person nominated by the Board of Directors is unable to serve or for good cause will not serve, proxies solicited hereby will be voted for the election of another person designated by the Board of Directors if one is nominated. A plurality of the votes cast by the holders of Common Stock and Class B Common Stock, voting together as a single class, for a nominee for Director shall elect such nominee. Accordingly, abstentions, broker non-votes and votes withheld from any nominee will have no effect on this proposal. Holders of voting

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rights sufficient to elect each of the nominees named below have indicated an intention to vote in favor of such nominees.

**The Board of Directors unanimously recommends a vote FOR fixing the number of Directors at seven and the election of all of the nominees.**

**Information Regarding Nominees**

The following sets forth certain information as of March 31, 2008 with respect to the seven nominees for election to the Board of Directors. Information regarding the beneficial ownership of shares of the capital stock of the Corporation by such persons is set forth in the section of this Proxy Statement entitled "Principal and Management Stockholders." There is no family relationship among any of the Directors or executive officers of the Corporation.

<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Principal Occupation for Past Five Years</b>
Patrizio Vinciarelli	61	1981	Chairman of the Board, President and Chief Executive Officer of the Corporation since 1981.
Estia J. Eichten	61	1981	Senior Scientist with the Fermi National Accelerator Laboratory in Batavia, Illinois since 1989; President of VLT Corporation, a wholly-owned subsidiary of the Corporation, from 1987 to July 2000 and a Director of VLT, Inc., a wholly-owned subsidiary of the Corporation since July 2000.
Barry Kelleher	59	1999	President of the Corporation's Brick Business Unit since May 2006; Senior Vice President, Global Operations and General Manager of the Corporation's Brick Business Unit from June 2005 to May 2006; Senior Vice President, Global Operations from March 1999 to June 2005 and Senior Vice President, International Operations from 1993 to 1999.

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<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Principal Occupation for Past Five Years</b>
David T. Riddiford	72	1984	Private investor, since 2005; General Partner of the general partner of PR Venture Partners, Limited Partnership, a venture capital affiliate of Pell, Rudman & Co., Inc., an investment advisory firm, from 1987 to 2005, and currently a member of the Board of Directors of Datawatch Corporation, a publicly-held provider of enterprise reporting and business intelligence solutions and support center software since 1989.
Claudio Tuozzolo	45	2007	President of Picor Corporation, a subsidiary of the Corporation, since November 2003; Director of Integrated Circuit Engineering from February 2003 to November 2003; Manager of Integrated Circuit Design from December 2001 to February 2003; Principal Design Engineer for SIPEX Corporation from 1999 to 2001; held various engineering and project management positions in Cherry Semiconductor Corporation's Computer and Industrial Business Unit from 1993 to 1999.
Samuel J. Anderson	51	2001	Founder, Chairman, Chief Executive Officer and President of Great Wall Semiconductor Corporation, a semiconductor manufacturer, since its inception in 2002; Chairman of the Board of Directors of Advanced Analogic Technologies Inc., a publicly-held supplier of power management semiconductors, since 2001; Vice President of Corporate Business Development of ON Semiconductor Corporation, a supplier of semiconductors, from 1999 to 2001; Director of Operations of Motorola, Inc.'s Components Mixed Signal Operations and various positions in Motorola's Semiconductor Products Sector from 1984 to 1999.

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<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Principal Occupation for Past Five Years</b>
James A. Simms	48	2008*	Vice President, Chief Financial Officer and Secretary of the Corporation since April 14, 2008. Managing Director of Needham & Company, LLC, a privately held, full-service investment banking and asset management firm, from 2007 to April 2008. Managing Director with the investment banking firm of Janney, Montgomery Scott LLC, a wholly owned subsidiary of The Penn Mutual Life Insurance Company, from 2004 to 2007; Managing Director of the investment banking firm of Adams, Harkness & Hill, Inc. from 1997 to 2004. Mr. Simms is currently a member of the Board of Directors of PAR Technology Corporation, a publicly-held provider of information technology solutions in the hospitality and specialty retail industries, as well as a provider of technical expertise in the development of advanced technology systems, information technology and communications support services to branches of the United States military and other governmental agencies.

