

COMERICA INC /NEW/
Form DEF 14A
March 16, 2012

Use these links to rapidly review the document
[PROXY STATEMENT TABLE OF CONTENTS](#)

[Table of Contents](#)

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

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.

Comerica Incorporated

(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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Table of Contents

Comerica Incorporated
Proxy Statement and Notice of
2012 Annual Meeting of Shareholders

Table of Contents

Comerica Incorporated

Comerica Bank Tower

1717 Main Street

Dallas, Texas 75201

March 16, 2012

Dear Shareholder,

It is our pleasure to invite you to attend the 2012 Annual Meeting of Shareholders of Comerica Incorporated at 9:30 a.m., Central Time, on Tuesday, April 24, 2012 at Comerica Bank Tower, 1717 Main Street, 4th Floor, Dallas, Texas 75201. Registration will begin at 8:30 a.m., Central Time. A map showing the location of the Annual Meeting is on the back cover of the accompanying proxy statement.

The annual report, which we are simultaneously mailing or otherwise providing to you (or which we previously mailed or otherwise provided to you), summarizes Comerica's major developments during 2011 and includes the 2011 consolidated financial statements.

Whether or not you plan to attend the Annual Meeting, please submit your proxy promptly so that your shares will be voted as you desire.

Sincerely,

Ralph W. Babb, Jr.
Chairman and Chief Executive Officer

Table of Contents

PROXY STATEMENT

TABLE OF CONTENTS

<u>EXECUTIVE SUMMARY</u>	1
<u>NOTICE OF ANNUAL MEETING OF SHAREHOLDERS</u>	7
<u>QUESTIONS AND ANSWERS</u>	9
<u>SECURITY OWNERSHIP OF MANAGEMENT</u>	16
<u>SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>	17
<u>EXECUTIVE OFFICERS</u>	18
<u>COMPENSATION OF EXECUTIVE OFFICERS</u>	22
<u>COMPENSATION DISCUSSION AND ANALYSIS</u>	22
<u>GOVERNANCE, COMPENSATION AND NOMINATING COMMITTEE REPORT</u>	46
<u>2011 SUMMARY COMPENSATION TABLE</u>	47
<u>2011 GRANTS OF PLAN-BASED AWARDS</u>	51
<u>OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2011</u>	53
<u>2011 OPTION EXERCISES AND STOCK VESTED</u>	54
<u>PENSION BENEFITS AT FISCAL YEAR-END 2011</u>	55
<u>2011 NONQUALIFIED DEFERRED COMPENSATION</u>	58
<u>POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE OF CONTROL AT FISCAL YEAR-END 2011</u>	60
<u>TRANSACTIONS OF EXECUTIVE OFFICERS WITH COMERICA</u>	70
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS</u>	70
<u>PROPOSAL I SUBMITTED FOR YOUR VOTE ELECTION OF DIRECTORS</u>	72
<u>INFORMATION ABOUT NOMINEES AND INCUMBENT DIRECTORS</u>	74
<u>NOMINEES FOR CLASS I DIRECTORS TERMS EXPIRING IN 2013</u>	74
<u>NOMINEES FOR CLASS III DIRECTORS TERMS EXPIRING IN 2013</u>	75
<u>INCUMBENT CLASS II DIRECTORS TERMS EXPIRING IN 2013</u>	77
<u>COMMITTEES AND MEETINGS OF DIRECTORS</u>	78
<u>COMMITTEE ASSIGNMENTS</u>	78
<u>NON-MANAGEMENT DIRECTORS AND COMMUNICATION WITH THE BOARD</u>	79
<u>BOARD LEADERSHIP STRUCTURE</u>	80
<u>ROLE IN RISK OVERSIGHT</u>	80
<u>DIRECTOR INDEPENDENCE AND TRANSACTIONS OF DIRECTORS WITH COMERICA</u>	81
<u>COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION</u>	83
<u>COMPENSATION OF DIRECTORS</u>	83
<u>PROPOSAL II SUBMITTED FOR YOUR VOTE RATIFICATION OF THE APPOINTMENT OF INDEPENDENT</u>	
<u>AUDITORS</u>	87
<u>INDEPENDENT AUDITORS</u>	88
<u>AUDIT COMMITTEE REPORT</u>	90
<u>PROPOSAL III SUBMITTED FOR YOUR VOTE NON-BINDING, ADVISORY PROPOSAL APPROVING EXECUTIVE</u>	
<u>COMPENSATION</u>	91
<u>ANNUAL REPORT TO SHAREHOLDERS</u>	92
<u>OTHER MATTERS</u>	92

Table of Contents

EXECUTIVE SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting.

