

VULCAN MATERIALS CO
Form DEF 14A
April 11, 2007

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
- Soliciting Material Pursuant to § --240.14a-12

VULCAN MATERIALS COMPANY
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement)

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April 11, 2007

Dear Fellow Shareholder:

You are cordially invited to attend the Annual Meeting of the Shareholders of Vulcan Materials Company, which will be held at The Wynfrey Hotel in Birmingham, Alabama, on Friday, May 11, 2007, at 9:00 a.m., Central Daylight Time. The formal Notice of the annual meeting, the proxy statement and a proxy accompany this letter.

We hope that you will attend the meeting. However, whether or not you plan to attend the meeting, we encourage you to vote by proxy. For your convenience, you can also vote your proxy in one of the following ways:

- Use the Internet at the web address shown on your proxy card;
- Use the touch-tone telephone number shown on your proxy card; or
- Complete, sign, date and return the enclosed proxy card in the postage-paid envelope provided.

Instructions regarding each method of voting are contained in the proxy statement and on the enclosed proxy card. If you attend the Annual Meeting and desire to vote your shares personally rather than by proxy, you may withdraw your proxy at any time before it is exercised. **Your vote is important. Whether you own one share or many, your prompt vote is greatly appreciated.**

Our Annual Report to Shareholders for 2006 is enclosed. We trust you will find it interesting and informative.

Sincerely yours,

DONALD M. JAMES
*Chairman and
Chief Executive Officer*

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**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 11, 2007**

To our Shareholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Shareholders of Vulcan Materials Company will be held at The Wynfrey Hotel, 1000 Riverchase Galleria, Birmingham, Alabama, on Friday, May 11, 2007, at 9:00 a.m., Central Daylight Time, for the following purposes:

1. To elect three directors to serve three-year terms;
2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2007; and
3. To conduct such other business as may properly come before the meeting or any postponements thereof.

Shareholders who owned stock at the close of business on March 16, 2007 can vote at the meeting.

By Order of the Board of Directors,

WILLIAM F. DENSON, III
Secretary

1200 Urban Center Drive
Birmingham, Alabama 35242
April 11, 2007

NOTE — WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON, TO ASSURE THE PRESENCE OF A QUORUM, PLEASE VOTE YOUR PROXY BY INTERNET, TELEPHONE OR BY COMPLETING, DATING, SIGNING AND MAILING THE ENCLOSED PROXY AS SOON AS POSSIBLE.

VULCAN MATERIALS COMPANY
1200 URBAN CENTER DRIVE, BIRMINGHAM, ALABAMA 35242

PROXY STATEMENT FOR
ANNUAL MEETING OF SHAREHOLDERS
MAY 11, 2007

GENERAL INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

Why am I receiving these materials?

This proxy statement is being sent to all shareholders of record as of the close of business on March 16, 2007 in connection with the solicitation of proxies by Vulcan Materials Company (the “company” or “Vulcan”) for use at the Annual Meeting of Shareholders. This proxy statement, the enclosed proxy card and Vulcan’s 2006 Annual Report to Shareholders are being first mailed to our shareholders on or about April 11, 2007. The meeting will be held at The Wynfrey Hotel, 1000 Riverchase Galleria, Birmingham, Alabama on May 11, 2007, at 9:00 a.m., Central Daylight Time.

Who can attend the Annual Meeting?

Only shareholders of our company as of the record date, March 16, 2007, their authorized representatives and invited guests of our company will be able to attend the annual meeting.

Who is entitled to vote?

All Vulcan shareholders as of the record date, March 16, 2007, will be entitled to vote at the 2007 annual meeting. On the record date there were 94,921,132 shares outstanding. Each share is entitled to one vote on each matter properly brought before the meeting.

What is the difference between a registered shareholder and a beneficial holder of shares?

If your common stock is registered directly in your name with our transfer agent, The Bank of New York, you are considered a “registered shareholder” with respect to those shares. If this is the case, the proxy materials have been sent or provided directly to you by our company.

If your common stock is held in a stock brokerage account or by a bank or other nominee, you are considered the “beneficial holder” of the shares held for you in what is known as “street name.” If this is the case, the proxy materials have been forwarded to you by your brokerage firm, bank or other nominee, or their agent which is considered the shareholder of record with respect to these shares.

How do I vote if I am a registered shareholder?

Proxies are solicited to give all shareholders who are entitled to vote on the matters that come before the meeting the opportunity to vote their shares whether or not they attend the meeting in person. You can vote in one of the following manners:

- § Via Internet;
- § By telephone;
- § By mail; or

§ In person at the annual meeting.

