PATTERSON COMPANIES, INC.
Form DEF 14A
July 31, 2009
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 14A

(RULE 14a-101)

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE

SECURITIES EXCHANGE ACT OF 1934

(AMENDMENT NO. __)

Filed by the Registrant x   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))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to Section 240.14a-12

Commission File No. 0-20572

PATTERSON COMPANIES, INC.

(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):

x 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

1031 MENDOTA HEIGHTS ROAD

ST. PAUL, MINNESOTA 55120

July 31, 2009

Dear Shareholder:

You are cordially invited to attend the annual meeting of shareholders of Patterson Companies, Inc. to be held at 2930 Waters Road, Suite 100, Eagan, Minnesota 55121, on Monday, September 14, 2009, at 4:30 p.m. local time.

At the meeting you will be asked to vote for the election of four directors, to consider and vote upon approval of an amendment to our Equity Incentive Plan to remove the 2,000,000 share limit on the number of shares that may be issued thereunder pursuant to awards of restricted stock, restricted stock unit awards and stock bonuses, and to ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending April 24, 2010. The amendment to our Equity Incentive Plan does not represent an increase in the number of shares reserved for awards under the plan. I encourage you to vote for the nominees for director, for the amendment to the above-referenced plan, and for ratification of the appointment of Ernst & Young LLP.

Whether or not you are able to attend the meeting in person, I urge you to sign and date the enclosed proxy and return it promptly in the enclosed envelope, or follow the telephone or internet voting instructions that appear on the enclosed proxy card.

Very truly yours,

PATTERSON COMPANIES, INC.

Peter L. Frechette

Chairman

Table of Contents

Patterson Companies, Inc.

1031 Mendota Heights Road

St. Paul, Minnesota 55120

NOTICE

OF

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD

SEPTEMBER 14, 2009

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders of Patterson Companies, Inc., a Minnesota corporation, will be held at 2930 Waters Road, Suite 100, Eagan, Minnesota 55121, on Monday, September 14, 2009, at 4:30 p.m. local time, for the following purposes, as more fully described in the accompanying proxy statement:

1. To elect three directors to have terms expiring in 2012 and one director to have a term expiring in 2011, and until their successors shall be elected and duly qualified;

2. To consider and vote upon approval of an amendment to our Equity Incentive Plan to remove the 2,000,000 share limit on the number of shares that may be issued thereunder pursuant to awards of restricted stock, restricted stock unit awards and stock bonuses. This amendment to our Equity Incentive Plan does not represent an increase in the number of shares reserved for awards under the plan;

3. To ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending April 24, 2010; and

4. To consider such other business as may properly come before the meeting or any adjournment or postponement thereof.

Only shareholders of record at the close of business on July 17, 2009 are entitled to notice of, and to vote at, the meeting. Whether or not you expect to attend the meeting in person, please mark, date and sign the enclosed proxy exactly as your name appears thereon and promptly return it in the envelope provided, which requires no postage if mailed in the United States, or follow the telephone or internet voting instructions that appear on the enclosed proxy card. Proxies may be revoked at any time before they are exercised and, if you attend the meeting in person, you may withdraw your proxy and vote personally on any matter brought properly before the meeting.

BY ORDER OF THE BOARD OF DIRECTORS

Matthew L. Levitt

Secretary

St. Paul, Minnesota

July 31, 2009

Table of Contents

TABLE OF CONTENTS

i

Table of Contents

PATTERSON COMPANIES, INC.

1031 MENDOTA HEIGHTS ROAD

ST. PAUL, MINNESOTA 55120

PROXY STATEMENT

FOR

ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD

SEPTEMBER 14, 2009

INFORMATION CONCERNING SOLICITATION AND VOTING

General

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Patterson Companies, Inc. for use at the annual meeting of shareholders to be held at 2930 Waters Road, Suite 100, Eagan, Minnesota 55121, on Monday, September 14, 2009, at 4:30 p.m. local time, or at any adjournment or postponement thereof. All shares of common stock represented by properly executed and returned proxies, unless such proxies have previously been revoked, will be voted at the meeting and, where the manner of voting is specified on the proxy, will be voted in accordance with such specifications. Shares represented by properly executed and returned proxies on which no specification has been made will be voted for the election of the nominees for director listed herein, for approval of the amendment to our Equity Incentive Plan to remove the 2,000,000 share limit on the number of shares that may be issued thereunder pursuant to awards of restricted stock, restricted stock unit awards and stock bonuses, and for ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending April 24, 2010. The amendment to our Equity Incentive Plan does not increase the number of shares reserved for issuance under the plan. If any other matters are properly presented at the meeting for action, including a question of adjourning or postponing the meeting from time to time, the persons named in the proxies and acting thereunder will have discretion to vote on such matters in accordance with their best judgment.

The notice of annual meeting, this proxy statement and the related proxy card are first being mailed to shareholders on or about July 31, 2009.

Record Date and Outstanding Common Stock

The Board of Directors has fixed the close of business on July 17, 2009, as the record date for determining the holders of outstanding common stock entitled to notice of, and to vote at, the meeting. On that date, there were 122,316,411 shares of common stock issued, outstanding and entitled to vote.

Revocability of Proxies

Any shareholder who executes and returns a proxy may revoke it at any time before it is voted. Any shareholder who wishes to revoke a proxy can do so by (a) submitting a later-dated proxy relating to the same shares by (1) following the telephone voting instructions, (2) following the internet voting instructions, or (3) signing, dating and returning another proxy to our company by mail, (b) filing a written notice of revocation bearing a later date than the proxy with our Corporate Secretary before the vote at the meeting, or (c) appearing in person at the meeting, filing a written notice of revocation and voting in person the shares to which the proxy relates. Any written notice or subsequent proxy should be delivered to Patterson Companies, Inc., 1031 Mendota Heights Road, St. Paul, Minnesota 55120, Attention: Matthew L. Levitt, or hand-delivered to Mr. Levitt before the vote at the meeting.

Table of Contents

Voting and Solicitation

Each shareholder is entitled to one vote, exercisable in person or by proxy, for each share of common stock held of record on the record date. Shareholders do not have the right to cumulate votes in the election of directors.

We will pay the expenses incurred in connection with the solicitation of proxies. We are soliciting proxies principally by mail. In addition, our directors, officers and regular employees may solicit proxies personally, by telephone, by facsimile or by e-mail, for which they will receive no consideration other than their regular compensation. We will also request brokerage houses, nominees, custodians and fiduciaries to forward soliciting material to the beneficial owners of shares of common stock held as of the record date and will reimburse such persons for their reasonable expenses so incurred.

Quorum; Abstentions; Broker Non-Votes

The presence, in person or by proxy, of the holders of at least a majority of the shares of common stock outstanding and entitled to vote is necessary to constitute a quorum for the transaction of business at the meeting. All votes will be tabulated by the inspector of election for the meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

If a properly executed proxy is returned and the shareholder has abstained from voting on any matter, the shares represented by such proxy will be considered present at the meeting for purposes of determining a quorum and for purposes of calculating the vote, but will not be considered to have been voted in favor of such matter.

If a properly executed proxy is returned by a broker holding shares in street name which indicates that the broker does not have discretionary authority as to certain shares to vote on one or more matters, such shares will be considered present at the meeting for purposes of determining a quorum, but will not be considered to be represented at the meeting for purposes of calculating the vote with respect to such matter.

Important Notice Regarding the Internet Availability of Proxy Materials for the Shareholder Meeting to be Held on September 14, 2009

We are furnishing these proxy materials to you because our Board of Directors is soliciting your proxy to vote your shares at the meeting. Proxy materials means this proxy statement, our 2009 Annual Report and any amendments or updates to these documents.

In accordance with the rules and regulations of the Securities and Exchange Commission, we are furnishing our proxy materials on the Internet. Our proxy materials are available at www.equitymarketpartners.com/PDCO.

Table of Contents

PROPOSAL NO. 1

ELECTION OF DIRECTORS

The Board of Directors is divided into three classes, as nearly equal in number as possible, with the term of office of a class expiring each year. Directors are elected for staggered terms of three years and until their successors are elected and duly qualified. Ellen A. Rudnick, Harold C. Slavkin and James W. Wiltz have been nominated to serve three-year terms expiring in 2012, and Les C. Vinney, who joined the Board of Directors in December 2008, has been nominated to serve a two-year term expiring in 2011. There are five other directors whose terms of office do not expire in 2009. There are no family relationships between any director or officer.

