

Proto Labs Inc
Form 8-K
January 11, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

January 10, 2013

Date of report (Date of earliest event reported)

PROTO LABS, INC.

(Exact Name of Registrant as Specified in its Charter)

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(State of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
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5540 Pioneer Creek Drive,
Maple Plain, Minnesota
(Address of Principal Executive Offices)

(763) 479-3680

55359
(Zip Code)

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 10, 2013, the board of directors of Proto Labs, Inc. (the Company) approved the Company's 2013 annual incentive bonus program (the Program) in which all employees other than commissioned sales people participate. The Program provides that bonus payouts under the Program will be a function of revenue growth and adjusted operating income (AOI) during 2013. For these purposes, AOI is defined as operating income before stock based compensation expense.

The Program contains revenue and AOI objectives for the Company as a whole and for each of its major geographic business units (the United States, the European Union and Japan). A participant's bonus payout will be determined by multiplying his or her target payout amount (which is specified by our compensation committee as a percentage of the individual's annual base salary) by both the applicable revenue and AOI payout factors (the Bonus Payout). The revenue payout factor is zero for 2013 revenue below specified threshold amounts for the Company and each of its business units, is 50% at those threshold amounts, and increases (with no maximum) in amounts specified by the compensation committee to the degree revenue exceeds the respective threshold amounts. The AOI factor is zero for AOI (expressed as a percentage of revenue) below specified threshold amounts for the Company and each of its business units, and increases on a linear basis to 100% for AOI at or above specified maximum amounts. A multiplier in the range of 0.9 to 1.1 will be applied to increase or decrease the Bonus Payout based on the success of the Company in achieving its strategic objectives for 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PROTO LABS, INC.

Date: January 11, 2013

/s/ Bradley A. Cleveland
Bradley A. Cleveland
President and Chief Executive Officer