Annual Meeting of Shareholders

Time and Date	9:30 a.m., April 24, 2012
Place	Comerica Bank Tower 1717 Main Street, 4th Floor Dallas, Texas 75201
Record Date	February 24, 2012
Proxy Mailing Date	On or around March 16, 2012
Voting	Shareholders as of the record date are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on.

Meeting Agenda

Election of seven directors
Ratification of Ernst & Young as independent auditors for 2012
Advisory approval of the Company's executive compensation
Transact other business that may properly come before the meeting

Voting Matters

	Board Vote Recommendation	Page Reference
Election of directors	FOR EACH DIRECTOR NOMINEE	72-77
Ratification of Ernst & Young as auditors for 2012	FOR	87
Advisory approval of the Company's executive compensation	FOR	91

Table of Contents**Board Nominees**

The following table provides summary information about each director nominee. Each director nominee will be elected for a one-year term. Directors are elected by a majority of votes cast.

Name	Age	Director since	Occupation	Independent	Committee Memberships				Other Public Company Boards
					AC	GCNC	ERC	QLCC	
Roger A. Cregg	55	2006	SVP Finance/ CFO, The ServiceMaster Company	X	F	X		X	
T. Kevin DeNicola	57	2006	Former CFO, KIOR, Inc.	X	C, F		X	C	Georgia Gulf Corporation
Alfred A. Piergallini	65	1991	Consultant, Desert Trail Consulting	X		X			Central Garden & Pet Company
Nina G. Vaca	40	2008	Chairman & CEO, Pinnacle Technical Resources, Inc.	X	X		X	X	Kohl's Corporation
Richard G. Lindner	57	2008	Retired; Former SEVP & CFO, AT&T, Inc.	IFD		C	X		
Robert S. Taubman	58	1987	Chairman, President & CEO, Taubman Centers, Inc.	X			X		Sotheby's Holdings, Inc., Taubman Centers, Inc.
Reginald M. Turner, Jr.	52	2005	Attorney, Clark Hill PLC	X	X		C	X	

AC Audit Committee; *C* Chair; *ERC* Enterprise Risk Committee; *F* Financial expert; *GCNC* Governance, Compensation and Nominating Committee; *IFD* Independent Facilitating Director; *QLCC* Qualified Legal Compliance Committee

Attendance

All director nominees and all incumbent directors attended at least seventy-five percent (75%) of the aggregate number of meetings held by the Board and all the committees of the Board on which the respective directors served.

Corporate Governance Highlights

Comerica is very committed to sound corporate governance practices. We believe that strong corporate governance is important, and that integrity and trustworthiness are the cornerstones upon which successful companies are built. In light of this belief, over the past several years, we have implemented multiple enhancements in the corporate governance of Comerica. Specifically, we have:

appointed an independent Facilitating Director who participates in the process of preparing meeting agendas and schedules and presides over executive sessions of the Board of Directors;

adopted a majority vote standard for director elections (for more information, see page 11);

eliminated supermajority voting requirements in our governing documents;

provided enhanced sustainability disclosures;

Table of Contents

implemented changes to our governing documents to phase out our classified Board of Directors; and

prohibited transactions by employees and directors that are designed to hedge or offset any decrease in the market value of Comerica's equity securities.

Auditors

As a matter of good corporate governance, we are asking our shareholders to ratify the selection of Ernst & Young as our independent auditors for 2012. Set forth below is summary information with respect to Ernst & Young's fees for services provided in 2011 and 2010.

