

OXFORD INDUSTRIES INC

Form DEF 14A

May 13, 2008

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**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

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

**OXFORD INDUSTRIES, INC.**

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- 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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  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
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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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**NOTICE AND PROXY STATEMENT**

**OXFORD INDUSTRIES, INC.**  
**222 Piedmont Avenue, N.E.**  
**Atlanta, Georgia 30308**

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**  
**To Be Held on June 16, 2008**

**TIME:** 3:00 p.m., local time, on Monday, June 16, 2008

**PLACE:** Oxford Industries, Inc.,  
222 Piedmont Avenue, N.E.,  
Atlanta, Georgia 30308

**ITEMS OF BUSINESS:** (1) To elect three directors to serve on our board of directors for a term of three years;  
(2) To re-approve the Oxford Industries, Inc. Executive Performance Incentive Plan;  
(3) To ratify the appointment of Ernst & Young LLP to serve as our independent registered public accounting firm during the fiscal year which commenced February 3, 2008; and  
(4) To transact any other business that properly comes before the annual meeting or any adjournment or postponement of the annual meeting.

**WHO MAY VOTE:** You can vote if you were a holder of record of the Company's common stock as of the close of business on April 15, 2008.

**DATE OF NOTICE:** May 9, 2008

**DATE OF MAILING:** This notice and the accompanying proxy statement are first being mailed to shareholders on or about May 13, 2008.

A list of the Company's shareholders entitled to vote at the annual meeting will be available for examination by any shareholder of the Company, or his or her agent or attorney, at the annual meeting. The enclosed proxy is solicited on behalf of the Company's Board of Directors. Reference is made to the accompanying proxy statement for further information with respect to the items of business to be transacted at the annual meeting.

**REGARDLESS OF WHETHER YOU PLAN TO ATTEND THE MEETING, PLEASE COMPLETE AND SIGN THE ENCLOSED PROXY AND RETURN IT IN THE ACCOMPANYING POSTAGE-PREPAID ENVELOPE. YOU MAY REVOKE YOUR PROXY AT ANY TIME BEFORE THE MEETING AND, IF YOU ATTEND THE MEETING, YOU MAY ELECT TO VOTE IN PERSON.**

If your shares are held in an account at a bank or broker, you are invited to attend the annual meeting. However, since you are not the shareholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy card from your bank or broker.

By Order of the Board of Directors,

Thomas E. Campbell

Secretary

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**OXFORD INDUSTRIES, INC.**  
**222 Piedmont Avenue, N.E.**  
**Atlanta, Georgia 30308**

**PROXY STATEMENT**

**For Annual Meeting of Shareholders  
To Be Held on June 16, 2008**

**ABOUT THE MEETING**

*Why did you send me this proxy statement?*

The Board of Directors of Oxford Industries, Inc., a Georgia corporation, seeks your proxy for use in voting at our 2008 Annual Meeting of Shareholders or at any postponements or adjournments of the annual meeting. Our annual meeting will be held at the offices of Oxford Industries, Inc., 222 Piedmont Avenue, N.E., Atlanta, Georgia 30308, on Monday, June 16, 2008, at 3:00 p.m., local time. You may contact our Investor Relations Department at (404) 659-2424 to obtain directions to the site of the annual meeting. We will begin mailing this proxy statement, the attached Notice of Annual Meeting of Shareholders and the accompanying proxy card on or about May 13, 2008 to all holders of our common stock, par value \$1.00 per share, entitled to vote at the annual meeting. Along with this proxy statement, we are also sending our Annual Report to Shareholders for our eight month transition period ended February 2, 2008.

*Why do you refer to an eight month transition period ended February 2, 2008?*

On October 8, 2007, our Board of Directors approved a change to our fiscal year end. Effective with our fiscal year which commenced on June 2, 2007, our fiscal year ends at the end of the Saturday closest to January 31 and will, in each case, begin at the beginning of the day next following the last day of the preceding fiscal year. Accordingly, there was an eight month transition period from June 2, 2007 through February 2, 2008. We refer to this period as our eight month transition period ended February 2, 2008.

In this proxy statement, we also refer to fiscal 2007, which is the 52 week period which commenced on June 3, 2006 and ended June 1, 2007, and fiscal 2008, which is the 52 week period which commenced on February 3, 2008 and will end on January 31, 2009. Next year, we will include information in our proxy statement for the full 12 month period representing fiscal 2008.

*What is a proxy?*

It is your legal designation of another person to vote the stock you own. That other person is called a proxy. If you designate someone as your proxy in a written document, that document also is called a proxy or a proxy card. We have designated three of our officers as proxies for our 2008 Annual Meeting of Shareholders. These three officers are J. Hicks Lanier, Thomas C. Chubb III and Thomas E. Campbell.

*What am I voting on?*



You will be voting on each of the following:

1. To elect three directors to serve on our board of directors for a term of three years;
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2. To re-approve the Oxford Industries, Inc. Executive Performance Incentive Plan;
3. To ratify the appointment of Ernst & Young LLP to serve as our independent registered public accounting firm during fiscal 2008; and
4. To transact any other business that properly comes before the annual meeting or any adjournment or postponement of the annual meeting.

As of the date of this proxy statement, our Board of Directors knows of no other matter that will be brought before the annual meeting.

You may not cumulate your votes for any matter being voted on at the annual meeting, and you are not entitled to appraisal or dissenter's rights.

*Who can vote?*

You may vote if you owned shares of our common stock as of the close of business on April 15, 2008, the record date for our 2008 Annual Meeting of Shareholders. As of the close of business on April 15, 2008, there were 16,408,324 shares of our common stock issued and outstanding.

*How do I vote?*

If, on April 15, 2008, your shares of our common stock were registered directly in your name with our transfer agent, Computershare, then you are a shareholder of record. As a shareholder of record, you may vote using one of the following methods:

by completing, signing and returning the enclosed proxy; or

by attending the annual meeting and voting in person.

If, on April 15, 2008, your shares were held in an account at a bank or broker, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. The bank or broker holding your account is considered the shareholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct your bank or broker on how to vote the shares in your account. Telephone and/or Internet voting may be available to direct your bank or broker on how to vote the shares in your account. The availability of telephone and/or Internet voting will depend on the voting processes of your bank or broker. Please follow the directions on your proxy card carefully. Even if your shares are held in an account at a bank or broker, you are invited to attend the annual meeting. However, since you are not the shareholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy card from your bank or broker.

*What if my shares are registered in more than one person's name?*

If you own shares that are registered in the name of more than one person, each person must sign the enclosed proxy. If the proxy is signed by an attorney, executor, administrator, trustee or guardian or by any other person in a representative capacity, the full title of the person signing the proxy should be given and a certificate should be furnished showing evidence of appointment.



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*What does it mean if I receive more than one proxy?*

It means you have multiple accounts with brokers and/or our transfer agent. Please vote all of these shares by completing and providing your voting instructions for all proxy cards that you receive.

*What if I return my proxy but do not provide voting instructions?*

If you sign and return your proxy but do not include voting instructions, your proxy will be voted:

FOR the election of the director nominees proposed by our Board of Directors;

FOR the re-approval of the Oxford Industries, Inc. Executive Performance Incentive Plan;

FOR the ratification of the appointment of Ernst & Young LLP to serve as our independent registered public accounting firm during fiscal 2008; and

to the extent permitted under applicable law, in the discretion of the proxies on such other matters as may properly come before the annual meeting.

A properly executed proxy card marked *Abstain* with respect to any proposal will not be voted for such proposal.

*Can I change my mind after I vote?*

If you are a shareholder of record, you may revoke or change your vote with respect to the shares of our common stock that are registered directly in your name by doing any of the following:

delivering a written notice of revocation to the Secretary of the Company before the vote is taken at the annual meeting, such notice of revocation dated later than the proxy you want to revoke;

properly executing and delivering a later dated proxy before the vote is taken at the annual meeting; or

voting in person at the annual meeting (your attendance at the annual meeting, in and of itself, will not revoke the earlier proxy).

If your shares are held in an account at a bank or broker (i.e., in *street name* ), then you must follow the instructions provided by your bank or broker in order to revoke or change your vote with respect to those shares held in *street name*.

*How many votes am I entitled to?*

You are entitled to one vote for each share of our common stock that you own on the record date.

*How many votes must be present to hold the annual meeting?*

In order for us to conduct the annual meeting, the holders of a majority of the shares of our common stock issued and outstanding as of the close of business on April 15, 2008 must be present at the annual meeting in person or by proxy. This is referred to as a quorum. Broker non-votes (as described below under *Will my shares be voted if I do not provide my proxy?* ), if any, will be counted as shares present for purposes of determining the presence of a quorum.



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*How many votes are needed to elect directors?*

In an uncontested election at an annual meeting of shareholders, our Bylaws require each director be elected by a majority of the votes cast with respect to such director (number of shares voted for a director must exceed the number of votes cast against that director). If a nominee who is already serving as a director is not elected by a majority of the votes cast at the annual meeting in an uncontested election, under Georgia law the director would continue to serve on our Board of Directors as a holdover director. However, under our Bylaws, any holdover director who stood for election but failed to receive a majority of the votes cast with respect to such director must offer to tender his or her resignation to our Board of Directors. Our Board of Directors, in consultation with any of its committees so designated, would then determine whether to accept or reject the resignation, or whether other action should be taken. Under our Bylaws, our Board of Directors is required to act on the resignation and publicly disclose its decision and the rationale behind it within 90 days from the date the election results are certified. If a nominee who was not already serving as a director is not elected at the annual meeting, that nominee would not become a director and would not serve on our Board of Directors as a holdover director.

In a contested election at an annual meeting of shareholders (a situation in which the number of nominees exceeds the number of directors to be elected), the standard for election of directors would be a plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of directors.

At the annual meeting on June 16, 2008, shareholders will be voting to elect three directors to serve on our Board of Directors for a term of three years. Our Board of Directors has nominated each of Cecil D. Conlee, J. Reese Lanier and Dennis M. Love for election by shareholders at the annual meeting. Messrs. Conlee and Lanier currently serve on our Board of Directors.

Abstentions will have no effect on the vote for the election of directors.

*Why am I voting on whether to re-approve the Oxford Industries, Inc. Executive Performance Incentive Plan?*

On October 6, 2003, our shareholders approved the Oxford Industries, Inc. Executive Performance Incentive Plan (which we refer to as the EPIP). The EPIP is designed so that certain cash bonuses payable under the plan may qualify as performance-based compensation under Section 162(m) of the Internal Revenue Code of 1986, as amended (which we refer to as the Code). Re-approval of the EPIP is required at least every five years under Internal Revenue Service regulations in order to preserve our federal income tax deduction of EPIP awards that would otherwise qualify as performance-based compensation.

On March 27, 2008, our Board of Directors amended and restated the EPIP, in the form attached to this proxy statement as Appendix A, and recommended that our shareholders vote to re-approve the EPIP. The material terms of the EPIP remain unchanged from the plan approved by our shareholders on October 6, 2003.

*How many votes are needed to re-approve the EPIP?*

Re-approval of the EPIP, as specified in Proposal No. 2, requires the affirmative vote of at least a majority of the outstanding shares of our common stock present at the annual meeting, in person or by proxy, and entitled to vote on the proposal. Abstentions will have the same effect as a vote against this proposal.

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*How many votes are needed to ratify the appointment of Ernst & Young LLP to serve as our independent registered public accounting firm during fiscal 2008?*

Ratification of the appointment of Ernst & Young LLP to serve as our independent registered public accounting firm during fiscal 2008, as specified in Proposal No. 3, requires the affirmative vote of at least a majority of the outstanding shares of our common stock present at the annual meeting, in person or by proxy, and entitled to vote on the proposal. Abstentions will have the same effect as a vote against this proposal.

Shareholder ratification of the appointment of Ernst & Young LLP is not required by law; however, our Board of Directors considers the solicitation of shareholder ratification to be in the best interests of our company and our shareholders. In view of the difficulty and expense involved in changing auditors on short notice, should our shareholders not ratify the selection of Ernst & Young LLP at the annual meeting, it is contemplated that the appointment of Ernst & Young LLP for fiscal 2008 will be permitted to stand unless our Board of Directors finds other compelling reasons for making a change. Disapproval by our shareholders will be considered a recommendation that our Board of Directors select another independent registered public accounting firm for the following year.

*How many votes are needed for other matters?*

Approval of any other matter that properly comes before the annual meeting requires the affirmative vote of a majority of the outstanding shares of our common stock present at the annual meeting, in person or by proxy, and entitled to vote on the proposal (except as otherwise provided in our Articles of Incorporation or Bylaws or applicable law for actions that require a greater percentage of votes in favor of a proposal). Our Board of Directors knows of no other matters that will be brought before the annual meeting. If other matters are properly introduced, the persons named in the enclosed proxy as the proxy holders will vote on such matters in their discretion to the extent permitted under applicable law.

*Will my shares be voted if I do not provide my proxy?*

Under certain circumstances, 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 rules of the New York Stock Exchange (which we refer to as the NYSE ), to vote shares on certain routine matters for which their customers do not provide voting instructions. Under the NYSE s rules, as currently in effect, the election of directors, re-approval of the EPIP and the ratification of Ernst & Young LLP as our independent registered public accounting firm are considered routine matters. When a proposal is not a routine matter and the brokerage firm has not received voting instructions from the beneficial holder of the shares with respect to that proposal, the brokerage firm cannot vote the shares on that proposal. This is called a broker non-vote. In tabulating the voting result for a proposal that is not a routine matter, shares for which a brokerage firm signs and returns a proxy on your behalf that does not contain voting instructions with respect to that proposal will be deemed a broker non-vote. These proxies will be counted as present at the annual meeting for quorum purposes but will not be counted as entitled to vote on the non-routine proposal.

If you hold your shares directly in your own name, they will not be voted if you do not provide a proxy or attend the annual meeting and vote in person.

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The following table sets forth information about our executive officers as of April 24, 2008:

<b>Name</b>	<b>Age</b>	<b>Position Held</b>
J. Hicks Lanier	68	Chairman and Chief Executive Officer
John A. Baumgartner	65	Senior Vice President and Chief Information Officer
Thomas E. Campbell	44	Senior Vice President-Law, General Counsel and Secretary
Thomas C. Chubb III	44	Executive Vice President
Christine B. Cole	59	Senior Vice President-Human Resources
K. Scott Grassmyer	47	Senior Vice President, Chief Financial Officer and Controller
Miles Gray	61	CEO, Ben Sherman Group
S. Anthony Margolis	65	Group Vice President and CEO, Tommy Bahama Group
Knowlton J. O Reilly	68	Group Vice President
Anne M. Shoemaker	49	Vice President-Capital Markets and Treasurer
James F. Tuman III	60	President, Lanier Clothes

All our executive officers are elected by and serve at the discretion of either our Board of Directors or the Chairman of our Board of Directors.

