

MULTIBAND CORP  
Form DEFR14A  
July 24, 2008

SCHEDULE 14A  
(Rule 14a-101)  
INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION  
Proxy Statement Pursuant to Section 14(a)  
of the Securities Exchange Act of 1934

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
- Solicitation Material Pursuant to Rule 14a-11(c) or rule 14a-12

MULTIBAND CORPORATION

(Name of Registrant As Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - 1) Title of each class of securities to which transaction applies: \_\_\_\_\_
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(1) Amount Previously Paid: \_\_\_\_\_

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

(3) Filing Party: \_\_\_\_\_

(4) Date Filed: \_\_\_\_\_

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**MULTIBAND CORPORATION  
AND SUBSIDIARIES**

**9449 Science Center Drive  
New Hope, Minnesota 55428**

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**NOTICE OF 2008 ANNUAL MEETING OF SHAREHOLDERS**

**To be held August 27, 2008**

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The Annual Meeting of the Shareholders of Multiband Corporation and Subsidiaries (“Multiband” or “the Company”) will be held at the Radisson Hotel, 3131 Campus Drive, Plymouth, Minnesota 55441 on August 27, 2008 at 3:00 p.m. Minneapolis time, for the following purposes, as more fully described in the accompanying Proxy Statement.

1. To elect seven Directors for a term of one year.
2. To ratify the election of Virchow, Krause & Company, LLP as independent auditors of the Company for fiscal year 2007.
3. To transact such other business as may properly come before the meeting or any adjournment thereof.

Only Shareholders of record at the close of business June 30, 2008 will be entitled to receive notice of and vote at the meeting. The Company’s Board of Directors recommends a vote in favor of all the proposals.

All shareholders are cordially invited to attend the Annual Meeting in person. However, to ensure your representation at the meeting, you are urged to mark, sign, date and return the enclosed proxy as promptly as possible in the postage-paid envelope enclosed for that purpose. Returning your proxy will help the Company ensure a quorum and avoid the additional expense of duplicate proxy solicitations. Any shareholder attending the meeting may vote in person even if he or she has returned the proxy.

By Order of the Board of  
Directors

Steven Bell  
Secretary

**MULTIBAND CORPORATION**  
**9449 Science Center Drive**  
**New Hope, Minnesota 55428**

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**PROXY STATEMENT**

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**ANNUAL MEETING OF SHAREHOLDERS**  
**AUGUST 27, 2008**  
**SOLICITATION, EXECUTION AND REVOCATION OF PROXIES**

The mailing address of the principal corporate office of the Company is 9449 Science Center Drive, New Hope, MN 55428. This Proxy Statement and the form of proxy, which is enclosed, are being mailed to the Company's shareholders commencing on or about July 31, 2008.

Proxies in the accompanying form are solicited on behalf, and at the direction, of the Board of Directors of the Company. All shares of common stock represented by properly executed proxies, unless such proxies have previously been revoked, will be voted in accordance with the direction of the proxies. If no direction is indicated, the shares will be voted in accordance with the direction of the proxies. If any other matters are properly presented at the meeting for action, including a question of adjourning the meeting from time to time, the persons named in the proxies and acting thereunder will have discretion to vote on such matters in accordance with their best judgement.

When stock is in the name of more than one person, each such person must sign the proxy. If the shareholder is a corporation, an executive or other authorized officer must sign the proxy in the name of such corporation. If signed as attorney, executor, administrator, trustee, and guardian or in any other representative capacity, the signer's full title should be given and, if not previously furnished, a certificate or other evidence of appointment must be furnished.

A shareholder executing and returning a proxy has the power to revoke it at any time before it is voted. A shareholder who wishes to revoke a proxy can do so by executing a later dated proxy relating to the same shares and delivering it to the Secretary of the Company prior to the vote at the Annual Meeting, by written notice of revocation received by the Secretary prior to the vote at the Annual Meeting, or by appearing in person at the Annual Meeting and voting in person the shares to which the proxy relates.

In addition to the use of the mail, proxies may be solicited by personal interview, telephone and telegram by the Directors, officers and regular employees of the Company. Such persons will receive no additional compensation for such services. Arrangements will also be made with certain brokerage firms and certain other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of common stock held of record by such persons, and such brokers, custodians, nominees and fiduciaries will be reimbursed by the Company for their reasonable out-of-pocket expenses incurred by them in connection therewith. All expenses incurred in connection with this solicitation will be borne by the Company.

The Company is including with this Proxy Statement its Annual Report to shareholders for the year ended December 31, 2007, which includes a copy of the Company's Form 10-K, as filed with the Securities and Exchange Commission. Shareholders may receive, without charge, additional copies of the Form 10-K, as amended, by writing to Multiband Corporation at its principal corporate office.

