

CINCINNATI BELL INC
Form PREC14A
March 02, 2018
SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934

Filed by the Registrant Filed by a Party other than the Registrant
Check the appropriate box:

- Preliminary Proxy Statement
 - Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
 - Definitive Proxy Statement
 - Definitive Additional Materials
 - Soliciting Material Pursuant to Section 240.14a-11c or Section 240.14a-12
- Cincinnati Bell Inc.

(Name of Registrant as Specified In Its Charter)

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

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

Cincinnati Bell Inc.
221 East Fourth Street
Cincinnati, Ohio 45202

[1], 2018

Dear Fellow Shareholder:

You are cordially invited to attend the Annual Meeting of Shareholders of Cincinnati Bell Inc. to be held at [1], Eastern Daylight Time, on [1]day, [], 2018, at [1].

This booklet includes the formal notice of the meeting as well as the proxy statement. The proxy statement gives you information about the formal items of business to be voted on at the meeting and other information relevant to your voting decisions.

Your vote will be especially important at this year's annual meeting. As you may have heard, GAMCO Asset Management Inc. ("GAMCO"), an affiliate of GAMCO Investors, Inc., each a controlled entity of Mario J. Gabelli ("Mario Gabelli"), and together with various other entities he directly or indirectly controls or for which he acts as chief investment officer, a shareholder of the Company, has notified the Company that it intends to nominate a slate of three alternative nominees for election as directors at the annual meeting in opposition to the nominees recommended by your Board of Directors.

Your Board of Directors does not endorse any of the GAMCO nominees and recommends that you vote "FOR" the election of each of the nominees proposed by your Board of Directors and disregard the GAMCO [1] proxy card. Your Board of Directors strongly urges you not to sign or return any proxy card sent to you by GAMCO. If you have previously submitted a proxy card sent to you by GAMCO, you can revoke that proxy and vote for your Board of Directors' nominees and on the other matters to be voted on at the meeting by using the enclosed WHITE proxy card. Even if you plan to attend the annual meeting, we request that you vote your shares by signing and dating the enclosed WHITE proxy card and returning it in the enclosed postage-paid envelope or by voting via internet or by telephone by following the instructions provided on the enclosed WHITE proxy card. Only your latest dated proxy will count, and any proxy may be revoked at any time prior to its exercise at the annual meeting as described in this proxy statement. Your vote is very important to us. Regardless of the number of shares you own, please vote. You can vote your shares by internet, toll-free telephone call, or by completing, signing and returning the proxy card enclosed with those materials. Please see page 2 of the proxy statement for more detailed information about your voting options.

Very truly yours,

Phillip R. Cox
Chairman of the Board

Notice of 2018 Annual Meeting of Shareholders

Time and Date: [1], Eastern Daylight Time, [1]day, [1], 2018

Place: [1]

Matters to be Voted upon:

• Election as directors of the nine nominees named in the accompanying proxy statement for one-year terms expiring at the 2019 Annual Meeting of Shareholders;

• Approval, by non-binding advisory vote, of our executive officers' compensation;

• Approval of an amendment to the Company's Amended and Restated Regulations to provide proxy access to our shareholders;

• Ratification of our Audit and Finance Committee's appointment of our independent registered public accounting firm for 2018; and

• Any other business properly brought before the meeting and any adjournments or postponements of the meeting.

Record Date: [1], 2018

Only shareholders of record as of the close of business on this date are entitled to vote.

Please note that GAMCO has notified the Company of its intent to nominate a slate of three alternative nominees for election as directors at the annual meeting in opposition to the nominees recommended by your Board of Directors. You may receive solicitation materials from GAMCO, including proxy statements and proxy cards. We are not responsible for the accuracy of any information provided by or relating to GAMCO or its nominees contained in solicitation materials filed or disseminated by or on behalf of GAMCO or any other statements GAMCO may make. Your Board of Directors does NOT endorse any of the GAMCO nominees and recommends that you vote "FOR" the election of each of the nominees proposed by your Board of Directors by using the enclosed WHITE proxy card and disregard the GAMCO [1] proxy card. Your Board of Directors strongly urges you not to sign or return any proxy card sent to you by GAMCO. If you have previously submitted a proxy card sent to you by GAMCO, you can revoke that proxy and vote for your Board of Directors' nominees and on the other matters to be voted on at the meeting by using the enclosed WHITE proxy card. Even if you plan to attend the annual meeting, we request that you vote your shares by signing and dating the enclosed WHITE proxy card and returning it in the enclosed postage-paid envelope or by voting via internet or by telephone by following the instructions provided on the enclosed WHITE proxy card. Only your latest dated proxy will count, and any proxy may be revoked at any time prior to its exercise at the annual meeting as described in this proxy statement.

