

MOTOROLA INC  
Form PRE 14A  
March 03, 2009

**Table of Contents**

**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

Motorola, Inc.

---

(Name of Registrant as Specified In Its Charter)

---

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

---

2) Aggregate number of securities to which transaction applies:

---

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:

---

5) Total fee paid:

---

Fee paid previously with preliminary materials.

---

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Edgar Filing: MOTOROLA INC - Form PRE 14A

1) Amount Previously Paid:

---

2) Form, Schedule or Registration Statement No.:

---

3) Filing Party:

---

4) Date Filed:

---

---

**Table of Contents**

Preliminary Form of Proxy Statement

PRINCIPAL EXECUTIVE OFFICES:  
1303 East Algonquin Road  
Schaumburg, Illinois 60196

PLACE OF MEETING:  
Rosemont Theater  
5400 N. River Road  
Rosemont, IL 60018

March , 2009

**NOTICE OF 2009 ANNUAL MEETING OF STOCKHOLDERS**

To our Stockholders:

Our Annual Meeting will be held at the Rosemont Theater, 5400 N. River Road, Rosemont, Illinois 60018 on Monday, May 4, 2009 at 5:00 P.M., local time.

The purpose of the meeting is to:

1. elect thirteen directors for a one-year term;
2. consider and vote upon an amendment to the Restated Certificate of Incorporation to change the par value of Motorola's common stock to \$0.01 per share;
3. consider and vote upon an amendment to existing equity plans to permit a one-time stock option exchange program for employees, other than executive officers and directors;
4. consider and vote upon a proposed amendment to the Motorola Employee Stock Purchase Plan of 1999;
5. hold a stockholder advisory vote on executive compensation;
6. ratify the appointment of KPMG LLP as Motorola's independent registered public accounting firm for 2009;
7. consider and vote upon three shareholder proposals, if properly presented at the meeting; and
8. act upon such other matters as may properly come before the meeting.

Only Motorola stockholders of record at the close of business on March 9, 2009 (the record date ) will be entitled to vote at the meeting. Please vote in one of the following ways:

visit the website shown on your Motorola Notice of Internet Availability of Proxy Materials for the 2009 Annual Meeting (your Motorola Notice ) or proxy card to vote via the Internet;

use the toll-free telephone number shown at the website address listed on the Motorola Notice or on your proxy card;

if you received a printed copy of the proxy card, mark, sign, date and return the enclosed proxy card using the postage-paid envelope provided; or

in person at the Annual Meeting.

**PLEASE NOTE THAT ATTENDANCE AT THE MEETING WILL BE LIMITED TO STOCKHOLDERS OF MOTOROLA AS OF THE RECORD DATE (OR THEIR AUTHORIZED REPRESENTATIVES). YOU WILL BE REQUIRED TO PROVIDE THE ADMISSION TICKET THAT IS DETACHABLE FROM YOUR MOTOROLA NOTICE OR PROXY CARD OR PROVIDE OTHER EVIDENCE OF OWNERSHIP. IF YOUR SHARES ARE HELD BY A BANK OR BROKER, PLEASE BRING TO THE MEETING YOUR BANK OR BROKER STATEMENT EVIDENCING YOUR BENEFICIAL OWNERSHIP OF MOTOROLA STOCK TO GAIN ADMISSION TO THE MEETING.**

By order of the Board of Directors,

A. Peter Lawson  
*Secretary*

---

**Table of Contents**

**ANNUAL MEETING OF STOCKHOLDERS  
TO BE HELD ON MAY 4, 2009**

March , 2009

Dear Fellow Stockholder:

You are cordially invited to attend Motorola's 2009 Annual Stockholders Meeting. The meeting will be held on Monday, May 4, 2009 at 5:00 p.m., local time, at the Rosemont Theater, 5400 N. River Road, Rosemont, Illinois 60018.

We encourage you to vote your shares through one of the three convenient methods described in the enclosed Proxy Statement and, if your schedule permits, to attend the meeting. We would appreciate your support on the following management proposals:

the election of the 13 nominated directors;

the amendment to the Restated Certificate of Incorporation to change the par value of our common stock to \$0.01;

the stock option exchange program for employees other than executive officers and directors;

the amendment to the Motorola Employee Stock Purchase Plan of 1999;

the stockholder advisory vote on executive compensation; and

the ratification of the appointment of KPMG LLP as our registered public accounting firm.

Your vote is important, so please act at your first opportunity.

On behalf of your Board of Directors, thank you for your continued support of Motorola.

Gregory Q. Brown  
Co-CEO  
Motorola, Inc.

Sanjay K. Jha  
Co-CEO  
Motorola, Inc.

