

WD 40 CO  
Form DEF 14A  
November 02, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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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

**WD-40 COMPANY**

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(Name of Registrant as Specified In Its Charter)

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

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1. Amount Previously Paid:
2. Form, Schedule or Registration Statement No.:
3. Filing Party:
4. Date Filed:

## **WD-40 COMPANY**

1061 Cudahy Place

San Diego, California 92110

### **NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

To the Stockholders:

The 2010 Annual Meeting of Stockholders will be held at the Joan B. Kroc Institute for Peace & Justice, University of San Diego, 5998 Alcalá Park, San Diego, California 92110, on Tuesday, December 14, 2010, at 2:00 p.m. for the following purposes:

1. To elect a Board of Directors for the ensuing year and until their successors are elected and qualified;
  2. To ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year 2011; and
  3. To consider and act upon such other business as may properly come before the meeting.
- Only the stockholders of record at the close of business on October 15, 2010 are entitled to vote at the meeting.

By Order of the Board of Directors

Maria M. Mitchell

Secretary

San Diego, California

November 2, 2010

**PROXY STATEMENT**

**GENERAL INFORMATION**

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of WD-40 Company for use at its Annual Meeting of Stockholders to be held on Tuesday December 14, 2010, and at any postponements or adjournments thereof. This Proxy Statement and enclosed form of Proxy are first sent to stockholders on or about November 2, 2010.

At the meeting, the stockholders of WD-40 Company will vote to elect the Board of Directors for the ensuing year and ratify the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal year 2011. Detailed information concerning these matters is set forth below. Management knows of no other business to come before the meeting.

The close of business on October 15, 2010 is the record date for stockholders entitled to notice of and to vote at the Annual Meeting of Stockholders of WD-40 Company. On October 15, 2010, WD-40 Company had outstanding 16,732,665 shares of \$.001 par value common stock. Stockholders of record entitled to vote at the meeting will have one vote for each share so held on the matters to be voted upon. If you are a beneficial owner whose shares are held of record by a broker, you must instruct the broker how to vote your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which the broker does not have discretionary authority to vote. This is called a "broker non-vote." A majority of the outstanding shares will constitute a quorum at the meeting. Abstentions and broker non-votes are counted for purposes of determining the presence or absence of a quorum.

If you hold your shares through a broker, it is important that you cast your vote if you want it to count in the election of directors. In the past, if you held your shares in street name through a broker and you did not indicate how you wanted your shares voted in the election of directors, your broker was allowed to vote those shares on your behalf in the broker's discretion. Recent regulatory changes eliminate the ability of your broker to vote your uninstructed shares in the election of directors on a discretionary basis. Thus, if you hold your shares in street name and you do not instruct your broker how to vote in the election of directors, no votes will be cast on your behalf. For more information on this topic, see the SEC Investor Alert issued in February 2010 entitled "New Shareholder Voting Rules for the 2010 Proxy Season" at <http://www.sec.gov/investor/alerts/votingrules2010.htm>.

If the enclosed form of Proxy is properly executed and returned, the shares represented thereby will be voted in accordance with the instructions specified thereon. Except as described above with respect to broker non-votes for the election of directors, if no specification is made, the shares will be voted by the proxy holder as set forth on the Proxy. A Proxy may be revoked by attendance at the meeting or by filing a Proxy bearing a later date with the Secretary of the Company.

The cost of soliciting proxies will be borne by the Company. Solicitations other than by mail may be made by telephone or in person by employees of the Company for which the expense will be nominal.

### PRINCIPAL SECURITY HOLDERS

The following table sets forth information concerning those persons known to the Company to be the beneficial owners of more than 5% of the common stock of the Company.

