BOWNE & CO INC
Form DEFM14A
April 26, 2010

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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

Filed by the Registrant þ

Filed by a Party other than the Registrant o

Check the appropriate box:

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

BOWNE & CO., INC.
(Name of Registrant as Specified In Its Charter)

N/A
(Name of Person(s) Filing Proxy Statement, if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

o No fee required.

þ Fee computed below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies: Common stock, par value $0.01 per share of Bowne & Co., Inc.

(2) Aggregate number of securities to which transaction applies: 40,095,996 shares of Common Stock; options to purchase 2,029,751 shares of Common Stock; restricted stock units with respect to 241,020 shares of Common Stock; and deferred stock units with respect to 806,888 shares of Common Stock

(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):

The maximum aggregate value was determined based upon the sum of (A) 40,095,996 shares of Common Stock multiplied by $11.50 per share; (B) options to purchase 1,327,377 shares of Common Stock with exercise prices less than $11.50 per share multiplied by $6.06 (which is the difference between $11.50 and the weighted average exercise price of $5.44 per share); (C) restricted stock units with respect to 241,020 shares of Common Stock multiplied by $11.50 per share; and (D) deferred stock units with respect to 806,888 shares of Common Stock multiplied by $11.50 per share. In accordance with Section 14(g) of the Securities Exchange Act of 1934, as amended, the filing fee was

determined by multiplying $0.0000713 by the sum of the preceding sentence.

(4) Proposed maximum aggregate value of transaction: $481,198,801

(5) Total fee paid: $34,309

þ Fee paid previously with preliminary materials.

o 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:

Bowne & Co., Inc.
55 Water Street
New York, New York 10041
April 23, 2010

Dear Stockholder:

You are cordially invited to attend a special meeting of stockholders of Bowne & Co., Inc. (the Company) to be held on May 26, 2010 at 10:00 a.m., Eastern Time, at our headquarters, 55 Water Street, New York, New York 10041. At the special meeting, you will be asked to consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of February 23, 2010, among the Company, R.R. Donnelley & Sons Company, a Delaware corporation and Snoopy Acquisition, Inc., a Delaware corporation, pursuant to which the Company will be acquired by R.R. Donnelley & Sons Company. If the merger is completed, you, as a holder of Company common stock, will be entitled to receive $11.50 in cash, without interest and less any applicable withholding tax, for each share of the Company s common stock you own at the consummation of the merger (unless you have properly and validly perfected your statutory rights of appraisal with respect to the merger).

Our board of directors has determined that the merger is fair to, and in the best interests of, the Company s stockholders and approved and declared advisable the merger, the merger agreement and the other transactions contemplated by the merger agreement. **Our board of directors unanimously recommends that you vote FOR the adoption of the merger agreement.**

The proxy statement attached to this letter provides you with information about the proposed merger and the special meeting of the Company s stockholders. We encourage you to read the entire proxy statement carefully. You may also obtain more information about the Company from documents we have filed with the Securities and Exchange Commission.

Your vote is important regardless of the number of shares of the Company s common stock you own. Because the adoption of the merger agreement requires the affirmative vote of the holders of a majority of the Company s outstanding shares of common stock entitled to vote at the special meeting, a failure to vote or an abstention will have the same effect as a vote against the merger.

Accordingly, you are requested to submit your proxy by promptly completing, signing and dating the enclosed proxy card and returning it in the envelope provided or to submit your proxy by telephone or via the Internet in accordance with the instructions set forth in the proxy card prior to the special meeting, whether or not you plan to attend the special meeting. Submitting your proxy will not prevent you from voting your shares in person if you subsequently choose to attend the special meeting. If you hold your shares through a broker, bank or other nominee, you should follow the procedures provided by your broker, bank or nominee.

Thank you for your cooperation and continued support.

Cordially,

Chairman and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities regulatory agency has approved or disapproved the merger, passed upon the merits or fairness of the merger or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.

This proxy statement is dated April 23, 2010 and is first being mailed to stockholders on or about April 26, 2010.

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Bowne & Co., Inc.
55 Water Street
New York, New York 10041

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD MAY 26, 2010

Dear Stockholder:

A special meeting of stockholders of Bowne & Co., Inc., a Delaware corporation (the Company), will be held on May 26, 2010 at 10:00 a.m., Eastern Time, at the Company s headquarters, 55 Water Street, New York, New York 10041 for the following purposes:

1. To consider and vote upon the adoption of the Agreement and Plan of Merger, dated as of February 23, 2010 (the merger agreement), among the Company, R.R. Donnelley & Sons Company, a Delaware corporation and Snoopy Acquisition, Inc., a Delaware corporation and wholly-owned subsidiary of R.R. Donnelley & Sons Company, as it may be amended from time to time, as more fully described in the accompanying proxy statement;

2. To consider and vote upon a proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the special meeting to adopt the merger agreement; and

3. To transact such other business as may properly come before the special meeting.

Only stockholders of record as of April 19, 2010 are entitled to notice of and to vote at the special meeting or at any adjournment or postponement of the special meeting. All stockholders of record are cordially invited to attend the special meeting in person.

Your vote is very important, regardless of the number of shares of common stock you own. The adoption of the merger agreement requires the affirmative vote of the holders of a majority of the shares of common stock outstanding and entitled to vote at the special meeting. The adoption of the proposal to adjourn the special meeting requires the affirmative vote of a majority of the votes cast by the holders of all common stock present in person or represented by proxy at the special meeting and entitled to vote on the matter.

Holders of Company common stock who do not vote in favor of the adoption of the merger agreement are entitled to appraisal rights under Delaware law in connection with the merger if they comply with the requirements of Delaware law explained in the accompanying proxy statement.

Even if you plan to attend the special meeting in person, we request that you complete, sign, date and return the enclosed proxy in the envelope provided, or submit your proxy by telephone by calling (866) 390-5389 or via the Internet at www.proxypush.com/bne in accordance with the instructions set forth in the proxy card prior to the special meeting and thus ensure that your shares will be represented at the special meeting if you are unable to attend. If you sign, date and mail your proxy card without indicating how you wish to vote, your proxy will be counted as a vote in favor of adoption of the merger agreement and in favor of adjournment of the special meeting, if necessary or appropriate, to permit solicitations of additional proxies. You may revoke your proxy at or at any time prior to the special meeting. If you hold your shares through a broker, bank or other nominee, please follow the instructions provided by your broker, bank or other nominee.

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If you fail to vote by proxy or in person, your shares will effectively be counted as a vote against adoption of the merger agreement and will not be counted for purposes of determining whether a quorum is present at the special meeting or for purposes of the vote to adjourn the special meeting, if necessary or appropriate, to permit solicitations of additional proxies.

Our board of directors unanimously recommends that you vote FOR the adoption of the merger agreement.

By order of the board of directors,

Senior Vice President, General Counsel and Corporate Secretary

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QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING AND THE MERGER

The following questions and answers address briefly some questions you may have regarding the special meeting and the proposed merger. These questions and answers may not address all questions that may be important to you as a stockholder of Bowne & Co., Inc. Please refer to the more detailed information contained elsewhere in this proxy statement, the annexes to this proxy statement and the documents referred to or incorporated by reference in this proxy statement.

Except as otherwise specifically noted in this proxy statement, Bowne, the Company, we, our, us and similar wo refer to Bowne & Co., Inc. Throughout this proxy statement we also refer to R.R. Donnelley & Sons Company as RR Donnelley and Snoopy Acquisition, Inc. as Merger Sub.

Q: Why am I receiving this proxy statement?

A: Our board of directors is furnishing this proxy statement in connection with the solicitation of proxies to be voted at a special meeting of stockholders or at any adjournments or postponements of the special meeting.

Q: What am I being asked to vote on?

A: You are being asked to adopt a merger agreement that provides for the acquisition of Bowne by RR Donnelley. The proposed acquisition would be accomplished through a merger of Merger Sub, a wholly owned subsidiary of RR Donnelley, with and into Bowne (which we refer to in this proxy statement as the merger). As a result of the merger, Bowne, which will be the surviving corporation in the merger, will become a subsidiary of RR Donnelley and the Company s common stock will cease to be listed on The New York Stock Exchange, will not be publicly traded and will be deregistered under the Securities Exchange Act of 1934, as amended (which we refer to in this proxy statement as the Exchange Act).

In addition, you are being asked to grant Bowne management authority to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes in favor of adopting the merger agreement at the time of the special meeting.

Q: What will I receive in the merger?

A: Upon completion of the merger, you will be entitled to receive $11.50 in cash, or the merger consideration without interest and less any required withholding taxes, for each share of Company common stock that you own, unless you have properly and validly perfected your statutory rights of appraisal with respect to the merger. For example, if you own 100 shares of our common stock at the effective time of the merger, you will be entitled to receive $1,150.00 in cash in exchange for your shares of our common stock, less any required withholding taxes. You will not own shares in the surviving corporation.

Q: What do I need to do now?

A: We urge you to read this proxy statement carefully, including its annexes, and then mail your completed, dated and signed proxy card in the enclosed return envelope as soon as possible, or submit your proxy via the Internet at www.proxypush.com/bne or telephone by calling (866) 390-5389, in accordance with the instructions provided on the enclosed proxy card, so that your shares can be voted at the special meeting of stockholders.

PLEASE DO NOT SEND YOUR STOCK CERTIFICATES WITH YOUR PROXY CARD. YOU WILL RECEIVE DETAILED INSTRUCTIONS CONCERNING EXCHANGE OF YOUR STOCK CERTIFICATES IF THE MERGER IS CONSUMMATED.

Q: How does the Company s board of directors recommend that I vote?

A: Our board of directors unanimously recommends that our stockholders vote **FOR** the proposal to adopt the merger agreement and **FOR** the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are insufficient votes at the time of the meeting to adopt the merger agreement. You should read The Merger Reasons for the Merger; Recommendation of the Board of Directors beginning on page 18 for a discussion of the factors that our board of directors considered in deciding to recommend the adoption of the merger agreement.

Q: What vote of our stockholders is required to adopt the merger agreement?

A: Adoption of the merger agreement requires the affirmative vote of the holders of a majority of the shares of common stock outstanding that are entitled to vote at the special meeting. Accordingly, failure to vote or an abstention will have the same effect as a vote against adoption of the merger agreement. For the purpose of the vote on the merger, each share of common stock will carry one vote.

Q: What vote of our stockholders is required to approve the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes in favor of adopting the merger agreement at the time of the special meeting?

A: Approval of the proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the affirmative vote of a majority of the votes cast by the holders of all common stock present in person or represented by proxy at the special meeting and entitled to vote on the matter.

Q: Where and when is the special meeting?

A: The special meeting will be held on May 26, 2010, at 10:00 a.m., Eastern Time, at Bowne s headquarters, 55 Water Street, New York, New York 10041.

Q: Who is entitled to vote at the special meeting?

A: Only stockholders of record as of the close of business on April 19, 2010 or the record date, are entitled to receive notice of the special meeting and to vote at the special meeting the shares of common stock that they held on the record date, or at any adjournments or postponements of the special meeting.

Q: May I attend the special meeting and vote in person?

A: Yes. All stockholders as of the record date may attend the special meeting and vote in person. Only persons with evidence of stock ownership or who are guests of the Company may attend and be admitted to the special meeting. Photo identification will be required (a valid driver s license or passport is preferred). If your shares are registered in the name of a broker, bank or other nominee, you need to bring a valid form of proxy or a letter from that broker, bank or other nominee or your most recent brokerage account statement that confirms that you are the beneficial owner of those shares.

If you do not have proof that you own shares, you will not be admitted to the special meeting. Seating will be limited. No cameras, recording equipment, electronic devices, large bags, briefcases or packages will be permitted in the special meeting.

Even if you plan to attend the special meeting in person, we urge you to complete, sign, date and return the enclosed proxy or submit your proxy via the Internet or telephone to ensure that your shares will be represented at the special meeting.

