

DYCOM INDUSTRIES INC
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October 29, 2010

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Securities and Exchange Commission
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

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Check the appropriate box:

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DYCOM INDUSTRIES, INC.
(Name of Registrant as Specified In Its Charter)

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

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DYCOM INDUSTRIES, INC.
11770 U.S. Highway 1, Suite 101
Palm Beach Gardens, Florida 33408

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
To Be Held On November 23, 2010

To Our Shareholders:

The Annual Meeting of Shareholders (the "Annual Meeting") of Dycom Industries, Inc. (the "Company") will be held at 11:00 a.m., local time, on Tuesday, November 23, 2010, at the corporate offices of Dycom Industries, Inc., 11770 U.S. Highway 1, Suite 402, Palm Beach Gardens, Florida 33408.

At the Annual Meeting, you will be asked to vote on the following proposals, which are more fully described in the Proxy Statement accompanying this notice:

1. To elect two directors;
2. To amend the Company's 2007 Non-Employee Directors Equity Plan to increase by 250,000 the number of shares of the Company's common stock that are authorized for issuance under the plan; and
3. To ratify the appointment of Deloitte & Touche LLP as the Company's independent auditor for fiscal 2011.

The Board of Directors has fixed the close of business on Friday, October 1, 2010, as the record date for determining the shareholders entitled to notice of and to vote at the Annual Meeting.

By Order of the Board of Directors,

/s/ Richard B. Vilsoet
Richard B. Vilsoet
Secretary

Palm Beach Gardens, Florida
October 26, 2010

YOUR VOTE IS IMPORTANT

Whether or not you plan to attend in person, it is important that your shares be represented and voted. You can vote your shares by signing and dating the enclosed proxy card and returning it in the accompanying envelope or via the Internet or telephone. You will find specific instructions for voting via the Internet or telephone on the proxy card. If you decide to attend the Annual Meeting and prefer to vote by ballot, your proxy will be revoked automatically and only your vote at the Annual Meeting will be counted. If you hold your shares through a broker and wish to vote at the meeting, you will need to obtain a proxy from the institution that holds your shares.

If you choose to attend the meeting, you will be asked to present valid picture identification, and if you hold your shares through a broker, you will be asked to present a copy of your brokerage statement showing your stock ownership as of October 1, 2010.

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DYCOM INDUSTRIES, INC.
11770 U.S. Highway 1, Suite 101
Palm Beach Gardens, Florida 33408

PROXY STATEMENT

ANNUAL MEETING OF SHAREHOLDERS
Tuesday, November 23, 2010

GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Dycom Industries, Inc. (the “Company”) for use at the Annual Meeting of Shareholders to be held on Tuesday, November 23, 2010, at the corporate offices of Dycom Industries, Inc., 11770 U.S. Highway 1, Suite 402, Palm Beach Gardens, Florida 33408, at 11:00 a.m., local time, or at any adjournments or postponements thereof (the “Annual Meeting”). This Proxy Statement and the accompanying proxy card are being mailed to shareholders on or about October 26, 2010.

What will I be voting on?

At the meeting, you and our other shareholders will be voting on the following:

- the election of two (2) directors;
- the amendment of our 2007 Non-Employee Directors Equity Plan to increase by 250,000 the number of shares of our common stock that are authorized for issuance under the plan; and
- the ratification of the appointment of Deloitte & Touche LLP as the Company’s independent auditor for fiscal 2011.

Who may vote?

You may vote if you owned common stock of the Company as of the close of business on October 1, 2010, the record date for the Annual Meeting. Each share of the Company’s common stock is entitled to one vote on each matter to be voted on. As of the record date, there were 36,967,739 shares of the Company’s common stock outstanding and entitled to vote at the Annual Meeting based on the records of our registrar and transfer agent, America Stock Transfer & Trust Company.

Who may attend the Annual Meeting?

All shareholders of record at the close of business on October 1, 2010, or their duly appointed proxies, may attend the Annual Meeting. Please be prepared to present valid photo identification for admission to the meeting. Cameras, recording devices and other electronic devices will not be permitted at the Annual Meeting.

If you hold shares in “street name” (that is, in a brokerage account or through a bank or other nominee) and you plan to attend the Annual Meeting, you will need to bring a copy of a statement reflecting your share ownership as of the October 1, 2010 record date for the Annual Meeting and check in at the registration desk at the Annual Meeting.

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What are the voting recommendations of the Board of Directors?

The Board of Directors recommends that you vote your shares “FOR” each of the nominees named in this Proxy Statement for election to the Board of Directors, “FOR” the amendment of our 2007 Non-Employee Directors Equity Plan and “FOR” the ratification of the appointment of Deloitte & Touche LLP as the Company’s independent auditor for fiscal 2011.

How do I vote?

You may vote your shares in any of the following manners:

- by signing and dating the enclosed proxy card and returning it in the accompanying envelope;
- by going to the website www.proxyvote.com, with your proxy card in hand, and following the instructions;
 - by telephone following the instructions included with your proxy card; or
 - by written ballot at the Annual Meeting.