The presence at the Annual Meeting in person or by proxy of the holders of 34% of the outstanding shares of the Company's common stock entitled to vote shall constitute a quorum for the transaction of business. If a broker returns a "non-vote" proxy, indicating a lack of voting instructions by the beneficial holder of the shares and a lack of discretionary authority on the part of the broker to vote on a particular matter, then the shares covered by such non-vote shall be deemed present at the meeting for purposes of determining a quorum but shall not be deemed to be represented at the meeting for purposes of calculating the vote required for approval of such matter. If a shareholder abstains from voting as to any matter, then the shares held by such shareholder shall be deemed present at the meeting for purposes of determining a quorum and for purposes of calculating the vote with respect to such matter, but shall not be deemed to have been voted in favor of such matter. An abstention as to any proposal will therefore have the same effect as a vote against the proposal.

**VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

Only shareholders of record at the close of business on June 30, 2008 (the "Record Date") will be entitled to vote at this meeting. On the Record Date, there were 9,496,925 shares of common stock issued and outstanding. Each holder of common stock is entitled to one vote, exercisable in person or by proxy, for each share of common stock held of record on the Record Date. The affirmative vote of holders of a majority of shares of common stock outstanding on the Record Date is required for approval of the proposals to be voted upon at the Annual Meeting.

The following table sets forth certain information as of June 30, 2008 with respect to each person known by the Company to be the beneficial owner of more than 5 percent of its common stock, each Director of the Company, and all officers and Directors of the Company as a group. Except as indicated, each of the persons listed in the following table has sole voting and investment power with respect to the shares set forth opposite his name.

<b>Name and Address of Beneficial Owners</b>	<b>Number of Shares<sup>1</sup> Beneficially Owned (adjusted for 1 for 5 Percent of Common stock split)</b>	<b>Shares Outstanding 15.7%</b>
Steven Bell 9449 Science Center Drive New Hope, MN 55428	225,313 <sup>2</sup>	2.3%
Frank Bennett 301 Carlson Parkway – Suite 120 Minnetonka, MN 55305	108,000 <sup>3</sup>	1.1%
DirecTECH Holding Co, Inc. 33 West Second Street, Suite 504 Maysville, KY 41056-1166	1,490,000	15.7%
Lacuna, LLC 1100 Spruce Street Boulder, CO 80302	706,694	7.4%
Jonathan Dodge 715 Florida Avenue South – Suite 402 Golden Valley, MN 55426	36,100 <sup>4</sup>	*
David Ekman 200 44 <sup>th</sup> Street SW Fargo, ND 58103	420,584 <sup>5</sup>	4.4%
Eugene Harris 7773 Forsyth Blvd Clayton, MO 63105	39,540 <sup>6</sup>	*
James L. Mandel 9449 Science Center Drive New Hope, MN 55428	277,827 <sup>7</sup>	2.9%
Donald Miller	317,021 <sup>8</sup>	3.3%

1924 Cocoplum Way  
Naples, FL 34105

Special Situations Fund II QP, LP 527 Madison Avenue New York, NY 10022	1,057,420	11.1%
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All Directors and executive officers as a group (seven persons)	1,424,385	15.0%
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\*Less than one percent

<sup>1</sup> Each person has sole voting and sole dispositive power with respect to all outstanding shares, except as noted. Based on an average of 9,496,925 shares outstanding at June 30, 2008. Shares of common stock not outstanding but deemed beneficially owned by virtue of the individual's right to acquire them as of June 30, 2008 or within 60 days of such date are treated as outstanding when determining the number of shares beneficially owned by each person and the group and the percent of the class owned by each individual and the group. Unless otherwise indicated, each person named or included in the group has sole vesting and investment power with respect to the shares of common stock set forth opposite his or her name. Unless otherwise indicated, the information in the table does not include any stock options and/or warrants outstanding that cannot be exercised within 60 days of June 30, 2008.

<sup>2</sup> Includes vested options to acquire 53,766 shares of common stock. Mr. Bell's Beneficial Ownership does include 6,250 shares of common stock owned by his spouse as to which Mr. Bell disclaims his beneficial ownership.

<sup>3</sup> Includes vested options to purchase 26,000 shares of common stock.

<sup>4</sup> Includes vested options to acquire 21,000 shares of common stock.

<sup>5</sup> Includes vested options to purchase 30,099 shares of common stock and preferred shares convertible into 43,600 shares of common stock.

<sup>6</sup> Includes vested options to purchase 20,000 shares of common stock.