Name and Address of Beneficial Owner	Amount and Nature Of Beneficial Ownership October 15, 2010	Percent of Class
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	1,283,441 <sup>1</sup>	7.7%
Parnassus Investments 1 Market Street, Suite 1600 San Francisco, CA 94105	1,031,341 <sup>2</sup>	6.2%
Kayne Anderson Rudnick Investment Management, LLC 1800 Avenue of the Stars, 2nd Floor Los Angeles, CA 90067	1,020,467 <sup>3</sup>	6.1%
Mario L. Crivello Valley Center, CA	866,908 <sup>4</sup>	5.2%

<sup>1</sup> As of June 30, 2010, BlackRock, Inc. ( BlackRock ) and four BlackRock subsidiary investment managers filed reports on Form 13F with the Securities and Exchange Commission to report beneficial ownership of a total of 1,283,441 shares. BlackRock disclaims investment discretion with respect to all shares reported as beneficially owned by its investment management subsidiaries, including 170 shares reported on Form 13F filed by BlackRock on behalf of certain of its subsidiaries that do not file separate reports. BlackRock Fund Advisors, BlackRock Institutional Trust Company, N.A., BlackRock Investment Management, LLC and BlackRock Group Limited each reported sole investment discretion and sole voting authority with respect to 696,596 shares, 510,567 shares, 60,332 shares and 15,776 shares, respectively. Beneficial ownership information for BlackRock, Inc. and its investment management subsidiaries as of October 15, 2010 is unavailable.

<sup>2</sup> As of June 30, 2010, Parnassus Investments ( Parnassus ) filed a report on Form 13F with the Securities and Exchange Commission to report beneficial ownership of 1,031,341 shares. Parnassus reported sole investment discretion and sole voting authority with respect to all shares. Beneficial ownership information as of October 15, 2010 is unavailable.

<sup>3</sup> As of June 30, 2009, Kayne Anderson Rudnick Investment Management LLC ( Kayne ) filed a report on Form 13F with the Securities and Exchange Commission to report beneficial ownership of 1,020,467 shares. Kayne reported sole investment discretion and sole voting authority with respect to all shares. Beneficial ownership information as of October 15, 2009 is unavailable.

<sup>4</sup> Mr. Crivello has sole voting and investment power over 731,967 shares held in trust for the benefit of others. He also has sole voting and investment power over 14,780 shares held as custodian for others and 101,412 shares held directly. Mr. Crivello also has the right to acquire 15,800 shares upon exercise of stock options and the right to receive 2,949 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

**ITEM NO. 1**

**NOMINEES FOR ELECTION AS DIRECTORS**

**AND SECURITY OWNERSHIP OF MANAGEMENT**

Unless marked to the contrary, the Proxies received will be voted for the election of the eight nominees named below to serve as directors until the next Annual Meeting of Stockholders and until their successors are elected or appointed. In the event any nominee is unable or declines to serve as a Director at the time of the Annual Meeting, any proxy granted to vote for such director will be voted for a nominee designated by the present Board of Directors to fill such vacancy.

The nominees for election to the Board of Directors who receive a plurality of the votes cast for the election of directors by the shares present, in person or by proxy, shall be elected as directors. Holders of common stock are not entitled to cumulate their votes in the election of directors. Withheld votes and broker non-votes (which are treated as withheld votes) are not counted as votes in favor of any nominee. Since the nominees receiving the most votes will be elected as directors, withheld votes and broker non-votes will have no effect upon the outcome of the election.

Article III, Section 2 of the Bylaws of the Company, approved by stockholders on December 9, 2008, provides that the authorized number of directors of the Company shall be not less than seven nor more than twelve until changed by amendment of the Certificate of Incorporation or by a bylaw duly adopted by the stockholders. The exact number of directors is to be fixed from time to time by a bylaw or amendment thereof duly adopted by the stockholders or by the Board of Directors. The number of directors was fixed at eight upon approval of Article III, Section 2 by the stockholders on December 9, 2008.

**Director Independence**

The Board of Directors has determined that each director and nominee other than Garry O. Ridge is an independent director as defined in Rule 5605(a)(2) of the Marketplace Rules of The Nasdaq Stock Market LLC (the Nasdaq Rules ). Information concerning the independence of directors serving on committees of the Board of Directors is provided below as to each committee.

**Security Ownership of Directors and Executive Officers**

The following tables set forth certain information, including beneficial ownership of the Company's common stock, for the current directors, for the executive officers named in the Summary Compensation Table on page 27 of this proxy statement, and for all directors and executive officers as a group.