Q: How do I vote my shares?

A: If your shares are registered in your name, you may vote your shares by completing, signing, dating and returning the enclosed proxy card or you may vote in person at the special meeting. Additionally, you may submit a proxy authorizing the voting of your shares over the Internet at www.proxypush.com/bne or telephonically by calling

(866) 390-5389. Proxies submitted over the Internet or by telephone must be received by 5:00 p.m., Eastern Time, on May 25, 2010. You must have the enclosed proxy card available, and follow the instructions on the proxy card, in order to submit a proxy over the Internet or telephone. Based on your Internet or telephone proxy, the proxy holders will vote your shares according to your directions.

If your shares are held in street name through a broker, bank or other nominee you should follow the directions provided by your broker, bank or other nominee regarding how to instruct your broker, bank or other nominee to vote your shares.

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Q: Can I change or revoke my vote?

A: You have the right to change or revoke your proxy at any time before the vote taken at the special meeting:

by delivering a written notice to our Corporate Secretary, Scott L. Spitzer, at Bowne & Co., Inc., 55 Water Street, New York, New York 10041 bearing a date later than the proxy you previously delivered stating that you would like to revoke your proxy;

by attending the special meeting and voting in person (your attendance at the special meeting will not, by itself, revoke your proxy; you must vote in person at the special meeting);

by submitting a later-dated proxy card; or

by voting a second time by telephone or the Internet, provided that the new proxy is received by 5:00 p.m., Eastern Time, on May 25, 2010.

Please note that if you hold your shares in street name through a broker, bank or other nominee and you have instructed your broker, bank or other nominee to vote your shares, the above-described options for changing your vote do not apply, and instead you must follow the instructions received from your broker, bank or other nominee to change your vote.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: Yes, but only if you provide instructions to your broker on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Without those instructions, your shares will not be voted, which will have the same effect as voting against the adoption of the merger agreement, but will have no effect on the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional votes.

Q: Do any of the Company s executive officers or directors have any interests in the merger that may differ from or be in addition to my interests as a stockholder?

A: Yes. In considering the recommendation of the board of directors with respect to the merger agreement, you should be aware that some of the Company s directors and officers have interests in the merger that are different from, or in addition to, the interests of our stockholders generally. For descriptions of these interests, please see the section entitled Interests of the Company s Directors and Executive Officers in the Merger beginning on page 28.

Q: What happens if I sell or otherwise transfer my shares of Company common stock before the special meeting?

A: The record date for the special meeting is earlier than the date of the special meeting and the date the merger is expected to be completed. If you sell or otherwise transfer your shares of Company common stock after the record date but before the special meeting, you will retain your right to vote at the special meeting, but you will transfer the right to receive the merger consideration. Even if you sell or otherwise transfer your shares of Company common stock after the record date, we urge you to complete, sign, date and return the enclosed proxy or submit your proxy via the Internet or telephone.

Q: What does it mean if I get more than one proxy card or vote instruction card?

A: If your shares are registered differently or are in more than one account, you will receive more than one card. Please complete and return all of the proxy cards or vote instruction cards you receive (or submit your proxy by telephone or via the Internet, if available to you) to ensure that all of your shares are voted.

Q: When do you expect the merger to be completed?

A: We are working toward completing the merger as quickly as possible and currently expect to consummate the merger in the second half of 2010. However, the exact timing and likelihood of completion of the merger cannot be predicted because the merger is subject to certain conditions, including adoption of the merger agreement by our stockholders and the receipt of regulatory approvals.

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Q: Will a proxy solicitor be used?

A. Yes. The Company has engaged D.F. King & Co., Inc. to assist in the solicitation of proxies for the special meeting, and the Company estimates it will pay D.F. King & Co., Inc. a fee of approximately $11,000 plus reasonable administrative and out-of-pocket expenses incurred in connection with the proxy solicitation.

Q: Who can help answer my other questions?

A: If you would like additional copies, without charge, of this proxy statement or if you have questions about the merger, including the procedures for voting your shares, you should contact:

D.F. King & Co., Inc.
48 Wall Street, 22nd Floor
New York NY 10005
Toll free: (888) 644-5854
Banks and brokers call: (212) 269-5550

If you hold shares in street name through a broker, bank or other nominee, you should also contact your broker, bank or other nominee for additional information.

Important Notice Regarding Internet Availability of Proxy Materials for the Special Meeting of Stockholders to be held on May 26, 2010. The Proxy Statement is available at www.bowne.com.

SUMMARY TERM SHEET

The following summary highlights selected information from this proxy statement and may not contain all of the information that may be important to you. Accordingly, we encourage you to read carefully this entire proxy statement, its annexes and the documents referred to or incorporated by reference in this proxy statement. See Where You Can Find Additional Information beginning on page 60. The merger agreement is attached as Annex A to this proxy statement. We encourage you to read the merger agreement, which is the legal document that governs the merger.

The Parties to the Merger (page 12)

Bowne & Co., Inc.
55 Water Street
New York, New York 10041
(212) 924-5500

The Company, a Delaware corporation, is a global leader in providing business services that help companies produce and manage their stockholder, investor, marketing and business communications. These communications include, but are not limited to, regulatory and compliance documents; personalized financial statements; enrollment kits; and sales and marketing collateral. Bowne s services span the entire document life cycle and involve both electronic and printed media. Bowne helps clients create, edit and compose their documents, manage the content, translate the documents when necessary, personalize the documents, prepare the documents and in many cases perform the filing, and print and distribute the documents, both through the mail and electronically.

R.R. Donnelley & Sons Company
111 South Wacker Drive
Chicago, Illinois 60606
(312) 326-8000

RR Donnelley is a global provider of integrated communications. Founded more than 145 years ago, RR Donnelley works collaboratively with more than 60,000 customers worldwide to develop custom communications solutions that reduce costs, enhance ROI and ensure compliance. Drawing on a range of proprietary and commercially available digital and conventional technologies deployed across four continents, RR Donnelley employs a suite of leading Internet based capabilities and other resources to provide premedia, printing, logistics and business process outsourcing products and services to leading clients in virtually every private and public sector.

Snoopy Acquisition, Inc.
c/o R.R. Donnelley & Sons Company
111 South Wacker Drive
Chicago, Illinois 60606
(312) 326-8000

Snoopy Acquisition, Inc. is a Delaware corporation and a wholly-owned subsidiary of RR Donnelley. Snoopy Acquisition, Inc. was formed solely for the purpose of entering into the merger agreement and consummating the transactions contemplated by the merger agreement. It has not conducted any activities to date other than activities incidental to its formation and in connection with the transactions contemplated by the merger agreement.

The Merger (page 15)

The merger agreement provides that, at the effective time of the merger, Merger Sub will merge with and into the Company. In the merger, each share of Company common stock that is outstanding immediately prior to the effective time of the merger (other than shares owned by RR Donnelley, Merger Sub or any other wholly-owned subsidiary of RR Donnelley, shares owned by the Company or any subsidiary of the Company and shares owned by stockholders who have perfected and not withdrawn a demand for appraisal rights in connection with the merger under Delaware law) will be converted into the right to receive $11.50 per share in cash, without interest and less any applicable withholding tax.

The Special Meeting

Time, Place and Purpose (page 13)

The special meeting will be held on May 26, 2010 starting at 10:00 a.m., Eastern Time, at Bowne s headquarters, 55 Water Street, New York, New York 10041.

At the special meeting, you will be asked to consider and vote upon a proposal to adopt the merger agreement, to approve the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies, and to transact such other business as may properly come before the special meeting.

Record Date, Shares Entitled to Vote; Quorum (page 13)

You are entitled to vote at the special meeting if you owned shares of common stock at the close of business on April 19, 2010, the record date for the special meeting. The presence at the meeting, in person or by proxy, of a majority of the shares of common stock issued and outstanding as of the close of business on the record date will constitute a quorum. On the record date, there were 40,100,503 shares of common stock outstanding.

Required Vote (page 13)

The adoption of the merger agreement requires the affirmative vote of the holders of a majority of the shares of common stock outstanding that are entitled to vote at the special meeting. Each outstanding share of common stock on the record date entitles the holder to one vote at the special meeting. A failure to vote your shares of common stock or an abstention will have the same effect as a vote against adoption of the merger agreement. Approval of the proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the affirmative vote of a majority of the votes cast by the holders of all common stock present in person or by proxy at the special meeting and entitled to vote on the matter. Failure to vote your shares of common stock or an abstention will have no effect on the approval of the proposal to adjourn the special meeting.

Shares Held by Bowne Directors and Executive Officers (page 14)

As of the record date, the directors and executive officers of the Company held and are entitled to vote, in the aggregate, 2,176,034 shares of the Company s common stock (excluding options), representing approximately 5.43% of the aggregate common stock outstanding as of the record date. The directors and executive officers of the Company intend to vote their shares FOR the proposal to adopt the merger agreement and FOR the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.

Voting of Proxies (page 14)

Any Company stockholder entitled to vote whose shares are registered in their name may submit a proxy by telephone by calling (866) 390-5389 or via the Internet at www.proxypush.com/bne, in accordance with the instructions provided on the enclosed proxy card, or by returning the enclosed proxy card by mail, or may vote in person by appearing at the special meeting.

If your shares are held in street name by your broker, bank or other nominee you should instruct your broker, bank or other nominee on how to vote your shares using the instructions provided by your broker, bank or other nominee. If you do not provide your broker, bank or other nominee with instructions, your shares will not be voted and that will have the same effect as a vote against the proposal to adopt the merger agreement.

Revocability of Proxies (page 14)

Any stockholder who executes and returns a proxy card (or submits a proxy via telephone or the Internet) may revoke the proxy at any time before it is voted at the special meeting:

by delivering a written notice to our Corporate Secretary, Scott L. Spitzer, at Bowne & Co., Inc., 55 Water Street, New York, New York 10041 bearing a date later than the proxy previously delivered stating that you would like to revoke your proxy;

by attending the special meeting and voting in person (your attendance at the special meeting will not, by itself, revoke your proxy; you must vote in person at the special meeting);

by submitting a later-dated proxy card for the same shares; or

by voting a second time by telephone or Internet, provided that the new proxy is received by 5:00 p.m., Eastern Time, on May 25, 2010.

Please note that if you hold your shares in street name through a broker, bank or other nominee and you have instructed your broker, bank or other nominee to vote your shares, the above-described options for changing your vote do not apply, and instead you must follow the instructions received from your broker, bank or other nominee to change your vote.

Recommendation of the Board of Directors (page 18)

The board of directors has unanimously (i) determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable and fair to and in the best interests of the Company and its stockholders, (ii) approved the merger agreement, the merger and the other transactions contemplated by the merger agreement and (iii) resolved to recommend that the stockholders of the Company adopt the merger agreement at a special meeting of the stockholders. **The board of directors recommends that you vote FOR the proposal to adopt the merger agreement and FOR the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.**

In reaching its decision, the board of directors evaluated a variety of business, financial and market factors and consulted with management and financial and legal advisors. See The Merger Reasons for the Merger; Recommendation of the Board of Directors beginning on page 18.

Opinion of Goldman, Sachs & Co. (page 20 and Annex B)

Goldman Sachs delivered its opinion to the board of directors that, as of February 23, 2010 and based upon and subject to the factors and assumptions set forth therein, the $11.50 per share in cash to be paid to the holders (other than RR Donnelley and its affiliates) of shares of common stock of the Company pursuant to the merger agreement was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated February 23, 2010, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached to this proxy statement as Annex B. Goldman Sachs provided its opinion for the information and assistance of the Company s board of directors in connection with its consideration of the merger. Goldman Sachs opinion is not a recommendation as to how any holder of common stock should vote with respect to the merger. Pursuant to an engagement letter between Bowne and Goldman Sachs, we agreed to pay Goldman Sachs a transaction fee of approximately $7.4 million, with approximately $1.5 million paid upon the execution of the merger agreement and approximately $5.9 million payable upon consummation of the merger.