---

**TABLE OF CONTENTS****PROXY STATEMENT**

	<b>PAGE</b>
<u>About the 2009 Annual Meeting</u>	1
<u>Voting Procedures</u>	1
<u>Proposal 1 Election of Directors for a One-Year Term</u>	5
<u>Nominees</u>	5
<u>Corporate Governance Matters</u>	9
<u>Board of Directors Matters</u>	11
<u>What are the Committees of the Board?</u>	12
<u>How are the Directors Compensated?</u>	16
<u>Director Compensation for 2008</u>	17
<u>Director Retirement Plan and Insurance Coverage</u>	18
<u>Related Person Transaction Policy and Procedures</u>	19
<u>Proposal 2 Amendment to the Company's Restated Certificate of Incorporation to Change Par Value</u>	19
<u>Proposal 3 Amendment to Existing Equity Plans to Permit a Stock Option Exchange Program</u>	20
<u>Proposal 4 Amendment to the Motorola Employee Stock Purchase Plan of 1999</u>	32
<u>Proposal 5 Stockholder Advisory Vote on Executive Compensation</u>	34
<u>Proposal 6 Ratification of Appointment of Independent Registered Public Accounting Firm</u>	34
<u>Proposal 7 Shareholder Proposal re: Cumulative Voting</u>	35
<u>Proposal 8 Shareholder Proposal re: Special Shareowner Meeting</u>	36
<u>Proposal 9 Shareholder Proposal re: Human Rights</u>	37
<u>Equity Compensation Plan Information</u>	40
<u>Ownership of Securities</u>	42
<u>Security Ownership of Management and Directors</u>	42
<u>Security Ownership of Principal Shareholders</u>	44
<u>Compensation Discussion and Analysis</u>	45
<u>Report of Compensation and Leadership Committee on Executive Compensation</u>	62
<u>Named Executive Officer Compensation</u>	63
<u>2008 Summary Compensation Table</u>	63
<u>Grants of Plan-Based Awards in 2008</u>	66
<u>Outstanding Equity Awards at 2008 Fiscal Year-End</u>	69
<u>Option Exercises and Stock Vested in 2008</u>	73
<u>Nonqualified Deferred Compensation in 2008</u>	73
<u>Retirement Plans</u>	74
<u>Pension Benefits in 2008</u>	77
<u>Employment Contracts, Termination of Employment and Change in Control Arrangements</u>	78
<u>Audit and Legal Committee Matters</u>	91
<u>Report of Audit and Legal Committee</u>	91
<u>Independent Registered Public Accounting Firm Fees</u>	93
<u>Audit and Legal Committee Pre-Approval Policies</u>	93
<u>Communications</u>	94
<u>Other Matters</u>	95

**Table of Contents**

1

PROXY STATEMENT

**PROXY STATEMENT**

**ABOUT THE 2009 ANNUAL MEETING**

This proxy statement (the **Proxy Statement**) is being furnished to holders of common stock (the **Common Stock**), currently \$3 par value per share, of Motorola, Inc. ( **Motorola**, or the **Company** ). Proxies are being solicited on behalf of the Board of Directors of the Company (the **Board**) to be used at the 2009 Annual Meeting of Stockholders (the **Annual Meeting**) to be held at the Rosemont Theater, 5400 N. River Road, Rosemont, Illinois 60018 on Monday, May 4, 2009 at 5:00 P.M., local time, for the purposes set forth in the Notice of 2009 Annual Meeting of Stockholders.

This Proxy Statement, the form of proxy and the Company's 2008 Annual Report are being mailed to stockholders who have requested hard copies on or after March 17, 2009.

All stockholders may view and print Motorola's Proxy Statement and the 2008 Annual Report at <http://materials.proxyvote.com/620076>. The Proxy Statement and the 2008 Annual Report are also available on the Company's website at [www.motorola.com/investor](http://www.motorola.com/investor).

The Board of Directors supports the nominees and urges you to elect the 13 nominees by voting on the enclosed proxy card.

**VOTING PROCEDURES**

**Who Is Entitled to Vote?**

Only stockholders of record at the close of business on March 9, 2009 (the **record date**) will be entitled to notice of, and to vote at, the Annual Meeting or any adjournments or postponements thereof. On the record date, there were issued and outstanding [ ] shares of Common Stock entitled to vote at the Annual Meeting. The Common Stock is the only class of voting securities of the Company.

A list of stockholders entitled to vote at the meeting will be available for examination at the Motorola Innovation Center, 1295 East Algonquin Road, Door 60, Schaumburg, Illinois 60196 for ten days before the Annual Meeting and at the Annual Meeting.

**Why Did I Receive a Notice of Internet Availability?**

The Securities and Exchange Commission adopted rules for the electronic distribution of proxy materials. We have elected to provide access to our proxy materials and 2008 Annual Report on the Internet instead of sending a full set of printed proxy materials as in years past. This enables us to reduce costs, provide ease and flexibility for our stockholders and lessen the environmental impact of our Annual Meeting. On or about March 17, 2009, we intend to mail to most of our U.S. and Canadian stockholders a Motorola Notice of Internet Availability of Proxy Materials (the **Motorola Notice**) containing instructions on how to access our 2009 Proxy Statement and 2008 Annual Report and vote online. If you received a Motorola Notice by mail, you will not receive a printed copy of the proxy materials in



the mail unless you request it. Instead, the Motorola Notice instructs you on how to access and review all of the important information contained in the 2009 Proxy Statement and 2008 Annual Report. The Motorola Notice also instructs you on how you may submit your proxy over the Internet. If you received a Motorola Notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Motorola Notice.

