

GP STRATEGIES CORP  
Form PRE 14A  
October 24, 2007

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  X

Filed by a Party other than the Registrant  O

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

GP Strategies Corporation  
(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
  - (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date Filed:

**GP STRATEGIES CORPORATION**

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

***to be held December 10, 2007***

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To our Stockholders:

NOTICE IS HEREBY GIVEN that the Annual Meeting of stockholders (the Annual Meeting ) of GP Strategies Corporation (the Company ) will be held at the BWI Airport Marriott, 1743 West Nursery Road, Baltimore, Maryland, on the 10<sup>th</sup> day of December, 2007, at 10:00 a.m., local time, for the following purposes:

1. To elect seven persons to the Board of Directors of the Company to serve until their respective successors are elected and qualified.
2. To approve the proposal to amend the Company s Restated Certificate of Incorporation to increase the authorized number of shares of Common Stock of the Company, par value \$0.01 per share ( Common Stock ) from 25 million to 35 million shares.
3. To vote upon a proposal to ratify the appointment of KPMG LLP ( KPMG ) as the Company s independent registered public accounting firm for the fiscal year ending December 31, 2007.
4. Any other matters properly brought before the meeting or any adjournments thereof.

The foregoing items of business are described more fully in the Proxy Statement accompanying this Notice.

Only stockholders of record as of the close of business on October 31, 2007 are entitled to receive notice of and to vote at the Annual Meeting. A quorum of the stockholders is constituted by the presence, in person or by proxy, of holders of record of Common Stock, representing a majority of the number of votes entitled to be cast. A list of such stockholders shall be open to the examination of any stockholder, for any purpose germane to the Annual Meeting, during ordinary business hours, for a period of ten days prior to the meeting, at the offices of the Company at 6095 Marshalee Drive, Suite 300, Elkridge, Maryland.

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By Order of the Board of Directors

Kenneth L. Crawford, *Secretary*

Elkridge, Maryland

November 9, 2007

**THE BOARD OF DIRECTORS APPRECIATES AND ENCOURAGES YOUR PARTICIPATION IN THE COMPANY'S ANNUAL MEETING. EVEN IF YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE FILL IN, DATE AND SIGN THE ENCLOSED PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED POSTAGE PREPAID RETURN ENVELOPE. IF YOU ATTEND THE ANNUAL MEETING YOU MAY REVOKE YOUR PROXY AND VOTE IN PERSON.**

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**GP STRATEGIES CORPORATION**

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**TO BE HELD ON DECEMBER 10, 2007**

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**GP STRATEGIES CORPORATION**

**6095 Marshalee Drive**

**Elkridge, Maryland 21075**

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**PROXY STATEMENT**

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**INFORMATION CONCERNING SOLICITATION AND VOTING**



## Edgar Filing: GP STRATEGIES CORP - Form PRE 14A

The accompanying Proxy is solicited by and on behalf of the Board of Directors of the Company, for use only at the Annual Meeting to be held at the BWI Airport Marriott, 1743 West Nursery Road, Baltimore, Maryland on the 10<sup>th</sup> day of December, 2007, at 10:00 a.m., local time, and at any adjournments or postponement thereof. The approximate date on which this Proxy Statement and the accompanying Proxy were first given or sent to security holders was November 9, 2007.

Each Proxy executed and returned by a stockholder may be revoked at any time thereafter, by written notice to that effect to the Company, attention of the Secretary, prior to the Annual Meeting, or to the Chairman, or the Inspectors of Election, at the Annual Meeting, or by the execution and return of a later-dated Proxy, except as to any matter voted upon prior to such revocation.