Mr. J. Hicks Lanier has been our Chairman and Chief Executive Officer since 1981. Mr. Lanier also served as our President from 1977 until 2003. He currently serves as a director of SunTrust Banks, Inc., Crawford & Company and Genuine Parts Company. He serves on the Audit Committees of SunTrust Banks, Inc. and Crawford & Company. He also serves on the Compensation, Nominating and Governance Committee of Genuine Parts Company and the Nominating / Corporate Governance / Compensation Committee of Crawford & Company.

Mr. John A. Baumgartner was appointed Senior Vice President and Chief Information Officer in 2004. From 1992 to 2004, he served as our Vice President.

Mr. Thomas E. Campbell has served as Senior Vice President-Law, General Counsel and Secretary since April 2008. Mr. Campbell served as our Vice President-Law, General Counsel and Secretary from 2006 to April 2008. Prior to joining our company, Mr. Campbell was Senior Counsel at Interface, Inc., a manufacturer and marketer of floor coverings and fabrics, where he had served since 1997.

Mr. Thomas C. Chubb III was appointed Executive Vice President in 2004. From 1999 to 2004, he served as our Vice President, General Counsel and Secretary.

Ms. Christine B. Cole has served as Senior Vice President-Human Resources since April 2008. Ms. Cole served as our Vice President-Human Resources from 2004 to April 2008. Prior to joining our company, Ms. Cole had been the Vice President of Reed Business Information, Inc., a provider of information and communications for a diverse range of business sectors, beginning in 1999.



Mr. K. Scott Grassmyer has served as Senior Vice President, Chief Financial Officer and Controller since January 2008. Mr. Grassmyer served as our Senior Vice President and Controller from 2004 to 2008. From 2003 to 2004, he served as our Vice President and Controller. Mr. Grassmyer was appointed our Controller in 2002. Prior to

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joining our company, he served as Senior Vice President and Chief Financial Officer of Duck Head Apparel Company, Inc., an apparel manufacturer, beginning in 1997.

Mr. Miles Gray is CEO, Ben Sherman Group (one of our operating groups) and has held that position since our acquisition of Ben Sherman Limited in 2004. Prior to joining our company, Mr. Gray had been the CEO of Ben Sherman Limited since 2000. From 1997 to 2000, Mr. Gray was Ben Sherman's European Sales & Marketing Director.

Mr. S. Anthony Margolis has been a Group Vice President and Chief Executive Officer of our wholly owned subsidiary Tommy Bahama Group, Inc. (formerly known as Viewpoint International, Inc.) since 2003. Prior to joining our company, Mr. Margolis had been the Chief Executive Officer and President of Viewpoint International, Inc. since 1992. As we previously announced, Mr. Margolis will be retiring from his position as Group Vice President and Chief Executive Officer of Tommy Bahama Group, Inc. effective May 31, 2008. Mr. Margolis also served as a member of our Board of Directors from 2003 to 2007.

Mr. Knowlton J. O'Reilly is Group Vice President and has held that position since November 2007. Mr. O'Reilly previously served as a Group Vice President of our company from 1978 until June 2006. Mr. O'Reilly's previous employment with our company ended in June 2006 in connection with the sale of our Womenswear Group. From June 2006 until November 2007, Mr. O'Reilly served as Group Vice President of The Millwork Trading Co., Ltd., d/b/a Li & Fung USA, a subsidiary of Hong Kong-based consumer sourcing goods company Li & Fung Trading Limited and the purchaser of our Womenswear Group. Mr. O'Reilly also served as a member of our Board of Directors from 1987 to 2005.

Ms. Anne M. Shoemaker was appointed Vice President-Capital Markets and Treasurer in October 2007. She served as our Vice President-Internal Audit from 2004 to 2007. From 2001 to 2004, she served as our Director of Credit and Internal Audit.

Mr. James F. Tuman III is President, Lanier Clothes (one of our operating groups) and has had this position since 2005. From 1994 to 2005, Mr. Tuman served as Group Manager and Vice President-Manufacturing of Lanier Clothes.

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**ELECTION OF DIRECTORS  
(Proposal No. 1)**

**Board of Directors**

Under our Articles of Incorporation, our Board of Directors will consist of at least nine members, with the specific number fixed by our Bylaws, from time to time, by resolution of our Board of Directors or by the affirmative vote of at least 75% of our outstanding capital stock entitled to vote generally in the election of directors. Currently, our Bylaws have fixed the number of directors at 10, with eight members presently serving. Accordingly, there are currently two vacancies on our Board of Directors. In accordance with our Articles of Incorporation, our directors are divided into three classes that are as nearly equal in size as possible. Directors in each class are elected to staggered three-year terms. A director holds office until the annual meeting of shareholders held in the year during which the director's term ends and until his or her successor is elected and qualified.

Pursuant to our Bylaws, an individual becomes ineligible for election or appointment as a director:

for any employee director (other than an individual who has at any time served as our Chief Executive Officer), following our fiscal year during which such individual reaches the age of 65; and

for any other individual, following our fiscal year during which such individual reaches the age of 72.

Our Board of Directors currently consists of three Class I directors, two Class II directors and three Class III directors. At our 2008 Annual Meeting of Shareholders, the terms of Messrs. Cecil D. Conlee, J. Reese Lanier and Robert E. Shaw, the three Class I directors, will expire. Mr. Shaw, who has served on our Board of Directors since 1991, reached the retirement age of 72 prior to the beginning of fiscal 2008 and, therefore, is no longer eligible for election as a director under our Bylaws.

Our Board of Directors, based in part on the recommendation of our Nominating, Compensation & Governance Committee, has nominated each of Cecil D. Conlee, J. Reese Lanier and Dennis M. Love for election as a Class I director to hold office until the annual meeting of shareholders held in 2011 and until his successor is elected and qualified. Mr. Love was identified and recommended as a potential director nominee by non-management members of our Board of Directors. After evaluating Mr. Love's qualifications and independence, our Nominating, Compensation & Governance Committee recommended to our Board of Directors that Mr. Love be nominated for election as a Class I director at our 2008 Annual Meeting of Shareholders.

Our other directors are expected to remain in office for the remainder of their respective terms, as indicated below.

In an uncontested election at an annual meeting of shareholders, our Bylaws require each director to be elected by a majority of the votes cast with respect to such director (number of shares voted for a director must exceed the number of votes cast against that director). In accordance with our Bylaws, in order for a shareholder to nominate a director for consideration at the 2008 Annual Meeting of Shareholders, we must have received the nomination not later than the close of business on March 18, 2008. We have not received a shareholder nomination for a director for consideration at the annual meeting. Accordingly, the election of directors at the 2008 Annual Meeting of Shareholders is an uncontested election.

Under Georgia law, if, in an uncontested election at the annual meeting, a nominee who is already serving as a director is not elected, the director would continue to serve on our Board of Directors as a holdover director. Under

our Bylaws, any holdover director who fails to be elected by a majority of the votes cast with respect to such director in an uncontested election must offer to tender his or her resignation to our Board of Directors. Our Board of

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Directors, in consultation with any of its committees so designated, would then determine whether to accept or reject the resignation, or whether other action should be taken. Under our Bylaws, our Board of Directors is required to act on the resignation and publicly disclose its decision and the rationale behind it within 90 days from the date the election results are certified. If a nominee who was not already serving as a director is not elected at the annual meeting, that nominee would not become a director and would not serve on our Board of Directors as a holdover director. Messrs. Conlee and Lanier are nominees for election at the annual meeting who are currently serving on our Board of Directors. Mr. Love does not currently serve on our Board of Directors.

Abstentions will have no effect on the vote for the election of directors.

Each nominee has consented to serve if elected, and our Board of Directors has no reason to believe that any nominee will be unable or unwilling to serve if elected. If a nominee becomes unwilling or unable to serve prior to the annual meeting, then at the recommendation of our Board of Directors:

proxies will be voted for a substitute nominee selected by or at the direction of our Board of Directors;

the vacancy created by the inability or unwillingness of a nominee to serve will remain open until filled by our Board of Directors; or

our Bylaws may be amended to reduce the number of directors serving on our Board of Directors.

Our Board of Directors is also searching for other qualified persons to add to our Board of Directors to fill the two other vacancies. Because these persons were not identified at the time that this proxy statement was delivered to our shareholders, our Board of Directors has determined to leave these seats vacant until appropriate individuals have been found. Proxies cannot be voted for a greater number of persons than the number of nominees named.

**Table of Contents****Recommendation of our Board of Directors**

**OUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE PROPOSAL TO ELECT EACH OF THE CLASS I DIRECTOR NOMINEES LISTED BELOW.**

**Directors**

The following table sets forth, as of April 24, 2008, certain information concerning the director nominees and our other directors who will be continuing after the 2008 Annual Meeting of Shareholders.

**Nominees for Election    Class I Directors    Terms Expire in 2011**

<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Positions Held</b>
Cecil D. Conlee	71	1985	Mr. Conlee is Chairman of CGR Advisors, a real estate advisory company, and has held this position since 1990. Mr. Conlee serves on the Audit Committee of Vanderbilt University.
J. Reese Lanier*	65	1974	Mr. Lanier is self-employed in farming and related businesses and has had this occupation for more than five years.
Dennis M. Love	52	N/A	Mr. Love is President and Chief Executive Officer of Printpack Inc., a manufacturer of flexible and specialty rigid packaging, and has served in such capacities since 1987. Mr. Love currently serves as a director of Caraustar Industries, Inc. and AGL Resources, Inc. Mr. Love serves as chair of the Compensation and Employee Benefits Committee of Caraustar Industries, Inc. and serves as a member of the Audit and Nominating, Governance and Corporate Responsibility Committees of AGL Resources, Inc.

**Table of Contents****Continuing Class II Directors Terms Expire in 2009**

<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Positions Held</b>
J. Hicks Lanier*	68	1969	Mr. Lanier has been our Chairman and Chief Executive Officer since 1981. Mr. Lanier also served as our President from 1977 until 2003. He currently serves as a director of SunTrust Banks, Inc., Crawford & Company and Genuine Parts Company. He serves on the Audit Committees of SunTrust Banks, Inc. and Crawford & Company. He also serves on the Compensation, Nominating and Governance Committee of Genuine Parts Company and the Nominating / Corporate Governance / Compensation Committee of Crawford & Company.
Clarence H. Smith	57	2003	Mr. Smith is President and Chief Executive Officer of Haverty Furniture Companies, Inc., a home furnishings retailer, and has held this position since January 2003. He served as President and Chief Operating Officer of Haverty Furniture Companies, Inc. from 2002 to 2003, Chief Operating Officer of Haverty Furniture Companies, Inc. from 2000 to 2002, and Senior Vice President, General Manager Stores of Haverty Furniture Companies, Inc. from 1996 to 2000. He is also a director of Haverty Furniture Companies, Inc.

**Continuing Class III Directors Terms Expire in 2010**

<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Positions Held</b>
George C. Guynn	64	2007	Mr. Guynn retired in October 2006 from his position of President and CEO of the Federal Reserve Bank of Atlanta, where he worked his entire career. Mr. Guynn is a director of Genuine Parts Company and Acuity Brands, Inc. Mr. Guynn serves on the Audit Committee of Genuine Parts Company and the Audit and Governance Committees of Acuity Brands, Inc.
Helen B. Weeks	53	1998	Ms. Weeks founded Ballard Designs, Inc., a home furnishing catalog business, in 1983 and served as Chief Executive Officer until she retired in 2002.
E. Jenner Wood III	56	1995	Mr. Wood became Chairman, President and Chief Executive Officer of SunTrust Bank, Central Group, in March 2001 and has served as Executive Vice President of SunTrust Banks, Inc. since 1994. SunTrust Banks,

Inc. is a financial holding company that through its flagship subsidiary, SunTrust Bank, offers deposit, credit and trust and investment services. Mr. Wood is a director of Crawford & Company and serves on its Nominating / Corporate Governance / Compensation Committee. He is also a director of Georgia Power Company and serves on its Finance Committee.

\* J. Reese Lanier and J. Hicks Lanier are first cousins.



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### **Conduct Policies for Directors, Officers, including Senior Financial Officers, and Employees**

Our Board of Directors has adopted a Conflict of Interest and Business Ethics Policy for all of our directors, officers and employees. It is our policy that all such covered persons must avoid any activity that is or has the appearance of being hostile, adverse or competitive with our business, or that interferes with the proper performance of the individual's duties, responsibilities or loyalty to our company. Members of the Executive Committee of our Board of Directors have the authority to grant a waiver of a provision of our Conflict of Interest and Business Ethics Policy to any of our employees (including any officer who is also not a director). Our Board of Directors has the exclusive authority to grant a waiver of a provision of our Conflict of Interest and Business Ethics Policy to any of our directors.

In addition, our Board of Directors has adopted an ethical conduct policy for our senior financial officers, including, among others, our chief executive officer, our chief financial officer and our chief accounting officer. These individuals are expected to adhere at all times to this ethical conduct policy. Failure to comply with this ethical conduct policy is a serious offense and will result in appropriate disciplinary action. Our Board of Directors has the authority to approve any deviation or waiver of this ethical conduct policy.

We will disclose on our Internet website at [www.oxfordinc.com](http://www.oxfordinc.com), to the extent and in the manner permitted by Item 5.05 of Form 8-K under Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (which we refer to as the Exchange Act ), (i) the nature of any amendment to these conduct policies (other than technical, administrative or other non-substantive amendments), (ii) our approval of any material departure from a provision of these conduct policies granted to any of our executive officers or directors, or (iii) our failure to take action within a reasonable period of time regarding any material departure from a provision of these conduct policies that has been made known to any of our executive officers.

We have posted our Conflict of Interest and Business Ethics Policy and our ethical conduct policy for our senior financial officers on our Internet website at [www.oxfordinc.com](http://www.oxfordinc.com). A copy of each of these policies is available in print to any shareholder who so requests it. Requests for a copy of either of these policies should be mailed to: Oxford Industries, Inc., 222 Piedmont Avenue, N.E., Atlanta, GA 30308, Attention: Investor Relations.