If you are a shareholder of record and you attend the Annual Meeting, you may deliver your completed proxy card in person. If you hold your shares in “street name” and you wish to vote at the Annual Meeting, you will need to obtain a proxy from the broker or nominee that holds your shares.

Whether or not you plan to attend the Annual Meeting, we encourage you to vote by proxy as soon as possible.

What if I hold my shares in “street name”?

Many shareholders hold their shares through a stockbroker, bank or other nominee rather than directly in their own name. This is often called holding shares in “street name.” As summarized below, there are some distinctions between record shareholders and “street name” holders.

If your shares are registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, you are considered the shareholder of record for those shares, and these proxy materials are being sent directly to you.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of those shares and you hold your shares in “street name.” In this case, proxy materials are being forwarded to you by your broker, bank or other nominee. As the beneficial owner, you have the right to direct your broker, bank or other nominee how to vote and are also invited to attend the Annual Meeting. However, because you are not a shareholder of record, you may not vote these shares in person at the Annual Meeting unless you bring with you a proxy from your broker, bank or other nominee. Your broker, bank or other nominee has enclosed a voting instruction card for you to use in directing the vote of your shares.

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Can I change my mind after I vote?

Yes. If you are a shareholder of record, you may change your vote or revoke your proxy at any time before it is voted at the Annual Meeting by filing an instrument of revocation with the Secretary of the Company or by submitting a proxy bearing a later date than the proxy being revoked prior to the Annual Meeting. Additionally, shareholders who attend the Annual Meeting may revoke a previously granted proxy and vote in person. If you hold your shares in “street name” and wish to change your vote at the Annual Meeting, you will need to obtain a proxy from the broker, bank or other nominee that holds your shares.

What constitutes a quorum?

The presence in person or by proxy of the holders of a majority of the common stock of the Company will constitute a quorum. A quorum is necessary to transact business at the Annual Meeting. Shares of common stock represented by proxies that reflect abstentions or “broker non-votes” (i.e., shares held by a broker or nominee which are represented at the Annual Meeting, but with respect to which such broker or nominee is not empowered to vote on a particular proposal) will be counted as shares that are present and entitled to vote for purposes of determining the presence of a quorum.

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

If you are a shareholder of record and you do not vote or provide a proxy, your shares will not be voted.

Your shares may be voted if they are held in street name, even if you do not provide the brokerage firm, bank or other nominee with voting instructions. Brokerage firms have the authority under New York Stock Exchange rules to vote shares for which their customers do not provide voting instructions on certain “routine” matters. Under the rules of the New York Stock Exchange, if you do not submit specific voting instructions to your brokerage firm, it will not have the ability to vote your shares in the election of directors or in the approval to amend the 2007 Non-Employee Directors Equity Plan. As a result, if your shares are held in “street name” and you do not submit voting instructions to your brokerage firm, your shares will be treated as “broker non-votes” for purposes of the proposals with respect to the election of directors and the approval to amend the 2007 Non-Employee Directors Equity Plan, and will not be counted in determining the outcome of those proposals.

What vote is required to approve each proposal?

With the exception of the proposal regarding the election of directors, the affirmative vote of a majority of the shares of common stock represented and entitled to vote at the Annual Meeting is required to approve any proposal. The proposal regarding the election of directors requires a plurality of votes cast for each director nominee.

Will any other matters be voted on at the Annual Meeting?

As of the date of this Proxy Statement, management of the Company knows of no other matter that will be presented for consideration at the Annual Meeting other than those matters discussed in this Proxy Statement. If any other matters properly come before the Annual Meeting and call for a vote of shareholders, validly executed proxies in the enclosed form returned to the Company will be voted in accordance with the judgment of the proxy holders.

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Deadline for Appointment of Proxies by Telephone or the Internet or Returning Your Proxy Card

Shareholders should complete and return the proxy card as soon as possible. To be valid, your proxy card must be completed in accordance with the instructions on it and received by us no later than 11:59 p.m., Eastern Time, on November 22, 2010. If you appoint your proxy by telephone or the Internet, we must receive your appointment no later than 11:59 p.m., Eastern Time, on November 22, 2010. If your shares of common stock are held in "street name", you should return your proxy card or voting instruction card in accordance with the instructions on that card or as provided by the bank, brokerage firm or other nominee who holds Company common stock on your behalf.

* * * *

A copy of the Company's Annual Report to Shareholders, including financial statements for the fiscal years ended July 31, 2010 and July 25, 2009, is enclosed with this Proxy Statement, but such documentation does not constitute a part of the proxy soliciting material.

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PROPOSAL 1

ELECTION OF DIRECTORS

The Articles of Incorporation of the Company provide that the Board of Directors shall be divided into three classes, with each class having as equal a number of directors as possible. The Board of Directors currently consists of seven members.

Two director nominees have been nominated for election at the Annual Meeting. The nominees are Thomas G. Baxter and Charles M. Brennan, III. Each nominee was selected by the Corporate Governance Committee and approved by the Board of Directors for submission to shareholders of the Company. Thomas G. Baxter and Charles M. Brennan, III are each currently serving terms that expire at the Annual Meeting and each has been nominated for a three-year term expiring at the fiscal 2013 annual meeting of shareholders.