It is intended that votes will be cast pursuant to the enclosed proxy for the election of the nominees, except for those proxies that withhold such authority. As noted above, shareholders do not have cumulative voting rights with respect to the election of directors, and proxies cannot be voted for a greater number of directors than the number of nominees. If any of the nominees shall be unable or unwilling to serve as a director, it is intended that the proxy will be voted for the election of such other person or persons as the proxies shall, in their discretion, determine. We have no reason to believe that any of the nominees will not be candidates or will be unable to serve.

Set forth below is certain information concerning the nominees for election as director and the five directors whose terms of office will continue after the meeting.

Name	Age	Principal Occupation	Position with Patterson	Director Since
John D. Buck	59	Chief Executive Officer of Whitefish Ventures, LLC	Director	2006
Ronald E. Ezerski	63	Private Investor	Director	1983
Peter L. Frechette	71	Chairman of Patterson Companies, Inc.	Chairman	1983
Andre B. Lacy	69	Chairman of the Board of LDI Ltd., LLC	Director	1989
Charles Reich	66	Former Executive Vice President of 3M Health Care	Director	2005
Ellen A. Rudnick	58	Executive Director and Clinical Professor at the University of Chicago Booth School of Business	Director	2003
Harold C. Slavkin	71	Professor at the University of Southern California School of Dentistry	Director	2001
Les C. Vinney	60	Senior Advisor to STERIS Corporation	Director	2008
James W. Wiltz	64	President and Chief Executive Officer of Patterson Companies, Inc.	President, Chief Executive Officer and Director	2001

Table of Contents

Nominees for Election as Director for Terms Expiring at the Annual Meeting in 2012

Ellen A. Rudnick, age 58, has served as Executive Director and Clinical Professor of the Michael P. Polsky Center for Entrepreneurship at the University of Chicago Booth School of Business since March 1999. She served as Chairman of Pacific Biometrics, a medical diagnostics company which she co-founded from 1993 to 1999; President of HCIA, and CEO of Healthcare Knowledge Resources, both healthcare information service companies from 1990 to 1992; and served in a variety of capacities at Baxter Healthcare from 1975 to 1990, including Corporate Vice President of Baxter Healthcare and President and Founder of Baxter Management Services Division. Ms. Rudnick also served as Founder and Chairman of CEO Advisors, a consulting firm established in 1992. Ms. Rudnick also serves as director of First Midwest Bancorp, Inc., HMS Holdings Corporation and Liberty Mutual Insurance Company. She has been one of our directors since December 2003.

Harold C. Slavkin, age 71, was the Dean of the University of Southern California School of Dentistry from August 2000 until his retirement in December 2008. Dr. Slavkin continues to be a member of the faculty of the USC School of Dentistry. Dr. Slavkin joined USC after serving as the sixth director of the National Institute of Dental and Craniofacial Research, one of the National Institutes of Health. Dr. Slavkin is a member of the Institute of Medicine of the National Academy of Sciences, a Fellow of the American Association for the Advancement of Science, a Fellow of both the American College of Dentistry and the International College of Dentistry, Past-President of the American Dental Research Association and a member of the International Association for Dental Research. In 1968, Dr. Slavkin joined the faculty of the USC School of Dentistry. He has been one of our directors since December 2001.

James W. Wiltz, age 64, was elected President and Chief Executive Officer in May 2005. He served as one of our Vice Presidents from 1980 to 2003, and as our President and Chief Operating Officer from April 2003 through May 2005. He has been employed by us since September 1969, initially as a territory sales representative, then an equipment specialist and later a branch manager. In 1980, Mr. Wiltz was appointed Vice President of the Midwestern Division and was appointed Vice President, Sales and Distribution in 1986. From 1996 to 2003, Mr. Wiltz served as President of our subsidiary, Patterson Dental Supply, Inc. Mr. Wiltz serves as a director of The National Foundation of Dentistry for the Handicapped. He has been one of our directors since March 2001.

Nominee for Election as Director for a Term Expiring at the Annual Meeting in 2011

Les C. Vinney, age 60, is Senior Advisor to STERIS Corporation, a leading provider of infection prevention and surgical products and services for the healthcare, pharmaceutical and research markets. He was President and Chief Executive Officer of STERIS Corporation from 2000 to 2007, before which time he was such company s Senior Vice President, Finance and Operations. He previously held various senior management positions with Goodrich Corporation (formerly B.F. Goodrich), including Chief Financial Officer. Mr. Vinney serves as a director of Campbell Soup Company and the Federal Reserve Bank of Cleveland. He has been one of our directors since December 2008.

Directors Whose Terms Expire at the Annual Meeting in 2010

John D. Buck, age 59, has served as Chief Executive Officer of Whitefish Ventures, LLC, which provides financial services and strategic business expertise to small companies, since 2000. Mr. Buck was Chief Executive Officer of Medica, the second largest health benefits plan in Minnesota, from February 2002 to May 2003. He was President and Chief Operating Officer at Fingerhut Companies, Inc. from 1996 to 2000 and played an integral role in developing the business services area of the company. Prior to Fingerhut, Mr. Buck was Vice President of Administration at Alliant Techsystems, a leading supplier of aerospace and defense technologies. Prior to that, Mr. Buck spent 21 years at Honeywell, Inc., most recently serving as Vice President of Administration. Mr. Buck is Chairman of the Board of Directors of Medica and serves as a director of ValueVision Media, Inc./Shop NBC. He has been one of our directors since December 2006.

Table of Contents

Peter L. Frechette, age 71, currently serves as our Chairman of the Board and has held that position since May 1985. He served as our Chief Executive Officer from September 1982 through May 2005. He was our President from September 1982 to April 2003 and has been one of our directors since March 1983. Prior to joining us, Mr. Frechette was employed by American Hospital Supply Corporation for 18 years, the last seven of which he served as President of its Scientific Products Division.

Charles Reich, age 66, has been retired since October 2004. From October 2002 to October 2004, Dr. Reich served as Executive Vice President of 3M Health Care, a business segment of 3M Company. Dr. Reich joined 3M Company in 1968 as a research chemist and assumed a variety of management positions in the Research & Development organization before moving to business management in 1989. He held a variety of management and executive positions, including international postings, within 3M Company since that time. He also served as a member of the Executive Advisory Board, Juran Center for Leadership in Quality at the University of Minnesota. Dr. Reich has been a director of Imation Corp. since July 2004. He has been one of our directors since December 2005.

Directors Whose Terms Expire at the Annual Meeting in 2011

Ronald E. Ezerski, age 63, served as our Vice President, Treasurer and Chief Financial Officer from December 1982 through July 1999 and was President of our subsidiary, Dental Capital Corporation, from December 1982 until October 1988 when it was merged into our company. From September 1996 through July 1999, Mr. Ezerski also served as our Executive Vice President. Mr. Ezerski has been one of our directors since March 1983.

Andre B. Lacy, age 69, has served as Chairman of the Board of LDI Ltd., LLC since 1992. Mr. Lacy served as LDI Ltd., LLC s Chief Executive Officer from 1986 through 2006. LDI Ltd., LLC is an industrial and investment limited liability company. Mr. Lacy is Director Emeritus of FinishMaster, Inc. Mr. Lacy also serves as a director of The National Bank of Indianapolis Corporation and Herff Jones, Inc. Mr. Lacy has been one of our directors since 1989.

Required Vote

Election as a director requires the affirmative vote of the holders of a majority of the shares represented in person or by proxy and entitled to vote at the meeting. **The Board of Directors recommends that shareholders vote FOR the election of the nominees listed above.**

OUR BOARD OF DIRECTORS AND COMMITTEES

Overview

The Board of Directors represents the interests of our shareholders as a whole and is responsible for directing the management of the business and affairs of our company, as provided by Minnesota law. The Board of Directors held five meetings and took action by written consent on five occasions in fiscal year 2009. In addition to meetings of the full Board, directors also attended committee meetings. Each director then in office attended at least 75% of all of the meetings of the Board and of those committees on which he or she served.