### **Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires that our officers and directors, and persons who beneficially own more than 10% of our common stock, file with the U.S. Securities and Exchange Commission (which we refer to as the SEC ) certain reports, and to furnish copies thereof to us, with respect to each such person's beneficial ownership and changes in ownership of our equity securities.

Based solely on a review of the copies of such reports furnished to us, we believe that during fiscal 2007 and our eight month transition period ended February 2, 2008, our officers, directors and greater than 10% beneficial owners complied with all applicable Section 16(a) filing requirements, except: (i) on December 4, 2006, March 2, 2007, June 1, 2007, August 31, 2007, November 30, 2007 and February 29, 2008, Mr. K. Scott Grassmyer purchased an aggregate of 55.89 shares of our common stock due to an inadvertent election to participate in a broker-facilitated dividend reinvestment program, and a Form 4 reporting all of these transactions was not filed until March 14, 2008; and (ii) on December 7, 2006, Mr. J. Hicks Lanier made a gift of 4,930 shares of our common stock, and this gift was not reported until a Form 5 was filed on March 17, 2008.

### **Submission of Director Candidates by Shareholders**

Pursuant to our Bylaws, to be timely, a director nomination by a shareholder must be delivered to our Secretary not less than 90 days nor more than 120 days prior to the first anniversary of the date on which we first mailed proxy

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materials for the preceding year's annual meeting; however, if the annual meeting of shareholders is advanced more than 30 days prior to or delayed more than 30 days after the first anniversary of the preceding year's annual meeting, a director nomination submitted by a shareholder to be timely must be delivered not later than the close of business on the later of (i) the 90th day prior to the annual meeting or (ii) the 10th day following the date on which public announcement of the date of such annual meeting is first made. Any recommendation received by our Secretary will be promptly forwarded to the Chairman of our Nominating, Compensation & Governance Committee for consideration.

Notice of a director nomination by a shareholder should include the following:

1. the name and address of record of the shareholder making the nomination;
2. a representation that the shareholder is a holder of record of shares of our capital stock entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice;
3. the class and number of shares of capital stock held of record, owned beneficially and represented by proxy by the shareholder and each proposed nominee, as of the date of the notice;
4. the name, age, business and residence addresses and principal occupation or employment of each proposed nominee;
5. a description of all arrangements or understandings between the shareholder and each proposed nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder;
6. such other information regarding each proposed nominee as would be required to be included in a proxy statement filed pursuant to the SEC's proxy rules; and
7. the written consent of each proposed nominee to serve as a director if so elected.

In addition to candidates submitted by shareholders, our Nominating, Compensation & Governance Committee will also consider candidates recommended by directors, management, third party search firms and other valid and reliable sources. Candidates recommended by any of these sources will be equally evaluated and considered. Our Nominating, Compensation & Governance Committee will compile a complete list of candidates recommended from any valid source and evaluate each candidate. Each candidate will be evaluated in the context of the current composition of our Board of Directors, the current needs of our Board of Directors and the long-term interests of our shareholders. In making its evaluation of possible director candidates, our Nominating, Compensation & Governance Committee will consider, among other things, issues such as a candidate's independence, age, understanding of the Company's industry, general business knowledge and experience, financial literacy and expertise, availability and commitment. After evaluating each candidate, our Nominating, Compensation & Governance Committee will determine which candidates it will recommend to the full Board of Directors.

**Table of Contents****COMMON STOCK OWNERSHIP BY MANAGEMENT  
AND CERTAIN BENEFICIAL OWNERS**

The table below sets forth certain information, as of April 15, 2008 (except as noted), regarding the beneficial ownership of shares of our common stock by:

owners of 5% or more of our common stock;

our directors;

our named executive officers (as defined in *Executive Compensation Compensation Discussion and Analysis Named Executive Officers for our Eight Month Transition Period Ended February 2, 2008* ); and

our directors and executive officers as a group.

Except as set forth below, the shareholders named below have sole voting and investment power with respect to all shares of our common stock shown as being beneficially owned by them. Unless otherwise indicated, the address for each shareholder on this table is c/o Oxford Industries, Inc., 222 Piedmont Avenue, N.E., Atlanta, Georgia 30308.

Name	Beneficial Ownership of Common Stock	
	Number of Shares <sup>(1)</sup>	Percent of Class <sup>(1)</sup>
Columbia Wanger Asset Management, L.P.	2,326,400 <sup>(a)</sup>	14.18
Kornitzer Capital Management, Inc.	1,427,591 <sup>(b)</sup>	8.70
SunTrust Banks, Inc.	982,282 <sup>(c)</sup>	5.99
Thomas C. Chubb III	64,244 <sup>(d)</sup>	*
Cecil D. Conlee	10,633	*
K. Scott Grassmyer	24,578 <sup>(e)</sup>	*
Miles Gray	1,001 <sup>(f)</sup>	*
George C. Guynn	1,173	*
J. Hicks Lanier	1,549,829 <sup>(g)</sup>	9.44
J. Reese Lanier	542,855 <sup>(h)</sup>	3.31
S. Anthony Margolis	26,973 <sup>(i)</sup>	*
Robert E. Shaw	5,774	*
Clarence H. Smith	2,552	*
James F. Tuman III	14,723 <sup>(j)</sup>	*
Helen B. Weeks	2,700	*
E. Jenner Wood III	3,152	*
All directors and executive officers as a group (18 persons)	2,356,125 <sup>(k)</sup>	14.30 <sup>(k)</sup>

\* Less than 1%

(1)

Calculations based on an aggregate of 16,408,324 shares of our common stock outstanding as of the close of business on April 15, 2008. In addition, the number of shares and percentage of the class beneficially owned for each shareholder assume the issuance of all shares attributable to outstanding options held by such shareholder that may be exercised within 60 days of April 15, 2008 but are not treated as outstanding for the purpose of

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computing the percentage ownership of any other person. The number of shares and percentage of the class beneficially owned by all directors and executive officers as a group assume the issuance of all shares attributable to outstanding options held by such directors and executive officers that may be exercised within 60 days of April 15, 2008.

- (a) The shares reported are held by Columbia Wanger Asset Management, L.P. in its capacity as an investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E) of the Exchange Act. Columbia Wanger Asset Management, L.P., has sole voting power over 2,166,400 of the reported shares and sole dispositive power over all of the reported shares. As reported by Columbia Wanger Asset Management, L.P., the shares reported include shares representing 9.52% of our outstanding common stock held by Columbia Acorn Trust, a Massachusetts business trust that is advised by Columbia Wanger Asset Management, L.P. The address for Columbia Wanger Asset Management, L.P. is 227 West Monroe Street, Suite 3000, Chicago, IL 60606. This information was as of December 31, 2007 and was obtained from a Schedule 13G/A filed on January 29, 2008.
- (b) The shares reported are held by Kornitzer Capital Management, Inc. in its capacity as an investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E) of the Exchange Act. As reported by Kornitzer Capital Management, Inc., Kornitzer Capital Management, Inc. is an investment adviser with respect to the reported shares for the accounts of other persons who have the right to receive, and the power to direct the receipt of, dividends from, or the proceeds from the sale of, the reported shares. Kornitzer Capital Management, Inc. has sole dispositive power over 1,381,241 of the reported shares and sole voting power over all of the reported shares. The address for Kornitzer Capital Management, Inc. is 5420 West 61st Place, Shawnee Mission, KS 66205. This information was as of December 31, 2007 and was obtained from a Schedule 13G/A filed on March 4, 2008.
- (c) As reported by SunTrust Banks, Inc., these shares may be held by one or more subsidiaries of SunTrust Banks, Inc. in various fiduciary and agency capacities and include (i) 745,732 shares with respect to which it has sole voting power, (ii) 51,000 shares with respect to which it has shared voting power, (iii) 195,429 shares with respect to which it has sole dispositive power, and (iv) 586,853 shares with respect to which it has shared dispositive power. SunTrust Banks, Inc. and such subsidiaries disclaim beneficial interest in any of the shares reported. The address for SunTrust Banks, Inc. is 303 Peachtree Street, Suite 1500, Atlanta, GA 30308. This information was as of December 31, 2007 and was obtained from a Schedule 13G filed on February 12, 2008.
- (d) Includes 27,670 shares issuable pursuant to outstanding stock options that may be exercised within 60 days of April 15, 2008.
- (e) Includes 4,000 shares issuable pursuant to outstanding stock options that may be exercised within 60 days of April 15, 2008.
- (f) Consists of 1,001 restricted share units awarded pursuant to our Long-Term Stock Incentive Plan. These shares will be issued on June 2, 2009, generally subject to forfeiture in the event Mr. Gray's employment with us or our subsidiaries terminates prior to June 2, 2009. The 1,001 restricted share units are treated as outstanding for purposes of calculating the percentage of our common stock owned by Mr. Gray and by our directors and executive officers as a group but are not treated as outstanding for any other purpose.
- (g) Consists of 264,932 shares held individually by Mr. J. Hicks Lanier, 582,020 shares held in trust, 492,477 shares held by a charitable foundation of which Mr. Lanier is a trustee, 200,000 shares held in a grantor retained annuity trust of which Mr. Lanier acts as trustee, and 10,400 shares issuable pursuant to outstanding stock options that may be exercised within 60 days of April 15, 2008. Mr. Lanier disclaims beneficial ownership of the 582,020 reported shares held in trust and the 492,477 reported shares held by the charitable foundation of which Mr. Lanier is a trustee.



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- (h) Consists of 465,356 shares held individually by Mr. J. Reese Lanier, 76,899 shares held in trust and 600 shares held by Mr. Lanier's wife. Mr. Lanier disclaims beneficial ownership of the reported shares held in trust and held by his wife.
- (i) Includes 24,972 shares held in a grantor retained annuity trust of which Mr. Margolis acts as trustee.
- (j) Includes 7,200 shares issuable pursuant to outstanding stock options that may be exercised within 60 days of April 15, 2008.
- (k) Of this amount, the executive officers not listed by name hold individually an aggregate of 90,538 shares and have the right to acquire 15,400 shares pursuant to outstanding stock options that may be exercised within 60 days of April 15, 2008.

Under the SEC's rules, a person may be deemed to beneficially own securities in which he or she has no pecuniary interest. The information set forth above under this heading *Common Stock Ownership by Management and Certain Beneficial Owners* shall not be construed as an admission that any such person is, for purposes of Section 13(d) or 13(g) of the Exchange Act or otherwise, the beneficial owner of any securities disclosed above.

## **CORPORATE GOVERNANCE**

Our Board of Directors oversees our company's business in accordance with the Georgia Business Corporation Code, as implemented by our Articles of Incorporation and Bylaws. Directors are elected by our shareholders to oversee their interest in the long-term health and overall success of our company. Our Board of Directors serves as the ultimate decision-making body of our company, except for those matters reserved to or shared with our shareholders. Our Board of Directors selects and oversees the members of senior management, who are charged by our Board of Directors with conducting the day-to-day business of our company.

### **Director Independence**

Our Board of Directors annually reviews the independence of our directors. As a result of its review, our Board of Directors has affirmatively determined that none of the following director nominees has a material relationship with our company (either directly or as a partner, shareholder or officer of an organization that has a relationship with our company), each of the following director nominees meets the categorical standards of the NYSE regarding independence and, as a result, each of the following director nominees is independent: Cecil D. Conlee, J. Reese Lanier and Dennis M. Love. In addition, our Board of Directors has affirmatively determined that the following directors are independent under the NYSE's categorical standards and do not have a material relationship with our company (either directly or as a partner, shareholder or officer of an organization that has a relationship with our company): George C. Guynn, Robert E. Shaw, Clarence H. Smith, Helen B. Weeks and E. Jenner Wood III.

In determining director independence, our Board of Directors broadly considered all relevant facts and circumstances, including the corporate governance listing standards of the NYSE. Our Board of Directors considered the issue not merely from the standpoint of a director, but also from that of persons or organizations with which the director has an affiliation. An independent director is free of any relationship with our company or management that might impair the director's ability to make independent judgments. Mr. E. Jenner Wood III has certain relationships with our company that are described elsewhere in this proxy statement under the heading *Certain Relationships and Related Transactions*. Our Board of Directors has determined that this relationship is not material for purposes of determining Mr. Wood's independence in accordance with the NYSE corporate governance listing standards based on the dollar value of the aggregate payments by us in connection with these transactions and because the transactions were made



in the ordinary course of business and on market terms.

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Mr. J. Hicks Lanier is an employee of our company and is not independent. Mr. J. Reese Lanier's son served as one of our executive officers during the previous three years and, in accordance with the NYSE's corporate governance listing standards, he is not independent.

### **Corporate Governance Guidelines**

Our Board of Directors has adopted Corporate Governance Guidelines that set forth certain guidelines for the operation of the Board of Directors and its committees. In accordance with its charter, our Nominating, Compensation & Governance Committee periodically reviews and assesses the adequacy of our Corporate Governance Guidelines. We have posted our Corporate Governance Guidelines on our Internet website at [www.oxfordinc.com](http://www.oxfordinc.com). A copy of our Corporate Governance Guidelines is available in print to any shareholder who so requests it. Requests for a copy of our Corporate Governance Guidelines should be mailed to: Oxford Industries, Inc., 222 Piedmont Avenue, N.E., Atlanta, GA 30308, Attention: Investor Relations.

### **Director Self-Evaluation**

In accordance with our Corporate Governance Guidelines, our Board of Directors annually conducts a self-evaluation. Our Nominating, Compensation & Governance Committee oversees our Board of Directors' self-evaluation process.

### **Meetings of Non-Employee Directors**

Pursuant to our Corporate Governance Guidelines, our non-employee directors periodically meet separately from the other directors in executive sessions. Our non-employee directors include directors who are independent, as determined by our Board of Directors, and any other directors who are not officers or employees of our company even though they may have another relationship with our company or management that prevents them from being considered independent under the NYSE corporate governance listing standards.

### **Presiding Independent Director**

Cecil D. Conlee is our presiding independent director in accordance with our Corporate Governance Guidelines. The presiding independent director serves in a lead capacity to chair executive sessions of our non-employee directors and coordinate the activities of our other non-employee directors.

### **Succession Planning**

Our Board of Directors plans for succession to the position of Chief Executive Officer, as well as certain other senior management positions. To assist our Board of Directors, our Chairman and Chief Executive Officer periodically provides our non-employee directors with an assessment of senior executive officers and of their potential to succeed him. He also provides our non-employee directors with an assessment of persons considered potential successors to certain senior management positions.