Director/Nominee	Age	Principal Occupation	Director Since	Amount and Nature of Beneficial Ownership October 15 2010 <sup>1</sup>	
				Number	Percent of Class
John C. Adams, Jr.	62	Investor; Retired Chairman and CEO, AutoZone, Inc.	2001	23,872 <sup>2</sup>	*
Giles H. Bateman	65	Investor; Retired CFO, Price Club	2003	19,223 <sup>3</sup>	*
Peter D. Bewley	64	Investor; Retired General Counsel, The Clorox Company	2005	21,230 <sup>4</sup>	*
Richard A. Collato	67	Investor, Retired President & CEO, YMCA of San Diego County	2003	22,735 <sup>5</sup>	*
Mario L. Crivello	70	Investor	1994	866,908 <sup>6</sup>	5.2
Linda A. Lang	52	Chairman & CEO, Jack in the Box, Inc.	2004	21,391 <sup>7</sup>	*
Garry O. Ridge	54	President and CEO, WD-40 Company	1997	220,132 <sup>8</sup>	1.3
Neal E. Schmale	64	Chairman, WD-40 Company; President and COO, Sempra Energy	2001	26,475 <sup>9</sup>	*

\* Less than one (1) percent

<sup>1</sup> All shares owned directly unless otherwise indicated.

<sup>2</sup> Mr. Adams has the right to acquire 13,800 shares upon the exercise of stock options and the right to receive 3,346 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

<sup>3</sup> Mr. Bateman has the right to acquire 13,800 shares upon the exercise of stock options and the right to receive 3,715 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

<sup>4</sup> Mr. Bewley has the right to acquire 9,800 shares upon the exercise of stock options and the right to receive 5,949 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

<sup>5</sup> Mr. Collato has the right to acquire 13,800 shares upon the exercise of stock options and the right to receive 4,963 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

<sup>6</sup> Mr. Crivello has sole voting and investment power over 731,967 shares held in trust for the benefit of others. He also has sole voting and investment power over 14,780 shares held as custodian for others and 101,412 shares held directly. Mr. Crivello also has the right to acquire 15,800 shares upon exercise of stock options and the right to receive 2,949 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.

<sup>7</sup> Ms. Lang has the right to acquire 11,800 shares upon the exercise of stock options and the right to receive 5,949 shares upon settlement of restricted stock units upon termination of her service as a director of the Company.

<sup>8</sup> Mr. Ridge has the right to acquire 191,000 shares upon exercise of stock options, the right to receive 3,923 shares upon settlement of restricted stock units upon termination of employment, and the right to receive 6,136 shares upon settlement of restricted stock units upon vesting within 60 days. Mr. Ridge also has voting and investment power over 1,092 shares held under the Company's 401(k) plan.

- <sup>9</sup> Mr. Schmale has the right to acquire 13,800 shares upon the exercise of stock options and the right to receive 5,949 shares upon settlement of restricted stock units upon termination of his service as a director of the Company.



Executive Officer	Age	Principal Occupation	Amount and Nature of Beneficial Ownership October 15, 2010 <sup>1</sup>	
			Number	Percent of Class
Jay W. Rembolt	59	Chief Financial Officer and Vice President, Finance, WD-40 Company	48,406 <sup>2</sup>	*
Michael J. Irwin	47	Executive Vice President, Strategic Development, WD-40 Company	87,832 <sup>3</sup>	*
Michael L. Freeman	56	Division President, the Americas, WD-40 Company	49,606 <sup>4</sup>	*
William B. Noble	51	Managing Director Europe, WD-40 Company Ltd. (U.K.)	56,256 <sup>5</sup>	*
All Directors and Executive Officers as a Group			1,616,929 <sup>6</sup>	9.3

\* Less than one (1) percent.

<sup>1</sup> All shares owned directly unless otherwise indicated.

<sup>2</sup> Mr. Rembolt has the right to acquire 39,660 shares upon exercise of stock options and the right to receive 2,277 shares upon settlement of restricted stock units upon vesting within 60 days. Mr. Rembolt has voting and investment power over 5,023 shares held under the Company's 401(k) plan.

<sup>3</sup> Mr. Irwin has the right to acquire 75,600 shares upon exercise of stock options, the right to receive 2,648 shares upon settlement of restricted stock units upon termination of employment, and the right to receive 2,277 shares upon settlement of restricted stock units upon vesting within 60 days. Mr. Irwin has voting and investment power over 761 shares held under the Company's 401(k) plan.

