

**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 Rule 14a-11(c) or Rule 14a-12

Preformed Line Products Company

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(Name of Registrant as Specified in Its Charter)

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(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:

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Fee paid previously with preliminary materials:

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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: \_\_\_\_\_



**PREFORMED LINE PRODUCTS COMPANY**  
**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

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To our shareholders:

The 2008 annual meeting of shareholders of Preformed Line Products Company will be held at the offices of the Company, 660 Beta Drive, Mayfield Village, Ohio, on Monday, April 28, 2008, at 9:00 a.m., local time, for the following purposes:

1. To elect four directors, each for a term expiring in 2010;
2. To consider a proposal to approve the adoption of the Long-Term Incentive Plan of 2008;
3. To receive reports at the meeting. No action constituting approval or disapproval of the matters referred to in the reports is contemplated; and
4. Any other matters that properly come before the meeting.

Only shareholders of record at the close of business on March 12, 2008, are entitled to notice of and to vote at the meeting or any adjournment thereof. Shareholders are urged to complete, date and sign the enclosed proxy and return it in the enclosed envelope. The principal address of Preformed Line Products Company is 660 Beta Drive, Mayfield Village, Ohio 44143.

By order of the Board of Directors,

CAROLINE S. VACCARIELLO,  
*Secretary*

Dated: March 25, 2008

**YOUR VOTE IS IMPORTANT**  
**PLEASE COMPLETE, SIGN, DATE AND RETURN YOUR PROXY**

# PREFORMED LINE PRODUCTS COMPANY

## PROXY STATEMENT

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Our Board of Directors is sending you this proxy statement to ask for your vote as a Preformed Line Products Company shareholder on the matters to be voted on at the annual meeting of shareholders. The annual meeting of shareholders will be held at 660 Beta Drive, Mayfield Village, Ohio, 44143, on Monday, April 28, 2008, at 9:00 a.m., local time. We are mailing this proxy statement and the accompanying notice and proxy to you on or about March 25, 2008.

*Annual Report.* A copy of our Annual Report to Shareholders for the fiscal year ended December 31, 2007, is enclosed with this proxy statement.

*Solicitation of Proxies.* Our Board of Directors is making this solicitation of proxies and we will pay the cost of the solicitation. In addition to solicitation of proxies by mail, our employees may solicit proxies by telephone, facsimile or electronic mail.

*Proxies; Revocation of Proxies.* The shares represented by your proxy will be voted in accordance with the instructions as indicated on your proxy. In the absence of any such instructions, they will be voted to elect the director nominees set forth under "Election of Directors," and FOR the proposal to approve the adoption of the Long Term Incentive Plan of 2008. Your presence at the annual meeting of shareholders, without more, will not revoke your proxy. However, you may revoke your proxy at any time before it has been exercised by signing and delivering a later-dated proxy or by giving notice to us in writing at our address indicated on the attached Notice of Annual Meeting of Shareholders, or in open meeting.

*Voting Eligibility.* Only shareholders of record at the close of business on the record date, March 12, 2008, are entitled to receive notice of the annual meeting of shareholders and to vote the common shares that they held on the record date at the meeting. On the record date, our voting securities outstanding consisted of 5,382,006 common shares, \$2 par value, each of which is entitled to one vote at the meeting.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the amount of the Company's Common Shares beneficially owned as of March 12, 2008, by (a) the Company's Directors, (b) each other person known by the Company to own beneficially more than 5% of the outstanding Common Shares, (c) the Company's Chief Executive Officer and the other four most highly compensated Executive Officers named in the Summary Comparison Table, and (d) the Company's Executive Officers and Directors as a group.

<b><u>Name of Beneficial Owner</u></b>	<b><u>Number of Shares Beneficially Owned</u></b>	<b><u>Percent of Class</u></b>
Barbara P. Ruhlman (1)	1,652,496 (2)	30.7%
Robert G. Ruhlman (1)	790,259 (3)	14.7%
Randall M. Ruhlman	660,030 (4)	12.3%
KeyCorp (5)	404,352	7.5%
Jeffrey L. Gendell (6)	504,728	9.4%
Frank B. Carr	5,980 (7)	*
Eric R. Graef	10,450 (8)	*
William H. Haag III	10,910 (8)	*
Dennis F. McKenna	6,710 (8)	*
J. Cecil Curlee Jr.	10,000 (8)	*
All executive officers and directors as a Group (15 persons)	2,678,381	49.8%

\* Represents less than 1%.

- (1) The mailing address for each of Barbara P. Ruhlman and Robert G. Ruhlman is 660 Beta Drive, Mayfield Village, Ohio 44143.
- (2) Includes 63,335 shares held by The Thomas F. Peterson Foundation, of which Barbara P. Ruhlman is President and a Trustee.
- (3) Includes 115,795 shares held by the Preformed Line Products Company Profit Sharing Trust, and 93,312 shares held in trust for the benefit of Robert G. Ruhlman and his children and for the benefit of Randall M. Ruhlman and his children (these 93,312 shares are also shown as being beneficially owned by Randall M. Ruhlman) and 300 shares owned by his wife. Also includes 400,452 shares held in the Ethel B. Peterson Trust of which KeyCorp is the trustee and for which Robert G. Ruhlman acts as co-Trust Advisor and has voting control (these 400,452 shares are also shown as being beneficially owned by Randall M. Ruhlman).
- (4) Includes 93,312 shares held in trust for the benefit of Randall M. Ruhlman and his children and for the benefit of Robert G. Ruhlman and his children (these 93,312 shares are also shown as being beneficially owned by Robert G. Ruhlman). Also includes 400,452 shares held in the Ethel B. Peterson Trust of which KeyCorp is the trustee and for which Randall M. Ruhlman acts as co-Trust Advisor and has voting control (these 400,452 shares are also shown as being beneficially owned by Robert G. Ruhlman).
- (5) The mailing address for KeyCorp is 127 Public Square, Cleveland, Ohio 44114.
- (6) Comprises shares beneficially owned by Tontine Overseas Associates, L.L.C (95,888 shares) and Tontine Capital Partners, L.P. (408,840 shares). The mailing address for Jeffrey L. Gendell is 55 Railroad Avenue, Greenwich, Connecticut 06830.
- (7) Includes 2,000 shares held in Mr. Carr's IRA.
- (8) Includes the following number of shares that may be acquired pursuant to currently exercisable stock options for Eric R. Graef, 10,000; William H. Haag III, 6,748; Dennis F. McKenna, 6,300; and J. Cecil Curlee Jr., 9,650.