Shareholders are encouraged to vote their proxies by Internet, telephone or completing, signing, dating and returning the enclosed proxy card, but not by more than one method. Choosing to vote via the Internet or calling the toll-free number listed on the proxy card will save our company expense. Internet and telephone voting information is provided on the proxy card. A control number, located on the upper right of the proxy card, is used to verify your identity when voting via the Internet or by telephone. If you vote via the Internet or by telephone, please do not return a signed proxy card. If you vote by more than one method, only the last vote that is submitted will be counted, and each previous vote will be disregarded.

If you choose to vote by mail, mark your proxy card enclosed with the proxy statement, date and sign it, and mail it in the postage-paid envelope.

If you wish to vote in person, you can do so by ballot at the meeting.

How do I specify how I want my shares voted?

You can specify how you want your shares voted on each proposal by marking the appropriate boxes on the proxy card or indicating your vote on each proposal via the telephone or Internet. Please review the voting instructions on the proxy card and read the entire text concerning the proposals in this proxy statement prior to voting. If your signed proxy card or your telephone or Internet instructions do not specify how your shares are to be voted on a proposal, your shares will be voted (a) FOR the election of the nominees for directors described in the proxy statement, (b) FOR ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm and (c) in accordance with the recommendation of our Board of Directors on any other proposal that may properly come before the meeting or any postponement or adjournment thereof.

How do I vote if I am a beneficial shareholder?

If you are a beneficial shareholder, meaning you hold your Vulcan shares in street name, you have the right to direct your bank, broker or nominee on how to vote the shares. You should complete a voting instruction card provided to you by your bank, broker or nominee or provide your voting instructions by Internet or telephone, if made available by your bank, broker or other nominee. If you wish to vote in person at the meeting, you must first obtain from the holder of record a proxy issued in your name.

How are my shares voted if I am a beneficial holder and I do not return voting instructions?

Your shares may be voted if they are held in the name of a brokerage firm, even if you do not provide the brokerage firm with voting instructions. Brokerage firms have the authority, under the listing standards of the New York Stock Exchange, to vote shares on certain "routine" matters for which their customers do not provide voting instructions by the tenth day before the meeting. The election of directors and the ratification of the independent registered public accounting firm are considered routine matters.

What items will be voted upon at the Annual Meeting?

There are two proposals that will be presented at the meeting:

- § election of three directors to serve three-year terms; and
- § ratification of appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2007.

These proposals have been submitted on behalf of Vulcan's Board of Directors. We know of no other matters that may be brought before the meeting. However, if any other matters are properly presented for action, it is the intention of the proxies named on the proxy card to vote on them according to their best judgment.

What are the Board of Directors' voting recommendations?

For the reasons set forth in more detail later in this proxy statement, the Board recommends a vote FOR the election of each of the director nominees and FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2007.

What constitutes a quorum for the Annual Meeting?

A majority of the shares of Common Stock entitled to vote, represented in person or by proxy, is required to constitute a quorum. If a quorum is not present at the time of the Annual Meeting of Shareholders, the shareholders entitled to vote, present in person or by proxy, shall have the power to adjourn the Annual Meeting until a quorum shall be present or represented by proxy.

How many votes are needed to have the proposals pass?

The affirmative vote of a majority of the votes cast is required to elect each of the director nominees and to ratify the appointment of Deloitte & Touche LLP. Director nominees who do not receive the required majority are required to tender their resignations to the Board for consideration.

How are the votes counted?

For purposes of determining the number of votes cast with respect to a particular matter, only those cast “For” or “Against” and, with respect to the election of directors, “Withheld” are included. Abstentions and broker non-votes are counted only for purposes of determining whether a quorum is present at the meeting, are not considered votes cast, and thus will not affect the outcome of the vote.

How can I revoke my Proxy?

You may revoke your proxy at any time before it is voted at the meeting by taking one of the following actions:

- § by giving timely written notice of the revocation to the Secretary of our company;
- § by executing and delivering a proxy with a later date;
- § by voting by telephone or via Internet at a later date (in which case only the last vote is counted); or
- § by voting in person at the annual meeting.

If you vote by more than one method, only the last vote that is submitted will be counted, and each previous vote will be disregarded.

Who counts the votes?

Tabulation of the votes cast at the meeting is conducted by The Bank of New York, independent inspectors of election.

Is my vote confidential?

All proxies are held in confidence, unless (i) the shareholder writes comments or requests disclosure on the proxy card, (ii) disclosure may be required by law, or (iii) where the proxy solicitation is made by a party other than the Board.

Who will pay for the costs involved in the solicitation of proxies?

Our company will pay all costs of preparing, assembling, printing and distributing the proxy materials. Management has retained Georgeson Shareholder Communications Inc. to assist in soliciting proxies for a fee of \$7,000.00, plus reasonable out-of-pocket expenses. Our company will, upon request, reimburse brokerage firms and others for their reasonable expenses incurred for forwarding this proxy material to beneficial owners of such shares.