\* Mr. Simms was appointed as a Director effective April 21, 2008.

**CORPORATE GOVERNANCE****The Board of Directors and Its Committees**

The Corporation's Board of Directors held nine meetings during the fiscal year ended December 31, 2007. Each of the Directors attended 75% or more of the total number of meetings of the Board of Directors and meetings of the committees of the Board of Directors on which he served during 2007. Directors are expected to attend annual meetings of stockholders of the Corporation in person unless doing so is impracticable due to unavoidable conflicts. All of the directors attended the 2007 Annual Meeting of Stockholders. The Board of Directors has established an Audit Committee and an Executive Compensation Committee. The Board does not have a standing nominating committee because it believes the full Board is in the best position to evaluate potential director nominees and, therefore, it is

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not necessary for the Corporation to have a nominating committee. The full Board of Directors performs the function of such a committee.

The Corporation is a controlled company in accordance with the corporate governance rules contained in the Marketplace Rules of the National Association of Securities Dealers, Inc. (the NASDAQ Rules ) because Dr. Vinciarelli, President, Chairman of the Board and Chief Executive Officer, holds more than 50% of the voting power of the outstanding stock of the Corporation. As a result, the Corporation is not required to have (1) a majority of independent directors on its Board of Directors, (2) the compensation of its executive officers determined by independent directors, or (3) its director nominees selected or recommended by independent directors. The Board of Directors has determined that two of its seven Directors, Messrs. Eichten and Riddiford, are independent directors for purposes of the NASDAQ Rules. The Corporation is conducting a search for an additional independent director.

*Audit Committee* The Board of Directors has established an Audit Committee that complies with the NASDAQ Rules. The Audit Committee is currently composed of Messrs. Anderson, Eichten and Riddiford. Information regarding the functions performed by the Audit Committee and the number of meetings held during the fiscal year is set forth in the section of this Proxy Statement entitled Report of the Audit Committee. The Audit Committee is governed by a written charter approved by the Board of Directors on February 3, 2007. The Board of Directors has determined that two of the three members of the Audit Committee, Messrs. Eichten and Riddiford, are independent under the applicable NASDAQ Rules and rules of the SEC. Mr. Anderson is not independent because of his affiliation with Great Wall Semiconductor Corporation ( GWS ) (see Certain Relationships and Related Transactions section below). Mr. Anderson had served on the Audit Committee from March 2001 to August 2003, during which time he had been deemed an independent director. When the Corporation invested in GWS, the Corporation determined that Mr. Anderson no longer qualified as an independent director and, as such, he stepped down from the Audit Committee. However, with Mr. Ansour's departure from the Board of Directors and the Audit Committee on June 20, 2007, the Board of Directors appointed Mr. Anderson to the Audit Committee because the Board believed at the time that it was in the best interests of the Corporation to have Mr. Anderson serve on the Audit Committee, given his prior tenure on the Audit Committee and his familiarity with the Corporation's financial condition, its accounting and financial reporting policies, and its system of internal accounting controls. Mr. Anderson is serving on the Audit Committee until such time as the Board of Directors is able to appoint an independent director to replace him on the Audit Committee. The Corporation is conducting a search for such an additional independent director. The Audit Committee Charter is posted on the Corporation's website, [www.vicorpower.com](http://www.vicorpower.com), under the heading Investor Relations and the subheading Corporate Governance .

The Board of Directors has determined none of the present members of the Audit Committee meet the definition of audit committee financial expert as defined by Item 407(d) of Regulation S-K promulgated by the SEC. The Corporation believes the present members of its Audit Committee have substantial experience in reviewing financial statements and overseeing financial reporting. In addition, one present member of the Corporation's Audit Committee, Mr. Riddiford, has past employment experience that results in his financial sophistication, as defined by the NASDAQ Rules.

