GABELLI EQUITY TRUST INC
Form N-Q
November 29, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED

MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number 811-04700

The Gabelli Equity Trust Inc.

(Exact name of registrant as specified in charter)

One Corporate Center

Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)

Bruce N. Alpert

Gabelli Funds, LLC

One Corporate Center

Rye, New York 10580-1422

(Name and address of agent for service)

Registrant s telephone number, including area code: 1-800-422-3554

Date of fiscal year end: **December 31**

Date of reporting period: **September 30, 2011**

Form N-Q is to be used by management investment companies, other than small business investment companies registered on Form N-5 (§§ 239.24 and 274.5 of this chapter), to file reports with the Commission, not later than 60 days after the close of the first and third fiscal quarters, pursuant to rule 30b1-5 under the Investment Company Act of 1940 (17 CFR 270.30b1-5). The Commission may use the information provided on Form N-Q in its regulatory, disclosure review, inspection, and policymaking roles.

A registrant is required to disclose the information specified by Form N-Q, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-Q unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to the Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Schedule of Investments.

The Schedule(s) of Investments is attached herewith.

The Gabelli Equity Trust Inc.

Third Quarter Report

September 30, 2011

Mario J. Gabelli, CFA

Zahid Siddique

To Our Shareholders,

For the quarter ended September 30, 2011, the net asset value (NAV) total return of The Gabelli Equity Trust Inc. (the Fund) was (23.0)%, compared with the total returns of (13.9)% and (11.5)% for the Standard & Poor s (S&P) 500 Index and the Dow Jones Industrial Average, respectively. The total return for the Fund s publicly traded shares was (19.8)%. On September 30, 2011, the Fund s NAV per share was $4.61, while the price of the publicly traded shares closed at $4.75 on the New York Stock Exchange (NYSE).

Enclosed is the schedule of investments as of September 30, 2011.

Comparative Results

Average Annual Returns through September 30, 2011 (a) (Unaudited)

	Quarter	Year to Date	1 Year	5 Year	10 Year	20 Year	Since Inception (08/21/86)
Gabelli Equity Trust							
NAV Total Return (b)	(22.96)%	(15.24)%	(3.15)%	0.06%	6.31%	8.85%	9.54%
Investment Total Return (c)	(19.79)	(9.76)	4.70	0.43	4.34	8.89	9.31
S&P 500 Index	(13.87)	(8.68)	1.14	(1.18)	2.82	7.64	8.62(d)
Dow Jones Industrial Average	(11.49)	(3.93)	3.78	1.36	4.67	9.18	10.07(d)
Nasdaq Composite Index	(12.70)	(8.32)	2.99	2.30	5.67	7.90	7.61(d)

(a) ***Returns represent past performance and do not guarantee future results.*** *Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost. Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end. Performance returns for periods of less than one year are not annualized.* ***Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing.*** *The Dow Jones Industrial Average is an unmanaged index of 30 large capitalization stocks. The S&P 500 and the Nasdaq Composite Indices are unmanaged indicators of stock market performance. Dividends are considered reinvested except for the Nasdaq Composite Index. You cannot invest directly in an index.*

(b) *Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, adjustments for rights offerings, spin-offs, and taxes paid on undistributed long-term capital gains and are net of expenses. Since inception return is based on an initial NAV of $9.34.*

(c) *Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and adjustments for rights offerings, spin-offs, and taxes paid on undistributed long-term capital gains. Since inception return is based on an initial offering price of $10.00.*

(d) From August 31, 1986, the date closest to the Fund s inception for which data is available.

THE GABELLI EQUITY TRUST INC.

PORTFOLIO CHANGES

Quarter Ended September 30, 2011 (Unaudited)

	Shares	Ownership at September 30, 2011
NET PURCHASES		
Common Stocks		
Agnico-Eagle Mines Ltd.	3,000	18,000
AMC Networks Inc., Cl. A (a)	292,000	292,000
America Movil SAB de CV, Cl. L, ADR (b)	74,000	148,000
Artio Global Investors Inc.	2,000	62,000
Becton, Dickinson and Co.	4,000	14,000
Boston Scientific Corp.	125,000	335,000
Brown-Forman Corp., Cl. A	3,000	35,000
Campbell Soup Co.	5,000	75,000
Clear Channel Outdoor Holdings Inc., Cl. A	21,000	181,000
CONSOL Energy Inc.	9,000	39,000
DIRECTV, Cl. A	9,000	524,000
Expedia Inc.	60,000	170,000
Gerber Scientific Inc., Escrow (c)	60,000	60,000
Heineken NV	7,000	46,000
Huntsman Corp.	50,000	50,000
Hyatt Hotels Corp., Cl. A	8,000	8,000
Liberty Media Corp. Liberty Capital, Cl. A (d)	68,000	68,000
Liberty Media Corp. Liberty Starz, Cl. A (e)	19,000	19,000
Marathon Petroleum Corp. (f)	6,000	6,000
News Corp., Cl. B	335,000	355,000
Ralcorp Holdings Inc.	2,000	66,000
Rayonier Inc. (g)	11,000	34,000
RPC Inc.	50,000	50,000
Smiths Group plc	20,000	70,000
The Bank of New York Mellon Corp.	15,000	195,000
The Boeing Co.	2,000	164,000
The Clorox Co.	20,000	29,000
The Greenbrier Companies Inc.	25,000	25,000
Tim Participacoes SA, ADR (h)	54,075	54,075
Walter Energy Inc.	15,000	15,000
NET SALES		
Common Stocks		
Abbott Laboratories	(1,000)	11,000
ACCO Brands Corp.	(6,000)	
AGL Resources Inc.	(3,500)	
American Express Co.	(8,000)	510,000
AMR Corp.	(6,000)	443,000
AOL Inc.	(6,000)	30,000

	Shares	Ownership at September 30, 2011
Archer-Daniels-Midland Co.	(3,000)	257,000
Argo Group International Holdings Ltd.	(1,452)	18,000
Avon Products Inc.	(4,000)	61,000
Barrick Gold Corp.	(1,000)	64,000
Bell Aliant Inc.	(2,500)	
BJ's Wholesale Club Inc.	(78,000)	
BorgWarner Inc.	(6,000)	79,000
BP plc, ADR	(12,000)	103,000
Brasil Telecom SA, ADR	(1,000)	43,000

Brasil Telecom SA, Cl. C, ADR	(1,801)	14,000
Cablevision Systems Corp., Cl. A (a)	(13,000)	1,155,000
Cephalon Inc.	(17,000)	
Cimarex Energy Co.	(3,000)	7,000
Cincinnati Bell Inc.	(10,000)	670,000
Cliffs Natural Resources Inc	(8,000)	
CMS Energy Corp.	(3,000)	32,000
Coldwater Creek Inc.	(9,000)	27,000
Commerzbank AG, ADR	(64,000)	15,000
ConocoPhillips	(3,000)	212,000
Constellation Brands Inc., Cl. A	(14,000)	68,000
Constellation Energy Group Inc.	(29,000)	31,000
Corus Entertainment Inc., Cl. B, OTC	(2,000)	23,334
Crane Co.	(9,000)	220,000
Curtiss-Wright Corp.	(2,000)	326,000
Dean Foods Co.	(5,000)	90,000
Deere & Co.	(500)	383,000
Deutsche Bank AG	(23,000)	82,000
Deutsche Telekom AG, ADR	(10,000)	130,000
Devon Energy Corp.	(8,000)	14,000
Diamond Offshore Drilling Inc.	(3,000)	5,000
DISH Network Corp., Cl. A	(2,500)	100,000
DPL Inc.	(40,000)	20,000
Eastman Kodak Co.	(40,000)	80,000
El Paso Electric Co.	(1,000)	244,000
Ferro Corp.	(10,000)	440,000
Fomento Economico Mexicano SAB de CV, ADR	(1,000)	84,000
Freeport-McMoRan Copper & Gold Inc.	(2,000)	18,000
GATX Corp.	(7,000)	166,000
GenCorp Inc.	(5,000)	280,000
General Electric Co.	(10,000)	180,000

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.

PORTFOLIO CHANGES (Continued)

Quarter Ended September 30, 2011 (Unaudited)

	Shares	Ownership at September 30, 2011
NET SALES (Continued)		
Common Stocks (Continued)		
Gerber Scientific Inc. (c)	(60,000)	
Givaudan SA	(166)	2,100
Gray Television Inc.	(1,000)	34,000
Great Plains Energy Inc.	(5,000)	10,000
Greif Inc., Cl. A	(2,000)	170,000
Grupo Bimbo SAB de CV, Cl. A	(10,000)	2,340,000
Grupo Televisa SA, ADR	(5,000)	645,000
Grupo TMM SA, Cl. A, ADR	(3,000)	
Hertz Global Holdings Inc.	(1,000)	
Honeywell International Inc.	(1,000)	414,000
Huntington Ingalls Industries Inc.	(1,999)	4,000
IAC/InterActiveCorp.	(5,000)	75,000
IDEX Corp.	(3,500)	296,500
Il Sole 24 Ore SpA	(270,000)	280,000
Intel Corp.	(3,000)	97,000
Interactive Brokers Group Inc., Cl. A	(2,000)	14,000
ITO EN Ltd., Preference	(8,000)	
Janus Capital Group Inc.	(3,000)	182,000
Johnson & Johnson	(2,000)	40,000
Ladbrokes plc	(50,000)	1,450,087
Liberty Global Inc., Cl. A	(3,000)	92,000
Liberty Global Inc., Cl. C	(3,000)	92,000
Liberty Interactive Corp., Cl. A	(12,000)	173,000
Liberty Media Corp. Capital, Cl. A (d)	(74,000)	
Liberty Media Corp. Starz, Cl. A (e)	(22,000)	
Life Technologies Corp.	(3,000)	70,000
LIN TV Corp., Cl. A	(6,000)	27,000
Lockheed Martin Corp.	(1,000)	3,000
Lufkin Industries Inc.	(500)	194,500
Marsh & McLennan Companies Inc.	(7,000)	148,000
MasterCard Inc., Cl. A	(1,500)	39,000
Mattel Inc.	(1,000)	7,000
Media General Inc., Cl. A	(15,000)	180,000
MEIJI Holdings Co. Ltd.	(1,000)	
MGM China Holdings Ltd.	(5,000)	100,000
MGM Resorts International	(9,000)	10,000
Millicom International Cellular SA, SDR	(3,000)	7,000
Modine Manufacturing Co.	(11,100)	275,000
Monsanto Co.	(1,000)	20,000

	Shares	Ownership at September 30, 2011
Monster Worldwide Inc.	(3,000)	27,000
Moody's Corp.	(1,000)	11,000
National Fuel Gas Co.	(2,000)	18,000
National Presto Industries Inc.	(3,000)	8,500
New Hope Corp. Ltd.	(2,000)	50,000
Newmont Mining Corp.	(7,600)	164,000
News Corp., Cl. A	(420,000)	780,000
Niko Resources Ltd., Toronto	(1,000)	

NiSource Inc.	(5,000)	5,000
Nobility Homes Inc.	(500)	9,000
Noble Corp.	(4,000)	16,000
Northeast Utilities	(23,000)	107,000
Northrop Grumman Corp.	(6,000)	30,000
O'Reilly Automotive Inc.	(4,000)	98,000
Precision Castparts Corp.	(500)	86,500
Regal Entertainment Group, Cl. A	(2,000)	8,000
Rockwell Automation Inc.	(1,000)	27,000
Rollins Inc.	(13,000)	1,372,000
Rolls-Royce Holdings plc, Cl. C (i)	(115,200,000)	
Sensient Technologies Corp.	(3,000)	232,000
Skyline Corp.	(3,500)	26,500
Sprint Nextel Corp.	(30,000)	950,000
Suncor Energy Inc.	(13,000)	22,000
Swedish Match AB	(8,000)	857,000
The Central Europe and Russia Fund Inc.	(1,500)	99,500
The Hershey Co.	(18,000)	
The Madison Square Garden Co., Cl. A	(1,000)	381,000
The New Germany Fund Inc.	(957)	70,000
The St. Joe Co.	(60,000)	125,000
Thomas & Betts Corp.	(4,400)	259,000
Tim Participacoes SA, ADR (h)	(32,165)	
Time Warner Inc.	(5,000)	235,000
Tokyo Broadcasting System Holdings Inc.	(25,000)	75,000
Transocean Ltd.	(1,000)	19,000
Tyco International Ltd.	(5,000)	195,000
Universal Entertainment Corp.	(1,000)	108,000
Viacom Inc., Cl. A	(3,000)	295,000
Walgreen Co.	(6,000)	59,000
Wal-Mart Stores Inc.	(1,000)	39,000
Waste Management Inc.	(6,000)	181,000
Watts Water Technologies Inc., Cl. A	(1,000)	163,000

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.

PORTFOLIO CHANGES (Continued)

Quarter Ended September 30, 2011 (Unaudited)

	Shares	Ownership at September 30, 2011
NET SALES (Continued)		
Common Stocks (Continued)		
Wells Fargo & Co.	(5,000)	270,000
Westar Energy Inc.	(10,000)	220,000
William Demant Holding A/S	(1,000)	62,000
Yahoo! Inc.	(4,000)	336,000
Yakult Honsha Co. Ltd.	(15,000)	365,000

(a) Spin-off 1 share of AMC Networks Inc., Cl. A for every 4 shares of Cablevision System Corp., Cl. A held. 13,000 shares of Cablevision Systems Corp., Cl. A were sold after the spin-off.
(b) Stock Split 2 shares for every 1 share held.
(c) Merger 1 Escrow share plus $11 cash for every 1 share of Gerber Scientific Inc. held.
(d) Name change from Liberty Media Corp. Capital, Cl. A. 6,000 shares were sold prior to the name change.
(e) Name change from Liberty Media Corp. Starz, Cl. A. 3,000 shares were sold prior to the name change.
(f) Spin-off 0.5 shares of Marathon Petroleum Corp. for every 1 share of Marathon Oil Corp. held.
(g) Stock Split 3 new shares for every 2 shares held. 500 shares were sold after the split.
(h) Exchange 1.6812 shares of Tim Participacoes SA, ADR (88706P205) for every 1 share of Tim Participacoes SA, ADR (88706P106) held.
(i) Tender Offer £0.001 for every 1 share held.

See accompanying notes to schedule of investments.

THE GABELLI EQUITY TRUST INC.