## ELECTION OF DIRECTORS

In accordance with our current Code of Regulations, the maximum number of Directors has been fixed at eight. The Company has classified its Board of Directors into two classes composed of four members each, both classes serving staggered terms. Two of our Directors, Glenn E. Corlett and Randall M. Ruhlman, are serving a term that expires at this year’s annual meeting of shareholders and have been nominated for re-election at the meeting for a term which expires in 2010. Mr. Kestner and Mr. Gibbons have been nominated by the Board for election to the Board for a term which expires also in 2010. In February 2008, Mr. Kestner was elected to fill the vacancy created by the death of John D. Drinko, and Mr. Gibbons was elected to fill a vacancy in the same class of Directors. Four Directors, Frank B. Carr, John P. O’Brien, Barbara P. Ruhlman and Robert G. Ruhlman, are currently serving terms that expire in 2009. The Board of Directors, upon the recommendation of a majority of the Company’s independent Directors, proposes that the nominees described below be elected to the Board of Directors. At the annual meeting of shareholders, the shares represented by proxies, unless otherwise specified, will be voted for the four nominees hereinafter named.

The Director nominees are identified in the following table. If for any reason any of the nominees is not a candidate when the election occurs (which is not expected), the Board of Directors expects that proxies will be voted for the election of a substitute nominee designated by management. The following information is furnished with respect to each person nominated for election as a Director.

**The Board recommends that you vote “FOR” the following nominees.**

### Nominees for Election at the Annual Meeting

<u>Name and Age</u>	<u>Principal Occupation and Business Experience</u>	<u>Period of Service as a Director</u>	<u>Expiration of Term for Which Proposed</u>
Glenn E. Corlett, 64	July 1997 through June 2007, Mr. Corlett was the Dean and the Philip J. Gardner Leadership Professor at The College of Business at Ohio University. Mr. Corlett is currently a professor of Accounting at Ohio University. Mr. Corlett was appointed by Governor Taft to the Ohio Venture Capital Authority. Mr. Corlett currently serves as a Director and Chairman of the audit committee for Rocky Brands, Inc. Mr. Corlett also serves as a Director of the following companies: Inn-Ohio, Inc., Copernicus, Therapeutics, Inc., Grange Insurance Companies and Palmer-Donavin Manufacturing Corporation.	2004 to date	2010
Michael E. Gibbons, 55	Mr. Gibbons is the founder and Managing Director of Brown Gibbons Lang & Company, and is also the chairman of Global M&A. Mr. Gibbons serves as Chairman and is a member of the executive committee for Global M&A, Dusseldorf, Germany; on the Board of Directors, audit committee and Chairman of the finance and planning committee for Associated Estates Realty Corporation (AEC), Richmond Heights, Ohio; on the Board of Trustees and executive committee for Greater Cleveland Sports Commission, Cleveland, Ohio; on the board of trustees for Ohio Israeli Chamber of Commerce, Cleveland, Ohio; and on the visiting committee for	2008	2010

<u>Name and Age</u>	<u>Principal Occupation and Business Experience</u>	<u>Period of Service as a Director</u>	<u>Term Expiration</u>
	Case Western Reserve University Weatherhead School of Management, Cleveland, Ohio.	2008	2010
R. Steven Kestner, 53	Since September 1979, Mr. Kestner has been an attorney with the law firm Baker & Hostetler LLP, and has been Executive Partner of that firm since January 2004. Prior to that time Mr. Kestner was a member of the firm's Policy Committee and National Chair of the firm's Business Group. Mr. Kestner serves on the Board of Trustees for The Cleveland Museum of Art, the Board of Regents for St. Ignatius High and the Board of Directors for the Greater Cleveland Partnership.	2008	2010
Randall M. Ruhlman, 49	President of Ruhlman Motorsports since 1987	1998 to date	2010

Current Directors whose terms will not expire at the annual meeting of shareholders:

<u>Name and Age</u>	<u>Principal Occupation and Business Experience</u>	<u>Period of Service as a Director</u>	<u>Term Expiration</u>
Frank B. Carr, 80	Private investor. Retired from McDonald Financial Investments, Inc. (formerly McDonald & Company) in 1990. Positions held included Partner-in-Charge of Corporate Finance and Managing Director in Charge of Corporate Finance.	1975 to date	2009
John P. O'Brien, 66	Since April 1990, Mr. O'Brien has been a Managing Director of Inglewood Associates, Inc., a private investment and consulting firm. Mr. O'Brien currently serves as a Director for the following companies and organizations: Allied Construction Products, LLC; Century Aluminum Corporation; Cleveland Sight Center, Saint Luke's Foundation and Downtown-Chagrin Falls.	2004 to date	2009
Barbara P. Ruhlman, 75	President of the Thomas F. Peterson Foundation since 1988.	1988 to date	2009
Robert G. Ruhlman, 51	Mr. Ruhlman was elected Chairman of the Company in July 2004. Mr. Ruhlman has served as Chief Executive Officer since July 2000, and as President since 1995 (positions he continues to hold).	1992 to date	2009

The Board has determined that Messrs. Carr, Corlett, Gibbons, Kestner and O'Brien are independent under the NASDAQ's corporate governance rules. In the opinion of the Board, Mr. Kestner's affiliation with Baker & Hostetler LLP, a law firm that regularly provides legal services to the Company, does not interfere with Mr. Kestner's exercise of independent judgment in carrying out his duties as a director.

Barbara P. Ruhlman is the mother of Randall M. Ruhlman and Robert G. Ruhlman.

The Board does not have a Nominating Committee nor any charter with respect to nominations, however: pursuant to NASDAQ corporate governance rules, any Board nominees must be recommended for Board selection by a majority of the Company's independent Directors. The independent Directors are responsible for ensuring that the Board of Directors possesses a variety of knowledge, experience and capabilities derived from substantial business and professional experience, based on an assessment of numerous factors such as age and understanding of and experience in manufacturing, technology, finance and marketing. Nominees for the Board of Directors should be committed to enhancing long-term shareholder value and must possess a high level of personal and professional ethics, sound business judgment and integrity. To this end, the independent Directors rely on its network of contacts to compile a list of potential candidates, and may also consider qualified candidates suggested by Officers, employees, shareholders and others, using the same criteria to evaluate all candidates. Recommendations should be submitted to the Board of Directors at the addresses listed under Communication with the Board of Directors.

The Board of Directors has appointed an Audit Committee and a Compensation Committee. The Board of Directors does not have a Finance Committee. The Audit Committee is presently comprised of Messrs. O'Brien (chairman), Carr and Corlett, each of whom qualify as independent for audit committee purposes under the NASDAQ rules. The Board of Directors has determined that John P. O'Brien is an audit committee financial expert. The Compensation Committee is presently comprised of Messrs. Corlett (chairman), Carr and O'Brien.

The Audit Committee of the Board of Directors engages the independent public accountants for the Company, reviews with the independent public accountants the plans and results of audit engagements, preapproves all professional services provided by the independent public accountants including audit and non-audit-related services, reviews the independence of the independent public accountants, approves the range of audit and non-audit fees, reviews the independent public accountants' management letters and management's responses, reviews with management their conclusions about the effectiveness of the Company's disclosure controls and procedures, and reviews significant accounting or reporting changes. Management does not approve professional services provided by the independent public accountants for audit and non-audit-related services. The Audit Committee is governed by a written charter. A copy of the charter was attached as an appendix to the 2007 proxy statement.