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*Executive Compensation Committee* The Executive Compensation Committee is currently composed of Messrs. Eichten and Riddiford. The Executive Compensation Committee is responsible for establishing salaries, bonuses and other compensation for the officers of the Corporation, approving all grants of stock options by the Corporation's subsidiaries and administering the Corporation's stock option and bonus plans pursuant to authority delegated to it by the Board of Directors. The Executive Compensation Committee held two formal meetings during 2007 and acted by written consent in lieu of meetings, including for the purpose of approving all stock option awards during 2007.

**Director Nomination Process**

The full Board of Directors performs the director nomination function for the Corporation. The Board does not have a charter governing the director nomination process, although it has established director nomination procedures setting forth the current process for identifying and evaluating director nominees.

*Board Membership Criteria* The Board of Directors has established the following criteria for Board membership. At a minimum, the Board must be satisfied each nominee has high personal and professional integrity, has demonstrated exceptional ability and judgment, and is expected, in the judgment of the Board, to be highly effective, in conjunction with the other nominees to the Board, in collectively serving the interests of the Corporation and its stockholders. In addition to the minimum qualifications for each nominee set forth above, the Board will select persons for nomination who have industry or other relevant experience and to help ensure its Audit Committee will be comprised entirely of independent directors.

*Identifying and Evaluating Nominees* The Board may solicit recommendations from any or all of the following sources: non-management directors, the Chief Executive Officer, other executive officers, third-party search firms, or any other source it deems appropriate. The Board will review and evaluate the qualifications of any such proposed director candidate, and conduct inquiries it deems appropriate. The Board will evaluate all such proposed director candidates in the same manner. In identifying and evaluating proposed director candidates, the Board may consider, in addition to the minimum qualifications and other criteria for Board membership approved by the Board from time to time, all facts and circumstances that it deems appropriate or advisable, including, among other things, whether it is appropriate to expand the size of the Board, the skills of the proposed director candidate, his or her depth and breadth of business experience or other background characteristics, his or her independence and the needs of the Board. Based on these considerations, the Board may nominate a director candidate it believes will, together with the existing Board members and other nominees, best serve the interests of the Corporation and its stockholders.

*Securityholder Recommendations* The Board's current policy is to review and consider, in accordance with the procedures described above, any director candidates recommended by stockholders of the Corporation entitled to vote in the election of directors. All stockholder recommendations for director candidates must be submitted to the Secretary of the Corporation at Vicor Corporation, 25 Frontage Road, Andover, MA 01810, who will forward all recommendations to the Board.

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All stockholder recommendations for director candidates must include the following information:

the name and address of record of the stockholder;

a representation that the stockholder is a record holder of shares of stock of the Corporation entitled to vote in the election of directors, or if the stockholder is not a record holder, evidence of ownership in accordance with Rule 14a-8(b)(2) under the Securities Exchange Act of 1934;

the name, age, business and residential address, educational background, current principal occupation or employment, and principal occupation or employment for the preceding 5 full fiscal years of the proposed director candidate;

a description of the qualifications and background of the proposed director candidate that addresses the minimum qualifications and other criteria for Board membership approved by the Board from time to time;

a description of all arrangements or understandings between the stockholder and the proposed director candidate;

the consent of the proposed director candidate (1) to be named in the proxy statement relating to the Corporation's Annual Meeting of Stockholders and (2) to serve as a director if elected at such annual meeting; and

any other information regarding the proposed director candidate required to be included in a proxy statement filed pursuant to the rules of the SEC.

**Communications with the Board**

If you wish to communicate with any Director of the Corporation or the Board of Directors as a group, you may do so by writing to them at [Name(s) of Director(s)/Board of Directors of Vicor Corporation], c/o Corporate Secretary, Vicor Corporation, 25 Frontage Road, Andover, MA 01810. All correspondence should be sent via certified U.S. mail, return receipt requested. All correspondence received by the Corporate Secretary will be forwarded by the Corporate Secretary promptly to the addressee(s).