SCHEDULE OF INVESTMENTS

September 30, 2011 (Unaudited)

Shares		Market Value
	COMMON STOCKS 99.7%	
	Food and Beverage 11.9%	
35,000	Brown-Forman Corp., Cl. A	$ 2,378,600
6,250	Brown-Forman Corp., Cl. B	438,375
75,000	Campbell Soup Co.	2,427,750
15,000	Coca-Cola Enterprises Inc.	373,200
68,000	Constellation Brands Inc., Cl. A	1,224,000
30,000	Corn Products International Inc.	1,177,200
225,000	Danone	13,926,662
600,000	Davide Campari Milano SpA	4,409,105
90,000	Dean Foods Co.	798,300
203,000	Diageo plc, ADR	15,413,790
100,000	Dr Pepper Snapple Group Inc.	3,878,000
72,000	Flowers Foods Inc.	1,401,120
84,000	Fomento Economico Mexicano SAB de CV, ADR	5,444,880
40,000	General Mills Inc.	1,538,800
2,340,000	Grupo Bimbo SAB de CV, Cl. A	4,319,444
84,000	H.J. Heinz Co.	4,240,320
46,000	Heineken NV	2,067,014
120,000	ITO EN Ltd.	2,212,369
14,000	Kellogg Co.	744,660
66,000	Kerry Group plc, Cl. A	2,325,089
160,000	Kraft Foods Inc., Cl. A	5,372,800
11,500	LVMH Moet Hennessy Louis Vuitton SA	1,535,316
70,000	Morinaga Milk Industry Co. Ltd.	312,200
25,000	Nestlé SA	1,381,840
210,000	PepsiCo Inc.	12,999,000
46,000	Pernod-Ricard SA	3,625,595
66,000	Ralcorp Holdings Inc.	5,062,860
40,673	Remy Cointreau SA	2,825,384
691,000	Sara Lee Corp.	11,297,850
65,000	The Coca-Cola Co.	4,391,400
20,000	The Hain Celestial Group Inc.	611,000
2,000	The J.M. Smucker Co.	145,780
131,000	Tootsie Roll Industries Inc.	3,159,720
70,000	Tyson Foods Inc., Cl. A	1,215,200
365,000	Yakult Honsha Co. Ltd.	11,437,897
		136,112,520
	Cable and Satellite 7.9%	
292,000	AMC Networks Inc., Cl. A	9,329,400
1,155,000	Cablevision Systems Corp., Cl. A	18,168,150
90,000	Comcast Corp., Cl. A, Special	1,862,100
524,000	DIRECTV, Cl. A	22,139,000
100,000	DISH Network Corp., Cl. A	2,506,000
30,740	EchoStar Corp., Cl. A	695,032
92,000	Liberty Global Inc., Cl. A	3,328,560
92,000	Liberty Global Inc., Cl. C	3,184,120
482,690	Rogers Communications Inc., Cl. B, New York	16,512,825

Shares		Market Value
19,310	Rogers Communications Inc., Cl. B, Toronto	$ 660,988
119,000	Scripps Networks Interactive Inc., Cl. A	4,423,230

155,000	Shaw Communications Inc., Cl. B, New York	3,131,000
40,000	Shaw Communications Inc., Cl. B, Non-Voting, Toronto	811,528
70,000	Time Warner Cable Inc.	4,386,900
		91,138,833
	Energy and Utilities 7.5%	
34,000	Anadarko Petroleum Corp.	2,143,700
63,000	Apache Corp.	5,055,120
103,000	BP plc, ADR	3,715,210
60,000	CH Energy Group Inc.	3,130,200
7,000	Cimarex Energy Co.	389,900
32,000	CMS Energy Corp.	633,280
212,000	ConocoPhillips	13,423,840
39,000	CONSOL Energy Inc.	1,323,270
31,000	Constellation Energy Group Inc.	1,179,860
14,000	Devon Energy Corp.	776,160
5,000	Diamond Offshore Drilling Inc.	273,700
20,000	DPL Inc.	602,800
105,000	Duke Energy Corp.	2,098,950
225,000	El Paso Corp.	3,933,000
244,000	El Paso Electric Co.	7,829,960
75,000	Exxon Mobil Corp.	5,447,250
15,000	GenOn Energy Inc.	41,700
140,000	GenOn Energy Inc., Escrow (a)	0
10,000	Great Plains Energy Inc.	193,000
200,000	Halliburton Co.	6,104,000
12,000	Marathon Oil Corp.	258,960
6,000	Marathon Petroleum Corp.	162,360
18,000	National Fuel Gas Co.	

(1)
The amounts in this column include fees and retainers received for Board membership, Board committee membership and for service as the Audit Committee Chair and Compensation Committee Chair.
(2)
On December 1, 2014, each of the independent directors was awarded 1,000 shares of restricted stock with a grant date fair value of $30.0368 per share. The fair value of the restricted stock is based upon the market price of the underlying common stock on the grant date, reduced by the present value of estimated future dividends because the award is not entitled to receive dividends prior to vesting. The present value of estimated future dividends was calculated based on a $0.05 quarterly dividend amount per share and 0.9% risk-free interest rate. Further discussion of the valuation and assumptions regarding our stock awards is provided in Note 7 of our Consolidated Financial Statements in our Annual Report on Form 10-K for 2014. The aggregate number of stock awards outstanding at December 31, 2014 for each independent director is 1,990 shares; no option awards are outstanding.

EXECUTIVE OFFICERS

Our By-Laws provide that each executive officer holds his or her respective office for a term of one year or until his or her successor becomes duly elected and qualified, except that a term may be (i) longer than one year if such service is specified in an employment contract or (ii) terminated sooner than one year because of death, resignation or otherwise. Pursuant to the By-Laws, our Board of Directors elects our executive officers at the Board's annual organizational meeting immediately following the annual meeting of stockholders.

EXECUTIVE OFFICER INFORMATION

The table that follows identifies our current executive officers and the capacities in which they now serve. Set forth following the table is certain biographical information provided to us by these executive officers regarding their acquired business skills and experience.

EXECUTIVE OFFICERS

Name	Position with the Company	Age
Gary L. Werner	Chairman	57
Gregory L. Werner	Vice Chairman & Chief Executive Officer	55
Derek J. Leathers	President & Chief Operating Officer	45
H. Marty Nordlund	Senior Executive Vice President—Specialized Services	53
Robert E. Synowicki, Jr.	Executive Vice President—Driver Resources	56
John J. Steele	Executive Vice President, Treasurer & Chief Financial Officer	57
Jim S. Schelble	Executive Vice President—Sales and Marketing	54
James A. Mullen	Executive Vice President & General Counsel	46
James L. Johnson	Executive Vice President, Chief Accounting Officer & Corporate Secretary	51

For information regarding the business experience of Gary Werner and Greg Werner, please refer to Director Information under the Proposal 1 – Election of Directors section of this Proxy Statement.

DEREK J. LEATHERS joined the Company in 1999 as the Managing Director—Mexico Division. During his tenure with us, he has served in the following positions: (i) Vice President—Mexico Division in 2000; (ii) Vice President—International in 2001; (iii) Senior Vice President—International in April 2003; (iv) Senior Vice President—Van Division

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and International in July 2003; (v) Executive Vice President—Van Division and International in 2004; and (vi) Senior Executive Vice President and President of Werner Global Logistics in 2006. The Board then appointed Mr. Leathers our Chief Operating Officer in May 2008 and President in May 2011, and he currently serves in both positions. Prior to joining the Company, Mr. Leathers was Vice President of Mexico Operations for two years at Schneider National, a large truckload carrier, and he held various other management positions during his eight-year career at Schneider National.

H. MARTY NORDLUND joined us in 1994 as an account executive. He then received the following promotions within the Company: (i) Director of Dedicated Fleet Services in 1995; (ii) Senior Director of Dedicated Fleet Services in 1997; (iii) Vice President—Dedicated Fleet Services in 1998; (iv) Vice President—Specialized Services in 2001; (v) Senior Vice President—Specialized Services in 2003; and (vi) Executive Vice President—Specialized Services in 2005. In 2006, Mr. Nordlund was named to his current position as Senior Executive Vice President—Specialized Services. Before joining the Company, Mr. Nordlund held various management positions with Crete Carrier Corporation, a large privately held truckload carrier.

ROBERT E. SYNOWICKI, JR. joined the Company in 1987 as a tax and finance manager. Since that time, he was appointed to the following positions: (i) Treasurer in 1989; (ii) Vice President, Treasurer & Chief Financial Officer in 1991; (iii) Executive Vice President & Chief Financial Officer in March 1996; and (iv) Executive Vice President & Chief Operating Officer in November 1996. Mr. Synowicki was appointed Executive Vice President & Chief Information Officer in 1999, and he was named to his current position as Executive Vice President—Driver Resources in December 2010. Mr. Synowicki was employed by the independent public accounting firm of Arthur Andersen & Co. as a certified public accountant from 1983 until his employment with us in 1987. Mr. Synowicki also serves on the board of directors of Blue Cross and Blue Shield of Nebraska and other professional organizations.

JOHN J. STEELE joined the Company in 1989 as Controller. During his time with us, he was appointed to the following positions: (i) Corporate Secretary in 1992; (ii) Vice President—Controller & Corporate Secretary in 1994; (iii) Vice President, Treasurer & Chief Financial Officer in 1996; and (iv) Senior Vice President, Treasurer & Chief Financial Officer in 2004. He was named to his current position as Executive Vice President, Treasurer & Chief Financial Officer in 2005. Mr. Steele was employed by the independent public accounting firm of Arthur Andersen & Co. as a certified public accountant from 1979 until his employment with the Company in 1989. Mr. Steele also serves on the board of directors of Morningside College.

JIM S. SCHELBLE joined us in 1998 as Manager of New Business Development. During his tenure with us, Mr. Schelble was promoted to the following positions: (i) Director of National Accounts in 1999; (ii) Senior Director of Dedicated Services in 2000; (iii) Associate Vice President of Corporate and Dedicated Sales in 2002; (iv) Vice President—Sales in 2003; and (v) Senior Vice President—Sales in 2004. In 2005, he was named to his current position as our Executive Vice President—Sales and Marketing. Prior to joining the Company, Mr. Schelble spent twelve years with Roadway Express, a less-than-truckload carrier, in a variety of management positions within operations, sales, and marketing.

JAMES A. MULLEN joined us in 2006 as Vice President & General Counsel of Litigation. In June 2010, he was promoted to Executive Vice President & General Counsel. Before becoming employed by the Company, Mr. Mullen was an attorney with Fraser Stryker Law Firm in Omaha, Nebraska from 1993 to 1997. From 1997 until his employment with us, he was a partner with Lefler and Mullen, and later Mullen and Mullen, law firms in Omaha, Nebraska.

JAMES L. JOHNSON joined the Company in 1991 as Manager of Financial Reporting. Since that time, Mr. Johnson was appointed to the following positions with us: (i) Assistant Controller in 1992; (ii) Director of Accounting in 1994; (iii) Corporate Secretary & Controller in 1996; (iv) Vice President, Controller & Corporate Secretary in 2000; and (v)

Senior Vice President, Controller & Corporate Secretary in 2005. He was named to his current position as Executive Vice President, Chief Accounting Officer & Corporate Secretary in July 2010. Mr. Johnson was employed by the independent public accounting firm of Arthur Andersen & Co. as a certified public accountant from 1985 until his employment with us in 1991.

BENEFICIAL OWNERSHIP OF COMMON STOCK

STOCK OWNERSHIP OF DIRECTORS, EXECUTIVE OFFICERS AND CERTAIN BENEFICIAL OWNERS

The Beneficial Ownership table sets forth certain information as of March 23, 2015, with respect to the beneficial ownership of our common stock by:
(i) Each of our directors and director nominees;
(ii) Each of our Named Executive Officers;
(iii) Each person known to us to beneficially own more than 5% of the outstanding shares of our common stock; and
(iv) All current executive officers, directors and director nominees as a group.

On March 23, 2015, we had 72,102,651 shares of common stock outstanding. Except as otherwise indicated in the Beneficial Ownership table, the persons listed have sole voting power and sole investment power with respect to such shares of our common stock indicated as beneficially owned by them. Unless otherwise noted, the physical business address of each beneficial owner set forth in the Beneficial Ownership table is: Werner Enterprises, Inc., 14507 Frontier Road, Omaha, Nebraska 68138.
BENEFICIAL OWNERSHIP

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership Shares Owned	Right to Acquire[1]	Total Shares	Percent of Shares Outstanding[2]
Clarence L. Werner[3]	21,194,105	—	21,194,105	29.4 %
Gary L. Werner[4] [5]	1,860,879	—	1,860,879	2.6 %
Gregory L. Werner[5]	3,587,433	—	3,587,433	5.0 %
Kenneth M. Bird, Ed.D.	1,510	—	1,510	*
Patrick J. Jung	3,010	—	3,010	*
Dwaine J. Peetz, Jr., M.D.	16,010	—	16,010	*
Duane K. Sather	7,954	—	7,954	*
Michael L. Steinbach	1,010	—	1,010	*
Derek J. Leathers	89,067	25,000	114,067	*
John J. Steele	21,671	—	21,671	*
James A. Mullen	14,942	—	14,942	*
Fairpointe Capital LLC[6]	4,102,866	—	4,102,866	5.7 %
WEDGE Capital Management L.L.P.[7]	4,085,927	—	4,085,927	5.7 %
All executive officers, directors and director nominees as a group (15 persons)[3] [4] [5]	26,621,594	90,000	26,711,594	37.0 %

*Indicates beneficial ownership of less than 1%.

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BENEFICIAL OWNERSHIP — Continued

(1) This column represents shares of our common stock that a respective individual may acquire upon exercising stock options that are vested as of March 23, 2015 or that will vest and become exercisable 60 days thereafter. The shares underlying these options are not outstanding and may not be voted at the 2015 Annual Meeting. This column does not include any shares of restricted stock because all such shares awarded by the Company will vest more than 60 days after March 23, 2015.

(2) The percentages are based upon 72,102,651 shares, which equal our outstanding shares as of March 23, 2015. In accordance with SEC rules, for individuals who hold options exercisable within 60 days of March 23, 2015, the number of shares of common stock on which the percentage is based also includes the number of shares underlying such options.

(3) Clarence L. Werner has sole voting power with respect to 21,190,968 shares; sole dispositive power for 6,189,718 of these shares; shared voting power for 3,137 shares; and shared dispositive power with respect to 15,004,387 shares.

(4) The shares shown for Gary L. Werner do not include: (i) 479,497 shares held by the Gary L. Werner Irrevocable Inter Vivos QTIP Trust II (the sole trustee of this trust is Union Bank and Trust Company, which has sole investment and sole voting power over the shares held by the trust); and (ii) 500,000 shares held by the Becky K. Werner Revocable Trust (the sole trustee of this trust is Becky K. Werner, Mr. Werner’s wife, and she has sole investment and sole voting power over the shares held by the trust). Mr. Werner disclaims actual and beneficial ownership of the shares held by the Gary L. Werner Irrevocable Inter Vivos QTIP Trust II and the shares held by the Becky K. Werner Revocable Trust.

(5) The shares shown for Gary L. Werner and Gregory L. Werner each include 250,000 shares held by the Clarence L. Werner Grandchildren's Trust for the benefit of the grandchildren of Clarence L. Werner, some of which are children of Gary L. Werner and Gregory L. Werner. Gary L. Werner and Gregory L. Werner have shared voting and dispositive power with respect to the shares in the trust. Both Gary L. Werner and Gregory L. Werner disclaim actual and beneficial ownership of the shares held by the Clarence L. Werner Grandchildren's Trust. The beneficial ownership of all executive officers, directors and director nominees as a group also includes such 250,000 shares held by the Clarence L. Werner Grandchildren's Trust.

(6) Based on Schedule 13G (Amendment No. 3) as of December 31, 2014, as filed with the SEC by Fairpointe Capital LLC. Fairpointe Capital LLC claims sole voting power of 4,046,500 shares and sole dispositive power of 4,102,866 shares, and does not claim any shared voting power or shared dispositive power with respect to any of these shares. According to the Schedule 13G filing, the address of this stockholder is 1 North Franklin Suite 3300, Chicago, Illinois 60606.