The Proxies in the accompanying form will be voted in accordance with the specifications made and where no specifications are given, such Proxies will be voted FOR the proposal to elect seven persons to the Board of Directors of the Company to serve until their respective successors are elected and qualified, FOR the approval of the proposal to amend the Company's Restated Certificate of Incorporation to increase the authorized number of shares of Common Stock from 25 million to 35 million shares and FOR the proposal to ratify the appointment of KPMG as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2007. In the discretion of the proxy holders, the Proxies will also be voted FOR or AGAINST such other matters as may properly come before the Annual Meeting. The management of the Company is not aware of any other matters that are to be presented for action at the Annual Meeting. Although it is intended that the Proxies will be voted for the nominees named herein, the holders of the Proxies reserve discretion to cast votes for individuals other than such nominees in the event of the unavailability of any such nominee. The Company has no reason to believe that any of the nominees will become unavailable for election. The Proxies may not be voted for a greater number of persons than the number of nominees named.

### **Required Votes**





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In the election of directors (Proposal 1), you may either vote for each nominee or expressly withhold your vote with respect to a nominee. The directors are elected by a plurality of the votes of the holders of shares of Common Stock present in person or represented by proxy at the Annual Meeting, which means the seven director nominees receiving the highest number of votes will be elected. Accordingly, shares not present and shares present but not voted (because such vote is expressly withheld or is simply not cast) will have no effect on the voting outcome with respect to the election of directors.

Approval of the proposal to amend the Company's Restated Certificate of Incorporation (Proposal 2) and the proposal to ratify the appointment of KPMG as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2007 (Proposal 3) require the affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting. For Proposal 2 and 3, abstentions will be counted for purposes of determining the number of votes cast and will have the same legal effect as a negative vote.

Because the election of directors (Proposal 1) and the ratification of the appointment of KPMG as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2007 (Proposal 3) are each a routine proposal, if you hold your shares in street name and do not give your broker or nominee instructions as to how to vote your shares with respect to Proposal 1 or Proposal 3, your broker or nominee will have discretionary authority to vote your shares under applicable rules. Because approval of the proposal to amend the Company's Restated Certificate of Incorporation (Proposal 2) is a non-routine proposal, if you hold your shares in street name and do not give your broker or nominee instructions as to how to vote your shares with respect to Proposal 2, under applicable rules your broker or nominee will not have discretionary authority to vote your shares, in which case such shares will be considered a broker non-vote with respect to this proposal.

**Record Date**



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The Board of Directors has fixed the close of business on October 31, 2007 as the record date for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting. The issued and outstanding capital stock of the Company on October 31, 2007 consisted of 16,844,002 shares of Common Stock, each entitled to one vote per share. A quorum of the stockholders is constituted by the presence, in person or by proxy, of holders of record of Common Stock, representing a majority of the number of votes entitled to be cast.

### **PRINCIPAL STOCKHOLDERS**



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The following table sets forth the number of shares of Common Stock beneficially owned as of October 31, 2007 by each person who is known by the Company based on their filings with the Securities and Exchange Commission ( SEC ) to own beneficially more than 5% of the Company s outstanding Common Stock.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percent of Class
Caxton Associates LLC Princeton Plaza, Building 2 731 Alexander Road Princeton, NJ 08540	1,388,034 shares (1)	8.2%
Dimensional Fund Advisors LP 1299 Ocean Avenue Santa Monica, CA 90401	1,311,383 shares (2)	7.8%
Pequot Capital Management, Inc. 500 Nyala Farm Road Westport, CT 06880	1,215,000 shares (3)	7.2%
Royce & Associates, LLC 1414 Avenue of the Americas New York, NY 10019	857,100 shares (4)	5.1%

- (1) Based on a Schedule 13G/A filed jointly by Caxton International Limited, GDK, Inc., A.R.T. Advisors LLC, Aaron Sosnick, Caxton Associates, LLC, Bruce S. Kovner, and Ross Taylor with the SEC on February 14, 2007.
- (2) Based on a Schedule 13G/A filed by Dimensional Fund Advisors LP ( Dimensional ) with the SEC on February 9, 2007. Dimensional has informed the Company that the shares are owned by advisory clients of Dimensional and that Dimensional disclaims beneficial ownership of such shares.
- (3) Based on a Schedule 13G filed by Pequot Capital Management, Inc. with the SEC on February 14, 2007.
- (4) Based on a Schedule 13G filed by Royce & Associates, LLC with the SEC on January 22, 2007.