### **Meetings of our Board of Directors; Attendance at the Annual Meeting of Shareholders**

Our Board of Directors met four times and acted by written consent on one occasion during our eight month transition period ended February 2, 2008. During our eight month transition period ended February 2, 2008, each of our incumbent directors attended at least 75 percent of the aggregate number of meetings of our Board of Directors and of all committees of which the director was a member during the period he or she was a director or served on such committees.



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While we have not adopted a formal policy regarding attendance by directors at our annual meetings of shareholders, we encourage directors to attend the annual meetings of shareholders in person. Each of the directors who served on our Board of Directors at the conclusion of our 2007 Annual Meeting of Shareholders attended the meeting in person.

### **Committees of our Board of Directors**

Our Board of Directors has a standing Executive Committee, Audit Committee and Nominating, Compensation & Governance Committee.

#### *Executive Committee*

J. Hicks Lanier, Clarence H. Smith and E. Jenner Wood III are the members of our Executive Committee. Mr. Lanier is chairman of our Executive Committee.

Our Executive Committee is authorized to exercise the authority of the full Board of Directors in managing the business and affairs of our company. However, our Executive Committee does not have certain powers that are reserved to our full Board of Directors under the Georgia Business Corporation Code, including the following:

1. to fill vacancies on our Board of Directors or any of the committees of our Board of Directors;
2. to adopt, amend or repeal our Bylaws; or
3. to approve or propose to shareholders any action that Georgia law requires to be approved by shareholders.

Our Executive Committee met in person two times and acted by written consent on 14 occasions during our eight month transition period ended February 2, 2008.

#### *Audit Committee*

Cecil D. Conlee, George C. Guynn and Clarence H. Smith are the members of our Audit Committee. Mr. Conlee is chairman of our Audit Committee. We have posted our Audit Committee's charter on our Internet website at [www.oxfordinc.com](http://www.oxfordinc.com). A copy of our Audit Committee's charter is available in print to any shareholder who so requests it. Requests for a copy of our Audit Committee's charter should be mailed to: Oxford Industries, Inc., 222 Piedmont Avenue, N.E., Atlanta, GA 30308, Attention: Investor Relations.

Our Board of Directors annually evaluates the financial expertise and independence of the members of our Audit Committee. Following its review, our Board of Directors determined that Mr. Conlee is an audit committee financial expert, as that term is defined in Item 407(d) of Regulation S-K. Our Board of Directors also determined that all members of the Audit Committee are independent and are financially literate in accordance with the NYSE's governance listing standards and the SEC's regulations.

Our Board of Directors established the Audit Committee in accordance with Rule 10A-3 of the Exchange Act to assist our Board of Directors in fulfilling its responsibilities with respect to the oversight of the following:

1. the integrity of our financial statements, reporting processes and systems of internal controls;
2. our compliance with applicable laws and regulations;



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3. the qualifications and independence of our independent registered public accounting firm; and
4. the performance of our internal audit department and our independent registered public accounting firm.

The principal duties and responsibilities of our Audit Committee are set forth in its charter. Our Audit Committee may exercise additional authority prescribed from time to time by our Board of Directors.

Our Audit Committee met in person four times and acted by written consent on one occasion during our eight month transition period ended February 2, 2008.

*Nominating, Compensation & Governance Committee*

Robert E. Shaw, Clarence H. Smith and Helen B. Weeks are the members of our Nominating, Compensation & Governance Committee. Mr. Shaw is chairman of our Nominating, Compensation & Governance Committee. We have posted our Nominating, Compensation & Governance Committee's charter on our Internet website at [www.oxfordinc.com](http://www.oxfordinc.com). A copy of our Nominating, Compensation & Governance Committee's charter is available in print to any shareholder who so requests it. Requests for a copy of our Nominating, Compensation & Governance Committee's charter should be mailed to: Oxford Industries, Inc., 222 Piedmont Avenue, N.E., Atlanta, GA 30308, Attention: Investor Relations.

Our Board of Directors has determined that all members of our Nominating, Compensation & Governance Committee are independent in accordance with the NYSE's corporate governance listing standards. The purpose of our Nominating, Compensation & Governance Committee is to:

1. assist our Board of Directors in fulfilling its responsibilities with respect to compensation of our executive officers;
2. recommend candidates for all directorships to be filled;
3. identify individuals qualified to serve as members of our Board of Directors;
4. review and recommend committee appointments;
5. take a leadership role in shaping our corporate governance;
6. develop and recommend to our Board of Directors for adoption our Corporate Governance Guidelines;
7. lead our Board of Directors in an annual review of its own performance; and
8. perform other functions that it deems necessary or appropriate.

Our Nominating, Compensation & Governance Committee also has the following responsibilities, among others, related to compensation of our directors, officers and other key employees:

1. administering our stock option and restricted stock plans;
2. administering our Executive Performance Incentive Plan;
3. reviewing and approving corporate goals and objectives relevant to the compensation of our Chief Executive Officer;

4. evaluating our Chief Executive Officer's performance in light of those goals and objectives;
5. determining the compensation of our Chief Executive Officer based upon this evaluation;

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6. reviewing and approving the compensation of our executive officers; and
7. making recommendations to our Board of Directors regarding non-chief executive officer compensation, incentive-compensation plans and equity-based plans.

To facilitate our Nominating, Compensation & Governance Committee's fulfillment of its responsibilities relating to the compensation of our Chief Executive Officer, as well as certain of our other executive officers, our Corporate Human Resources Department and other internal resources provide information to the committee, upon request. In addition, in reviewing and approving the compensation of our executive officers (other than our Chief Executive Officer), our Nominating, Compensation & Governance Committee considers the recommendation and evaluation of our Chief Executive Officer in evaluating such compensation. Our Nominating, Compensation & Governance Committee met in person on one occasion and acted by written consent on eight occasions during our eight month transition period ended February 2, 2008.



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**EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**

*Compensation Philosophy and Objectives*

Our executive compensation programs are designed to motivate our key employees to achieve short- and long-term corporate goals that enhance shareholder value and enable us to attract and retain exceptionally talented individuals who can deliver outstanding business performance.

Our compensation programs have historically been designed to provide our executive officers (other than our Chief Executive Officer) with total cash compensation between the median and 75th percentile of total cash compensation paid to similarly situated individuals in our industry with the specific responsibilities and experience of our executive officers. In approving the total cash compensation that may become payable to our Chief Executive Officer, our Nominating, Compensation & Governance Committee (which we refer to in this section of the proxy statement as our compensation committee ) targets total cash compensation at the median of the total cash compensation paid to chief executives at a comparison group of peer companies (as further described below under *Benchmarking* ).

To meet these objectives, our compensation committee aims to provide pay for performance by setting challenging company-related performance goals for our executives and conditioning a significant proportion of their compensation on the achievement of those goals. As a result, a significant proportion of our named executive officers' compensation, as described below, is based on corporate, divisional and/or individual performance.

*Named Executive Officers for our Eight Month Transition Period Ended February 2, 2008*

Under the SEC's rules, we are required to disclose compensation and related information concerning our principal executive officer, our principal financial officer, our three most highly compensated executive officers other than our principal executive officer and principal financial officer who were serving as executive officers at the end of the last completed fiscal year and up to two additional individuals for whom disclosure would have been provided pursuant to the preceding criteria but for the fact that the individual was not serving as an executive officer at the end of the last completed fiscal year. Under these rules, our named executive officers for our eight month transition period ended February 2, 2008 are as follows:

Mr. J. Hicks Lanier, our Chairman and Chief Executive Officer (who is our principal executive officer);

Mr. Thomas C. Chubb III, our Executive Vice President (who served as our principal financial officer during a portion of our eight month transition period ended February 2, 2008);

Mr. K. Scott Grassmyer, our Senior Vice President, Chief Financial Officer and Controller (who is our current principal financial officer and was our principal financial officer during a portion of our eight month transition period ended February 2, 2008);

Mr. Miles Gray, CEO of Ben Sherman Group;

Mr. S. Anthony Margolis, our Group Vice President and CEO of Tommy Bahama Group; and

Mr. James F. Tuman III, President of Lanier Clothes.

Because Messrs. Grassmyer, Gray and Tuman were not named executive officers prior to our eight month transition period ended February 2, 2008, compensation information for these individuals for periods prior to the eight month transition period is not included in this proxy statement in accordance with the SEC's rules.

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*Elements of Executive Officer Compensation*

Total compensation for our named executive officers consists of the following components:

- base salary;
- short-term incentive compensation;
- long-term cash and/or equity incentive compensation;
- participation opportunities in other benefit plans; and
- perquisites.

In approving the total compensation paid to our named executive officers, our compensation committee does not expressly allocate a specified percentage of total compensation to base salary, short-term incentive compensation and/or long-term cash or equity incentive compensation. However, in determining base salary and the short-term incentive compensation that a named executive officer may receive at target (as further described below under *Base Salary* and *Short-Term Incentive Compensation (Bonuses)* ), our compensation committee considers the total cash compensation that would become payable to that officer in comparison to the total cash compensation ranges that are developed at the direction of our compensation committee and our Chief Executive Officer based on market surveys (as further described below under *Benchmarking* ).

*Base Salary*

Salaries are used to provide a fixed amount of compensation to our named executive officers for the performance of their duties.

*Overview and Objectives.* The base salaries of our named executive officers are reviewed on an annual basis. As a result of the change in our fiscal year end, our compensation committee expects that any changes in base salary resulting from the annual review process for our named executive officers will become effective on April 1st of each year. Salary increases also may occur (but do not necessarily occur) from time to time upon promotion or a significant increase in responsibilities. For example, Mr. Grassmyer's base salary was increased upon his election to the additional position of Chief Financial Officer in January 2008.

All of the employment positions within our corporate headquarters function, as well as most of those for our Oxford Apparel and Lanier Clothes divisions, are assigned a job level based on the requirements and responsibilities of the position. At the direction of our compensation committee and our Chief Executive Officer, our Corporate Human Resources Department reviews published market surveys of compensation of similarly positioned employees within our industry in order to develop salary ranges for each of these job levels (other than for our Chief Executive Officer). These published surveys include industry specific reports from Mercer HR Consulting, ICR Limited, Towers Perrin and Watson Wyatt (as further described below under *Benchmarking* ). Our Chief Executive Officer, together with other members of our senior management, reviews the salary ranges developed by our Corporate Human Resources Department for each of our executive officers.

Each executive officer's base salary is determined based on the person's job level and individual responsibilities and performance. Our Chief Executive Officer recommends the salaries of all of our executive officers (other than our Chief Executive Officer) to our compensation committee based on his review of the salary ranges developed by our Corporate Human Resources Department (except as described below with respect to Mr. Margolis). Our compensation

committee determines the salary of our Chief Executive Officer and reviews and approves (with or without modification) the recommended salaries of all of our other executive officers. In evaluating and

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determining the salary of our Chief Executive Officer, our compensation committee considers our performance and our Chief Executive Officer's performance during the preceding fiscal year and the salaries of chief executive officers at peer companies. While our compensation committee has not established a formal policy regarding the evaluation of the base salaries of our executive officers relative to executive officers at peer companies or within our company, it does evaluate compensation levels to ensure fairness based on individual performance and the size, importance and complexity of each executive officer's position.

*Base Salaries for our Eight month Transition Period Ended February 2, 2008*

*Chief Executive Officer's Base Salary.* In determining our Chief Executive Officer's base salary for our eight month transition period ended February 2, 2008, our compensation committee took into account our financial performance relative to other publicly-traded apparel companies and the compensation paid to chief executives at peer companies. Our compensation committee considered Mr. Lanier's service to Oxford and recognized that during fiscal 2007 Mr. Lanier's performance was noteworthy given the challenging retail environment and adverse economic conditions that prevailed. Our compensation committee reviewed the strategic actions taken by Mr. Lanier to improve our future profitability and growth prospects. In particular, our compensation committee noted the progress with our strategy of focusing on lifestyle brand businesses, as exemplified by the continued success of the Tommy Bahama Group during fiscal 2007 and the improvements in certain of our other operating groups. Based upon this review, our compensation committee increased Mr. Lanier's annual base salary by four percent from \$800,000 to \$832,000 effective August 1, 2007. In increasing Mr. Lanier's base salary, our compensation committee observed that Mr. Lanier's base salary effective August 1, 2007 was below the 40th percentile compared to the base salaries paid to chief executives at the peer companies described below.

*Mr. Gray's Base Salary.* In the case of Mr. Gray, Mr. Lanier considered Mr. Gray's efforts to further our more recent strategic initiatives with respect to our Ben Sherman division, as well as Mr. Gray's efforts in integrating our Ben Sherman division into our company since our 2004 acquisition of Ben Sherman. Mr. Lanier considered the important role Mr. Gray would continue to play in our ability to take full advantage of the Ben Sherman® brand internationally and believed that our continued success would be best served by incenting Mr. Gray to continue to be a part of our organization. After considering the compensation payable to similarly positioned executives in the apparel industry in the United Kingdom and in Europe, Mr. Lanier recommended, and our compensation committee approved, an increase in Mr. Gray's annual base salary, effective August 1, 2007, to £250,000.

*Mr. Margolis' Base Salary.* In the case of Mr. Margolis, Mr. Lanier took into consideration the Tommy Bahama Group's performance during fiscal 2007, as well as the employment arrangement that we entered into with Mr. Margolis in connection with our acquisition of the Tommy Bahama Group in June 2003. This employment arrangement provided for an annual increase of 5% of Mr. Margolis' base salary (through fiscal 2007) if the Tommy Bahama Group's profit before taxes (net of certain capital charges and other agreed upon adjustments) for the preceding fiscal year exceeded a specified target. Although Mr. Margolis' prior employment arrangement did not specifically address the issue of his base salary after fiscal 2007, in light of the Tommy Bahama Group's noteworthy performance for fiscal 2007 (including its achievement of its profit before taxes goal), Mr. Lanier recommended, and our compensation committee approved, a 5% increase in Mr. Margolis' annual base salary, from \$1,187,530 to \$1,246,907, effective August 1, 2007.