(7) Based on Schedule 13G (Amendment No. 2) as of December 31, 2014, as filed with the SEC by WEDGE Capital Management L.L.P. WEDGE Capital Management L.L.P. claims sole voting power of 3,342,312 shares and sole dispositive power of 4,085,927 shares, and does not claim any shared voting power or shared dispositive power with respect to any of these shares. According to the Schedule 13G filing, the address of this stockholder is 301 South College Street, Suite 2920, Charlotte, North Carolina 28202-6002.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires our executive officers and directors, and persons who own more than 10% of our registered class of equity securities (common stock), to file with the SEC reports of beneficial ownership and changes in such beneficial ownership. Executive officers, directors and greater than 10% beneficial owners are required by SEC rules to furnish us copies of all Section 16(a) forms they file. We file Section 16(a) reports on behalf of our executive officers and directors to report their initial and subsequent changes in beneficial ownership of our common stock.

Based solely upon our review of (i) the reports (including any amendments thereto) we filed on behalf of our officers and directors, (ii) copies of such forms furnished to us and (iii) written representations from certain reporting persons that no other reports were required for those persons, we believe that all Section 16(a) filing requirements applicable to our officers, directors and greater than 10% beneficial owners were complied with, in a timely manner, during 2014.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

This section of the Proxy Statement identifies our Named Executive Officers and explains how our compensation policies and practices are developed and operate with respect to such Named Executive Officers. In the Compensation Discussion and Analysis, we also discuss and analyze our executive compensation program and the executive compensation amounts shown in such section. This discussion should be read in conjunction with the Summary Compensation Table (including the related tabular and narrative disclosures) and the Compensation Committee section under Corporate Governance in this Proxy Statement. As indicated in that section, the Compensation Committee of the Board of Directors is responsible for establishing our executive compensation policies and overseeing our executive compensation practices. Our Compensation Committee is also comprised solely of independent directors, each of whom is independent pursuant to SEC rules and NASDAQ listing standards.

Named Executive Officers. Pursuant to the SEC rules, our Named Executive Officers consist of the CEO, CFO and the three most highly compensated executive officers (other than the CEO and CFO) who were serving as executive officers as of December 31, 2014. Our five Named Executive Officers are identified in the table below.

2014 NAMED EXECUTIVE OFFICERS

Name	Position with the Company
Gary L. Werner	Chairman
Gregory L. Werner	Vice Chairman & Chief Executive Officer
Derek J. Leathers	President & Chief Operating Officer
John J. Steele	Executive Vice President, Treasurer & Chief Financial Officer
James A. Mullen	Executive Vice President & General Counsel

Executive Summary. The Company and its Compensation Committee believe our executive compensation program has been instrumental to our business and in helping us accomplish our objectives. We also regard the program as appropriate and fair in view of our financial performance and size relative to our competitive peer group. Our total compensation mix allows us to retain qualified, innovative executive officers who possess the necessary experience and expertise to manage the Company, provide effective Company leadership, contribute to our long-standing success and create value for our stockholders. (The peer group is identified in the Competitive Peer Groups and Benchmarking section within the Compensation Discussion and Analysis. Our 2014 financial statements are included in our Annual Report on Form 10-K for 2014 filed with the SEC.)

In 2014, our financial results improved significantly from our financial results for 2013. Net income increased 14% and earnings per diluted share increased 15% in 2014 compared to 2013. An improving economy in 2014 combined with constrained truck capacity contributed to improved freight demand and allowed us to increase our average revenues per tractor per week by almost 6% in 2014 compared to 2013, which more than offset increases in our costs. Our 2014 total stockholder return was 27%, in comparison to the 2014 weighted average total stockholder return of 28% for our competitive peer group. (In this Proxy Statement, "total stockholder return" refers to the percentage increase in the total dollar value of stockholders' shares, including changes in the market price of shares and re-investment of dividends.) Please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for 2014 filed with the SEC for more discussion of our 2014 financial results.

The table below summarizes and compares our key 2014 and 2013 financial results.

2014 AND 2013 FINANCIAL RESULTS

	2014(1)	2013(1)	Change (%)
Total revenues	$2,139,289	$2,029,183	5 %
Net income	$98,650	$86,785	14 %
Earnings per diluted share	$1.36	$1.18	15 %
Operating ratio(2)	92.5 %	93.1 %	
Return on assets	7.0 %	6.5 %	
Return on equity	12.4 %	11.7 %	

(1) Dollar amounts in thousands, except for per share amounts.
(2) Operating expenses expressed as a percentage of operating revenues.

The Compensation Committee considered, among other factors, our financial performance, total stockholder return, each executive’s individual performance and competitive levels of compensation among peers in relation to their financial results in making its decisions on total compensation for our Named Executive Officers. None of the Named Executive Officers received a base salary increase in 2014. Mr. Mullen was the only Named Executive Officer to receive an increase in annual bonus paid in 2014. On February 10, 2014, the Named Executive Officers were granted performance-based restricted stock ("performance stock") with an earnings per diluted share target performance objective of $1.34 for 2014. This represented a change from 2013 when no equity was awarded. Actual 2014 earnings per diluted share was $1.36, resulting in the Named Executive Officers earning shares of performance stock at the target level.

We strive to retain talented executive officers by compensating them in a manner that rewards performance and aligns such officers' interests with our stockholders' long-term interests, and we believe our executive compensation program helps to accomplish this objective. Our Named Executive Officers operate as a team vested in the Company's success, and we expect our Named Executive Officers to contribute to our overall accomplishments and progress, rather than focus solely on objectives exclusive to the individual officer's area of responsibility. The goal of our Compensation Committee also is to reward performance on a more consistent basis, during both challenging and favorable economic periods, in an effort to preclude large increases and decreases in executive compensation levels and to retain talented and experienced executive officers.

In line with our executive compensation program, compensation awarded in 2014 to our Named Executive Officer team reflected the Company's financial results, industry performance and external competitiveness. With respect to Named Executive Officer compensation, our Chairman's total direct compensation (base salary, cash bonuses and long-term incentive compensation) was the lowest when compared to the total direct compensation of the peer group of executive chairmen. The total direct compensation of our other four Named Executive Officers averaged at the 49th percentile when compared to the compensation of their peers at the companies in our competitive peer group, while our net income was at the 61st percentile. When evaluating compensation as a percentage of net income, we ranged from the 21st percentile to the 53rd percentile from 2011 to 2013 compared to our competitive peer group. Please refer to the Competitive Peer Group and Benchmarking section for information about our competitive peer group and our executive chairman peer group.

We also believe the total mix of compensation provided under our executive compensation program is competitive and attractive to our Named Executive Officers. We believe the components of our executive compensation program are directly connected to the principle that executive compensation should be based on performance (both individual and Company). The Company believes our program reflects such principle and effectively rewards performance in a simple and straightforward manner. Our elements of compensation promote and retain stability within our executive team and maintain value for our stockholders, which contribute to our positive long-term development and the overall success of the Company.

As discussed below, numerous factors are considered when internal pay equity as to our executive officers is assessed. Under our executive compensation program, the base salary and performance-based elements of compensation motivate executive officers to achieve our annual financial and operational goals and drive business unit and individual performance. Our long-term incentive compensation encourages executive officers to remain employed with the Company, due partially to long-term vesting periods and potential wealth accumulation, and meaningfully aligns each Named Executive Officer's interests and level of stock ownership with those of our stockholders. Perquisites and benefits are necessary for our Named Executive Officers to efficiently and effectively carry out their duties and also provide for the wellness of our executive officer team. We believe that each element in our compensation program, combined with the program objectives set forth below, rewards extraordinary executive performance and attracts and retains exemplary executive talent.

At the time of hiring, we typically indicate to each executive officer that such individual is employed "at will," and because of such employment, the Company does not customarily provide for any severance upon termination. None of our Named Executive Officers has any employment or severance agreement with the Company.

The Company's executive compensation program is discussed on the following pages of this Proxy Statement, and we believe it serves the Company well. We regard our program as uncomplicated in design and believe it enables our compensation decisions and practices, including those discussed herein, to reflect and reinforce the Company’s values, culture and mission.

Consideration of Stockholder Say-on-Pay Vote. At the Company's Annual Meeting held in May 2014, the Board asked Company stockholders to indicate on an advisory and non-binding basis whether they approve the Company's executive compensation (a "say-on-pay resolution"). This proposal was contained in the Company's 2014 proxy statement dated April 10, 2014, in accordance with Section 14A of the Exchange Act.

Voting results on our say-on-pay resolution overwhelmingly approved the compensation of our named executive officers, with more than 92% of the stockholder votes cast in favor of our say-on-pay resolution. The Company and its Compensation Committee believe this affirms our stockholders' support of the Company's approach to executive compensation and executive compensation program objectives. While such vote is advisory and non-binding, the Board and the Compensation Committee value our stockholders' opinions expressed in such vote and consider the voting outcome in making executive compensation decisions. The Board has determined that an advisory say-on-pay resolution will be included in the Company's proxy materials once every three years, with the next vote being held in 2017.

2014 Executive Compensation Program and Objectives. Our executive compensation program is designed to achieve the following primary objectives:

- Attract, motivate and retain talented high-quality executives who contribute to the advancement of our strategic, operational and financial goals and to our long-term success in today’s competitive markets and industry.
- Reward our executive officers for their individual performance, leadership and contribution to the achievement of our overall business objectives.
- Support our Mission Statement, Vision Statement and guiding corporate principles. (Our Mission and Vision Statements are included on our website at http://www.werner.com under the “About Werner” tab.)

The Compensation Committee carries out our executive compensation objectives by applying the following principles:

- Provide compensation that is competitive with that paid by companies in our industry for executive talent. Our Compensation Committee has the authority to engage the services of an outside advisor and compensation consultant to assist with determining how our executive compensation program compares to those of other companies.
- Reward performance by considering factors such as (i) our financial performance, (ii) the executive officer’s individual performance and contribution to our overall business goals and (iii) the performance of the executive officer’s area of responsibility when evaluated in light of overall Company performance and the year’s market, industry and economic conditions.
- Ensure that highly capable and goal-oriented executives remain motivated and committed to the Company, even when downturns in the industry and economy affect Company performance. This principle is important with respect to encouraging our executives to remain with the Company for long and productive careers.
- Encourage our executive team to consider current and long-term opportunities and reasonable risks that result in positive Company performance and financial growth, industry innovation, consistent stockholder value and lasting collaborations with our customers and partners.
- Encourage executive officers to become stockholders and facilitate stock ownership in the Company by offering equity-based compensation. We believe that stock ownership links our executive officers’ interests with those of our stockholders and supports strategic decision-making and actions that will serve our long-term interests.
- Provide limited executive perquisites.

Elements of Executive Compensation. The five elements of our 2014 executive compensation program are: (i) base salary, (ii) annual cash bonus, (iii) long-term incentive compensation, (iv) perquisites and (v) benefits. The following discussion explains these elements and their primary purposes with respect to our 2014 executive compensation program.

Base Salary. Base salary is a fixed element of compensation that we pay to each executive officer for the performance of his primary duties and responsibilities. Generally, each respective executive officer’s base salary is commensurate with such person’s responsibility, experience, tenure and job performance. As discussed in this Executive Compensation section, base salaries are reviewed on an annual basis and at the time of promotion or other change in job function and responsibilities. Base salaries are not established on the basis of any specific performance criteria, but a number of factors are considered when determining individual salary levels. These factors include but are not limited to (i) the individual's overall performance and the level of responsibility and complexity of the executive's job; (ii) the performance of the business unit(s) or function(s) under his leadership; (iii) how the executive officer's salary compares to those of our other executives; (iv) our overall performance and achievements; (v) the economic and business conditions affecting the Company at the time of the review; and (vi) salaries paid by companies within our competitive peer group for the same or similar positions. The base salaries paid to each of our executive officers will vary due to the application of these factors. Market adjustments to executive base salaries may be made when there is a significant change in an officer’s position or responsibilities or if competitive market data indicates a significant deviation compared to market salary practices. However, while we may be guided by such events and data, we do not set compensation levels at targeted or specific levels relative to that of a particular peer, competitor or industry group.

The Compensation Committee’s determination of Named Executive Officer compensation packages are primarily made through the exercise of its particular judgment and by applying the factors discussed above. The 2014 base salaries of our Named Executive Officers, disclosed in the Summary Compensation Table, were determined by the Compensation Committee at its regular year-end meeting in December 2013 following a thorough review of each Named Executive Officer’s overall compensation and in light of each person’s respective performance and responsibilities, our financial results and developments in the competitive transportation and logistics services markets. Mr. Gary Werner’s base salary was at the 22nd percentile when compared to base salaries in our executive chairman peer group. The base salaries of our other four Named Executive Officers averaged at the 69th percentile when compared to the base salaries for similar positions with companies in our competitive peer group. The Compensation Committee did not make any changes to Named Executive Officer base salaries in 2014. Unless changed by the Compensation Committee or the Vice Chairman & CEO during 2015, the base salaries for the Named Executive Officers to be paid in 2015, as determined by the Compensation Committee at its regular year-end meeting in December 2014, will be the same as those paid in 2014 except for Mr. Mullen's base salary which has been approved to increase to $362,000 for 2015.

Annual Cash Bonus. Our annual cash bonus program is a discretionary program designed to encourage and reward executives for performance during the fiscal year and on a more short-term basis. However, our philosophy is to also reward performance on a more consistent basis during both challenging and favorable economic conditions. This practice allows us to retain an experienced executive team to lead our Company through the challenges of unfavorable economic cycles and to better position our Company for future success when conditions improve. Thus, we believe the annual cash bonus program also contributes to our long-term success because it rewards and drives individual performance and motivates executive officers to improve our overall performance, while our practice of rewarding performance more consistently encourages executive officers to consider the long-term impact of current decisions. Historically, annual cash bonus payments to executive officers have been the same or higher than the previous year’s payment. This practice correlates with our relatively consistent profitable financial results after considering the economic and industry conditions that affect our business.

Annual cash bonuses are awarded by our Compensation Committee at its regular year-end meeting. Annual cash bonuses are not calculated on the basis of any specific performance criteria, but a number of factors are considered when determining individual annual cash bonus amounts. The Compensation Committee awards annual cash bonuses that it considers appropriate based upon and after assessing: (i) the financial and economic environment concerning the Company; (ii) the respective officer’s individual performance and contribution toward achieving our business objectives; (iii) the amount of the executive officer’s bonus payment awarded in the preceding year; (iv) the Vice Chairman & CEO’s recommendation to the Compensation Committee; (v) annual cash bonus data and total cash compensation data for certain officer positions, including actual bonuses paid in the marketplace by companies in our competitive peer group; and (vi) our overall financial results relative to our competitive peer group. Final award amounts approved by the Compensation Committee for each executive officer are intended to be competitive for our market and reflective of each respective executive officer’s performance and contribution to our financial and business performance and success.

In December 2014, our Compensation Committee approved and awarded annual cash bonuses to the Named Executive Officers under our discretionary annual cash bonus program. The 2014 annual cash bonuses were unchanged from 2013 for all of the Named Executive Officers except for the annual cash bonus of Mr. Mullen that increased by $20,000. The annual cash bonus for Mr. Gary Werner was at the 17th percentile when compared to the executive chairman peer group. The other four Named Executive Officers averaged at the 60th percentile for similarly positioned executives of the companies in our competitive peer group.