The Compensation Committee administers the Company's executive compensation program and as such, is responsible for reviewing all aspects of the compensation program for the Company's Executive Officers. The Compensation Committee meets at scheduled times during the year – no less than twice – and has the authority to consider and take action by written consent. The Compensation Committee Chairman reports on Compensation Committee actions and recommendations at the Company's Board meetings. The Compensation Committee's Charter reflects the responsibilities of the Committee. In order to meet its responsibilities, the Compensation Committee has the authority to delegate certain of its responsibilities to subcommittees and/or Officers where necessary, consistent with applicable law. The Compensation Committee is governed by a written charter. A copy of the charter was attached as an appendix to the 2007 proxy statement.

The Compensation Committee's primary objective with respect to executive compensation is to establish programs which attract and retain key officers and managers, and align their compensation with the Company's overall business strategies, values, and performance. To this end, the Compensation Committee has established, and the Board of Directors has endorsed, an executive compensation philosophy to compensate Executive Officers based on their responsibilities and the Company's overall annual and longer-term performance, which is outlined in the Compensation Discussion and Analysis. The Committee reviews recommendations from the Company's Executive Officers, and utilizes compensation survey data in connection with establishing compensation.

In 2007, the Board of Directors held five meetings, of which two Directors John D. Drinko and Randall M. Ruhlman attended less than 75% of the meetings. In 2007, the Audit Committee held four formal meetings and the Compensation Committee held six meetings. Additionally, the Audit Committee chairman had numerous informal meetings with management and the independent public accountants. The Company expects its Directors to attend the Company's annual meeting of shareholders. All of the Directors attended last year's annual meeting of shareholders.

**PROPOSAL: ADOPTION OF THE PREFORMED LINE PRODUCTS  
LONG TERM INCENTIVE PLAN OF 2008**

**The Board of Directors recommends that you vote FOR the proposal to adopt the Plan.**

The Preformed Line Products Company Long Term Incentive Plan of 2008 (the "Plan") was unanimously approved by the Board of Directors upon the recommendation of the Compensation Committee ("Committee") on February 19, 2008. The Plan is subject to approval by the Company's shareholders, in accordance with applicable law and the NASDAQ rules.

The Company is seeking shareholder approval of the Plan. The Plan will help the Company achieve the Company's goal of promoting its long-term growth and profitability by enabling the Company to attract, retain and reward employees and therefore align the interests of those employees with those of the Company's shareholders. The Company believes that the use of share-based benefits as part of the Company's compensation package is of great importance in promoting the Company's growth and continued success and is thus of substantial benefit to the Company's shareholders and the Company.

Summary of the Plan

*Purpose.* The purpose of the Plan is to give the Company and its Subsidiaries a competitive advantage in attracting, retaining and motivating Officers, employees and Directors and to incentivize those individuals to increase shareholder value through long-term incentives directly linked to the Company's performance.

*Administration.* The Plan will be administered by the Committee, who will select the individuals who will receive awards, and determine the type and amount of awards, and the terms and conditions of the awards, including the right to cancel or suspend an award. Eligible participants are Officers, employees and Directors, as selected by the Committee. Additionally, the Committee will have the authority to adopt, alter and repeal such rules, guidelines and practices governing the Plan as it considers advisable and to interpret the terms and provisions of the Plan and any award issued under the Plan.

*Options.* The Committee may grant Incentive Stock Options and Nonqualified Options. The award agreement for an Option shall indicate if an Option is intended to be an Incentive Stock Option, and such option must meet the requirements under Section 422A of the Internal Revenue Code of 1986, as amended (the "Code"). The exercise price per share subject to an Option shall be determined by the Committee and set forth in the applicable award agreement, and shall not be less than the fair market value of the share on the applicable grant date. The term of each Option will be fixed by the Committee, but will not exceed ten years. Options shall be exercisable at such time or times as shall be determined by the Committee, provided that, except as otherwise determined by the Committee, the Option shall not fully vest prior to the first anniversary of the applicable grant date.

*Restricted Shares.* The Committee may grant Restricted Shares, with vesting conditioned upon (a) the continued service of a participant, (b) attainment of performance goals, or (c) both. Generally, awards of Restricted Shares shall require at least three years of continuous services following the applicable grant date. The participant shall have, with respect to the Restricted Shares, all of the rights of a stockholder of the Company holding the class or series of common shares that is the subject of the Restricted Shares, including, if applicable, the right to vote the shares and the right to receive cash dividends. During the period where vesting restrictions apply, the participant may not sell, assign, transfer, pledge or otherwise encumber the Restricted Shares.

*Authorized Shares.* The number of Shares subject to Awards under the Plan shall be 400,000. Of that, the maximum number of Shares subject to Restricted Shares Award shall be 300,000, regardless of whether such awards are thereafter canceled, forfeited or terminated, and the maximum number of shares subject to Options (whether Incentive Stock Options or Nonqualified Options) shall be 100,000 shares.

*Corporate Change.* In the event of any merger, reorganization, consolidation, recapitalization, share dividend, share split, combination of shares or other change in the Company's corporate structure affecting the shares, an adjustment or substitution may be made as approved by the Committee.



*Change in Control.* In the event of a change in control (as defined in the Plan), (i) any Options outstanding which are not then exercisable and vested shall become fully exercisable and vested; (ii) the restrictions applicable to any Restricted Stock shall lapse, and such Restricted Stock shall become fully vested and transferable; and (iii) the Committee may also make additional adjustments and/or settlements of outstanding awards as it deems appropriate provided that such adjustments and settlements are consistent with the Plan's purposes and avoidance of adverse taxation under Section 409A of the Code.

*Compliance with the Code.* The Plan is intended to ensure that all Awards granted to a "covered employee" (within the meaning of Section 162(m)(3) of the Code) in the tax year in which such Award is expected to be deductible to the Company intended to qualify for the Section 162(m) Exemption so qualify, and all such Awards shall therefore be considered Qualified Performance-Based Awards unless and until the Committee expresses a different intention. Further, the intent of the Plan is that no Award shall be "nonqualified deferred compensation" subject to Section 409A of the Code.

*Amendment of Plan.* The Board or the Committee may amend, alter, or discontinue the Plan, but no amendment, alteration or discontinuation shall be made which would materially and adversely affect the rights of the participant with respect to a previously granted award without such participant's consent, except such an amendment made to comply with applicable rules of law or to avoid adverse taxation, including without limitation Section 409A of the Code, stock exchange rules or accounting rules.

#### Federal Tax Consequences

The following summary of the federal income tax consequences applicable to options awarded under the Plan is only a general summary of the applicable provisions of the Code and regulations promulgated thereunder as in effect on the date of this proxy statement. The actual federal, state, local and foreign tax consequences to the participant may vary depending upon his or her particular circumstances.