Each of the nominees has consented to serve if elected to the Board of Directors. If any director nominees become unable to accept nomination or election, which is not anticipated, the persons named as proxies will vote for the election of such other person as the Board of Directors may recommend. Proxies cannot be voted for a greater number of persons than the number of nominees named below.

The names of the nominees for election as a director of the Company and of those directors of the Company continuing in office, their ages, their principal occupations during the past five years, certain other directorships held, their length of service on our Board of Directors, and a summary of their specific experience, qualifications, attributes and skills that led our Board of Directors to conclude that he or she should serve as a director of the Company are set forth below.

NOMINEES FOR ELECTION AT THIS MEETING

Thomas G. Baxter
Director since 2005
Age 63

Mr. Baxter was an advisor of Churchill Ventures Ltd from July 2006 to December 2008. From October 2001 to January 2005 Mr. Baxter was President of Time Warner Cable, a division of Time Warner Inc. Mr. Baxter was President and Chief Executive Officer of Audible, Inc. from February 2000 to July 2001 and an operating partner of Evercore Partners, from 1998 to 2000. Mr. Baxter was a director of Dycom Industries, Inc. from January 1999 to December 2001. The Corporate Governance Committee concluded that Mr. Baxter is qualified and should serve, in part, because of his past experience in senior executive-level operations and other management positions with telecommunications companies. His skills include knowledge of the cable television industry, corporate finance and strategy, and technology.

Charles M. Brennan, III
Director since 2002
Age 68

Mr. Brennan served as Chairman of the Board of Directors of MYR Group, Inc. from March 2006 to December 2007. Mr. Brennan was Chairman and Chief Executive Officer of MYR Group, Inc. from October 1988 to April 2000. Mr. Brennan is currently a director of Rogers Corporation. The Corporate Governance Committee concluded that Mr. Brennan is qualified and should serve, in part, because of his extensive experience as chief executive officer and in other senior executive-level positions in the electrical construction and specialty contracting industries. His skills include in-depth operational knowledge of those industries, mergers and acquisitions, corporate finance and strategy, financial controls and accounting, and corporate governance.

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DIRECTORS WHOSE TERMS CONTINUE BEYOND THE MEETING

James A. Chiddix
Director since 2007
Term expires 2011
Age 65

Mr. Chiddix served as Vice Chairman of the Board of Directors at OpenTV Corp. from 2007 to 2009, and was Executive Chairman and Chief Executive Officer at OpenTV Corp. from 2004 to 2007. Mr. Chiddix was President of Time Warner Inc.'s Interactive Video Division from 2001 through 2004, and was Senior Vice President, Technology and Chief Technology Officer at Time Warner Cable from 1986 through 2001. Mr. Chiddix was a director at Shougang Concord Technology Holdings from 2009 to 2010, and is currently a director at ARRIS Group, Inc., Javelin Innovations Ltd., Symmetricom, Inc. and Virgin Media, Inc. The Corporate Governance Committee concluded that Mr. Chiddix is qualified and should serve, in part, because of his extensive leadership experience, both as an executive and board member, in media and technology companies, as well as other companies. His skills include knowledge of corporate finance, corporate governance and mergers and acquisitions.

Charles B. Coe
Director since 2005
Term expires 2011
Age 62

Mr. Coe was President of BellSouth Network Services, from 2000 to 2001; prior to this Mr. Coe held various other executive positions at BellSouth Corporation over a 15 year period. Mr. Coe is currently a director of Internap Network Services Corporation. The Corporate Governance Committee concluded that Mr. Coe is qualified and should serve, in part, because of his executive-level experience in the telecommunications industry. His skills include knowledge of financial controls and accounting, corporate finance and mergers and acquisitions.

Stephen C. Coley
Director since 2003
Term expires 2012
Age 65

Mr. Coley is a Director Emeritus of McKinsey & Company, Inc. Mr. Coley was a Management Consultant with McKinsey & Company, Inc. from July 1975 to January 2004. Mr. Coley currently serves as Chairman of the Board of Trustees of Underwriters Laboratories Inc. and is also a director of Flagstone Reinsurance Holdings Limited. The Corporate Governance Committee concluded that Mr. Coley is qualified and should serve, in part, because of his general business management expertise, including considerable experience in corporate finance. His skills include knowledge of corporate finance structure and strategies, the operation of the capital markets, corporate governance and mergers and acquisitions.

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DIRECTORS WHOSE TERMS CONTINUE BEYOND THE MEETING (continued)

Patricia L. Higgins
Director since 2008
Term expires 2012
Age 60

Ms. Higgins was President, Chief Executive Officer, and a director of Switch & Data Facilities Company, Inc., a provider of neutral interconnection and collocation services, from September 2000 to February 2004. Prior to that, Ms. Higgins served as Chairman and Chief Executive Officer of The Research Board, a consulting and research services company for information technology from May 1999 to August 2000. Prior to 1999, Ms. Higgins was the Chief Information Officer of Alcoa Inc. and also held senior management positions at UNISYS Corporation, Verizon (NYNEX) and AT&T Inc. Ms. Higgins was a director at Visteon Corporation from 2004 to 2010, Delta Air Lines, Inc. from 2005 to 2007 and SpectraSite Communications, Inc. from 2004 to 2005, and is currently a director of Barnes & Noble, Inc., Internap Network Services Corporation and The Travelers Companies, Inc.. The Corporate Governance Committee concluded that Ms. Higgins is qualified and should serve, in part, because of her senior executive-level experience in large, complex, global organizations. Her skills include knowledge of accounting and financial controls, corporate finance and strategy, technology, and mergers and acquisitions.