The Compensation Committee also compared total cash compensation (base salary and annual cash bonus) for our Named Executive Officers to that of our executive chairman peer group and our competitive peer group when determining annual cash bonuses. The total cash compensation of Mr. Gary Werner was at the 8th percentile of the executive chairman peer group and our other four Named Executive Officers averaged at the 60th percentile for similar positions with the competitive peer group companies.

The annual cash bonuses awarded to our Named Executive Officers in 2014 are disclosed in the Summary Compensation Table.

Long-Term Incentive Compensation. Our long-term incentive program is important to us because it helps attract a talented executive team, encourages long-term retention of executive officers and enables us to recognize efforts put forth by executives who contribute to our stock price appreciation and Company development. Accordingly, the Compensation Committee granted long-term equity awards (performance stock) to our executive officers in 2014, as described below.

Our Equity Plan permits a variety of equity awards under our ongoing long-term incentive program. In determining long-term incentive compensation, our Compensation Committee evaluates which equity award vehicles achieve the best balance between providing appropriate long-term incentive compensation and creating and maintaining long-term stockholder value.

The periodic vesting periods of long-term incentive compensation directly align executive officer interests and compensation with our stockholders' interests by rewarding creation and preservation of long-term stockholder value. The Compensation Committee also believes this element of compensation provides equity ownership opportunities for our executive officers.

Long-term equity awards are made at the discretion of the Compensation Committee and are not necessarily made on an annual basis. In designing long-term incentive awards and determining an overall pool of stock to make available for grant, the Compensation Committee considers the Board's duty to our stockholders to limit equity dilution, whether such awards will help to accomplish our executive compensation program objectives, how our relative financial performance compares against the marketplace and the emphasis placed on equity in the total mix of compensation. For purposes of allocating the overall stock pool among executive officers, our Compensation Committee also evaluates (i) the scope of each executive's responsibilities, position and experience; (ii) each executive officer's individual performance and contribution to our overall performance and financial results; (iii) the total mix of compensation for each executive; (iv) our historical practice of granting equity awards to executive officers; and (v) the perceived retention value of the total compensation package in light of the current labor and financial markets. The Compensation Committee will weigh these factors, in addition to long-term stockholder value and interests, when making any executive stock award determinations.

Stock options represent a right to purchase a certain number of shares of our common stock at a particular exercise price per share after designated vesting periods occur. The exercise price is equal to the NASDAQ Global Select Market^{SM} closing market price of our common stock on the grant date. Stock option value depends upon stock price appreciation. We believe this factor motivates our executive officers to improve and maintain Company performance because strong financial results may potentially increase the value of any unexercised stock options. Please refer to the Stock Grant Practices section under Other Executive Compensation Policies and Considerations for additional information regarding stock options.

An award of restricted stock entitles the recipient to receive a specified number of shares of our common stock, at no cost to the recipient, if the executive officer remains employed with us when the restricted stock vests. The value of the restricted stock is equal to the NASDAQ Global Select Market^{SM} closing market price on any given date after granting. Consequently, the restricted stock value may increase or decrease with changes in the stock price during the period between granting and vesting and on the vesting date and each subsequent day thereafter. We believe that restricted stock awards directly link executive officer interests with those of our stockholders because restricted stock value is impacted by these stock price changes, and the Compensation Committee considers the granting of restricted stock awards to be a means of increasing executive officer ownership in Company stock. We also believe that despite the stock price fluctuations, restricted stock will have value in the long-term and will deliver greater share-for-share compensation value at grant than stock options. By awarding restricted stock, we are able to offer comparable grant date compensation value with fewer shares, and we believe the use of restricted stock accordingly results in less dilution of earnings per share when compared to stock options.

Performance stock is similar to restricted stock except that the number of shares of common stock earned is based on the achievement of a performance objective. A target level for the performance objective is determined by the Compensation Committee as well as a minimum and a maximum level. The number of shares that can be earned at each of these levels is then determined by the Compensation Committee. Following the end of the performance period (currently the fiscal year), the Compensation Committee reviews and certifies the actual results of the performance objective compared to the levels set at the grant date and determines the number of shares earned by each Executive Officer. The performance stock earned is still subject to time-based vesting similar to an award of restricted stock. We believe that performance stock not only directly links executive officer interests with those of our stockholders due to the change in value based on stock price changes but also ties the value of the award (number of shares) to the performance of the Company.

Vesting of stock options, restricted stock and performance stock is subject to continued employment with us. This condition helps ensure that a portion of an executive officer’s awards will vest after several years, which is intended to retain the executive officer and cause them to focus on our long-term business objectives.

When deciding upon the long-term incentive compensation of our other Named Executive Officers, the Compensation Committee considers, among other factors, the information regarding competitive peer group long-term incentive compensation that was included in the Pay Governance executive compensation surveys. Mr. Gary Werner's average long-term incentive compensation during the past three years averaged at the 17th percentile when compared to the executive chairman peer groups. The average long-term incentive compensation during the past three years for our other four Named Executive Officers was at the 41st percentile of our competitive peer group. The Compensation Committee also assesses each Named Executive Officer’s respective contributions to our financial performance and our performance compared to other companies within our competitive peer group. The Compensation Committee also takes into account our three-year (2012-2014) average total stockholder return of 13% compared to the three-year weighted average total stockholder return of 20% for our competitive peer group.

On February 10, 2014, the Compensation Committee, in its sole discretion, awarded the Named Executive Officers performance stock. The performance stock is earned based upon the level of attainment by the Company of specified earnings per diluted share performance objectives for the fiscal year ended December 31, 2014, as established by the Compensation Committee. The target performance objective for 2014 was set by the Compensation Committee at $1.34 per diluted share, which was a 14% increase over the 2013 earnings per diluted share. The Compensation Committee determined that based on the Company's actual 2014 earnings per diluted share of $1.36, the Named Executive Officers earned the following number of shares at the target level: Mr. Gary Werner - 45,000 shares, Mr. Greg Werner - 45,000 shares, Mr. Leathers - 45,000 shares, Mr. Steele - 9,000 shares, and Mr. Mullen - 9,000 shares. The performance stock earned will vest, subject to continued employment, in five annual increments of 20% each beginning February 10, 2015 (one year after the grant date). The awards will become fully vested on February 10, 2019. Please refer to the Grants of Plan Based Awards for 2014 section for additional information regarding the performance stock.

On February 10, 2015, the Compensation Committee, in its sole discretion, awarded the Named Executive Officers performance stock for 2015. The performance stock is earned based upon the level of attainment by the Company of specified earnings per diluted share performance objectives for the fiscal year ending December 31, 2015, as established by the Compensation Committee. The number of shares that may ultimately be earned will range from 0 percent to 132 percent of the target amount stated in each executive's award agreement based on the level of attainment of the performance objectives. Any performance stock earned will vest, subject to continued employment, in five annual increments of 20% each beginning February 10, 2016 (one year after the grant date). The awards will become fully vested on February 10, 2020. The performance stock awards were granted for the following number of target shares to the following Named Executive Officers: Mr. Gary Werner - 55,500 shares, Mr. Greg Werner - 47,500 shares, Mr. Leathers - 47,500 shares, Mr. Steele - 9,500 shares, and Mr. Mullen - 9,500 shares. The grant of this performance stock is not disclosed in the Summary Compensation Table as the awards occurred in 2015.

Perquisites. Our executive compensation program includes executive perquisites that we consider an important element of our total executive reward packages and are necessary for Named Executive Officers to carry out the responsibilities of their positions. We believe our Named Executive Officer perquisites and other benefits are representative of and competitive with those offered by companies with whom we compete for executive talent, and offering these perquisites and benefits helps us with attracting and retaining valued and talented executive officers.

The aggregate incremental cost of perquisites and other benefits (and any related tax gross-ups) provided to the Named Executive Officers is shown in the "All Other Compensation" column of the Summary Compensation Table and detailed in the All Other Compensation for 2014 section of this Proxy Statement.

The perquisites offered under our 2014 executive compensation program were as follows:

- Accounting, Legal and Tax Services. Mr. Gary Werner and Mr. Greg Werner utilize accounting, legal and tax (income tax preparation) services provided by us, and we are not reimbursed for such services. The unreimbursed amounts are included in compensation for Mr. Gary Werner and Mr. Greg Werner and are based on our estimate of the costs incurred by the Company for our personnel to provide these services.
- Country Club Membership. In 2014, we provided Mr. Leathers with a country club membership. The membership fees and other business-related and reasonably incurred expenses were paid by us, and we received full reimbursement from Mr. Leathers for any personal expenses he incurred in connection with the membership. We provide this membership for our benefit, notwithstanding the incidental personal benefit to Mr. Leathers.
- Personal Use of Corporate Aircraft and Property. Mr. Gary Werner and Mr. Greg Werner are permitted personal use of our corporate aircraft provided they reimburse the Company (we do not provide non-reimbursed personal use of the aircraft to either of these executives). When Mr. Gary Werner or Mr. Greg Werner use our corporate aircraft for personal benefit, such Named Executive Officer reimburses us the higher of our incremental cost or the taxable amount calculated pursuant to the Internal Revenue Service (the "IRS") regulations. Mr. Gary Werner used the corporate aircraft for one personal round trip flight during 2014 for which he reimbursed the Company the IRS value of the flight. Mr. Greg Werner did not use the corporate aircraft for personal benefit in 2014. Our executive officers are also permitted limited personal use of the corporate aircraft with the approval of the Chairman or the Vice Chairman & CEO, and we provide transportation on the corporate aircraft for immediate family members of executive officers if such family members are specifically invited to attend events for appropriate Company-related business purposes or a business flight is already scheduled. In either case, we are not reimbursed for such utilization of the aircraft by the executive officer. Mr. Leathers' personal use of the corporate aircraft during 2014 includes only those occasions when his respective family members used the corporate aircraft on a previously scheduled Company-related business trip, and the value of the personal corporate aircraft use is not included in the All Other Compensation for 2014 table as permitted by SEC rules because there is no aggregate incremental cost to the Company for providing the benefit. Mr. Steele and Mr. Mullen did not use the corporate aircraft for personal benefit in 2014. Our executive officers are also allowed limited use of our corporate condominiums for personal purposes subject to the approval of the Chairman or the Vice Chairman & CEO. Mr. Leathers used the corporate condominium once in 2014, and the value of the personal corporate condominium use is not included in the All Other Compensation for 2014 table as permitted by SEC rules because there is no aggregate incremental cost to the Company for providing the benefit. None of the other Named Executive Officers used the corporate condominiums for personal benefit in 2014.
- Company Vehicle. We provide each Named Executive Officer (except Mr. Mullen) with one Company vehicle for business and personal use. We are responsible for paying the operating expenses of these vehicles, which include costs such as fuel, repairs and maintenance, insurance and licensing and registration. Mr. Mullen is paid a Company vehicle allowance in lieu of being provided a Company vehicle.

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- Medical Care Membership Program. We provide each Named Executive Officer (except Mr. Greg Werner) with membership in a medical care program for their personal healthcare. We believe such membership, which provides for an annual physical examination and unlimited direct access to a primary care physician, allows our Named Executive Officers to devote more time to our business and promotes the health and wellness of these key employees. We began offering this perquisite in July 2012.

Benefits. As discussed above in Perquisites, we believe our benefits are competitive and standard compared to those offered by companies in our industry and competitive peer group and are essential for retaining exceptional executives. In 2014, we offered the following benefits:

- Health and Welfare Benefits. Our Named Executive Officers are eligible to participate in our full range of health and welfare benefits, and are covered under the same plans and terms, that are offered to all of our full-time employees in the United States.
- 401(k) Plan. Our Named Executive Officers are eligible to participate in our 401(k) Retirement Savings Plan (the “401(k) Plan”). This plan allows participants to make pre-tax deferred salary contributions through payroll deductions, and the Company matches one-half of the first three percent of each participant’s contributions. Earnings on participant and Company contributions grow tax-deferred. Matching contributions are made to Named Executive Officers on the same terms as provided to our eligible U.S. employees. At their respective request, Mr. Gary Werner and Mr. Greg Werner do not receive a matching contribution from us for the 401(k) Plan. Matching contributions for our other Named Executive Officers are detailed under All Other Compensation for 2014.
- Employee Stock Purchase Plan. The Named Executive Officers may elect to participate in our Employee Stock Purchase Plan. Generally under this plan, a participant may acquire shares of our common stock at market price through payroll deduction, and the Company will match an amount equal to a specified percentage of each participant’s contributions. Such matching amounts are made to Named Executive Officers on the same terms as provided to our eligible employees. The All Other Compensation for 2014 section identifies matching amounts made for Named Executive Officers who participate in this plan.
- Executive Nonqualified Excess Plan. We offer participation in the Executive Nonqualified Excess Plan (the “nonqualified deferred compensation plan”) to key managerial employees because their 401(k) Plan contributions are limited under federal income tax rules applicable to highly compensated employees. We believe these executives should have other similar means of saving for retirement on a tax-deferred basis. Our nonqualified deferred compensation plan enables these highly compensated employees, including our Named Executive Officers, to contribute additional amounts on a tax-deferred basis, subject to annual dollar limits we impose. The nonqualified deferred compensation plan provisions allow the Company to make matching contributions; however, to date, we have elected not to make any such contribution. Our nonqualified deferred compensation plan is described further under Nonqualified Deferred Compensation for 2014.

Role of the Compensation Consultant. In 2014, our Compensation Committee directly retained and engaged Pay Governance as its compensation consultant. Pay Governance is an independent outside executive compensation consulting firm that assists our Compensation Committee, as requested, in fulfilling certain tasks and responsibilities prescribed in its charter. Pay Governance reports and provides services only to our Compensation Committee, although Pay Governance may work in cooperation with management only as required to carry out its obligations to the Compensation Committee. Without the Compensation Committee’s prior approval, Pay Governance will not perform any services for us or our management.

Our Compensation Committee typically seeks market analysis and information from Pay Governance prior to reviewing and deciding executive compensation. This information includes compensation trends and practices in our industry, competitive peer companies, historical compensation statistics and market survey data. Pay Governance also provides general guidance on our executive compensation program and awards, but the consultant does not determine or recommend any amounts or forms of compensation for any of our executive officers or directors.

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Competitive Peer Groups and Benchmarking. Each year, our Compensation Committee reviews the general criteria and recommendations for the addition or removal of companies in our competitive peer group. The criteria include but are not limited to market capitalization, revenues, net income and industry of operation. Upon applying these criteria, the Compensation Committee selected our peer group, which is comprised of 15 companies in the transportation and logistics services industry with whom we compete for executive talent. Although our Compensation Committee may modify the peer group when appropriate, the Compensation Committee prefers to keep the group substantially consistent from year to year to produce more consistent and useful executive compensation benchmarking.

Our competitive peer group for 2014 is shown in the table below. The only change from our 2013 competitive peer group was the deletion of Pacer International because it was acquired by XPO Logistics during 2014.