What is “householding” and how does it affect me?

Some banks and brokers may be participating in the practice of “householding” proxy statements and annual reports. This means that only one copy of this proxy statement or our Annual Report to Shareholders may have been sent to multiple shareholders in your household. We will promptly deliver a separate copy of either or both documents to you if you write or call us at the following address or phone number: Vulcan Materials Company, P.O. Box 385014, Birmingham, Alabama 35238-5014, Attention: Mark D. Warren, Director, Investor Relations, phone: (205) 298-3220. If you want to receive separate copies of our Annual Report to Shareholders and proxy statement in the future, or if you are receiving multiple copies and would like to receive only one copy for your household, you should contact your bank or broker, or you may contact us at the above address and phone number.

Can I view the Proxy Statement and Annual Report over the Internet instead of receiving them in the mail?

You also may access our company's proxy statement and Annual Report on Form 10-K for the year ended December 31, 2006, which includes our annual report to shareholders, via the Internet at www.vulcanmaterials.com under the heading "Investor Relations." For next year's shareholders' meeting, you can help us save significant printing and mailing expenses by consenting to access the proxy statement, proxy card and annual report to shareholders electronically over the Internet. If you hold your shares in your own name (instead of through a bank, broker or other nominee), you can choose this option by following the instructions at the Internet voting website at <https://www.proxypush.com/vmc>, which has been established for you to vote your shares for the meeting. If you choose to receive your proxy materials and annual report to shareholders electronically, then prior to next year's shareholders' meeting you will receive an e-mail notification when the proxy materials and annual report to shareholders are available for on-line review over the Internet, as well as the instructions for voting electronically over the Internet. Your choice for electronic distribution will remain in effect for subsequent meetings unless you revoke it prior to future meetings by sending a written request to: Secretary, Vulcan Materials Company, 1200 Urban Center Drive, Birmingham, Alabama 35242 or revoking your request online.

A copy of our Annual Report on Form 10-K for the year ended December 31, 2006 will be provided to you without charge (except for exhibits) upon written request to Mark D. Warren, Director, Investor Relations, Vulcan Materials Company, 1200 Urban Center Drive, Birmingham, Alabama 35242.

PROPOSAL 1. ELECTION OF DIRECTORS

Our company's Board is divided into three classes for purposes of election. One class is elected at each annual meeting to serve a three-year term.

The Board has nominated three persons for election as directors to serve three-year terms expiring in 2010. Unless otherwise directed, proxies will be voted in favor of these three nominees. Should any of the nominees be unable to accept election, the proxies will be voted for the election of such other person or persons who is nominated by the Board on the recommendation of the Governance Committee. Each of the nominees has consented to serve if elected, and the Board has no reason to believe that any of the persons nominated will be unable to serve as a director.

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS

Douglas J. McGregor

Age: 66. Director since 1992.

Blue Point Capital Partners, Cleveland, Ohio (a national private equity firm), since January 2003; retired President and Chief Operating Officer, Burlington Industries, Inc., Greensboro, North Carolina (a leading soft goods manufacturer with interests in apparel, home fashions, carpets and rugs), from June 2000 until December 2002.

Committee memberships: Audit; Finance and Pension Funds; Safety, Health and Environmental Affairs.

Donald B. Rice

Age: 67. Director since 1986. (*)

Chairman (since 2002), President and Chief Executive Officer of Agensys, Inc., Santa Monica, California (a biotechnology company developing monoclonal antibody therapeutics for cancer), since 1996.

Committee memberships: Audit; Executive; Finance and Pension Funds; Governance.

(*)Dr. Rice was first elected a director in 1986, and served until May 1989, when he was appointed Secretary of the Air Force. He was reelected a director of Vulcan by the Board of Directors on February 12, 1993.

Vincent J. Trosino

Age: 66. Director since 2003.

Retired President, Vice Chairman of the Board and Chief Operating Officer of State Farm Mutual Automobile Insurance Company, Bloomington, Illinois (a mutual insurance company), from 1998 until December 2006.

Committee memberships: Finance and Pension Funds; Safety, Health and Environmental Affairs.

**The Board of Directors of our company
recommends a vote FOR each of the nominees named above.**

DIRECTORS CONTINUING IN OFFICE

TERM EXPIRING IN 2008

Philip J. Carroll, Jr.

Age: 69. Director since 1999.

Retired Chairman and Chief Executive Officer of Fluor Corporation, Aliso Viejo, California (an engineering, construction and diversified services company), from July 1998 to February 2002.

Other directorships: BAE Systems; Texas Medical Center; Envirofuels, LLC.

Committee memberships: Compensation; Executive; Governance; Safety, Health and Environmental Affairs.