*Incentive Stock Options.* An incentive stock option generally results in no taxable income to the participant or a deduction to the Company at the time it is granted or exercised. However, the excess of the fair market value of the shares acquired over the option price is an item of adjustment in computing the alternative minimum taxable income of the participant. If the participant holds the stock received as a result of an exercise of an incentive stock option for at least two years from the date of the grant and one year from the date of exercise, then the gain realized on disposition of the stock (generally the amount received in excess of the option price) is treated as a long-term capital gain. If the shares are disposed of during this period, however (i.e., a "disqualifying disposition"), then the participant will include in income, as compensation for the year of the disposition, an amount equal to the excess, if any, of the fair market value of the shares on the date of exercise of the option over the option price (or, if less, the excess of the amount realized upon disposition over the option price). The excess, if any, of the sale price over the fair market value on the date of exercise will be either a long-term or a short-term capital gain depending on whether the participant has held the stock for more than one year. In such case, the Company will be entitled to a deduction, in the year of such a disposition, for the amount includible in the participant's income as compensation. The participant's basis in the shares acquired upon exercise of an incentive stock option is equal to the option price paid, plus any amount includible in his or her income as a result of a disqualifying disposition.

If an incentive stock option is exercised by tendering previously owned shares, the following generally will apply: a number of new shares equal to the number of previously owned shares tendered will be considered to have been received in a tax-free exchange; the participant's basis and holding period (except for the disqualifying disposition period) for such number of new shares will be equal to the basis and holding period of the previously owned shares exchanged. To the extent that the number of common shares received exceeds the number of common shares surrendered, no taxable income will be realized by the participant at that time; such excess common shares will be considered incentive stock option stock with a zero basis; and the holding period of the participant in such common shares will begin on the date such common shares are transferred to the participant. If the common shares surrendered were acquired as the result of the exercise of an incentive stock option and the surrender takes place within two years from the date the incentive stock option relating to the surrendered common shares was granted or within one year from the date of such exercise, the surrender will result in a disqualifying disposition and the participant will realize ordinary income at that time in the amount of the excess, if any, of the fair market value at the time of exercise of the common shares surrendered over the basis of such common shares. If any of the common

shares received are disposed of in a disqualifying disposition, the participant will be treated as first disposing of the common shares with a zero basis.

*Non-qualified Stock Options.* A non-qualified stock option generally results in no taxable income to the participant or deduction to the Company at the time it is granted. A participant exercising such an option will, at that time, realize taxable compensation in the amount of the difference between the option price and the then market value of the shares. Subject to the applicable provisions of the Code, the Company will be allowed a deduction for federal income tax purposes in the year of exercise in an amount equal to the taxable compensation recognized by the participant.

The participant's basis in such shares is equal to the sum of the option price plus the amount includible in his or her income as compensation upon exercise. Any gain (or loss) upon subsequent disposition of the shares will be a long-term or short-term gain (or loss), depending upon the holding period of the shares.

If a non-qualified option is exercised by tendering previously owned shares, the following generally will apply: a number of new shares equal to the number of previously owned shares tendered will be considered to have been received in a tax-free exchange; the participant's basis and holding period for such number of new shares will be equal to the basis and holding period of the previously owned shares exchanged. The participant will have compensation income equal to the fair market value on the date of exercise of the number of new shares received in excess of such number of exchanged shares; the participant's basis in such excess shares will be equal to the amount of such compensation income; and the holding period in such shares will begin on the date of exercise.

#### Code Section 162(m)

Under Section 162(m) of the Code, the Company's allowable federal income tax deduction for compensation paid to certain of the Company's Executive Officers is limited to \$1,000,000 per year per Officer. "Performance-based compensation" is generally excluded from this deduction limit. The amount includible in income of a participant on exercise of a nonqualified stock option under the Plan is intended to qualify as performance-based compensation under Section 162(m) and the regulations thereunder, which, among other things, require material terms contained within the Plan to be approved by the shareholders.

#### Vote Required for Approval

The affirmative vote of a majority of the votes cast is required to adopt this proposal. Votes may be cast at the annual meeting of shareholders, either in person or by properly executed proxy. Under Ohio law and the Company's Amended and Restated Articles of Incorporation, as amended, abstentions and broker non-votes, if any, with respect to this proposal will, in effect, be votes against the proposal.

#### **Audit Committee Report**

In accordance with its charter, the Audit Committee assists the Board of Directors in fulfilling its responsibility relating to corporate accounting, reporting practices of the Company, and the quality and integrity of the financial reports and other financial information provided by the Company to NASDAQ, Securities and Exchange Commission or the public. Management is responsible for the financial statements and the reporting process, including the system of internal controls. The independent auditors are responsible for expressing an opinion on the conformity of the audited financial statements with generally accepted accounting principles. The Audit Committee is comprised of three Directors who are not Officers or employees of the Company and are "independent" under the current NASDAQ rules.

In discharging its oversight responsibility as to the audit process, the Audit Committee reviewed and discussed the audited financial statements of the Company for the year ended December 31, 2007, with the Company's management. The Audit Committee discussed the matters required to be discussed by Statement on Auditing Standard No. 61, as amended, and other regulations, with the independent auditors. The Audit Committee also obtained a formal written statement from the independent auditors that described all relationships between the independent auditors and the Company that might bear on the auditor's independence consistent with Independence Standards Board Standard No. 1, "Independence Discussions with Audit Committee," as amended or supplemented.

The Audit Committee discussed with the independent auditors any relationships that might affect their objectivity and independence and satisfied itself as to the auditors' independence. The Audit Committee also considered whether the provision of non-audit services by Deloitte & Touche LLP ("Deloitte") is compatible with maintaining Deloitte's independence. Management has the responsibility for the preparation of the Company's financial statements, and the independent auditors have the responsibility for the examination of those statements.

Based on the above-referenced review and discussions with management and the independent auditors, the Audit Committee recommended to the Board of Directors that the Company's audited financial statements be included in its Annual Report on Form 10-K for the year ended December 31, 2007, for filing with the Securities and Exchange Commission.

John P. O'Brien, Chairman  
Frank B. Carr  
Glenn E. Corlett

## **DIRECTORS AND EXECUTIVE OFFICERS COMPENSATION**

### **Compensation Discussion and Analysis**

#### *Role of the Compensation Committee*

The Compensation Committee ("Committee") administers the Company's executive compensation programs. The role of the Committee is to oversee the Company's compensation and benefit plans and policies for its elected Executive Officers ("Officers"), including the Named Executive Officers ("NEOs") who are the Company's Principal Executive Officer (Robert G. Ruhlman, Chairman, President and Chief Executive Officer), Principal Financial Officer (Eric R. Graef, Treasurer, Vice President – Finance) and the three other most highly compensated executive officers. The Committee reviews and approves all executive compensation decisions relating to the Officers, including the Chief Executive Officer ("CEO") and all NEOs. During 2007 there were eight Officers.

In performance of its duties, the Committee has the authority to allocate all or any portion of its responsibilities and powers to any one or more of its members, and may delegate all or any portion of its responsibilities and powers to a committee formed for that purpose, subject to approval from the entire Board of Directors. Additionally, the Committee may select and appoint outside consultants to assist it.