2014 COMPETITIVE PEER GROUP

ArcBest (formerly Arkansas Best)	Heartland Express	Marten Transport
Celadon Group	Hub Group	Old Dominion Freight Line
C.H. Robinson Worldwide, Inc.	J.B. Hunt Transport Services	Saia
Con-Way	Knight Transportation	Swift Transportation Company
Covenant Transportation Group, Inc.	Landstar System	Universal Truckload Services, Inc.

Our net income, market capitalization and revenues were at the 61st percentile, 48th percentile and 48th percentile, respectively, compared to our competitive peer group. Each element of compensation and total direct compensation is compared against the 25th percentile, median and the 75th percentile of this peer group. However, while we may be guided by such data, we do not set compensation levels at targeted or specific levels relative to that of a particular peer, competitor or industry group.

In 2014, the Compensation Committee utilized a second peer group (executive chairman peer group) for evaluating the executive Chairman position of Gary Werner. This second peer group is comprised of publicly traded companies in the S&P MidCap 400® index that have a similar non-CEO executive chairman position. We use this second peer group due to the lack of prevalence of executive chairman positions in our competitive peer group. This peer group for 2014 is shown in the table below. Companies new to the peer group are marked with an asterisk and replace the following companies which no longer have a non-CEO executive chairman position: Atmos Energy Corp.; FTI Consulting, Inc.; Lender Processing Services, Inc.; and MSC Industrial Direct Co., Inc.

2014 EXECUTIVE CHAIRMAN COMPETITIVE PEER GROUP

AMC Networks, Inc.	Lincoln Electric Holdings, Inc. *	Rollins, Inc.
Cinemark Holdings, Inc.	Mercury General Corporation	Service Corporation International
Compuware Corporation *	Old Dominion Freight Line	Signature Bank
Extra Space Storage, Inc. *	Packaging Corp. of America	SI Green Realty Bank
Federated Investors, Inc. *	Patterson UTI Energy, Inc.	Toll Brothers, Inc.
J.B. Hunt Transport Services		

Our Compensation Committee determined the executive Chairman's total direct compensation should be compared to the median of the executive chairman peer group because our revenues were at the 44th percentile of the revenues of the companies included within the executive chairman peer group.

The Compensation Committee refers to a competitive market analysis and market data provided by Pay Governance when it reviews and determines executive compensation for the year. The market analysis incorporates the market data and reflects compensation levels and practices for executives holding similar positions at companies within our peer groups, which helps our Compensation Committee determine executive compensation at competitive levels. In 2014, Pay Governance prepared such an analysis for the Compensation Committee. The Compensation Committee then compares three of our executive compensation elements (base salary, annual cash bonus and long-term incentive compensation) to amounts paid for similar executive positions among those companies in our peer groups. The Compensation Committee also compares total annual cash and total direct compensation to that paid in our peer groups. (Total direct compensation includes base salary, cash bonuses and long-term incentive compensation.) The

Compensation Committee reviews compensation practices and levels at peer companies during the executive compensation decision-making process so that the Compensation Committee can determine compensation levels in an informed manner and at levels the Compensation Committee believes are reasonably competitive.

The Compensation Committee does not attempt to set compensation elements for each executive to meet specific benchmarks based on peer group data. Instead, we consider these comparisons as one factor in determining executive compensation levels. Generally, the Compensation Committee reviews total compensation levels annually and makes adjustments when job responsibilities, individual performance or market data warrants such modifications. Actual total compensation can vary from year to year based on Company and individual performance.

Compensation Determination Process. The Compensation Committee makes all annual compensation decisions for our Named Executive Officers. Additionally, the Vice Chairman & CEO may also modify compensation for certain executives within the Compensation Committee parameters described below.

When determining total compensation, we apply a consistent approach for all Named Executive Officers. The structure and levels of our executive compensation program are determined, in large part, by considering all elements of compensation, rather than only a few components in isolation. Our Compensation Committee evaluates each element individually and also takes into account the position and current total direct compensation of the individual being considered. The Compensation Committee’s determination of compensation levels for our Named Executive Officers therefore differs depending upon these factors. Our Compensation Committee also exercises appropriate business judgment in how it applies these standard approaches to the facts and circumstances involving each respective Named Executive Officer.

The Compensation Committee determines each component of a Named Executive Officer’s compensation based on its collective assessment of the officer’s performance, the Company’s overall financial performance and recommendations of our Vice Chairman & CEO. Our Compensation Committee may also request executive compensation guidance and advice from an independent outside consultant (such as Pay Governance) when deciding compensation for our Named Executive Officers. In addition to the factors and information described above, our Compensation Committee also considers and determines the compensation of our Named Executive Officers as follows:

Compensation of All Named Executive Officers. The Compensation Committee meets annually (near the end of the year) to review the compensation of our Named Executive Officers. Each year, the Compensation Committee reviews each element of executive compensation and how such elements relate to the total direct compensation, executive position and related responsibilities of each Named Executive Officer. As part of this annual process, the Compensation Committee also examines how such elements are reflected in competitive executive compensation market data when determining annual pay opportunities. Generally, the amount of compensation realized or potentially realizable does not directly impact the level at which future pay opportunities are set, but such amount is considered by the Compensation Committee. The Compensation Committee also meets during the first quarter of each year to determine the level of attainment of prior year performance objectives as they relate to the grant of performance stock in the prior year and to consider granting new performance stock for the current year and setting performance objectives related to any such grant.

Compensation of Chairman and Vice Chairman & CEO. Our Compensation Committee assesses the executive compensation information for our peer groups compiled by the independent outside consultant (Pay Governance) when developing compensation packages for our Chairman and our Vice Chairman & CEO. Upon reviewing such information, the Compensation Committee then meets in executive session and determines a compensation package for each of these particular officers based on how the elements of executive compensation apply to the individual and the related factors described above. These factors generally include each individual’s job performance, responsibilities and the scope of their position, compensation history, leadership and our financial and operating performance and stockholder return. In evaluating such factors, the Compensation Committee does not apply specific performance criteria, formulas or pre-determined targets to calculate compensation, except for the use of performance objectives related to the granting of performance stock. We believe this approach reinforces our program objectives because compensation determinations are based on and underscore overall Company performance achieved by our executive officer team, led in large part by the Chairman and the Vice Chairman & CEO. The Vice Chairman & CEO's compensation is best reflected by the overall performance and achievements of the Company, and the Compensation Committee believes this practice is appropriate because the Vice Chairman & CEO is responsible for the financial performance of the entire Company. Our Chairman and our Vice Chairman & CEO are also eligible for all of the same compensation programs, perquisites and benefits as our other Named Executive Officers.

Our Chairman and our Vice Chairman & CEO do not participate in the Compensation Committee's deliberations or decisions with regard to his own respective compensation or the compensation of any other such Named Executive Officer having the title of Chairman or of Vice Chairman & CEO.

Compensation of Other Named Executive Officers. The Compensation Committee reviews the competitive market compensation data for our peer group compiled by the independent outside consultant (Pay Governance) each year. Upon doing so, our Compensation Committee establishes cash compensation "pay ranges" (inclusive of base salary and annual cash bonus) according to job title (such as Senior Executive Vice President and Executive Vice President). As explained in the Compensation Committee section within Corporate Governance, the Compensation Committee delegated certain authority to our Vice Chairman & CEO that permits him to adjust the base salaries of the other Named Executive Officers. The Vice Chairman & CEO does not have authority to modify his own base salary or that of the Chairman. After our Compensation Committee defines the cash compensation pay ranges, the Vice Chairman & CEO may then make changes to the other Named Executive Officer base salaries during the following year, provided such changes are within the parameters of the pay ranges designated by the Compensation Committee. Any proposed changes that do not fall within the established pay ranges require the approval of the Compensation Committee before any such changes become effective. At the Compensation Committee's annual compensation review meeting, the Vice Chairman & CEO presents to our Compensation Committee his year-end total cash compensation recommendations for the other Named Executive Officers, and such recommendations include any base salary changes made by the Vice Chairman & CEO during the year. Our Compensation Committee then reviews and approves such recommendations. (For example, our Compensation Committee established cash compensation pay ranges in December 2014 for fiscal year 2015. The Vice Chairman & CEO has delegated authority to modify base salaries throughout 2015 within these ranges, if necessary. In November or December 2015, the Compensation Committee will review the Vice Chairman & CEO's total cash compensation recommendations for the other Named Executive Officers, and such recommendations will include these base salary changes.) During 2014, our Vice Chairman & CEO did not make any increases to the other Named Executive Officer base salaries using this delegated authority.

After conducting its review of our peer group's compensation data, the Compensation Committee also evaluates and approves the annual cash bonus and long-term incentive compensation for the other Named Executive Officers. In making such determinations, the Compensation Committee considers the relevant factors and compensation elements, including each Named Executive Officer's position and related responsibilities and overall individual and Company performance and achievements. Our Compensation Committee determines annual cash bonus compensation near the end of the fiscal year. Beginning in 2014, the Compensation Committee determines annual performance-based long-term incentive compensation for the Named Executive Officers during the first quarter of the year so that it may set current year performance goals for the grants.

Our Vice Chairman & CEO participates in the Compensation Committee's discussions regarding the compensation and performance of the other Named Executive Officers. The Compensation Committee values the Vice Chairman & CEO's evaluation of the other executives because he has direct knowledge of each person's performance and contributions to the Company. The Vice Chairman & CEO's recommendations are influenced by factors such as overall Company financial and operating performance, individual performance, stockholder return, compensation history and executive officer retention. Our Compensation Committee also contemplates such factors during the compensation determination process. Prior to the Compensation Committee's discussions, the Vice Chairman & CEO may seek and consider input from the Chairman Emeritus and Chairman. However, other than the Vice Chairman & CEO, no other Named Executive Officer participates in the executive compensation discussions of the Compensation

Committee.

Risk Management Related to Compensation. When reviewing and implementing the executive compensation program, the Company and our Compensation Committee formulate and adhere to certain practices that ensure consistent leadership and decision-making among our executive officers. The Compensation Committee assesses whether our program and practices are reasonably likely to have a material adverse effect on the Company and concluded they do not. The Compensation Committee does not believe our executive compensation program and practices are designed to promote or encourage unreasonable risk for the following reasons:

- Base salaries are fixed amounts determined on an annual basis and are established after a broad range of factors (rather than specific performance measures) are considered.
- Annual cash bonuses represent a significant portion of our executive officers' total cash compensation and is awarded under our discretionary annual cash bonus program. The discretionary nature of the program allows for determinations of executive officer annual cash bonuses to be based on several factors, as discussed under Annual Cash Bonus in the Elements of Executive Compensation section of this Proxy Statement. While annual cash bonuses generally reward short-term performance and achievements, this compensation also contributes to our long-term success by motivating executive officers to better our overall results and business.
- We generally consider and apply the same factors for our annual cash bonus program for the Named Executive Officers, other executive and non-executive officers, management and non-executive employees.
- Long-term incentive compensation is important to further aligning our executive officers' interests with those of our stockholders, and it balances short- and long-term decision-making by our executives. Most of our stock awards have service-based or long-term vesting schedules, and the financial opportunity is realized through appreciation of our stock price over several years.
- The vesting and exercising of stock awards granted under our Equity Plan may be prohibited if an executive officer is terminated for cause or under other circumstances as provided in the Equity Plan.
- Our executives have significant stock ownership in the Company. With respect to their stock ownership, our executive officers could lose significant value if our stock price was exposed to unreasonable risk.
- Annual cash bonuses and long-term incentive compensation awards are not assured each year.

When structuring overall compensation practices for our non-executive employees, we consider whether our practices incentivize unreasonable risk-taking behavior and could consequently impact our risk management and oversight. We also evaluate the mix of pay and the elements of our executive compensation program as they apply to employees generally. Our non-executive employee compensation practices are reviewed in the context of current and significant risks to determine if the practices encourage or induce employees to take unreasonable risks, and we also take into account our other policies and procedures that operate to monitor and deter unreasonable risk (such as disciplinary or record-keeping policies). Management also notifies our Board of significant and across-the-board modifications to employee compensation practices. We concluded that our non-executive employee compensation practices do not encourage risks that are reasonably likely to have a material adverse effect on us.

Other Executive Compensation Policies and Considerations.

Stock Grant Practices. Under our Equity Plan, the Compensation Committee may grant stock options, SARs, restricted stock, restricted stock units (RSUs) and performance stock to our executive officers and non-employee directors. We do not have an annual equity program, and the Equity Plan does not require us to grant equity awards on an annual or otherwise regular basis. Therefore, our Compensation Committee does not grant equity awards on any pre-determined grant date, although the Compensation Committee did in the past consider the granting of equity awards to Executive Officers at its regular year-end meeting. With the Compensation Committee's change to the use of performance stock for the executive officers, the Compensation Committee in 2014 began having a regular meeting in the first quarter of the year to consider the granting of performance stock which allows for the setting of appropriate performance goals. The grant date is generally the same date as the meeting at which the Compensation Committee decides to grant equity awards. The Compensation Committee also considers the timing of such decisions to ensure that awards occur when neither the recipient nor the Compensation Committee possess material nonpublic information.

Pursuant to our Equity Plan, the purchase price of the common stock under each stock option is equal to the closing market price of our common stock on the date the option is granted. We do not necessarily consider the realized or unrealized value of prior stock option awards when determining the target economic value of new stock option awards because each grant is awarded as an incentive to drive future stockholder return. For stock options granted prior to the May 2007 Equity Plan amendments, the purchase price of the common stock under each option was equal to the closing market price of our common stock on the day prior to the date of grant. Restricted stock and performance stock is awarded at no cost to the recipient.

Our Compensation Committee also establishes the vesting period for each grant. We have not granted any stock options to Named Executive Officers since 2007. All outstanding stock options granted to our Named Executive Officers vest over a six-year period and expire after ten years.

The restricted stock and performance stock granted by the Compensation Committee is subject to a service-based vesting schedule. All currently outstanding awards of restricted stock and performance stock vest annually in five equal installments beginning on either (i) the third anniversary of the grant date (2009 and 2010 grants) or (ii) the first anniversary of the grant date (2011-2015 grants). None of our restricted or performance stock awards give the recipient any voting or dividend rights until such stock vests, nor do they have any post-vesting sales restrictions.

Our Equity Plan also permits the Compensation Committee to grant SARs and RSUs to our executive officers and non-employee directors. No such awards of SARs or RSUs were granted to executive officers or non-employee directors in 2014, nor have any SARs or RSUs been granted at any other time to executive officers or non-employee directors.

Please refer to the preceding Long-Term Incentive Compensation section for additional details regarding equity compensation determinations. The Summary Compensation Table and Grants of Plan-Based Awards for 2014 table also provide information regarding equity compensation awarded to our Named Executive Officers.

Executive Stock Ownership. Although we do not have formal stock ownership guidelines or requirements for our executive officers, our executive officers as a group beneficially own 8% of the outstanding shares of our common stock. As discussed in this Proxy Statement, our Equity Plan permits us to grant nonqualified stock options, SARs, restricted stock, RSUs and performance stock to executive officers. Our executive officers may also increase their stock ownership by electing to participate in our Employee Stock Purchase Plan, as discussed under Benefits. The maximum annual contribution level for all employees is $20,000. The individual stock ownership of our Named Executive Officers is provided in the Beneficial Ownership table.