### **How Can I Vote Without Attending the Annual Meeting?**

There are three convenient methods for registered stockholders to direct their vote by proxy without attending the Annual Meeting:

Vote by Internet. You can vote via the Internet. The website address for Internet voting is provided on your Motorola Notice or proxy card. You will need to use the control number appearing on your Motorola Notice or proxy card to vote via the Internet. You can use the Internet to transmit your voting instructions up until 11:59 P.M. Eastern Time on Sunday, May 3, 2009. Internet voting is available 24 hours a day. If you vote via the Internet you do NOT need to vote by telephone or return a proxy card.

Vote by Telephone. You can also vote by telephone by calling the toll-free telephone number provided on the Internet link on your Motorola Notice or on your proxy card. You will need to use the control number appearing on your Motorola Notice or proxy card to vote by telephone. You may transmit your voting instructions from any touch-tone telephone up until 11:59 P.M. Eastern Time on Sunday, May 3, 2009. Telephone voting is available 24 hours a day. If

---

**Table of Contents**

2

**PROXY STATEMENT**

you vote by telephone you do NOT need to vote over the Internet or return a proxy card.

Vote by Mail. If you received a printed copy of the proxy card, you can vote by marking, dating and signing it, and returning it in the postage-paid envelope provided. Please promptly mail your proxy card to ensure that it is received prior to the closing of the polls at the Annual Meeting.

If you are a beneficial owner, or you hold your shares in street name, please check your voting instruction card or contact your bank, broker or nominee to determine whether you will be able to vote by Internet or telephone.

**How Can I Change My Vote?**

Registered stockholders can revoke their proxy at any time before it is voted at the Annual Meeting by either:

Submitting another timely, later-dated proxy by Internet, telephone or mail;

Delivering timely written notice of revocation to the Secretary, Motorola, Inc., 1303 East Algonquin Road, Schaumburg, Illinois 60196; or

Attending the Annual Meeting and voting in person.

If your shares are held in the name of a bank, broker or other nominee, you must obtain a proxy, executed in your favor, from the holder of record (that is, your bank, broker or nominee) to be able to vote at the Annual Meeting.

**How Many Votes Must be Present to Conduct Business at the Annual Meeting?**

In order for business to be conducted, a quorum must be represented at the Annual Meeting. A quorum is a majority of the shares entitled to vote at the Annual Meeting. Shares represented by a proxy marked abstain will be considered present at the Annual Meeting for purposes of determining a quorum.

**How Many Votes Am I Entitled to Cast?**

You are entitled to cast one vote for each share of Common Stock you own on the record date. Stockholders do not have the right to vote cumulatively in electing directors.

**How Many Votes Are Required to Elect Directors?**

In February 2006, Motorola's Board of Directors amended the Company's Bylaws and Board Governance Guidelines to adopt a majority vote standard for non-contested director elections. Because the number of nominees properly nominated for the 2009 Annual Meeting is the same as the number of directors to be elected at the 2009 Annual Meeting, the 2009 election of directors is a non-contested election. To be elected in a non-contested election, a director nominee must receive more For votes than Against votes. Abstentions and broker non-votes will have no effect on the director election since only votes For and Against a nominee will be counted.

**How Many Votes Are Required to Authorize the Amendment to the Restated Certificate of Incorporation to Change the Par Value of our Common Stock to \$0.01?**

The affirmative vote of the holders of a majority of the outstanding shares entitled to vote at the Annual Meeting will be required to authorize amendments to the Restated Certificate of Incorporation to change the par value of our Common Stock to \$0.01 per share. Abstentions and broker non-votes will have the same effect as a vote Against the proposal.

**How Many Votes Are Required to Approve the One-Time Option Exchange?**

The affirmative vote of the holders of a majority of the shares present in person or by proxy and entitled to vote at the Annual Meeting will be required to approve the amendment to existing equity plans to permit a one-time stock option exchange program for employees, other than executive officers and directors. Abstentions will have the same effect as a vote Against the proposal. Broker non-votes will not be voted For or Against this proposal and will have no effect on this proposal.

**How Many Votes are Required to Authorize the Amendment to the Motorola Employee Stock Purchase Plan of 1999 (the MOTshare Plan )?**

In order to authorize the amendment to the MOTshare Plan, an affirmative vote of a majority of the shares present in person or by proxy and entitled to vote at the Annual Meeting is required. Abstentions will have the same effect as a vote Against the proposal. Broker non-votes will not be voted For or Against this proposal and will have no effect on this proposal.

