ESCALADE INC
Form DEF 14A
March 17, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES

EXCHANGE ACT OF 1934

(AMENDMENT NO.)

Filed by the Registrant 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 Under § 240.14a-12

ESCALADE, INCORPORATED

(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.

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

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

ESCALADE, INCORPORATED

Notice of Annual Stockholders' Meeting

April 24, 2015

7:30 a.m. Central Daylight Savings Time

Dear Stockholder:

You are cordially invited to attend our 2015 Annual Stockholders' Meeting, which will be held at 7:30 a.m. Central Daylight Savings Time on Friday, April 24, 2015 at the principal executive offices of Escalade, Incorporated located at 817 Maxwell Avenue, Evansville, Indiana 47711.

We are holding the annual meeting for the following purposes:

1. To elect to the Board seven (7) directors as set forth herein;

2. To ratify the appointment of BKD, LLP as our independent registered public accounting firm for 2015;

3. To approve, by non-binding vote, the compensation of the Company's named executive officers; and

4. To transact such other business that may properly come before the meeting or any adjournment thereof.

These items are fully described in the proxy statement, which is part of this notice. We have not received notice of other matters that may be properly presented at the annual meeting.

To ensure that your vote is promptly recorded, please vote as soon as possible, even if you plan to attend the meeting in person. Please sign, mark and return the Proxy enclosed with this Notice at your earliest convenience.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2015 ANNUAL STOCKHOLDERS' MEETING TO BE HELD ON FRIDAY, APRIL 24, 2015.

The Company's Notice of Annual Stockholders' Meeting, Proxy Statement for the 2015 Annual Stockholders' Meeting and Annual Report on Form 10-K is available at www.escaladeinc.com.

By order of the Board of Directors

Stephen R. Wawrin

VP Finance, CFO & Secretary

Evansville, Indiana March 17, 2015

1

PROXY STATEMENT

The Board of Directors of Escalade, Incorporated (hereinafter referred to as "Escalade" or the "Company"), headquartered at 817 Maxwell Avenue, Evansville, Indiana 47711 Ph: (812) 467-4449, is soliciting proxies, the form of which is enclosed, for the Annual Meeting of Stockholders to be held on Friday, April 24, 2015, at 7:30 a.m. Central Daylight Savings Time. Each of the 14,018,809 shares of common stock outstanding on February 18, 2015 is entitled to one vote on all matters acted upon at the meeting and only stockholders of record on the books of the Company at the close of business on February 18, 2015 will be entitled to vote at the meeting, either in person or by proxy.

The shares represented by all properly executed proxies received by the Company will be voted as designated and each not designated will be voted affirmatively “For” the election of directors and Items 2 and 3. Unless discretionary authority is withheld, all other matters coming before the meeting will be voted according to the best judgment of the proxies. Any proxy given by a stockholder of record may be revoked at any time before it is voted, by written notice to the Company’s Secretary, by execution of a later dated proxy, or by a personal vote at the Annual Meeting. This proxy statement is being mailed to stockholders on or about March 17, 2015.

The expense of soliciting proxies will be borne by the Company. Proxies will be solicited principally by mail, but may also be solicited by directors, officers, and other regular employees of the Company, who will receive no compensation in addition to their regular salaries. Bankers and others who hold stock in trust will be asked to send proxy materials to the beneficial owners of the stock, and the Company may reimburse them for their expenses.

The holders of a majority of the Company’s outstanding common stock must be present or represented by proxy at the Annual Meeting to constitute a quorum.

The seven (7) nominees receiving the greatest number of votes cast at the Annual Meeting upon the presence of a quorum will be elected as directors. A properly executed proxy marked “Withhold Authority to Vote” with respect to the election of one or more directors will not be voted with respect to the director or directors indicated, although it will be counted for purposes of determining whether there is a quorum present at the Annual Meeting. The persons named as proxies in the enclosed proxy will vote for the election of the nominees named below unless authority to vote is withheld.

For each other item presented at the Annual Meeting, the affirmative vote of the holders of a majority of the Company’s shares present or represented by proxy at the Annual Meeting and entitled to vote on the item will be required for approval. A properly executed proxy marked “Abstain” with respect to any such matter will not be voted, although it will be counted for purposes of determining whether there is a quorum present at the Annual Meeting.

Accordingly, an abstention will have the effect of a negative vote.

If you hold your shares in “street name” through a broker or other nominee, your broker or nominee may not be permitted to exercise voting discretion with respect to some of the matters to be acted upon. Thus, if you do not give your broker or nominee specific instructions, your shares may not be voted on those matters and will not be counted in determining the number of shares necessary for approval. Shares represented by such “broker non-votes” will be counted in determining whether there is a quorum.

The Annual Report of the Company for its fiscal year 2014 is being mailed to you with this proxy statement, but such report and financial statements are not a part of this proxy statement.

CERTAIN BENEFICIAL OWNERS

Under Rule 13(d) of the Securities Exchange Act of 1934, a beneficial owner of a security is any person who directly or indirectly has or shares voting power or investment power over such security. Such beneficial owner under this definition need not enjoy the economic benefit of such securities. The following table sets forth certain information regarding beneficial ownership of the Company's common stock by its directors, director nominees, named executive officers (as defined under “Compensation Philosophy” on page 13), and by each person or group of affiliated persons known by us to own beneficially more than 5% of our outstanding common stock. The percentage of beneficial ownership is based on 14,018,809 shares deemed outstanding on February 18, 2015. In preparing the following table, we relied upon statements filed with the SEC by beneficial owners of more than 5% of the outstanding shares of our common stock pursuant to Section 13(d) or 13(g) of the Exchange Act.

Name and Address Of Beneficial Owner (1)	Number of Common Shares Beneficially Owned		Percentage Of Class	
Robert E. Griffin *Chairman of the Board*	2,260,890	(2)	16.1	%(2)
Robert J. Keller *President & Chief Executive* *Officer*	246,818	(3)	1.8	%(3)
Deborah J. Meinert *Former Vice-President Finance &* *Chief Financial Officer (4)*	105,994	(4)	0.8	%(4)
Patrick J. Griffin *Vice-President Corporate Development & Investor Relations*	1,781,351	(5)	12.7	%(5)
George Savitsky *Director*	55,000	(6)	0.4	%(6)
Richard D. White *Director*	137,719	(7)	1.0	%(7)
Edward E. Williams	500,842	(8)	3.6	%(8)

Director				
Richard F. Baalmann, Jr. *Director*	92,356	(9)	0.7	%(9)
Walter P. Glazer, Jr. *Nominee for Director*	149,500		1.1	%
All Directors and Executive Officers as a Group (10 Individuals)	4,056,255	(10)	28.7	%(10)
Other 5% Stockholders				
Andrew and Charmenz Guagenti 2641 N. Cullen Avenue Evansville, Indiana 47715	1,044,747	(11)	7.5	%(11)
Royce & Associates, LLC 1414 Avenue of the Americas New York, NY 10019	838,100	(12)	6.0	%(12)

3

(1) Except as otherwise noted, the address of each beneficial owner listed in the table is c/o Escalade, Inc., at 817 Maxwell Avenue, Evansville, Indiana 47711.

(2) Includes 1,278,465 shares held by a Family Limited Partnership and 300,000 shares owned by Robert Griffin's spouse. The shares in the Family Limited Partnership are also reported in the ownership of Patrick Griffin. Robert Griffin's ownership also includes 27,500 shares of common stock issuable pursuant to presently exercisable stock options or options which will become exercisable within 60 days after February 18, 2015.

(3) Includes 25,500 shares of common stock issuable pursuant to presently exercisable stock options or options which will become exercisable within 60 days after February 18, 2015. Mr. Keller also has 21,000 stock options and 12,000 restricted stock units that have not vested and are not included in this total.

(4) Ms. Meinert served as the Company's Vice President Finance, Chief Financial Officer and Secretary through December 27, 2014, the end of the Company's fiscal year. Ms. Meinert's stock ownership includes 23,625 shares of common stock issuable pursuant to presently exercisable stock options.