*Base Salaries of our Other Named Executive Officers.* In recommending the base salaries of each of our other named executive officers (other than Mr. Gray and Mr. Margolis, as described above), Mr. Lanier, in collaboration with our Corporate Human Resources Department, evaluated the compensation paid to such officers in the context of the individual's job level, the salary range developed by our Corporate Human Resources Department for the applicable job level based on the survey data, the individual's responsibility within the



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organization as a whole and the individual's personal performance during fiscal 2007. In light of the efforts put forth by each of these other named executive officers during fiscal 2007, Mr. Lanier recommended, and our compensation committee approved, a 5.9%, 6.0%, and 5.0% increase in base salary for each of Mr. Chubb, Mr. Grassmyer and Mr. Tuman, respectively, effective August 1, 2007.

The actual base salaries paid to each of our named executive officers for our eight month transition period ended February 2, 2008 are set forth under the column heading *Salary* in the table below under *Summary Compensation Table for our Eight Month Transition Period Ended February 2, 2008*.

*Base Salaries for Fiscal 2008*

*Chief Executive Officer's Base Salary.* In March 2008, our compensation committee reviewed our Chief Executive Officer's base salary and performance during our eight month transition period ended February 2, 2008. Our compensation committee noted that Mr. Lanier's base salary approximated the average base salary paid to other chief executive officers of companies based in the metro-Atlanta area (excluding financial services companies), as reported by Watson Wyatt, and was significantly below the \$926,000 average base salary paid to chief executive officers of apparel companies with annual revenues between \$500 million and \$1.5 billion, as reported by an ICR Apparel Industry Survey. As part of its review, our compensation committee also considered our recent financial performance relative to the peer companies described below. During the review process, Mr. Lanier recommended that our compensation committee consider not increasing his base salary in light of the current challenging economic environment and its impact on our company. Although our compensation committee believed that Mr. Lanier's performance had been noteworthy and that an increase in his base salary would have been justified, in light of Mr. Lanier's recommendation, our compensation committee determined not to increase Mr. Lanier's base salary for fiscal 2008.

*Base Salaries of our Named Executive Officers (other than our Chief Executive Officer).* In connection with our annual compensation review process, Mr. Lanier recommended to our compensation committee that there be no increase in base salary for any named executive officer (other than Mr. Tuman, as described below) for fiscal 2008. Mr. Lanier believed this recommendation was appropriate in light of the current challenging economic environment and its impact on us. After consideration, our compensation committee approved the recommendation, and none of these named executive officers was given a base salary increase for fiscal 2008.

With respect to Mr. Tuman, Mr. Lanier reviewed the total compensation payable to Mr. Tuman, including the cash bonuses payable to Mr. Tuman at target (as further described below under *Short-Term Incentive Compensation (Bonuses)*) and other forms of compensation, for fiscal 2008 and considered the total compensation paid to executives with a comparable level of responsibility as Mr. Tuman at peer companies within the tailored clothing industry. Based on his review, Mr. Lanier decided to recommend a 2.5% increase in Mr. Tuman's base salary for fiscal 2008. After consideration, our compensation committee approved the 2.5% increase in Mr. Tuman's base salary for fiscal 2008 recommended by Mr. Lanier, effective April 1, 2008.

*Short-Term Incentive Compensation (Bonuses)*

*Overview and Objectives of our Executive Performance Incentive Plan.* Our executive officers are eligible to receive annual cash bonuses based on performance awards granted under our Executive Performance Incentive Plan (which we refer to as the *EPIP*). The *EPIP* was approved by our shareholders in 2003 and is administered by our compensation committee. As described under Proposal No. 2 below, our shareholders are voting at this annual meeting on whether to re-approve the *EPIP* so that we can continue to preserve our federal income tax deduction of certain cash bonuses under the *EPIP* that qualify as performance-based compensation under the Code. A





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performance award under the EPIP generally entitles the participant to cash compensation based upon the achievement by us or one or more of our business units of certain pre-established performance measures. For each EPIP participant, the bonus may be calculated as a percentage of base salary or as a percentage of a target bonus amount. Our compensation committee also has the authority under the EPIP to award bonuses to participants based on their individual personal performance.

The EPIP is used, among other things, to:

- attract and retain qualified executives;
- align the compensation paid to our executive officers with our company's performance;
- motivate our executive officers to work to achieve and exceed specific company performance goals; and
- facilitate the treatment of elements of compensation as performance-based compensation under the Code (which is described in more detail below under *Tax Deductibility Considerations*).

In administering the EPIP, our compensation committee establishes target bonus levels for our executive officers that are intended to reflect the individual's responsibility within the organization and his or her ability to impact our performance as a whole. Target bonus levels for our executive officers, which are approved annually by our compensation committee, typically are expressed as a percentage of base salary (as specified below) and, generally, such bonus percentages increase as an officer's responsibilities within our organization increase. Our compensation committee believes that by having a relatively greater percentage of total compensation of our most senior executives tied to our performance, our shareholders' interests are better served.

For our eight month transition period ended February 2, 2008 and for fiscal 2008, our compensation committee approved an annual target bonus level expressed as a percentage of base salary for each of the named executive officers as follows:

- Mr. Lanier 105% of his base salary;
- Mr. Chubb 55% of his base salary;
- Mr. Grassmyer 45% of his base salary;
- Mr. Gray 50% of his base salary;
- Mr. Margolis 50% of his base salary; and
- Mr. Tuman 45% of his base salary.

*Bonuses for our Eight Month Transition Period Ended February 2, 2008.* Under the EPIP bonus program for our eight month transition period ended February 2, 2008, the target bonus levels for each of our named executive officers (other than Mr. Margolis) consisted of two elements:

- a formula-based bonus element tied to the achievement of company performance measures under the EPIP (which bonus element we refer to as the *formula bonus*); and

an individual performance based bonus element (which bonus element we refer to as the individual performance bonus ).

The formula bonus element represented 67% of the target bonus level for each participant, while the individual performance bonus element represented 33% of the target bonus level. In July 2007, our compensation committee approved performance measures based on return on net assets ( RONA ), as adjusted for non-recurring or unusual

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items, for the fiscal year which commenced on June 2, 2007 for each of our named executive officers (other than Mr. Gray and Mr. Margolis). Since our Board of Directors was then considering a change in our fiscal year end, our compensation committee approved performance measures in respect of a full 12-month period from June 2, 2007 to May 31, 2008, as well as for our eight month transition period ended February 2, 2008. Bonuses for each of our named executive officers (other than Mr. Gray and Mr. Margolis) with respect to the performance period which commenced on June 2, 2007 were contingent on satisfaction of the relevant RONA performance measures for the performance period commencing on June 2, 2007 and ending as of our fiscal year end. Since our Board of Directors approved a change in our fiscal year end in October 2007 so that our fiscal year now ends at the end of the Saturday closest to January 31, our named executive officers (other than Mr. Margolis) bonuses for the period which commenced on June 2, 2007 were based on our performance during our eight month transition period ended February 2, 2008.

*Formula Bonuses.* In July 2007, our compensation committee established a threshold RONA, a target RONA and a maximum RONA for our eight month transition period ended February 2, 2008 for each of our operating groups based on our business plan for the period. For our eight month transition period ended February 2, 2008, RONA (for purposes of determining achievement of the RONA performance measures) gave effect to a 10% capital charge on the assets employed in the applicable operating group(s). For our eight month transition period ended February 2, 2008, each of Mr. Lanier's, Mr. Chubb's and Mr. Grassmyer's formula bonus was allocated as follows:

10% of the formula bonus was based on the satisfaction by our Lanier Clothes division of a specified target RONA for that division;

10% of the formula bonus was based on the satisfaction by our Oxford Apparel division of a specified target RONA for that division;

55% of the formula bonus was based on the satisfaction by our Tommy Bahama division of a specified target RONA for that division;

10% of the formula bonus was based on the satisfaction by our Ben Sherman division of a specified target RONA for that division; and

15% of the formula bonus was based on the satisfaction by our company as a whole of a consolidated target RONA.

100% of the formula bonus for Mr. Tuman was based on the satisfaction by our Lanier Clothes division of a specified RONA target for that division. The bonus for Mr. Gray for our eight month transition period ended February 2, 2008 was determined in a fashion comparable to those of our other named executive officers (other than Mr. Margolis), as described above, but 100% of the formula bonus for Mr. Gray was based on the satisfaction by our Ben Sherman division of a specified target profit before interest and taxes (PBIT) performance measure for that division.

With respect to the formula bonuses for our eight month transition period ended February 2, 2008, if the applicable threshold performance measure for a particular operating division(s) was not met or exceeded for our eight month transition period ended February 2, 2008, no formula bonus would be awarded in respect of the portion of the officer's formula basis allocated to that operating division(s). For actual performance between the threshold performance goal and the target performance goal or between the target performance goal and the maximum performance goal for the applicable operating division(s), the formula bonus allocated to the operating division(s) would be adjusted on a pro rata basis as a percentage of actual performance compared to the target performance goal. If the maximum performance goal was met or exceeded for an operating division(s), a named executive officer would be eligible to receive 150% of his target formula bonus allocated to the applicable operating division(s). As a



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result, the maximum formula bonus a named executive officer would have been able to earn under the EPIP for our eight month transition period ended February 2, 2008 would have been 150% of his aggregate target formula bonus.

For our eight month transition period ended February 2, 2008, our compensation committee approved the following RONA performance goals for each of Mr. Lanier, Mr. Chubb and Mr. Grassmyer for the applicable operating division(s):

a threshold RONA, target RONA and maximum RONA of 0.25%, 3.25% and 6.25%, respectively, for our Lanier Clothes division;

a threshold RONA, target RONA and maximum RONA of 2.5%, 6.5% and 10.5%, respectively, for our Oxford Apparel division;

a threshold RONA, target RONA and maximum RONA of 8.0%, 10.5% and 13.0%, respectively, for our Tommy Bahama division;

a threshold RONA, target RONA and maximum RONA of 1.0%, 5.0% and 9.0%, respectively, for our Ben Sherman division; and

a threshold RONA, target RONA and maximum RONA of 2.0%, 5.0% and 8.0%, respectively, for our consolidated operations.

By way of example, in July 2007, our compensation committee approved a target bonus level for Mr. J. Hicks Lanier of 105% of Mr. Lanier's base salary. Mr. Lanier's approved base salary effective August 1, 2007 was \$832,000 so his target bonus level (expressed in dollars) would have been \$873,600 for a full 12-month performance period. Since our Board of Directors changed our fiscal year end, the performance period was our eight month transition period ended February 2, 2008. Accordingly, Mr. Lanier's target bonus level (expressed in dollars) was proportionately reduced to \$582,470 for our eight month transition period ended February 2, 2008.

The formula bonus element represented 67% of the total target bonus level, while the individual performance bonus element represented 33% of the total target bonus level. Accordingly, for our eight month transition period ended February 2, 2008, Mr. Lanier's target formula bonus (expressed in dollars) was \$390,255 and his target individual performance bonus (expressed in dollars) was \$192,215. The target formula bonus (expressed in dollars) for Mr. Lanier was allocated as follows:

\$39,026 (or 10%) to the satisfaction of the applicable target RONA by the operations of our Lanier Clothes division;

\$39,026 (or 10%) to the satisfaction of the applicable target RONA by the operations of our Oxford Apparel division;

\$214,640 (or 55%) to the satisfaction of the applicable target RONA by the operations of our Tommy Bahama division;

\$39,026 (or 10%) to the satisfaction of the applicable target RONA by the operations of our Ben Sherman division; and

\$58,538 (or 15%) to the satisfaction of the applicable target RONA by our consolidated operations.

Following the end of our eight month transition period ended February 2, 2008, our compensation committee certified the results of the performance period for purposes of determining satisfaction of the RONA performance

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measures. Specifically, as it relates to Mr. Lanier's, Mr. Chubb's, and Mr. Grassmyer's bonuses for our eight month transition period ended February 2, 2008:

our Lanier Clothes division did not achieve the threshold RONA;

our Oxford Apparel division exceeded the target RONA but did not achieve the maximum RONA, and the bonus allocated to the Oxford Apparel division was 118.9% of the target bonus for our Oxford Apparel division;

our Tommy Bahama division exceeded the threshold RONA but did not achieve the target RONA, and the bonus allocated to the Tommy Bahama division was 28.0% of the target bonus for our Tommy Bahama division;

our Ben Sherman division exceeded the threshold RONA but did not achieve the target RONA, and the bonus allocated to the Ben Sherman division was 37.5% of the target bonus for our Ben Sherman division; and

our consolidated operations exceeded the threshold RONA but did not achieve the target RONA, and the bonus allocated to our consolidated operations was 52.3% of the target bonus for our consolidated operations.

Accordingly, the target formula bonus for each of Mr. Lanier, Mr. Chubb and Mr. Grassmyer was determined to be 38.9% of his respective aggregate target formula bonus, calculated as follows:

the percentage of the target formula bonus awarded in respect of the operations of our Lanier Clothes division (0%) multiplied by the portion of the total target formula bonus allocated to the operations of our Lanier Clothes division (10%), which equals 0%; plus

the percentage of the target formula bonus awarded in respect of the operations of our Oxford Apparel division (118.9%) multiplied by the portion of the total target formula bonus allocated to the operations of our Oxford Apparel division (10%), which equals 11.89%; plus

the percentage of the target formula bonus awarded in respect of the operations of our Tommy Bahama division (28.0%) multiplied by the portion of the total target formula bonus allocated to the operations of our Tommy Bahama division (55%), which equals 15.4%; plus

the percentage of the target formula bonus awarded in respect of the operations of our Ben Sherman division (37.5%) multiplied by the portion of the total target formula bonus allocated to the operations of our Ben Sherman division (10%), which equals 3.75%; plus

the percentage of the target formula bonus awarded in respect of our consolidated operations (52.3%) multiplied by the portion of the total target formula bonus allocated to our consolidated operations (15%), which equals 7.85%.

As a result, Mr. Lanier received a formula bonus of \$151,809 (38.9% of his target formula bonus of \$390,255).

For Mr. Tuman, a threshold RONA, target RONA and maximum RONA of 0.5%, 3.5% and 6.5%, respectively, for our Lanier Clothes division were established. Following the end of our eight month transition period ended February 2, 2008, our compensation committee certified that our Lanier Clothes division did not achieve the threshold RONA applicable to Mr. Tuman's formula bonus, and, accordingly, no formula bonus was payable to Mr. Tuman. For Mr. Gray, a threshold PBIT, target PBIT and maximum PBIT of £3,414,000, £4,215,000 and £5,016,000, respectively,

for our Ben Sherman division were established. Following the end of our eight month transition period ended February 2, 2008, our compensation committee certified that our Ben Sherman division did not achieve the threshold PBIT applicable to Mr. Gray's formula bonus, and, accordingly, no formula bonus was payable to Mr. Gray.