#### *Philosophy of the Compensation Program*

The philosophy of the Committee is to provide a compensation program that will attract, motivate and retain key leadership in order to give the Company a competitive advantage while ensuring the success and growth of the Company. Compensation should ensure that a significant portion of compensation will be directly related to the Company's performance by tying annual cash bonus and long term incentive awards to Company performance. As such, the compensation program is intended to motivate the Officers to enable the Company to achieve its short-term and long-term business goals.

To that end, the Committee has three goals to guide it in this endeavor: (a) compensation paid to Officers should be aligned with the performance of the Company on both a long- and short-term basis; (b) compensation should be competitive within this high demand employment environment; and (c) compensation is designed to reward Officers for meeting performance targets.

## *Compensation Program*

The Committee strives to craft a compensation program that pays the Officers at competitive levels reflective of their individual responsibilities while maintaining consistency and pay equity among the individual Officers. The Committee conducts an annual review of the compensation program, as well as changes in the overall composition of the management team and the responsibilities of the individual Officers. This is to ensure that the compensation is competitive within the market, supports retention objectives and is internally equitable. Reliance upon various tools, and the findings from such tools, assists the Committee in its analysis, which lead to decisions regarding the mix of the various compensation elements to be included. Additionally, the cost of the compensation program is considered, in recognition that the optimal compensation program motivates employees to improve the results on a cost-effective basis. Typically, the Committee finalizes compensation elements for a year in December of the prior year, although, as described further below, the Committee modified the Annual Bonus Plan for 2007 in December 2007.

Tools and Findings from Analysis. The Committee relies upon tools to analyze the compensation program internally and within the competitive landscape. Historically, these tools have been consideration of outside data compiled by various consultants, the use of tally sheets detailing overall compensation package to the individual Officers and discussions with the CEO regarding performance levels and goals.

*External Data.* In August 2007 the Committee engaged Towers Perrin (“TP”) to evaluate the mix of elements for its compensation program, and to determine whether the compensation plan is adequately structured to meet the goals. TP analyzed the business issues facing the Company, including its operating environment, entrepreneurial culture, short and long-term business strategies, and various challenges and opportunities. This review highlighted the goals for the compensation program. TP also conducted a diagnostic review of the Company’s current compensation program to determine the role and magnitude of opportunities associated with a new long-term incentive plan while maintaining the overall competitiveness of the Company’s program. A key feature of this review was utilization of pay surveys, as well as identifying a peer group of companies comparable in size and business orientation to the Company. The results from the peer group evaluation were compared to the Company’s financial performance to understand the measurement and pay-for-performance linkages. The result obtained from this analysis was just one of several analytical tools used, and was not a determinative factor, given the limitations associated with comparative pay information for establishing compensation. TP then provided recommendations for revising the compensation program, which included revising the annual bonus plan for 2007 compensation. The results of TP’s review also included a recommendation for the establishment of a long term incentive plan, which is being presented for shareholders’ approval herewith. The Committee considered these recommendations, and made its own recommendations, as explained further under the section addressing Annual Bonus.

Additionally, the Committee relies upon various independent surveys, which are matched to specific positions with similar functional descriptions as those for the Officers. One of these is Watson-Wyatt’s annual compensation level survey, to which the Committee had access via TP’s report. Using this independent survey, the Company analyzed the compensation paid in 2006 to Officers (comprised of salary and bonus), including the CEO, to determine in which percentile of the compensation paid to executives holding equivalent positions in the peer group the Officers fell, when including a cash incentive award of 50% of based pay. The Officers including the CEO, fell slightly above the 50<sup>th</sup> percentile. The Committee also reviewed total compensation, which included salary, bonus and long-term incentives, for the Officers, and compared that data with the TP survey data, as well as the peer group data. When comparing total compensation, none of the Officers, including the CEO, were above the 25<sup>th</sup> percentile.

*Discussions with the CEO.* All of the Officers report directly to the CEO, who performs a yearly evaluation of the performance of each Officer. The CEO’s assessment of the individual performance forms the basis for the proposed compensation levels of each Officer based upon the information derived from the aforementioned survey. The CEO provides a written evaluation for each Officer that includes his recommendations for salary adjustments for the subsequent year to the Committee which weighs these recommendations in determining salary levels.

Compensation Elements. The Company recognizes that its success depends, in large part, on a leadership team with the skills and commitment necessary to successfully manage a global organization. The compensation program assists in achieving this objective by relying on the elements of compensation detailed below. As such, certain elements are designed to enable the Company to attract and retain the Officers with the skills to anticipate and respond to the market, while other elements are intended to motivate the Officers to achieve financial results to enhance shareholder value. The Company's total compensation program for Officers consists of the following elements:

- Base salaries;
- Annual cash incentive awards;
- Stock Options
- Long-term equity grants;
- Retirement benefits; and
- Health and welfare benefits.

The Company structures the total compensation program so that its reliance on any particular element of compensation is flexible. Thus, the compensation program strives to meet the goals outlined above, by balancing short-term (i.e., base salaries, annual cash incentive awards), and long-term (i.e., stock options, long-term equity grants) incentives, competitively in the market. There is no difference in the policies and their application for each of the Officers, except for the CEO.

*Base Salaries.* The Committee's goal is to establish a salary sufficient to attract and retain talented executives. This goal is based on the belief that it is important to maintain salary levels near a midpoint of comparable peer group executives to be competitive within the general market and the peer group. The base salaries of the Officers are reviewed annually. In each case, factors considered in establishing an Officer's salary level include a review of the individual's performance initiated by the CEO, an accounting of the Company's performance, the experience level for the position and the peer group executive compensation information using companies with similar revenue and employee levels, derived from independent compensation surveys and internal equity. Generally, salaries are set in December .

*Annual Cash Incentive Awards.* The annual cash incentive award is designed to motivate and reward the Officers for their contributions to the Company's performance by making a significant portion of their total compensation variable and dependent upon the Company's annual financial performance. As such, it is tied directly to the financial performance of the Company on a sliding scale of return on shareholders' equity. The calculation is based on the Company's pretax return on equity and assessed over a range of 6% to 15%, as this is a sufficient performance measure of the Company. The implied target is 10.4% which assumes a linear, symmetrical bonus curve with one-half of the maximum bonus earned at the midpoint of the performance range. From this calculation, the awards are determined based on a schedule which provides certain percentages to be applied to base salaries. The previous maximum bonus was 50% of salary. The awards are granted at year end, with an estimated 70-75% of the award paid before year end, and the remaining amount paid by March 15<sup>th</sup> following the performance year. The award for each Officer utilizes the same percentage of each Officer's salary, and there is no individual performance piece, as the entire award is based on Company performance.

In 2007, the Committee reviewed the levels of bonus, in light of its review by TP. TP suggested the bonus may not provide sufficient motivation to long-term strategic goals because it includes no assessment of bottom-line and top-line growth. The Committee noted that TP's review highlighted that the existing implied target and maximum bonus levels are below typical opportunities offered to executives in similar positions. TP determined that the maximum bonus produced median total cash compensation, suggesting the Company does not provide the same upside rewards as comparable companies. TP recommended that the maximum bonus ranges be increased, and suggested that the maximum bonus be increased to 100% of salary for the CEO and 85% of salary for the other Officers. The Committee believes that these changes will provide pay for performance that is equal to the peer group. The Committee agreed with the recommendations by TP and presented this proposal to the Board, which was approved for 2007 during the December 2007 board meeting. Finally, the Committee has the ability to exercise discretion and make adjustments, in the event of a transformational event where circumstances beyond the control of the Officers occur during the year.