<sup>7</sup> Includes warrants and vested options to purchase 150,560 shares of common stock.

<sup>8</sup> Includes warrants and vested options to purchase 97,400 shares of common stock.

1. ELECTION OF DIRECTORS: The Nominating Committee has nominated seven persons for election at the 2008 Annual Meeting as Directors for a one-year term expiring at the 2009 Annual Meeting. The Directors will hold office for the term for which elected and will serve until their successors have been duly elected and qualified.

It is intended that votes will be cast pursuant to the enclosed proxy for the election of the nominees in the table below, except for those proxies that withhold such authority. In the event that any of the nominees of the Company is unable or declines to serve as a Director at the time of the Annual Meeting, the proxy will be voted for the election of such other individual as the Nominating Committee shall designate in the place of such nominee. Management has no reason to believe that any of the nominees will not be a candidate or will be unable to serve.

THE BOARD OF DIRECTORS RECOMMENDS THAT  
SHAREHOLDERS VOTE "FOR" THE NOMINEES LISTED BELOW.

**Information About Nominees**

The following information has been furnished to the Company by the respective nominees for Director.

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Director Since</b>
Steven Bell	49	President & Chief Financial Officer, Multiband Corporation	1994
Frank Bennett	51	President, Artesian Management, Inc.	2002
Jonathan Dodge	57	Partner, Dodge & Fox C.P.A. Firm	1997
Eugene Harris	43	Managing Director, Fulcum Securities	2004
James L. Mandel	51	Chief Executive Officer, Multiband Corporation	1998
Donald Miller	68	Chairman, Multiband Corporation	2001
Bernard Schafer	49	Director, DirecTECH Holding Co., Inc	2008

**Steven Bell** was general counsel and Vice President of the Company from June 1985 through October 1994, at which time he became Chief Financial Officer. He was also named President in July 1997. He is a graduate of the William Mitchell College of Law.

**Frank Bennett** has been a Director of Multiband Corporation since 2002 and is currently the Chairman of Multiband's Audit and Nominating/Governance committee. Mr. Bennett is President of Artesian Management, Inc., a private equity investment firm based in Minneapolis. Prior to founding Artesian Management in 1989, he was a Vice President of Mayfield Corporation, and a Vice President of Corporate Finance of Piper Jaffray & Hopwood and a Vice President of Piper Jaffray Ventures, Inc.

**Jonathan Dodge** has been the Senior Partner of the C.P.A. firm of Dodge & Fox since its inception in March 1997. Prior to that, he was a partner in the CPA firm of Misukanis and Dodge from 1992 to March 1997. Mr. Dodge is a member of both the AICPA and the Minnesota Society of CPA's. Mr. Dodge is a member of the Audit Committee.

**Eugene Harris** is currently managing director for Fulcrum Securities. From 2004 to 2007 he was Senior Managing Director of Flagstone Securities. Mr. Harris joined Flagstone in 2004 after 10 years as the majority shareholder of Eidelman, Finger, Harris & Co., a registered investment advisor. Prior to joining Eidelman, Finger, Harris & Co., Mr. Harris held positions in general management and new business development for the Monsanto Company from 1990 to 1994. He also was an Associate Consultant with Bain and Co. from 1986 to 1988. Mr. Harris received a B.S. in Industrial Engineering from Stanford University in 1986 and an M.S. in Management from the Sloan School of Management at the Massachusetts Institute of Technology in 1990. He is a Chartered Financial Analyst and a member of the Financial Analysts Federation. Mr. Harris was appointed to the Company's Board of Directors in April 2004. Mr. Harris is also Chairman of the Company's Compensation Committee.



**James Mandel** has been the Chief Executive Officer and a Director of the Company since October 1, 1998. From October 1991 to October 1996, he was Vice President of Systems for Grand Casinos, Inc., where his duties included managing the design, development, installation and on-going maintenance for the 2,000 room, \$507 million Stratosphere Hotel, Casino and Tower in Las Vegas. Mr. Mandel also managed the systems development of Grand Casino Mille Lacs, in Onamia, Minnesota, Grand Casino Hinckley in Hinckley, Minnesota and six other casinos nationwide. He is also a director of URON, Inc.

**Donald Miller** worked for Schwan's enterprises between 1962 and 2001, primarily as Chief Financial Officer. He was appointed to the Company's Board of Directors in September 2001 and was elected Chairman of the Board in April 2002. He is currently also the Board of Directors at Schwan's enterprises and a member of their Audit Committee, Risk Committee and Strategy Committee. Mr. Miller is a member of Multiband's Audit Committee.