(5) Includes 1,278,465 shares held by a Family Limited Partnership, also reported in the ownership of Robert Griffin. Patrick Griffin's total also includes 21,000 shares of common stock issuable pursuant to presently exercisable stock options or options which will become exercisable within 60 days after February 18, 2015. Patrick Griffin also has 4,000 stock options and 1,250 restricted stock units that have not vested and are not included in this total.

(6) Includes 5,000 shares of common stock issuable pursuant to presently exercisable stock options or options which will become exercisable within 60 days after February 18, 2015.

(7) Includes 5,000 shares of common stock issuable pursuant to presently exercisable stock options or options which will become exercisable within 60 days after February 18, 2015.

(8) Includes 37,038 shares owned by Good Earth Tools, Inc., of which Mr. Edward Williams owns 33% of the outstanding voting stock and is an executive officer, 337,302 shares owned by KPW Family Limited Partnership, of which Mr. Williams is one of three partners, and 14,999 shares owned by PAW Family Partnership LP, of which Mr. Williams is a general partner. Mr. Williams disclaims beneficial ownership of these shares. Also includes 5,000 shares of common stock issuable pursuant to presently exercisable stock options or options which will become exercisable within 60 days after February 18, 2015.

(9) Includes 12,500 shares of common stock issuable pursuant to presently exercisable stock options or options which will become exercisable within 60 days after February 18, 2015.

(10) Includes shares owned by Walter P. Glazer, Jr., a nominee for director, shares beneficially owned by Stephen R. Wawrin, who became an executive officer as of the beginning of the Company's 2015 fiscal year, and shares owned by Deborah J. Meinert, who left the Company as of the end of the Company's 2014 fiscal year. Shares reported under both Robert Griffin and Patrick Griffin (1,278,465 shares) are counted only once.

(11) Includes 25,201 shares held by Mr. Guagenti, in his name, in his directed IRA, or as Trustee, and 34,090 shares owned by Mrs. Guagenti directly, in her directed IRA, or as Trustee. Mr. Guagenti is also the beneficial owner of 985,456 shares held by partnerships for which he is the managing partner, of which he and Mrs. Guagenti own 486,411 shares and 375,084 shares, respectively, by virtue of their partnership interests therein. Mr. and Mrs. Guagenti each disclaim beneficial ownership of the shares held by the other.

(12) Based on information provided in Schedule 13G, filed with the SEC as of December 31, 2007.

ITEM NO. 1

ELECTION OF DIRECTORS

The Board of Directors currently has seven members and the Board has voted to keep the size of the Board at seven members. The nominees presented for election include six current directors, Richard Baalmann, Jr., Patrick Griffin, Robert Keller, George Savitsky, Richard White and Edward Williams, and one new nominee, Walter Glazer, Jr. Each individual elected as a director at the 2015 Annual Meeting will serve a one year term, expiring at the 2016 Annual Meeting or until their successors are elected and qualified. As previously disclosed, the Company now has a single class of directors all of whom stand for election annually, rather than its previous structure that consisted of two classes of directors where members of each class served a two year term ending in alternate years. The Board of Directors unanimously recommends that Messrs. Baalmann, Glazer, P. Griffin, Keller, Savitsky, White, and Williams be elected as directors.

Mr. Robert E. Griffin is retiring as a director of the Company as of the 2015 Annual Meeting. Mr. Griffin has provided strong direction and leadership for the Company over the past 45 years. Mr. Griffin has been a Director since 1973, and Chairman of the Board since 1999. He also served the Company as Interim Chief Executive Officer (April 2006-August 2006), former Chairman and Chief Executive Officer (1994-1999), and President and Chief Executive Officer (1976-1994). The Board of Directors thanks Mr. Griffin for his invaluable leadership and service. The Company is fortunate to have had the benefit of his expertise and judgment.

Director candidates are nominated by the independent members of the Board of Directors, as the Company does not believe that it is necessary to have a separate Nominating Committee, as such nominations are handled by the full Board. The Board has determined that a potential candidate to be nominated to serve as a director should have the following primary attributes: high achievement expectations with regard to increasing stockholder value; uncompromising position on maintaining ethics; conservative attitude towards financial accounting and disclosure; and should be a stockholder of the Company to bring the perspective of a stockholder to the Board. The Board believes that the composition of the Board as a whole should reflect diversified experience, education and skills in manufacturing, consumer product sales and marketing, investment banking, accounting and finance, exporting to global markets, and knowledge of the Company’s culture. The Board further believes that gender, age and ethnic diversity can enhance the overall perspectives of the Board and of management. The Board takes all of these diversity factors into account when considering individual director candidates.

To date, the Board has not deemed it necessary to engage a third party search firm to assist in identifying suitable candidates for directors, but has the authority to do so in the future. No fees were paid to any such search firm in connection with the nominees for directors named in this proxy statement. The Board believes that the existing Board members and executive management of the Company have sufficient networks of business contacts that will likely form the candidate pool from which nominees will be identified. Once a candidate is identified, as many members of the Board as feasible will meet with such candidate and the Board as a whole subsequently will evaluate the candidates using the criteria outlined above. The independent Board members will then make the final determination of whether or not to nominate the candidate.

Under the Company’s Bylaws, director nominations may be brought at an annual meeting of stockholders only by or at the direction of the Board of Directors or by a stockholder entitled to vote who has submitted a nomination in accordance with the requirements of the Company’s Bylaws as in effect from time to time. To be timely under the Bylaws as now in effect, a stockholder notice must be delivered to the Company’s Secretary at the principal executive offices in Evansville, Indiana not less than ninety (90) days prior to the first anniversary of the preceding year’s annual meeting of stockholders. Under this provision, nominations for this year’s Annual Meeting were due by January 24, 2015. The Company has received no proposals for this Annual Meeting.

Information with respect to each of the current directors standing for re-election and nominees for the Board of Directors is set forth as follows:

Robert J. Keller

Nominee, Age 53, Director since 2008

Business Experience: President and Chief Executive Officer of the Company (since 2007). President of Disston Tool Company, a subsidiary of Kennametal (2005-2006). President and other senior management roles for the sports apparel unit of Russell Corporation (2000-2005). Managing Director for Coca-Cola (1997-2000). Co-founder and Vice President- Sales and Marketing for Armor All Home Care (1993-1997). National Sales Manager and other sales and operations management positions for Thompson & Formby, a subsidiary of Kodak (1983-1993).

Qualifications Relative to Service on the Company's Board: Our Board concluded that Mr. Keller is qualified to serve as a board member because of his 30+ year career in various roles including Chief Executive Officer, President, and Vice President-Sales and Marketing. Since April 2013, Mr. Keller has also served on the board of Deaconess Health Systems, including the Audit and Finance committees. Through his experience with several global consumer products companies, Mr. Keller brings a broad range of strategic marketing and manufacturing management skills to the leadership of Escalade.

Patrick J. Griffin

Nominee, Age 45, Director since 2009

Business Experience: Vice President, Corporate Development and Investor Relations for Escalade, Inc., since August 2012. Previously served as President of Martin Yale Group (August 2009-August 2012), Vice President Sales and Marketing, Martin Yale International (2007-2009) and successive product management roles at Escalade Sports (2002-2006). Director of Strategic Services for Edmondson/Quest (2000-2002). Director of Business Development for, Webcentric, Inc. and successively Network Commerce (1999-2000). Strategic Planning Associate for Koch Industries, Inc. (1998-1999). International marketing roles with PT Caraka Yasa in Jakarta, Indonesia (1997), Escalade Sports (1993-1995), and the United States Foreign Commercial Service in Singapore (1992-1993).

Qualifications Relative to Service on the Company's Board: Our Board concluded that Mr. Patrick Griffin is qualified to serve as a board member because of his history with the Company, his previous position as President of Martin Yale Group and his experience in product management and strategic planning. Mr. Griffin also holds a Masters in Business Administration from the University of Michigan at Ann Arbor. Mr. Griffin's board experience since 2007 includes Stiga Sports AB, a sporting goods company.

George Savitsky

Nominee, Age 76, Director since 2004

Business Experience: Founder of Savitsky, Satin & Bacon, a business management company specializing in managing the financial affairs of people in the entertainment industry (since 1990). Prior to founding Savitsky, Satin and Bacon, Mr. Savitsky, a Certified Public Accountant, was a partner in Laventhol and Horwath (1983-1990), a business manager for Plant and Cohen & Company (1978-1983), President of a wholly owned subsidiary of Ideal Toy Corp. (1973-1978), Controller and then Marketing Vice President of Tensor Corporation (1964-1973), and practicing Certified Public Accountant (1961-1964).

