

SECURITIES AND EXCHANGE COMMISSION

FORM DEF 14A

Definitive proxy statements

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FILER

LINENS N THINGS INC

CIK: **1023052** | IRS No.: **223463939** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **DEF 14A** | Act: **34** | File No.: **001-12381** | Film No.: **99574719**
SIC: **5700** Home furniture, furnishings & equipment stores

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CLIFTON NJ 07015

Business Address
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9737781300

LINENS 'N THINGS, INC.
6 Brighton Road
Clifton, New Jersey 07015

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 21, 1999

To Linens 'n Things, Inc. Shareholders:

The Annual Meeting of Shareholders of Linens 'n Things, Inc., a Delaware corporation (the "Company"), will be held at the Company's headquarters at 6 Brighton Road, Clifton, New Jersey, on Wednesday, April 21, 1999, at 11:00 a.m., for the following purposes:

1. To elect two directors for a three-year term.
2. To approve an amendment to the Company's Amended and Restated Certificate of Incorporation to increase the authorized shares of Common Stock from 60 million shares to 135 million shares.
3. To act upon such other business as may properly come before the Annual Meeting or any postponement or adjournment.

Shareholders of record at the close of business on March 1, 1999 are entitled to notice of and to vote at the Annual Meeting or at any postponement or adjournment.

By order of the Board of Directors,

/s/ Brian D. Silva

BRIAN D. SILVA
Senior Vice President,
Human Resources and
Secretary

March 25, 1999

YOUR VOTE IS IMPORTANT. TO ASSURE YOUR REPRESENTATION AT THE ANNUAL MEETING,
PLEASE COMPLETE THE ENCLOSED PROXY AND RETURN IT PROMPTLY, WHETHER OR NOT YOU
PLAN TO ATTEND THE MEETING.

LINENS 'N THINGS, INC.
6 Brighton Road
Clifton, New Jersey 07015

ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD APRIL 21, 1999

PROXY STATEMENT

This Proxy Statement is being furnished to the shareholders of Linens 'n Things, Inc., a Delaware corporation (the "Company"), in connection with the

solicitation of proxies by the Board of Directors of the Company for use at the Annual Meeting of Shareholders of the Company to be held on Wednesday, April 21, 1999, at 11:00 a.m., at 6 Brighton Road, Clifton, New Jersey and at any postponement or adjournment (the "Annual Meeting"). At the Annual Meeting, shareholders of the Company are being asked to consider and vote on (1) the election of two directors, each for a three-year term, and (2) a proposal to increase the authorized Common Stock of the Company from 60 million shares to 135 million shares.

This Proxy Statement, Notice of Meeting and accompanying proxy are first being mailed to shareholders on or about March 25, 1999.

GENERAL

The holders of shares of the Company's Common Stock of record at the close of business on March 1, 1999 are entitled to vote such shares at the Annual Meeting. On February 1, 1999, there were outstanding 39,047,733 shares of Common Stock. All references to shares of Common Stock throughout this Proxy Statement have been adjusted as appropriate to reflect the Company's 2-for-1 stock split in May 1998.

The presence in person or by proxy of the holders of a majority of the shares outstanding on the record date is necessary to constitute a quorum for the transaction of business at the Annual Meeting. Each shareholder is entitled to one vote, in person or by proxy, for each share of Common Stock held as of the record date on each matter to be voted on at the Annual Meeting. Directors are elected by the affirmative vote of a plurality of the votes cast at the Annual Meeting and entitled to vote. Approval of the proposal to increase the authorized Common Stock of the Company requires the affirmative vote of a majority of the outstanding Common Stock entitled to vote at the Annual Meeting on this proposal.

Abstentions and broker non-votes are included in determining the number of shares present or represented at the Annual Meeting for purposes of determining whether a quorum exists. Neither abstentions nor broker non-votes are counted as votes in connection with determining the plurality required to elect directors and have no effect on the outcome of that vote. In determining whether the proposed increase in authorized Common Stock receives the requisite shareholder votes for approval, abstentions and broker non-votes are counted and have the same effect as a vote against the proposal. Broker non-votes occur when a broker nominee does not vote on one or more matters at the meeting because it has not received voting instructions from the beneficial owner and does not have discretionary authority to vote on such matter. The Company believes that the Company's proposals will be considered "discretionary" items under New York Stock Exchange Rules upon which member firms holding Company shares in street name may vote if beneficial owners have not timely furnished voting instructions.