*Stock Options.* The Company believes that an Officer's ownership in the Company aligns the Officer's performance with the Company's. Accordingly, the Company adopted its Employee Stock Option Plan in 1999, allowing for the awards of long-term equity grants to all employees, including Officers. The purpose of the Plan is to encourage and enable employees of the Company to acquire a personal financial interest in the Company, to align the Company's success, and to promote the continued service of the employees. The Committee, with the Board's approval, has the authority to make such awards, typically based on an individual's performance after weighing factors including the employee's duration with the Company. Additionally, the Committee has made it a practice to award options to purchase 10,000 shares to each Officer upon appointment as an Officer of the Company. The Company imposes no requirement that its Officers maintain a minimum ownership interest in the Company. Since the inception of the Plan, the Committee has awarded options to purchase 278,000 shares of the Company's Common Stock. All options contained provisions for periodic vesting. The Committee did not award stock options to the NEOs for 2007 compensation, in recognition of the forthcoming changes to compensation based on TP's review.

*Long-Term Equity Grants.* Historically, the Company has not emphasized this component of compensation. In 2007, the Committee reviewed the entire compensation program to the Officers, with the assistance of TP, specifically looking at making its long-term incentive compensation programs more competitive. To that end, TP provided the Committee with a competitive picture of the long-term incentives offered at companies in the peer group, and recommended that the Committee consider a number of structures to fill the competitive void in the existing compensation program, with a mix of options, performance-based restricted stock and service-based restricted stock. The new long-term incentive plan is being presented for shareholders approval in 2008.

*Retirement Benefits.* The Company views retirement benefits as an important component of total compensation. The Company's primary retirement benefit consists of the Company's profit sharing plan under which all salaried employees of the Company, including Officers, participate starting in their third year of employment. The amount the Company provides to the profit sharing plan is based on the recommendation of management, with the Board's approval. Typically, the Company's contribution under this plan is approximately 15% of the then-current year's cash compensation which is consistent with the amount contributed for all full-time salaried employees of the Company, including the cash incentive award, and the Company does not consider gains from prior awards. Every aspect of this plan is the same for all salaried employees, including Officers. Thus, each salaried participant elects the investment options with the same options offered to all salaried employees and Officers. The plan does not involve any guaranteed minimum return or above-market returns; rather, the investment returns are dependent upon actual investment results. To the extent an employee's award exceeds the maximum allowable contribution permitted under existing tax laws, the excess is accrued for (but not funded) under a non-qualified Supplemental Profit Sharing Plan. The return under this Supplemental Profit Sharing Plan is calculated at a weighted average of the one year Treasury Bill rate plus 1%.

*Post-Termination Compensation Agreements.* All Officers, including NEOs, are employed at the Company without an employment contract. In addition there are no agreements related to compensation or stock options triggered by a change in control of the Company, resignation, retirement or termination of employment. However, in the past, some Officers that retire were provided a five-year consulting agreement.

*Executive Perquisites.* Perquisites and other personal benefits do not comprise a significant aspect of the compensation program. Although Officers participate in the same benefit programs as the Company's other employees, the Company provides certain additional benefits to its Officers. These benefits are designed to enable the Officers to balance their personal, business and travel schedules. Benefits include the Company's payment of club dues, which amounted to less than \$4,000 annually per membership, for four of the NEOs as indicated in the accompanying Summary Compensation Table. The Company also pays annual dues for Robert G. Ruhlman at a club located near the Company's Rogers, Arkansas facility, which totaled approximately \$2,100 in 2007. This benefit is also provided to four other employees, primarily for business entertainment purposes. Except as described here, the corporate aircraft is available to all of the employees, including the Officers, for business-related travel only. The CEO is permitted to use the Company's corporate aircraft for personal purposes, as shown on the Summary Compensation Table. The Company also makes personal financial and tax advice available to its Officers. The Company believes that good financial planning by experts permits the Officers to reduce the time and attention spent on this topic, to devote to other issues.

*Tax Deductibility of Pay.* Section 162(m) of the Internal Revenue Code of 1986 places a limit of \$1 million on the amount of compensation that a company may deduct in any one year with respect to each of its Named Executive Officers. All Officers except the CEO were below this threshold in 2007.

### Compensation Committee Report

The Committee has reviewed and discussed with management the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K, and based on the review and discussion, the Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

Glenn E. Corlett, Chairman  
 Frank B. Carr  
 John P. O'Brien

### Summary Compensation Table

The table below describes the compensation earned in the last fiscal year for our NEOs.

Name and Principal Position	Year	Salary (\$)	Non-Equity		Total (\$)
			Incentive Plan Compensation (\$)	All Other Compensation (\$)(1)	
Robert G. Ruhlman	2007	550,000	550,000	206,342	\$ 1,306,342
Chairman, President and Chief Executive Officer	2006	500,000	250,000	166,940	916,940
Eric R. Graef	2007	265,000	225,260	75,333	565,593
Vice President - Finance and Treasurer	2006	250,000	125,000	61,649	436,649
William H. Haag III	2007	223,600	190,070	61,066	474,736
Vice President - International Operations	2006	215,000	107,500	52,625	375,125
Dennis F. McKenna	2007	212,000	180,200	55,351	447,551
Vice President - Marketing and Business Development	2006	200,000	100,000	45,840	345,840
J. Cecil Curlee Jr.	2007	173,260	147,270	44,107	364,637
Vice President - Human Resources	2006	165,000	82,500	37,019	284,519

- (1) Reflects the employees' 2007 earnings and interest accruals to the related non-qualified Supplemental Profit Sharing, of which the Company accrues for (but does not fund) those employees' awards which exceed the maximum allowable contribution permitted under existing tax laws for Robert G. Ruhlman, \$124,780; Eric R. Graef, \$34,941; William H. Haag III, \$23,132; Dennis F. McKenna, \$18,651; and J. Cecil Curlee Jr. \$8,839. . See Non-qualified Deferred Compensation for additional information. Reflects the following perquisites and personal benefits received by Robert G. Ruhlman: aggregate incremental cost for personal use of the Company's airplane of \$35,302, club dues of \$5,582 and tax preparation fees of \$2,855. The aggregate incremental cost of the personal use of the corporate airplane is determined on a per flight basis and includes the cost of the fuel used, the hourly cost of aircraft maintenance for the applicable number of flight hours, landing fees, trip-related hangar and parking costs, crew expenses and other costs specifically incurred. Imputed income is assessed to Mr. Ruhlman amounting to the equivalent of a first class ticket for a comparable flight. Reflects the Company's contributions to the Profit Sharing Plan in 2007 for Robert G. Ruhlman, \$33,407; Eric

R. Graef, \$32,885; William H. Haag III, \$33,233; Dennis F. McKenna \$33,030; and J. Cecil Curlee Jr. \$33,349. Also reflects premiums paid for group term life insurance for 2007: Robert G. Ruhlman, \$4,416; Eric R. Graef, \$3,844; William H. Haag III, \$703; Dennis F. McKenna, \$746; and J. Cecil Curlee Jr., \$1,294.