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*Individual Performance Bonuses.* For our eight month transition period ended February 2, 2008, the potential individual performance bonus for each of our named executive officers (other than Mr. Margolis) was determined as a function of the percentage of the target formula bonus payable in respect of our performance for our eight month transition period ended February 2, 2008 and the individual's personal performance during the fiscal year. Since Mr. Lanier, Mr. Chubb and Mr. Grassmyer each received 38.9% of his respective formula bonus for our eight month transition period ended February 2, 2008, the individual performance bonus opportunity at target individual performance for each of these named executive officers was reduced to 38.9% of what his individual performance bonus opportunity would have been if each of our operating divisions, and our consolidated operations, had achieved target RONA. For example, because of our actual performance during our eight month transition period ended February 2, 2008, Mr. Lanier's individual performance bonus opportunity at target individual performance was reduced to \$74,772 (which is 38.9% of what his individual performance bonus opportunity would have been if each of our operating divisions, and our consolidated operations, had achieved target RONA (i.e., 38.9% of \$192,215)).

Our compensation committee has discretion to determine the amount of the individual performance bonus for each of our executive officers from 0% to 200% of the target individual performance bonus (as adjusted to give effect to the satisfaction of the relevant performance targets, as described above) based upon an individual's performance during the performance period. For example, our compensation committee had the discretion to award Mr. Lanier an individual performance bonus between \$0 and \$149,543 (i.e., between 0% and 200% of his target individual performance bonus after giving effect to the satisfaction of the RONA targets). After considering Mr. Lanier's individual performance during our eight month transition period ended February 2, 2008 as part of its review of Mr. Lanier's base salary for fiscal 2008, our compensation committee approved an individual performance bonus of \$74,772 for Mr. Lanier in respect of our eight month transition period ended February 2, 2008.

Under the terms of the performance awards under the EPIP for our eight month transition period ended February 2, 2008, if none of the applicable threshold performance measures had been met or exceeded for our eight month transition period ended February 2, 2008, a participant in the EPIP would not have been eligible for any formula bonus or any individual performance bonus. Accordingly, neither Mr. Tuman nor Mr. Gray was eligible to receive an individual performance bonus for our eight month transition period ended February 2, 2008.

*Actual Bonuses Paid for our Eight Month Transition Period Ended February 2, 2008.* The actual formula bonuses and the individual performance bonuses paid to each of our named executive officers (other than Mr. Margolis, as described below) for our eight month transition period ended February 2, 2008 are set forth under the column headings *Non-Equity Incentive Plan Compensation* and *Bonus*, respectively, in the table below under *Summary Compensation Table for our Eight Month Transition Period Ended February 2, 2008*.

*Mr. Margolis' Bonus for the Performance Period which Commenced on June 2, 2007.* With respect to Mr. Margolis' bonus for the performance period which commenced on June 2, 2007, under the EPIP, our compensation committee established a threshold, target and maximum bonus level for Mr. Margolis using the Tommy Bahama Group's profit before taxes (PBT) for the 12-month performance period which commenced on June 2, 2007 and will end on May 31, 2008. In light of Mr. Margolis' planned retirement, which will become effective on May 31, 2008, our compensation committee did not believe it was appropriate to pro-rate Mr. Margolis' bonus opportunity to the period coinciding with our eight month transition period ended February 2, 2008.

Our compensation committee established threshold, target and maximum PBT performance goals for our Tommy Bahama Group of \$73,019,152, \$81,132,391 and \$89,245,630, respectively, for the performance period which commenced on June 2, 2007 and will end on May 31, 2008. If the threshold PBT performance measure is not met or exceeded for this performance period, Mr. Margolis will not be eligible to receive a bonus for the



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corresponding period. If the maximum PBT performance measure is met or exceeded, Mr. Margolis will be eligible to receive a bonus equal to 100% of his base salary that became effective August 1, 2007. For performance between the threshold and target PBT levels or between the target and maximum PBT levels, Mr. Margolis' actual bonus would be interpolated on a straight-line basis between 0% and 50% of his base salary or between 50% and 100% of his base salary, respectively, relative to the threshold, target and maximum performance measures. If the Tommy Bahama Group's PBT (net of certain capital charges and other adjustments) for the performance period which commenced on June 2, 2007 and will end on May 31, 2008 equals the agreed upon target PBT for the performance period, Mr. Margolis would be entitled to receive a bonus equal to 50% of his base salary. At this time, we are unable to determine the actual PBT for the Tommy Bahama Group in respect of the performance period which commenced on June 2, 2007 and will end on May 31, 2008.

*Fiscal 2007 Bonus.* For the fiscal 2007 bonus program under the EPIP, similar to the bonus program for our eight month transition period ended February 2, 2008, as described above, our compensation committee established target bonus levels for each of Mr. Lanier and Mr. Chubb that included a formula bonus component (representing 67% of the target bonus level) and an individual performance bonus component (representing 33% of the target bonus level). The formula bonus was allocated based on the performance of our operating groups.

Following the end of fiscal 2007, our compensation committee certified that each of Mr. Lanier and Mr. Chubb was entitled to receive 82.5% of his respective target formula bonus. For fiscal 2007, Mr. Lanier received a formula bonus of \$464,310 (82.5% of his target formula bonus of \$562,800 for fiscal 2007) and Mr. Chubb received a formula bonus of 116,285 (82.5% of his target formula bonus of \$140,951 for fiscal 2007).

*Individual Performance Bonuses for Fiscal 2007.* For fiscal 2007, similar to the methodology used in determining the individual performance bonus for our eight month transition period ended February 2, 2008, the individual performance bonus for each of Mr. Lanier and Mr. Chubb was determined as a function of the percentage of the target formula bonus payable in respect of our performance for the fiscal year and the individual's personal performance during the fiscal year. For fiscal 2007, Mr. Lanier received an individual performance bonus of \$228,690 and Mr. Chubb received an individual performance bonus of \$83,715.

*Mr. Margolis' Bonus for Fiscal 2007.* With respect to Mr. Margolis' bonus for fiscal 2007 under the EPIP, our compensation committee established a threshold, target and maximum bonus level for Mr. Margolis using the Tommy Bahama Group's PBT for fiscal 2007 as the applicable performance measure. If the Tommy Bahama Group's PBT (net of certain capital charges and other agreed upon adjustments) for fiscal 2007 equaled the agreed upon target PBT for the fiscal year, Mr. Margolis would have been entitled to receive a bonus equal to 50% of his base salary for fiscal 2007. For fiscal 2007, our compensation committee certified that the Tommy Bahama Group's actual PBT slightly exceeded the target PBT goal and, therefore, the committee determined that Mr. Margolis' bonus for fiscal 2007 should be \$593,765 (i.e., an amount equal to 50% of his base salary that became effective August 1, 2006).

*Fiscal 2008 Bonus.* For fiscal 2008, our compensation committee has again approved the use of RONA as the performance measure for determining cash bonuses paid to each of our named executive officers (other than Messrs. Gray, Margolis and Tuman). For fiscal 2008, our compensation committee has approved RONA measures for each of Mr. Lanier, Mr. Chubb and Mr. Grassmyer based on the following allocation of the officer's formula bonus:

55% of the formula bonus will be based on the satisfaction by our Tommy Bahama division of its specified target RONA;

10% of the formula bonus will be based on the satisfaction by our Oxford Apparel division of its specified target RONA;



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10% of the formula bonus will be based on the satisfaction by our Lanier Clothes division of its specified target RONA;

10% of the formula bonus will be based on the satisfaction by our Ben Sherman division of its specified target RONA; and

15% of the formula bonus will be based on the satisfaction by our company as a whole of a consolidated target RONA.

For fiscal 2008, Mr. Tuman's cash bonus will be based on the satisfaction by our Lanier Clothes division of a specified PBT target for that division, and Mr. Gray's cash bonus will be based on the satisfaction by our Ben Sherman division of a specified PBIT target for that division. Since Mr. Margolis will be retiring effective May 31, 2008, our compensation committee did not believe it was appropriate to establish performance measures or bonus goals for Mr. Margolis for fiscal 2008.

The RONA, PBT and PBIT performance goals established for fiscal 2008 were developed based on a similar methodology used in developing the performance goals established for our eight month transition period ended February 2, 2008. This methodology took into consideration our budgeted plans for the relevant performance period for each of our operating divisions, the anticipated market conditions in our industry, the rate of return to our shareholders from each of our operating divisions, and improvements in performance from prior periods. We believe that the performance goals established for fiscal 2008 represent similarly challenging goals as were established for our eight month transition period ended February 2, 2008. We also believe that achieving target performance for fiscal 2008 by each of our operating divisions would equate to a comparable accomplishment as achieving target performance for our eight month transition period ended February 2, 2008, after considering the factors used to establish our performance goals.

*Long-Term Equity Incentive Compensation*

*Overview and Objectives of our Long-Term Stock Incentive Plan.* Our Long-Term Stock Incentive Plan (which we refer to as the "LTIP") was initially approved by our shareholders in 2004. Under the LTIP, our compensation committee has the authority to award equity grants to our non-employee directors and key employees (including our named executive officers). LTIP awards can be made in the form of incentive and non-qualified stock options, stock appreciation rights, restricted shares and restricted share units. Since the LTIP went into effect, our compensation committee has granted awards under the LTIP exclusively in the form of restricted stock and restricted share units.

Our compensation committee has the discretion under the LTIP to determine whether dividends will be paid on restricted stock and restricted share units that have been granted. All previous grants of restricted stock under the LTIP have entitled the recipient to cash dividends that are generally payable to our shareholders. All previous grants of restricted share units under the LTIP have provided for the accrual of dividends which the recipient would be entitled to receive in cash following, and subject to, the satisfaction of applicable vesting requirements.

Our Board of Directors and our compensation committee believe that granting awards under the LTIP in the form of restricted stock and restricted share units is in the best interests of our shareholders and is consistent with recent trends in equity-based compensation. Specifically, the use of equity awards such as restricted stock and restricted share units that can both lose value and increase in value as our stock price may fall or rise better aligns the interests of our directors and executive officers and our shareholders and reduces the dilutive effect to our shareholders that certain other types of equity awards may have.



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Our compensation committee utilizes the LTIP to, among other things:

- align the interests of our directors and executive officers with our shareholders;
- provide a meaningful incentive to improve long-term growth and profitability;
- encourage participants to enhance the growth of our company rather than just specific segments of our company; and
- facilitate recruiting and retention of key executive talent.

Participation in the LTIP is limited and approved annually by our compensation committee based upon input from management.

*LTIP Awards in respect of Fiscal 2007 and our Eight Month Transition Period Ended February 2, 2008.* Under the LTIP, grants of restricted stock and restricted share units may be made or become vested based upon our achievement of performance objectives, which further facilitates alignment of the interests of shareholders and our directors and executive officers. At the beginning of fiscal 2007 and the beginning of our eight month transition period ended February 2, 2008, our compensation committee approved performance share awards and/or restricted share unit awards to certain of our key employees, including certain of our named executive officers, in respect of our achievement of an earnings per share threshold for a performance period coinciding with fiscal 2007 and our eight month transition period ended February 2, 2008. Based on our performance for each of fiscal 2007 and our eight month transition period ended February 2, 2008, no restricted stock or restricted share units were awarded to any of our named executive officers pursuant to these awards.

Under the terms of the performance share awards and restricted share unit awards in respect of fiscal 2007 and our eight month transition period ended February 2, 2008, the receipt of any stock, free and clear of any forfeiture restrictions, based on our performance during the applicable performance period was further subject to a vesting period that ends on the third anniversary of the last day of the applicable performance period (i.e., restricted shares that were granted in respect of our earnings per share during our eight month transition period ended February 2, 2008, if any, would vest and become free and clear of any forfeiture restrictions on February 2, 2011). The intent of delayed vesting is that the shares will increase in value over the vesting period based on sustained improvement of our performance over that period of time, and at the same time help retain our key employees.

Our compensation committee does not currently have a policy or practice with respect to the timing of stock or option awards coinciding with the release of material non-public information. Since we have granted equity awards under the LTIP exclusively in the form of restricted stock with a delayed vesting period, our compensation committee does not believe that such a policy or practice is necessary or appropriate.

In determining the size of equity grants for our key employees, our compensation committee considers the employee's position and level of responsibility, both of which reflect the individual's ability to influence our long-term performance. The number of restricted shares of our common stock that a key employee, including certain of our named executive officers, would receive at target performance pursuant to a performance share award or a restricted share unit award is considered by our senior management and our compensation committee when analyzing whether the total compensation opportunity for our executives is competitive in the relevant employment market.

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As noted above, the performance measure used by our compensation committee for performance share awards and restricted share unit awards for performance periods coinciding with fiscal 2007 and our eight month transition period ended February 2, 2008 was earnings per share (subject to adjustments that may be made for non-recurring or unusual non-cash items recognized in accordance with accounting principles generally accepted in the United States, or GAAP, as approved by our compensation committee). The awards to our named executive officers for each of fiscal 2007 and our eight month transition period ended February 2, 2008, along with the corresponding performance targets and the shares of restricted stock and restricted share units actually awarded based on our performance, are set forth in the table below:

Name	Fiscal Year	Number of Restricted Shares (#) <sup>(1)</sup>			Earnings per Share Performance			Actual Restricted
		Threshold	Target	Maximum	Objective (\$)			Awarded (#) <sup>(2)</sup>
					Threshold	Target	Maximum	
J. Hicks Lanier	2008T <sup>(3)</sup>	1	2,333	3,499	1.73	1.82	1.91	0 <sup>(6)</sup>
	2007	1	3,500	5,250	3.11	3.43	3.59	0 <sup>(7)</sup>
Thomas C. Chubb III	2008T <sup>(3)</sup>	1	1,666	2,499	1.73	1.82	1.91	0 <sup>(6)</sup>
	2007	1	2,000	3,000	3.11	3.43	3.59	0 <sup>(7)</sup>
K. Scott Grassmyer <sup>(4)</sup>	2008T <sup>(3)</sup>	1	666	999	1.73	1.82	1.91	0 <sup>(6)</sup>
S. Anthony Margolis	2008T <sup>(3)</sup>	1	2,000	3,000	1.73	1.82	1.91	0 <sup>(6)</sup>
	2007	1	3,000	4,500	3.11	3.43	3.59	0 <sup>(7)</sup>
Miles Gray <sup>(4)(5)</sup>	2008T <sup>(3)</sup>							
James F. Tuman III <sup>(4)</sup>	2008T <sup>(3)</sup>	1	1,000	1,500	1.73	1.82	1.91	0 <sup>(6)</sup>

- (1) The number of restricted shares that are granted under these LTIP awards for earnings per share performance between the threshold and target performance objectives and between the target and maximum performance objectives are allocated on a straight-line basis between the number of shares that would be granted between threshold and target or between target and maximum, respectively.
- (2) Restricted shares under these LTIP awards would vest on the third anniversary of the last day of the applicable performance period to which the grants relate.
- (3) Since our Board of Directors was considering a change in our fiscal year end, our compensation committee approved performance measures in respect of a full 12-month period from June 2, 2007 to May 31, 2008, as well as for our eight month transition period ended February 2, 2008. The number of restricted shares that would be granted under these LTIP awards were subject to proportionate reduction if our Board of Directors changed our fiscal year end. Since our Board of Directors approved a change in our fiscal year end in October 2007 so that our fiscal year now ends at the end of the Saturday closest to January 31, the number of restricted shares that could be received in respect of these performance share awards were proportionately reduced, and the applicable earnings per share objectives, were adjusted in accordance with our compensation committee's approval. The table sets forth the actual performance measures and shares that would have been awarded to the named executive officers in respect of our eight month transition period ended February 2, 2008.