**Code of Ethics**

The Corporation has established and adopted a Code of Business Conduct and Ethics that applies to its directors, officers and employees. This Code of Business Conduct and Ethics is posted on the Corporation's website, [www.vicorpower.com](http://www.vicorpower.com), under the heading "Investor Relations" and the subheading "Corporate Governance".



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**Executive Officers**

Executive officers hold office until the first meeting of the Board of Directors following the next annual meeting of stockholders and until their successors are elected and qualified or until their earlier death, resignation or removal. The following persons are the executive officers of the Corporation.

*Patrizio Vinciarelli*, 61, Chairman of the Board, President and Chief Executive Officer. Dr. Vinciarelli founded the Corporation in 1981 and has served as Chairman, President and Chief Executive Officer since that time.

*Barry Kelleher*, 59, President of the Corporation's Brick Business Unit since May 2006. Mr. Kelleher held the position of Senior Vice President, Global Operations and General Manager of the Corporation's Brick Business Unit from June 2005 to May 2006, Senior Vice President, Global Operations from March 1999 to June 2005 and Senior Vice President, International Operations from 1993 to 1999. Prior to joining the Corporation in 1993, Mr. Kelleher was employed by Computer Products Inc., a manufacturer of power conversion products, since 1981, where he held the position of Corporate Vice President and President of the Power Conversion Group.

*Mark A. Glazer*, 55, Vice President of Treasury Services and Treasurer since December 2007 and Secretary from December 2007 to April 14, 2008. From 1997 to December 2007, Mr. Glazer held the position of Chief Financial Officer, Treasurer and Secretary. From April 1998 to March 1999, Mr. Glazer was Acting Vice President, Operations. Mr. Glazer held the position of Vice President, Finance from 1993 to 1997 and Controller of the Corporation from 1988 to 1993. From 1983 to 1988, Mr. Glazer was employed by Analog and Digital Systems, Inc., a manufacturer of home and automotive stereo equipment, for which he served as Controller from 1983 to 1986 and Treasurer from 1986 to 1987, after which time he was promoted to Vice President, Finance.

*H. Allen Henderson*, 60, Vice President, Vicor Corporation since 1999; President, Westcor Division since March 1999; and President and Chief Executive Officer, VLT, Inc. since July 2000. Mr. Henderson held the position of General Manager of the Westcor Division from 1987 to 1999 and Sales Manager from 1985 to 1987. Prior to joining the Corporation in 1985, Mr. Henderson was employed at Boschert, Inc., a manufacturer of power supplies, since 1984, serving as Director of Marketing.

*Douglas W. Richardson*, 60, Vice President, Chief Information Officer since November 2000. From 1996 to 2000, Mr. Richardson held the position of Director, Application Development and from 1994 to 1996 Manager, Computer Integrated Manufacturing of the Corporation. Prior to joining the Corporation in 1994, Mr. Richardson was a Program Manager and Director of Quality Management from 1982 to 1994 for ITP Systems, a subsidiary of PricewaterhouseCoopers, specializing in manufacturing automation systems.

*Richard E. Zengilowski*, 53, Vice President, Human Resources since August 2001. Prior to joining the Corporation in 2001, Mr. Zengilowski was employed by Simplex Time Recorder Co., a manufacturer and distributor of life safety equipment and automated time and attendance products, from 1992 to 2001, serving as Assistant General Counsel from 1992 to 1998 and Director of Legal Affairs, Human Resources from 1998 to 2001.

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*James A. Simms*, 48, Vice President, Chief Financial Officer and Secretary since April 14, 2008. Prior to joining the Corporation in 2008, Mr. Simms held the position of Managing Director of Needham & Company, LLC, a privately held, full-service investment banking and asset management firm, from March 2007 to April 2008. From November 2004 to March, 2007 Mr. Simms held the position of Managing Director with the investment banking firm of Janney, Montgomery Scott LLC, a wholly owned subsidiary of The Penn Mutual Life Insurance Company. From 1997 to 2004, Mr. Simms served in a series of senior positions with the investment banking firm of Adams, Harkness & Hill, Inc.