Tax Deductibility of Executive Compensation; Accounting Considerations. The Compensation Committee reviews estimated tax and accounting (pro forma expense) projections and implications and how these factors impact the material elements of our executive compensation program. Generally, executive compensation is accrued as expense over the requisite service period related to the particular compensation element (this period is typically equal to the performance period of the executive officer), and we realize a tax deduction upon the payment of the compensation to the executive.

Section 162(m) of the Internal Revenue Code prevents us from taking a tax deduction, in any one taxable year, for non-performance-based compensation in excess of $1 million paid to the CEO and the three next highest compensated executive officers (other than the CFO). We collectively refer to these executives as the “covered employees.” Certain compensation of the covered employees is specifically exempt from the deduction limit to the extent that such compensation does not exceed $1 million during any fiscal year or is “performance-based” as defined in Section 162(m). The Compensation Committee carefully considers and monitors the effect of Section 162(m) on our executive compensation program and will structure executive compensation to preserve its tax deductibility under Section

162(m) while maintaining our ability to attract, motivate and retain high-quality executive officers. The Compensation Committee also believes there are circumstances where the interests of the Company and our stockholders are best served by maintaining flexibility in the manner compensation is provided. In those events, the

Compensation Committee may, at its discretion, approve payments of nondeductible compensation if the Compensation Committee believes the circumstances warrant such payments. Gary Werner, Greg Werner and Derek Leathers had $643,962, $918,523 and $445,548, respectively, of compensation paid in 2014 that was not deductible under Section 162(m).

EMPLOYMENT ARRANGEMENTS

Each of our Named Executive Officers and other executive officers has been an employee of the Company for at least ten years, with the exception of Mr. Mullen, who joined the Company in 2006. None of our Named Executive Officers has any type of written employment agreement with us.

ARRANGEMENTS AND POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Termination. None of our Named Executive Officers for 2014 has a severance agreement or severance benefit arrangement with us. We do not provide for incremental compensation or special treatment for incentive compensation in the event of a Named Executive Officer's voluntary termination (such as resignation or retirement), termination for cause or disability.

Change in Control. None of our Named Executive Officers has a change in control agreement with us, and we do not currently provide for incremental compensation or special treatment for incentive compensation related to a change in control except under the stockholder-approved Equity Plan, as described below.

Potential Benefits Payable Under the Equity Plan. Our Equity Plan permits the vesting of outstanding equity awards upon certain termination or resignation actions following a change in control. The Equity Plan provides that if a Named Executive Officer is terminated other than for "cause" or voluntarily resigns for "good reason" within the period beginning upon a change in control and ending on the second anniversary of the change in control, then (i) all outstanding stock options and SARs will become fully exercisable and (ii) all conditions, performance objectives and restrictions (other than those imposed by law) on outstanding restricted stock, RSUs and performance stock will be deemed satisfied as of the executive officer's employment termination date. "Cause," "good reason" and "change in control" are defined in the current stockholder-approved version of the Equity Plan.

The following Potential Benefits Payable Under the Equity Plan table shows the potential benefits payable to each Named Executive Officer due to the occurrence of either the termination or resignation event described in the Equity Plan. The amounts of the potential benefits represent the estimated value of all unvested equity awards that would fully vest upon either event, assuming such event occurred on December 31, 2014 (the last day of our fiscal year) and a stock price of $31.15 per share, which was the NASDAQ closing market price of our common stock on the same date. These amounts are the same for both events and are reflected in the "Potential Benefit" column.

POTENTIAL BENEFITS PAYABLE UNDER THE EQUITY PLAN

Name	Number of Unvested Shares Vesting		Potential Benefit ($)[1]
Gary L. Werner	111,000	(Restricted Stock)	3,457,650
Gregory L. Werner	111,000	(Restricted Stock)	3,457,650
Derek J. Leathers	99,000	(Restricted Stock)	3,083,850
John J. Steele	23,200	(Restricted Stock)	722,680
James A. Mullen	27,200	(Restricted Stock)	847,280

(1) Shares of restricted stock do not have an exercise price, thus the potential benefit was calculated using only the $31.15 closing market price on December 31, 2014. The potential benefit at December 31, 2014 includes $280,350 each for Gary Werner, Greg Werner, and Mr. Leathers and $56,070 each for Mr. Steele and Mr. Mullen, for performance stock which became vested on February 10, 2015.

REPORT OF THE COMPENSATION COMMITTEE

The following report of the Compensation Committee shall not be deemed to be “soliciting material” or to otherwise be considered “filed” with the U.S. Securities and Exchange Commission, nor shall this report be subject to Regulation 14A (other than as indicated) or to the liabilities set forth in Section 18 of the Securities Exchange Act of 1934. This report shall not be deemed to be incorporated by reference into any prior or subsequent filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates it by reference or treats it as soliciting material.
In conjunction with the preparation of the Annual Report on Form 10-K for 2014 of Werner Enterprises, Inc. (the “Company”) and this Proxy Statement for the Annual Meeting of Stockholders to be held May 12, 2015, the Compensation Committee has reviewed and discussed with management the foregoing Compensation Discussion and Analysis section (required by Item 402(b) of Regulation S-K of the U.S. Securities and Exchange Commission) of this Proxy Statement.

Based on such review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis section be included in this Proxy Statement and incorporated by reference into the Company’s Annual Report on Form 10-K for 2014.
Patrick J. Jung, Chair
Kenneth M. Bird, Ed.D.
Dwaine J. Peetz, Jr., M.D.

SUMMARY COMPENSATION TABLE

The Summary Compensation Table presents all elements of compensation for our Named Executive Officers for 2012, 2013 and 2014 as follows:
- Salary: Refers to Base Salary.
- Bonus: Refers to Annual Cash Bonus.
- Stock Awards: Refers to the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 (Compensation – Stock Compensation).
- All Other Compensation: Represents the aggregate amount of:

(i)Perquisites and other personal benefits having an aggregate value in excess of $10,000;
(ii)Matching Company contributions to the 401(k) Plan;
(iii)Tax reimbursements; and
(iv)Matching Company contributions under the Employee Stock Purchase Plan.

You should read the Summary Compensation Table in conjunction with the Compensation Discussion and Analysis section and the tables and narrative descriptions that follow. Executive deferrals to our 401(k) Plan and nonqualified deferred compensation plan are included in the appropriate column (typically the “Salary" and/or "Bonus” columns) for which the compensation was earned.

The “Non-Equity Incentive Plan Compensation” and “Option Awards” columns are omitted from the Summary Compensation Table because we did not make any of these awards in 2012, 2013 or 2014. We have also removed the “Nonqualified Deferred Compensation Earnings” column from the Summary Compensation Table because none of the earnings on the nonqualified deferred compensation balances of our Named Executive Officers were above-market or preferential earnings.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary	Bonus ($)(1)	Stock Awards ($)(2)	All Other Compensation($)(3)	Total ($)
Gary L. Werner – Chairman	2014	505,000	300,000	1,127,583	37,392	1,969,975
	2013	505,000	300,000	—	36,176	841,176
	2012	505,000	300,000	852,000	30,829	1,687,829
Gregory L. Werner – Vice Chairman & CEO	2014	720,000	350,000	1,127,583	40,043	2,237,626
	2013	720,000	350,000	—	35,631	1,105,631
	2012	720,000	350,000	852,000	30,067	1,952,067
Derek J. Leathers – President & COO	2014	519,000	320,000	1,127,583	39,543	2,006,126
	2013	519,000	320,000	—	41,476	880,476
	2012	519,000	320,000	905,600	41,433	1,786,033
John J. Steele –	2014	235,000	115,000	225,517	20,396	595,913
Executive Vice President,	2013	235,000	115,000	—	20,997	370,997
Treasurer & CFO	2012	235,000	115,000	170,400	17,283	537,683
James A. Mullen –	2014	350,000	130,000	225,517	16,521	722,038
Executive Vice President and	2013	350,000	110,000	—	18,344	478,344
General Counsel	2012	350,000	110,000	191,700	15,710	667,410

(1) Annual cash bonus awards are made under the annual cash bonus program. Bonuses reported in this column were awarded by the Compensation Committee on December 1, 2014; December 2, 2013; and November 29, 2012, respectively.

(2) The stock awards reported in this column and the associated valuation assumptions are also disclosed in the Grants of Plan-Based Awards for 2014 table. The Outstanding Equity Awards at December 31, 2014 tables include the stock awards reported in this column. The stock awarded in 2014 was subject to performance conditions and represents 100% of the target award, which was the level that was attained. If the highest level of performance had been achieved, the value of the 2014 stock awards would have been: Gary Werner - $1,503,444; Greg Werner - $1,503,444; Mr. Leathers - $1,503,444; Mr. Steele - $300,689; and Mr. Mullen - $300,689.

(3) Refer to the All Other Compensation for 2014 table for a more detailed explanation of the compensation reported in this column.

ALL OTHER COMPENSATION FOR 2014

The table below shows the components of "all other compensation" provided in 2014 to the Named Executive Officers, as reported in the preceding Summary Compensation Table.

ALL OTHER COMPENSATION FOR 2014

Name	Perquisites & Other Personal Benefits ($)		Tax Reimbursements ($)(1)	Company Contributions to 401(k) Plan ($)	Company Contributions to Employee Stock Purchase Plan ($)	Severance Payments/ Accruals ($)(2)	Total ($)
Gary L. Werner	22,813	(3)	14,579	—	—	—	37,392
Gregory L. Werner	24,946	(4)	15,097	—	—	—	40,043
Derek J. Leathers	19,363	(5)	15,084	1,852	3,244	—	39,543
John J. Steele	11,221	(6)	5,197	1,544	2,434	—	20,396
James A. Mullen	13,050	(7)	—	1,851	1,620	—	16,521

(1) The amounts reported in this column are the tax gross-ups for Company vehicle use for Gary Werner and Greg Werner and Mr. Steele. The amount reported for Mr. Leathers represents tax gross-ups of $11,479 for Company vehicle use, $2,090 for personal use of the corporate aircraft and $1,515 for personal use of corporate condominium.

(2) In 2014 we did not, and do not currently, have any employment, termination or change in control arrangements with any of the Named Executive Officers.

(3) Perquisites and personal benefits include $15,902 for use of one Company vehicle; $4,661 for legal and income tax preparation services; and $2,250 for personal medical care membership program.

(4) Perquisites and personal benefits include $16,446 for use of one Company vehicle; $6,500 for legal and income tax preparation services; and a $2,000 years-of-service award.

(5) Perquisites and personal benefits include $12,649 for use of one Company vehicle; $3,714 for Company-paid country club membership; $2,250 for personal medical care membership program; and a $750 years-of-service award.

(6) Perquisites and personal benefits include $7,721 for use of one Company vehicle; $2,250 for personal medical care membership program; and a $1,250 years-of-service award.

(7) Perquisites and personal benefits include $10,800 for Company car allowance and $2,250 for personal medical care membership program.

Our contributions on behalf of the Named Executive Officers to the 401(k) Plan and Employee Stock Purchase Plan, as well as the years-of-service awards, are made on the same terms as provided to all of our eligible employees in the United States. In addition to the above-mentioned compensation, the Named Executive Officers also participated in voluntary health and welfare benefit programs that are available for all eligible U.S. employees.

GRANTS OF PLAN-BASED AWARDS FOR 2014

The following Grants of Plan-Based Awards for 2014 table sets forth information regarding performance stock, restricted stock and stock option awards granted to Named Executive Officers under our Equity Plan during 2014. Columns required by the SEC regulations are omitted where there is no amount to report or such column is inapplicable for all of the Named Executive Officers. The stock awards reported in the following table are also disclosed in the Summary Compensation Table and Outstanding Equity Awards at December 31, 2014 tables and therefore do not constitute additional compensation not otherwise reported in this Proxy Statement.

GRANTS OF PLAN-BASED AWARDS FOR 2014

		Estimated future payouts under equity incentive plan awards[(1)]			Grant Date Fair Value of Stock and
Name	Grant Date	Threshold (#)	Target (#)	Maximum (#)	Option Awards ($)[(2)]
Gary L. Werner	02/10/2014	30,000	45,000	60,000	1,127,583
Gregory L. Werner	02/10/2014	30,000	45,000	60,000	1,127,583
Derek J. Leathers	02/10/2014	30,000	45,000	60,000	1,127,583
John J. Steele	02/10/2014	6,000	9,000	12,000	225,517
James A. Mullen	02/10/2014	6,000	9,000	12,000	225,517

(1) The earnings per diluted share performance objectives were as follows: Threshold - $0.94, Target - $1.34 and Maximum - $1.74. There were also two additional levels of attainment possible between the Threshold and the Target and between the Target and the Maximum. Earnings per diluted share below $0.94 would have resulted in the earning of zero shares. The grant does not allow for proration of shares between attainment levels.

(2) The fair value of the Performance Stock is based upon the market price of the underlying common stock on the grant date, reduced by the present value of estimated future dividends because the award is not entitled to receive dividends prior to vesting. The present value of estimated future dividends was calculated based on a $0.05 quarterly dividend amount per share and 1.5% risk-free interest rate. Further discussion of the valuation and assumptions regarding our stock awards is provided in Note 7 of our Consolidated Financial Statements in our Annual Report on Form 10-K for 2014.

The Performance Stock is earned based upon the level of attainment by the Company of specified earnings per diluted share performance objectives for the fiscal year ended December 31, 2014, as established by the Compensation Committee. The number of shares that could ultimately be earned ranged from 0 percent to 133 percent of the target amount stated in each executive's award agreement based on the level of attainment of the performance objectives. On February 10, 2015, the Compensation Committee certified that the Company's earnings per diluted share for 2014 of $1.36 resulted in the Performance Stock being earned at the target level. The Performance Stock earned will vest, subject to continued employment, in five annual increments of 20% each beginning February 10, 2015 (one year after the grant date). The awards will become fully vested on February 10, 2019.

OUTSTANDING EQUITY AWARDS AT 2014 YEAR-END

The tables that follow present information regarding all outstanding equity awards held by each of the Named Executive Officers as of December 31, 2014. The stock option, restricted stock and performance stock awards disclosed in these tables were granted under our long-term incentive program. Awards reported in these tables with grant dates before 2012 are not disclosed in the Summary Compensation Table and therefore constitute additional compensation not otherwise reported in this Proxy Statement; restricted stock and performance stock awards with grant dates in 2012 and 2014 are also disclosed in the Summary Compensation Table.

Stock option, restricted stock and performance stock awards are all contingent upon the recipient's continued employment with the Company through each vesting date. If the recipient's employment with us is terminated, each portion of an award for which the vesting date has not occurred will be forfeited pursuant to our Equity Plan and the recipient's award agreement.

OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2014
Option Awards

Name	Grant Date	Number of Securities Underlying Unexercised Options: (#) Exercisable	Number of Securities Underlying Unexercised Options: (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($/Sh)[(1)]	Option Expiration Date
Gary L. Werner		—	—	—	—	—
Gregory L. Werner		—	—	—	—	—
Derek J. Leathers	11/29/2007	25,000	—	—	17.18	11/30/2017
John J. Steele	11/29/2007	15,000 [(2)]	—	—	17.18	11/30/2017
James A. Mullen		—	—	—	—	—

(1) Pursuant to our Equity Plan, the exercise price is equal to the closing market price on the date of grant.