(4)



Because Messrs. Grassmyer, Gray and Tuman were not named executive officers prior to our eight month transition period ended February 2, 2008, information relating to awards for periods prior to our eight month transition period ended February 2, 2008 for each of these individuals is not included in this proxy statement in accordance with the SEC's rules and regulations.

- (5) Our compensation committee did not award performance share awards or restricted share unit awards to employees of our Ben Sherman division in respect of our eight month transition period ended February 2, 2008.

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- (6) Our actual earnings per share for our eight month transition period ended February 2, 2008 for LTIP performance measure purposes was below the threshold earnings per share. Accordingly, no restricted shares were granted pursuant to the awards in respect of the fiscal 2007 performance period.
- (7) Our actual earnings per share for fiscal 2007 for LTIP performance measure purposes was below the threshold earnings per share. Accordingly, no restricted shares were granted pursuant to the awards in respect of the fiscal 2007 performance period.

*LTIP Awards for Fiscal 2008.* In March 2008, our compensation committee reviewed the effectiveness of our equity compensation program and considered the merits of a one-time service-based restricted stock grant to certain of our named executive officers. In considering this grant, our compensation committee wanted to provide awards that would incent recipients to remain with us during a multi-year vesting period and further align the interests of our shareholders and the recipients, all of whom are key management employees. In accordance with the provisions of our LTIP, our compensation committee approved the following one-time grants of restricted stock to our named executive officers: Mr. Lanier 25,000 restricted shares; Mr. Chubb 25,000 restricted shares; and Mr. Grassmyer 15,000 restricted shares. These restricted shares will vest on March 28, 2011, subject to certain conditions including the recipient's continued employment with our company. Our compensation committee believes these awards are appropriately designed to achieve the goals of incenting these key members of management to remain with our company and further align the interests of our shareholders and management. In light of these awards, our compensation committee did not grant any performance-based restricted stock awards as it had in previous years.

*Long-Term Cash Incentive Compensation*

*Overview and Objectives of our Ben Sherman Group Long Term Incentive Plan.* In October 2007, we adopted the Ben Sherman Group Long Term Incentive Plan (which we refer to as the BSG LTIP). The BSG LTIP replaced a plan that was in place through fiscal 2007 that provided for cash bonuses based on the long term financial performance of our Ben Sherman division. The purpose of the BSG LTIP is to retain highly-qualified executives of our Ben Sherman division by providing a cash bonus to individuals who may contribute materially to the growth, development and future business success of that division. Participation in the BSG LTIP is limited, and awards may be made from time to time in order to attract talented individuals to our Ben Sherman division and retain existing members of management of our Ben Sherman division.

*Awards under the BSG LTIP.* In connection with the adoption of the BSG LTIP, Mr. Miles Gray was awarded a bonus opportunity under the BSG LTIP. Pursuant to Mr. Gray's award, Mr. Gray will be eligible to receive a cash bonus of £250,000 (which was equal to his annual base salary at the time of the award) if he is continually employed by our Ben Sherman division through September 30, 2010. Mr. Gray will forfeit the bonus opportunity if his employment with our Ben Sherman division is terminated at any time prior to September 30, 2010, if he gives notice of his intent to terminate his employment prior to September 30, 2010, if he is not in good standing as an employee on September 30, 2010, or if he materially breaches any of his obligations to our Ben Sherman division prior to September 30, 2010.

*Other Benefit Plans*

*Employee Stock Purchase Plan.* We have a tax-qualified Employee Stock Purchase Plan, which we refer to as the ESPP, generally available to all eligible employees based in the United States, including our named executive officers other than Mr. Lanier, who is not permitted to participate because he owns more than 5% of our outstanding common stock, and Mr. Gray, who is ineligible to participate because he is a resident of the United Kingdom. The ESPP allows participants to acquire shares of our common stock at a discount price.



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The ESPP consists of four purchase periods each calendar year. Pursuant to the ESPP, participants are allowed to make voluntary payroll deductions that accumulate in individual accounts beginning on the first day of each calendar quarter. An employee who has elected to participate in the ESPP for a purchase period may not cancel that election or reduce the amount of his or her payroll deduction until the start of the next purchase period. At the end of each calendar quarter, the amount credited to each individual employee's account is applied to the purchase of our common stock at a price equal to 85% of the market price as of the close of business on the last day of the applicable calendar quarter. Under the ESPP, during any calendar year, no participant may purchase more than 2,000 shares of our common stock or shares of our common stock with a fair market value of more than \$25,000. During our eight month transition period ended February 2, 2008, each of Mr. Chubb, Mr. Grassmyer and Mr. Tuman participated in the ESPP.

*Retirement Savings Plan.* We provide retirement benefits to our eligible employees, including the named executive officers, other than Mr. Gray, who is ineligible to participate because he is a resident of the United Kingdom, who have achieved a minimum of one year of service under the terms of our tax-qualified retirement savings plan (which we also refer to as our 401(k) plan). Our 401(k) plan is intended to promote retirement savings by providing employees with an opportunity to save in a tax-efficient manner. The eligible named executive officers participate in our 401(k) plan on substantially the same terms as our other highly compensated employees.

During fiscal 2007 and our eight month transition period ended February 2, 2008, we made matching contributions of 100% of the first 3% of a participant's compensation that was deferred, and matched 50% of the next 2% of a participant's compensation that was deferred. Our company contributions are subject to limitations prescribed by the Code. Our company contributions to the 401(k) plan vest immediately.

Although the terms of our 401(k) plan permit participants to make contributions to the plan from pre-tax compensation or after-tax compensation (or a combination of the two), after-tax contributions to our 401(k) plan are not permitted for individuals designated as highly compensated employees under applicable Internal Revenue Service guidelines. All of our eligible named executive officers are deemed highly compensated employees under applicable Internal Revenue Service guidelines.

*Non-Qualified Deferred Compensation Plan.* We offer a Non-Qualified Deferred Compensation Plan, which we refer to as the Deferred Compensation Plan, to employees based in the United States with a minimum base salary of \$130,000, including the named executive officers, other than Mr. Gray, who is ineligible to participate because he is a resident of the United Kingdom. Under the Deferred Compensation Plan, a participant may defer up to 50% of base salary and up to 100% of an annual performance-based bonus. The eligible named executive officers participate in the Deferred Compensation Plan on the same terms as our other eligible, participating employees.

All deferral elections are irrevocable except in the case of a hardship. Prior to January 1, 2008, we made an annual matching contribution to each participant's account for deferrals in excess of the 401(k) compensation limit, which for calendar year 2007 was \$225,000, and any match lost in the 401(k) plan due to participation in the Deferred Compensation Plan. Effective January 1, 2008, we will make an annual contribution to each participant's account of 4% of the amount that a participant's compensation during the calendar year exceeds the 401(k) compensation limit for the calendar year, which for calendar year 2008 is \$230,000, as well as 4% of any compensation that is excluded from receiving a company match in the 401(k) plan due to participation in the Deferred Compensation Plan, provided that the participant elects under the Deferred Compensation Plan to defer at least 1% of his or her base salary.

The Deferred Compensation Plan is intended to offer our highly-compensated employees, including our named executive officers, a tax-efficient method for accumulating retirement savings, as well as to provide an opportunity for our executives to accumulate savings for significant expenses while continuing in service in a tax-



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efficient manner. Because none of the named executive officers have received above-market rates of return under the Deferred Compensation Plan, earnings under the plan are not included in the table below under *Summary Compensation Table for our Eight Month Transition Period Ended February 2, 2008*. However, earnings and related activity under the Deferred Compensation Plan by our named executive officers during our eight month transition period ended February 2, 2008 are described below under *Non-Qualified Deferred Compensation for our Eight Month Transition Period Ended February 2, 2008*.

Under the current terms of the Deferred Compensation Plan, participants may elect to have their contributions, as well as our contributions, during a given calendar year distributed as either:

in-service distributions starting at least two years following the year of the applicable contributions in a single sum or in annual installment payments over a period of up to five years; or

following a deemed retirement (which occurs when a participant reaches age 55 with at least five years of service) generally in a single sum or annual installment payments over a period of up to 15 years.

Distribution of account balances in a single sum is automatically made on termination for reasons other than a deemed retirement. Participants elect to invest their account balances among a variety of investment options in an array of asset classes, and earnings are based on the equivalent returns from the elected investment options. Accounts are 100% vested at all times. The Deferred Compensation Plan constitutes an unfunded, non-qualified deferred compensation plan.

*Ben Sherman Group Personal Pension Plan.* Our Ben Sherman division has established a group personal pension plan (which we refer to as the GPP). The GPP is a defined contribution group personal pension plan that is tax registered with Her Majesty's Revenue and Customs (HMRC) under Part IV of the Finance Act 2004. Participation in the GPP is limited to management staff and certain other executives of our Ben Sherman division who are resident in the United Kingdom. Under the terms of Mr. Gray's employment contract, our Ben Sherman division contributes 15% of Mr. Gray's base salary to a separately designated individual pension plan account held by Mr. Gray in the GPP (our Ben Sherman division's contribution rate for Mr. Gray is greater than the usual contribution rate of 5% of base salary for participants in the GPP generally, as permitted under U.K. pension regulations). Under the GPP, Mr. Gray will be eligible to receive annuity payments and/or a lump sum cash payment in accordance with his elections pursuant to his pension plan account and U.K. pension regulations following normal retirement (which is at age 65). If Mr. Gray's employment with our Ben Sherman division were to terminate prior to normal retirement age, the termination would have no effect on the amount of accrued benefits to Mr. Gray under the GPP, which would remain vested in Mr. Gray.

*Executive Medical Plans.* Certain key employees based in the United States, including our named executive officers other than Mr. Gray, who is ineligible to participate because he is a resident of the United Kingdom, are eligible to receive reimbursement of qualified medical expenses in an amount up to \$100,000 per year with a limit of \$10,000 per occurrence under an insurance contract we entered into effective January 1, 2007. Our executive medical plan reimburses eligible executives for reasonable, medically necessary expenses that are not covered under a base medical plan. Our executive medical plan also provides for a \$100,000 accidental death and dismemberment policy that will pay an eligible executive officer's beneficiary the lump sum amount in the event of death as the result of a covered accident. Company contributions to each named executive officer during fiscal 2007 and during our eight month transition period ended February 2, 2008 under our executive medical plan are included in the table below under *Summary Compensation Table for our Eight Month Transition Period Ended February 2, 2008*. Prior to calendar year 2007, our executive medical plan was a taxable, self-insured plan pursuant to which we reimbursed certain of our key employees, including our named executive officers, for qualified medical expenses. The maximum benefits payable to any employee prior to calendar year 2007 under our executive medical



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plan varied among our eligible employees as a function of each employee's applicable job level within our organization.

Our Ben Sherman division also has a private medical insurance plan that is limited to management staff and certain other executives of our Ben Sherman division. The medical plan is a top-up plan that provides access to private healthcare facilities for certain illnesses and surgical procedures.

*Income Protection Plan.* Our Ben Sherman division has an income protection plan insured by a third party that is available to individuals participating in the GPP. The income protection plan provides eligible employees, including Mr. Gray, with an annual benefit of 50% of his base salary in the event of long-term illness or disability which results in incapacity for work. Payment under this plan would commence 13 weeks after cessation of work. Company contributions to Mr. Gray during our eight month transition period ended February 2, 2008 under the this health insurance scheme are included in the table below under *Summary Compensation Table for our Eight Month Transition Period Ended February 2, 2008.*

*Death-in-Service Plan.* Our Ben Sherman division has a death-in-service insurance plan insured by a third party that is available to individuals participating in the GPP. The death-in-service plan provides for a tax-free payment of four times annual base salary in the event of the death of a participant up to age 65 while an employee of our Ben Sherman division.

*Other Benefits.* In addition to some of the other compensation policies discussed above, our named executive officers who are based in the United States are generally eligible to participate in and receive the same health, life insurance and disability benefits available to our U.S.-based, eligible employees generally, subject to certain distinctions in our plans that are applicable to employees of our subsidiaries. Mr. Gray is generally eligible to participate in and receive the same health, life insurance and disability benefits available to our eligible employees who reside in the United Kingdom.

*Perquisites*

From time to time, our named executive officers receive discounts on merchandise purchased directly from our distribution centers or in our retail stores, as well as complementary meals at our Tommy Bahama restaurants. Certain of these discounts and benefits are offered to other designated employees from time to time. We offer these discounts and benefits because they represent common practice in the apparel industry. The aggregate amount of these discounts and benefits to each of our named executive officers is not readily ascertainable and is therefore excluded from the compensation disclosed in the tables set forth in this proxy statement. However, we do not believe that the aggregate cost to us or the benefit to any of our named executive officers from these discounts and benefits is material as it relates to the total compensation paid to each of our named executive officers.