The Board is comprised of a majority of independent directors as defined in Rule 5605(a)(2) (formerly Rule 4200(a)(15)) of the Marketplace Rules of the NASDAQ Stock Market. The Board has affirmatively determined the independence under that rule as to each of the directors who are identified as independent directors in the chart that appears below within the subsection captioned Committees.

The independent members of the Board meet in executive session at each regular meeting of the Board, with no members of management present.

Table of Contents

Our company has adopted and published our Principles of Business Conduct and Code of Ethics. The Principles of Business Conduct and Code of Ethics satisfy the requirements of Item 406(b) of Regulation S-K and applicable NASDAQ Marketplace Rules. The Principles of Business Conduct and Code of Ethics are available on our website at www.pattersoncompanies.com or in print upon written request to Patterson Companies, Inc., 1031 Mendota Heights Road, St. Paul, Minnesota 55120, Attention: Investor Relations. We intend to disclose any amendment to or waiver from a provision of our Principles of Business Conduct and Code of Ethics that requires disclosure on our website at www.pattersoncompanies.com.

Committee Overview

Our Board of Directors has an Audit Committee, a Compensation Committee and a Governance Committee. Our Governance Committee also functions as our nominating committee. In addition, until June 2009, our Board also had an Executive Committee. With the exception of our Executive Committee, each committee consists solely of members who are independent as defined in Rule 5605(a)(2) of the Marketplace Rules of the NASDAQ Stock Market. In addition, each member of the Audit Committee is independent as defined in Exchange Act Rule 10A-3 and each member of the Compensation Committee is a non-employee director and is an outside director under the rules of the Securities and Exchange Commission and the Internal Revenue Service, respectively.

With the exception of our Executive Committee, each committee has a charter, all of which are available on our website at www.pattersoncompanies.com or in print upon written request to Patterson Companies, Inc., 1031 Mendota Heights Road, St. Paul, Minnesota 55120, Attention: Investor Relations. Such committees review their respective charters and recommend any changes to them as part of their annual performance evaluations. These charters were last reviewed in June 2009, at which time no revisions were made.

The following table shows the current membership of the committees and identifies our independent directors:

Name	Audit	Compensation	Governance	Executive*	Independent Directors
John D. Buck	X		X		X
Ronald E. Ezerski	X		X		X
Peter L. Frechette				X	
Andre B. Lacy		X	X		X
Charles Reich		X	X		X
Ellen A. Rudnick		X	X		X
Harold C. Slavkin	X		X		X
Les C. Vinney		X	X		X
James W. Wiltz				X	

* R. Stephen Armstrong, our Executive Vice President, Treasurer and Chief Financial Officer, also served on the Executive Committee, which as noted above was abolished in June 2009.

The Audit Committee, Compensation Committee and Governance Committee meet throughout the year, with regularly scheduled meetings held adjacent to the Board s regularly scheduled meetings. The Audit Committee also meets after each quarter end, but prior to the release of earnings, with management and our independent registered public accounting firm to review the results of the most recently completed fiscal period, and then meets again prior to our filing with the Securities and Exchange Commission of the related periodic report. Additional meetings by the three committees, either by phone or in person, are called when deemed necessary or desirable. The Executive Committee met as necessary. The chairperson of each committee, with the advice and consultation of management and the committee s outside advisors, if any, sets the committee s annual calendar and the agenda for each meeting. Committee members receive detailed materials related to the topics on the agenda prior to each meeting.

Table of Contents

Committee Responsibilities

The Audit Committee, chaired by Mr. Buck, is empowered by the Board to review our financial books and records in consultation with our accounting and auditing staff and our independent auditors and to review with our accounting staff and independent auditors the scope of the audit, the audit plan and any questions raised with respect to accounting and auditing policy and procedure. The Audit Committee held twelve meetings during fiscal year 2009.

The Compensation Committee, chaired by Mr. Reich, is authorized by the Board to establish general levels of compensation for our officers, to set the annual compensation of each of our executive officers, to grant options and make other awards to employees under our Equity Incentive Plan, and to review and approve our compensation and benefit plans. The Compensation Committee held five meetings during fiscal year 2009.

The Governance Committee, chaired by Mr. Lacy as Lead Director, performs the core function of providing the overall protocol for Board operation. It also serves as the nominating committee, making recommendations as to nominees to serve as members of the Board and regarding the composition of the committees of the Board. The committee s responsibilities include establishing criteria for Board and committee membership, considering rotation of committee members, reviewing candidates qualifications and any potential conflicts with our interests, assessing the contributions of current directors in connection with their re-nomination, and making recommendations to the full Board on how to improve the effectiveness of the Board. Among the responsibilities of the Governance Committee is advising the Board on matters of diversity including race, gender and culture and recommending, as necessary, measures contributing to a Board that, as a whole, reflects a range of viewpoints, backgrounds, skills, experience, and expertise. The Governance Committee also has the responsibility to oversee and review our processes for providing information to the Board. The Governance Committee, in conjunction with the Chairman, also completes an annual review of the performance of our Chief Executive Officer. In addition, the Governance Committee has responsibility to recommend to the Board a succession plan for the Chief Executive Officer and review programs created and maintained by management for the development and succession of other executive officers and any other individuals identified by management or the Governance Committee. The Governance Committee held four meetings during fiscal year 2009.

The Executive Committee was granted the power to deal with important matters which arose between Board meetings and upon which action must have been taken or attention given prior to the next scheduled Board meeting. The Executive Committee, which was abolished in June 2009, met once during fiscal year 2009.

Audit Committee Matters

Our Audit Committee was established in accordance with Section 3(a)(58) of the Exchange Act. As noted above, each member of the committee is independent as defined in Rule 5605(a)(2) of the Marketplace Rules of the NASDAQ Stock Market and Exchange Act Rule 10A-3. Further, no member of the committee participated in the preparation of the financial statements of our company or any current subsidiary of our company at any time during the past three years.

Pursuant to our listing agreement with the NASDAQ Stock Market, each member of the committee is able to read and understand fundamental financial statements, including an issuer s balance sheet, income statement, and cash flow statement and at least one member of the committee has past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background which results in the individual s financial sophistication. In addition, our Board of Directors has determined that Ronald E. Ezerski is an audit committee financial expert as such term is defined by Item 407(d)(5) of Regulation S-K.

Table of Contents

Audit Committee Report

The Audit Committee oversees our financial reporting process on behalf of the Board. Management has the primary responsibility for the consolidated financial statements and the reporting process, including the system of internal control. In fulfilling its oversight responsibilities, the committee reviewed and discussed the audited consolidated financial statements included in the company s Annual Report on Form 10-K for the fiscal year ended April 25, 2009 with management, including a discussion of the quality, not just the acceptability, of the accounting principles; the reasonableness of significant estimates and judgments; and the clarity of disclosures in the financial statements.

The committee reviewed with Ernst & Young LLP, the independent registered public accounting firm that is responsible for expressing an opinion on the conformity of those audited consolidated financial statements with generally accepted accounting principles, its judgments as to the quality, not just the acceptability, of the company s accounting principles and such other matters as are required to be discussed with the committee by the statement on Auditing Standards No. 61, as amended by Statement on Auditing Standards No. 90 (Communication With Audit Committees). In addition, the committee has discussed with Ernst & Young the firm s independence from management and the company, including the matters in the written disclosures and the letter the committee received from Ernst & Young as required by Independence Standards Board Standard No. 1, and considered the compatibility of non-audit services performed by Ernst & Young during the year on such firm s independence prior to the commencement of the non-audit services.

The committee discussed with the company s internal auditors and Ernst & Young the overall scope and plans for their respective audits. The committee meets with the internal auditors and Ernst & Young, with and without management present, to discuss the results of their examinations, their evaluations of the company s internal controls, and the overall quality of the company s financial reporting.

In reliance on the reviews and discussions referred to above, the committee recommended to the Board (and the Board approved) that the audited consolidated financial statements be included in the Annual Report on Form 10-K for the fiscal year ended April 25, 2009, for filing with the Securities and Exchange Commission. The committee and the Board have also recommended, and seek shareholder ratification of, the selection of the company s independent registered public accounting firm for the year ending April 24, 2010.