Qualifications Relative to Service on the Company's Board: Our Board concluded that Mr. Savitsky is qualified to serve as a board member because of his background as a Certified Public Accountant, his financial experience and his marketing and manufacturing exposure in pool tables, table tennis tables and other sporting goods. Mr. Savitsky is considered an audit committee financial expert under SEC rules. During his tenure on the Board, Mr. Savitsky has gained a good working knowledge of the Company that provides efficiency and continuity to our Board. Mr. Savitsky serves on the Company's Compensation Committee and also serves as Chairman of the Company's Audit Committee.

Richard D. White

Nominee, Age 61, Director since 2004

Business Experience: Managing Director and head of the Private Equity and Special Products Department at Oppenheimer & Co. Inc., a leading investment bank and full service investment firm (since 2004). Founder and President of Aeolus Capital Group, LLC, an investment management company (2002-2004). Managing Director of CIBC Capital Partners, the private equity merchant banking division of Canadian Imperial Bank of Commerce (1997-2002), successor by acquisition to Oppenheimer & Co., Inc. Managing Director of Oppenheimer & Co., Inc. (1985-1997). Managing Director and Partner of Ardshiel, Inc., a private equity firm (1981-1985). Consultant in the

Management Consulting Services department of Coopers & Lybrand (1978-1981).

Mr. White serves on the board and is Lead Director and Chairman of the Compensation Committee and member of the Audit and Nominating Committees of G-III Apparel Group, Ltd, a leading manufacturer and distributor of apparel (since 2003). Mr. White served as a Director of Lakes Entertainment, Inc., from 2006 to 2013 and Real Goods Solar, Inc. from 2013 to 2014.

Qualifications Relative to Service on the Company's Board: Our Board concluded that Mr. White is qualified to serve as a board member because of his strong finance, accounting, strategic planning and investment management experience as well as his entrepreneurial disposition. Mr. White holds a Masters in Business Administration from the Wharton Graduate School of the University of Pennsylvania and a B.A. from Tufts University. He is considered an audit committee financial expert under SEC rules. During his tenure on the Board, Mr. White has gained a good working knowledge of the Company that provides efficiency and continuity to our Board. Mr. White currently serves as Chairman of the Company's Compensation Committee.

Edward E. Williams

Nominee, Age 54, Director since 2004

Business Experience: Founder and President of Ballast Tools, Incorporated, a manufacturer of railway track maintenance equipment with locations in U.S., Canada and England and worldwide distribution (since 1985). Vice President of Good Earth Tools, Inc., a specialty manufacturer of tungsten carbide protected wear parts located in Crystal City, Missouri (since 1984). Founder and President of Ever Extruder, LLC, a manufacturer and distributor of high production food processing equipment (since 2007).

Qualifications Relative to Service on the Company's Board: Our Board concluded that Mr. Williams is qualified to serve as a board member because of his experience in entrepreneurial management, specifically in the manufacturing industry. In addition, Mr. Williams' family owned one of the predecessor companies of Escalade, Incorporated, and Mr. Williams has a strong knowledge of the Company's history. Mr. Williams brings a broad range of management, manufacturing, and sales skills to our Board. During his tenure on the Board, Mr. Williams has gained a good working knowledge of the Company that provides efficiency and continuity to our Board. He is considered an audit committee financial expert under SEC rules. Mr. Williams also serves on the Company's Audit Committee.

Richard F. Baalmann, Jr.

Nominee, Age 55, Director since 2006

Business Experience: President of Bramm Inc., and related companies which operate ACE Hardware stores in the St. Louis, Missouri area (since 1988).

Qualifications Relative to Service on the Company's Board: Our Board concluded that Mr. Baalmann is qualified to serve as a board member because of his 20+ year career in retail marketing and his experience having served on the Board of Ace Hardware Corporation where he acted as Chairman of the Audit and Supply Committees. During 1999-2008, Mr. Baalmann also served on the Nominating and Governance, Executive and Compensation Committees for Ace Hardware Corporation, where he has gained experience in GAAP and SEC compliance compensation policies and company strategic planning. He is considered an audit committee financial expert under SEC rules. Mr. Baalmann serves on the Company's compensation committee, and he joined the Company's Audit Committee in 2010.

Walter P. Glazer, Jr

Nominee, Age 56

Business Experience: Founder and Chief Executive Officer of Speedball Art Products Company, a manufacturer and worldwide distributor of fine art materials (since 1997). Senior Vice President, Equity Research Group at Wheat First Securities (1996-1997). Equity Securities Analyst and Director of Research, J.J.B. Hilliard, W.L. Lyons (1986-1995). Property/Casualty Underwriter and Marketing Representative, Crum & Forster (1981-1984).

Qualifications Relative to Service on the Company's Board: Our Board concluded that Mr. Glazer is qualified to serve as a board member because of his background in securities analysis and his senior management experience in with manufacturing, consumer products sales and marketing, strategic planning, and capital allocation. Mr. Glazer has an MBA from the Darden School of Business, University of Virginia, a BBA in Risk Management from the University of Georgia, and is a Chartered Financial Analyst. Mr. Glazer is also considered an audit committee expert under SEC rules. Mr. Glazer has followed the Company and owned shares of Escalade since 1991.

While there is no reason to believe that any of the persons nominated will, prior to the date of the meeting, refuse or be unable to accept the nomination, should any person nominated so refuse or become unable to accept, it is the intention of the persons named in the proxy to vote for such other person or persons as the directors recommend.

The Board does not have a formal policy regarding director attendance at the Annual Meeting. Typically, the Board holds its annual organizational meeting directly following the Annual Meeting, which results in most directors being able to attend the Annual Meeting. All directors attended the 2014 Annual Meeting.

With the exceptions of Messrs. Robert Keller and Patrick Griffin, who are executive officers of the Company, the Board has determined that all of the above named incumbent directors and director nominee have met the independence standards of Rule 5605(a)(2) of the National Association of Securities Dealers listing standards.

The Board of Directors unanimously recommends that you vote "FOR" Proposal 1 relating to the election of directors.

ITEM NO. 2

RATIFICATION OF THE APPOINTMENT OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors proposes and recommends that the stockholders approve the selection by the Committee of BKD, LLP to serve as the Company's independent registered public accounting firm for the Company for the Company's fiscal year 2015. Action by the stockholders is not required by law in the appointment of an independent registered public accounting firm, but their appointment is submitted by the Audit Committee of the Board of Directors in order to give the stockholders a voice in the designation of auditors. If the proposal approving BKD, LLP as the Company's independent registered public accounting firm is rejected by the stockholders, then the Committee will reconsider its choice of independent auditors. Even if the proposal is approved, the Audit Committee in its discretion may direct the appointment of different independent auditors at any time during the year if it determines that such a change would be in the best interests of the Company and its stockholders.

Ratification of the appointment of BKD, LLP as our independent registered public accounting firm for 2015 requires the affirmative vote of a majority of the shares of common stock present in person or represented by proxy at the Annual Meeting and entitled to vote thereon. If you are a street name stockholder and do not vote your shares, your bank, broker or other nominee can vote your shares at its discretion on the proposal to ratify the appointment of the independent registered public accounting firm.

The Audit Committee of the Board of Directors unanimously recommends that you vote "FOR" Proposal 2 relating to the ratification of the appointment of the independent registered public accounting firm.

ITEM NO. 3

NON-BINDING VOTE ON COMPENSATION

OF NAMED EXECUTIVE OFFICERS

(SAY-ON-PAY)

In accordance with Section 14A of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the Company’s stockholders are entitled to vote at the Annual Meeting to approve the compensation of the Company’s named executive officers, commonly known as a “Say on Pay” proposal. The stockholder vote on executive compensation is an advisory vote only, and it is not binding on the Company or the Company’s Board of Directors or the Compensation Committee of the Board.