Shares of Common Stock represented by a properly executed proxy received in time for the Annual Meeting will be voted as specified in the proxy, unless the proxy has previously been revoked. Unless contrary instructions are given in the proxy, it will be voted for the persons designated in the proxy as the Board of Directors' nominees for director, for the proposal to increase the authorized Common Stock of the Company, and, with respect to any other matters properly submitted to shareholders at the Annual Meeting, as recommended by the Board of Directors or, if no recommendation is given, in its discretion.

A proxy may be revoked by filing with the Secretary of the Company, prior to the exercise of such proxy, either a written revocation of that proxy or a new proxy bearing a later date. A proxy may also be revoked by voting in person at the Annual Meeting. Attendance at the Annual Meeting will not in itself constitute revocation of a proxy.

This proxy solicitation is being made on behalf of the Company and the expense of preparing, printing and mailing this Proxy Statement and proxy is being paid by the Company. In addition to use of the mails, proxies may be solicited personally or by telephone, telefax or telex by regular employees of the Company without additional compensation. The Company has also retained Corporate Investor Communications, Inc. to assist it in the solicitation of proxies for a fee of \$5,000, plus out-of-pocket expenses. The Company will reimburse banks, brokers and other custodians, nominees and fiduciaries for their costs in sending proxy materials to the beneficial owners of Common Stock.

General. The Board of Directors currently consists of five members and is divided into three classes approximately equal in size. Directors are generally elected for three-year terms on a staggered term basis, so that each year the term of office of one class will expire and the terms of office of the other classes will extend for additional periods of one and two years respectively. This year's nominees have each been nominated to serve for a three-year term expiring in the year 2002. The Company has inquired of such nominees and determined that each will serve if elected. If, for any reason, either nominee is not available for election, which is not expected, the proxy committee would vote for such substitute nominee as may be recommended by the Board of Directors.

The nominees to the Board of Directors at the Annual Meeting are current directors of the Company. Set forth below is a brief description of the background of the nominees for election. Also set forth below are descriptions of the backgrounds of the existing directors whose terms of office extend beyond the Annual Meeting. The Board of Directors recommends that shareholders vote "FOR" the Company's nominees for director.

Nominees For Election At The Annual Meeting

NORMAN AXELROD

Director since 1996

Mr. Axelrod, age 46, has been Chairman, Chief Executive Officer and President of the Company since 1997 and President and Chief Executive Officer of the Company since 1988. Between 1976 and 1988, Mr. Axelrod held various management positions at Bloomingdale's, ending with Senior Vice President, General Merchandise Manager.

CHARLES C. CONAWAY

Director since 1996

Mr. Conaway, age 38, will become Chief Operating Officer and President of CVS Corporation ("CVS") in April 1999, and since 1995 has been Executive Vice President and Chief Financial Officer of CVS. Prior to joining CVS, he held the position of Executive Vice President and Chief Operating Officer for Reliable Drug Stores, Inc. Mr. Conaway joined CVS in 1992 as the Senior Vice President, Pharmacy.

Directors Whose Terms Do Not Expire This Year

STANLEY P. GOLDSTEIN

Director since 1996

Mr. Goldstein, age 64, is currently Chairman of the Board of CVS (formerly known as Melville Corporation) and until May 1998 was Chairman of the Board and Chief Executive Officer of CVS. Mr. Goldstein co-founded Consumer Value Stores, a retail drug chain, in 1963. CVS was acquired by Melville Corporation in 1969, at which time Mr. Goldstein became President of the CVS Division of Melville Corporation. In 1984, he was appointed Executive Vice President of Melville Corporation, in 1986 President of Melville Corporation, and in 1987 Chairman and Chief Executive Officer of Melville Corporation. Mr. Goldstein's term as a director of the Company expires in 2001. Mr. Goldstein is also a director of Bell Atlantic Corporation and Footstar, Inc. and is on the board of overseers of The Wharton School, University of Pennsylvania.

PHILIP E. BEEKMAN

Director since 1997

Mr. Beekman, age 67, is President of Owl Hollow Enterprises, Inc., a consulting and investment company. Mr. Beekman's term as a director of the Company expires in 2000. From 1986 to 1994, Mr. Beekman was Chairman of the Board and Chief Executive Officer of Hook SuperRx, Inc., a retail drug store chain. Prior to that he was President and Chief Operating Officer of Seagram Company Limited. Mr. Beekman is also a director of General Chemical Group, Inc., Kendle Company International and the Ladies Professional Golf Association.