*Richard J. Nagel, Jr.*, 51, Vice President, Chief Accounting Officer since May 2006. From December 2007 to April 14, 2008, Mr. Nagel also held the position of Interim Chief Financial Officer. From 2005 to 2006, Mr. Nagel held the position of Senior Director, Corporate Controller and from 1996 to 2005 Director, Corporate Controller. Prior to joining the Corporation in 1996, Mr. Nagel was employed by Ernst & Young LLP, an international public accounting firm, serving in a variety of positions from 1982 to 1996, most recently as Senior Manager.

**PRINCIPAL AND MANAGEMENT STOCKHOLDERS**

The following table sets forth the beneficial ownership of the Corporation's Common Stock and Class B Common Stock held by (1) each person or entity known to the Corporation to be the beneficial owner of more than five percent of the outstanding shares of either class of the Corporation's common stock, (2) each Director of the Corporation, (3) each of the executive officers of the Corporation named in the Summary Compensation Table, and (4) all Directors and executive officers as a group, based on representations of the Directors and executive officers of the Corporation as of February 29, 2008, a review of filings on Form 3, 4, 5 and on Schedule 13G under the Securities Exchange Act of 1934, as amended (the Exchange Act). Except as otherwise specified, the named beneficial owner has sole voting and investment power over the shares. The information in the table reflects shares outstanding of each class of common stock on February 29, 2008, and does not, except as otherwise indicated below, take into account conversions after such date of shares of Class B Common Stock into Common Stock. Subsequent conversions of Class B Common Stock into Common Stock will increase the voting control of persons who retain shares of Class B Common Stock. The percentages have been determined as of February 29, 2008 in accordance with Rule 13d-3 under the Exchange Act, and are based on a total of 41,636,338 shares of common stock that were outstanding on such date, of which 29,851,286 were shares of Common Stock entitled to one vote per share and 11,785,052 were shares of Class B Common Stock entitled to 10 votes per share. Each share of Class B Common Stock is convertible into one share of Common Stock at any time upon the election of the holder thereof.

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<b>Name and Address of Beneficial Owner(1)</b>	<b>Total Number of Shares Beneficially Owned(2)(3)</b>	<b>Percent of Common Stock Beneficially Owned</b>	<b>Percent of Class B Common Stock Beneficially Owned</b>	<b>Percent of Voting Power</b>
Patrizio Vinciarelli	20,701,608	32.4%	93.5%	81.2%
Estia J. Eichten	1,186,178(4)	1.7%	5.9%	5.0%
David T. Riddiford	119,171(5)	*	*	*
Barry Kelleher	58,661	*	*	*
Samuel J. Anderson	32,518	*	*	*
Mark A. Glazer	21,224	*	*	*
Richard E. Zengilowski	16,403	*	*	*
Richard J. Nagel, Jr.	3,427	*	*	*
Claudio Tuozzolo	0	*	*	*
All Directors and executive officers as a group (11 persons)	22,172,939	34.8%	99.4%	86.3%
Pequot Capital Management, Inc.(6) 500 Nyala Farm Rd., Westport, CT 06880	2,732,200	9.2%	*	1.9%

\* Less than 1%

(1) The address for each of the persons named in the table, but not specified therein, is: c/o Vicor Corporation, 25 Frontage Road, Andover, MA 01810.

(2) Includes shares issuable upon the exercise of options to purchase Common Stock of the Corporation that are exercisable or will become exercisable on or before May 29, 2008 in the following amounts: Dr. Vinciarelli, 21,146 shares of Common Stock; Mr. Eichten, 15,699 shares of Common Stock; Mr. Riddiford, 15,699 shares of Common Stock; Mr. Kelleher, 57,912 shares of Common Stock; Mr. Anderson, 26,699 shares of Common Stock; Mr. Glazer 20,820 shares of Common Stock; Mr. Zengilowski, 16,029 shares of Common Stock; Mr. Nagel, 3,427 shares of Common Stock.