Although the vote is non-binding, the Company’s Board of Directors and the Compensation Committee of the Board value the opinions of the stockholders and will consider the outcome of the vote when making future compensation decisions affecting the Company’s named executive officers. The Company is currently conducting “Say on Pay” advisory votes on an annual basis as approved by the Company’s stockholders at the 2013 Annual Meeting. The next required non-binding vote on the frequency of stockholder votes on the compensation of its executives will be at the Company’s 2019 Annual Meeting.

The primary goal of our executive compensation program is the same as our goal for operating the company – to maximize corporate performance and thereby create value for our stockholders. To achieve this goal we have designed an executive compensation program based on the following principles:

- Paying for performance – A significant portion of each named executive’s potential cash compensation is made subject to achieving business performance measures.

- Alignment with the interests of stockholders – Equity awards align our named executives' financial interests with those of our stockholders by providing value to our executives if the market price of our stock increases.

- Attracting and retaining top talent – The compensation of our executives must be competitive so that we may attract and retain talented and experienced executives in our industry.

A detailed description of our executive compensation policies and programs is included in the Compensation Discussion and Analysis in this proxy statement beginning on page 13.

The Company's stockholders are being asked to approve, by non-binding vote, the following resolution at the Annual Meeting of Stockholders:

Resolved, that the compensation paid to the Company's named executive officers, as disclosed in this Proxy Statement, including the Compensation Discussion and Analysis, compensation tables and narrative discussion is hereby approved.

This vote is not intended to address any specific item of compensation, but rather the overall compensation that is paid to our named executive officers resulting from our compensation objectives, policies and practices as described in this proxy statement.

The Board of Directors unanimously recommends that you vote "FOR" Proposal 3 relating to the non-binding vote on compensation of named executive officers.

BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

To the best of the Company's knowledge, except as noted in this paragraph, all of the Company's directors, officers and 10% or more stockholders have timely filed with the Securities and Exchange Commission all reports required to be so filed pursuant to Section 16 of the Securities Exchange Act of 1934 for fiscal 2014. Two April 2014 stock sales by Mr. Keller were reported on Form 4 one business day and two business days, respectively, after the required filing date. The July 2014 stock grants in lieu of cash compensation paid to each of Directors White, Williams and Baalmann were reported on Form 4 four business days after the required filing date.

BOARD OF DIRECTORS, ITS COMMITTEES, MEETINGS, AND FUNCTIONS

The Board of Directors of the Company currently consists of seven members. There are four independent members on the Board (Edward E. Williams, Richard D. White, George Savitsky and Richard F. Baalmann, Jr.), two members who currently serve as executive officers of the Company (Robert J. Keller and Patrick J. Griffin), and one member who is a past executive officer (Robert E. Griffin).

During 2014, all directors attended 100% of all regular meetings of the Board of Directors and the committees on which they served. The Board of Directors had seven meetings and the independent directors held regular executive sessions in conjunction with four of the Board meetings. The Board has not designated a lead or presiding director to chair executive sessions.

Stockholders may communicate directly with the Board of Directors in writing by sending a letter to the Board at: Escalade, Incorporated, 817 Maxwell Avenue, Evansville, Indiana 47711. All communications directed to the Board will be received and processed by the Company’s office of the Chief Financial Officer and will be transmitted to the Chairman of the Audit Committee without any editing or screening by such office.

Board Leadership Structure

The Board has placed responsibilities on the Chairman of the Board separate from President and CEO as it believes this provides better accountability between the Board and the management team. The Board believes it is better to have a separate Chairman, whose responsibility is to lead the Board members as they provide leadership to the executive team. This responsibility includes facilitating communication among the directors; setting the Board meeting agendas in consultation with the President and CEO; and presiding at Board meetings and stockholder meetings. This delineation of duties allows the President and CEO to focus his attention on managing the day-to-day business of the Company. The Board believes this structure provides strong leadership for the Board, while positioning the President and CEO as the leader of the Company in the eyes of customers, employees and stockholders.

Currently, Mr. Robert Griffin serves as the Chairman of the Board, but he is not considered an independent director due to his prior employment with the Company and his family relationship to Mr. Patrick Griffin, his son. Mr. Griffin retired as an executive officer and employee of the Company on April 30, 2010, and will be retiring as Chairman and as a director as of the Annual Meeting. Given the small size of the Board, the independent directors have a clear voice and direct access to both the Chairman of the Board and the President and CEO. The independent directors meet in executive session on a regular basis, with the discussions being led by the independent director who raises the specific topic(s) being considered in such executive sessions. Accordingly, the Board has not deemed it necessary to designate an independent Chairman of the Board nor to establish a formal structure to ensure that independent ideas are raised and fully discussed, because the Board believes that the current structure already satisfies those objectives. The Board of Directors has not determined who will become the Chairman of the Board following the Annual Meeting.

Risk Oversight of the Company

The Audit Committee is primarily responsible for overseeing the Company's risk management processes on behalf of the full Board by monitoring company processes for management's identification and control of key business, financial and regulatory risks. The Audit Committee receives a report from management annually regarding the Company's assessment of risks and meets in executive session with the Chief Financial Officer each quarter. In addition, the Audit Committee reports regularly to the full Board, which also considers the Company's risk profile. The Audit Committee and the full Board focus on the most significant risks facing the Company and review the Company's risk appetite. Management is responsible for the day-to-day risk management processes. The Company has structured the reporting relationship through the Chief Financial Officer who reports functionally to the Audit Committee. The Board believes this division of responsibilities is the most effective approach for addressing the risks facing the Company and the Board leadership structure supports this approach.

Code of Ethics

The Board of Directors has adopted the Escalade, Incorporated Code of Business Conduct and Ethics ("Code") which may be found on the Company's website at: www.escaladeinc.com/Code_of_Conduct.html. All employees, including executive officers, and directors of the Company are subject to compliance with the Code.

Committees

The Company has two standing committees, each composed entirely of independent directors. As discussed above, the Board of Directors has no nominating committee. Current committee assignments are detailed in the following table.

Name	Audit Committee	Compensation Committee
Edward E. Williams	Member	
George Savitsky	Chairman(1)	Member
Richard D. White		Chairman(1)
Richard F. Baalmann, Jr.	Member(1)	Member

(1) Determined by the Board to be audit committee financial experts.

Audit Committee

The Audit Committee as a whole held four meetings in 2014. The Committee met with the independent auditors and management at the four meetings to review the interim financial information contained in each quarterly earnings announcement and the annual results. The main functions performed by the Audit Committee are to (1) review with the independent auditors their observations on internal controls of the Company and the competency of financial accounting personnel, (2) review with the chief financial officer and independent auditors, the accounting for specific items or transactions as well as alternative accounting treatments and their effects on earnings, (3) engage the firm of independent certified public accountants to be hired by the Company and review that firm’s independence, and (4) approve all audit and non-audit services performed by the Company’s independent auditors. The Board of Directors has adopted a written charter for the Audit Committee which can be found on the Company’s website at: www.escaladeinc.com/Audit_Committee_Charter.pdf.

Compensation Committee

The Compensation Committee held four meetings in 2014 and held several informal sessions to review salaries and compensation levels within the Company. The Compensation Committee is also responsible for awards of stock options and restricted stock units. The Board of Directors has adopted a written charter for the Compensation Committee which can be found on the Company's website at: www.escaladeinc.com/Compensation_Committee_Charter.pdf.

Director Compensation

During 2014, each non-employee director of Escalade, Incorporated received an annual retainer of $35,000. The Chairman of the Board received an additional annual fee of $55,000. Each member of the Audit Committee received an additional annual fee of $5,000 except for the Audit Committee Chairman who received $15,000. Each member of the Compensation Committee received an additional annual fee of $3,000 except for the Compensation Committee Chairman who received $10,000. Independent directors receive an additional fee of $1,000 per board meeting attended in excess of eight meetings per year. Members of the Audit Committee and Compensation Committee receive additional fees of $1,000 per committee meeting attended in excess of six and four meetings, respectively. From time to time, a committee may request that a director who is not a member of that committee participate in additional meetings held for special purposes. Under these circumstances the non-committee member director is compensated similarly to the committee member directors. Each non-employee board member received 5,000 stock options in 2014. Directors are reimbursed for their reasonable out-of-pocket expenses incurred in connection with attendance at Board and committee meetings.