	2011	2010
Audit Fees	\$ 2,092,177	\$ 1,900,885
Audit-Related Fees	364,415	269,800
Tax Fees	228,508	171,489
All Other Fees	1,995	2,790
	\$ 2,687,095	\$ 2,344,964

Three-Year Total Shareholder Return

Comerica experienced positive long-term total shareholder return ("TSR") of 34% for the three-year period ended 12/31/11.

**Three-Year Total Shareholder Return
For the Three Years Ended 12/31/11**

(1)

S&P 500 Financial Sector Index Global Industry Classification Standard (GICS) Level 1.

Table of Contents

Compensation Practices Comerica Does NOT Utilize

Compensation Practices Comerica Does NOT Utilize	Description
Employment Agreements*	Employment agreements are not provided to Comerica's executive team.
Perquisites	As of June 30, 2010, Comerica eliminated all executive officer perquisite programs.
Personal Use of Corporate Aircraft	Comerica does not allow executives to use corporate aircraft for personal travel (except in the event of an emergency such as a medical or life-threatening event, in which case the executive is required to reimburse Comerica for the full incremental cost of such use).
Change of Control Agreements	Since 2008, Comerica has not entered into any new Change of Control Agreements that include any provision for excise tax gross-up payments on behalf of terminated executives, and it will not include the provision in any future agreements.
Excise Tax Gross-Up Payments	Since 2008, Comerica has not entered into any new Change of Control Agreements that include any provision that effectively allows for severance payments to be made solely on account of the occurrence of a change of control event (typically referred to as "single trigger" or "modified single trigger" provisions). Additionally, Comerica will not include such provisions in any future agreements. More details can be found on pages 43-44.
Severance Payment Rights	

*

Mr. Babb has an outstanding Supplemental Pension and Retiree Medical Agreement dated May 29, 1998. Details can be found on page 44.

Table of Contents**Executive Compensation Elements**

Compensation Elements	Philosophy Statement	Attract & Retain	Key Objectives		Align to Shareholder Interests
			Reward Short-Term Performance	Reward Long-Term Performance	
TARGET CASH					
The mix of base salary and STIs is balanced against LTIs to provide appropriate focus on both short and long-term results, with the goal of discouraging behavior that could give rise to excessive risk-taking.					
Base Salary	Base salary is used to compete in the market for talent and forms the foundation for our other reward vehicles.	X			
Short-Term Incentives ("STIs")	Our short-term cash incentive plan rewards annual relative performance against our 11 peer financial institutions, based on specific metrics. To achieve a top payout, our performance must rank first among our peers in all metrics.	X	X		X
Cash Incentives	Our long-term cash incentive plan rewards three-year relative performance against our 11 peer financial institutions, based on specific metrics. To achieve a top payout, our performance must rank first among our peers in all metrics.	X		X	X
Equity Incentives	Long-term equity incentives align management with shareholder interests and reward long-term performance. Value is	X		X	X

created for participants when sustained performance increases stock price over several years. We primarily use two vehicles, stock options and restricted stock:

LONG-TERM INCENTIVES ("LTIs")

We use a mix of both cash and equity in our long-term incentive programs. Measuring long-term performance incents behaviors that preserve shareholder value.

Stock Options. Our stock options use the closing price on the date of grant for the strike price. Vesting occurs over four years, and the participant only receives a benefit when the stock price increases so that the shareholders also benefit.

Restricted Stock. Restricted stock grants for the NEOs vest in their entirety at the end of five years. They are utilized as a retention tool to incent key leadership to remain with Comerica. Their value is directly tied to the stock price and therefore aligns management with shareholder interests.

OTHER	Other Compensation and Benefit Programs / Retirement Benefits	Comerica offers all employees benefits programs that provide protections for health, welfare and retirement.	X
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Table of Contents

2011 Compensation Summary

Set forth below is the 2011 compensation for each named executive officer as determined under SEC rules.

Name and Principal Position (a)	Year	Non-Equity Incentive					Chang
		Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Plan Compensation (\$)	