---

**Table of Contents**

3

## PROXY STATEMENT

**How Many Votes Are Required to Approve the Stockholder Advisory Vote on Executive Compensation?**

The affirmative vote of the holders of a majority of the shares present in person or by proxy and entitled to vote at the Annual Meeting will be required to approve the Stockholder Advisory Vote on Executive Compensation. Abstentions will have the same effect as a vote *Against* the proposal.

**How Many Votes Are Required to Ratify the Appointment of KPMG LLP as Motorola's Independent Registered Public Accounting Firm?**

The affirmative vote of the holders of a majority of the shares present in person or by proxy and entitled to vote at the Annual Meeting will be required to ratify the selection of KPMG LLP. Abstentions will have the same effect as a vote *Against* the proposal.

**How Many Votes Are Required to Pass Any Shareholder Resolution?**

In order to recommend that the Board consider adoption of any shareholder proposal, the affirmative vote of the holders of a majority of the shares present in person or by proxy and entitled to vote at the Annual Meeting is required. For any shareholder proposal, an abstention will have the same effect as a vote *Against* the proposal. Broker non-votes will not be voted *For* or *Against* a shareholder proposal and will have no effect on the proposal.

**Will My Shares be Voted if I Do Not Provide Instructions to My Broker?**

If you are the beneficial owner of shares held in *street name* by a broker, the broker, as the record holder of the shares, is required to vote those shares in accordance with your instructions. If you do not give instructions to the broker, the broker will be entitled to vote the shares with respect to *discretionary* items but will not be permitted to vote the shares with respect to *non-discretionary* items (those shares are treated as *broker non-votes*). The election of directors will be a *discretionary* item. The ratification of the appointment of KPMG LLP and stockholder advisory vote on compensation are also *discretionary* items. The proposals to amend the Restated Certificate of Incorporation to change the par value of our Common Stock to \$0.01, to amend existing equity plans to permit the stock option exchange program and to amend the Motorola Employee Stock Purchase Plan of 1999 are *non-discretionary* items. The three shareholder proposals are also *non-discretionary* items.

**Who Represents My Proxy at the Annual Meeting?**

If you do not vote in person at the Annual Meeting, but have voted your shares over the Internet, by telephone or by signing and returning your proxy card, you have authorized certain members of Motorola's senior management designated by the Board and named on your proxy card to represent you and to vote your shares as instructed.

**What if I Return a Proxy Card But Do Not Provide Specific Voting Instructions For Some or All of the Items?**

All shares that have been properly voted *whether by Internet, telephone or mail* and not revoked will be voted at the Annual Meeting in accordance with your instructions. If you sign your proxy card but do not give voting instructions, the shares represented by that proxy will be voted as recommended by the Board of Directors. The Board of Directors recommends a vote: (1) *For* the election of the 13 director nominees named in this Proxy Statement, (2) *For* the

amendment to the Restated Certificate of Incorporation to change the par value of our Common Stock to \$0.01 per share, (3) For the amendment to existing equity plans to permit the one-time stock option exchange, (4) For the amendment to the Motorola Employee Stock Purchase Plan of 1999, (5) For the stockholder advisory vote on executive compensation, and (6) For the ratification of the appointment of KPMG LLP as the Company's independent public accounting firm for 2009. The Board of Directors recommends a vote Against each of the three shareholder proposals

**What if Other Matters Are Voted on at the Annual Meeting?**

If any other matters are properly presented at the Annual Meeting for consideration and if you have voted your shares by Internet, telephone or mail, the persons named as proxies on the proxy card will have the discretion to vote on those matters for you. At the date we filed this Proxy Statement with the Securities and Exchange Commission, the Board of Directors did not know of any other matter to be raised at the Annual Meeting.

---

**Table of Contents**

4

PROXY STATEMENT

**How Do I Vote if I Participate in the Company's 401(k) Plan?**

If you own shares of Common Stock through the Motorola 401(k) Plan (the "401(k) Plan"), the Motorola Notice or proxy card includes the shares you hold in the 401(k) Plan as well as the shares you hold outside of the 401(k) Plan. Under the 401(k) Plan, participants are named fiduciaries to the extent of their authority to direct the voting of shares of Common Stock credited to their 401(k) Plan accounts and their proportionate share of allocated shares for which no direction is received and unallocated shares, if any (together, "Undirected Shares"). The trustee of the 401(k) Plan will vote Undirected Shares in the same proportion as the shares for which directions are received, except as otherwise provided in accordance with ERISA. By submitting voting instructions by Internet, telephone, or if hardcopies are requested, by signing, dating and returning the proxy card, you direct the trustee of the 401(k) Plan to vote these shares, in person or by proxy, as designated therein, at the Annual Meeting.

