

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

July 16, 2019

Date of Report (Date of Earliest Event Reported)

ITRON, INC.

(Exact Name of Registrant as Specified in its Charter)

Washington

(State or Other Jurisdiction
of Incorporation)

000-22418

(Commission File No.)

91-1011792

(IRS Employer
Identification No.)

2111 N. Molter Road, Liberty Lake, WA 99019

(Address of Principal Executive Offices, Zip Code)

(509) 924-9900

(Registrant's Telephone Number, Including Area Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

Appointment of President and Chief Executive Officer

On July 16, 2019, the Board of Directors (the Board) of Itron, Inc. (Itron or the Company) appointed Thomas L. Deitrich as the Company's President and Chief Executive Officer, effective August 6, 2019. Mr. Deitrich succeeds Philip Mezey, who will resign as President and Chief Executive Officer and as a director effective August 6, 2019, in accordance with his previously announced retirement from the Company, effective August 31, 2019. Mr. Deitrich was also elected to the Board effective August 6, 2019, to fill the vacancy to be created by Mr. Mezey's resignation.

Mr. Deitrich, age 52, is currently Executive Vice President and Chief Operating Officer of Itron, Inc. Mr. Deitrich joined Itron in October 2015. From 2012 to September 2015, Mr. Deitrich was Senior Vice President and General Manager for Digital Networking at Freescale Semiconductor, Inc. (Freescale), and he served as the Senior Vice President and General Manager of Freescale's RF, Analog, Sensor, and Cellular Products Group from 2009 to 2012. Mr. Deitrich had other roles of increasing responsibility at Freescale from 2006 to 2009. Prior to Freescale, Mr. Deitrich worked for Flextronics, Sony-Ericsson/Ericsson, and GE.

On July 16, 2019, the Company entered into an employment arrangement with Mr. Deitrich that includes the following material provisions effective August 6, 2019:

- Mr. Deitrich will be paid an annual base salary of \$800,000.
- Mr. Deitrich will be eligible to receive an annual target incentive bonus of 125% of his base salary in accordance with the Company's Executive Management Incentive Plan. The payout of the bonus may range from 0% to a maximum of two times the target, or 250%, and is based on the achievement of annual performance objectives determined by the Board. In accordance with the terms of the Executive Management Incentive Plan, Mr. Deitrich's current bonus target of 100% will apply for the period January 2019 through July 2019.
- For 2019, Mr. Deitrich will receive a minimum equity compensation package of \$3,500,000, including the following awards (to be granted under the Company's Long-Term Incentive Plan at the next regular Board meeting):
 - Options to purchase \$2,000,000 in shares of Itron's common stock with a ratable three-year vesting period, a ten-year term, and an exercise price equal to the market price on the date of grant on the NASDAQ Global Select Market
 - Time-based restricted stock units (RSUs) valued at \$1,500,000 with a ratable three-year vesting period beginning one year from the grant date

In addition to the above cash and equity compensation, Mr. Deitrich may be eligible to receive future annual grants at a target value of \$3,000,000, contingent upon performance and at the discretion of the Board.

In connection with Mr. Deitrich's new position, the Company entered into an Employee Invention and Non-Disclosure Agreement with terms that are substantially the same as those entered into with generally all salaried employees in Texas. Mr. Deitrich is currently party to indemnification and change-in-control agreements with Itron, which remain unchanged.

The foregoing description of Mr. Deitrich's employment arrangement is qualified in its entirety by reference to the full text of Deitrich's offer letter, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

There are no related person transactions or other information related to Mr. Deitrich that are required to be disclosed pursuant to section 404(a) of Regulation S-K of the Securities Exchange Act of 1934.

Arrangement with Philip Mezey

Pursuant to Mr. Mezey's previously announced Transition and Retirement Agreement, upon the appointment of Mr. Deitrich to his new executive position, Mr. Mezey will resign from his positions as President and Chief Executive Officer and from the Board effective August 6, 2019. He will serve in a non-executive officer employee role with Itron through August 31, 2019, and then as a non-employee consultant through December 31, 2019, to provide certain transition services.

The press release announcing matters relating to the appointment of Mr. Deitrich to his new position and the retirement of Mr. Mezey is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
10.1	Employment agreement between Itron, Inc. and Thomas L. Deitrich, dated July 16, 2019.
99.1	Press release dated July 22, 2019.

SIGNATURE

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

ITRON, INC.

Dated: July 22, 2019

By:

/s/ SARAH E. HLAVINKA

Sarah E. Hlavinka

Senior Vice President, General Counsel & Corporate Secretary

EXHIBIT INDEX

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July 16, 2019

Tom Deitrich
11900 Sea Eagle Cove
Austin, TX 78738

Dear Tom,

On behalf of Itron, Inc. ("Company"), we are pleased to promote you to the position of President and Chief Executive Officer of the Company, reporting to the Company's Board of Directors (the "Board"), with the authority and duties set forth in the Company's By-laws. This position will be based out of Austin, Texas. For purposes of this letter agreement ("Agreement"), the effective date of your promotion and beginning of your new role shall be August 6, 2019 ("Promotion Date").

Following are the specifics of your offer:

Base Salary

You will be paid a base salary that annualizes to \$800,000 less applicable taxes and withholdings, paid in accordance with the Company's normal payroll practices and subject to annual review.