Respectfully submitted,

/s/ John D. Buck, Chairman

/s/ Ronald E. Ezerski

/s/ Harold C. Slavkin

The Audit Committee

Table of Contents

Compensation Committee Procedures

The Board of Directors has determined that each member of the Compensation Committee is independent of management and the company. Further, each member of the committee is an independent director, is a non-employee director, and is an outside director under the applicable rules of NASDAQ, the Securities and Exchange Commission and the Internal Revenue Service, respectively.

The committee has the dual responsibility of serving the interests of the shareholders and serving as an advisor to management. The committee assists the Board in fulfilling its responsibility to the shareholders so that our directors, executive officers, and certain other officers and managers are compensated in accordance with the company s total compensation objectives and executive compensation policy. Management assists the committee by advising and recommending compensation policies, strategies and pay levels necessary to establish appropriate incentives for management and employees that are aligned with business strategies and goals that the committee believes will drive competitive advantage and deliver sustainable returns to shareholders. The committee does not delegate any of its duties or responsibilities to any subcommittee or other person. The committee s specific responsibilities are to:

Evaluate annually the Chief Executive Officer s and other executive officers compensation levels and payouts;

Determine for the Chief Executive Officer and other executive officers all components of compensation, including annual base salary, annual incentive opportunity levels, long-term incentive opportunity levels, executive perquisites, employment agreements, change in control provisions or agreements, severance agreements, benefits, supplemental benefits and any special financial programs;

Review and recommend to the Board any equity compensation program involving the use of our company s securities, including stock options and restricted stock;

When appropriate, select, retain and terminate independent compensation consultants to advise the committee;

Administer the compensation for the Chief Executive Officer and other executive officers and ensure consistency with our company s executive compensation policy;

Advise and assist our company in defining its total compensation policy, review and comment on the compensation program to ensure that it supports our company s strategic and financial plans, review and recommend to the Board for approval new incentive plans that are consistent with the total compensation policy, and monitor the appropriateness of payouts;

Review retirement plans to ensure they are meeting company objectives and are in compliance with relevant regulations;

Review the establishment, amendment and termination of employee benefits plans, including equity plans, and oversee the operation and administration of such plans;

Review our company s compensation policies for regulatory and tax compliance, including structuring compensation programs to preserve tax deductibility and, as required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code (the Code);

As a representative of the full Board, periodically review and recommend changes to the amount and components of compensation paid to directors;

Include a report on executive compensation in our company s proxy statement as required by Securities and Exchange Commission rules;

Review and discuss with management the Compensation Discussion and Analysis required by Securities and Exchange Commission Regulation S-K, Item 402, and determine whether to recommend to the Board that the Compensation Discussion and Analysis be included in our company s annual proxy statement for the annual meeting of shareholders;

Table of Contents

Annually review its charter and make recommendations for changes to the Board; and

Fulfill such other duties and responsibilities as may be assigned to the committee by the Board and/or Chairman of the Board.

In fulfilling its duties and responsibilities, the committee may hire independent consultants, confer with our internal human resource professionals and consult with our Chief Executive Officer and other members of management. Near the end of fiscal year 2004, after contacting three outside compensation consultants and interviewing two of them, the committee engaged Towers Perrin. The committee believes that Towers Perrin is independent of our management. Our management has not engaged Towers Perrin to provide any services to our company. During fiscal year 2005, the committee worked with Towers Perrin to review our executive compensation program. Towers Perrin conducted a study of our current compensation program, conducted interviews with management and with committee members and met with the committee to present and review its findings and recommendations. Its findings included an analysis of executive compensation at comparable companies, and that data was compiled and used as a benchmark for our executive team s compensation for fiscal year 2005. Annually since such time, the committee has used generally available market studies of compensation trends to update the Towers Perrin study as a means of benchmarking executive compensation during these years. In addition, during fiscal year 2009, the committee engaged Towers Perrin to update our company s peer group for purposes of such benchmarking.

During the committee meetings held in fiscal year 2009, certain members of management were present to address specific topics within the scope of their responsibilities. In addition, Messrs. Wiltz and Armstrong attended several of the meetings to provide certain recommendations to the committee regarding the compensation of other executive officers and to discuss the financial implications of various compensatory awards and benefit programs. Messrs. Wiltz and Armstrong were not present during the committee s discussion and determination of their respective compensation.

Compensation Committee Interlocks and Insider Participation

The members of the Compensation Committee are identified by name in the Compensation column of the chart that appears above within the subsection captioned Committees. None of the members of the committee was an officer or employee of Patterson Companies, Inc. during fiscal year 2009 or in any prior year, and none of the members of the committee had any relationship requiring disclosure under Item 404 of Regulation S-K. There were no Compensation Committee interlocks as described in Item 407(e)(4) of Regulation S-K.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis that appears herein with management. Based on such review and discussions, the committee recommended to our Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement and in our Annual Report on Form 10-K for the fiscal year ended April 25, 2009.

Respectfully submitted,

/s/ Charles Reich, Chairman

/s/ Andre B. Lacy

/s/ Ellen A. Rudnick

/s/ Les C. Vinney

The Compensation Committee

Table of Contents

Governance Committee Procedures for Nominations

Our Governance Committee has generally identified nominees based upon suggestions by non-management directors, executive officers and/or shareholders. Our director selection criteria include: integrity; high level of education and/or business experience; broad-based business acumen; understanding of our business and industry; strategic thinking and willingness to share ideas; network of contacts; and diversity of experiences, expertise and backgrounds among members. The committee has used these criteria to evaluate potential nominees. The committee does not evaluate proposed nominees differently depending upon who has made the recommendation.

The committee from time to time engages a third-party search firm to provide assistance in the identification of potential nominees, whose qualifications and independence are then thoroughly evaluated by the committee. The committee has paid fees to third-party search firms to assist in identifying and evaluating potential nominees, including Les C. Vinney who joined our Board in December 2008.

It is the committee s policy to consider director candidates recommended by shareholders who appear to be qualified to serve on the Board. The committee may choose not to consider an unsolicited recommendation if no vacancy exists on the Board and the committee does not perceive a need to increase the size of the Board. The committee will consider only those director candidates recommended in accordance with the procedures set forth below.

Nomination Procedures

To submit a recommendation of a director candidate to the Governance Committee, a shareholder must submit the following information in writing, addressed to the Lead Director, care of the Corporate Secretary, at the main office of Patterson Companies, Inc.:

(1) The name of the person recommended as a director candidate;

(2) All information relating to such person that is required to be disclosed in solicitations of proxies for election of directors pursuant to Exchange Act Regulation 14A;

(3) The written consent of the person being recommended as a director candidate to being named in the proxy statement as a nominee and to serving as a director if elected;

(4) As to the shareholder making the recommendation, the name and address, as they appear on the books of Patterson Companies, Inc., of such shareholder; provided, however, that if the shareholder is not a registered holder of common stock, the shareholder must submit his or her name and address along with a current written statement from the record holder of the shares that reflects ownership of the common stock; and

(5) A statement disclosing whether such shareholder is acting with or on behalf of any other person and, if applicable, the identity of such person.

In order for a director candidate to be considered for nomination at the annual meeting of shareholders, the recommendation must be received by the committee as provided under Shareholder Proposals for the 2010 Annual Meeting.

Minimum Qualifications

In carrying out its responsibility to find the best-qualified persons to serve as directors, the Governance Committee will consider appropriate data with respect to each suggested candidate, consisting of business experience, educational background, current directorships, involvement in legal proceedings during the last five years which are material to the evaluation of the integrity of the candidate, and an indication of the willingness of the candidate to serve as a director.

Table of Contents

In addition, prior to nominating an existing director for re-election to the Board, the committee will consider and review an existing director s Board and committee attendance and performance; length of Board service; experience, skills and contributions that the existing director brings to the Board; and his or her independence.

Communications with Board Members

The Board has provided the following process for interested persons to send communications to the Board and/or individual directors. All communications from shareholders should be addressed to Patterson Companies, Inc., 1031 Mendota Heights Road, St. Paul, Minnesota 55120, Attention: Corporate Secretary. Communications to individual directors may also be made to such director at the company s address. All communications sent to the chair of the Audit Committee or to any individual director will be received directly by such individuals and will not be screened or reviewed by any company personnel. Any communications sent to the Board in the care of the Corporate Secretary will be reviewed by him to ensure that such communications relate to the business of our company or its subsidiaries before being reviewed by the Board.