---

Table of Contents

5

## PROXY STATEMENT

**PROPOSAL 1****ELECTION OF DIRECTORS FOR A ONE-YEAR TERM****How Many Directors Are Standing For Election and For What Term?**

The number of directors of the Company to be elected at the 2009 Annual Meeting is 13. The directors elected at the 2009 Annual Meeting will serve until their respective successors are elected and qualified or until their earlier death or resignation.

**NOMINEES****Who Are the Nominees?**

Each of the nominees named below is currently a director of the Company. Each of the nominees was elected at the Annual Meeting of Stockholders held on May 5, 2008, except for Dr. Jha who is standing for election for the first time. The ages shown are as of January 1, 2009. Messrs. Nicholas Negroponete and Miles White are not standing for re-election.

**GREGORY Q. BROWN, Principal Occupation: Co-Chief Executive Officer, Motorola, Inc., and Chief Executive Officer, Broadband Mobility Solutions**

*Director since 2007 Age 48*

Mr. Brown joined Motorola in 2003 and since August 2008, has served as Co-Chief Executive Officer of Motorola, Inc. and Chief Executive Officer of Broadband Mobility Solutions. He was President and Chief Executive Officer of Motorola, Inc. from January 1, 2008 until August 2008. From March 2007 through December 2007, Mr. Brown served as President and Chief Operating Officer. From January 2003 through March 2007, Mr. Brown served as Executive Vice President and President of various Motorola businesses within Broadband Mobility Solutions. Prior to joining Motorola, Mr. Brown was Chairman and Chief Executive Officer of Micromuse, Inc., a network management software company. Before that, he was President of Ameritech Custom Business Services and Ameritech New Media, Inc. Mr. Brown serves on the National Security Telecommunications Advisory Committee (NSTAC) and is also a member of the Business Council, Business Roundtable, Northwestern Memorial Hospital board, and the 2016 Chicago Olympic Committee. Mr. Brown received a B.A. degree in Economics from Rutgers University.

**DAVID W. DORMAN, Principal Occupation: Non-Executive Chairman of the Board, Motorola, Inc.**

*Director since 2006 Age 54*

Mr. Dorman is the Non-Executive Chairman of the Board of Motorola, Inc. Previously he was a Managing Director and Senior Advisor with Warburg Pincus, a global leader in private equity. He was Chairman and Chief Executive Officer of AT&T, a provider of internet and transaction-based voice and data services, from November 2002 until the completion of the AT&T Corp. and SBC Communications merger in November 2005. Mr. Dorman joined AT&T as President in December 2000. He began his career in the telecommunications industry at Sprint Corp. in 1981. Mr. Dorman serves on the boards of CVS Caremark Corporation, YUM! Brands, Inc., and the Georgia Tech Foundation. Mr. Dorman received a B.S. degree in Industrial Management with high honors from the Georgia Institute of Technology.

**WILLIAM R. HAMBRECHT, Principal Occupation: Chairman and Chief Executive Officer of WR Hambrecht + Co**

*Director since 2008 Age 73*

Mr. Hambrecht has been Founder, Chairman and Chief Executive Officer of WR Hambrecht + Co, a financial services firm, since December 1997. Mr. Hambrecht co-founded Hambrecht & Quist in 1968, from which he resigned in December 1997 to form WR Hambrecht + Co. Mr. Hambrecht currently serves on the Board of Trustees for The American University of Beirut and he also serves on the Advisory Council to The J. David Gladstone Institutes. In October 2006, Mr. Hambrecht was inducted to the American Academy of Arts and Sciences. Mr. Hambrecht graduated from Princeton University.

---



**Table of Contents**

6

PROXY STATEMENT

**DR. SANJAY K. JHA, Principal Occupation: Co-Chief Executive Officer, Motorola, Inc. and Chief Executive Officer, Mobile Devices**

*Director since 2008 Age 45*

Dr. Jha joined Motorola in August 2008 as Co-Chief Executive Officer of Motorola, Inc. and Chief Executive Officer of Mobile Devices. Prior to joining Motorola, Dr. Jha served as Executive Vice President and Chief Operating Officer of Qualcomm, Inc. from December 2006 to August 2008. Dr. Jha also served as Executive Vice President and President of Qualcomm CDMA Technologies (QCT), Qualcomm's chipset and software division, from January 2003 to December 2006. Dr. Jha received a Ph.D. in Electronic and Electrical Engineering from the University of Strathclyde, Scotland and a B.S. degree in Engineering from the University of Liverpool, England.

**JUDY C. LEWENT, Principal Occupation: Retired; Formerly Executive Vice President & Chief Financial Officer, Merck & Co., Inc.**

*Director since 1995 Age 59*

Ms. Lewent was Chief Financial Officer of Merck & Co., Inc., a pharmaceutical company, from 1990 until her retirement in September 2007. She was also Executive Vice President of Merck from February 2001 through her retirement and had additional responsibilities as President, Human Health Asia from January 2003 until July 2005, when she assumed strategic planning responsibilities for Merck. Ms. Lewent is a director of Dell Inc. and Thermo Fisher Scientific, Inc. She also serves as a trustee of the Rockefeller Family Trust, is a life member of the Massachusetts Institute of Technology Corporation, and is a member of the American Academy of Arts and Sciences. Ms. Lewent received a B.S. degree from Goucher College and an M.S. degree from the MIT Sloan School of Management.