<sup>4</sup> Mr. Freeman has the right to acquire 32,700 shares upon exercise of stock options, the right to receive 2,648 shares upon settlement of restricted stock units upon termination of employment, and the right to receive 2,277 shares upon settlement of restricted stock units upon vesting within 60 days. Mr. Freeman has voting and investment power over 2,079 shares held under the Company's 401(k) plan.

<sup>5</sup> Mr. Noble has the right to acquire 48,200 shares upon exercise of stock options, the right to receive 2,648 shares upon settlement of restricted stock units upon termination of employment, and the right to receive 2,277 shares upon settlement of restricted stock units upon vesting within 60 days.

<sup>6</sup> Total includes the rights of directors and executive officers to acquire 599,460 shares upon exercise of stock options, the rights of officers and directors to receive a total of 49,983 shares upon settlement of restricted stock units upon termination of employment or service as a director of the Company, the rights of officers to receive a total of 19,798 shares upon settlement of restricted stock units upon vesting within 60 days, and 10,458 shares held by executive officers under the Company's 401(k) plan.

#### **Nominees for Election as Directors**

John C. Adams, Jr. was elected to the Board of Directors in 2001. Mr. Adams served as President and Chief Executive Officer of AutoZone, Inc. from 1996 until 1998, then serving as Chairman and Chief Executive Officer until his retirement in 2001. He previously served as President of the Miami division of Malone & Hyde, Inc., AutoZone's former parent company from 1984 until 1990. Mr. Adams was an owner of Nicotiana Enterprises, Inc., a food distribution company, from 1990 until 1995. Mr. Adams has served as a director of Tractor Supply Company since 2007. Mr. Adams provides the Board of Directors with a wealth of senior leadership and retail experience. He provides valuable insight for strategic business planning and international business development.

Giles H. Bateman was elected to the Board of Directors in 2003. Mr. Bateman has been retired since 2000. He was a co-founder and Chief Financial Officer of Price Club from 1976 until 1991. Mr. Bateman served as director and Chairman of CompUSA, Inc. from 1994 until 2000. Mr. Bateman served as a director of Tuesday Morning, Inc. from 2002 until 2006 and as a director of United PanAm Financial Corp. from 2006 until 2010. He presently serves as a director of Life Time Fitness, Inc. Mr. Bateman's financial expertise, considerable public company board experience and knowledge of the retail industry provides the Board with a breadth of relevant skill and experience.



Peter D. Bewley was appointed to the Board of Directors in 2005. Mr. Bewley served as Associate General Counsel for Johnson & Johnson from 1985 to 1994 after serving as a staff attorney with Johnson & Johnson from 1977 to 1985. He was Vice President, General Counsel and Secretary and chief compliance officer of Novacare, Inc. from 1994 to 1998. Mr. Bewley was the Senior Vice President General Counsel and Secretary of The Clorox Company from 1998 until his retirement in 2005. Mr. Bewley's experience at consumer packaged goods companies prepared him to address strategic issues confronting the Company. In addition, his service as general counsel and secretary of two public companies provides the Board with a practical and in depth perspective on corporate governance and legal matters.

Richard A. Collato was elected to the Board of Directors in 2003. Mr. Collato served as President and CEO of the YMCA of San Diego County from 1981 until his retirement on September 30, 2010. Mr. Collato served as a director of Surge Global Energy, Inc. from 2006 to 2008 and as a director of Sempra Energy from 1993 to May, 2010. He presently serves as a director of PepperBall Technologies, Inc. Mr. Collato has extensive public and private company board experience and 29 years of successful CEO experience. He serves on the board of the Corporate Directors Forum and is an adjunct professor at the University of San Diego's graduate program, teaching corporate governance. His understanding of corporate governance and management theory and practice makes him a contributing member of the Board.

Mario L. Crivello was elected to the Board of Directors in 1994. Mr. Crivello was the managing owner and master of Tuna Purse Seiners until his retirement in 1984. Mr. Crivello and members of his family have been investors in the Company since its founding. His long-standing relationship with the Company and his insight into its history and market position provide the Board with a valuable shareowner perspective.