Interests of the Company s Directors and Executive Officers in the Merger (page 28)

In considering the recommendation of the Company s board of directors with respect to the merger agreement, stockholders should be aware that members of the Company s board of directors and executive officers have interests in the merger that may be different from, or in addition to, the interests of the Company s stockholders generally. For

the executive officers, the completion of the merger will result in, among other things, the accelerated vesting of stock options and other equity based awards, the accelerated vesting or payment of specified cash payments under deferred compensation arrangements and long term incentive arrangements, accelerated payment under retirement arrangements and the payment of severance benefits in the event the executive officer experiences a qualified termination of employment within a specified period of time after the merger, including, if applicable, a tax gross-up relating to golden parachute excise taxes resulting from such accelerations, payments and benefits. For the Company s non-employee directors, the completion of the merger will result in the acceleration of all of their unvested and outstanding equity-based awards. Current and former directors and executive officers of the Company are entitled to continued indemnification and insurance coverage under the merger agreement. For the

approximate value of the potential benefits that could be received by the executive officers and the directors, see The Merger Interests of the Company s Directors and Executive Officers in the Merger beginning on page 28. The members of the Company s board of directors were aware of these interests, and considered them, when they approved the merger agreement.

Material United States Federal Income Tax Consequences (page 34)

If you are a U.S. holder of our common stock, the merger will be a taxable transaction to you. For U.S. federal income tax purposes, your receipt of cash in exchange for your shares of the common stock generally will cause you to recognize a gain or loss measured by the difference, if any, between the cash you receive in the merger and your adjusted tax basis in your shares. If you are a non-U.S. holder of our common stock, the merger will generally not be a taxable transaction to you under U.S. federal income tax laws unless you have certain connections to the United States. You should consult your own tax advisor for a full understanding of how the merger will affect your taxes.

Regulatory Approvals (page 36)

The HSR Act prohibits us from completing the merger until we have furnished certain information and materials to the Antitrust Division of the U.S. Department of Justice and the Federal Trade Commission and the required waiting period has expired or been terminated. The parties filed their respective notification and report forms pursuant to the HSR Act with the Antitrust Division of the U.S. Department of Justice and the Federal Trade Commission on March 11, 2010. Effective April 9, 2010, RR Donnelley voluntarily withdrew its notification and report form, which it refiled on April 12, 2010. The parties also derive revenues in other jurisdictions where merger control filings or approvals may be required. On April 13, 2010, RR Donnelley filed a notification pursuant to Section 9 of the Austrian Cartel Act with the Austrian Federal Competition Authority. The parties expect to make a filing in the near future pursuant to the merger control provisions of the Russian Law on the Protection of Competition enacted on October 26, 2006.

No Solicitation of Transactions (page 45)

The merger agreement restricts our ability to solicit or engage in discussions or negotiations with a third party regarding specified transactions involving the Company. Notwithstanding these restrictions, under certain limited circumstances required for our board of directors to comply with its fiduciary duties, our board of directors may respond to an unsolicited written bona fide proposal for an alternative acquisition or terminate the merger agreement and enter into an agreement with respect to a superior proposal after paying the termination fee specified in the merger agreement.

Conditions to the Merger (page 47)

Each party s obligation to effect the merger is subject to the satisfaction or waiver, to the extent applicable, of the following conditions:

- the adoption of the merger agreement by our stockholders;
- the expiration or termination of the waiting period under the HSR Act; any required approvals in Germany and Austria, if applicable, having been obtained or the expiration or termination of any applicable waiting periods thereunder; and all other mandatory approvals or filings, the failure of which to make or obtain provides a reasonable basis to conclude that the parties or any of their subsidiaries would be subject to risk of criminal sanctions or any of their representatives would be subject to risk of criminal or material civil or administrative sanctions, having been made and/or obtained and be in effect; and

the absence of any law, regulation, order, injunction or other requirement that restrains, enjoins or prohibits consummation of the transactions contemplated by the merger agreement.

RR Donnelley and Merger Sub will not be obligated to effect the merger unless the following additional conditions are satisfied or waived:

the accuracy of the Company s representations and warranties to the extent required under the merger agreement as described under The Merger Agreement Conditions to the Merger ;

the performance, in all material respects, by the Company of its obligations under the merger agreement required to be performed at or prior to the closing date;

our delivery to RR Donnelley of a certificate from our Chief Executive Officer or Chief Financial Officer certifying that the conditions described in the preceding two bullets have been satisfied;

the absence of the requirement by governmental entities that RR Donnelley enter into agreements to license, dispose of or hold separate assets of the Company or its subsidiaries that produced gross revenues in excess of 5% of the gross revenues of the Company and its subsidiaries during the 2009 calendar year; and

the absence of any company material adverse effect.

We will not be obligated to effect the merger unless the following additional conditions are satisfied or waived:

the accuracy of RR Donnelley s representations and warranties to the extent required under the merger agreement as described under The Merger Agreement Conditions to the Merger ;

the performance, in all material respects, by RR Donnelley and Merger Sub of their obligations under the merger agreement required to be performed at or prior to the closing date; and

RR Donnelley s delivery to us of a certificate from its Chief Executive Officer or Chief Financial Officer certifying that the conditions described in the preceding two bullets have been satisfied.

Termination (page 49)

The merger agreement may be terminated and the merger may be abandoned at any time prior to the effective time of the merger, whether before or after stockholder approval has been obtained, as follows:

by mutual written consent of the Company and RR Donnelley;

by either RR Donnelley or the Company, if such party has not breached in any material respect its obligations under the merger agreement in any way that proximately contributed to the occurrence of the failure of a condition in the merger agreement and if:

the closing has not occurred on or before October 23, 2010 (which date may be extended by RR Donnelley or the Company to January 23, 2011 if the regulatory approvals condition has not been satisfied but all other conditions have been met);

the Company s stockholders do not adopt the merger agreement at the special meeting or any postponement or adjournment thereof; or

a law, regulation, order, injunction or other requirement enacted or entered by any governmental entity that restrains, enjoins or otherwise prohibits consummation of the transactions contemplated by the merger agreement becomes final and non-appealable (provided that the party seeking to terminate the merger agreement pursuant to the foregoing has used reasonable best efforts to oppose any such law, regulation, order, injunction or requirement);

by either RR Donnelley or the Company, in the event the other party breaches any of its representations, warranties, covenants or agreements in the merger agreement, or any representation or warranty shall have become untrue after the date of the merger agreement, such that the non-mutual conditions to the terminating party s obligation to close would not be satisfied and such breach is not curable or, if curable, is not cured within the earlier of 30 days after written notice is given by the terminating party and the termination date;

by the Company if, prior to adoption of the merger agreement by our stockholders, our board of directors authorizes us to enter into a letter of intent, memorandum of understanding, agreement in principle,

acquisition agreement, merger agreement or other agreement with respect to a superior proposal (but only after we provide RR Donnelley with notice and an opportunity to make an offer as least as favorable, and we pay to RR Donnelley the termination fee, all as described in more detail below under The Merger Agreement Termination);

by RR Donnelley if: our board of directors effects a change of recommendation; we have failed to take a vote of our stockholders on the merger prior to the termination date; following receipt of an acquisition proposal, our board of directors fails to reaffirm its approval or recommendation of the merger agreement and the merger as promptly as practicable (and in any event within 10 business days of the receipt of any written request to do so from RR Donnelley); or in response to a publicly disclosed tender offer or exchange offer for shares of our common stock our board of directors fails to recommend against such other offer.

Termination Fees and Expenses (page 50)

We have agreed to pay to RR Donnelley a termination fee of $14.5 million if:

we or RR Donnelley terminate the merger agreement because the merger is not completed by the termination date or the merger agreement is not adopted by the stockholders at the special meeting or any postponement or adjournment thereof, and:

an acquisition proposal was made to the Company, any of its subsidiaries or any of its stockholders, or any person publicly announced an intention to make an acquisition proposal, that was not withdrawn at least 10 business days prior to the termination date or stockholder vote, as applicable; and

within twelve months after such termination the Company or any of our subsidiaries enters into a letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement or other agreement with respect to, consummates, or approves or recommends to the Company s stockholders, any acquisition proposal or has consummated an acquisition proposal (with 50% being substituted for 20% in the definition of acquisition proposal);

RR Donnelley terminates the merger agreement because: our board of directors effects a change of recommendation; we have failed to take a vote of our stockholders on the merger prior to the termination date; following receipt of an acquisition proposal, our board of directors fails to reaffirm its approval or recommendation of the merger agreement and the merger as promptly as practicable (and in any event within 10 business days of the receipt of any written request to do so from RR Donnelley); or in response to a publicly disclosed tender offer or exchange offer for shares of our common stock our board of director s fails to recommend against such other offer;

we terminate the merger agreement because:

our board of directors authorizes us to enter into a letter of intent or other agreement with respect to a superior proposal (but only after we provide RR Donnelley with notice and an opportunity to make an offer as least as favorable, as described in more detail below under The Merger Agreement Termination); or

the Company s stockholders do not adopt the merger agreement at the special meeting or any postponement or adjournment thereof and, on or prior to the date of the special meeting, certain events relating to a change of recommendation and giving rise to RR Donnelley s right to terminate the merger agreement have occurred.

RR Donnelley has agreed to pay us a termination fee of $20 million plus up to $2.5 million in out-of-pocket expenses of the Company for its outside legal counsel if the merger agreement is terminated by us or RR Donnelley:

because the closing has not occurred on or before the termination date and at the time of such termination all closing conditions have been satisfied or waived, other than conditions that by their terms are to be satisfied at closing and other than the mutual condition regarding regulatory approvals or the condition to RR Donnelley s obligation regarding consent agreements (as discussed under The Merger Agreement Conditions to the Merger) (and we are not in material breach of our obligation under the merger

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agreement to use reasonable best efforts to complete the transactions contemplated by the merger agreement); or

because a law, regulation, order, injunction or other requirement enacted or entered by any governmental entity that restrains, enjoins or prohibits consummation of the transactions contemplated by the merger agreement under antitrust laws becomes final and non-appealable (and we are not in material breach of our obligation under the merger agreement to use reasonable best efforts to complete the transactions contemplated by the merger agreement).

Market Price of the Company s Common Stock (page 52)

Our common stock is listed on The New York Stock Exchange under the trading symbol BNE . On February 23, 2010, which was the last full trading day before we announced the transaction, the Company s common stock closed at $6.97 per share. On April 23, 2010, which was the last full trading day before the date of this proxy statement, the Company s common stock closed at $11.20 per share.