**KEITH A. MEISTER, Principal Occupation: Vice Chairman of the Board of Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P.**

*Director since 2008 Age 35*

Mr. Meister, since August 2003, has served as Vice Chairman of the Board of Icahn Enterprises G.P. Inc., the general partner of Icahn Enterprises L.P., a diversified holding company engaged in a variety of businesses, including investment management, metals, real estate and home fashion. From August 2003 through March 2006, Mr. Meister also served as Chief Executive Officer of Icahn Enterprises G.P. Inc., and since March 2006, Mr. Meister has served as Principal Executive Officer of Icahn Enterprises G.P. Inc. Since November 2004, Mr. Meister has been a Managing Director of Icahn Capital LP, the entity through which Carl C. Icahn manages third-party private investment funds. Since June 2002, Mr. Meister has served as senior investment analyst of High River Limited Partnership, an entity primarily engaged in the business of holding and investing in securities. Mr. Meister also serves on the boards of directors of XO Holdings, Inc., WCI Communities, Inc., and Federal-Mogul Corporation. With respect to each company mentioned above, Mr. Icahn, directly or indirectly, either (i) controls such company or (ii) has an interest in such company through the ownership of securities. Mr. Meister received an A.B. in government, cum laude, from Harvard College in 1995.

**THOMAS J. MEREDITH, Principal Occupation: General Partner and Co-Founder, Meritage Capital, L.P. and Chief Executive Officer, MFI Capital**

*Director since 2005 Age 58*

Mr. Meredith is a co-founder and general partner of Meritage Capital, L.P., an investment management firm specializing in multi-manager hedge funds. He is also chief executive officer of MFI Capital, a private investment firm. He served as Acting Chief Financial Officer and Executive Vice President of Motorola from April 1, 2007 until March 1, 2008 and remained an employee of the Company until March 31, 2008. Mr. Meredith was a director of Motive, Inc. until it was acquired in October 2008. He is an adjunct professor at the McCombs School of Business at the University of Texas, and serves on the advisory boards of both the Wharton School at the University of Pennsylvania and the LBJ School at the University of Texas. Mr. Meredith received a B.S. degree in Political Science from St. Francis University, a J.D. degree from Duquesne University and an LL.M. degree in Taxation from Georgetown University.

---

## PROXY STATEMENT

**SAMUEL C. SCOTT III, Principal Occupation: Chairman, President and Chief Executive Officer, Corn Products International***Director since 1993 Age 64*

Mr. Scott has been Chairman, President and Chief Executive Officer of Corn Products International, a corn refining business, since 1997. Mr. Scott serves on the Board of Directors of Bank of New York, Abbott Laboratories, Accion International and the Chicago Council on Global Affairs. He also serves as a Trustee of The Conference Board. Mr. Scott received a B.S. degree in Engineering and an M.B.A. from Fairleigh Dickinson University.

**DR. RON SOMMER, Principal Occupation: Retired; Formerly Chairman of the Board of Management, Deutsche Telekom AG***Director since 2004 Age 59*

Dr. Sommer was Chairman of the Board of Management of Deutsche Telekom AG, a telecommunication company, from May 1995 until he retired in July 2002. He is a director of Muenchener Rueckversicherung, AFK Sistema, Tata Consultancy Services and Weather Industries. Dr. Sommer is also a Member of the International Advisory Board of The Blackstone Group. Dr. Sommer received a Ph.D. degree in Mathematics from the University of Vienna, Austria.

**JAMES R. STENGEL, Principal Occupation: President/CEO, The Jim Stengel Company, LLC***Director since 2005 Age 53*

In November 2008, Mr. Stengel founded The Jim Stengel Company, LLC, a think tank and consultancy firm focused on improving marketing through a proprietary framework. Mr. Stengel was the Global Marketing Officer of Procter & Gamble Company, a consumer products company, from 2001 until he retired in October 2008. Mr. Stengel is on the National Underground Freedom Center Board of Directors. Mr. Stengel received a B.A. degree from Franklin & Marshall College and an M.B.A. from Pennsylvania State University.