Board Member Attendance at Annual Meetings

We encourage all of our directors to attend the annual meeting of shareholders. We generally hold a Board meeting coincident with the shareholders meeting to minimize director travel obligations and facilitate their attendance at the shareholders meeting. All directors then in office attended the 2008 annual meeting of shareholders.

NON-EMPLOYEE DIRECTOR COMPENSATION

Non-employee directors receive cash compensation and stock options for their service on our Board. Non-employee directors receive an annual retainer of $35,000, plus $1,500 per board meeting attended. Audit Committee members receive an additional annual retainer of $4,000. Directors are also reimbursed for all out-of-pocket expenses incurred in connection with their service on our Board.

Non-employee directors also receive stock option awards and restricted stock awards under our Equity Incentive Plan. Upon election to the Board, whether elected by the shareholders or by the Board to fill a vacancy, a non-employee director receives a stock option award for 12,000 shares. Thereafter, on the date of the annual meeting of the shareholders, each reelected or continuing non-employee director receives a restricted stock award for a number of shares approximately equal in value to $78,000, adjusted annually. However, if a non-employee director has received an initial stock option award within six months of an annual restricted stock award, such initial stock option award is in lieu of that year s annual restricted stock award. Initial stock option awards and annual restricted stock awards vest to the extent of one-third every year commencing upon the first anniversary of the date of grant. All stock options expire upon the earlier of ten years from the date of award or one year from the date of termination of service as a director. Unvested restricted stock awards are forfeited upon termination of service as a director.

In June 2009, the compensation committee determined not to increase the value of the restricted stock awards to non-employee directors to be granted in September 2009.

Because Messrs. Wiltz and Frechette serve as directors and employees of our company, information regarding their compensation is set forth within the section captioned Executive Compensation.

Compensation of Directors

The following table sets forth the compensation of our non-employee directors for fiscal year 2009:

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(a)	Option Awards ($)(b)(c)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
John D. Buck	41,000	46,010	55,840				142,850
Ronald E. Ezerski	45,000	46,010					91,010
Andre B. Lacy	45,000	46,010					91,010
Charles Reich	45,000	46,010					91,010
Ellen A. Rudnick	41,000	46,010					87,010
Harold C. Slavkin	41,000	46,010					87,010
Les C. Vinney	20,500		10,883				31,383

(a) Represents the amounts recognized for financial reporting purposes with respect to fiscal year 2009 for restricted stock awards in accordance with FAS 123R. On September 8, 2008, each director received a restricted stock award of 2,424 shares. The grant date fair value of each of these restricted stock awards computed in accordance with FAS 123R was $78,053. At fiscal year end, 3,924 shares of restricted stock were outstanding for each non-employee director except for Mr. Vinney, for whom no shares of restricted stock were outstanding.

Table of Contents

(b) Represents the amounts recognized for financial reporting purposes with respect to fiscal year 2009 for stock options in accordance with FAS 123R. Options granted during fiscal year 2009 and their related fair value were as follows:

Name	Number of Shares	Grant Date Fair Value ($)
John D. Buck		
Ronald E. Ezerski		
Andre B. Lacy		
Charles Reich		
Ellen A. Rudnick		
Harold C. Slavkin		
Les C. Vinney	12,000	78,360

(c) The aggregate number of stock options outstanding at fiscal year end held by non-employee directors was as follows:

Name	Number of Stock Options
John D. Buck	12,000
Ronald E. Ezerski	54,926
Andre B. Lacy	58,342
Charles Reich	29,000
Ellen A. Rudnick	53,000
Harold C. Slavkin	29,940
Les C. Vinney	12,000
Total	249,208

Table of Contents

SECURITY OWNERSHIP OF CERTAIN

BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding beneficial ownership of our common stock as of July 17, 2009, unless otherwise noted, by (a) each person who is known to us to own beneficially more than 5% of our common stock, (b) each director and nominee for director, (c) each executive officer named in the summary compensation table below, and (d) the directors and executive officers as a group. The table lists voting securities, including restricted stock held by our directors and executive officers over which they have sole voting power but no investment power. Otherwise, except to the extent noted below, each person identified below has sole voting and investment power over the shares reported. Except as otherwise noted below, we know of no agreements among our shareholders which relate to voting or investment power with respect to our common stock and none of the stated shares has been pledged as security.

Name and Address of Beneficial Owner (1)	Amount and Nature of Beneficial Ownership (1)	Percent of Class (2)
Delaware Charter Guarantee & Trust Company 1013 Centre Road Wilmington, DE 19805	20,572,555(3)	16.8%
FMR LLC 82 Devonshire Street Boston, MA 02109	7,706,017(4)	6.3%
Peter L. Frechette	5,348,387(5)(6)	4.4%
Ronald E. Ezerski	2,620,584(7)(8)	2.1%
James W. Wiltz	1,073,707(5)(9)(10)	*
R. Stephen Armstrong	143,266(5)(10)	*
Andre B. Lacy	128,716(7)	*
Ellen A. Rudnick	57,674(7)	*
Scott P. Anderson	54,333(5)(10)	*
David P. Sproat	39,789(5)(10)	*
George L. Henriques	35,195(5)(10)	*
Charles Reich	35,174(7)	*
Harold C. Slavkin	34,417(7)(11)	*
John D. Buck	16,174(7)	*
Les C. Vinney	0	*
All directors and executive officers as a group (15 persons)	9,612,562(12)	7.8%

* Represents less than 1%.

(1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to securities. Securities beneficially owned by a person may include securities owned by or for, among others, the spouse, children or certain other relatives of such person as well as other securities as to which the person has or shares voting or investment power or has the option or right to acquire within 60 days. The same shares may be beneficially owned by more than one person. Includes shares of common stock held by our Employee Stock Ownership Plan and Trust (the ESOP). Shares reported as owned by the ESOP trustee are also reported as beneficially owned by the executive officers to the extent that shares have been allocated to the ESOP accounts of the named persons. Allocated shares are voted by the ESOP trustee in accordance with the direction of ESOP participants. Generally, unallocated shares and allocated shares as to which no direction is made by the participants are voted by the ESOP trustee in the same percentage as the allocated shares as to which directions are received by the ESOP trustee. Unless otherwise indicated, the address of each shareholder is c/o Patterson Companies, Inc., 1031 Mendota Heights Road, St. Paul, Minnesota 55120.

Table of Contents

(2) Percentage of beneficial ownership is based on 122,316,411 shares outstanding as of July 17, 2009. Shares issuable pursuant to options are deemed outstanding for computing the percentage of the person holding such options but are not deemed outstanding for computing the percentage of any other person.

(3) As set forth in Schedule 13G filed with the Securities and Exchange Commission by Delaware Charter Guarantee & Trust Company dba Principal Trust Company as trustee for our ESOP on February 6, 2009, represents shares over which shared voting power and shared dispositive power is claimed. The ESOP is subject to the Employee Retirement Income Security Act of 1974 (ERISA). The securities reported include all shares held of record by the trustee. The trustee follows the directions of our company and/or ESOP participants with respect to voting and disposition of the shares. The trustee, however, is subject to fiduciary duties under ERISA. The trustee disclaims beneficial ownership of the reported shares. As of July 17, 2009, the number of shares reported as beneficially owned included approximately 7,069,702 shares held in the unallocated account of the ESOP and approximately 13,341,001 shares held in the allocated account of the ESOP.