Appraisal Rights of Dissenting Stockholders (page 56 and Annex C)

Under Delaware law, holders of common stock who do not vote in favor of the proposal to adopt the merger agreement will have the right to seek appraisal of the fair value of their shares of common stock as determined by the Delaware Court of Chancery if the merger is completed, but only if they comply with all requirements of Delaware law, which are summarized in this proxy statement. The judicially determined appraisal amount could be more than, the same as or less than the merger consideration. Any holder of common stock intending to exercise appraisal rights, among other things, must submit a written demand for an appraisal to us prior to the vote on the proposal to adopt the merger agreement and must not vote or otherwise submit a proxy in favor of adoption of the merger agreement and must otherwise strictly comply with all of the procedures required by Delaware law. Your failure to follow exactly the procedures specified under Delaware law will result in the loss of your appraisal rights. A copy of the relevant section of Delaware law is attached hereto as Annex C.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING INFORMATION

This proxy statement, and the documents to which we refer you in this proxy statement, contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include information concerning possible or assumed future results of operations of the Company, the expected completion and timing of the merger and other information relating to the merger. There are forward-looking statements throughout this proxy statement, including, among others, under the headings Questions and Answers about the Special Meeting and the Merger, Summary Term Sheet, The Merger, The Merger Opinion of Goldman, Sachs & Co., The Merger Regulatory Approvals, The Merger Legal Proceedings Regarding the Merger and in statements containing words such as anticipate, believe, could, estimate, expect, intend, may, plan, pr will and similar terms and phrases. Although the Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. The Company s operations involve risks and uncertainties, many of which are outside the Company s control, and any one of which, or a combination of which, could materially affect the Company s results of operations and whether the forward-looking statements ultimately prove to be correct. These forward-looking statements speak only as of the date on which the statements were made and we undertake no obligation to update or revise any forward-looking statements made in this proxy statement or elsewhere as a result of new information, future events or otherwise. Actual results and trends in the future may differ materially from those suggested or implied by the forward-looking statements depending on a variety of factors including, but not limited to:

the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement and the possibility that the Company could be required to pay a $14.5 million fee in connection therewith;

the outcome of legal proceedings that have been instituted against us and others following announcement of the merger agreement;

risks that the regulatory approvals required to complete the merger will not be obtained in a timely manner, if at all;

the inability to complete the merger due to the failure to obtain stockholder approval or failure to satisfy any other conditions to the completion of the merger;

the amount of the costs, fees, expenses and charges related to the merger;

diversion of management time on merger-related issues;

the effect of the announcement of the merger on our business and customer relationships, operating results and business generally, including our ability to retain key employees;

risks that the proposed transaction disrupts current plans and operations;

other risks detailed in our current filings with the SEC, including our most recent filing on Form 10-K and including but not limited to the risks detailed in the section entitled Risk Factors. See Where You Can Find Additional Information beginning on page 60.

All future written and oral forward-looking statements attributable to the Company or persons acting on behalf of the Company are expressly qualified in their entirety by the previous statements.

THE PARTIES TO THE MERGER

Bowne & Co., Inc.

The Company, a Delaware corporation, is a global leader in providing business services that help companies produce and manage their stockholder, investor, marketing and business communications. These communications include, but are not limited to, regulatory and compliance documents; personalized financial statements; enrollment kits; and sales and marketing collateral. Bowne s services span the entire document life cycle and involve both electronic and printed media. Bowne helps clients create, edit and compose their documents, manage the content, translate the documents when necessary, personalize the documents, prepare the documents and in many cases perform the filing, and print and distribute the documents, both through the mail and electronically. Bowne s principal executive offices are located at 55 Water Street, New York, New York 10041, and our telephone number is (212) 924-5500.

R.R. Donnelley & Sons Company

RR Donnelley, a Delaware corporation, is a global provider of integrated communications. Founded more than 145 years ago, RR Donnelley works collaboratively with more than 60,000 customers worldwide to develop custom communications solutions that reduce costs, enhance ROI and ensure compliance. Drawing on a range of proprietary and commercially available digital and conventional technologies deployed across four continents, RR Donnelley employs a suite of leading Internet based capabilities and other resources to provide premedia, printing, logistics and business process outsourcing products and services to leading clients in virtually every private and public sector. RR Donnelley s principal executive offices are located at 111 South Wacker Drive, Chicago, Illinois 60606, and its telephone number is (312) 326-8000.

Snoopy Acquisition, Inc.

Snoopy Acquisition, Inc. is a Delaware corporation and a wholly-owned subsidiary of RR Donnelley. Merger Sub was organized solely for the purpose of entering into the merger agreement and consummating the transactions contemplated by the merger agreement. It has not conducted any activities to date other than activities incidental to its formation and in connection with the transactions contemplated by the merger agreement. Under the terms of the merger agreement, at the effective time of the merger, Merger Sub will merge with and into us. The Company will

survive the merger and Merger Sub will cease to exist. Merger Sub s principal executive offices are located at c/o RR Donnelley, 111 South Wacker Drive, Chicago Illinois 60606, and its telephone number is (312) 326-8000.

THE SPECIAL MEETING

Time, Place and Purpose of the Special Meeting

This proxy statement is being furnished to our stockholders as part of the solicitation of proxies by our board of directors for use at the special meeting to be held on May 26, 2010, starting at 10:00 a.m., Eastern Time, at Bowne s headquarters, 55 Water Street, New York, New York 10041, or at any postponement or adjournment thereof. The purpose of the special meeting is for our stockholders to consider and vote upon a proposal to adopt the merger agreement as it may be amended from time to time and, if there are not sufficient votes in favor of adoption of the merger agreement, to consider and vote on a proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies. At this time, we know of no other matters to be submitted to our stockholders at the special meeting. If any other matters properly come before the special meeting or any adjournment or postponement of the special meeting, it is the intention of the persons named in the enclosed proxy card to vote the shares they represent in accordance with their judgment.

Our stockholders must approve the merger agreement for the merger to occur. If the stockholders fail to approve the merger agreement, the merger will not occur. A copy of the merger agreement is attached to this proxy statement as Annex A. This proxy statement and the enclosed form of proxy are first being mailed to our stockholders on or about April 26, 2010.

Record Date; Shares Entitled to Vote; Quorum

The holders of record of the Company s common stock as of the close of business on April 19, 2010, the record date for the special meeting, are entitled to receive notice of, and to vote at, the special meeting. On the record date, there were 40,100,503 shares of common stock outstanding.

A quorum of stockholders is necessary to hold a valid special meeting. The presence of the holders of a majority of the shares of common stock issued and outstanding as of the close of business on the record date in person or by proxy will constitute a quorum for purposes of the special meeting.

Shares of common stock held by persons attending the special meeting but not voting, or shares for which the Company has received proxies with respect to which holders have abstained from voting, will be considered abstentions. For purposes of determining the presence or absence of a quorum, abstentions and properly executed broker non-votes (where a broker, bank or other nominee does not have discretionary authority to vote on a matter, as described in more detail below under Voting of Proxies) will be counted as present.

Required Vote

Adoption of the merger agreement requires the affirmative vote of the holders of a majority of the shares of common stock outstanding that are entitled to vote at the special meeting. Each outstanding share of common stock on the record date entitles the holder to one vote at the special meeting. Approval of the proposal to adjourn the special meeting, if necessary or appropriate, for the purpose of soliciting additional proxies requires the affirmative vote of a majority of the votes cast by the holders of all common stock present in person or by proxy at the special meeting and entitled to vote on the matter.

If a Company stockholder fails to vote or abstains from voting, it will have the same effect as a vote against adoption of the merger agreement, but will have no effect on the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies. Each broker non-vote will also have the same effect as a vote against adoption of the merger agreement but will have no effect on the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.

Shares Held by Bowne Directors and Executive Officers

As of the close of business on April 19, 2010, the record date, our directors and executive officers held and are entitled to vote, in the aggregate, 2,176,034 shares of the common stock (excluding options), representing approximately 5.43% of the aggregate common stock outstanding as of the record date. The directors and executive officers of the Company intend to vote their shares FOR the proposal to adopt the merger agreement and FOR the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.

Voting of Proxies

If your shares are registered in your name you may cause your shares to be voted by returning a signed proxy card or you may vote in person at the special meeting. Additionally, you may submit a proxy authorizing the voting of your shares over the Internet at www.proxypush.com/bne or telephonically by calling (866) 390-5389. Proxies submitted over the Internet or by telephone must be received by 5:00 p.m., Eastern Time, on May 25, 2010. You must have the enclosed proxy card available, and follow the instructions on the proxy card, in order to submit a proxy over the Internet or telephone. Based on your Internet and telephone proxies, the proxy holders will vote your shares according to your directions.

If you plan to attend the special meeting and wish to vote in person, you will be given a ballot at the meeting. If your shares are registered in your name, you are encouraged to vote by proxy even if you plan to attend the special meeting in person.

Voting instructions are included on your proxy card. All shares represented by properly executed proxies received in time for the special meeting will be voted at the special meeting in accordance with the instructions of the stockholder. If your proxy card is properly executed, but no instructions are indicated on your proxy card, your shares of common stock will be voted in accordance with the recommendation of the board of directors to vote FOR the adoption of the merger agreement and FOR the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.

If your shares are held in street name through a broker, bank or other nominee, you should instruct your broker, bank or other nominee how to vote your shares using the instructions provided by your broker, bank or other nominee. If you have not received such voting instructions or require further information regarding such voting instructions, contact your broker, bank or other nominee and they can give you directions on how to vote your shares. If you do not provide voting instructions to your broker, bank or other nominee, your shares will not be voted on any proposal on which your broker, bank or other nominee does not have discretionary authority to vote. This is called a broker non-vote. In these cases, the broker, bank or other nominee can register your shares as being present at the meeting for purposes of determining the presence of a quorum but will not be able to vote on matters for which specific authorization is required. Under current rules of The New York Stock Exchange, organizations who hold shares in street name for customers may not exercise their voting discretion with respect to the approval of non-routine matters such as the proposal to adopt the merger agreement. If you do not instruct your broker, bank or other nominee how to vote, or do not attend the special meeting and vote in person with a legal proxy from your broker, bank or other nominee, it will have the same effect as if you voted against adoption of the merger agreement.

Revocability of Proxies

You have the right to change or revoke your proxy at any time before the vote taken at the special meeting:

by delivering a written notice to our Corporate Secretary, Scott L. Spitzer, at Bowne & Co., Inc., 55 Water Street, New York, New York 10041 bearing a date later than the proxy you previously delivered stating that you would like to revoke your proxy;

by attending the special meeting and voting in person (your attendance at the special meeting will not, by itself, revoke your proxy; you must vote in person at the special meeting);

by submitting a later-dated proxy card for the same shares; or

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by voting a second time by telephone or the Internet, provided that the new proxy is received by 5:00 p.m., Eastern Time, on May 25, 2010.

Please note that if you hold your shares in street name through a broker, bank or other nominee and you have instructed your broker, bank or other nominee to vote your shares, the above-described options for changing your vote do not apply, and instead you must follow the instructions received from your broker, bank or other nominee to change your vote.

Solicitation of Proxies

The Company will pay the cost of this proxy solicitation. In addition to soliciting proxies by mail, directors, officers and employees of the Company may solicit proxies personally and by telephone, facsimile or other electronic means of communication. These persons will not receive additional or special compensation for such solicitation services. The Company will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy materials to their customers who are beneficial owners and obtaining their voting instructions. The Company has retained D. F. King & Co., Inc. to assist it in the solicitation of proxies for the special meeting and will pay D. F. King & Co., Inc. a fee of approximately $11,000, plus reimbursement for reasonable administrative and out-of-pocket expenses incurred in connection with the proxy solicitation.

Stockholder List

A list of our stockholders entitled to vote at the special meeting will be available for examination by any Company stockholder at the special meeting. For 10 days prior to the special meeting, this stockholder list will be available for inspection during ordinary business hours at our principal place of business located at 55 Water Street, New York, New York 10041.

THE MERGER

Background of the Merger

Our board of directors and senior management in the ordinary course periodically review and assess strategic alternatives available to us to enhance stockholder value, and the Company has from time to time implemented strategic changes and initiatives in connection with such reviews. For example, over the past few years, the Company has made several significant changes to its organizational structure and manufacturing capabilities. From time to time, Simpson Thacher & Bartlett LLP (Simpson Thacher), the Company s regular outside legal counsel, has participated in board meetings and meetings with management on such matters and has reviewed with the board its fiduciary duties in connection with various strategic alternatives that have been explored. At a regularly scheduled meeting of the board of directors on November 19, 2009, our board of directors reviewed certain aspects of our strategic direction and business plan.

At the November 19th board meeting, David J. Shea, our Chairman and Chief Executive Officer, also informed the board that shortly prior to the date of the board meeting, he had been contacted by representatives of Goldman, Sachs & Co. (Goldman Sachs), which provides financial services to the Company from time to time. The representatives of Goldman Sachs had been contacted by Thomas J. Quinlan, III, the President and Chief Executive Officer of RR Donnelley, with a view to setting up a meeting with Mr. Shea. Mr. Quinlan contacted representatives of Goldman Sachs because he reasoned that Goldman Sachs might have a relationship with the Company based on their having acted as the sole underwriters for the Company s public equity offering in August 2009. Mr. Shea further informed the board that a meeting with Mr. Quinlan had been arranged for December 15, 2009, but no specific agenda

was determined.