Steven E. Nielsen
Director since 1996
Term expires 2012
Age 47

Mr. Nielsen has been the President and Chief Executive Officer of the Company since March 1999; President and Chief Operating Officer from August 1996 to March 1999; and Vice President from February 1996 to August 1996. Mr. Nielsen was a director of SBA Communications Corporation from 2001 to 2009. The Governance Committee concluded that Mr. Nielsen is qualified and should serve, in part, because of his service as the Company's Chief Executive Officer and in other leadership roles within the Company.

Recommendation of the Board of Directors

The Board of Directors recommends that shareholders vote "FOR" the election of Thomas G. Baxter and Charles M. Brennan, III as directors.

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BOARD OF DIRECTORS AND CORPORATE GOVERNANCE INFORMATION

The Company is committed to sound corporate governance and to full compliance with New York Stock Exchange (“NYSE”), Securities and Exchange Commission (“SEC”) and other regulatory and legal requirements. In furtherance of these goals the Board of Directors has adopted a Business Code of Conduct and Ethics, a Code of Ethics for Senior Financial Officers, Corporate Governance Guidelines and written charters for each of its Audit Committee, Compensation Committee, Corporate Governance and Finance Committee, all of which are available on the Company’s website at www.dycomind.com. Copies of each may also be obtained, without charge, upon written request to the Secretary of the Company at 11770 U.S. Highway 1, Suite 101, Palm Beach Gardens, Florida 33408. These documents are periodically reviewed in light of corporate governance developments and modified as appropriate. Please note that the information contained in or connected to the Company’s website is not intended to be part of this Proxy Statement.

Board Leadership Structure

Steven E. Nielsen serves as our Chairman of the Board of Directors and our Chief Executive Officer. Our Board of Directors believes that the Company is best served by having one person serve as both Chief Executive Officer and Chairman of the Board of Directors, because this structure provides unified leadership and direction. In his capacity as Chief Executive, Mr. Nielsen is able to draw on his intimate knowledge of the daily operations of the Company and its relationships with customers and employees. Calling upon this knowledge, Mr. Nielsen is able to provide the Board of Directors with leadership in setting its agenda and focusing its discussions. As the individual with primary responsibility for managing the Company’s day-to-day operations, Mr. Nielsen is also best-positioned to chair regular meetings of the Board of Directors and ensure that key business issues are brought to the attention of the Board of Directors. His in-depth knowledge of the industry, and the issues, opportunities and challenges facing the Company enable decisive leadership with clear accountability. The combined role as Chairman and Chief Executive Officer also ensures that the Company presents its message and strategy to shareholders, employees, customers and other stakeholders with a unified, single voice.

Board independence and oversight of the senior management of the Company are enabled by the presence of independent directors who have substantive knowledge of the Company’s business and have oversight over critical functions of the Company, such as the integrity of the Company’s financial statements, the evaluation and compensation of executive management and the nomination of directors. In accordance with the Company’s Corporate Governance Guidelines, independent directors meet without management present at regularly scheduled executive sessions (at least quarterly). As described below under “— Executive Sessions of Non-Management Directors”, the Company’s independent directors are led by lead non-management director Stephen C. Coley who, in accordance with our Corporate Governance Guidelines, chairs executive sessions of the non-management directors, advises the Chairman and chairs of the committees of our Board of Directors with respect to agendas and ensures that information needs relating to meetings of the Board of Directors and its committees are met. Mr. Coley, along with the other independent directors, brings experience, oversight and expertise from outside the Company and industry, while the Chairman and Chief Executive Officer brings company and industry-specific experience and expertise.

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Board Role in Risk Oversight

The Board of Directors takes an active role in overseeing risks related to the Company both as the full Board of Directors and through its committees. The committees of the Board of Directors are primarily responsible for the oversight of risk as follows: the Audit Committee has oversight over the financial reporting, accounting and internal control risks; the Compensation Committee oversees the Company's executive compensation arrangements, including the identification and management of risks that may arise from the Company's compensation policies and practices (see pages 21 and 22 for a more detailed discussion); the Finance Committee has oversight over market, liquidity, credit and interest rate risks; and the Corporate Governance Committee has oversight over corporate governance, including establishing practices and procedures that promote good governance and mitigate governance risk, and is also responsible for reviewing the performance of the Board of Directors, its committees and their members. The Corporate Governance Committee also ensures that each committee of the Board of Directors engages in an annual performance self-evaluation based upon criteria and processes established by the Corporate Governance Committee. The Board of Directors has determined that the full Board is the most effective structure for the general oversight of risks. The Board of Directors also believes its oversight of risk is enhanced by its current leadership structure as discussed above. The Chief Executive Officer who chairs regular meetings of the Board of Directors is best able to understand, evaluate and raise critical business and other risks to the attention of the Board of Directors. The Board of Directors receives regular reports from the committee chairs, as well as reports directly from officers of the Company to ensure it is apprised of risks, how these risks may relate to one another and how management is addressing these risks.