(4) As set forth in Schedule 13G/A filed with the Securities and Exchange Commission by FMR LLC and Edward C. Johnson 3d on February 17, 2009, includes (a) 305,914 shares over which sole voting power is claimed, (b) no shares over which shared voting power is claimed, (c) 7,706,017 shares over which sole dispositive power is claimed, and (d) no shares over which shared dispositive power is claimed. Various persons have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the reported shares. The interest of one person, Fidelity Low Priced Stock Fund, an investment company registered under the Investment Company Act of 1940, in 6,700,003 shares of our common stock amounted to approximately 5.5% of our total outstanding common stock.
Fidelity Management & Research Company, 82 Devonshire Street, Boston, MA 02109, a wholly owned subsidiary of FMR LLC and an investment adviser registered under Section 203 of the Investment Advisers Act of 1940, is the beneficial owner of 7,400,453 shares as a result of acting as investment adviser to various investment companies registered under Section 8 of the Investment Company Act of 1940. The ownership of one investment company, Fidelity Low Priced Stock Fund, amounted to 6,700,003 shares or approximately 5.5% of our outstanding common stock. Fidelity Low Priced Stock Fund has its principal business office at 82 Devonshire Street, Boston, MA 02109. Edward C. Johnson 3d, FMR LLC, through its control of Fidelity, and the funds each has sole power to dispose of the 7,400,453 shares owned by the funds. Members of the family of Edward C. Johnson 3d, Chairman of FMR LLC, are the predominant owners, directly or through trusts, of Series B voting common shares of FMR LLC, representing 49% of the voting power of FMR LLC. Through their ownership of voting common stock and the execution of a shareholders voting agreement, members of the Johnson family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR LLC. Neither FMR LLC nor Edward C. Johnson 3d has the sole power to vote or direct the voting of the shares owned directly by the Fidelity funds, which power resides with the funds boards of trustees. Fidelity carries out the voting of the shares under written guidelines established by the funds boards of trustees.

(5) Includes the following shares allocated to the ESOP account of the following persons: Peter L. Frechette (7,495 shares); James W. Wiltz (6,499 shares); R. Stephen Armstrong (8,681 shares); Scott P. Anderson (11,811 shares); David P. Sproat (10,743 shares); and George L. Henriques (7,661 shares). The ESOP trustee has the right to receive, and the power to direct the receipt of, dividends from such shares.

(6) Of the shares reported as beneficially owned, 4,177,673 shares are held by a revocable trust for the benefit of Mr. Frechette s family members of which he is a trustee and 1,161,844 shares are held by Mr. Frechette s Grantor Retained Annuity Trusts.

(7) Includes shares purchasable by the named person under our 1992 Director Stock Option Plan and/or our 2001 Non-Employee Directors Stock Option Plan: Ronald E. Ezerski (54,926); Andre B. Lacy (58,342 shares); Ellen A. Rudnick (53,000 shares); Charles Reich (29,000 shares); Harold C. Slavkin (29,940 shares); and John D. Buck (8,000 shares).

Table of Contents

(8) Of the shares reported as beneficially owned, 2,374,579 are held by a limited liability company of which Mr. Ezerski is the managing member, and 180,809 shares are held in an irrevocable trust for the benefit of Mr. Ezerski s family members of which Mr. Ezerski s spouse is the trustee.

(9) Of the shares reported as beneficially owned, 3,990 shares are held in trust for members of Mr. Wiltz s family, and 525,000 shares are held in Mr. Wiltz s Grantor Retained Annuity Trust.

(10) Includes shares purchasable by the named person under our 1992 Stock Option Plan and/or our 2004 Equity Incentive Plan: James W. Wiltz (81,140 shares); R. Stephen Armstrong (10,068 shares); Scott P. Anderson (6,102 shares); David P. Sproat (4,488 shares); and George L. Henriques (8,744 shares).

(11) Of the shares reported as beneficially owned, 350 shares are held by Dr. Slavkin s spouse.

(12) Includes 54,695 shares allocated to ESOP accounts, 343,750 shares purchasable pursuant to the exercise of options, and 179,662 shares over which there is sole voting power but no investment power.

SECTION 16(a) BENEFICIAL OWNERSHIP

REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our officers and directors, and persons who own more than 10% of a registered class of our equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission and provide us with copies of such reports. Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons that no Forms 5 were required for those persons, we believe that, during the past fiscal year, our officers, directors and greater than 10% shareholders complied with applicable filing requirements.

Table of Contents

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Philosophy

Our company is committed to a compensation philosophy that links executive compensation to the attainment of business objectives and earnings performance, over the near and longer term, which in turn will enable us to attract, retain and reward executive officers who contribute to our success. In keeping with our company s compensation philosophy, the Compensation Committee s goal is to provide market-competitive compensation packages that emphasize our commitment to consistent long-term profitable growth and our belief that a substantial portion of the total compensation received by our executive officers should be dependent upon the performance of the business annually and over time.

The committee annually evaluates and determines all components of compensation for the Chief Executive Officer and the other executive officers. The committee considers current salary ranges, salaries and bonus potential for each position, management s overall salary objectives, the amount of compensation to be placed at risk, the use of short-term versus long-term incentives, the use of equity awards, the alignment of executive compensation with the enhancement of shareholder value, the levels of executive compensation relative to the compensation for all employees and other issues. The committee also considers other available information, including other published reports, data and surveys not specifically prepared for the committee, general compensation conditions in the market, and the committee members experience with other organizations.

The current compensation structure has been derived from recommendations in a report prepared by Towers Perrin, an outside compensation consultant, in fiscal year 2005. The report included an analysis of the effectiveness and competitiveness of the composition of our compensation structure, including cash (both base salary and annual incentives), equity and deferred compensation programs, against trends in the market. The original report also benchmarked our base and total compensation for our officer positions against market rates for similar positions at 54 other companies. In fiscal year 2009, Towers Perrin updated the report by working with the committee to refine the peer group to 17 companies in distribution, dental manufacturing, and general industries. In addition, Towers Perrin updated the market data used to benchmark our executive compensation levels. The current peer group includes local, regional and national market representatives that would potentially compete for the same talent that we would seek to recruit and retain. The names of such companies appear below:

Animal Health International, Inc.	Fastenal Company	PSS World Medical, Inc.
C. H. Robinson Worldwide, Inc.	Graco Inc.	School Specialty, Inc.
Cardinal Health, Inc.	Henry Schein, Inc.	Sirona Dental Systems, Inc.
Dentsply International Inc.	McKesson Corporation	Thermo Fisher Scientific Inc.
Donaldson Company, Inc.	MWI Veterinary Supply, Inc.	W. W. Grainger, Inc.
Ecolab Inc.	Owens & Minor, Inc.	

Based on these reviews, the committee has determined that the total compensation of the Chief Executive Officer and the other executive officers named in the Summary Compensation Table is market-competitive, reasonable and not excessive.

Table of Contents

Compensation Policies

Employment Agreements: We have not entered into any employment agreements with our named executive officers. All of our named executive officers are employed at will.

Change-in-Control Arrangements: In July 1999, we entered into a letter agreement with R. Stephen Armstrong, our Executive Vice President, Treasurer and Chief Financial Officer. Pursuant to the agreement, Mr. Armstrong is entitled to receive certain benefits upon a change-in-control termination. If (a) within the 210 calendar-day-period immediately following a change-in-control Mr. Armstrong s employment is terminated for any reason other than death, cause, disability or retirement, (b) within such 210 calendar-day-period, Mr. Armstrong terminates his employment for good reason, or (c) prior to a change-in-control the termination of Mr. Armstrong s employment was either a condition of the change-in-control or was at the request or insistence of a person (other than our company) related to the change-in-control, then we will make a lump-sum cash payment to Mr. Armstrong in an amount equal to the sum of (i) 12 times his monthly base compensation plus (ii) an amount equal to his target incentive under the then-existing management incentive plan at the 100% payout level. Further, on the first anniversary of the date of termination, we will make an additional lump-sum cash payment to Mr. Armstrong equal in amount to the aggregate initial lump-sum cash payment made under the letter agreement.

Our Equity Incentive Plan provides that awards issued under that plan are fully vested and all restrictions on the awards lapse in the event of a change in control, as defined in such plan. Additionally, our Capital Accumulation Plan provides that on an event of acceleration, as defined in the plan, the restrictions on awards of restricted stock lapse and such stock becomes fully vested. The committee also has the authority to cause options awarded under our 1992 Stock Option Plan to become fully vested in the event of a proposed sale of all or substantially all of the assets of our company or in the event of a merger of our company with or into another corporation.

Impact of Tax and Accounting Treatment on Compensation Decisions: The committee makes every reasonable effort to ensure that all compensation paid to our executives is fully deductible, provided it determines that application of applicable limits are consistent with our needs and executive compensation philosophy.

