

IROBOT CORP
Form DEF 14A
April 13, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant
Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to 240.14a-12

iRobot Corporation
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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Dear Stockholder:

April 13, 2015

You are cordially invited to attend the annual meeting of stockholders of iRobot Corporation to be held at 2:00 p.m., local time, on Wednesday, May 20, 2015 at iRobot Corporation headquarters located at 8 Crosby Drive, Bedford, Massachusetts 01730.

At this annual meeting, you will be asked to elect three (3) Class I directors for three-year terms, to elect one (1) Class III director for a two-year term, to ratify the appointment of our independent registered public accountants, to approve the iRobot Corporation 2015 Stock Option and Incentive Plan (the "2015 Plan"), to approve amendments to our amended and restated certificate of incorporation to adopt majority voting standards (the "Restated Certificate"), to cast an advisory vote on the approval of the compensation of our named executive officers, and to consider a stockholder proposal entitled "Elect Each Director Annually." The board of directors unanimously recommends that you vote FOR election of the director nominees, FOR ratification of appointment of our independent registered public accountants, FOR approval of the 2015 Plan, FOR approval of the Restated Certificate, FOR approval, on an advisory basis, of the compensation of our named executive officers, and AGAINST the stockholder proposal entitled "Elect Each Director Annually".

Details regarding the matters to be acted upon at this annual meeting appear in the accompanying proxy statement.

Please give this material your careful attention.

Whether or not you plan to attend the annual meeting, we urge you to sign and return the enclosed proxy so that your shares will be represented at the annual meeting. If you attend the annual meeting, you may vote in person even if you have previously returned your proxy card. Your prompt cooperation will be greatly appreciated.

Very truly yours,

COLIN M. ANGLE

Chief Executive Officer & Chairman of the Board

SUMMARY OF RECENT CHANGES TO CORPORATE GOVERNANCE AND EXECUTIVE COMPENSATION

In our continuing efforts to improve corporate governance and better align executive compensation with company performance, the following highlights elements of our corporate governance and executive compensation that are described in more detail in the proxy statement.

	2014	2015
Corporate Governance	Termination of rights plan - "poison pill" Adopted majority voting standard for election of directors	Adoption of majority voting standards for removal of directors and amendments to certain provisions of our certificate of incorporation
Executive Compensation	Designed 50% of executives' LTI to be based on the Company's financial performance	Inclusion of clawback policy

Corporate Governance

At our 2014 annual meeting of stockholders, our stockholders voted to request that our board of directors take the steps necessary so that each voting requirement in our existing amended and restated certificate of incorporation (the "Current Certificate") and by-laws that calls for a greater than a simple majority vote be eliminated and replaced by a majority voting standard. In response to the strong support from our stockholders, iRobot's board of directors has proposed an amendment to the Current Certificate to adopt majority voting standards for removal of directors and amendments to certain provisions of the certificate of incorporation. Details on this proposal appear on pages 49-50 of this proxy statement.

These proposed changes are in addition to unilateral changes made by our board of directors in 2014, including the termination of the Company's shareholder rights plan -- commonly known as a "poison pill"-- and a change to a majority voting standard for the election of directors.

We will continue to evaluate our corporate governance to ensure it remains in the best interests of our stockholders.

Executive Compensation

We continue to evaluate our program and policies to ensure that they emphasize pay-for-performance. In 2014, the compensation committee made an important change to its long-term incentive structure through the inclusion of performance-based equity awards for our executive officers. As more fully described in this proxy statement, a significant portion of our long-term incentives is now "at risk" based upon the Company's performance. This is in addition to our non-equity incentive based compensation, which is strictly "at risk" and based on financial performance.

Overall, our executive compensation program contains the following highlights:

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| Annual "say-on-pay" vote | No pension benefits for executive officers |
| Clawback policy | No discounted options |
| Strong stock ownership and stock holding guidelines | No option repricing without stockholder approval |
| Oversight of risks associated with compensation policies and practice | No excise tax gross-ups |
| "Double trigger" change in control agreements | No hedging or pledging of Company stock |
| Independent compensation consultant | No excessive perquisites for executives |

A full description of our executive compensation program is contained in the Compensation Discussion and Analysis section in this proxy statement.

iROBOT CORPORATION

8 Crosby Drive

Bedford, Massachusetts 01730

(781) 430-3000

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on May 20, 2015

To the Stockholders of iRobot Corporation:

The annual meeting of stockholders of iRobot Corporation, a Delaware corporation (the "Company"), will be held on Wednesday, May 20, 2015, at 2:00 p.m., local time, at iRobot Corporation headquarters located at 8 Crosby Drive, Bedford, Massachusetts 01730, for the following purposes:

1. To elect three (3) Class I directors, nominated by the board of directors, each to serve for a three year term and until his or her successor has been duly elected and qualified or until his or her earlier resignation or removal and to elect one (1) Class III director, nominated by the board of directors, to serve for a two-year term and until her successor has been duly elected and qualified or until her earlier resignation or removal;
2. To ratify the appointment of the accounting firm of PricewaterhouseCoopers LLP as the Company's independent