On December 9, 2009, at a regularly scheduled meeting of our board of directors, members of management reviewed with the board, and the board discussed, the Company s operating results, business plan and financial outlook.

On December 15, 2009, Mr. Shea met with Mr. Quinlan. At the meeting, Mr. Quinlan indicated that he would be interested in exploring a possible business combination of Bowne and RR Donnelley. Mr. Shea indicated that

such a combination could be of interest to Bowne. No specific terms were discussed and Mr. Shea and Mr. Quinlan discussed potentially pursuing a business combination in early January 2010. At a December 16, 2009 meeting of the Company s board of directors, Mr. Shea briefed the board on his meeting with Mr. Quinlan. Consistent with its fiduciary duties, the board was prepared to consider a proposal that would enhance stockholder value and provide certainty of closing and agreed that it was desirable for Mr. Shea to continue with exploratory discussions. Mr. Shea advised the board that analysis regarding valuation would be prepared.

On January 8, 2010, during a telephone conversation with Mr. Shea, Mr. Quinlan communicated a proposal to acquire the Company at $9.50 per share in an all cash transaction. Mr. Shea indicated his belief that the value of the combined business including anticipated synergies warranted a higher price per share, but that he would discuss the proposal with the Company s board of directors. On January 11, 2010, based on past experiences with Goldman Sachs as financial advisor to the Company, and Goldman Sachs reputation and experience, Bowne s management determined to engage Goldman Sachs as its financial advisor in connection with the potential transaction.

The Company s board of directors met on January 12, 2010 to discuss the proposal from RR Donnelley. Representatives of Goldman Sachs also attended the meeting and reviewed certain financial aspects of the proposal. After discussing the Company s recent financial performance and business prospects and the significant potential cost synergies that a combination of Bowne and RR Donnelley could involve (as estimated by Bowne management on a preliminary basis), the board determined to continue exploring a potential business combination with RR Donnelley and authorized management to continue discussions with RR Donnelley and to provide additional information to RR Donnelley to attempt to support a higher purchase price. The board also discussed and considered the risks of a potential transaction not being consummated following public announcement, including for failure to obtain antitrust approval. The board also considered the potential benefits and detriments of potentially inviting other parties to make an offer for the Company in the event they would be considering a potential sale of the Company at a $9.50 per share level, including the possibility of achieving a higher price, the possibility of not achieving a higher price, the risk such a process could have on the potential business combination with RR Donnelley and the difficulty in maintaining confidentiality and being able to prevent information leaks that could prove disruptive to the Company s operations. In addition, after excusing the representatives of Goldman Sachs from the meeting, the board of directors ratified management s decision to engage Goldman Sachs as the Company s financial advisor in connection with the potential transaction.

Mr. Shea contacted Mr. Quinlan on January 13, 2010 to communicate the reaction of the Company s board of directors to RR Donnelley s proposal. Mr. Shea indicated that the board did not consider the $9.50 per share price acceptable, particularly in light of the Company s performance in the fourth quarter of 2009 and its outlook for 2010. Mr. Shea further indicated that if RR Donnelley could consider an improved proposal were it to better understand the prospects of the Company and the potential synergies of the transaction, Bowne would be willing to share certain information, on a confidential basis, at a meeting with a small group of executives of RR Donnelley. Mr. Quinlan agreed to hold such a meeting with the objective of determining whether the additional information could form the basis for RR Donnelley to make a revised and improved proposal.

On January 14, 2010, in anticipation of the meeting between the small groups of executives of each of Bowne and RR Donnelley, Bowne and RR Donnelley entered into a confidentiality agreement.

On January 20, 2010, Mr. Shea and John Walker, the Chief Financial Officer of Bowne, met with Mr. Quinlan, John Paloian, the Chief Operating Officer of RR Donnelley, and Dan Knotts, the Group President of RR Donnelley, in order to review certain financial and cost information with respect to Bowne. Representatives of Goldman Sachs and Merrill Lynch, Pierce, Fenner & Smith Incorporated, RR Donnelley s financial advisor, were also present at the meeting. Included in the information reviewed was the preliminary assessment of Bowne management that, on a preliminary basis and without any knowledge of RR Donnelley s cost structure, pre-tax synergies resulting from cost

savings relating to payroll and related costs, manufacturing materials and freight costs, equipment and maintenance costs, real estate costs and other operating costs could potentially be available to RR Donnelley in the proposed transaction, although Bowne management understood that there was substantial execution risk associated with actually achieving such synergies. No revenue-side synergies were included by Bowne management in the preliminary assessment.

On January 25, 2010, Mr. Shea and Mr. Quinlan discussed further via telephone RR Donnelley s proposal and the information presented at the January 20th meeting as well as potential cost synergies presented by the proposed transaction. Mr. Shea argued in favor of a valuation for Bowne in excess of the $9.50 per share RR Donnelley proposal.

On February 4, 2010, Mr. Quinlan and Mr. Shea held a telephone conversation. Mr. Quinlan outlined an improved proposal of $11.00 per share, with a portion of the consideration potentially in stock of RR Donnelley and a $20 million termination fee to be paid by RR Donnelley to the Company if the transaction terminated due to a failure to obtain antitrust approval. Mr. Quinlan also communicated RR Donnelley s desire for a relatively short timeframe for conducting due diligence and the negotiation of transaction documentation and requested that Bowne agree to a 45-day exclusivity period.

At a meeting of the Company s board of directors held on February 5, 2010, Mr. Shea reviewed with the board RR Donnelley s revised proposal. Representatives of Goldman Sachs and Simpson Thacher were also in attendance. Representatives of Goldman Sachs reviewed certain financial aspects of the revised proposal and representatives of Simpson Thacher reviewed the fiduciary obligations of the board of directors and certain antitrust-related matters. Following consideration and discussion, the board authorized management of the Company to continue further discussions with RR Donnelley regarding price and appropriate contractual protection concerning antitrust matters. The board also determined that an all-cash transaction, which would provide certainty of value to stockholders, would be preferable to a part stock, part cash transaction. RR Donnelley s request for exclusivity was also discussed with the board. In considering how to achieve the highest price for the Company, the board took into consideration the fact that pursuing a public sale process risked serious damage to the Company s business and organization, including with respect to relationships with customers and employees, with no guarantee that a higher price would be achieved. The board also considered the views of management and Goldman Sachs that they were not aware of any other potential buyers that could compete with RR Donnelley s revised proposal given the potential synergies described above (even considering the execution risk associated with such synergies) and the difficulty in maintaining confidentiality in connection with a private sale process involving a number of potential acquirors. Furthermore, the board considered the views of management that only a small portion of the estimated synergies (those associated with public company costs) seemed likely to be able to be realized by other public companies. In addition, RR Donnelley s desired timeframe for conducting due diligence and announcing a transaction was discussed with the board, which noted the advantages of a potentially shorter due diligence process and timeframe for maintaining confidentiality.

On February 6, 2010, Mr. Quinlan and Mr. Shea held a telephone conversation. Mr. Quinlan made a further revised and improved proposal of $11.50 per share and also indicated that, if the transaction terminated due to failure to obtain antitrust approval, in addition to the $20 million termination fee previously offered, RR Donnelley would also be willing to reimburse Bowne s outside legal expenses in an amount up to $2.5 million. In consideration for the revised proposal, Mr. Quinlan renewed the request for a 45-day exclusivity period.

On February 7-8, 2010, representatives of RR Donnelley provided to Bowne a draft exclusivity letter as well as legal and financial due diligence requests. Representatives of Simpson Thacher provided to Sullivan & Cromwell LLP (Sullivan & Cromwell), legal counsel for RR Donnelley, a draft confidentiality agreement, which was intended to cover a broader exchange of information than the confidentiality agreement entered into on January 14, 2010.

On February 8, 2010, Mr. Shea sent to the members of the Company s board of directors a memo updating the board on RR Donnelley s revised proposal of $11.50 per share and RR Donnelley s offer to also reimburse Bowne for legal expenses of outside counsel in an amount up to $2.5 million in the event the transaction was terminated due to failure to obtain antitrust approval. The memo further reported that Bowne was prepared to agree to RR Donnelley s request for exclusivity and reported on the status of the due diligence process.

On February 9, 2010, Bowne and RR Donnelley entered into a confidentiality agreement (which superseded the confidentiality agreement entered into on January 14, 2010) and an exclusivity agreement providing for exclusive negotiations until the earlier of the execution of definitive documentation or March 11, 2010 (subject to certain exceptions allowing for the exercise of the fiduciary duties of the Company s board of directors). In addition,

on February 9, 2010, Bowne granted certain representatives of RR Donnelley and its advisors access to an electronic data room.

On February 11, 2010, Sullivan & Cromwell provided the Company and Simpson Thacher with an initial draft merger agreement. On February 15, 2010, Simpson Thacher sent comments to the initial draft of the merger agreement to Sullivan & Cromwell.

On February 16, 2010, the Company s board of directors met to discuss the status of the proposed transaction. Representatives of Simpson Thacher and Goldman Sachs were also present at the meeting. Mr. Shea reviewed for the board the status of the due diligence process. Representatives of Simpson Thacher reviewed for the board the transaction process and the fiduciary obligations of the board of directors. Representatives of Simpson Thacher also discussed the exclusivity agreement Bowne entered into with RR Donnelley and the fiduciary duty exception to the agreement, and reported on certain transaction issues arising out of the initial draft merger agreement. Representatives of Goldman Sachs provided their view that RR Donnelley had sufficient financial resources to complete the transaction without needing to obtain transaction-specific financing.

On February 18, 2010, Sullivan & Cromwell sent Simpson Thacher a revised draft of the merger agreement, and from February 19, 2010 continuing through February 23, 2010 the parties and their respective legal advisors conducted further negotiations on the terms and conditions of the merger agreement.

On February 22, 2010, the board of directors held a meeting to discuss the status of the proposed transaction. Representatives of Goldman Sachs and Simpson Thacher were also present at the meeting. Mr. Shea updated the board on the progression of RR Donnelley s due diligence review of the Company and on the status of negotiations with RR Donnelley regarding the transaction documentation. Representatives of Simpson Thacher reviewed for the board the fiduciary duties of the directors and the terms of the current draft of the merger agreement, which was provided to the board, including the status of negotiations with respect to certain matters. Representatives of Goldman Sachs reviewed certain financial aspects of RR Donnelley s proposal.

On February 23, 2010, the board of directors held another meeting to discuss the proposed transaction. Representatives of Goldman Sachs and Simpson Thacher were also present at the meeting. Mr. Shea updated the board on the progression of negotiations and diligence matters since the February 22nd board meeting. Representatives of Simpson Thacher reviewed and discussed with the board the changes to the merger agreement that had been negotiated since the February 22nd meeting. Goldman Sachs reviewed for the board its financial analysis of the merger consideration and provided its oral opinion to the board of directors, later confirmed in writing, that, based upon and subject to the factors and assumptions set forth therein, as of February 23, 2010, the $11.50 per share in cash to be paid to the holders (other than RR Donnelley and its affiliates) of common stock of the Company pursuant to the merger agreement was fair, from a financial point of view, to such holders. After further discussion, the Company s board of directors unanimously determined that the merger agreement and the merger were advisable and in the best interests of the Company and its stockholders, approved the merger agreement and authorized its execution and resolved to recommend that the Company s stockholders adopt the merger agreement.

On February 23, 2010, after the close of trading on The New York Stock Exchange, Bowne and RR Donnelley issued a joint press release announcing the transaction.

Reasons for the Merger; Recommendation of the Board of Directors

The board of directors has unanimously (i) determined that the merger agreement and the transactions contemplated thereby, including the merger, are advisable and fair to and in the best interests of the Company and its stockholders, (ii) approved the merger agreement, the merger and the other transactions contemplated by the merger agreement and

(iii) resolved to recommend that the stockholders of the Company adopt the merger agreement at a special meeting of the stockholders.