In addition, the Company conducts a periodic enterprise-wide assessment. The risks considered as part of this risk assessment include those inherent in the Company's business, as well as the risks from external sources such as competitors, the economy and credit markets, and regulatory and legislative developments. A report is periodically presented to the Board of Directors by management and updates are provided as required. The objectives of the risk assessment process include (i) determining whether there are risks that require additional or higher priority mitigation efforts; (ii) developing a defined list of key risks to be shared with the Audit Committee, the Board of Directors and senior management; (iii) contributing to the development of internal audit plans; (iv) facilitating the NYSE governance requirement that the Audit Committee discuss policies around risk assessment and risk management; and (v) facilitating discussion of the risk factors to be included in Item 1A of the Company's Annual Report on Form 10-K.

Board Meetings and Attendance

The Board of Directors held nine meetings during the fiscal year ended July 31, 2010. All directors attended at least 75% of the meetings of the Board of Directors and the committees of the Board of Directors on which they served during the periods for which they have served as a director. Attendance at the annual meeting of shareholders is expected of all directors as if it were a regular meeting. All of the directors attended the annual meeting of shareholders held on November 24, 2009.

Board Independence

In accordance with our Corporate Governance Guidelines, the Board of Directors monitors the independence of its members on an ongoing basis using standards set forth in the guidelines. The guidelines reflect the requirements set forth in the NYSE Corporate Governance listing standards. Under these standards, the Board of Directors has determined that each of the six non-management members of the Board of Directors, including the two non-management director nominees that are currently members of the Board of Directors, is independent and that such group constitutes a majority of the Board of Directors. Mr. Nielsen, who serves as our President and Chief Executive Officer, is not independent.

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Committees of the Board

The Board of Directors has the authority to appoint committees to perform certain management and administrative functions and currently has an Audit Committee, a Compensation Committee, a Corporate Governance Committee, an Executive Committee and a Finance Committee.

Audit Committee. The Audit Committee met eight times during fiscal 2010. The following directors are current members of the Audit Committee: Charles M. Brennan, III, Charles B. Coe and Stephen C. Coley. The Board of Directors has determined that each of the members of the Audit Committee is independent within the meaning of the NYSE Corporate Governance listing standards and our Corporate Governance Guidelines. In addition, the Board of Directors has reviewed the qualifications and experience of each of the Audit Committee members and determined that all members of the Audit Committee are “financially literate” as defined by the NYSE listing standards. The Board of Directors has determined that the Chair of the Audit Committee, Charles M. Brennan, III, qualifies as an “audit committee financial expert” within the meaning of applicable regulations of the SEC, promulgated pursuant to the Sarbanes-Oxley Act of 2002, and has “accounting or related financial management expertise” within the meaning of the NYSE listing standards. The SEC has indicated that the designation of Mr. Brennan as an audit committee financial expert does not make him an “expert” for any purpose, impose any duties, obligations or liability that are greater than the duties, obligations or liability imposed as a member of the Audit Committee and the Board of Directors in the absence of such designation, or affect the duties, obligations or liability of any other member of the Audit Committee or Board of Directors.

The Audit Committee has responsibility for, among other things, assisting the Board of Directors in the oversight of:

• the quality and integrity of the Company’s financial statements and related disclosure, internal controls and financial reporting;

- the Company’s compliance with applicable legal and regulatory requirements;
- the independent auditor’s qualification, independence and performance;
- the performance of the Company’s internal audit function and control functions; and
- approval of the fees paid to the Company’s independent auditors.

Compensation Committee. The Compensation Committee met nine times during fiscal 2010. The Compensation Committee currently consists of Thomas G. Baxter, Charles B. Coe and Patricia L. Higgins. The Board of Directors has determined that each of the members of the Compensation Committee is independent within the meaning of the NYSE Corporate Governance listing standards and our Corporate Governance Guidelines.

The Compensation Committee has responsibility for, among other things:

- recommending to the Board of Directors the compensation of the directors;

• determining the compensation of the Chief Executive Officer and approving the compensation of the other executive officers;

- administering the Company’s equity-based and incentive compensation plans, policies and programs;

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evaluating the risks and rewards associated with the Company's overall compensation principles and structure; and

reviewing and discussing with management the Company's compensation discussion and analysis included elsewhere in this Proxy Statement.

Pursuant to its charter, the Compensation Committee is empowered to hire outside advisors as it deems appropriate to assist it in the performance of its duties. The Compensation Committee has sole authority to retain or terminate any compensation consultants or advisors and to approve their fees. The Compensation Committee has engaged Compensation Strategies, Inc. ("Compensation Strategies") as an independent executive compensation consulting firm to provide executive compensation consulting services to the Compensation Committee. In fiscal 2010, Compensation Strategies attended five Compensation Committee meetings.