**ANTHONY J. VINCIQUERRA, President and Chief Executive Officer, Fox Networks Group***Director since 2007 Age 54*

Mr. Vinciquerra is Chairman and Chief Executive Officer of Fox Networks Group, a primary operating unit of News Corporation that includes the Fox Television Network, Fox Cable Networks, FOX Sports and Fox Networks Engineering & Operations. Mr. Vinciquerra also oversees Fox Sports Enterprises, which comprises Fox's interests in professional sports franchises like the Colorado Rockies, stadiums and leading statistical information provider STATS. A past Chairman of the National Association of Television Program Executives, he is also a director of the Boston-based Genesis Fund, the fund-raising organization of the National Birth Defects Institute, and a member of the Board of Governors of the Academy of Television Arts and Sciences. Mr. Vinciquerra received a B.A. degree from the State University of New York.

**DOUGLAS A. WARNER III, Principal Occupation: Retired; Formerly Chairman of the Board, J.P. Morgan Chase & Co.**

*Director since 2002 Age 62*

Mr. Warner was Chairman of the Board and Co-Chairman of the Executive Committee of J.P. Morgan Chase & Co., an international commercial and investment banking firm, from December 2000 until he retired in November 2001. From 1995 to 2000, he was Chairman of the Board, President and Chief Executive Officer of J.P. Morgan & Co. He is a director of General Electric Company and is on the Board of Counselors of the Bechtel Group Inc.

Mr. Warner is also Chairman of the Board of Managers and the Board of Overseers of Memorial Sloan-Kettering Cancer Center, Chairman of the Yale Investment Committee and a Trustee of Yale University. Mr. Warner received a B.A. degree from Yale University.

---

**Table of Contents**

8

PROXY STATEMENT

**DR. JOHN A. WHITE, Principal Occupation: Distinguished Professor of Industrial Engineering, University of Arkansas**

*Director since 1995 Age 69*

Dr. White is a Distinguished Professor of Industrial Engineering at the University of Arkansas. Previously he was Chancellor of the University of Arkansas from 1997 until he retired in June 2008. Dr. White served as Dean of Engineering at Georgia Institute of Technology from 1991 to early 1997, having been a member of the faculty since 1975. He is also a director of J.B. Hunt Transport Services, Inc. and Logility, Inc. A member of the National Academy of Engineering, Dr. White received a B.S.I.E. from the University of Arkansas, an M.S.I.E. from Virginia Polytechnic Institute and State University and a Ph.D. from The Ohio State University.

**RECOMMENDATION OF THE BOARD**

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF THE THIRTEEN NOMINEES NAMED HEREIN AS DIRECTORS. UNLESS OTHERWISE INDICATED ON YOUR PROXY, YOUR SHARES WILL BE VOTED FOR THE ELECTION OF SUCH THIRTEEN NOMINEES AS DIRECTORS.**

**What if a Nominee is Unable to Serve as Director?**

If any of the nominees named above is not available to serve as a director at the time of the 2009 Annual Meeting (an event which the Board does not now anticipate), the proxies will be voted for the election as director of such other person or persons as the Board may designate, unless the Board, in its discretion, reduces the number of directors.

---

**Table of Contents**

9

## PROXY STATEMENT

**CORPORATE GOVERNANCE MATTERS****What Are the Board's Corporate Governance Principles?**

The Board has long adhered to governance principles designed to assure the continued vitality of the Board and excellence in the execution of its duties. The Board has responsibility for management oversight and providing strategic guidance to the Company. In order to do that effectively, the Board believes it should be comprised of individuals with appropriate skills and experiences to contribute effectively to this dynamic process. The Board is comprised of active and former CEOs and CFOs of major corporations and individuals with experience in high-tech fields, investment banking and academia. The Board believes that it must continue to renew itself to ensure that its members understand the industries and the markets in which the Company operates. The Board also believes that it must remain well-informed about the positive and negative issues, problems and challenges facing Motorola and its industries and markets so that the members can exercise their fiduciary responsibilities to stockholders.

**Which Directors Are Independent?**

On February 24, 2009, the Board made the determination, based on the recommendation of the Governance and Nominating Committee and in accordance with the Motorola, Inc. Director Independence Guidelines, that Mr. Dorman, Mr. Hambrecht, Ms. Lewent, Mr. Meister, Mr. Negroponte, Mr. Scott, Dr. Sommer, Mr. Stengel, Mr. Vinciguerra, Mr. Warner, Dr. J. White and Mr. M. White were independent during the periods in 2008 and 2009 that they were members of the Board. Mr. Brown, Dr. Jha and Mr. Zander do not qualify as independent directors since they are, or have been, employees of the Company. The Board determined on February 21, 2008 that following the completion of Mr. Meredith's interim employment from April 1, 2007 to March 31, 2008 he would again be considered independent. See *What is Motorola's Relationship with Entities Associated with Its Independent Directors?* for further details.