Linda A. Lang was elected to the Board of Directors in 2004. Since 2005, Ms. Lang has served as Chairman of the Board and Chief Executive Officer of Jack in the Box, Inc. Ms. Lang has been employed by Jack in the Box, Inc. for 23 years and from 1996 until 2005 she held the offices of President and Chief Operating Officer, Executive Vice President, Senior Vice President Marketing, Vice President and Regional Vice President, Southern California Region, and Vice President Marketing. Ms. Lang has extensive knowledge and expertise in the areas of brand management and marketing, financial management and reporting, supply chain and distribution management as well as strategic planning, executive compensation and succession management. Her experience in these and other areas of corporate management and governance offer complementary experience to the Board.

Garry O. Ridge joined WD-40 Company in 1987 as Managing Director, WD-40 Company (Australia) Pty. Limited and he was responsible for Company operations throughout the Pacific and Asia. Mr. Ridge transferred to the corporate office in 1994 as Director International Operations and was elected Vice President International in 1995. He was elected to the position of Executive Vice President/Chief Operating Officer in 1996 and he was named President and Chief Executive Officer in 1997. He was also elected to the Board of Directors in 1997. Prior to joining WD-40 Company Mr. Ridge was Managing Director of Mermax Pacific Pty. Ltd. and held a number of senior management positions with Hawker Pacific Pty. Ltd. (a Hawker Siddeley PLC Group Company) which was a licensee for WD-40 until 1988. As the CEO of the Company, Mr. Ridge offers the Board an important Company-based perspective. In addition, his particular knowledge of the Company's international markets and industry position provides the Board with valuable insight.

Neal E. Schmale was elected to the Board of Directors in 2001. Mr. Schmale was named Chairman of the Board in 2004. Mr. Schmale has served as President and COO of Sempra Energy since 2006. Previously, he was Executive Vice President and CFO of Sempra Energy from 1998 through 2005. Mr. Schmale is a director of Sempra Energy and Murphy Oil Corporation. Mr. Schmale's past experience as director on 4 public company boards and his extensive senior management experience with a Fortune 300 company offers the Board valuable judgment and management perspective.

### **Board Leadership, Risk Oversight and Compensation Risk**

The Board of Directors of WD-40 Company has maintained separation of its principal executive officer and board chairman positions for many years. In addition, the board chairman position is held by an independent director and the Charter of the Corporate Governance Committee provides that a retiring Chief Executive Officer will not be nominated to stand for re-election to the Board. The Board of Directors believes that separation of the principal executive officer and the board chairman positions is appropriate for the Company given the size of the Board, the need for undivided attention of the Chief Executive Officer to the implementation of strategic directives and overall management responsibilities. As an independent director, the board chairman can provide leadership to the Board without perceived or actual conflicts associated with individual and collective interests of management employees. The Board of Directors believes that a retiring Chief Executive Officer should not continue to serve as a director in order to provide management with an unfettered ability to provide new leadership.

Risk oversight is undertaken by the Board of Directors as a whole but certain Board Committees are charged with responsibility to review and report on business and management risks included within the purview of each Committee's responsibilities. The Compensation Committee considers risks associated with the Company's compensation plans and practices, with particular focus on the incentive bonus and equity compensation plan awards offered to the Company's executive officers. The Audit Committee considers risks associated with financial reporting and internal control and risks related to information technology catastrophe and disaster recovery, as well as management of the Company's insured risks. The Finance Committee considers risks associated with the Company's financial management and investment activities, acquisition-related risks and ERISA plan oversight. The Board and the Committees receive periodic reports from management employees having responsibility for the management of particular areas of risk. The Chief Executive Officer is responsible for overall risk management and provides input to the Board of Directors with respect to the Company's risk management process and is responsive to the Board in carrying out its risk oversight role.

With respect to compensation risk, the Company's management has undertaken an assessment of the Company's compensation plans and strategic business initiatives to determine whether any compensation plan design features, including those applicable to the executive officers, are likely to have a material adverse effect on the Company. Based on this review, management has concluded that the Company's compensation plans are not reasonably likely to have a material adverse effect on the Company and management has discussed these findings with the Compensation Committee.