For additional discussion on the services provided by Compensation Strategies to the Compensation Committee, as well as the Compensation Committee's role and the process and procedures for the consideration and determination of executive compensation, see "— Director Compensation" beginning on page 14 of this Proxy Statement and "Executive Compensation — Compensation Discussion and Analysis," beginning on page 17 of this Proxy Statement.

Corporate Governance Committee. The Corporate Governance Committee met five times during fiscal 2010. The Corporate Governance Committee currently consists of James A. Chiddix, Stephen C. Coley and Patricia L. Higgins. The Board of Directors has determined that each of the members of the Corporate Governance Committee is independent within the meaning of the NYSE Corporate Governance listing standards and our Corporate Governance Guidelines.

The Corporate Governance Committee has responsibility for, among other things:

recommending to the Board of Directors the director nominees for election by the Company's shareholders, including those nominees that are recommended by shareholders in accordance with the procedures set forth below under the caption "— Director Candidates";

- recommending to the Board of Directors persons to fill vacancies on the Board of Directors;
- recommending to the Board of Directors the appointment of officers of the Company;

periodically reviewing the number and functions of the five committees of the Board of Directors and recommending to the Board of Directors the appointment of its members to serve on the committees;

evaluating on an annual basis the performance of individual directors, each committee of the Board of Directors and the independence of outside directors;

evaluating the performance of the Chief Executive Officer on an annual basis and submitting its evaluation to the Compensation Committee;

- reviewing management succession and development plans;

reviewing and making recommendations to the Board of Directors regarding proposals of shareholders that relate to corporate governance;

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reviewing and recommending to the Board of Directors changes in the Company's Articles of Incorporation and By-Laws;

establishing criteria and processes for, and lead the Board of Directors and each committee in, their respective annual self-evaluations; and

- developing and monitoring compliance with a set of corporate governance guidelines.

Executive Committee. The Executive Committee did not meet during fiscal 2010. The Executive Committee currently consists of Thomas G. Baxter, Charles M. Brennan, III and Steven E. Nielsen. The Executive Committee is empowered to act for the full Board of Directors during intervals between Board of Directors meetings, with the exception of certain matters that by law may not be delegated.

Finance Committee. The Finance Committee met seven times during fiscal 2010. The Finance Committee currently consists of Thomas G. Baxter, Charles M. Brennan, III and Charles B. Coe. The principal functions of the Finance Committee are to set policy for short-term investments; to review borrowing arrangements; review financial risk management strategies; and to recommend changes in the capital structure and operating budget of the Company.

Code of Ethics for Senior Financial Officers and Business Code of Conduct and Ethics

The Company has adopted a Code of Ethics for Senior Financial Officers and a Business Code of Conduct and Ethics, each of which is a code of ethics as that term is defined in Item 406(b) of Regulation S-K. The Code of Ethics for Senior Financial Officers applies to the Chief Executive Officer, Chief Financial Officer, Controller and other employees performing similar functions, including the Chief Accounting Officer. The Business Code of Conduct and Ethics applies to all directors, officers, managers and employees of the Company. The Code of Ethics for Senior Financial Officers and the Business Code of Conduct and Ethics reflects the Company's expectation that its directors, officers and other employees conduct themselves with the highest standard of business ethics. The Company discloses amendments to, or a waiver from, provisions of the Code of Ethics for Senior Financial Officers and the Business Code of Conduct and Ethics by posting such information on the Company's website at the address specified above.

Executive Sessions of Non-Management Directors

In accordance with the Company's Corporate Governance Guidelines, non-management directors meet without management present at regularly scheduled executive sessions (at least quarterly). The lead non-management director, who is currently Stephen C. Coley, presides at such sessions.

Communications with the Board of Directors

The Board of Directors has adopted a formal process by which shareholders and other interested parties may communicate with one or more of the Company's non-management directors, the non-management directors as a group, a committee or the full Board of Directors. Shareholders who wish to communicate with a director or director group should direct their communications in writing to:

Dycom Industries, Inc.
c/o Richard B. Vilsoet, Secretary
11770 U.S. Highway 1, Suite 101
Palm Beach Gardens, Florida 33408

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The Secretary of the Company has primary responsibility for monitoring director related communications from shareholders and other interested parties and forwarding collected communications to the intended recipient provided they meet certain criteria. In general, communications are forwarded to the intended director or director group as long as the communications do not relate to ordinary business, legal or administrative matters or other non-substantive or inappropriate matters further described in the Company's Internal Process for Handling Communications to Directors. All concerns and complaints relating to accounting, internal accounting controls or auditing matters, as well as complaints regarding violations of the Business Code of Conduct and Ethics or Code of Ethics for Senior Financial Officers, will be referred to the Audit Committee in accordance with the Company's Whistleblower Policy and Procedures. Both the Internal Process for Handling Communications to Directors and the Whistleblower Policy and Procedures are available on the Company's website at www.dycomind.com.