Under the terms of the Escalade, Incorporated 2007 Incentive Plan, directors can elect to receive some or all of the fees earned in shares of the Company's common stock, or in the form of restricted stock units or stock options which vest after one year. In 2014, there were 6,216 shares of common stock issued pursuant to the plan. In 2014, director Williams opted to receive 100% of the fees he was entitled to in the form of common stock. Directors White and Baalmann received a combination of cash and common stock. Directors R. Griffin and Savitsky received their fees in cash.

2014 Director Compensation

The following table summarizes the compensation earned by or awarded to each director who served on the Board of Directors during 2014. Compensation for Mr. Robert Keller and Mr. Patrick Griffin is reflected in the "Executive Compensation - Summary Compensation Table."

Name	Fees Earned or Paid in Cash ($)(1)	Option Awards ($) (2)	All Other Compensation ($)	Total ($)	As of December 27, 2014 Number of Restricted Stock Units Outstanding (#)	Number of Stock Options Outstanding (#)(3)
Robert E. Griffin	90,000	11,472	0	101,472	—	32,500
George Savitsky	53,000	11,472	0	64,472	—	5,000
Richard D. White	45,000	11,472	0	56,472	—	5,000
Edward E. Williams	40,000	11,472	0	51,472	—	5,000
Richard F. Baalmann, Jr.	43,000	11,472	0	54,472	—	12,500

(1) This column includes the fair value of common stock issued in lieu of cash compensation pursuant to the Escalade, Incorporated 2007 Incentive Plan. For Director R Griffin and Director Savitsky, all fees were paid in cash. For Director Williams, all fees were paid in shares of common stock. For Director White, $11,250 was paid in cash, and $33,750 was paid in shares of common stock. For Director Baalmann, $34,400 was paid in cash, and $20,072 was paid in shares of common stock.

(2) The amount recorded in this column is the compensation cost recognized by the Company during 2014, calculated utilizing the provisions of Accounting Standards Codification Topic 718, Stock Compensation, for grants made in 2014 and prior years. The fair value of each grant is estimated on the date of grant using the Black-Scholes option-pricing model.

(3) The options included are those outstanding at December 27, 2014.

11

2015 Director Compensation

In 2015, the Compensation Committee reviewed the compensation of the non-employee directors and reduced the annual retainer from $35,000 to $33,000 and reduced the additional annual fee for the Chairman of the Board from $55,000 to $25,000 effective at the Annual Stockholder's Meeting. Each non-employee board member will receive 2,000 restricted stock unit grants in 2015 as compared to the 5,000 stock options in 2014. The restricted stock units granted vest over two years (one-half one year from grant date and one-half two years from grant date), provided that the director is still with the Company. The Compensation Committee determined that the reduced fees and change in stock grants are appropriate in light of the Company's current reduced size and scope. All other elements of compensation for the non-employee directors remain the same as in 2014.

REPORT OF THE AUDIT COMMITTEE

In accordance with its written charter as adopted by the Board of Directors ("Board"), the Audit Committee of the Board ("Committee") assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and financial reporting practices of Escalade. All of the Committee members are independent directors as defined under NASDAQ rules. During fiscal year 2014, the Committee met four times to discuss the interim financial information contained in each quarterly earnings announcement and the annual results with the Chief Financial Officer and independent auditors prior to public release.

In discharging its oversight responsibility as to the audit process, the Committee obtained from the independent auditors a formal written statement describing all relationships between the auditors and the Company that might bear on the auditors' independence as required by the applicable requirements of the Public Company Accounting Oversight Board regarding BKD, LLP's communications with the Audit Committee concerning independence, discussed with the auditors any relationships that may impact their objectivity and independence and satisfied itself as to the auditors' independence. The Audit Committee also discussed and considered whether the provision of non-audit services by the Company's auditors is consistent with the auditors' independence. The Audit Committee has determined that the provisions of such services are consistent with the auditors' independence. The Committee also discussed with management, and the independent auditors the quality and adequacy of Escalade's internal controls. The Committee reviewed with the independent auditors their audit plan, audit scope and identification of audit risks.

The Committee discussed and reviewed with the independent auditors all communications required by auditing standards generally accepted in the United States of America, including those described in Auditing Standard No. 16, as amended, "Communications with Audit Committees," and, as adopted by the Public Company Accounting Oversight Board with and without management present, discussed and reviewed the results of the independent auditors' examination of the financial statements.

The Committee reviewed the audited financial statements of Escalade as of and for the year ended December 27, 2014, with management and the independent auditors. Management has the responsibility for the preparation of financial statements and the independent auditors have the responsibility for the examination of those statements.

Based on the above-mentioned review and discussions with management and the independent auditors, the Committee recommended to the Board that Escalade's audited financial statements be included in its Annual Report on Form 10-K for the year ended December 27, 2014, for filing with the Securities and Exchange Commission.

George Savitsky, Chairman Edward E. Williams Richard F. Baalmann, Jr.

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee has reviewed and discussed with the Company's management the Compensation Discussion and Analysis ("CD&A") as well as the accompanying tables set forth below. Based on that discussion, the Committee recommended to the Board of Directors that the CD&A be included in this proxy statement and incorporated into the Company's Annual Report on Form 10-K for the Company's fiscal year ended December 27, 2014.

Richard D. White, Chairman Richard F. Baalmann, Jr. George Savitsky

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

In 2014, all members of the Compensation Committee were independent directors and served the full year. No other director or executive officer of the Company serves on any board of directors or compensation committee of any entity that compensates any of Messrs. White, Baalmann, and Savitsky.

COMPENSATION DISCUSSION AND ANALYSIS (CD&A)

Compensation Philosophy

The Company's philosophy in setting compensation policies for its named executive officers is to align pay with performance, while at the same time providing competitive compensation that allows the Company to retain and attract executive talent. The Compensation Committee, composed entirely of independent directors, establishes, approves and evaluates the Company's compensation policies applicable to the named executive officers.

Throughout this proxy statement, all references to the "named executive officers" means Robert J. Keller, Deborah J. Meinert, and Patrick J. Griffin, the individuals identified under "EXECUTIVE COMPENSATION – Summary Compensation Table." Throughout 2014, Mr. Keller served as the Company's Chief Executive Officer and Mr. Patrick Griffin served as Vice President, Corporate Development and Investor Relations. Ms. Meinert served as the Company's Chief Financial Officer and Vice President Finance through all of 2014, and then departed the Company effective as of the fiscal year end.

The Compensation Committee strongly believes that executive compensation should be directly linked to continuous improvements in corporate performance and increases in stockholder value. Consequently the Compensation Committee has adopted the following guidelines for use in evaluating executive compensation:

- Provide a competitive total compensation package that enables the Company to attract and retain key executive talent;
- Align all pay programs with the Company’s annual and long-term business strategies and objectives; and
- Provide a mix of base and performance-leveraged variable compensation that directly links executive compensation to the performance of the Company and stockholder return.

Compensation Program; Mix of Pay Components

Consistent with the above philosophy, the Compensation Committee currently utilizes the following components of compensation for the Company’s named executive officers:

- Base salary;
- Annual incentive cash bonuses;
- Long-term equity incentives, historically in the form of stock options and/or restricted stock units; and
- Health, welfare and other benefits

Executive compensation is based on a pay-for-performance philosophy. Consequently, a significant portion of annual and long-term compensation for the named executive officers is at-risk. This provides additional upside potential and downside risk for the Company’s named executive officers, including the Chief Executive Officer and Chief Financial Officer, recognizing that the individuals serving in these roles have greater influence on the performance of the Company.

Other than employees working under a collective bargaining agreement, all employees of the Company, including the named executive officers, are employed at will. Mr. Robert Keller has a severance payment arrangement, which was established during 2012. No other named executive officers are covered under a severance payment arrangement, although the Company and Ms. Meinert entered into an agreement and release in connection with her departure from the Company. That agreement provides that the Company will pay her additional payments equal to her salary at the time of termination for a period of six months, less FICA, Medicare, federal, state and local taxes, will pay her COBRA premiums for up to six months, and accelerated the vesting of all equity incentive awards previously made to her. The agreement also contained certain covenants by Ms. Meinert in favor of the Company, including a one year non-competition provision, and a mutual release of each other from any potential claims.