### **Board of Directors Meetings, Committees and Annual Meeting Attendance**

The Board of Directors is charged by the stockholders with managing or directing the management of the business affairs and exercising the corporate power of the Company. The Board of Directors relies on the following standing committees to assist in carrying out the Board of Directors' responsibilities: the Audit Committee, the Compensation Committee, the Corporate Governance Committee and the Finance Committee. Each of the committees has a written charter approved by the Board of Directors and such charters are available on WD-40 Company's web site at [www.wd40company.com](http://www.wd40company.com) on the Investors page under the Officers and Directors link. There were five meetings of the Board of Directors during the last fiscal year. Each director serving for the full fiscal year attended at least 75 percent of the aggregate of the total number of meetings of the Board and of all committees on which the director served. The Board of Directors holds an annual organizational meeting on the date of the Annual Meeting of Stockholders. All Directors are expected to attend the Annual Meeting. At the last Annual Meeting of Stockholders, all nominee directors were present.

### **Board of Directors Compensation**

Director compensation is set by the Board of Directors upon the recommendation of the Corporate Governance Committee. The Corporate Governance Committee conducts an annual review of director compensation,

including consideration of surveys of companies considered comparable to the Company in total revenues and market capitalization. The independent compensation advisor serving the Compensation Committee of the Board of Directors, Compensia, Inc., has also provided guidance to the Corporate Governance Committee with respect to director compensation recommendations. For fiscal year 2010, directors received compensation for services as directors pursuant to the Directors' Compensation Policy and Election Plan (the Director Compensation Policy) adopted by the Board of Directors on October 14, 2008. For 2010, each non-employee director is entitled to receive a base annual fee of \$32,000 for services provided from the date of the Company's annual meeting to the next annual meeting. The Chairman of the Board receives an additional annual fee of \$14,000. Non-employee directors receive additional cash compensation for service on committees. The Chairman of the Audit Committee receives \$16,000 and each other member of the Audit Committee receives \$8,000. Each Chairman of the Compensation Committee, the Corporate Governance Committee and the Finance Committee receives \$8,000 and each other member of those committees receives \$4,000. All annual fees are payable in March.

In December 2007, the Company's stockholders approved the WD-40 Company 2007 Stock Incentive Plan (the Stock Incentive Plan) to authorize the issuance of stock-based compensation awards to employees as well as to directors and consultants. For services provided during the year in 2010, the Director Compensation Policy provided for the issuance of restricted stock units (RSUs) having a grant date value of \$32,000 to each non-employee director. Each RSU represents the right to receive one share of the Company's common stock. Each director was also permitted to elect to receive RSUs in lieu of all or a portion of his or her annual fee for service as a director for 2010. The number of RSUs granted to directors equals the compensation payable in RSUs divided by the fair market value of the Company's common stock as of the date of grant. All RSUs granted to directors pursuant to the Director Compensation Policy are subject to Award Agreements under the Stock Incentive Plan. All RSUs granted to a director are fully vested and are settled in shares of the Company's common stock upon termination of the director's service as a director of the Company.

Prior to fiscal year 2008, the Company maintained the 1999 Non-Employee Director Restricted Stock Plan (the Director Stock Plan) providing for the issuance of shares of restricted common stock of the Company to each non-employee member of the Board of Directors. Shares were issued under the Director Stock Plan in lieu of cash compensation according to written elections made by the directors. Restricted shares issued to a director in prior years did not become vested for resale for a period of five years from the date of issuance or until the director's retirement from the Board following the director's 65th birthday. Unless a director has reached age 65, the shares are subject to forfeiture if, during the five year vesting period, the director resigns from service as a director.

The Company also maintains a Director Contributions Fund from which each incumbent director has the right, at a specified time each fiscal year, to designate \$6,000 in charitable contributions to be made by the Company to properly qualified (under Internal Revenue Code Section 501(c)(3)) charitable organizations.