### Grants of Plan-Based Awards

Name	Estimated Future Payouts Under Non-Equity Incentive Plan Awards	
	Threshold (\$)	Maximum (\$)
	Robert G. Ruhlman	247,500
Eric R. Graef	79,500	225,250
William H. Haag III	67,080	190,060
Dennis F. McKenna	63,600	180,200
J. Cecil Curlee Jr.	51,978	147,271

For further information see the Compensation Discussion and Analysis. There is no target payout.

### Outstanding Equity Awards at Fiscal Year-end

Name	OPTION AWARDS						
	Number of Securities Underlying Unexercised Options (#) Exercisable	Option Exercise Price (\$)	Option Expiration Date				
				Robert G. Ruhlman	-	-	-
				Eric R. Graef	10,000	15.13	2/16/2010
William H. Haag III	6,748	15.13	2/16/2010				
Dennis F. McKenna	3,290	15.13	2/16/2010				
Dennis F. McKenna	5,000	22.10	7/28/2014				
J. Cecil Curlee Jr.	9,650	14.33	4/28/2013				

### Option Exercises and Stock Vested

Name	OPTION AWARDS	
	Number of Shares	
	Acquired on Exercise (#)	Value Realized on Exercise (\$)
Robert G. Ruhlman	-	-
Eric R. Graef	-	-
William H. Haag III	1,942	62,833
Dennis F. McKenna	3,290	89,208
J. Cecil Curlee Jr.	-	-



## Non-qualified Deferred Compensation

Name	Executive Contributions in Last FY (\$)	Registrant Contributions in Last FY (\$)	Aggregate Earnings in Last FY (\$)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at Last FYE (\$)
Robert G. Ruhlman	-	97,872	26,908	-	573,843
Eric R. Graef	-	30,449	4,492	-	109,905
William H. Haag III	-	20,676	2,456	-	64,124
Dennis F. McKenna	-	17,834	817	-	32,289
J. Cecil Curlee Jr.	-	8,642	197	-	12,134

The Company's obligation for the year ending December 31, 2007, included in the table above are also included in the Summary Compensation Table. Company obligations for the year ending 2007 included in the Summary Compensation Table are also included in the Aggregate Balance in the table above. The amounts are based on compensation that is limited by the IRS to the Company's qualified retirement plan. Earnings are calculated based on an imputed interest rate multiplied by the amount that the employee earned under the plan.

## Potential Payments upon Termination or Change in Control

All of our employees, including Executive Officers, are employed at will and do not have employment, severance or change-in-control agreements. The following details typical compensation arrangements upon retirement, resignation, death, disability or other termination.

### *Profit-Sharing Plan*

Upon termination of employment, the employee may receive vested contributions plus income earned on those contributions under the Company's Profit Sharing Plan. Upon disability, the IRS allows withdrawals to be made if the employee became permanently disabled. Upon death, the vested account balance of the employee will be paid to the designated beneficiaries.

### *Supplemental Profit-Sharing Plan*

Our Supplemental Profit-Sharing Plan was established to compensate employees whose benefits in the Profit-Sharing Plan were reduced due to IRS limitations on compensation. Upon termination of employment, the employee may receive vested contributions plus income earned on those contributions. Upon disability, the IRS allows withdrawals to be made if the employee became permanently disabled. Upon death, the vested account balance of the employee will be paid to the designated beneficiaries.

## Director Compensation

Name	Fees Earned or Paid in Cash (\$)	All Other Compensation (\$)	Total (\$)
Barbara P. Ruhlman	20,900	13,238	34,138
Frank B. Carr	33,220	-	33,220
Glenn Corlett	31,680	-	31,680
John D. Drinko	17,820	-	17,820
John P. O'Brien	31,680	-	31,680
Randall M. Ruhlman	14,740	5,201	19,941

Each Director who is not an employee of the Company receives \$3,300 per quarter for being a director, and \$1,540 for attending each meeting of the Board of Directors and each committee meeting. Directors who are also

employees are not paid a director's fee. The Company reimburses out-of-pocket expenses incurred by all Directors in connection with attending Board of Directors and committee meetings.

- (1) Includes compensation attributable to the aggregate incremental cost of the personal use of the corporate airplane for Barbara P. Ruhlman, \$13,238, and Randall M. Ruhlman, \$5,201. The aggregate incremental cost of the personal use of the corporate aircraft is determined on a per flight basis and includes the cost of the fuel used, the hourly cost of aircraft maintenance for the applicable number of flight hours, landing fees, trip-related hangar and parking costs, crew expenses and other costs specifically incurred. Imputed income is assessed to Mrs. Ruhlman and Mr. Ruhlman amounting to the equivalent of a first class ticket for a comparable flight.

### **Compensation Committee Interlocks and Insider Participation**

There are no Compensation Committee interlocks or insider participation.

### **Transactions with Related Persons**

It is the policy of the Company that the Audit Committee approve all related party transactions.

The Company has a Code of Conduct that addresses the Company's commitment to the honesty, integrity and ethical behavior of the Company's Directors, Officers and employees. The Code governs the actions and working relationships of the Company's Directors, Officers and employees with current and potential customers, consumers, fellow employees, competitors, government and self-regulatory agencies, investors, the public, the media and anyone else with whom the Company has or may have contact. Each Director, elected Executive Officer and employee is instructed to always inform the Board when confronted with a situation that may be perceived as a conflict of interest. All related party transactions must be approved by the Audit Committee in advance. The Audit Committee may engage outside parties to assist it in assessing the fairness and reasonableness of related party transactions. Although the policies and procedures for related parties are not in writing, the results of actions taken by the Audit Committee are documented in formal minutes and are reported to the Board.

The Company is a sponsor of Ruhlman Motorsports. Ruhlman Motorsports is owned by Randall M. Ruhlman, a director of the Company, and by his wife. In 2007, 2006 and 2005 the Company paid sponsorship fees of \$950,000, \$950,000, and \$658,000, respectively, to Ruhlman Motorsports. In addition, in 2005 the Company's Canadian subsidiary, Preformed Line Products (Canada) Ltd., paid \$101,000 to Ruhlman Motorsports in sponsorship fees. This sponsorship provides the Company with a unique venue to entertain the Company's customers and to advertise on the racecar, which participates on the Grand American Rolex Sports Car Series racing circuit. The Company believes that its sponsorship contract with Ruhlman Motorsports is as favorable to the Company as a similar contract with a similar independent third-party racing team would be. The Company intends to continue to sponsor Ruhlman Motorsports in 2008. The Company further believes that the sponsorship has great marketing value because it entertains users of the Company's products, such as linemen and their supervisors, and thus provides a grassroots sales approach.