The Role of the Compensation Committee and Method of Determining Amount of Total Compensation

The Compensation Committee is responsible for the approval and administration of compensation programs for the named executive officers. The Committee focuses on the attraction and retention of key executives and, when making decisions, considers the Company’s compensation philosophy, the achievement of business goals set by the Company, the competitive environment in which the Company competes for talent, how the Company is positioned for the future, and recommendations made by the Company’s Chairman and Chief Executive Officer. While the Committee primarily focuses on compensation for the named executive officers, the Committee also reviews the compensation of certain other key employees, such as the subsidiary and division heads, and the appropriateness and fairness of the allocation of annual incentive compensation among the participants in such plans at the subsidiary level.

For 2014, the Committee reviewed all compensation components for the Company’s named executive officers and together with the Board of Directors, reviewed and evaluated the level of performance of the Company and of each executive officer, including the Chief Executive Officer and Chief Financial Officer, in order to determine current and future appropriate compensation levels. In addition, the Committee conducted an annual review of the Company’s compensation philosophy to ensure that it remains appropriate given the Company’s strategic objectives. The Committee may engage compensation consulting firms in the future but did not deem it necessary in 2014.

Except for the Escalade, Incorporated 2007 Incentive Plan which was approved by stockholders at the 2007 Annual Meeting, the Compensation Committee does not participate in any programs which they administer.

Role of Executive Officers in Compensation Decisions

Mr. Robert Griffin, the Company’s Chairman, occasionally participates in Compensation Committee meetings and discussions regarding the compensation of the Company’s other named executive officers, but does not make any recommendations regarding his own compensation or the compensation of Mr. Patrick Griffin. Consistent with the

Committee's past practices, Mr. Keller, as the Company's Chief Executive Officer, will make recommendations regarding the compensation for the Company's Chief Financial Officer and the Vice President, Corporate Development and Investor Relations, but will not make recommendations for himself. Although the Committee considers recommendations by Messrs. Robert Griffin and Robert Keller, the Committee retains full discretion to set all compensation for the Company's named executive officers.

Base Salary

The Compensation Committee seeks to compensate the named executive officers competitively within the industry while at the same time designing compensation components that base a significant portion of total compensation on performance. In general, base salary levels are set at the beginning of each year at levels believed by the Compensation Committee to be sufficient to attract and retain qualified executives when considered with the other components of the Company's compensation structure. In establishing the base salaries, consideration is given to local market wage rates, cost of living adjustments, performance of the Company and the individual, and other factors, including any changes in level of responsibility. The Compensation Committee also subjectively reviews the individual performance of each named executive officer, based on the performance of the Company and the individual's level of contribution towards that performance.

Accordingly, for fiscal 2014 the Compensation Committee established base salaries for the Company's key executives with the intent to motivate performance by providing significant upside potential through incentive compensation and less on guaranteed compensation in the form of salaries. The Compensation Committee does not target any specific benchmark for base salary levels for its key executives compared to comparable companies within the Company's industries. The Compensation Committee considered the scope of and accountability associated with each executive officer's position in addition to such factors as the performance and experience of each executive officer when setting base salary levels for fiscal 2014.

In 2014, the Compensation Committee maintained the base salaries level to 2013 of $314,300 for Robert J. Keller, the Company's Chief Executive Officer, $175,000 for Deborah J. Meinert, the Company's Chief Financial Officer, and $126,500 for Patrick J. Griffin, Vice President, Corporate Development and Investor Relations. The Compensation Committee believed that such salaries were warranted for each such officer based primarily on the Company's performance and their contribution to such results.

For 2015, the Compensation Committee has determined that base salaries for Mr. Keller and Mr. Patrick Griffin will increase to $322,000 and $129,500 respectively. Effective as of the first day of the Company's 2015 fiscal year, Stephen R. Wawrin became the Company's Vice President Finance, Chief Financial Officer and Secretary. The Compensation Committee has determined that his base salary will be $160,000 in 2015.

Annual Cash Incentive Bonus

The Compensation Committee has established a profit incentive plan that provides for the payment of cash bonuses if certain performance targets are achieved. Under the plan, the Compensation Committee establishes target performance levels early in each fiscal year, subject to potential changes that the Committee may determine appropriate. Virtually all employees are eligible to participate in the profit incentive plan. In conjunction with the completion of the Company's annual audited financial statements, the bonus pool is finalized based on actual results achieved. Allocation of the bonus pool to individual executive officers is determined at the Compensation Committee's discretion based upon a review of the overall Company's performance relative to budget, the Company's strategic position, and individual executive officer's performance. There are no pre-defined methods for allocating the bonus pool to any of the Company's executive officers.

For 2014, the business results exceeded the minimum threshold for generating a bonus pool for the Sporting Goods division. A bonus pool of $1.9 million was approved by the Compensation Committee for payment in March of 2015. The Compensation Committee evaluated financial, strategic and operational objectives and accomplishments for Mr. Keller and approved a performance bonus of $190,000. After consultation with Mr. Keller, the Compensation Committee evaluated financial, strategic and operational objectives and accomplishments for the Chief Financial Officer and the Vice President, Corporate Development and Investor Relations. The Committee approved a performance bonus of $85,000 for Ms. Meinert and $70,000 for Mr. Patrick Griffin.

Long Term Equity Incentives

Each year, the Compensation Committee determines the amount and character of any long term equity incentive grants to the Company's executive officers and other eligible employees. The Committee considers equity grants to be an effective incentive to encourage stock ownership by officers and key employees increasing their proprietary interest in the success of the Company. At the 2007 Annual Meeting, stockholders approved the Escalade Incorporated 2007 Incentive Plan ("2007 Incentive Plan") which provides a broader array of long-term incentive awards for grant to the Company's employees, including the Chief Executive Officer and Chief Financial Officer. Accordingly, in February 2014, the Compensation Committee approved restricted stock units for Mr. Keller, Ms. Meinert, and Mr. Griffin. The Company granted as of February 27, 2014, 12,000 restricted stock units to Mr. Keller, 4,500 restricted stock units to Ms. Meinert, and 1,250 restricted stock units to Mr. Patrick Griffin. The restricted stock units granted vest over four years (one-third two years from grant date, one-third three years from grant date and one-third four years from grant date) provided that the named executive is still employed by the Company and that the performance criteria related to the market price of the Company's stock is satisfied. The criteria is for any 30 consecutive trading days on the NASDAQ Stock Market (or such other principal securities exchange on which the Company's shares of common stock are then traded) during the period beginning on the grant date and ending on the fourth anniversary thereof, the cumulative average Volume Weighted Average Price per share is at least 15% higher than the closing price per share on the grant date plus any incremental dividends paid above the current quarterly dividend rate of $0.09 per share by the Company during such four year period. The performance criteria for the 2014 restricted stock units awarded to employees was satisfied during the second quarter of 2014.

In February 2015, the Compensation Committee approved restricted stock units for Mr. Keller, Mr. Wawrin, and Mr. Griffin. The Company granted as of February 27, 2015, 9,175 restricted stock units to Mr. Keller, 3,075 restricted stock units to Mr. Wawrin, and 950 restricted stock units to Mr. Patrick Griffin. The restricted stock units granted vest over four years (one-third two years from grant date, one-third three years from grant date and one-third four years from grant date) provided that the named executive is still employed by the Company and that the performance criteria related to the market price of the Company's stock is satisfied. The criteria is for any 30 consecutive trading days on the NASDAQ Stock Market (or such other principal securities exchange on which the Company's shares of common stock are then traded) during the period beginning on the grant date and ending on the fourth anniversary thereof, the cumulative average Volume Weighted Average Price per share is at least 15% higher than the closing price per share on the grant date plus any incremental dividends paid above the current quarterly dividend rate of $0.10 per share by the Company during such four year period.

Health, Welfare and Other Benefits

The Company provides medical, life, 401(k) plan and similar benefits to all of its salaried employees, including the named executive officers. In addition, Mr. Patrick J. Griffin received in 2014 a tax equalization reimbursement related to his employment with the company in Germany through August 2012. None of these benefits discriminate in scope, terms or operation in favor of the named executive officers.