Whether or not you plan to attend the meeting, we encourage you to vote as promptly as possible by returning the enclosed WHITE proxy card in the enclosed postage-paid envelope or by the internet or by telephone.

Connie M. Vogt
Corporate Secretary

Proxy Statement for Annual Meeting of Shareholders

The annual meeting of shareholders of Cincinnati Bell Inc. ("Cincinnati Bell", "we", "our", "us", or the "Company") will be held at [1], Eastern Daylight Time, on [1]day, [], 2018, at [1].

We are furnishing this proxy statement to our shareholders in connection with the solicitation of proxies by our Board of Directors for the 2018 Annual Meeting of Shareholders on that date, and any adjournment or postponement of the meeting. Our 2017 annual report accompanies this proxy statement.

Please note that GAMCO has notified the Company of its intent to nominate a slate of three alternative nominees for election as directors at the annual meeting in opposition to the nominees recommended by your Board of Directors. You may receive solicitation materials from GAMCO, including proxy statements and proxy cards. We are not responsible for the accuracy of any information provided by or relating to GAMCO or its nominees contained in solicitation materials filed or disseminated by or on behalf of GAMCO or any other statements GAMCO may make. Your Board of Directors does NOT endorse any of the GAMCO nominees and recommends that you vote "FOR" the election of each of the nominees proposed by your Board of Directors by using the enclosed WHITE proxy card and disregard the GAMCO [1] proxy card. Your Board of Directors strongly urges you not to sign or return any proxy card sent to you by GAMCO. If you have previously submitted a proxy card sent to you by GAMCO, you can revoke that proxy and vote for your Board of Directors' nominees and on the other matters to be voted on at the meeting by using the enclosed WHITE proxy card. Even if you plan to attend the annual meeting, we request that you vote your shares by signing and dating the enclosed WHITE proxy card and returning it in the enclosed postage-paid envelope or by voting via internet or by telephone by following the instructions provided on the enclosed WHITE proxy card. Only your latest dated proxy will count, and any proxy may be revoked at any time prior to its exercise at the annual meeting as described in this proxy statement.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON [1], 2018.

This proxy statement and the 2017 annual report are first being made available on the website at www.proxyvote.com and mailed to shareholders on or about [1], 2018. Other information on our website does not constitute part of this proxy statement.

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Meeting and Voting Highlights

The Annual Meeting

Time and Date: [1], Eastern Daylight Time, [1], 2018

Place: [1]

Record Date: [1], 2018

Purpose of Meeting

This is the Annual Meeting of Shareholders of Cincinnati Bell Inc. ("Cincinnati Bell", "we", "our", "us", or the "Company"). At the meeting, we will be voting upon:

	Board's Recommendation	Votes Required for Approval
Proposal 1: Election of directors for one-year terms expiring in 2019.	FOR each of the Company's nominees	Plurality of votes cast
Proposal 2: Approval, by a non-binding advisory vote, of our executive officers' compensation.	FOR	Majority of shares present and entitled to vote
Proposal 3: Approval of an amendment to the Company's Amended and Restated Regulations to provide proxy access to our shareholders.	FOR	Majority of outstanding voting power voting as single class
Proposal 4: Ratification of our Audit and Finance Committee's appointment of our independent registered public accounting firm for 2018.	FOR	Majority of shares present and entitled to vote

Our Board of Directors ("Board") strongly encourages you to exercise your right to vote on these matters. Your vote is important. We are furnishing this proxy statement to provide information in connection with the Company and the proposals being voted upon at the 2018 Annual Meeting.

Who May Vote

Common and preferred stock shareholders of Cincinnati Bell Inc., whose shares are recorded directly in their names in our stock register (“shareholders of record”) at the close of business on [1], 2018 (the "Record Date"), may vote their shares on the matters to be acted upon at the meeting. Shareholders who hold shares of our common stock in “street name,” that is, through an account with a bank, broker, or other holder of record, as of such date may direct the holder of record how to vote their shares at the meeting by following the instructions that the street name holders will receive from the holder of record.

How to Vote

If you meet the above qualification, you may vote in one of the following four ways:

BY INTERNET	BY PHONE	BY MAIL	ATTEND THE MEETING
:	(*	?
Follow the instructions on the WHITE proxy card using the control number shown there.	Follow the instructions on the WHITE proxy card using the control number shown there.	You can vote by marking, dating and signing your proxy card and returning it by mail in the postage-paid envelope provided. Please mail this item to allow delivery prior to the meeting.	Whether you are a shareholder of record or a street name holder, you may vote your shares at the annual meeting if you attend in person. See “How can I attend and vote my shares at the meeting?” on page 55.