**Table of Contents***Benchmarking*

We review compensation paid by peer companies in determining the target cash compensation provided to our Chief Executive Officer. We use Equilar, Inc.'s database to access competitive market compensation, where available. The following publicly-traded companies, representing, among others, a mix of Georgia-based companies, apparel marketing companies and retailers (including certain department stores that are also our customers), constitute the peer company group we reviewed in connection with compensation evaluations for fiscal 2008:

Aaron Rents, Inc.	Flowers Foods, Inc.	Phillips-Van Heusen Corporation
Acuity Brands, Inc.	Genuine Parts Company	Quiksilver, Inc.
AGL Resources Inc.	Georgia Gulf Corporation	Rock-Tenn Company
AnnTaylor Stores Corporation	Graphic Packaging Corporation	Rollins, Inc.
Caraustar Industries, Inc.	Guess?, Inc.	Roper Industries, Inc.
Carter's, Inc.	Hartmarx Corporation	Saks Incorporated
Charming Shoppes, Inc.	Haverty Furniture Companies, Inc.	SunTrust Banks, Inc.
Chico's FAS, Inc.	Interface, Inc.	Superior Essex Inc.
ChoicePoint, Inc.	Jones Apparel, Inc.	Synovus Financial Corp.
Coldwater Creek Inc.	Kenneth Cole Productions, Inc.	The Talbots, Inc.
Columbia Sportswear Company	Liz Claiborne, Inc.	The Timberland Company
Crawford & Company	Mirant Corporation	The Warnaco Group, Inc.
Equifax Inc.	Nordstrom, Inc.	Total System Services, Inc.
Exide Technologies	Perry Ellis International, Inc.	V. F. Corporation

This list of peer companies is developed at the direction of our compensation committee and Chief Executive Officer by our Corporate Human Resources Department with input from our Executive Vice President. Our compensation committee utilized compensation data from the foregoing peer companies in setting Mr. Lanier's base salary for our eight month transition period ended February 2, 2008, which was below the 40th percentile compared to the base salary paid to chief executives at peer companies, and in reviewing total compensation paid to chief executives at peer companies when establishing Mr. Lanier's target bonus percentage. In determining Mr. Lanier's target bonus percentage, which was set at 105% of his base salary for fiscal 2008, our compensation committee targets total cash compensation that is at the median of total cash compensation paid to chief executives at our peer companies.

We also review market data to help us establish the range of reasonable compensation for our other executive officers, assuming achievement of corporate, divisional and individual performance objectives. During fiscal 2007 and our eight month transition period ended February 2, 2008, we reviewed the following published surveys and related resources in reviewing compensation levels for our other executive officers: Watson Wyatt Executive Management Survey; ICR Apparel Industry Survey; Mercer Executive Survey; Mercer Apparel Industry Survey; and the Equilar, Inc. database of peer companies. Historically, our executive officers' target bonus levels have been established to provide total cash compensation between the median and 75th percentile of total cash compensation paid to similarly situated individuals in our industry with the specific responsibilities and experience of our executive officers. Total compensation ranges (including bonus levels) for our executive officers are reviewed and revised periodically based upon similar reviews of the published market surveys.

*Role of Executive Officers in Compensation Decisions*

Our compensation committee develops the agenda for each meeting of the committee in consultation with our senior management, as appropriate. Our senior management, in particular our General Counsel and our Senior Vice President-Human Resources, is responsible for providing appropriate agenda materials for our compensation



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committee's review and consideration and documenting the actions of the committee. Our Chief Executive Officer, Executive Vice President, General Counsel and Senior Vice President-Human Resources regularly attend meetings of our compensation committee, excluding portions of meetings during which the committee may request to meet without one or more of such officers present.

With the oversight of our compensation committee and our Chief Executive Officer, our Senior Vice President-Human Resources and our Executive Vice President are tasked with reviewing and summarizing executive compensation at peer companies, analyzing trends in executive compensation, reviewing with our compensation committee summary data relating to the range(s) of compensation for chief executive officers at peer companies, and making preliminary recommendations on executive officer compensation (other than the compensation of our Chief Executive Officer) to our Chief Executive Officer. Our Chief Executive Officer reviews the materials relating to compensation of other executive officers and makes recommendations to our compensation committee annually. Our compensation committee considers our Chief Executive Officer's recommendations with respect to the compensation paid to other executive officers in approving the components of those officers' compensation.

To assist our compensation committee with establishing company and divisional performance goals and in making determinations that relate to our or a division's satisfaction of applicable performance criteria, our Chief Financial Officer provides our compensation committee with requested information relating to our budgeted plans for future periods and with respect to historical financial performance, including offering a certification as to the actual performance relative to the established performance measure. Our compensation committee considers the Chief Financial Officer's information and certifications in establishing performance measures and in determining whether we have, or the applicable division has, met or exceeded the applicable performance measure.

*Stock Ownership Guidelines*

Our Board of Directors has established stock ownership guidelines for our executive officers, including the named executive officers. The ownership guidelines specify a target number of shares of our common stock that our executive officers are expected to accumulate and hold within five years of the later of (1) July 27, 2007, which is the effective date of the guidelines, or (2) the date of appointment to the applicable position set forth in the guidelines (which we refer to as the executive's determination date). The specific guidelines for each applicable individual are established based on the fair market value of our common stock (based on a 365-day trailing average for our common stock price as reported on the NYSE as of the executive's determination date) and the executive officer's base salary as of the executive's determination date. Pursuant to these guidelines, each of our executive officers is expected to own or acquire shares of our common stock having a fair market value of a multiple of his or her base salary as indicated below:

Chief Executive Officer 2.0x

President 1.25x

Group Vice Presidents and Executive Vice Presidents 1.0x

All Other Executive Officers 0.5x

Shares owned outright by an executive officer or by members of his or her immediate family sharing the same household, restricted stock, shares acquired pursuant to the exercise of stock options, shares held in trust for the benefit of the executive officer or his or her immediate family and shares acquired through our ESPP are counted towards satisfying the applicable guideline. Unexercised stock options do not count towards satisfying the guidelines.



**Table of Contents***Tax Deductibility Considerations*

It is the responsibility of our compensation committee to address the issues raised by Section 162(m) of the Code. As it relates to us, Section 162(m) generally prohibits us from deducting the compensation of certain named executive officers that exceeds \$1,000,000 during any year. The limitation does not apply to compensation based on achievement of pre-established performance goals if certain requirements are met. Our EPIP, and the formula-based incentive compensation paid under the EPIP, are structured to permit such awards to qualify as performance-based compensation to maximize the tax deductibility of such awards. As discussed under Proposal No. 2 below, re-approval of the EPIP by our shareholders is necessary for us to continue to deduct performance-based compensation, including formula bonus awards under the EPIP approved in respect of fiscal 2008, for tax purposes. Our compensation committee, as much as possible, uses and intends to use performance-based compensation to limit the amount of compensation paid by us that would not be eligible for deductibility. However, our compensation committee believes that we must be able to attract, retain and reward the executive leadership necessary to develop and execute our strategic plans and that the loss of a tax deduction may be necessary and appropriate in some circumstances. Accordingly, our compensation committee may exercise its discretion to award compensation in excess of the Section 162(m) limits as it deems necessary or appropriate.

**Termination, Severance and Change-in-Control Arrangements**

Subject to the effect of local labor laws, all of our employees, including our executive officers, are terminable at our discretion. From time to time, we have entered into written employment arrangements with certain of our employees, including certain of our executive officers. In addition, we have from time to time implemented discretionary separation programs that have provided for separation payments to departing employees.

*Mr. Gray's Employment Contract*

Mr. Gray is party to an employment contract with our Ben Sherman division dated August 22, 2000. Pursuant to his employment contract, Mr. Gray is entitled to a period of 12 months' notice of termination of employment (or payment of salary and contractual benefits in lieu of notice), payable in 12 equal monthly installments, if our Ben Sherman division terminates Mr. Gray's employment; however, Mr. Gray is required to mitigate his losses starting three months following termination (and our Ben Sherman division's payment obligations to Mr. Gray following termination would terminate when Mr. Gray obtained alternative employment at a level and status commensurate with his employment by our Ben Sherman division).

Based on Mr. Gray's base salary at February 1, 2008, if his employment had terminated on February 1, 2008 (which was the last business day of our eight month transition period ended February 2, 2008), Mr. Gray would have been entitled to total payments of up to £297,500 (consisting of 12 months' base salary, pension plan contributions and cash allowance in lieu of the provision of a company car). In addition, our Ben Sherman division would have been required to continue to pay premiums for Mr. Gray's continued participation in Ben Sherman's income protection plan, private medical insurance plan and death-in-service insurance plan for up to 12 months following termination. The aggregate benefit to Mr. Gray cannot be calculated since the receipt of benefits under those plans are subject to other conditions. However, if Mr. Gray's employment had terminated on February 1, 2008, the aggregate cost to our company of Mr. Gray's continued participation in such plans for the 12 months following termination would have been approximately £4,181.

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*Other Named Executive Officer Severance and Change-in-Control Arrangements*

None of our other named executive officers is party to any written employment, severance and/or change in control agreement (except as described below).

*Other Potential Post-Employment Payments*

*Stock Options.* All of the outstanding stock options held by our named executive officers as of February 1, 2008 (which was the last business day of our eight month transition period ended February 2, 2008) were granted under the Oxford Industries, Inc. 1992 Stock Option Plan or the Oxford Industries, Inc. 1997 Stock Option Plan. The outstanding options as of February 2, 2008 are set forth in the table under *Outstanding Equity Awards at Fiscal Year-End* below. The outstanding stock options, in accordance with the terms of the relevant option plans, do not become immediately vested upon a change in control of our company. Pursuant to the respective plans, our Nominating, Compensation & Governance Committee is charged with determining the treatment of any such options and may choose to accelerate vesting in its sole discretion.

The option agreements relating to those outstanding options provide that the options are not exercisable after employment ends (other than for death or disability). The option holder's estate may exercise the option upon the holder's death (including portions of the options that had not vested) for a period of one year. Similarly, the option holder may exercise the option upon termination due to disability (including portions of the options that had not vested) for a period of three months following termination of employment.

*LTIP.* The restricted stock and restricted share unit grants under the LTIP (and the performance share awards pursuant to which restricted stock could have been granted based upon our financial performance during the eight month transition period ended February 2, 2008) held by our named executive officers and outstanding as of February 1, 2008 (which was the last business day of our eight month transition period ended February 2, 2008) do not provide for an acceleration of vesting or payments in the event of a change of control. In addition, our named executive officers would forfeit their entire interest in these equity-based awards if their service with us terminates for any reason whatsoever before the awards become vested and non-forfeitable, unless our Nominating, Compensation & Governance Committee waives this forfeiture condition at the time service terminates.

Unlike the restricted stock and restricted share units granted in previous years, the restricted stock granted under the LTIP in March 2008 to each of Mr. Lanier, Mr. Chubb and Mr. Grassmyer would vest automatically upon a change of control. For these purposes, a change of control is defined as any of the following:

any person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), other than us or one of our subsidiaries or any employee benefit plan sponsored or maintained by us or any of our subsidiaries (including any trustee of such plan acting as trustee), becomes the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of our securities representing at least 35% of the total voting power represented by our then outstanding voting securities;

the commencement by an entity, person or group (other than us or one of our subsidiaries) of a tender offer or an exchange offer for more than 35% of our outstanding capital stock;

the effective time of (i) a merger or consolidation of us with one or more corporations as a result of which the holders of our outstanding voting stock immediately prior to such merger or consolidation hold less than 50% of the voting stock of the surviving or resulting corporation, or (ii) a transfer of all or substantially all of our assets other than to an entity of which we own at least 80% of the voting stock;



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individuals who, as of the grant date for the restricted stock, constitute our Board of Directors (which we refer to as, the Incumbent Board ) cease for any reason to constitute at least a majority of our Board of Directors; provided, that any individual becoming a director subsequent to such date whose election, or nomination for election by our shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) other than our Board of Directors; and

approval by our shareholders of a complete liquidation or dissolution of our company.

Since the March 2008 restricted stock grants were made during fiscal 2008, no such awards would have been accelerated in the event of a change of control event on or prior to February 1, 2008 (which was the last business day of our eight month transition period ended February 2, 2008).

*Retirement Savings Plan.* Our matching contributions under the 401(k) plan are immediately vested at the time they are made, and each participant is always fully vested in the value of his or her contributions under the plan.

*Deferred Compensation Plan.* Each of the eligible named executive officers is fully vested in account assets held in the Deferred Compensation Plan discussed above. Under the terms of the Deferred Compensation Plan, if a participant (other than one eligible for retirement) terminates employment with us, the participant's account balance under the plan would continue to be adjusted for earnings and losses in the investment choices selected by the participant and would be paid six months following termination of employment. If a participant who is eligible for retirement (one who is 55 years of age with five years of service to us) terminates employment with us for any reason, the participant's account balance under the plan would continue to be adjusted for earnings and losses in the investment choices selected by the participant until paid in accordance with the retirement distribution election made by the participant.

*Ben Sherman Group Personal Pension Scheme.* Under the GPP, if Mr. Gray's employment with our Ben Sherman division were to terminate prior to normal retirement, his entitlement to accrued benefits under the GPP would be unaffected.

*Employee Stock Purchase Plan.* Upon termination of employment, all amounts in the participant's account are paid to the participant.

*Executive Medical Plans.* Upon termination of employment, our named executive officers are ineligible to continue participation under the Executive Medical Plan, under the Ben Sherman division's health insurance scheme and our other benefit and welfare plans (subject to rights to participate in continuation coverage).

*General.* We do not have any other written or unwritten arrangement, policy or plan which would provide payments, equity or acceleration of vesting on unvested stock or option awards to any of our named executive officers as a result of a termination of any kind, including following a change in control.



**Table of Contents****Summary Compensation Table for our Eight Month Transition Period Ended February 2, 2008**

The table below shows the compensation earned during our eight month transition period ended February 2, 2008 and during fiscal 2007 by our named executive officers:

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	Option Awards (\$) <sup>(3)</sup>	Non-Equity Incentive Plan Compensation	All Other Compensation	Total (\$)
						(\$) (4)	(\$) <sup>(5)</sup>	
J. Hicks Lanier Chairman and Chief Executive Officer	2008T <sup>(6)</sup> 2007	538,831 796,058	74,772 228,690	58,002 87,003	21,680 37,642	151,809 464,310	69,958 96,504	915,051 1,710,206
Thomas C. Chubb III Executive Vice President	2008T <sup>(6)</sup> 2007	261,173 378,952	19,357 83,715	33,143 49,716	21,680 31,262	38,713 116,285	23,553 31,748	397,619 691,678
K. Scott Grassmyer <sup>(7)</sup>	2008T <sup>(6)</sup>	144,933	8,776	13,591	8,363	17,818	18,408	211,889