Director Candidates

Pursuant to its charter and the Company's Corporate Governance Guidelines, the Corporate Governance Committee is responsible for recommending to the Board of Directors the director nominees for election by shareholders of the Company, including those nominees that are recommended by shareholders in accordance with the procedures set forth in the Company's By-Laws and applicable law. The process followed by the Corporate Governance Committee to identify and evaluate director candidates includes requesting from directors and others recommendations for director candidates, engaging third-party search firms, meeting from time-to-time to evaluate biographical information and background materials relating to potential candidates, and interviewing of selected candidates by members of the Corporate Governance Committee and the Board of Directors.

The Board of Directors and the Corporate Governance Committee believe that its membership should reflect the diversity of experience, background, skills, geography and gender required to meet its corporate governance, oversight and advisory functions in a way that is in the best interest of its shareholders. This includes ensuring that the Board of Directors has the expertise required to fulfill all of its legal and regulatory requirements, including the requirements for each of its committees. Accordingly, in considering whether to recommend any particular candidate for inclusion in the slate of recommended director nominees, the Corporate Governance Committee will consider numerous attributes, including those described above, as well as the candidate's integrity, business acumen, knowledge of the Company's business and industry and experience that will complement the current members of the Board of Directors. The Corporate Governance Committee will also assess whether there is any conflict of interest with respect to the Company and the director nominee. The Corporate Governance Committee does not assign specific weights to particular criteria, and no particular criterion is a prerequisite for a prospective nominee. The Corporate Governance Committee believes that the backgrounds and qualifications of our directors, considered as a group, should provide a composite mix of background, experience, knowledge and abilities that will allow the Board of Directors to fulfill its responsibilities and operate effectively.

The Corporate Governance Committee considers director nominee candidates from many sources, including shareholders. If a shareholder wishes to recommend a nominee for director, written notice should be sent to the Secretary of the Company in accordance with the instructions set forth later in this Proxy Statement under "Additional Information — Proposals for Year 2011 Annual Meeting of Shareholders." The Corporate Governance Committee will evaluate shareholder-recommended candidates by following substantially the same process, and applying substantially the same criteria, as it follows for candidates submitted by others.

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Director Compensation

The Company's compensation program for non-employee directors is designed to enable the Company to attract, retain and motivate highly qualified directors to serve on the Board of Directors. The program is also intended to further align the interests of the directors with those of the shareholders by compensating directors with a mix of cash and equity-based compensation. Directors who are employees of the Company receive no additional compensation for serving on the Board of Directors or its committees. The Compensation Committee periodically receives reports on the competitiveness of director compensation for non-employee directors from its independent compensation consultant, Compensation Strategies, and is responsible for recommending to the Board of Directors changes in director compensation. In November 2009, Compensation Strategies prepared a report regarding the annual equity awards made to directors.

Directors' Fees. Non-employee directors received the following fees in fiscal 2010: (i) an annual retainer fee of \$30,000; and (ii) a fee of \$10,000 for service as Audit Committee chair, \$7,500 for service as Compensation Committee chair and \$5,000 for service as Corporate Governance Committee chair. These fees are payable in four quarterly installments.

During fiscal 2010, non-employee directors received \$2,250 for each regular or special meeting of the Board of Directors attended in person and \$1,000 for each telephonic meeting. Non-employee directors received \$1,250 for each regular meeting attended in person of the Audit, Corporate Governance, Finance and Executive Committees, and \$750 for each telephonic meeting. Non-employee directors received \$1,250 for each Compensation Committee meeting at which executive or director compensation was approved, whether attended in person or telephonically, and \$750 for all other meetings. All directors are reimbursed for reasonable expenses incurred in connection with all meetings.

Non-Employee Directors' Equity Plan. The 2007 Non-Employee Directors Equity Plan, adopted in November 2007, provides for the grant of (i) an annual equity award to each continuing non-employee director as of the date of the Company's annual general meeting of shareholders and (ii) an equity award upon a new non-employee director's initial election or appointment to the Board of Directors. In each case, the value, type and terms of such awards are approved by the Board of Directors based on the recommendation of the Compensation Committee. Non-qualified stock options, shares of restricted stock, restricted stock units and deferred restricted stock units may be granted under the 2007 Non-Employee Directors Equity Plan. For fiscal 2010, each continuing director was granted 10,000 options to acquire shares of common stock of the Company which vest, subject to continuing service, ratably over four years following the grant date. Additionally, each director received restricted stock units valued at \$25,000, based on the closing price of the Company's common stock on the grant date. These units vest upon the one year anniversary of the date of grant. Pursuant to the 2007 Non-Employee Directors Equity Plan, non-employee directors who do not beneficially own at least 7,500 shares of Company common stock or restricted stock units must elect to receive at least 60% of their annual retainer(s) in restricted shares of Company common stock or restricted stock units, at the Company's discretion. Additionally, non-employee directors may elect to receive up to 100% of such retainer(s) in restricted shares of Company common stock or restricted stock units. The number of restricted shares of Company common stock or restricted stock units to be granted to a non-employee director is determined by (i) dividing (a) the U.S. dollar amount of the director's annual retainer(s) elected to be received in the form of restricted stock or restricted stock units by (b) the fair market value of a share of the Company's common stock on the date such fees are payable and (ii) rounding up to the nearest whole share of common stock. Non-employee directors are permitted to defer settlement of their restricted stock units until the earlier of their termination of service on the Board of Directors for any reason and a date specified by such director. Under the 2007 Non-Employee Directors Equity Plan 300,000 shares of common stock are authorized for issuance and, as of July 31, 2010, the Company had 75,042 shares available for future awards under the plan.