**SECURITY OWNERSHIP OF DIRECTORS AND NAMED EXECUTIVE OFFICERS**

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The following table sets forth, as of October 31, 2007, the beneficial ownership of Common Stock, by each director, each of the named executive officers, and all directors and executive officers as a group.

Name of Beneficial Owner	Amount and Nature of Beneficial Owner	Percent of Class(1)
Harvey P. Eisen	358,879(2)	2.1%
Jerome I. Feldman	276,348(3)	1.6%
Marshall S. Geller	215,145	1.3%
Scott N. Greenberg	120,487(4)	*
Richard C. Pfenniger, Jr.	11,944	*
Ogden R. Reid	6,876	*
Douglas E. Sharp	75,855(5)	*
Sharon Esposito-Mayer	29,639(5)	*
Karl Baer	26,823(5)	*
Directors and Executive Officers as a Group (11 persons)	1,166,535(6)	6.9%

\*Less than one percent.

- (1) Assumes for each beneficial owner and directors and executive officers as a group that all options are exercised in full only by the named beneficial owner or members of the group and no other options are exercised.
- (2) Includes 350,000 shares of Common Stock beneficially owned by Bedford Oak Partners, L.P. ( Bedford Oak ). Mr. Eisen is deemed to have beneficial ownership of such shares by virtue of his position as managing member of Bedford Oak Advisors, LLC, the investment manager of Bedford Oak.
- (3) Includes (i) 1,173 shares of Common Stock held by members of Mr. Feldman's family, and (ii) 5,925 shares of Common Stock allocated to Mr. Feldman's account pursuant to the provisions of our Retirement Savings Plan. Mr. Feldman disclaims beneficial ownership of the 1,173 shares of Common Stock held by members of his family.
- (4) Includes (i) 8,443 shares of Common Stock allocated to Mr. Greenberg's account pursuant to the provisions of our Retirement Savings Plan and (ii) 4,000 shares of Common Stock held by members of his family. Mr. Greenberg disclaims beneficial ownership of the 4,000 shares of Common Stock held by members of his family.
- (5) Includes 11,226 shares for Mr. Sharp, 2,754 shares for Ms. Esposito-Mayer and 360 shares for Mr. Baer, issuable upon exercise of currently exercisable stock options; and 9,070 shares for Mr. Sharp, 7,097 for Ms. Esposito-Mayer, and 6,134 shares for Mr. Baer allocated pursuant to the provisions of our Retirement Savings Plan.
- (6) Includes 16,496 shares of Common Stock issuable upon exercise of currently exercisable stock options and 49,153 shares of Common Stock allocated to accounts pursuant to the provisions of our Retirement Savings Plan.



**PROPOSAL 1. ELECTION OF DIRECTORS**



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The Board of Directors currently consists of six members, but the Board has decided to increase the size of the Board to seven members. All seven of our directors will be elected at the Annual Meeting to hold office until the next Annual Meeting of Stockholders and until their respective successors are elected and qualify. Messrs. Feldman and Reid have not been nominated and are not standing for reelection. The Board proposes that each of the current directors, other than Messrs. Feldman and Reid, be reelected to the Board. In addition, the Board of Directors has nominated Sue W. Kelly, A. Marvin Strait and Gene A. Washington for election as directors. The Proxies solicited by this proxy statement may not be voted for a greater number of persons than the number of nominees named. Each nominee has consented to being named in this proxy statement and has agreed to serve if elected. It is intended that these Proxies will be voted for the following nominees, but the holders of these Proxies reserve discretion to cast votes for individuals other than the nominees for Director named below in the event of the unavailability of any such nominee. Set forth below are the names of the nominees, the year in which first elected a Director of the Company, the principal occupation of each nominee, and certain other information.

**Name and Year First  
Elected as Director**

**Age**

**Principal Occupation and Business Experience  
During the Past Five Years**