In reaching its decision to approve the merger agreement, the merger and the other transactions contemplated by the merger agreement, the board of directors consulted with management and its financial and legal advisors.

The board of directors considered a number of factors and potential benefits of the merger including, without limitation, the following:

the current and historical market prices of the Company s common stock, including the fact that the $11.50 per share to be paid for each share of Company common stock in the merger represents: (i) a 65% premium to the closing price of our common stock on February 23, 2010, the day we publicly announced the transaction, (ii) a 92% premium to the twelve month average closing price of our common stock before the public announcement of the transaction, (iii) a 34% premium to the highest closing price of our common stock during the 52-week period prior to public announcement of the transaction, (iv) a 68% premium to the average closing price of our common stock during the six month period prior to public announcement of the transaction and (v) a 44% premium to the average closing price of our common stock during the 2-year period prior to public announcement of the transaction;

that the merger consideration is all cash, which provides certainty of value to our stockholders;

the business, competitive position, strategy and prospects of the Company, and current industry, economic and market conditions;

the possible alternatives to the sale of the Company, including remaining as an independent public company, and the fact that there are business, financial, market and execution risks associated with remaining independent and successfully implementing the Company s business strategies;

the belief of the board of directors and management that no other alternative reasonably available to the Company and its stockholders would provide greater value to our stockholders within the foreseeable future;

the belief of the board of directors, in consultation with its legal and financial advisors, that it was unlikely that any strategic or private equity purchaser would make a higher offer for Bowne based on market, industry and credit conditions;

the timing of the merger and the risk that, if we did not accept RR Donnelley s offer, we would not have another opportunity to do so in the foreseeable future;

the fact that the price finally agreed to was the result of multiple increases by RR Donnelley;

the financial analysis presented by Goldman Sachs, as well as the oral opinion of Goldman Sachs later confirmed in writing that, based upon and subject to the factors and assumptions set forth in the opinion, as of the date of the opinion, the $11.50 per share in cash to be paid to the holders (other than RR Donnelley and its affiliates) of common stock of the Company pursuant to the merger agreement was fair, from a financial point of view, to such holders, as described under The Merger Opinion of Goldman, Sachs & Co. (the full text of Goldman Sachs written opinion is attached as Annex B to this proxy statement);

the likelihood that the proposed acquisition would be completed, in light of the financial capabilities and reputation of RR Donnelley and the limited conditions to complete the merger;

that stockholders of the Company who do not vote in favor of adoption of the merger agreement will have the right to demand appraisal of the fair value of their shares under Delaware law; and

the terms of the merger agreement, including: the limited number and nature of the conditions to complete the merger; our right to terminate the merger agreement under certain circumstances to enter into an agreement

with respect to a superior proposal (subject to, among other things, paying a $14.5 million termination fee); and the obligation of RR Donnelley to pay us a termination fee of $20 million plus up to $2.5 million in expenses of outside legal counsel if the merger agreement is terminated in certain circumstances involving a failure to obtain antitrust approvals.

Our board of directors also considered potentially negative factors in its deliberations concerning the merger including, among others, the following:

the fact that we will no longer exist as an independent public company and our stockholders will no longer participate in our growth or benefit from any future increases in the value of Bowne;

that, under the terms of the merger agreement, the Company cannot solicit other acquisition proposals and must pay a termination fee of $14.5 million in cash if the merger agreement is terminated under certain circumstances specified in the merger agreement, including if the Company terminates the merger agreement to enter into an agreement with respect to a superior proposal;

the risk that we might not receive necessary regulatory approvals and clearances;

the fact that under the terms of the merger agreement RR Donnelley is not required to, in order to obtain necessary approvals and clearances, with respect to the assets of RR Donnelley, the Company or any of their subsidiaries, sell, divest, lease, license, transfer, dispose of or otherwise encumber any assets, licenses, operations, rights, product lines, businesses or interests, other than licenses, disposals or hold separates required by a governmental entity to permit consummation of the merger under applicable antitrust laws of assets, licenses, operations, rights, businesses or interests therein or business product lines of the Company and its subsidiaries that did not, collectively, produce gross revenues in excess of 5% of the 2009 gross revenues of the Company and its subsidiaries;

the restrictions on the conduct of our business prior to the consummation of the merger, which, subject to the limitations specified in the merger agreement, may delay or prevent the Company from taking certain actions during the time that the merger agreement remains in effect;

the risks and costs to the Company if the merger does not close, including the diversion of management and employee attention, potential employee attrition and the potential impact on the Company s businesses; and

the interests that our directors and executive officers may have with respect to the merger, in addition to their interests as stockholders of the Company generally, as described in The Merger Interests of the Company s Directors and Executive Officers in the Merger.

In view of the variety of factors considered in connection with its evaluation of the merger, our board of directors did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation, including the fairness opinion and related financial analysis provided by Goldman Sachs. In addition, individual directors may have given differing weights to different factors, including the fairness opinion and financial analysis provided by Goldman Sachs.

The board of directors recommends that you vote FOR the proposal to adopt the merger agreement and FOR the proposal to adjourn the special meeting, if necessary or appropriate, to solicit additional proxies.

Opinion of Goldman, Sachs & Co.

Goldman Sachs rendered its opinion to the board of directors that, as of February 23, 2010 and based upon and subject to the factors and assumptions set forth therein, the $11.50 per share in cash to be paid to the holders (other than RR Donnelley and its affiliates) of shares of common stock of the Company pursuant to the merger agreement was fair from a financial point of view to such holders.

The full text of the written opinion of Goldman Sachs, dated February 23, 2010, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex B. Goldman Sachs provided its opinion for the information and assistance of the board of directors in connection with the board of directors consideration of the merger. The Goldman Sachs opinion is not a recommendation as to how any holder of common stock should vote with respect to the merger.

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

- the merger agreement;
- annual reports to stockholders and Annual Reports on Form 10-K of Bowne for the five fiscal years ended December 31, 2008;
- certain interim reports to stockholders and Quarterly Reports on Form 10-Q of Bowne;

certain other communications from Bowne to its stockholders;

certain publicly available research analyst reports for Bowne; and

certain internal financial analyses and forecasts for Bowne prepared by our management, as approved for Goldman Sachs use by us, which we refer to as the Forecasts.

Goldman Sachs also held discussions with members of the senior management of Bowne regarding their assessment of the past and current business operations, financial condition and future prospects of Bowne. In addition, Goldman Sachs reviewed the reported price and trading activity for the Company s common stock, compared certain financial and stock market information for Bowne with similar information for certain other companies the securities of which are publicly traded, reviewed the financial terms of certain recent business combinations in the printing services industry specifically and in other industries generally and performed such other studies and analyses, and considered such other factors, as it considered appropriate.

For purposes of rendering the opinion described above, Goldman Sachs relied upon and assumed, without assuming any responsibility for independent verification, the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by it and Goldman Sachs does not assume any liability for any such information. In that regard, Goldman Sachs assumed, with our consent, that the Forecasts had been reasonably prepared on a basis reflecting the best then-currently available estimates and judgments of the management of Bowne. In addition, Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or off-balance-sheet assets and liabilities) of Bowne or any of our subsidiaries, nor was any evaluation or appraisal of the assets and liabilities of Bowne or any of our subsidiaries furnished to Goldman Sachs. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the merger will be obtained without any adverse effect on the expected benefits of the merger in any way meaningful to its analysis. Goldman Sachs also assumed that the merger will be consummated on the terms set forth in the merger agreement, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to its analysis. In addition, Goldman Sachs did not express any opinion as to the impact of the merger on the solvency or viability of Bowne or RR Donnelley or the ability of Bowne or RR Donnelley to pay its obligations when they come due. Goldman Sachs opinion does not address any legal, regulatory, tax or accounting matters, nor does it address the underlying business decision of Bowne to engage in the merger, or the relative merits of the merger as compared to any strategic alternatives that may be available to Bowne. Goldman Sachs was not requested to solicit, and did not solicit, interest from other parties with respect to an acquisition of, or other business combination with, Bowne or any alternative transaction. Goldman Sachs opinion addresses only the fairness from a financial point of view, as of the date thereof, of the $11.50 per share in cash to be paid to the holders (other than RR Donnelley and its affiliates) of shares of common stock of the Company pursuant to the merger agreement. Goldman Sachs does not express any view on, and its opinion does not address, any other term or aspect of the merger agreement or the merger or any term or aspect of any other agreement or instrument contemplated by the merger agreement or entered into or amended in connection with the merger, including, without limitation, the fairness of the merger to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of Bowne; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Bowne, or class of such persons, in connection with the merger, whether relative to the $11.50 per share in cash to be paid to the holders (other than RR Donnelley and its affiliates) of shares of common stock of the Company pursuant to the merger agreement or otherwise. Goldman Sachs opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to it as of, the date of the opinion and Goldman Sachs assumed no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after the date of its opinion. Goldman Sachs opinion was approved by a fairness committee of Goldman

Sachs.

The following is a summary of the material financial analyses delivered by Goldman Sachs to the board of directors in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read

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together with the full text of each summary and are alone not a complete description of Goldman Sachs financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before February 23, 2010 and is not necessarily indicative of current market conditions.

Historical Stock Trading Analysis

Goldman Sachs reviewed the historical trading prices and volumes for the Bowne common stock for the 3-year period ended February 23, 2010. In addition, Goldman Sachs analyzed the consideration to be paid to holders of common stock of the Company pursuant to the merger agreement in relation to the closing price as of February 23, 2010, the 52-week high closing price as of February 23, 2010, the average closing prices for the six-month, twelve-month and twenty-four-month periods ended February 23, 2010, the median research analyst target price, and the estimated median cost basis of Bowne s latest stockholders as of February 17, 2010.

This analysis indicated that the price per share to be paid to Bowne stockholders pursuant to the merger agreement represented a premium of:

65.0% based on the February 23, 2010 closing price of $6.97 per share;

34.2% based on the latest 52 weeks high closing price of $8.57 per share;

68.0% based on the latest six month average closing price of $6.85 per share;

92.0% based on the latest twelve month average closing price of $5.99 per share;

43.7% based on the latest twenty-four month average closing price of $8.00 per share;

12.2% based on the median of research analysts twelve month target prices as of February 23, 2010 of $10.25 per share; and

67.0% based on the estimated median cost basis of Bowne s 25 largest stockholders as of February 17, 2010 of $6.89 per share.

Implied Transaction Multiples

Goldman Sachs calculated various financial multiples and ratios for Bowne based on the closing price of $6.97 per share of common stock on February 23, 2010 and the $11.50 per share merger consideration using the Forecasts provided by Bowne management, publicly available information concerning Bowne and market data as of February 23, 2010. With respect to Bowne, Goldman Sachs calculated the following multiples:

enterprise value, which is the market value of common equity (including stock options, restricted stock, restricted stock units and deferred stock units) plus the book value of debt, less cash, as a multiple of actual 2009 sales, projected 2010 sales and projected 2011 sales;

enterprise value as a multiple of actual 2009 earnings before interest, taxes, depreciation and amortization, or EBITDA, projected 2010 EBITDA, projected 2011 EBITDA and projected 2012 EBITDA; and

price as a multiple of projected 2010 GAAP earnings per share, or EPS, projected 2011 EPS and projected 2012 EPS.

For purposes of its analyses, unless otherwise noted, Goldman Sachs calculation of 2009 EBITDA and 2009 EPS was adjusted to exclude approximately $24.6 million in restructuring, integration and asset impairment charges.