(2) In February 2015, Mr. Steele exercised 15,000 stock options that were vested and exercisable at December 31, 2014.

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OUTSTANDING EQUITY AWARDS AT DECEMBER 31, 2014
Stock Awards

Name	Grant Date	Number of Shares or Units of Stock That Have Not Vested (#)		Market Value of Shares or Units of Stock That Have Not Vested ($)(1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)		Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
Gary L. Werner	12/01/2009	12,000	(2)	373,800	—		—
	11/30/2010	18,000	(3)	560,700	—		—
	11/28/2011	12,000	(4)	373,800	—		—
	11/29/2012	24,000	(5)	747,600	—		—
	02/10/2014	—		—	45,000	(7)	1,401,750
Gregory L. Werner	12/01/2009	12,000	(2)	373,800	—		—
	11/30/2010	18,000	(3)	560,700	—		—
	11/28/2011	12,000	(4)	373,800	—		—
	11/29/2012	24,000	(5)	747,600	—		—
	02/10/2014	—		—	45,000	(7)	1,401,750
Derek J. Leathers	12/01/2009	12,000	(2)	373,800	—		—
	11/30/2010	18,000	(3)	560,700	—		—
	07/27/2012	24,000	(6)	747,600	—		—
	02/10/2014	—		—	45,000	(7)	1,401,750
John J. Steele	12/01/2009	4,000	(2)	124,600	—		—
	11/30/2010	3,000	(3)	93,450	—		—
	11/28/2011	2,400	(4)	74,760	—		—
	11/29/2012	4,800	(5)	149,520	—		—
	02/10/2014	—		—	9,000	(7)	280,350
James A. Mullen	12/01/2009	4,000	(2)	124,600	—		—
	11/30/2010	6,000	(3)	186,900	—		—
	11/28/2011	2,800	(4)	87,220	—		—
	11/29/2012	5,400	(5)	168,210	—		—
	02/10/2014	—		—	9,000	(7)	280,350

(1) Market value is calculated by multiplying the number of restricted stock shares that have not vested by the closing market price of our common stock ($31.15 per share) on December 31, 2014 (the last trading day of our fiscal year).
(2) Remaining restricted stock vests in two equal installments on December 1, 2015 and 2016.
(3) Remaining restricted stock vests in three equal installments on November 30, 2015, 2016 and 2017.
(4) Remaining restricted stock vests in two equal installments on November 28, 2015 and 2016.
(5) Remaining restricted stock vests in three equal installments on November 29, 2015, 2016 and 2017.
(6) Remaining restricted stock vests in three equal installments on July 27, 2015, 2016 and 2017.
(7) The number of shares and market value for Performance Stock granted February 10, 2014 is reported at the target level, which is the level achieved for the year ended December 31, 2014 and certified by the Compensation Committee on February 10, 2015. Once earned, the shares vest annually in five equal installments, the first of which occurred on February 10, 2015 (one year from grant date), and the remaining shares vest in four equal installments on February 10, 2016, 2017, 2018 and 2019.

OPTION EXERCISES AND STOCK VESTED FOR 2014

The following Stock Option Exercises and Stock Vested for 2014 table provides information regarding (i) stock options that were exercised by our Named Executive Officers and (ii) shares of restricted stock that vested during 2014. The value realized on exercise of stock options and the value realized on vesting of stock awards reflect the total pre-tax value realized by the Named Executive Officers. The value realized on exercise of stock options is calculated by subtracting the aggregate exercise price of the exercised options from the aggregate market value of the shares of common stock acquired on the exercise date. The number of shares and value realized on exercise of stock options includes shares sold to pay the exercise price and applicable withholding taxes. The value realized on vesting of stock awards is the aggregate market value of the shares of common stock on the date the shares became vested. The number of shares and value realized on vesting of stock awards includes shares that were withheld at the time of vesting to satisfy tax withholding requirements.

STOCK OPTION EXERCISES AND STOCK VESTED FOR 2014

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)
Gary L. Werner	—	—	26,000	802,980
Gregory L. Werner	—	—	26,000	802,980
Derek J. Leathers	37,500	353,439	20,000	571,020
John J. Steele	35,000	305,827	5,800	178,736
James A. Mullen	10,000	83,470	7,200	222,164

NONQUALIFIED DEFERRED COMPENSATION FOR 2014

We established a nonqualified deferred compensation plan in 2005 for eligible key employees whose 401(k) Plan contributions were limited by IRS regulations affecting highly compensated employees. This plan is subject to the requirements of Section 409A of the Internal Revenue Code and is administered in good faith compliance with Section 409A.

The nonqualified deferred compensation plan also permits us to make matching contributions to participant accounts. We did not make any such matches in 2014 and have not done so since adopting the plan.

Deferrals. Under the nonqualified deferred compensation plan, eligible employees are permitted to defer a portion of their base salary on a pre-tax basis. Beginning on January 1, 2010, participants were also permitted to defer amounts from annual cash bonuses. Such deferred amounts must be within the annual dollar limitations we establish. Through December 31, 2008, the annual dollar limitations were determined so that the combined sum of a highly compensated participant's 401(k) Plan contributions and nonqualified deferred compensation plan contributions would approximate the maximum contribution amount available to non-highly compensated employees who participate in the 401(k) Plan. Beginning January 1, 2009, certain participants were allowed to defer combined amounts that exceed the maximum 401(k) Internal Revenue Code deferral limits for non-highly compensated employees. Prior to the enrollment period for the next year, management establishes maximum deferral limits that correspond to participants' job titles (such as Senior Vice President or Vice President). The maximum deferral limits for the 2014 nonqualified deferred compensation plan year ranged from $9,000 to $54,000 and will remain unchanged for the 2015 plan year. The maximum deferral limit for each of the Named Executive Officers was $54,000 for the 2014 plan year and is $54,000 for the 2015 plan year.

Earnings. Each participant in the nonqualified deferred compensation plan selects one or more investment funds available under the plan in which their contributed amounts of deferred compensation are deemed to be invested.

Deferred compensation accounts will then accrue earnings based on the return of the selected investment funds. The participant may change how their deferred compensation is allocated to the investment funds at any time, subject to limitations imposed by the plan. Changes generally become effective as of the first trading day following the change. We do not pay preferential earnings or guarantee above-market earnings on any investments made under the plan. Any appreciation or depreciation in a plan participant's account is due solely to the participant's contributions and the underlying performance of the investment funds selected by the participant.

Distributions and "In Service" Withdrawals. At the time of making their deferral election for the year, a participant elects under his salary deferral agreement whether the resulting deferred compensation will be distributed to him in annual installments or a lump sum. Distributions are made after the executive officer's retirement or termination from the Company. Participants who separate from service with the Company (as described in the plan) will generally not receive distributions from the plan until 12 months after the separation date. Under certain circumstances, participants may also elect to receive scheduled or hardship "in service" withdrawals while still employed with us. The specific distribution options in this case depend upon the plan provisions. None of our Named Executive Officers received distributions or "in service" withdrawals during 2014.

The Nonqualified Deferred Compensation for 2014 table below presents the following information related to our nonqualified deferred compensation plan and Named Executive Officer participants:

- Executive Contributions in 2014: Reflects voluntary executive deferrals of base salary and annual bonus. These deferrals are included in the "Salary" and "Bonus" columns of the Summary Compensation Table.
- Company Contributions in 2014: No such contributions were made.
- Aggregate Earnings in 2014: Reflects the earnings and/or losses on account balances. None of the earnings are above-market or preferential earnings and were therefore not included in the Summary Compensation Table.
- Aggregate Withdrawals and Distributions in 2014: No withdrawals or distributions were made.
- Aggregate Balance as of December 31, 2014: Reflects the total market value of the Named Executive Officer's nonqualified deferred compensation account, including such participant's contributions and earnings to date.

NONQUALIFIED DEFERRED COMPENSATION FOR 2014

Name	Executive Contributions in 2014 ($)(1)	Company Contributions in 2014 ($)	Aggregate Earnings (Losses) in 2014 ($)(2)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at End of 2014 ($)(3)
Gary L. Werner	17,004	—	5,825	—	181,220
Gregory L. Werner	8,502	—	12,651	—	145,567
Derek J. Leathers	53,976	—	28,957	—	439,052
John J. Steele	54,002	—	42,544	—	485,185
James A. Mullen	24,040	—	13,952	—	216,283

(1) The amounts disclosed in this column are reported as compensation and included within the amounts in the "Salary" and "Bonus" columns of the Summary Compensation Table.

(2) We do not provide above-market or preferential earnings on nonqualified deferred compensation plan balances; therefore, we did not report any portion of these amounts in the Summary Compensation Table pursuant to SEC rules.

(3) Of these balances, the following executive contributions were reported in the "Salary" and "Bonus" columns of the Summary Compensation Table in our proxy statements for 2012 and 2013: Gary Werner, $34,008; Greg Werner, $17,004; Mr. Leathers, $107,952; Mr. Steele, $108,004; and Mr. Mullen, $48,080.

PROPOSAL 2 — RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

FEES OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The firm of KPMG LLP ("KPMG") is our independent registered public accounting firm. The table that follows sets forth the aggregate fees billed to us by KPMG for professional audit services rendered in connection with the audit of our annual financial statements and internal control over financial reporting for 2014 and 2013. KPMG did not provide any other services to us during those periods.

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INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM FEES FOR 2014 AND 2013

	2014 ($)	2013 ($)
Audit Fees	462,450	439,750
Audit-Related Fees	—	—
Tax Fees	—	—
All Other Fees	—	—
Total	462,450	439,750

Audit Fees. Audit fees consist of fees for (i) the audit of our annual financial statements included in our Annual Reports on Form 10-K for 2014 and 2013, (ii) review of our financial statements included in our Quarterly Reports on Form 10-Q during such periods and (iii) the audit of our internal control over financial reporting during such periods.

Audit-Related Fees. Audit-related fees consist of fees (i) for assurance and related services that are reasonably related to the performance of the audit or the review of our financial statements and are not reported under Audit Fees and (ii) fees related to audit and attest services not required by laws or regulations and consultations concerning financial accounting and reporting standards.

Tax Fees. Tax fees are defined as fees for professional services for tax compliance, tax advice and tax planning. These services may include assistance regarding federal, state and international tax compliance, tax return preparation, tax audits and customs and duties.

The Audit Committee has reviewed KPMG's provision of services and believes that these services are compatible with maintaining the independence of KPMG. KPMG did not provide any non-audit services for us in 2014.

The Audit Committee has approved KPMG as our independent registered public accounting firm for 2015. Representatives of KPMG will be present at the 2015 Annual Meeting and will have an opportunity, should they so desire, to make a statement. The KPMG representatives will also be available to respond to appropriate questions from stockholders.

AUDIT COMMITTEE PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES PERFORMED
BY THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee has a policy for pre-approving all audit and non-audit services provided by independent registered public accounting firms. Prior to the engagement of an independent registered public accountant for the next year's audit, our management will submit to the Audit Committee for approval an itemized list of all audit and non-audit services expected to be rendered during such year and the budgeted fees for such services. The Audit Committee then pre-approves these services according to the categories of service in the Independent Registered Public Accounting Firm Fees for 2014 and 2013 table. When determining whether a service should receive pre-approval, the Audit Committee considers whether such services are consistent with the SEC rules regarding auditor independence. In the event circumstances arise and it becomes necessary to engage the independent registered public accountants for additional services not contemplated in the original pre-approval, the Audit Committee will approve such additional services prior to the commencement of the engagement and provision of such services.

Pursuant to its charter, the Audit Committee may delegate to its Chair the pre-approval authority to address any requests for pre-approval of services between Audit Committee meetings, and such Chair must report any such pre-approval decisions to the committee at its next meeting. Our management and independent registered public accounting firm periodically report to the full Audit Committee (i) the extent of services provided by such accounting firm in accordance with this pre-approval and (ii) the fees for services performed to date.

We did not pay any fees categorized as Audit-Related Fees, Tax Fees or All Other Fees to KPMG during 2014 and 2013. Accordingly, the Audit Committee did not approve any fees during these periods that related to the waiver of pre-approval provisions or the de minimis exception set forth in applicable SEC rules.

REPORT OF THE AUDIT COMMITTEE

The following report of the Audit Committee shall not be deemed to be “soliciting material” or to otherwise be considered “filed” with the U.S. Securities and Exchange Commission, nor shall this report be subject to Regulation 14A (other than as indicated) or to the liabilities set forth in Section 18 of the Securities Exchange Act of 1934. This report shall not be deemed to be incorporated by reference into any prior or subsequent filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that the Company specifically incorporates it by reference or treats it as soliciting material.

The Audit Committee of the Board of Directors is comprised of Drs. Bird and Peetz and Messrs. Jung, Sather and Steinbach. Mr. Jung is the Chair of the Audit Committee. All of the Audit Committee members are qualified independent directors under the audit committee structure and membership requirements of the NASDAQ and SEC rules and regulations. The primary purpose of the Audit Committee is to assist the Board of Directors in its general oversight of the financial reporting process of Werner Enterprises, Inc. (the “Company”). The Audit Committee conducts its oversight activities by exercising the certain responsibilities and powers set forth in its written charter adopted by the Board. A copy of the charter is available on the Company’s website.

The general duties of the Audit Committee include reviewing the Company’s financial information that will be presented to stockholders and filed with the SEC; appointing the independent registered public accounting firm; reviewing services provided by the Company’s independent auditors and internal audit department; and evaluating the Company’s accounting policies and its system of established internal controls. In its oversight of the independent registered public accounting firm, the Audit Committee reviews the scope of the audit, audit fees, auditor independence matters and the extent to which the independent auditors are retained to perform non-audit services for the Company.

The Audit Committee does not prepare financial statements or perform audits, and its members are not auditors or certifiers of the Company’s financial statements. Rather, the Company’s management is responsible for the preparation, consistency, integrity and fair presentation of the Company’s financial statements, accounting and financial principles, internal control and disclosure control systems and procedures designed to ensure compliance with applicable accounting standards, laws and regulations. The Company’s independent registered public accounting firm, KPMG LLP, is responsible for performing independent quarterly reviews and an independent annual audit of the financial statements and internal control over financial reporting and for expressing an opinion on the conformity of those statements with accounting principles generally accepted in the United States of America (“GAAP”) and an opinion on the effectiveness of the Company’s internal control over financial reporting.

In conjunction with the preparation of the Company’s 2014 audited consolidated financial statements, the Audit Committee met with both management and the independent auditors of the Company to review and discuss significant accounting issues and the audited consolidated financial statements included in the Company’s Annual Report on Form 10-K for 2014 prior to the issuance of such financial statements. Management advised the Audit Committee that such financial statements were prepared in accordance with GAAP, and the Audit Committee discussed such financial statements with management and the independent auditors. The Audit Committee’s assessment included a discussion with the Company’s independent auditors regarding matters that are required to be discussed pursuant to (i) Rule 2-07 of SEC Regulation S-X (Communication with Audit Committees) and (ii) Statement on Auditing Standards No. 61 (Communication with Audit Committees), as amended (Auditing Standard No. 16, Communications with Audit Committees) and as adopted by the Public Company Accounting Oversight Board in Rule 3200T, and as superseded by Statement on Auditing Standards No. 114 (The Auditor’s Communication With Those Charged With Governance) adopted by the Public Company Accounting Oversight Board.