HAROLD F. COMPTON

Director since 1998

Mr. Compton, age 51, is President and Chief Operating Officer of CompUSA Stores Inc. ("CompUSA Stores") and Executive Vice President and Chief Operating Officer of CompUSA Inc. ("CompUSA"). Mr. Compton was elected as a director by the Board in March 1998 and his term as a director of the Company expires in 2000. Mr. Compton joined CompUSA in 1994 as Executive Vice President--Operations, becoming Chief Operating Officer in 1995 and President of CompUSA Stores in 1996. From 1993 to 1994 he served as President and Chief Operating Officer of Central Electric, Inc. and from 1989 to 1993 he served as Executive Vice President--Operations and

director of Jumbo Sports, Inc. and Stage Stores, Inc.

Director Compensation -- Attendance; Committees. Directors who are not employees of the Company are paid an annual retainer of \$10,000 which may be taken either in cash or Common Stock of the Company. Each director has currently elected to accept such retainer in the form of Common Stock. Non-employee directors are also eligible to participate in the 1996 Non-Employee Director Stock Plan. Under the 1996 Non-Employee Director Stock Plan, each non-employee director appointed or elected to the Board is currently eligible to receive, upon his or her initial election or appointment to the Board, an option to purchase 6,000 shares of the Common Stock of the Company and 400 stock units. Each stock unit represents the right to receive one share of Common Stock at the end of a specified period. One-half of such stock units will be paid six months and a day after the grant date and the other half approximately six months thereafter, provided that on such date the non-employee director has not ceased to serve as a director for any reason other than death, disability, or retirement at or after age 65. In addition, each non-employee director receives 400 stock units and also an option to purchase up to 2,000 shares of Common Stock on the date of each Annual Meeting.

In 1998, the Board of Directors held four meetings, the Audit Committee held four meetings and the Compensation Committee held two meetings. There is no standing nominating committee. Each director attended 100% of the meetings of the Board of Directors and of the Committees of which he was a member. Messrs. Beekman and Conaway are the current members of the Audit Committee. Messrs. Goldstein, Conaway and Compton are the current members of the Compensation Committee.

Audit Committee. The Audit Committee is intended to function as a communication point among non-Audit Committee directors, internal auditors, the independent auditors and Company management as their respective duties relate to financial accounting, reporting and internal controls. The Audit Committee is also intended to assist the Board of Directors in fulfilling its responsibility with respect to accounting policies, internal controls, financial and operating controls, standards of corporate conduct and performance, and reporting practices of the Company and the sufficiency of auditing. Mr. Beekman is Chairman of the Audit Committee.

Compensation Committee. The principal responsibilities of the Compensation Committee include the determination and administration of compensation for the senior officers of the Company and other key members of the Company's management, including salary and incentive based plans and ongoing review, in consultation with the Company's executive management and the Board of Directors, of the policies relating to compensation of the Company's senior officers and other key members of the Company's management. Mr. Goldstein is Chairman of the Compensation Committee.

EXECUTIVE COMPENSATION

The following table sets forth information on compensation for the Company's Chairman, Chief Executive Officer and President, and for the four other most highly compensated executive officers of the Company.

SUMMARY COMPENSATION TABLE

<TABLE>

<CAPTION>

Name and Principal Position	Fiscal Year	Annual Compensation		Long-Term Compensation		
		Salary (\$)	Bonus (\$)	Restricted Stock Award(s) (\$)	Awards Underlying Options/SARs #	All Other Compensation (\$)(3)
<S> Norman Axelrod, Chairman, Chief Executive Officer and President	<C>	<C>	<C>	<C>	<C>	<C>
	1998	548,846	707,945	548,373(1)	378,774	9,600
	1997	496,920	513,838	0	300,000	9,500
Steven B. Silverstein, Executive Vice President, Chief Merchandising Officer	1996	475,000	65,313	998,707(2)	770,710	3,167
	1998	304,808	234,192	211,436(1)	109,376	9,600
	1997	282,310	210,900	0	60,000	9,500
Hugh J. Scullin, Senior Vice President, Store Operations	1996	275,000	27,500	290,250(2)	150,000	3,167
	1998	215,000	153,940	149,053(1)	27,509	9,600
	1997	213,650	159,100	0	30,000	9,500
	1996	210,000	21,000	174,150(2)	90,000	3,167