## **SHAREHOLDER PROPOSALS FOR 2009 ANNUAL MEETING**

Proposals of shareholders intended to be presented, pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 (the "Exchange Act"), at the 2009 annual meeting of shareholders must be received by the Company at 660 Beta Drive, Mayfield Village, Ohio 44143, on or before November 21, 2008, for inclusion in the proxy statement and form of proxy relating to the 2009 annual meeting of shareholders. In order for a shareholder's proposal outside of Rule 14a-8 under the Exchange Act to be considered timely within the meaning of Rule 14a-4(c) of the Exchange Act, such proposal must be received by the Company at the address listed in the immediately preceding sentence not later than February 5, 2009.

## **SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Exchange Act requires the Company's Directors and Executive Officers, and owners of more than 10% of our Common Shares, to file with the Securities and Exchange Commission (the "SEC") initial reports of ownership and reports of changes in ownership of our Common Shares and other equity securities. Executive Officers, Directors and owners of more than 10% of the Common Shares are required by SEC regulations to furnish the Company with copies of all forms they file pursuant to Section 16(a).

Based solely on a review of these reports and written representations from the Executive Officers and Directors, the Company believes that there was compliance with all such filing requirements for the fiscal year ended December 31, 2007, except that a Form 4 for Robert G. Ruhlman relating to two transactions was not timely filed.

## **OTHER MATTERS**

### **Independent Auditors**

The Company has not selected the independent auditors for the current fiscal year. The Audit Committee of the Board of Directors will make this selection later in the year. Representatives of Deloitte, which served as the independent auditors for the fiscal year ended December 31, 2007, are expected to be present at the annual meeting of shareholders, will have an opportunity to make a statement if they so desire, and will be available to respond to appropriate questions.

### **Audit Fees**

The aggregate fees billed for professional services rendered by Deloitte for the audit of the Company's annual financial statements and internal control over financial reporting as required by the Sarbanes-Oxley Act of 2002, for the year ended December 31, 2007, Deloitte's reviews of the financial statements included in the Company's Forms 10-Q filed with the Securities and Exchange Commission ("SEC") were \$2,058,000, which include statutory audits of various international subsidiaries. The aggregate fees billed for professional services rendered by Deloitte for the audit of the Company's annual financial statements for the year ended December 31, 2006, Deloitte's reviews of the financial statements included in the Company's Forms 10-Q filed with the SEC, and Deloitte's attestation of management's assessment on internal controls, as required by the Sarbanes-Oxley Act of 2002, were \$1,404,000, which include statutory audits of various international subsidiaries.

### **Audit-Related Fees**

The incremental fees billed for professional services rendered by Deloitte for audit-related services for the year ended December 31, 2007 were \$539,000. Fees included in 2007 were for expenses related to the review of responses to the SEC comment letters and applicable changes to financial statements included in the Company's Forms 10-K/A, 10-Q/A and 10-Q's filed with the SEC due to responses to the comment letters. The incremental fees billed for professional services rendered by Deloitte for audit-related services for the year ended December 31, 2006 were \$27,200. Fees included in 2006 were for audit-related services for our Asian subsidiary, audit of Australian equivalents to International Financial Reporting Standards opening balance adjustments and disclosure requirements at our Australian subsidiary, presentation of audit-related matters at our Finance Manager's Meeting, and travel expense related to visitation of our Australian operations.

### **Tax Fees**

The incremental fees billed for professional services rendered by Deloitte for tax-related services for the year ended December 31, 2007 were \$15,000. Fees included in 2007 were for transfer pricing analysis at the Company's Mexican subsidiary and income tax return preparation for the Company's Australian subsidiary. The incremental fees billed for professional services rendered by Deloitte for tax-related services for the year ended December 31, 2006 were \$45,200. Fees included in 2006 were for transfer pricing analysis at the Company's Mexican and Asian subsidiaries, income tax return preparation for the Company's Australian and Great Britain

subsidiaries, presentation of tax-related issues at our Finance Manager's Meeting, consultation on FAS 109, and tax consultation related to dual consolidated losses for our United Kingdom subsidiary.

### **All Other Fees**

The incremental fees billed for professional services rendered by Deloitte for all other services for the year ended December 31, 2007 were \$6,900. The fees included in 2007 were for a workers compensation audit for our Australian subsidiary and filing the Company's financial statements in Puerto Rico. The incremental fees billed for professional services rendered by Deloitte for all other services for the year ended December 31, 2006 were \$6,400. The fees included in 2006 were for a workers compensation audit for our Australian subsidiary and filing the Company's financial statements in Puerto Rico.

### **Communication with the Board of Directors**

The Board of Directors of the Company believes that it is important for shareholders to have a process to send communications to the Board. Accordingly, shareholders who wish to communicate with the Board of Directors or a particular director may do so by sending a letter to:

Caroline S. Vaccariello  
General Counsel and Corporate Secretary  
Preformed Line Products Company  
660 Beta Drive  
Mayfield Village, Ohio 44143

- or -

John P. O'Brien  
Chairman, Audit Committee  
14 Water Street  
Chagrin Falls, Ohio 44022

The mailing envelope must contain a clear notation indicating that the enclosed letter is a "Stockholder-Board Communication" or "Stockholder-Director Communication." All such letters must identify the author as a stockholder and clearly state whether the intended recipients are all members of the Board of Directors or certain specified individual directors. The Secretary and Mr. O'Brien, as applicable, will make copies of all such letters and circulate them to the appropriate Director or Directors. The Directors are not spokespeople for the Company and shareholders should not expect a response or reply to any communication.

## Miscellaneous

If the enclosed proxy card is executed and returned to the Company, the persons named in it will vote the shares represented by that proxy at the meeting. The form of proxy permits specification of a vote for the election of Directors as set forth under "Election of Directors" above, the withholding of authority to vote in the election of Directors, or the withholding of authority to vote for one or more specified nominees, and a vote for the proposal to approve the adoption of the Long Term Incentive Plan of 2008. When a choice has been specified in the proxy, the shares represented will be voted in accordance with that specification. If no specification is made, those shares will be voted at the meeting to elect Directors as set forth under "Election of Directors" above, and to approve the adoption of the Long Term Incentive Plan of 2008 as set forth under "Proposal" above. Under Ohio law and our Amended and Restated Articles of Incorporation, broker non-votes and abstaining votes will not be counted in favor of or against any nominee, will in effect be a vote against the Proposal to approve the adoption of the Long Term Incentive Plan of 2008, but will be counted as "present" for purposes of determining whether a quorum has been achieved at the meeting. Director nominees who receive the greatest number of affirmative votes will be elected Directors. All other matters to be considered at the meeting require for approval the favorable vote of a majority of the shares voted at the meeting in person or by proxy. If any other matter properly comes before the meeting, the persons named in the proxy will vote thereon in accordance with their judgment. We do not know of any other matter that will be presented for action at the meeting and we have not received any timely notice that any of our shareholders intend to present a proposal at the meeting.

By order of the Board of Directors,

CAROLINE S. VACCARIELLO,  
*Secretary*

Dated: March 25, 2008