**How Was Independence Determined?**

The Motorola, Inc. Director Independence Guidelines include both the NYSE independence standards and categorical standards the Board has adopted to determine if a relationship that a Board member has with the Company is material. The categorical standards adopted by the Board are as follows:

Contributions or payments (including the provision of goods or services) from Motorola to a charitable organization (including a foundation), a university, or other not-for-profit organization, of which a director or an immediate family member of a director (defined to include a director's spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone (other than domestic employees) who shares the director's home) is an officer, director, trustee or employee, will not impair independence unless the contribution or payment (excluding Motorola matches of charitable contributions made by employees or directors under Motorola's or the Motorola Foundation's matching gift programs):

- (i) is to an entity of which the director or the director's spouse currently is an officer, director or trustee, and such person held such position at the time of the contribution,
- (ii) was made within the previous three years, and
- (iii) was in an amount which, in the entity's last fiscal year prior to the year of the contribution or payment, exceeded the greater of \$300,000 or 5% of such entity's consolidated gross revenues (or equivalent measure).

Indebtedness of Motorola to a bank or similar entity of which a director or a director's immediate family member is a director, officer, employee or 10% Owner (as defined below) will not impair independence unless the following are applicable:

- (i) the director or the director's spouse is an executive officer of such entity or an owner who directly or indirectly has a 10% or greater equity or voting interest in such entity (a 10% Owner) and he or she held that position at any time during the previous twelve months, and
- (ii) the total amount of Motorola's indebtedness during the previous twelve months is more than 5% of the total consolidated assets of such entity in its last fiscal year.

Other business relationships between a director or a director's immediate family member, such as consulting, legal or financial advisory services provided to Motorola, will not impair independence unless the following are applicable:

- (i) the director or the director's spouse is a partner, officer or 10% Owner of the
-

**Table of Contents**

10

PROXY STATEMENT

company or firm providing such services, and he or she held such position at any time during the previous twelve months, and

(ii) the services that were provided during the previous twelve months were in an amount which, in the company's or firm's last fiscal year, exceeded the greater of \$1 million or 2% of such company's or firm's consolidated gross revenues.

This categorical standard does not include business relationships with Motorola's independent registered public accounting firm because those relationships are covered by the NYSE independence standards.

Motorola's ownership of voting stock of a company of which the director or the director's immediate family member is a director, officer, employee or 10% Owner will not impair independence unless the following are applicable:

- (i) the director or the director's spouse is an executive officer of that company, and
- (ii) Motorola is currently a 10% Owner of that company.

The ownership of Motorola Common Stock by a director or a director's immediate family member will not be considered to be a material relationship that would impair a director's independence.

When applying the NYSE independence standards and the categorical standards set forth above, Motorola includes Motorola, Inc. and any of its subsidiaries, and the Motorola Foundation. A complete copy of the Motorola, Inc. Director Independence Guidelines is available on the Company's website at [www.motorola.com/investor](http://www.motorola.com/investor).

**What is Motorola's Relationship with Entities Associated with Independent Directors?**

As previously disclosed, Thomas Meredith's term as Acting Chief Financial Officer and Executive Vice President of Motorola ended on March 1, 2008 and, under the terms of his agreement, his employment ended on March 31, 2008. In 2008, the Board determined that after the end of his employment Mr. Meredith's independence under the Motorola, Inc. Independence Guidelines and the NYSE independence requirements was not impaired by his status as an employee of the Company from April 1, 2007 through March 31, 2008, because he was serving as an interim employee of the Company at the request of the Board while the Company conducted a search for a permanent chief financial officer.

As previously disclosed, Motorola and the Motorola Foundation have had various commercial and charitable relationships with the Massachusetts Institute of Technology (MIT) and the MIT Media Laboratory. Nicholas Negroponte is a tenured professor of MIT on leave, and formerly the Chairman of the MIT Media Laboratory, an academic and research laboratory at MIT. Judy Lewent is a life member of the MIT Corporation. Motorola and the Motorola Foundation made payments to MIT in each of the last three years significantly below the threshold described in the guidelines. Neither Mr. Negroponte nor Ms. Lewent direct the relationship nor do they vote as a member of the Motorola Board of Directors to approve MIT relationships.

All independent directors, other than William Hambrecht, Keith Meister and Ron Sommer, had relationships with entities that were reviewed by the Board under the NYSE's independence standard and/or the Board's categorical standard described above covering contributions or payments to charitable or similar not-for-profit organizations. In each case, the payments or contributions were significantly less than the NYSE independence standard or the categorical standard and were determined by the Board to be immaterial.



**Are the Members of the Audit and Legal, Compensation and Leadership and Governance and Nominating Committees Independent?**

Yes. The Board has determined that all of the members of the Audit and Legal Committee, the Compensation and Leadership Committee and the Governance and Nominating Committee are independent within the meaning of the Motorola, Inc. Director Independence Guidelines and the NYSE listing standards for independence.

**Where Can I Receive More Information About Motorola's Corporate Governance Practices?**

Motorola maintains a corporate governance page on its website at [www.motorola.com/investor](http://www.motorola.com/investor) that includes information about its corporate governance practices. The following documents are currently included on the website:

The Motorola, Inc. Board Governance Guidelines, the current version of which the Board adopted on November 12, 2008;