The results of these analyses are summarized in the table below:

	Year	Multiples Based on $6.97 per Share	Multiples Based on $11.50 per Share
Enterprise Value to /Sales	2009	0.41x	0.70x
	2010	0.37x	0.64x
	2011	0.34x	0.58x
Enterprise Value to EBITDA	2009	6.0x	10.3x
	2010	4.4x	7.5x
	2011	3.7x	6.3x
	2012	3.1x	5.4x
Price to EPS (GAAP)	2010	18.0x	29.7x
	2011	12.0x	19.7x
	2012	8.8x	14.5x

Selected Companies Analysis

Goldman Sachs reviewed and compared certain financial information for Bowne to corresponding financial information, ratios and public market multiples for the following publicly traded corporations in the printing services industry:

Consolidated Graphics, Inc.

Cenveo, Inc.

Deluxe Corporation

RR Donnelley

The Standard Register Company

Transcontinental Inc.

Although none of the selected companies is directly comparable to Bowne, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Bowne.

Goldman Sachs also calculated and compared various financial multiples and ratios for Bowne and the selected companies based on financial data available as of February 23, 2010, financial information it obtained from our management, including the Forecasts, and information it obtained from SEC filings and the Institutional Brokers Estimate System, or IBES. IBES compiles forward-looking financial estimates published by selected equity research analysts for U.S. and foreign publicly-traded companies. Unless otherwise noted, Goldman Sachs used the median of such IBES estimates as of February 23, 2010. With respect to the selected companies and Bowne, Goldman Sachs calculated:

enterprise value as a multiple of latest twelve months, or LTM, sales and estimated 2010 sales;

enterprise value as a multiple of estimated 2010 EBITDA and estimated 2011 EBITDA; and

price as a multiple of estimated 2010 and estimated 2011 EPS (calendarized to a December year-end).

The results of these analyses are summarized in the table below:

	Selected Companies (Including Bowne) Range	Median	Bowne (Multiples Based on $6.97 per Share Price)
Enterprise Value as a Multiple of:			
LTM Sales	0.3x-1.3x	0.7x	0.4x
2010E Sales	0.4x-1.3x	0.8x	0.4x
2010E EBITDA	4.1x-5.9x	5.5x	4.1x
2011E EBITDA	3.5x-5.5x	5.1x	3.5x
Price as a Multiple of:			
2010E EPS	7.3x-19.5x	14.2x	15.5x
2011E EPS	6.7x-14.7x	9.7x	10.1x

Illustrative Discounted Cash Flow Analysis

Goldman Sachs performed an illustrative discounted cash flow analysis on Bowne using the Forecasts. In the illustrative discounted cash flow analyses described in this paragraph, equity compensation expense was treated as a cash expense for purposes of determining EBIT and free cash flow. Goldman Sachs calculated indications of net present value per share of common stock as of February 28, 2010 based on unlevered cash flows for Bowne for the years 2010 through 2012 using discount rates ranging from 12.0% to 14.0%. Goldman Sachs calculated illustrative terminal values in the year 2012 based on assumed perpetuity growth rates of cash flow ranging from 1.0% to 3.0%, which was determined based on Goldman Sachs experience and professional judgement taking into account the growth rates for Bowne and selected companies that exhibited similar business characteristics to Bowne, as well as the expected growth of the printing services industry. These illustrative terminal values were then discounted to calculate implied indications of net present values using discount rates ranging from 12.0% to 14.0%, reflecting estimates of the Company s weighted average cost of capital. The range of discount rates was derived by utilizing a weighted average cost of capital analysis based on certain financial metrics for Bowne and selected companies that exhibited similar business characteristics to Bowne. The applied discount rates ranging from 12.0% to 14.0% were based upon Goldman Sachs judgement of an illustrative range based upon the above analysis. The illustrative discounted cash flow analysis resulted in an illustrative per share value indication of $7.77 to $10.75.

Selected Transactions Analysis

Goldman Sachs analyzed certain information relating to the following twenty selected transactions in the printing services industry since April 1, 1999:

Quad/Graphics, Inc. acquisition of World Color Press Inc.

RR Donnelley s proposed acquisition of Quebecor World, Inc. (offer was withdrawn)

Hombergh/De Pundert Group s acquisition of the European operations of Quebecor World, Inc.

Cenveo, Inc. s acquisition of Commercial Envelope Manufacturing Co., Inc.

Transcontinental Inc. s acquisition of PLM Group Ltd.

RR Donnelley s acquisition of Von Hoffmann Holdings, Inc. (Von Hoffmann Corporation and Anthology, Inc.)

Cenveo, Inc. s acquisition of Cadmus Communications Corporation

RR Donnelley s acquisition of Perry Judd s Holdings Incorporated

M&F Worldwide Corp. s acquisition of John H. Harland Company

RR Donnelley s acquisition of Banta Corporation

M&F Worldwide Corp. s acquisition of Novar USA Inc. (Clark American and related companies)

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Kohlberg Kravis Roberts & Co. L.P. Acquisition of approximately 45% of Visant Holding Corp.

Deluxe Corporation s acquisition of New England Business Services, Inc.

RR Donnelley s acquisition of Moore Wallace Incorporated

Von Hoffmann Corporation s acquisition of The Lehigh Press Inc.

Moore Corporation Limited s acquisition of Wallace Computer Services, Inc.

Thomas H. Lee Company and Evercore Capital Partners acquisition of Big Flower Holdings, Inc.

Quebecor Printing Inc. s acquisition of World Color Press, Inc.

DLJ Merchant Banking Partners II, L.P. s acquisition of Merrill Corporation

Cadmus Communications Corporation acquisition of The Mack Printing Group

For each of the selected transactions, Goldman Sachs calculated and compared levered market value (the market value of the equity plus net debt) as a multiple of latest twelve months, or LTM, sales, LTM EBITDA and LTM earnings before interest, taxes, or EBIT.

The following table presents the results of this analysis:

	Selected Transactions		**Proposed**
Levered Market Value as a Multiple of:	**Range**	**Median**	**Transaction**
LTM Sales	0.20x-1.59x	0.99x	0.70x
LTM EBITDA	6.1x-12.2x	7.4x	10.3x
LTM EBIT	10.2x-30.3x	12.6x	35.6x

Illustrative Present Value of Future Stock Price Analysis

Goldman Sachs performed illustrative analysis of the implied present value of the future prices of a share of common stock, which is designed to provide an indication of the present value of a theoretical future price of a company s equity.

Goldman Sachs first calculated the implied values per share of common stock as of February for each of years 2010 to 2012 by applying price to forward earnings multiples of 12.0x to 18.0x to management s EPS estimates for the years 2010 to 2012, and then discounted 2011 and 2012 values back one year and two years, respectively, using a discount rate of 14.0%, reflecting an estimate of the Company s cost of equity. This analysis resulted in a range of implied present values of $4.65 to $11.01 per share of common stock.

Goldman Sachs also calculated the implied values per share of common stock as of February for each of years 2010 to 2012 by applying enterprise value to forward EBITDA multiples of 4.0x to 6.0x to management s EBITDA estimates for the years 2010 to 2012, and then discounted 2011 and 2012 values back one year and two years, respectively, using a discount rate of 14.0%, reflecting an estimate of the Company s cost of equity. The ranges of implied values in

this analysis were calculated based on ranges of multiples, including a range of price to earnings multiples (P/E multiples) and enterprise value to EBITDA multiples (EBITDA multiples), derived by Goldman Sachs utilizing its experience and professional judgement, taking into account current and historical trading data and the current P/E multiples and EBITDA multiples for Bowne and selected companies that exhibited similar business characteristics to Bowne. This analysis resulted in a range of implied present values of $6.29 to $10.65 per share of common stock.

Illustrative Leveraged Buyout Analysis

Goldman Sachs performed an illustrative leveraged buyout analysis using the Forecasts and publicly available historical information. In performing the illustrative leveraged buyout analysis, Goldman Sachs assumed hypothetical financial buyer purchase prices per share of common stock ranging from $9.00 to $11.00. In performing this analysis, Goldman Sachs also assumed that a buyer would have a capital structure and weighted-average cost of debt that were consistent with what Goldman Sachs believed, based on its experience and professional judgment, at

the time Goldman Sachs performed its analysis would be achievable for a financial buyer acquiring a company in the printing services industry in a leveraged transaction. Based on a range of illustrative projected 2012 EBITDA exit multiples of 4.5x to 6.5x for the assumed exit at the end of 2012, which reflect illustrative implied prices at which a hypothetical financial buyer might exit its investment through a sale transaction, this analysis resulted in illustrative internal rate of equity returns to a hypothetical financial buyer ranging from 0.0% to 36.0%. The EBITDA exit multiples were derived by Goldman Sachs utilizing its experience and professional judgment, taking into account current and historical trading data and enterprise value to EBITDA multiples for Bowne and selected companies that exhibited similar business characteristics to Bowne.

General

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Bowne or the contemplated transaction.

Goldman Sachs prepared these analyses for purposes of Goldman Sachs providing its opinion to the board of directors as to the fairness from a financial point of view of the $11.50 per share in cash to be paid to the holders (other than RR Donnelley and its affiliates) of shares of common stock pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Bowne, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

The merger consideration was determined through arms -length negotiations between Bowne and RR Donnelley and was approved by the board of directors. Goldman Sachs provided advice to Bowne during these negotiations. Goldman Sachs did not, however, recommend any specific amount of consideration to us or the board of directors or that any specific amount of consideration constituted the only appropriate consideration for the merger.

As described above, Goldman Sachs opinion to the board of directors was one of many factors taken into consideration by the board of directors in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex B.

Goldman Sachs and its affiliates are engaged in investment banking and financial advisory services, commercial banking, securities trading, investment management, principal investment, financial planning, benefits counseling, risk management, hedging, financing, brokerage activities and other financial and non-financial activities and services for various persons and entities. In the ordinary course of these activities and services, Goldman Sachs and its affiliates may at any time make or hold long or short positions and investments, as well as actively trade or effect transactions, in the equity, debt and other securities (or related derivative securities) and financial instruments (including bank loans and other obligations) of third parties, Bowne, RR Donnelley and any of their respective affiliates or any currency or commodity that may be involved in the merger for their own account and for the accounts of their customers.

Goldman Sachs acted as financial advisor to Bowne in connection with, and have participated in certain of the negotiations leading to, the merger. In addition, Goldman Sachs has provided certain investment banking and other financial services to Bowne and its affiliates from time to time, including having acted as sole book runner with respect to a public offering of 12,075,000 shares of Bowne s common stock in August 2009. Goldman Sachs has also provided, and are providing, certain investment banking and other financial

services to RR Donnelley and its affiliates, including having acted as financial advisor to RR Donnelley with respect to its acquisitions of Banta Corporation in January 2007 and Von Hoffman Corp. in May 2007 and as a dealer in RR Donnelley s commercial paper program. Goldman Sachs may also provide investment banking and other financial services to Bowne and RR Donnelley and their respective affiliates in the future. In connection with the above-described services Goldman Sachs has received, and may receive, compensation. Except as described above, Goldman Sachs has not been engaged to provide investment banking or other financial services to Bowne or RR Donnelley during the past two years.

The board of directors has selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the merger. Pursuant to a letter agreement, dated January 14, 2010, we engaged Goldman Sachs to act as our financial advisor in connection with the contemplated merger. Pursuant to the terms of this engagement letter, we agreed to pay Goldman Sachs a transaction fee of approximately $7.4 million, with approximately $1.5 million paid upon the execution of the merger agreement and approximately $5.9 million payable upon consummation of the merger. In addition, we agreed to reimburse Goldman Sachs for its expenses, including attorneys fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

Bowne Unaudited Prospective Financial Information

Bowne does not as a matter of course make public long-term projections as to future revenues, earnings or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. However, Bowne is including this prospective financial information in this proxy statement to provide its stockholders access to certain non-public unaudited prospective financial information that was made available to Bowne s financial advisor, the board of directors of Bowne and RR Donnelley in connection with the merger. This information included estimates of revenue, EBITDA, EBIT, net income and earnings per share for the fiscal years 2010 through 2012. The unaudited prospective financial information was not prepared with a view toward public disclosure, and the inclusion of this information should not be regarded as an indication that any of Bowne, its financial advisor or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results. None of Bowne, RR Donnelley or their respective affiliates assumes any responsibility for the accuracy of this information.