Tax and Accounting Considerations

As necessary, the Compensation Committee reviews accounting and tax laws, rules and regulations that may affect the Company's compensation plans. However, tax and accounting considerations have not significantly impacted the compensation programs offered to the Company's executives. Section 162(m) of the Internal Revenue Code generally provides that certain compensation in excess of $1 million per year paid to a company's chief executive officer and any of its four other highest paid executive officers is not deductible by a company unless the compensation qualifies for an exception. Based on the Compensation Committee's past compensation practices, the Committee does not currently believe that Section 162 (m) will adversely affect the Company's ability to obtain a tax deduction for compensation paid to its named executive officers.

EXECUTIVE OFFICERS OF THE REGISTRANT

The table presented below lists the names and ages of all of the current executive officers of the Company indicating all positions and offices held by each such person as of the date of this proxy statement.

Mr. Keller joined the Company as President and Chief Executive Officer in August 2007. Prior to that, he served as President of Disston Tool Company, a subsidiary of Kennametal. From 2000 to 2005, Mr. Keller worked for Russell Corporation in various positions including President of the sports apparel unit.

Mr. Wawrin joined the Company as Corporate Controller in April 2005. Since 2008, Mr. Wawrin has served as Vice President –Finance and Administration for Escalade's Sporting Goods business. Prior to that, he practiced public accounting with BKD, LLP (1999–2005) in the Evansville area. Effective as of the first day of the Company's 2015 fiscal year, Mr. Wawrin was promoted to become the Company's Chief Financial Officer, Vice President Finance, and Secretary.

Mr. Patrick Griffin joined the Company in 2002. He was also employed with the Company from 1993 – 1995. Since 2002, Mr. Griffin has advanced in the organization, serving in successive product management roles at Escalade Sports until 2006, when he became Vice President Sales and Marketing for Martin Yale International. He was named President of Martin Yale Group in 2009. In August 2012, he accepted the position of Vice President, Corporate Development and Investor Relations of the Company.

All such persons have been elected to serve until the next annual election of officers, or until their earlier resignation or removal.

Name	Age as of March 17, 2015	Offices and Positions Held	First Elected as an Executive Officer
Robert J. Keller	53	CEO and President	08/2007
Stephen R. Wawrin	41	V.P. Finance, CFO & Secretary	12/2014
Patrick J. Griffin	45	V.P., Corporate Development & Investor Relations	02/2011

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information regarding compensation of the named executive officers of the Company for 2014 and 2013:

Name and Principal Position	Year	Salary ($)	Cash Bonus ($)	Stock Awards ($)	Option Awards ($)	Restricted Stock Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Robert J. Keller	2014	314,800	50,000	-	-	125,880	190,000	-	17,179	697,859
President & Chief Executive Officer	2013	314,800	-	-	110,025	-	265,000	-	16,184	706,009
Deborah J. Meinert	2014	175,000	-	-	-	47,205	85,000	-	102,048	409,253
Chief Financial Officer, Vice President Finance and Secretary (1)	2013	175,000	-	-	54,321	-	140,000	-	10,300	379,621

Patrick J. Griffin	2014	126,500	-	-	-	13,113	70,000	-	180,633	390,246
Vice President, Corporate Development & Investor Relations	2013	126,500	-	-	34,899	-	70,000	-	8,014	239,413

(1) Ms. Meinert's service as an executive officer of the Company ended as of December 27, 2014, the last day of the Company's 2014 fiscal year.

Column (c) - Salary

Amounts recorded in this column reflect the annual salary paid during the year noted in column (b).

Column (d) – Cash Bonuses

Amounts recorded in this column reflect cash bonuses paid in addition to amounts paid in connection with the annual cash incentive program noted in column (h).

Column (e) – Stock Awards

Amounts recorded in this column reflect shares of stock paid as compensation.

Column (f) – Option Awards

The amount recorded in this column is the compensation cost granted by the Company during the fiscal year indicated in column (b) under ASC Topic 718, Stock Compensation. The fair value of each grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions for the years indicated:

	2014	2013	2012	2011
Risk-free interest rate	—	0.52 %	0.84 %	1.51 %
Dividend yield	—	5.97 %	5.50 %	1.84 %
Expected volatility	—	74.05 %	110.39 %	122.17 %
Weighted average-fair value per share	—	$2.21	$3.12	$4.03

Column (g) – Restricted Stock Awards

The amount recorded in this column is the compensation cost granted by the Company during the fiscal year indicated in column (b) under ASC Topic 718, Stock Compensation. The fair value of each grant is estimated on the date of grant using Monte Carlo techniques where vesting is dependent on market conditions and on the closing price of the Company's common stock on the date of grant if vesting is based solely on time. The fair value of restricted stock units granted is detailed below for the years associated with the costs recorded in the table:

	2014	2013	2012	2011
Weighted average market closing price on date of grant for restricted stock units where vesting is time based.	—	—	—	—
Weighted average fair market value of restricted stock units where vesting is contingent on market factors	$10.49	—	—	—

Column (h) – Non-Equity Incentive Plan Compensation

See "CD&A – Annual Cash Incentive Bonus" on page 15 for a description of the Incentive Compensation Plan. Amounts shown for Mr. Keller, Ms. Meinert and Mr. Patrick Griffin for 2013 were paid in March, 2014. Amounts shown for 2014 were paid to the named executive officers in March, 2015.

Column (i) - Change in Pension Value and Nonqualified Deferred Compensation Earnings

See "Nonqualified Deferred Compensation" on page 19.

Column (j) – All Other Compensation

All other compensation includes the following:

Name	401(k) Matching Contribution	Life Insurance and Supplemental Long Term Disability	German Tax Equalization	Executive Severance	Total All Other Compensation
2014					
Robert J. Keller	16,071	1,108	—	—	17,179
Deborah J Meinert	10,152	616	—	91,280	102,048
Patrick J. Griffin	7,632	445	172,556	—	180,633
2013					
Robert J. Keller	15,082	1,102	—	—	16,184
Deborah J Meinert	9,703	597	—	—	10,300
Patrick J. Griffin	7,689	325	—	—	8,014

Grants of Plan Based Awards

The following table sets forth certain information concerning grants of plan-based awards to each of our named executive officers during 2014. Actual cash incentive awards are disclosed under column (h) of the Summary Compensation Table, page 17. The material terms of these awards and the material plan provisions relevant to these awards are described in the footnotes to the table below.

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units (#) (1)	Grant Date Fair Value of Stock and Option Awards ($) (2)
Robert J. Keller	02/27/14	12,000	$ 125,880
Deborah J. Meinert	02/27/14	4,500	$ 47,205
Patrick J. Griffin	02/27/14	1,250	$ 13,113

(1) The amounts disclosed in this column represent stock awards, stock compensation, and Restricted Stock Units (“RSU”) issued under the Escalade, Incorporated 2007 Incentive Plan.

(2) The amounts disclosed in this column are calculated based on the provision of ASC Topic 718 Stock Compensation. The fair value of each grant is estimated on the date of grant using the using Monte Carlo technique.

18

Outstanding Equity Awards at Fiscal Year End

The following table outlines outstanding long-term equity-based incentive compensation awards for the Company's named executive officers as of December 27, 2014.

Name	Option Awards					Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable		Option Exercise Price ($/Share) (1)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested ($) (2)
Robert J. Keller	10,000			$ 6.07	3/01/2016	-	-
	10,000	10,000	(3)	$ 5.28	3/02/2017	-	-
	5,500	11,000	(4)	$ 5.85	3/01/2018	-	-
						12,000	125,880
Deborah J. Meinert	4,625			$ 6.07	3/01/2016		
	11,500			$ 5.28	3/02/2017		
	7,500			$ 5.85	3/01/2018		
Patrick J. Griffin	13,000			$ 6.07	3/01/2016	-	-
	6,000	2,000	(3)	$ 5.28	3/02/2017	-	-
	2,000	2,000	(4)	$ 5.85	3/01/2018	-	-
						1,250	13,113

(1) The option exercise price is equal to the closing market price on the date the options were granted.

(2) The amounts set forth in this column equal the number of unvested restricted stock units multiplied by the closing market price of the underlying common stock ($14.47) on December 27, 2014.