Executive Management Incentive Plan

You will continue to be eligible to participate in the Executive Management Incentive Plan ("EMIP"), and we will increase your incentive target to 125% of your annual gross salary. Any bonus payment will be subject to applicable taxes and withholdings. Your 2019 participation will be prorated based on the Promotion Date through the end of the fiscal year. Consistent with the terms of the plan, your existing 100% bonus target will apply to the period from January through July 2019. To qualify for the bonus, you must remain continuously employed with the Company through the scheduled payment date, subject to the provisions of the EMIP. The Company reserves the right to review, change, amend, or cancel incentive plans at any time.

Long-Term Incentives

You will receive an equity award under the Company's Long-Term Incentive Plan. For 2019, we will provide you a grant valued at \$3,500,000 with \$1,500,000 of the value in Time-Based RSU's and \$2,000,000 in stock options. This grant will be made at the next regular board meeting following your Promotion Date. You also may be eligible to receive future annual grants at a target value of \$3,000,000, which will be contingent upon your performance.

Benefits

If you have questions about continuation of any executive benefits, please contact me and we can discuss.

Other Agreements

You previously signed the following agreements, each dated October 10, 2015:

- Amended and Restated Change in Control Severance Agreement; and
- Itron, Inc. Indemnification Agreement.

These agreements will continue to be effective on and after your Promotion Date, and you and the Company will continue to be bound by their terms and conditions. If you wish to receive copies of the executed agreements, please let me know. We will be glad to provide those to you.

Additionally, you will be provided with, and required to sign, an updated Employee Invention and Non-Disclosure Agreement ("NDA"), including customary non-solicit and non-compete provisions. Your promotion offer is contingent on executing the updated NDA.

Insider Trading

Consistent with current restrictions, you will be prohibited from trading Itron securities from time to time in accordance with the Company's Insider Trading Policy and related blackout procedures. A copy of the policy will be provided to you on your Promotion Date, and you will be required to sign a certificate to indicate you have read and understood the policy.

Mutual Agreement to Arbitrate

You and the Company understand and agree that any existing or future dispute or claim arising out of or related to your employment, or the termination of your employment, will be resolved by final and binding arbitration and that no other forum for dispute resolution will be available to either party, except those claims excluded by law. The decision of the arbitrator shall be final and binding on both you and the Company and it shall be enforceable by any court having proper jurisdiction. This Agreement is made in the State of Texas and is governed by Texas law without regard to choice-of-law rules.

Your employment with the Company will be "at will", meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason that is not prohibited by law. To accept this offer, please sign this letter in the space provided below and return it to Michel Cadieux at michel.cadieux@itron.com.

This Agreement constitutes the entire agreement between you and the Company with respect to your employment and supersedes any and all prior or contemporaneous oral or written representations, understandings, agreements or communications.

Tom Deitrich
July 16, 2019
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On behalf of the entire Itron team, heartiest congratulations in your new role. We look forward to your continued success and partnership at the Company.

Warm regards,

/s/ MICHEL CADIEUX
Michel Cadieux
Senior Vice President Human Resources

c: Personal File

/s/ TOM DEITRICH
Tom Deitrich

July 16, 2019
Date

Itron Names Tom Deitrich President and Chief Executive Officer

LIBERTY LAKE, Wash.--(BUSINESS WIRE)--July 22, 2019--Itron, Inc. (NASDAQ: ITRI), which is innovating the way utilities and cities manage energy and water, today announced that its board of directors has appointed Tom Deitrich to the position of president and chief executive officer, effective Aug. 6. Deitrich will also join Itron's board of directors. Deitrich has served as Itron's executive vice president and COO since October 2015. He succeeds Philip Mezey, who has been president and CEO since 2013. Mezey announced his retirement earlier this year and will work with Deitrich to ensure a smooth transition.

"After conducting an extensive global search considering multiple candidates, the board of directors determined that Tom Deitrich exhibited the best skill set for Itron's continued operational transformation and success, a compelling understanding of the marketplace and a strong strategic vision for Itron's future," said Lynda Ziegler, chair of Itron's board of directors. "Tom is a seasoned executive, who has been a major contributor to Itron's success over the past four years, playing critical roles in architecting the company's innovation, product and delivery strategies."

"We thank Philip for his years of service at Itron and wish him well on his retirement," added Ziegler.

After joining Itron in 2015, Deitrich has played a major role in shaping the company's strategy to partner with cities and utilities to build secure, reliable, connected communities that can offer a multitude of new services. He architected the company's innovation and product strategy, created the product business units and global commercial and customer enablement organization, and enhanced our overall operations.

Deitrich brings more than 20 years of experience in executive management roles in global operations at leading technology firms, including Freescale Semiconductor, Inc. (Freescale), Flextronics International, Inc. (Flextronics), Sony Ericsson Mobile Communications, Inc. (Sony) and General Electric Corporation (GE).

"I am honored to serve the company in the role of CEO. It's my privilege to work more closely with our team members around the globe to better serve our customers. We have a tremendous opportunity to innovate and grow our business in the Industrial Internet of Things market, and I'm committed to executing our strategy and building more value for our customers and shareholders," said Deitrich.

“Itron is well positioned for the future. We’ve made tremendous strides in working with our customers to help them transform their businesses so they can better serve their customers. I’m delighted to hand the reins over to Tom, a proven leader at Itron. He understands the challenges and opportunities and is determined to take the organization to the next level of growth and profitability,” said Mezey.

About Itron

Itron enables utilities and cities to safely, securely and reliably deliver critical infrastructure services to communities in more than 100 countries. Our portfolio of smart networks, software, services, meters and sensors helps our customers better manage electricity, gas and water resources for the people they serve. By working with our customers to ensure their success, we help improve the quality of life, ensure the safety and promote the well-being of millions of people around the globe. Itron is dedicated to creating a more resourceful world. Join us: www.itron.com.

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