The Audit Committee also received and reviewed the written disclosures and letter submitted to the committee by the Company's independent auditors, KPMG LLP. Such written disclosures and letter are required by applicable requirements of the Public Company Accounting Oversight Board regarding KPMG LLP's communications with the Audit Committee concerning independence. The Audit Committee and KPMG LLP also discussed KPMG LLP's independence as the independent auditors of the Company.

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Based on the foregoing reviews and discussions, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for 2014, for filing with the SEC.
Patrick J. Jung, Chair
Kenneth M. Bird, Ed.D.
Dwaine J. Peetz, Jr., M.D.
Duane K. Sather
Michael L. Steinbach

RECOMMENDATION OF THE BOARD OF DIRECTORS — PROPOSAL 2

We are asking stockholders to ratify the appointment of KPMG as our independent registered public accounting firm for 2015. Although this stockholder ratification is not required by our By-Laws, Audit Committee charter or otherwise, the Board of Directors is submitting the selection of KPMG to our stockholders for ratification as a matter of good corporate governance.

In the event our stockholders do not ratify the appointment of KPMG, then our Audit Committee and Board of Directors will reconsider the appointment. Even if our stockholders ratify the selection of KPMG, the Audit Committee will retain its authority to, in its discretion and at any time during 2015, select a different independent registered public accounting firm or terminate KPMG if the Audit Committee determines that such a change would be in our best interests and those of our stockholders.

The Board of Directors unanimously recommends that stockholders vote FOR the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2015. The Designated Proxy Holders of proxies solicited by the Board in this Proxy Statement will vote the proxies as directed on each proxy, or if no instruction is made, for the ratification of the appointment of KPMG LLP.

TRANSACTIONS WITH RELATED PERSONS

REVIEW AND APPROVAL OF RELATED PERSON TRANSACTIONS

Our Governance Committee charter requires the Governance Committee (each member of which is independent under applicable NASDAQ listing standards and SEC rules) to oversee administration of our policies with respect to related person transactions and to review and approve all related person transactions submitted to the Governance Committee when such approval is required under the NASDAQ and SEC rules and regulations. All related person transactions that are required to be disclosed under SEC rules are disclosed in our applicable SEC filings.

For purposes of Item 404 of SEC Regulation S-K, a "related person transaction" is generally any effected or proposed transaction, arrangement or relationship in which:
(i) The Company was or is to be a participant;
(ii) The amount involved exceeds or is expected to exceed $120,000; and
(iii) Any "related person" has an interest.

Under Item 404, "related person" generally means:
- A director or director nominee of the Company;
- An executive officer of the Company;
- A security holder who is known to be the beneficial owner of more than 5% of our common stock;
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Any "immediate family member" of a director, director nominee, executive officer or beneficial owner of more than 5% of our common stock. "Immediate family members" include spouse, children, parents, siblings, in-laws, stepparents and stepchildren and any other person sharing the related person's household; or

- Any firm, corporation or other entity in which any of the foregoing persons (i) is employed by, a director of or a partner or principal in such entity or (ii) has a beneficial ownership interest of 10% or more.

RELATED PERSON TRANSACTIONS

Land Lease Agreement. The Company leases certain land from the Clarence L. Werner Revocable Trust (the "Trust"), a related person. C.L. Werner, Chairman Emeritus of Werner Enterprises, Inc., is the sole trustee of the Trust. On February 8, 2007, the Company entered into a revised Lease Agreement, effective as of May 21, 2002 (the "Lease Agreement"), and a License Agreement (the "License Agreement") with C.L. Werner in his capacity as trustee. The Lease Agreement and License Agreement were approved by the disinterested members of the Board of Directors at the Board's February 8, 2007 meeting. The Lease Agreement was originally entered into between the parties on May 21, 2002 with a 10-year lease term commencing June 1, 2002 (the "2002 Lease Agreement").

The Lease Agreement covers the lease of land comprising approximately 35 acres (referred to as the "Lodge Premises"), with improvements consisting of lodging facilities and a sporting clay range which the Company uses for business meetings and customer and vendor promotion. The 2002 Lease Agreement provided for a non-exclusive license to use for hunting purposes a contiguous portion of farmland comprising approximately 580 acres (referred to as the "Farmland Premises"). These license rights were deleted from the Lease Agreement and incorporated into the License Agreement.

The Lease Agreement's initial ten-year term expired May 31, 2012. The Lease Agreement gives the Company the option to extend such agreement for two additional five-year periods, through 2017 and 2022, respectively. The Company exercised its option to extend the term of the lease to May 31, 2017. Under the Lease Agreement, the Company also makes annual rental payments of one Dollar ($1.00) per year, and the Company is responsible for the real estate taxes and maintenance costs on the Lodge Premises. These costs totaled approximately $71,000 in 2014. The terms of the Lease Agreement also permit C.L. Werner, in his capacity as landlord, to receive as rent use of the Lodge Premises and Farmland Premises for personal use.

Under the Lease Agreement, at any time during the lease or any extension thereof, the Company has the option to purchase the Lodge Premises from the Trust at its current market value, excluding the value of all leasehold improvements the Company made. The Company also has a right of first refusal to purchase the Lodge Premises, or any part thereof, if the Trust receives an offer from an unrelated third party to purchase the Lodge Premises. The Trust has the option at any time during the lease to demand that the Company exercise its option to purchase the Lodge Premises. If the Company does not elect to purchase the Lodge Premises as demanded by the Trust, then the Company's option to purchase at any time during the lease is forfeited; however, the Company will retain the right of first refusal with respect to a purchase offer from an unrelated third party. If, at the termination of either of the two five-year renewal periods, the Company has not exercised its option to purchase the Lodge Premises accordingly, the leasehold improvements become the property of the Trust. However, the Company currently intends to exercise its option to purchase the Lodge Premises at its current market value prior to the completion of the lease period, including the two five-year renewal periods. The Company has made leasehold improvements to the Lodge Premises since the inception of the lease agreement in 1994. The cost of these improvements was approximately $6.5 million, and the net book value (cost less accumulated depreciation) at December 31, 2014 was approximately $3.0 million.

The revisions to the Lease Agreement removed the provisions relating to the Farmland Premises (including the option to purchase rights), as of the effective date of the 2002 Lease Agreement, and the Company and the Trust entered into the separate License Agreement defining the Company's respective rights to the Farmland Premises. Under the License Agreement, the Company and its invitees are granted a non-exclusive right to hunt and fish on the Farmland Premises, for a term of one year, which is automatically renewable unless either party terminates not less than 30 days prior to the end of the current annual term. The Trust agrees to use its best efforts to maintain a controlled shooting area permit on the Farmland Premises while the License Agreement is effective and to maintain the land in a manner to maximize hunting cover for game birds. In consideration of the license to hunt and fish on the Farmland Premises, the Company agrees to pay the Trust an amount equal to the real property taxes and special assessments levied on the land

and the cost of all fertilizer and seed used to maintain the hunting cover and crops located on the land. Such costs were approximately $71,000 for 2014.

Family Members of Executive Officers and Directors. The Company employs family members of certain executive officers and directors. Such family members are employed on the same terms and conditions as non-related employees, and their total compensation is commensurate with that of their peers. In 2014, the Company employed seven individuals who are considered “related persons” under Item 404 of Regulation S-K of the SEC, and each individual’s total compensation exceeded $120,000. The aggregate total compensation for these seven individuals in 2014 was $1,883,358, which includes C.L. Werner’s aggregate total compensation of $391,105 for 2014. These amounts include

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all elements of compensation received by those individuals, including cash compensation, equity awards, perquisites and other personal benefits and forms of compensation. The Company also employed five other related persons during 2014, none of whom received compensation in excess of $120,000.

OTHER BUSINESS

We do not know of any business that will be presented for consideration at the 2015 Annual Meeting of Stockholders other than that described in this Proxy Statement. As to other business (if any) that may properly be brought before the meeting, we intend that proxies solicited by the Board will be voted in accordance with the best judgment of the person voting the proxies.

STOCKHOLDER PROPOSALS

Only stockholders of record as of March 23, 2015, are entitled to bring business before the 2015 Annual Meeting. All stockholder proposals must be in writing and include the following:
(i) A brief description of the business the stockholder desires to bring before the Annual Meeting;
(ii) The reason for conducting such proposed business at the Annual Meeting;
(iii) The name and address of the stockholder proposing such business;
(iv) The number of shares of our common stock beneficially owned by such stockholder; and
(v) Any material interest of the stockholder in such business.

To be eligible for inclusion in our 2016 Proxy Materials: Stockholder proposals intended to be presented at our 2016 Annual Meeting of Stockholders must be in writing and be received by the Corporate Secretary at our executive offices on or before December 10, 2015. The inclusion of any such stockholder proposal in our 2016 Proxy Materials will be considered untimely if received after December 10, 2015. Stockholders may submit nominations for directors to be elected at the 2016 Annual Meeting of Stockholders, and such nominations must be contained in a written proposal and delivered to the Corporate Secretary at our executive offices by December 10, 2015. For a description of the process of submitting stockholder nominations for director, refer to the Director Nomination Process section under Corporate Governance in this Proxy Statement.

All written stockholder proposals (whether for the recommendation of director candidates or the proposal of other business) are subject to and must comply with the applicable rules and regulations under the Exchange Act, including Rule 14a-8. Rule 14a-8 provides requirements for the inclusion of stockholder proposals in company-sponsored proxy materials. The address for our Corporate Secretary and executive offices is provided in the Contacting the Corporate Secretary and Executive Offices section of this Proxy Statement.

Regarding proposals not to be included in our 2015 Proxy Materials: Stockholders may present proposals for consideration at the 2015 Annual Meeting of Stockholders that are not intended for inclusion in the 2015 Proxy Materials. These proposals must be received in writing by the Corporate Secretary at our executive offices no later than April 22, 2015 for the 2015 Annual Meeting. Pursuant to our By-Laws, stockholders may make other proposals at the Annual Meeting to be discussed and considered; but unless the Corporate Secretary receives the written proposal at least twenty days before the Annual Meeting, such proposal will be considered untimely and will not be acted upon. Instead, the proposal will be laid over for action at the next stockholder meeting.

STOCKHOLDERS SHARING THE SAME ADDRESS

We have adopted a procedure called "householding" pursuant to SEC rules and regulations. Under this procedure, we will deliver only one copy of this Proxy Statement and our 2014 Annual Report to multiple stockholders who share the same mailing address (if they appear to be members of the same family), unless we have received contrary instructions from an affected stockholder. Stockholders who participate in householding will continue to receive separate Proxies. This procedure reduces our printing and mailing costs and fees.

We will promptly deliver, upon written or oral request, a separate copy of this Proxy Statement and the 2014 Annual Report to any stockholder at a shared address to which a single copy of either of those documents was delivered. To request a separate copy of this Proxy Statement and/or the 2014 Annual Report, stockholders may write or call our Corporate Secretary at our executive offices. You will not be charged for any requested copies. This Proxy Statement and our 2014 Annual Report are also available on our website.

Householding of proxy materials occurs when you provide us or your broker with a written householding consent. Stockholders who would like to revoke their householding consent and receive a separate copy of our subsequent proxy statements and annual reports to stockholders should contact their broker (if the shares are held in a brokerage account) or our Corporate Secretary (if you hold registered shares). Stockholders who share a mailing address and receive multiple copies of proxy materials but would like to participate in householding and receive a single copy of our proxy materials should contact their broker or our Corporate Secretary.

CONTACTING THE CORPORATE SECRETARY AND EXECUTIVE OFFICES

Our Corporate Secretary is James L. Johnson. The mailing address, telephone numbers and e-mail address for our Corporate Secretary and executive offices are:

Werner Enterprises, Inc.
Attention: Corporate Secretary
Post Office Box 45308
Omaha, Nebraska 68145-0308
Telephone: (402) 895-6640
Toll-Free: (800) 228-2240
E-Mail: invrelations@werner.com

INTERNET WEBSITE AND AVAILABILITY OF MATERIALS

Our Internet website, as referred to in this Proxy Statement, is: http://www.werner.com, under the “Investors” link. This Proxy Statement, the Notice of Annual Meeting of Stockholders and 2014 Annual Report (including our Annual Report on Form 10-K for 2014) are available on our website. Our prior proxy statements, annual reports and SEC filings are also included on the website. You may obtain a copy of these materials, without charge, on our website or by contacting the Corporate Secretary.

By Order of the Board of Directors,

James L. Johnson
Executive Vice President, Chief Accounting Officer
& Corporate Secretary

Omaha, Nebraska
April 9, 2015

WERNER ENTERPRISES, INC.
Post Office Box 45308
Omaha, Nebraska 68145-0308

PROXY

This Proxy is solicited on behalf of the Board of Directors for the Annual Meeting of Stockholders to be held Tuesday, May 12, 2015. The undersigned stockholder hereby acts by proxy and appoints each of Clarence L. Werner and Gary L. Werner to act as duly authorized attorneys-in-fact and proxies (collectively, the “Designated Proxy Holders”), with full power of substitution, to represent and vote, as the undersigned stockholder directs herein, all shares of common stock of Werner Enterprises, Inc., that such stockholder is entitled to vote as of March 23, 2015 at the Annual Meeting of Stockholders to be held on Tuesday, May 12, 2015 (including any adjournments or postponements thereof), and to vote all such shares on any other business that properly comes before such meeting. The proposals to be voted on in this Proxy are not related to, and are not conditioned upon, the approval of other matters. The Board of Directors of Werner Enterprises, Inc. submits and recommends a vote “for all” for the first and “for” for the second of the following two proposals:

1. PROPOSAL 1 – Election of directors. Check only one box. To withhold authority to vote for any individual nominee(s), check “For All Except” and write the number(s) of the nominee(s) on the line below the box. (Board of Directors recommendation: FOR ALL)

	For All	Withhold All	For All Except
Nominees:	o	o	o

1. Clarence L. Werner – Class III
2. Patrick J. Jung – Class III
3. Duane K. Sather – Class III

2. PROPOSAL 2 – To ratify the appointment of KPMG LLP as the independent registered public accounting firm of Werner Enterprises, Inc. for the year ending December 31, 2015. Check only one box. (Board of Directors recommendation: FOR)

For o Against o Abstain o

This Proxy, when properly executed, will be voted as directed by the undersigned stockholder. If no instruction is given with respect to a proposal, this Proxy will be voted in accordance with the recommendation of the Board of Directors, which is: “FOR ALL” for Proposal 1 and "FOR" for Proposal 2.
Please date, sign and print your name.*

		IF HELD JOINTLY:	
Signature	Date	Signature	Date
Printed Name		Printed Name	

*When shares are held by joint tenants, both individuals should sign this Proxy. When signing as an attorney, executor, administrator, trustee or guardian, provide your full title. If the stockholder is a corporation or partnership, provide the full corporate or partnership name by the name of the authorized officer or person completing this Proxy. Please mark, sign, date and promptly return this Proxy using the enclosed postage-paid return envelope.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 12, 2015: The Proxy Statement and 2014 Annual Report of Werner Enterprises, Inc. are available, without charge, at http://www.werner.com under the “Investors” link or by contacting the Corporate Secretary by toll free telephone at (800) 228-2240 or by e-mail at invrelations@werner.com.