The following Director Compensation table provides information concerning director compensation earned by each non-employee director for services rendered in fiscal year 2010. Since the annual base fee and fees for service on committees is payable for services provided to the Company from January 1<sup>st</sup> of the fiscal year until the next annual meeting of stockholders, such compensation is reported for purposes of the Director Compensation table on a weighted basis. For fiscal year 2010, one quarter of the reported compensation earned or paid in cash is based on the director compensation policy in effect for calendar year 2009 and three quarters of the reported compensation paid in cash is based on the director compensation policy in effect for calendar year 2010. Amounts earned and reported in the Director Compensation table for Fees Earned or Paid in Cash for the fiscal year for each director are dependent upon the various committees on which each director served as a member or as chairman during the fiscal year.

## DIRECTOR COMPENSATION

### Fiscal Year 2010

Name	Fees Earned or	Stock Awards	Option	All Other	Total
	Paid in Cash		Awards	Compensation	
	(\$) <sup>1</sup>	(\$) <sup>2</sup>	(\$) <sup>3</sup>	(\$) <sup>4</sup>	(\$)
John C. Adams, Jr.	\$ 44,000	\$ 31,996	\$ 0	\$ 6,000	\$ 81,996
Giles H. Bateman	\$ 52,000	\$ 31,996	\$ 0	\$ 6,000	\$ 89,996
Peter D. Bewley	\$ 44,000	\$ 31,996	\$ 0	\$ 6,000	\$ 81,996
Richard A. Collato	\$ 48,000	\$ 31,996	\$ 0	\$ 6,000	\$ 85,996
Mario L. Crivello	\$ 36,000	\$ 31,996	\$ 0	\$ 6,000	\$ 73,996
Linda A. Lang	\$ 44,000	\$ 31,996	\$ 0	\$ 6,000	\$ 81,996
Neal E. Schmale	\$ 54,000	\$ 31,996	\$ 0	\$ 6,000	\$ 91,996

<sup>1</sup> For services rendered during fiscal year 2010, directors received restricted stock units ( RSUs ) pursuant to elections made in 2008 and 2009 under the Director Compensation Policy with respect to their services as directors in calendar years 2009 and 2010, respectively, in each case in lieu of all or part of their base annual fees for such calendar year (as described in the narrative preceding the Director Compensation Table) as follows: Giles H. Bateman received RSUs valued at \$8,981; Richard A. Collato received RSUs valued at \$7,994; and Peter D. Bewley, Linda A. Lang and Neal E. Schmale received RSUs valued at \$31,991.

<sup>2</sup> Amounts included in the Stock Awards column represent the grant date fair value for non-elective RSUs awarded to all non-employee directors pursuant to the Director Compensation Policy. On December 8, 2009 each director received a non-elective award of 986 RSUs, each RSU having a grant date fair value equal to the closing price of the Company's common stock on that date in the amount of \$32.45 per share. The number of RSUs awarded to each director is rounded down to the nearest whole share. The number of RSUs held by each director as of the end of the fiscal year are reported with respect to such director's security ownership as of the record date for the annual meeting of stockholders on page 4 of this proxy statement. The RSUs are settled in stock only upon termination of service as a director and the RSUs provide for the payment of dividend equivalent compensation in amounts equal to dividends declared and paid on the Company's common stock.

<sup>3</sup> Outstanding options held by each director as of the end of the fiscal year are reported with respect to such director's security ownership as of the record date for the annual meeting of stockholders on page 4 of this proxy statement.

<sup>4</sup> Amounts represent charitable contributions made by the Company as designated by each non-employee director pursuant to the Company's Director Contribution Fund.

**Stockholder Communications with Board of Directors**

Stockholders may send communications to the Board of Directors by submitting a letter addressed to: WD-40 Company, Corporate Secretary, 1061 Cudahy Place, San Diego, CA 92110.

The Board of Directors has instructed the Corporate Secretary to forward such communications to the Chairman of the Board of Directors. The Board of Directors has also instructed the Corporate Secretary to review such correspondence and, at the Corporate Secretary's discretion, to not forward correspondence which is deemed of a commercial or frivolous nature or inappropriate for Board of Director consideration. The Corporate Secretary may also forward the stockholder communication within the Company to another department to facilitate an appropriate response.

**Committees**

<b>Director</b>	<b>Audit</b>	<b>Compensation</b>	<b>Governance</b>	<b>Finance</b>
John C. Adams, Jr.			ü	Chairman
Giles H. Bateman	Chairman			ü
Peter D. Bewley		ü	Chairman	