Our income tax deduction for executive compensation is limited by Section 162(m) of the Code to $1 million per executive per year, unless compensation above that amount is performance-based. This limit applies to our Chief Executive Officer and the other executive officers that are most highly compensated. They are identified in the Summary Compensation Table. We have not had any deductions limited by Section 162(m) of the Code to date.

Stock Ownership Guidelines: In March 2007, the committee established stock ownership guidelines for our key executives and non-employee directors. We believe that promoting share ownership aligns the interests of key executives with those of shareholders and provides strong motivation to build shareholder value. We plan to periodically review the stock ownership guidelines. Under the stock ownership guidelines, key executives are expected to own shares equal to a multiple of their annual base pay as follows:

Chief Executive Officer	5x
Subsidiary Presidents, Chief Financial Officer and Vice President, Operations	3x
Corporate and Subsidiary Vice Presidents	2x

Our guidelines also provide that non-employee directors are expected to own shares equal to a multiple of five times their annual cash retainer.

Executives and directors will be expected to achieve target levels over a period of five years. If an executive or director is below the guideline, he or she will be expected to retain 75% of the net shares (after satisfying tax obligations) received upon exercise of a stock option or lapsing of restrictions on restricted stock. If the executive or director has met the minimum ownership guideline, he or she will be expected to retain 25% of the net shares received.

Role of Executive Officers: Messrs. Wiltz and Armstrong attended several of the committee s meetings to provide certain recommendations to the committee regarding the compensation of other executive officers and to discuss the financial implications of various compensatory awards and benefit programs. Messrs. Wiltz and Armstrong were not present during the committee s discussion and determination of their respective compensation.

Components of Executive Officer Compensation

Our executive officer compensation is designed to reward both company performance and individual performance. Accountability, revenue and impact to the organization determine the total compensation value for a position. We believe that a substantial portion of an executive officer s compensation should be at-risk. Toward that end, we keep base salaries below market medians, and have structured our incentive programs so that if our near and long-term goals are achieved, an executive could obtain total compensation at or above market medians for comparable positions. This is compatible with our compensation philosophy that links executive compensation to the attainment of business objectives and earnings performance, over the near and long term, which in turn will enable us to attract, retain and reward executive officers who contribute to our success.

There are three core components of our executive officer compensation structure: base salary, annual incentives and long-term awards and incentives. Our compensation philosophy is to target the base pay for our executives, except our Chief Executive Officer, at approximately 85% of the market median and bring the executive compensation package at or above market with at-risk pay. Our at-risk pay includes annual incentives and long-term awards and incentives. Our executive officers also have an opportunity to purchase restricted stock under our Capital Accumulation Plan, which is described below. In addition, we provide our executive officers with certain perquisites and other personal benefits. Each individual component of executive compensation is discussed in detail below.

When evaluating the compensation package for our Chief Executive Officer, the committee took into consideration the relative position of this officer s compensation package to benchmarks produced by the peer group comparison. While this officer s compensation package is generally at a level below the targets for each of the three components of the company s compensation structure, the committee gave significant weight to this officer s equity ownership level in evaluating a reasonable total opportunity for reward to the officer for driving an increase in shareholder value. Another factor taken into account in determining a reasonable compensation package for our Chief Executive Officer was the level of our Chief Executive Officer s compensation relative to the other executive officers and other employees of the company.

Base Salary. Annual base salary levels for executive officers are determined by the potential impact of the individual on our company, the skills and experience required by the position, the individual performance of the executive, our overall performance and external pay practices. The committee annually evaluates and determines the base salary for the executive officers. Our base salary ranges for fiscal year 2009 are consistent with our compensation philosophy and the compensation study provided by Towers Perrin in fiscal year 2005 and subsequently updated to benchmark against market rates for fiscal year 2009. The base salaries of our named executive officers were not increased for fiscal year 2009. Furthermore, in June 2009, we decreased the base salaries of our named executive officers by 4% for the balance of fiscal year 2010, subject to change if the company s performance improves.

Annual Incentives. The named executive officers are eligible for annual incentives paid in cash through the Management Incentive Compensation Plan (MICP). The objective of the MICP is to encourage greater initiative, resourcefulness, teamwork and efficiency on the part of all key employees whose performance and responsibilities directly affect our profits. The overall goal of the MICP is to reward these officers for achieving superior performance. These annual incentives provide a direct financial incentive to executives to achieve our annual profit goals.

The MICP performance measures are reviewed and approved in advance by the committee each fiscal year. Individual annual incentive targets for each named executive officer are approved by the committee. The targets

Table of Contents

are positioned at or above the market median in order to achieve total direct cash compensation at market levels, except for our Chief Executive Officer, whose total direct cash compensation is below market levels. The annual targeted bonus potentials for our named executive officers range from 50% to 65% of base salary. The annual incentives for Messrs. Wiltz and Armstrong are based on the company s actual income before taxes, LIFO provision and incentive compensation (the Company MICP Income) compared to budgeted Company MICP Income. The annual incentives for Messrs. Anderson and Sproat are based on the actual Company MICP Income compared to budgeted Company MICP Income (25%), and their respective individual business unit s income after net working asset charge and before taxes, LIFO provision and incentive compensation (the Business Unit s MICP Income) compared to the respective individual s budgeted Business Unit s MICP Income (75%). The annual incentive for Mr. Henriques is based on the actual Company MICP Income compared to budgeted Company MICP Income (25%), and the income before taxes, LIFO provision and incentive compensation, as well as sales, of his business unit compared to his business unit s budgeted income before taxes, LIFO provision and incentive compensation, and sales (75%). The budgets are approved in advance by the Board. The targeted bonus potential pays out at 100% if budgeted performance is achieved. Each executive has the opportunity to increase his targeted bonus potential as a percentage of base salary by 5% for each 1% that actual performance exceeds budgeted performance, with no limit on the upside achievement, except Mr. Henriques, who is limited to an incentive payout of 175% of his target bonus potential. Conversely, the MICP allowed 50% of the targeted bonus potential to be paid if 90% of the budgeted performance was achieved. No bonus was paid if our company did not achieve at least 90% of budgeted performance. For fiscal year 2009, the Company MICP Income performance target was $397,606,000. For Messrs. Anderson and Sproat their individual budgeted Business Unit s MICP Income was $283,195,000 and $50,108,000, respectively. For fiscal year 2009, the company achieved 84% of its performance target. Messrs. Anderson and Sproat s business units achieved 83% and 94% of their performance targets, respectively. The performance of Mr. Henriques business unit resulted in a payment to him of 105% of his target incentive. The budgeted performance targets for fiscal year 2010 are not materially different than those for fiscal year 2009. Individual performance can also be rewarded at the discretion of management and the committee. For fiscal year 2010 the MICP was changed to allow 50% of the targeted bonus potential to be paid if 85% of budgeted performance is achieved, and 75% of the targeted bonus potential to be paid if 90% of budgeted performance is achieved. This modification was made in view of the volatility and uncertainty in the current general economy.

Long-Term Incentives. In December 1998 the Board adopted a Long-Term Incentive Plan (LTIP) to address a need in our overall compensation package. The objectives of the LTIP are to: (1) create an incentive program to increase shareholder value over a longer term which does not compete with other benefit plans currently in place; (2) provide a program which assists in retention of and rewards new management employees by creating equity ownership in the company; and (3) recognize that equity compensation may not be appropriate for all management employees. Participants include officers, regional managers, branch managers and other key managers.

The LTIP originally provided for awards of stock options and the provision of life insurance. Stock options were granted under the employee stock option plans adopted in 1992 and 2002, and the life insurance was a split dollar policy owned by the individual but funded by the company. The premiums paid by the company created a lien against the policy and were repayable on the earlier of the policy owner s 65th birthday or 15 years from the initiation of the policy. Stock options vested incrementally over a three-to-nine year period and the life insurance created an immediate death benefit while providing long-term cash value over five to fifteen years as a supplemental source of retirement income. We ceased paying the premiums for the split dollar life insurance policies under the LTIP in fiscal year 2004 in order to comply with the provisions of the Sarbanes-Oxley Act. Our Chief Financial Officer opted to maintain his split dollar life insurance policy with premium payments in lieu of certain equity awards in fiscal years 2006, 2007, 2008 and 2009. The premium payments are treated as cash compensation and current taxable income. We discontinued awarding stock options to U.S. participants under the LTIP in fiscal year 2006.