Admission to the Meeting

If you are a shareholder of record, you will need to provide a valid government-issued photo ID to gain admission to the meeting.

If you own shares held in street name, bring with you to the meeting both a valid government-issued photo ID and your most recent brokerage statement or a letter from your bank, broker, or other record holder indicating that you beneficially owned shares of our common stock on [1], 2018. We can use that to verify your beneficial ownership of common stock and admit you to the meeting. If you intend to vote at the meeting, you also will need to bring to the meeting a signed proxy from your bank, broker, or other holder of record that authorizes you to vote the shares that the record holder holds for you in its name.

Additional Information

More detailed information about the 2018 Annual Meeting of Shareholders and voting can be found in “Questions and Answers” beginning on page 53.

Governance

Board of Directors and Committees

Corporate Governance Overview

Our business, property and affairs are managed under the direction of our Board. Members of our Board are kept informed of our business through discussions with our Chief Executive Officer and other officers, by reviewing materials provided to them, by visiting our offices and by participating in meetings of the Board and its committees. The Company's Amended and Restated Regulations provide that the Board shall consist of not less than nine nor more than seventeen persons, with the exact number to be fixed and determined by resolution of the Board or by resolution of the shareholders at any annual or special meeting of shareholders. At this time, the Board has determined that the Board shall consist of nine members.

As previously announced, Mr. John M. Zrno informed the Board that he will not stand for re-election at the Company's 2018 Annual Meeting. Mr. Zrno will continue to serve as a Director until the 2018 Annual Meeting. After careful consideration, Mr. Leigh R. Fox has been nominated by our Board for election at the 2018 Annual Meeting to fill the seat currently held by Mr. Zrno.

Also as previously announced, Mr. Phillip R. Cox has informed the Board of his intention to step down from his role as Chairman prior to the 2019 Annual Meeting. Accordingly, the Board anticipates designating a successor to Mr. Cox as Chairman prior to the 2019 Annual Meeting. Mr. Cox has also informed the Board that he does not intend to stand for re-election to the Board at the Company's 2019 Annual Meeting.

In addition, on July 9, 2017, the Company entered into an agreement to acquire Hawaiian Telcom Holdco, Inc. (the "Hawaiian Telcom Acquisition"). Under the terms of the Hawaiian Telcom Acquisition, the Company will be required to expand the size of the Board from nine members to eleven members upon the closing of the acquisition. Two members of the expanded Board will be designated by Hawaiian Telcom Holdco, Inc. and the remaining nine members will be designated by Cincinnati Bell (with such designees expected to be the then-current members of the Board).

These changes to the composition of the Board align with the Company's ongoing Board refreshment process which aims to renew the Board with directors who have deep industry expertise and appropriate board experience. The Company's Board refreshment process has already resulted in the addition of three new independent directors in the last five years.

The Company has a long-standing policy that the positions of Chairman of the Board (currently held by Mr. Phillip R. Cox) and Chief Executive Officer (currently held by Mr. Leigh R. Fox) should be held by separate persons, as discussed in its Corporate Governance Guidelines. The Company continues to believe that this structure is in the best interest of shareholders because it facilitates the Board's oversight of management, allows the independent directors to be more actively involved in setting agendas and establishing priorities for the work of the Board, and is consistent with the principles of good corporate governance.

Our Board currently has the following five committees: (i) the Audit and Finance Committee, (ii) the Business Development Committee, (iii) the Compensation Committee, (iv) the Governance and Nominating Committee, and (v) the Executive Committee. The members and function of each committee are described below. During fiscal year 2017, the Board held thirteen meetings and twice took action by unanimous written consent, and all directors attended at least 75% of all Board and applicable committee meetings during the period in which he or she served as a director. Under the Company's Corporate Governance Guidelines, directors are expected to attend the Annual Meeting of Shareholders. All of the directors, who were on the Board at the time and were seeking election, attended the 2017 Annual Meeting of Shareholders.

For information on how to obtain a copy of the Company's Corporate Governance Guidelines, please see page 59.

Director Independence

In accordance with the rules and listing standards of the New York Stock Exchange ("NYSE") and the Company's Corporate Governance Guidelines, the Board affirmatively evaluates and determines the independence of each director and each nominee for election. Based on an analysis of information supplied by the directors, the Board evaluates whether any director has any material relationship with the Company, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company that might cause a conflict of interest in the performance of a director's duties.

Based on these standards, the Board determined that each of the following persons who served as a non-employee director in 2017 is independent and has no relationship with the Company, except as a director and shareholder:

- Phillip R. Cox • Russel P. Mayer
- John W. Eck • Lynn A. Wentworth
- Jakki L. Haussler • Martin J. Yudkovitz
-