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Director Compensation Table

The following table sets forth the compensation for the non-employee members of the Board of Directors for the fiscal year ended July 31, 2010.

Name	Fees Earned or Paid in Cash (\$)(1)(3)	Stock Awards (\$)(2)(3)	Option Awards (\$)(2)(3)	Change in Pension Value and Non-Equity Nonqualified Incentive Plan Compensation			All Other Compensation (\$)	Total (\$)
				Deferred Earnings (\$)	(\$)	(\$)		
Thomas G. Baxter(4)	\$66,508	\$24,992	\$52,097	—	—	—	\$143,597	
Charles M. Brennan, III(4)	\$68,291	\$24,992	\$52,097	—	—	—	\$145,380	
James A. Chiddix(4)	\$49,258	\$24,992	\$52,097	—	—	—	\$126,347	
Charles B. Coe(4)	\$67,008	\$24,992	\$52,097	—	—	—	\$144,097	
Stephen C. Coley(4)	\$62,286	\$24,992	\$52,097	—	—	—	\$139,375	
Patricia L. Higgins(4)	\$57,008	\$24,992	\$52,097	—	—	—	\$134,097	

(1) Under the 2007 Non-Employee Directors Equity Plan, non-employee directors who do not beneficially own at least 7,500 shares of Company common stock or restricted stock units (“RSUs”) must elect to receive at least 60% of their annual retainer(s) in restricted shares of common stock or restricted stock units, at the Company’s discretion. Additionally, the non-employee directors may elect to receive up to 100% of such retainer(s) in restricted shares of common stock or restricted stock units. The amounts in this column represent the fees that were earned or paid in cash plus the grant date fair value of restricted shares for the annual retainer(s) which the director elected to receive in restricted shares during fiscal 2010. There were no annual retainer fees which were required to be paid in restricted shares during fiscal 2010. For fiscal 2010, the total number of restricted shares and aggregate grant date fair value which were elected to be paid in shares and therefore included in this column is as follows: Charles M. Brennan, III, 3,912 shares having an aggregate grant date fair value of \$40,032 and Stephen C. Coley, 3,423 shares having an aggregate grant date fair value of \$35,028.

(2) As required by SEC rules, amounts in these columns present the aggregate grant date fair value of stock and option awards granted during fiscal 2010 computed in accordance with Financial Accounting Standards Board Accounting Standard Codification Topic 718, Compensation – Stock Compensation (“FASB ASC 718”). These amounts do not reflect whether the recipient has actually realized or will realize a financial benefit from the awards (such as by exercising stock options). The stock awards exclude the amounts a director elected to receive in restricted shares or RSUs as described in footnote (1) above. Each RSU entitles the recipient to one share of the Company’s common stock upon settlement. See Note 15 to Consolidated Financial Statements in the Company’s Annual Report on Form 10-K for the fiscal year ended July 31, 2010, regarding assumptions underlying valuation of equity awards.

(3) The following table shows the grant date fair value of shares of restricted stock, RSUs and stock options granted to directors during fiscal 2010 computed in accordance with FASB ASC 718. See Note 15 to Consolidated Financial Statements in the Company’s Annual Report on Form 10-K for the fiscal year ended July 31, 2010, regarding assumptions underlying valuation of equity awards.

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Name	Grant Date	Grant Date Fair Value of Restricted Stock/Units Awards (\$)	Grant Date Fair Value of Stock Option Awards (\$)(4)
Thomas G. Baxter	11/24/2009	\$ 24,992	\$ 52,097
Charles M. Brennan, III	07/27/2009	\$ 10,005	—
	10/26/2009	\$ 10,014	—
	11/24/2009	\$ 24,992	\$ 52,097
	01/25/2010	\$ 10,001	—
	04/26/2010	\$ 10,012	—
James A. Chiddix	11/24/2009	\$ 24,992	\$ 52,097
Charles B. Coe	11/24/2009	\$ 24,992	\$ 52,097
Stephen C. Coley	07/27/2009	\$ 8,753	—
	10/26/2009	\$ 8,765	—
	11/24/2009	\$ 24,992	\$ 52,097
	01/25/2010	\$ 8,751	—
	04/26/2010	\$ 8,759	—
Patricia L. Higgins	11/24/2009	\$ 24,992	\$ 52,097

(4) As of July 31, 2010, each non-employee director had the following aggregate number of outstanding unvested RSUs and outstanding unexercised stock options:

Name	Outstanding Unvested Restricted Stock/Units	Outstanding Stock Options*
Thomas G. Baxter	3,805	34,667
Charles M. Brennan, III	3,805	44,000
James A. Chiddix	2,906	25,000
Charles B. Coe	2,906	34,834
Stephen C. Coley	2,906	41,000
Patricia L. Higgins	2,906	22,604

* Includes vested and unvested stock options.