(3) Options granted were to vest 25% per year for four years, beginning March 2, 2013.

(4) Options granted were to vest 25% per year for four years, beginning March 1, 2014.

Option Exercises and Stock Vested

The following table shows all stock options exercised and the value realized upon exercise by the named executive officers during 2014:

Name	Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise ($)

	(#)	(1)
Robert J. Keller	67,450	534,680
Deborah J. Meinert	29,750	209,589
Patrick J. Griffin	15,000	140,850

(1) Value realized reflects the market price of common stock on date of exercise, less the option exercise price.

Nonqualified Deferred Compensation

The Company does not currently maintain any nonqualified deferred compensation plans.

Potential Payments upon Termination or Change in Control

Mr. Robert Keller has an agreement with the Company which provides for specific benefits, including cash payment equal to one year base salary plus a proportionate amount of incentive compensation for the current year, upon termination of employment without cause or resignation for good reason. The Company and Ms. Deborah Meinert entered into an agreement and release in connection with her departure from the Company. See, “Compensation Discussion and Analysis—Compensation Program; Mix of Pay Components” and “Executive Compensation—Summary Compensation Table.” Other than the agreements with Mr. Keller and Ms. Meinert, and other than benefits that are generally available to all other salaried employees of the Company, the named executive officers have no agreements that would provide them with any cash payments upon termination of employment with the Company.

Upon a change in control of the Company, as defined in the Escalade, Incorporated 2007 Incentive Plan (approved by the Company's stockholders at the 2007 annual meeting), the vesting of all outstanding, unvested stock options would be accelerated if not assumed or substituted for by the resulting company. This is true for all stock option recipients, not just the named executive officers. Based upon the closing stock price of the Company's common stock as of December 27, 2014 ($14.47), Mr. Keller, Ms. Meinert, and Mr. Patrick Griffin would potentially receive value for unexercised stock options of approximately $836,415. Mr. Keller's options have a value of $410,030, Ms. Meinert's options have a value of $209,185, and Mr. Patrick Griffin's options have a value of $217,200. All options expire on or before March 1, 2018 . The potential value of unexercised stock options is computed as the difference between the exercise price and the closing stock price multiplied by the number of shares. Options with exercise prices higher than the closing market price are not included in the calculation.

INDEPENDENT PUBLIC ACCOUNTING FIRM

The independent public accounting firm of BKD, LLP (the "Auditors") was engaged by the Company's Audit Committee to audit the Company's consolidated financial statements for the year ended December 27, 2014. BKD, LLP has served as independent auditors for the Company since 1977. Audit services performed by BKD, LLP during the fiscal year most recently completed included examinations of the financial statements of the Company, services related to filings with the Securities and Exchange Commission and consultations on matters related to accounting. Representatives of BKD, LLP are expected to be present at the 2015 Annual Meeting and will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

PRINCIPAL ACCOUNTING FIRM FEES

The following table sets forth the aggregate fees billed to Escalade, Incorporated for the fiscal years ended December 27, 2014 and December 28, 2013 by the Company's principal accounting firm, BKD, LLP.

	2014	2013
Audit Fees	$344,983	$342,796
Audit-Related Fees	18,000	18,000
Tax Fees	—	—
All Other Fees	—	—
Total	$362,983	$360,796

Audit Fees. Fees for audit services consist of:

- Audit of the Company’s annual financial statements.
- Audit services associated with Rule 404 of the Sarbanes-Oxley Act of 2002, which requires the independent registered accounting firm to audit Management’s evaluation of internal controls over financial reporting as of the end of the fiscal year. The auditor’s unqualified opinion is contained in the 2014 Annual Report.
- Reviews of the Company’s quarterly financial statements.
- Statutory and regulatory audits, consents and other services related to SEC matters.

Audit-Related Fees. Fees for audit-related services consist of financial accounting and reporting consultation. The Company has not employed BKD, LLP for any audit-related services in 2014 or 2013 other than audit of the Company’s two 401(k) Plans.

Tax Fees. Fees for tax services consist of professional services rendered by BKD, LLP related to corporate income tax return preparation, compliance and advice. The Company does not employ BKD, LLP to perform tax compliance services.

The Audit Committee is responsible for pre-approving all auditing services and permitted non-audit services to be performed by its independent auditors, except as described below. Pre-approval shall not be required for the provision of non-audit services if (1) the aggregate amount of all such non-audit services constitute no more than 5% of the total amount of revenues paid by the Company to the auditors during the fiscal year in which the non-audit services are provided, (2) such services were not recognized by the Company at the time of engagement to be non-audit services, and (3) such services are promptly brought to the attention of the Audit Committee and approved prior to the completion of the audit. No services were provided by BKD, LLP pursuant to these exceptions.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The Audit Committee of the Board of Directors is charged with the responsibility to review and pre-approve all related party or affiliate transactions between the Company and its directors, executive officers, employees and/or their affiliates or in which any such persons directly or indirectly is interested or may benefit. The Company currently has no agreements, arrangements, transaction or similar relationship with any of its directors or executive officers.

OTHER SECURITIES FILINGS

The information contained in this Proxy Statement under the headings "Report of Compensation Committee" and "Report of the Audit Committee" are not, and should not be deemed to be, incorporated by reference into any prior filings by the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934 that purport to incorporate future filings or portions thereof by reference (including this proxy statement).

RESULTS OF THE 2014 ANNUAL MEETING

Approximately 95% of the outstanding shares of the Company were voted in person or by proxy at the 2014 Annual Meeting that was held April 22, 2014. The stockholders elected as directors each of the three individuals nominated by the Board of Directors for election, those individuals being George Savitsky, Richard D. White, and Edward E. Williams. The stockholders also ratified the appointment of BKD, LLP as the Company's independent registered independent public accounting firm for the Company's 2014 fiscal year.

The stockholders also voted to approve, by non-binding vote, the compensation of the Company's named executive officers.

STOCKHOLDER PROPOSALS FOR THE 2016 ANNUAL MEETING

In order to be included in the Company’s proxy materials for the 2016 Annual Meeting of Stockholders, a stockholder proposal must be in writing and received by the Company’s Secretary at the principal executive offices in Evansville, Indiana by the close of business on November 23, 2015. Submission of a proposal before the deadline does not guarantee its inclusion in the proxy materials.

Under the Company’s Bylaws, director nominations and other business may be brought at an annual meeting of stockholders only by or at the direction of the Board of Directors or by a stockholder entitled to vote who has submitted a proposal in accordance with the requirements of the Company’s Bylaws as in effect from time to time. To be timely under the Bylaws as now in effect, a stockholder notice must be delivered or mailed to the Secretary at the principal executive offices not less than ninety (90) days prior to the first anniversary of the preceding year’s annual meeting of stockholders. Stockholder proposals for the 2016 Annual Meeting must be received by January 24, 2016. However, in the event that the date of the annual meeting is advanced more than thirty (30) days prior to such anniversary date or delayed more than sixty (60) days after such anniversary date, then to be timely such notice must be received no later than the later of ninety (90) days prior to the date of the meeting or the tenth day following the day on which public announcement of the date of the meeting was made. Please refer to the full text of the Company’s advance notice Bylaw provisions for additional information and requirements.

OTHER BUSINESS

The Company is not aware of any matters that will be presented at the 2015 Annual Meeting other than the election of directors, ratification of auditors, and approval, by non-binding vote, of the compensation of the Company's named executive officers. No other matters have been presented to the Company in accordance with the Company's Bylaws. However, if any other proposal that requires a vote would be properly presented at the 2015 Annual Meeting, the persons named in the Company's proxy for the 2015 Annual Meeting will be allowed to exercise their discretionary authority to vote upon such proposal without the matter having been discussed in this proxy statement. Only such proposals as are (1) required by Securities and Exchange Commission Rules, and are (2) permissible stockholder motions under the General Corporation Law of the State of Indiana and the Company's Bylaws will be included on the Company's annual meeting docket. If any matters properly come before the 2015 Annual Meeting, it is intended that the persons named in the accompanying Proxy will vote thereon according to their best judgment and interest of the Company.

By order of the Board of Directors

/s/ Stephen R. Wawrin

VP Finance, CFO & Secretary