**Bernard Schafer** has been a director of the Company since February 2008. He is also currently a director of DirecTECH Holding Co, Inc. (DTHC). Multiband owns fifty-one percent of Michigan Microtech, Inc., of which DTHC owns the other forty-nine percent. He graduated from Central Michigan University with a business degree. He worked in the retail field as a salesman then site manager. In 1982 he purchased a percentage of Michigan Microtech, currently a DirecTV fulfillment provider. Mr. Schafer helped oversee Microtech's merger with DTHC in 2005 and the growth of Directech to new regions. Mr. Schafer has been involved in all aspects of the satellite television business, with most of his 26 years in operations.

The Company knows of no arrangements or understandings between a Director or nominee and any other person pursuant to which any person has been selected as a Director or nominee. There is no family relationship between any of the nominees, Directors or executive officers of the company.

### **Board of Directors and its Committees**

The Board has determined that a majority of its members are "independent" as defined by the listing standards of the NASDAQ Stock Market. The independent Directors are Messrs. Frank Bennett, Jonathan Dodge, Eugene Harris and Donald Miller.

The Board of Directors met four times in 2007. As permitted by Minnesota Law, the Board of Directors also acted from time to time during 2007 by unanimous written consent in lieu of conducting formal meetings. Last year, there were four such actions and accompanying Board Resolutions passed. The Board has designated an audit committee consisting of Jonathan Dodge, Donald Miller and Frank Bennett. The Board also designated a compensation committee consisting of Frank Bennett, Eugene Harris, and Donald Miller.

### **Shareholder communication with the Board**

Our Board welcomes your questions and comments. If you would like to communicate directly to our Board, or if you have a concern related to the Company's business ethics or conduct, financial statements, accounting practices or internal controls, then you may contact our website via [www.multibandusa.com](http://www.multibandusa.com), section Investor Relations. All communications will be forwarded to our audit committee.

Directors' attendance at Annual Meetings can provide shareholders with an opportunity to communicate with Directors about issues affecting the Company. The Company does not have a policy regarding director attendance, but all Directors are encouraged to attend the Annual Meeting of Shareholders. Six of our directors attended our Annual Meeting in 2007.

### **Audit Committee**

Our audit committee:

- recommends to our Board of Directors the independent registered public accounting firm to conduct the annual audit of our books and records;
- reviews the proposed scope and results of the audit;
- approves the audit fees to be paid;
-

reviews accounting and financial controls with the independent registered public accountants and our financial and accounting staff; and

- reviews and approves transactions between us and our Directors, officers and affiliates.

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Our audit committee has a formal charter.

Our Audit Committee met four times during 2007. The Audit Committee is comprised entirely of individuals who meet the independence and financial literacy requirements of NASDAQ listing standards. Our Board has determined that all three members, Jonathan Dodge, Donald Miller, and Frank Bennett qualify as an "audit committee financial expert" independent from management as defined by Item 401(h)(2) of Regulation S-K under the Securities Act of 1933, as amended. The Company acknowledges that the designation of the members of the audit committee as financial experts does not impose on them any duties, obligations or liability that are greater than the duties, obligations and liability imposed on them as a member of the audit committee and the Board of Directors in the absence of such designation.

### **Report of the Audit Committee**

In accordance with its written charter adopted by the Board of Directors, the Audit Committee assists the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, and financial reporting practices of the Company. During the year ended December 31, 2007, the committee met four times, and Frank Bennett, as the Audit Committee chair and representative of the Audit Committee, discussed the interim financial information contained in quarterly and annual filings on Forms 10K and 10Q, respectively, with the Company's Chief Financial Officer and the Company's independent registered public accounting firm prior to public release.

In discharging its oversight responsibility as to the audit process, the Audit 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 consistent with Independence Standards Board Standard No. 1, "Independence Discussions with Audit Committees," discussed with the auditors any relationships that may affect their objectivity and independence and satisfied itself as to the auditors' independence. The audit committee also discussed with management and the independent auditors the quality and adequacy of the Company's internal controls. The audit committee reviewed with the independent auditors their audit plans, audit scope, and identification of audit risks.

The Audit Committee discussed and reviewed with the Company's independent registered public accounting firm all communications required by generally accepted auditing standards, including those described in Statement on Auditing Standards No. 61, as amended, "Communication with Audit Committees" and, both with and without management present, discussed and reviewed the results of the independent auditors' examination of the Company's consolidated financial statements. The audit committee reviewed the audited consolidated financial statements of the Company as of and for the fiscal year ended December 31, 2007 with management and the independent registered public accounting firm. Management has the responsibility for the preparation of the Company's consolidated financial statements and the Company's independent registered public accounting firm have the responsibility for the examination of those statements.

Based on the review refe