While presented with numeric specificity, the unaudited prospective financial information reflects numerous estimates and assumptions with respect to industry performance, general business, economic, regulatory, litigation, market and financial conditions, foreign currency rates, interest on investments, and matters specific to Bowne s business, many of which are beyond Bowne s control. The unaudited prospective financial information was, in general, prepared solely for internal use and is subjective in many respects. As a result, there can be no assurance that the prospective results will be realized or that actual results will not be significantly higher or lower than estimated. Since the unaudited prospective financial information covers multiple years, such information by its nature becomes less predictive with each successive year. Bowne s stockholders are urged to review Bowne s most recent SEC filings for a description of risk factors with respect to Bowne s business. See Cautionary Statement Concerning Forward-Looking Information beginning on page 11 and Where You Can Find Additional Information beginning on page 60. The unaudited prospective financial information was not prepared with a view toward complying with GAAP, the published guidelines of the SEC regarding projections or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. Neither Bowne s independent registered public accounting firm, nor any other independent accountants, have compiled, examined, or performed any procedures with respect to the unaudited prospective financial information contained herein, nor have they expressed any opinion or any other form of assurance on such information or its achievability, and assume no responsibility for the unaudited prospective financial information. Furthermore, the unaudited prospective financial information does not take into account any circumstances or events occurring after the date it was prepared.

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The following table presents summary selected unaudited prospective financial information for the fiscal years ending 2010 through 2012:

In millions of dollars, except per share amounts*

	2010	2011	2012
Revenue	$ 735.9	$ 811.9	$ 879.1
EBITDA	63.0	74.7	87.7
EBIT	32.8	43.7	56.7
Net Income	15.9	23.9	32.6
Diluted EPS	0.39	0.58	0.80

* Financial information excludes restructuring, integration and impairment charges (but includes equity compensation expense).

No assurances can be given that these assumptions will accurately reflect future conditions. In addition, although presented with numerical specificity, the above unaudited prospective financial information reflects numerous assumptions and estimates as to future events made by Bowne s management that Bowne s management believed were reasonable at the time the unaudited prospective financial information was prepared. The above unaudited prospective financial information does not give effect to the merger. Bowne stockholders are urged to review Bowne s most recent SEC filings for a description of Bowne s reported results of operations, financial condition and capital resources during 2009.

Readers of this proxy statement are cautioned not to place undue reliance on the unaudited prospective financial information set forth above. No representation is made by Bowne or any other person to any stockholder of Bowne regarding the ultimate performance of Bowne compared to the information included in the above prospective financial information. The inclusion of unaudited prospective financial information in this proxy statement should not be regarded as an indication that such prospective financial information will be an accurate prediction of future events nor construed as financial guidance, and they should not be relied on as such.

BOWNE DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE ABOVE PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE.

Interests of the Company s Directors and Executive Officers in the Merger

In considering the recommendation of the Company s board of directors with respect to the merger, you should be aware that some of the Company s directors and executive officers have interests in the merger that are different from, or in addition to, the interests of our stockholders generally.

These interests may present these directors and officers with actual or potential conflicts of interest, and these interests, to the extent material, are described below. The Company s board of directors was aware of these interests and considered them, among other matters, in approving the merger agreement and the merger. All of the amounts listed on the tables below represent amounts payable prior to any applicable withholding taxes.

Stock Options and Other Equity Based Awards

As of April 19, 2010, there were approximately 1,434,001 shares of Company common stock subject to stock options granted under the Company s equity incentive plans to current executive officers and directors. Each outstanding stock option that remains unexercised as of the completion of the merger, whether or not the option is vested, will be canceled, and the holder of such stock option will only be entitled to receive, within three business

days following the effective time of the merger, a cash payment, less applicable withholding taxes, equal to the product of:

the number of shares of the Company s common stock subject to the option as of the effective time of the merger, multiplied by

the excess, if any, of $11.50 over the exercise price per share of common stock subject to such option.

The following table shows, for our executive officers and directors, the number of shares of common stock subject to outstanding vested options as of April 19, 2010, the cash-out value of these vested options, the number of shares of common stock subject to outstanding unvested options and the cash-out value of these unvested options. The information in the table assumes that all options remain outstanding on the closing date of the merger.

	Shares Subject to Vested Options(1)	Cash-Out Value of Vested Options	Shares Subject to Unvested Options	Cash-Out Value of Unvested Options
Executive Officers:				
David J. Shea	88,100	$ 473,953	250,000	$ 1,616,750
John J. Walker	22,500	$ 167,738	111,250	$ 721,306
William P. Penders	30,000	$ 223,650	133,750	$ 889,042
Susan W. Cummiskey	57,550	$ 218,850	67,500	$ 438,374
Scott L. Spitzer	11,250	$ 83,869	60,000	$ 382,463
3 Other Executive Officers as a Group	18,750	$ 139,781	86,250	$ 568,895
Non-Employee Directors				
Carl Crosetto	85,000	$		$
Douglas Fox	42,572	$ 17,683		$
Marcia Hooper	26,275	$		$
Philip Kucera	98,000	$		$
Stephen Murphy		$		$
Gloria Portela	27,129	$ 4,600		$
H. Marshall Schwarz	73,520	$ 38,833		$
Lisa Stanley	20,000	$ 4,600		$
Vincent Tese	79,286	$ 36,274		$
Richard West	45,319	$ 20,867		$
Total	**725,251**	**$ 1,430,698**	**708,750**	**$ 4,616,830**

Notes:

(1) Included in the shares subject to vested options in the table above are 390,124 options with an exercise price in excess of $11.50.

As of April 19, 2010, there were approximately 205,752 shares of unvested or unissued Company common stock subject to the Company s outstanding restricted stock unit awards held by our current executive officers and directors under our equity incentive plans. Under the terms of the merger agreement, all restricted stock unit awards shall

become immediately vested and free of restrictions at the effective time of the merger. At the effective time of the merger, any such restricted stock unit award that is then outstanding (whether vested or unvested) will be canceled, and the holder of each such award will only be entitled to receive, within three business days of the effective time of the merger, a cash payment of $11.50 per restricted stock unit, less any applicable withholding taxes.

The following table shows, for our executive officers, the aggregate number of shares of common stock subject to outstanding unvested or unissued restricted stock units as of April 19, 2010, and the cash-out value of the restricted stock units. None of the Company s directors hold restricted stock or restricted stock units. The

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information in the table assumes that all such restricted stock units remain outstanding on the closing date of the merger.

	Aggregate Shares Subject to Unvested/ Unissued Restricted Stock Units	Aggregate Cash-Out Value of Unvested/ Unissued Restricted Stock Units
Executive Officers:		
David J. Shea	77,565	$ 891,998
John J. Walker	25,196	$ 289,754
William P. Penders	42,991	$ 494,397
Susan W. Cummiskey	19,167	$ 220,421
Scott L. Spitzer	19,167	$ 220,421
3 Other Executive Officers as a Group	21,666	$ 249,159
Total	**205,752**	**$ 2,366,150**

Deferred Stock Units; Deferred Compensation Plans

As of April 19, 2010, there were approximately 620,547 shares of Company common stock to be issued pursuant to the Company s outstanding deferred stock unit or similar awards held by our current executive officers and directors under the Company s benefit plans, including the Deferred Award Plan. All such units and awards were either fully vested prior to the Company entering into the merger agreement or were vested at the grant date. At the effective time of the merger, any such deferred stock unit or similar award that is then outstanding will be canceled, and the holder of each such award will only be entitled to receive a cash payment of $11.50 per share of common stock subject to such deferred stock unit or similar award, less any applicable withholding taxes, payable after the effective time of the merger.

Following the closing of the merger, in accordance with the terms of the plan, all cash balances under the Company s Deferred Award Plan will be paid out in cash to participants, less any required withholding taxes. In addition, all cash accounts consisting of deferred director fees will be paid out to directors following the closing of the merger. All such cash balances and accounts were fully vested prior to the Company entering into the merger agreement.

The following table shows, for our executive officers and directors, (i) the aggregate number of shares of common stock subject to outstanding deferred stock units, (ii) the cash-out value of such deferred stock units and (iii) the aggregate cash balances or accounts under the Company s Deferred Award Plan or cash accounts consisting of deferred director fees, as applicable, in each case, as of April 19, 2010. The information in the table assumes that all such deferred stock units remain outstanding on the closing date of the merger.

	Aggregate Shares Subject to Deferred Stock Units	Aggregate Cash-Out Value of Deferred Stock Units	Aggregate Deferred Cash/Fee Balances
Executive Officers:			

David J. Shea	62,761	$ 721,752	$ 86,643
John J. Walker	346	$ 3,979	$ 23,154
William P. Penders	8,962	$ 103,063	$ 33,070
Susan W. Cummiskey	27,104	$ 311,696	$ 23,640
Scott L. Spitzer	2,485	$ 28,578	$ 15,805
3 Other Executive Officers as a Group	5,465	$ 62,848	$ 29,281
Non-Employee Directors			
Carl Crosetto		$	$
Douglas Fox	53,084	$ 610,466	$ 73,097
Marcia Hooper	33,973	$ 390,690	$ 98,963
Philip Kucera	28,030	$ 322,345	$ 78,209
Stephen Murphy	33,875	$ 389,563	$ 68,267

	Aggregate Shares Subject to Deferred Stock Units	Aggregate Cash-Out Value of Deferred Stock Units	Aggregate Deferred Cash/Fee Balances
Gloria Portela	56,542	$ 650,233	$ 89,719
H. Marshall Schwarz	96,425	$ 1,108,888	$ 146,632
Lisa Stanley	54,113	$ 622,300	$ 25,847
Vincent Tese	71,889	$ 826,724	$ 107,279
Richard West	85,493	$ 983,170	$ 108,669
Total	**620,547**	**$ 7,136,295**	**$ 1,008,275**

Long-Term Incentive Plan

All of our executive officers participate in the Company s Long Term Incentive Plan (LTIP), which has a three-year cycle beginning January 1, 2009 and ending December 31, 2011 and provides for the payment of cash based on the Company s return on invested capital (ROIC) over the three-year cycle. Upon a change of control (including the merger), awards under the LTIP will become fully vested, with the payment amounts calculated assuming that the Company s ROIC achieved the targeted three-year return. Payment will also be accelerated upon the merger.

	LTIP Cash-Out Value
Executive Officers:	
David J. Shea	$ 2,660,000
John J. Walker	$ 1,000,000
William P. Penders	$ 1,000,000
Susan W. Cummiskey	$ 724,500
Scott L. Spitzer	$ 713,000
3 Other Executive Officers as a Group	$ 881,475
Total	**$ 6,978,975**

Supplemental Executive Retirement Plan

The Company sponsors a Supplemental Executive Retirement Plan (SERP). The SERP is an unfunded nonqualified defined benefit pension plan which was adopted in 1999, intended to provide pension credit for compensation that exceeds the limitations imposed by the Internal Revenue Code. The SERP contains a change in control provision which provides that if an executive experiences a termination of employment within two years after a change in control, the 5-year vesting requirement under the SERP will be waived and the Company will make a lump sum distribution of the accumulated supplemental pension benefit calculated assuming benefits commence on the later of (i) the executive attaining age 55 or (ii) actual termination of employment. The change in control benefit includes any prior employer service previously granted by the Chairman and Chief Executive Officer of the Company. A portion of the payments to be made as a result of the qualifying termination of employment would be delayed until six months after the termination date. All SERP payments are conditioned upon SERP participants complying with certain non-competition and confidentiality covenants.

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The following table summarizes the amounts payable to the executive officers under the SERP upon the effective time of the merger with the first column showing the amount payable solely as a result of the merger and the second column showing the additional amount to be paid assuming a qualifying termination.

	Value of SERP Payment	Incremental Additional Value of SERP Payment (Upon a Qualifying Termination)
Executive Officers:		
David J. Shea		