(3) The calculation of the total number of shares of Common Stock beneficially owned includes the following: for Dr. Vinciarelli, 11,023,648 shares of Class B Common Stock; for Mr. Eichten 690,700 shares of Class B Common Stock; and for all Directors and executive officers as a group, 11,714,348 shares of Class B Common Stock.

(4) Includes 8,750 shares of Common Stock beneficially owned by Mr. Eichten's spouse as to which Mr. Eichten disclaims beneficial ownership. In addition, includes 70,700 shares of Common Stock held by the Belle S. Feinberg Memorial Trust of which Mr. Eichten is a trustee. Mr. Eichten disclaims beneficial ownership of the shares of Common Stock held by the Belle S. Feinberg Memorial Trust.

(5)

Includes 4,500 shares of Common Stock beneficially owned by Mr. Riddiford's spouse as to which Mr. Riddiford disclaims beneficial ownership.

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- (6) Information reported is based upon a Schedule 13G filed on February 14, 2008. This Schedule 13G indicates the reporting person (i) has sole voting power with respect to 2,732,200 of the shares, and (ii) sole dispositive power with respect to 2,732,200 of the shares. We have not made any independent determination as to the beneficial ownership of such stockholder and are not restricted in any determination we may make by reason of inclusion of such stockholder or its shares in this table.

**COMPENSATION DISCUSSION AND ANALYSIS**

**Philosophy**

The primary objective of our compensation program is to attract, motivate, and retain highly qualified and productive employees. The compensation program uses a combination of cash and equity based rewards geared to incent and reward superior performance. Salaries and cash bonuses encourage effective performance relative to current plans and objectives, while stock options are utilized to attract new talent, to retain key contributors, promote longer-term focus and to more closely align the interests of employees holding such options with those of our stockholders.

The compensation of our executives reflects their success as a team in attaining key performance indicators. In addition, we use each executive's individual performance (as described below) as the basis for determining their overall compensation.

**Overview of Executive Compensation and Process**

Elements of compensation for our executives include: salary, bonus, stock incentive awards, health, disability, life insurance, and perquisites.

The Chief Executive Officer ( CEO ) makes compensation recommendations to the Executive Compensation Committee with respect to the executive officers, although the Executive Compensation Committee may exercise its discretion in modifying any recommended adjustments or awards. Such executive officers are not present at the time of these deliberations. The Executive Compensation Committee approves the annual salary of Dr. Vinciarelli, President, Chairman of the Board and Chief Executive Officer.

The amount of each element of executive compensation is determined by our CEO and approved by the Executive Compensation Committee. The following factors are considered in determining the amount of each executive's compensation:

Performance against corporate and individual goals for the previous year;

Difficulty of achieving goals;

General management performance; and

Their overall contribution and the value of their skills and capabilities as a member of the executive team.

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We assess the competitiveness of our compensation program using local and national salary survey data. The survey data enables us to benchmark ourselves against similar companies by any one or more of the following criteria: region, industry or revenues. The survey data is used as a comparison when completing the annual merit increases for executives and salaried individuals. Our CEO makes executive salary recommendations based on the salary data and his evaluation of the respective merit, skills, experience and performance of each executive.

In the fourth quarter of 2007, we hired a compensation consultant, The Bostonian Group, to conduct an executive compensation study. The study provided market data on base salary, bonus payments, and equity awards, which will enable us to assess the competitiveness of existing executive compensation plans.

**SUMMARY COMPENSATION TABLE FOR FISCAL 2007**

Name and Principal Position	Year	Salary (\$)	Stock Bonuses Awards (\$)(1)	Option Awards (\$)(2)	Nonqualified Non-Equity Incentive		All Other Compensation (\$)(3)	Total (\$)
					Plan Compensation (\$)	Earnings (\$)		
Patrizio Vinciarelli	2007	312,923		45,977			22,872	381,772
Chief Executive Officer	2006	293,508		1,751	&n			