Our LTIP permits us to accelerate the vesting of options and the lapsing of restrictions on restricted stock awards upon an executive s retiring at or after age 65.

Table of Contents

In fiscal year 2005, following completion of the compensation study by Towers Perrin, the committee revised the LTIP to provide awards of restricted stock and performance units under the Equity Incentive Plan. The restricted stock and performance unit ranges have been set to provide flexibility in structuring individually appropriate compensation, and create a market competitive component of the overall compensation package for each executive. Annually, the committee determines a level of compensation under the LTIP for each executive position. The approved award level was weighted 75% to restricted stock and 25% to performance units. Except for promotions or new hires that occur during the fiscal year, the numbers of units of these equity components were determined on the first day of the fiscal year based upon the closing price of our company s common stock on such date. In general, the restricted stock awards vest 20% each year beginning on the third anniversary of the date of grant, and performance units vest on the third anniversary of the award. Upon achievement of pre-determined performance objectives, the outstanding performance units may be settled in cash or stock, at the discretion of the committee.

The right to receive the value of the performance units is conditioned upon achieving, during a three-year period, the financial targets established by the committee at the beginning of the period. In particular, the total value of the award is equivalent to the number of units multiplied by the unit value, which for the three awards to date has been the closing price of the company s common stock on the first day of the fiscal year. For participants to earn 100% of the award, the performance targets must be achieved. The targets for the first three awards under this program included achieving a specified operating margin in the third year of the performance period and achieving a specified average return on equity for the three-year period. No units are earned if a specified minimum operating margin for the relevant fiscal year and a specified minimum average return on equity for the relevant three-year period are not achieved. If the minimum performance targets are not met, all units are cancelled. The number of units an award recipient can earn will increase for performance above the targeted performance to a maximum of 150% of the units awarded. The minimum and maximum range are determined by subtracting or adding 20 basis points to the performance targets for the specific award period. The following tables set forth the financial targets established for the performance units granted in fiscal years 2008 and 2009. The financial targets for performance units granted in fiscal year 2006 and 2007 were not achieved and, consequently, such units have been cancelled.

Performance Tables for Performance Units

			Operating Margin		
Fiscal 2008	**13.2%**	**13.3%**	**13.4%**	**13.5%**	**13.6%**
Return on Equity					
19.8%	0%	25%	70%	80%	110%
19.9%	10%	35%	80%	105%	125%
20.0%	30%	55%	100%	110%	130%
20.1%	80%	100%	110%	115%	140%
20.2%	100%	110%	115%	125%	150%

			Operating Margin		
Fiscal 2009	**13.0%**	**13.1%**	**13.2%**	**13.3%**	**13.4%**
Return on Equity					
19.8%	0%	25%	70%	80%	110%
19.9%	10%	35%	80%	105%	125%
20.0%	30%	55%	100%	110%	130%
20.1%	80%	100%	110%	115%	140%
20.2%	100%	110%	115%	125%	150%

Table of Contents

For fiscal year 2010, the committee determined that it could better achieve its objectives of incentivizing and retaining our named executive officers by increasing the restricted stock awards made to such officers and not granting performance units. Such determination was made because the uncertainty in the general economy made the selection of performance objectives over a three-year period difficult. The committee believes that this uncertainty could cause the performance units to lose their effectiveness in incentivizing our executives due to circumstances and conditions beyond the control of the executives.

Capital Accumulation Plan. The company has a deferred compensation, restricted stock purchase plan that is available to certain employees, including the executive officers. Under our Capital Accumulation Plan, annually the participants may defer up to 25% of their pre-tax compensation into the plan. Restricted stock is purchased with the salary deferrals at a 25% discount from the market price of our common stock at the beginning of the calendar year or the end of the calendar year, whichever is lower. In general, the restricted stock purchased under the plan vests in full on the third anniversary of the date of the agreement, granting the participant the right to purchase stock. The participant may elect to defer the compensation beyond the initial deferral period, with the restrictions also continuing for the additional period. If the participant voluntarily leaves employment during the restriction period, 100% of the deferred compensation is forfeited.

Perquisites and Other Personal Benefits. Our company provides the named executive officers with perquisites and other personal benefits that the committee believes are reasonable and consistent with our overall compensation philosophy.

Automobile Reimbursement: Each executive is provided the use of a car under the fleet program maintained by the company.

Executive Physicals: Our executives are encouraged to participate in an executive health program at the Mayo Clinic. A comprehensive evaluation emphasizing all aspects of preventative care is conducted by physicians who are specialists in Internal Medicine and Preventative Medicine. The cost of the physical is reimbursed by the company.

Amounts Reimbursed for the Payment of Taxes: The company pays an amount necessary to cover executives tax obligations for certain perquisites and other personal benefits. In fiscal year 2009, the company reimbursed executives for the payment of taxes on automobile reimbursement and executive life insurance premiums.

Executive Life Insurance Premiums: Our named executive officers participate in a company-sponsored executive life insurance program. This program provides the named executive officer with a life insurance benefit equal to three times base salary plus the targeted annual incentive under the MICP. Premiums, which are set each June, are paid by the company through a payroll gross-up.

Company Contributions to Employee Stock Ownership Plan (ESOP): During fiscal year 2009, the company made a contribution to the ESOP which resulted in a benefit to the executives, subject to certain statutory limitations.

Table of Contents

Summary Compensation Table

The following table sets forth information concerning the compensation of our named executive officers and Peter L. Frechette for fiscal years 2007, 2008 and 2009. Although Mr. Frechette is not one of our three most highly compensated executive officers other than our principal executive officer and principal financial officer, we have presented Mr. Frechette s compensation in this section of the proxy statement and consider Mr. Frechette to be a named executive officer because he is compensated for his service to our company as an employee rather than as a director.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) (a)	Option Awards ($) (b)	Non-Equity Incentive Plan Compensation ($) (c)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compen-sation ($) (d)	Total ($)
James W. Wiltz	2009	594,900		91,075	156,700			38,617	881,292
President and Chief Executive Officer	2008	578,686		64,330	156,700	223,080		36,039	1,058,835
of Patterson Companies, Inc.	2007	557,338		37,543	156,700	250,250		31,215	1,033,046
R. Stephen Armstrong	2009	285,804		36,547	38,611			200,713	561,675
Executive Vice President, Treasurer	2008	278,010		22,304	64,839	90,684		216,275	672,112
and Chief Financial Officer of Patterson Companies, Inc.	2007	267,735		11,098	64,839	101,717		372,395	817,784
Scott P. Anderson	2009	297,396		97,722	27,004			44,081	466,203
President of Patterson Dental	2008	289,326		68,379	38,133	88,481		63,401	547,720
Supply, Inc.	2007	270,986		41,007	52,971	88,859		63,935	517,758
George L. Henriques	2009	270,396		47,022	33,202	106,468		49,540	506,628
President of Webster Veterinary	2008	263,032		34,210	33,202	48,750		61,867	441,061
Supply, Inc.	2007	231,100		13,462	33,202	92,820		58,191	428,775
David P. Sproat	2009	270,396		57,826	29,078	91,259		48,885	497,444
President of Patterson	2008	262,955		39,347	29,078	19,500		61,478	412,358
Medical Supply, Inc.	2007	253,076		28,369	40,636	101,562		113,664	537,307
Peter L. Frechette	2009	199,999						10,664	210,663
Chairman of Patterson	2008	199,999						22,980	222,979
Companies, Inc.	2007	300,000				171,500		23,082	494,582

(a) Represents the amounts recognized for financial reporting purposes with respect to the applicable fiscal year for restricted stock awards and the Capital Accumulation Plan in accordance with FAS 123R.

(b) Represents the amounts recognized for financial reporting purposes with respect to the applicable fiscal year for stock options in accordance with FAS 123R.

(c) Represents cash compensation earned under the Management Incentive Compensation Plan.

(d) All other compensation for fiscal year 2009 was as follows:

Name