Brian D. Silva, Senior Vice President, Human Resources and Secretary	1998	208,769	151,792	146,976(1)	28,345	9,600
	1997	191,210	148,000	0	36,000	9,500
William T. Giles, Vice President, Chief Financial Officer	1998	200,000	121,720	110,927(1)	28,345	9,600
	1997	163,210	96,971	0	30,000	9,500

</TABLE>

- (1) Valuation of the restricted stock awarded on July 1, 1998 is based on the closing price of \$30.56 on June 30, 1998, net of consideration paid of \$0.01 per share. The restricted stock awards for each of the named executives are: Mr. Axelrod, 17,950 shares; Mr. Silverstein, 6,921 shares; Mr. Scullin, 4,879 shares; Mr. Silva, 4,811 shares; and Mr. Giles, 3,631 shares. Shares of restricted stock vest 100% on July 1, 2001. Holders of restricted stock are entitled to receive dividends, if any, on the restricted stock. The number and value of the aggregate of all restricted stock holdings at the end of fiscal 1998 for each of the named executives are: Mr. Axelrod, 118,208 shares, \$4,682,810; Mr. Silverstein, 35,045 shares, \$1,388,308; Mr. Scullin, 24,870 shares, \$985,225; Mr. Silva, 16,466 shares, \$652,301; and Mr. Giles, 15,286 shares, \$605,555. The foregoing values are calculated by multiplying the total number of restricted shares by the closing price of the Company's Common Stock on the last day of fiscal 1998, \$39.625, net of consideration paid of \$0.01 per share.
- (2) Valuation of the restricted stock awarded in 1996 is based on the IPO price of \$7.75, net of consideration paid of \$0.01 per share. The restricted stock awards for each of the named executives are: Mr. Axelrod, 129,032 shares; Mr. Silverstein, 37,500 shares; and Mr. Scullin, 22,500 shares. Shares of restricted stock vest 25% on July 1, 1997, July 1, 1998, July 1, 1999 and July 1, 2000. Holders of restricted stock are entitled to receive dividends, if any, on the restricted stock.
- (3) For each of fiscal years 1998 and 1997, represents amounts contributed under the Company's 401(k) profit sharing plan. For fiscal year 1996, represents amounts contributed under the CVS 401(k) profit sharing plan from January through November 1996.

Option Grants in Last Fiscal Year. The table below sets forth certain information concerning stock options granted during 1998 by the Company to the named executive officers. The hypothetical present values on date of grant are presented pursuant to the rules of the Securities and Exchange Commission (the "SEC") and are calculated under the Black-Scholes Model for pricing options. No stock appreciation rights ("SARs") have been granted or are outstanding.

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OPTION/SAR GRANTS IN LAST FISCAL YEAR

<TABLE>
<CAPTION>

Name	Individual Grants				Grant Date Present Value (\$)(3)
	Number of Securities Underlying Options Granted (#)	Percent of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price (\$/Share)	Expiration Date	
<S>	<C>	<C>	<C>	<C>	<C>
Norman Axelrod	28,774 (1) 350,000 (2)	3.4 41.0	26.06 30.65	09/18/03 11/25/08	325,972 4,664,660
Steven B. Silverstein	9,376 (1) 100,000 (2)	1.1 11.7	26.06 30.65	09/18/03 11/25/08	106,218 1,332,760
Hugh J. Scullin	2,509 (1) 25,000 (2)	0.3 2.9	26.06 30.65	09/18/03 11/25/08	28,424 333,190
Brian D. Silva	3,345 (1) 25,000 (2)	0.4 2.9	26.06 30.65	09/18/03 11/25/08	37,895 333,190
William T. Giles	3,345 (1) 25,000 (2)	0.4 2.9	26.06 30.65	09/18/03 11/25/08	37,895 333,190

</TABLE>

- (1) These options were granted in connection with an early distribution of vested restricted stock from the Deferred Compensation Plan due to changes

in accounting rules effective September 30, 1998. These options were issued at fair market value and vested and become exercisable six months from the grant date.

- (2) These options were granted at fair market value and vest and become exercisable in 33.3% annual increments beginning the third year from the grant date.
- (3) The hypothetical present values on grant date are calculated under the Black-Scholes Model, which is a mathematical formula used to value options traded on stock exchanges. This formula considers a number of factors in hypothesizing an option's present value. Factors used to value options granted include the stock's expected volatility rate (45%), risk-free rate of return (4.7%), dividend yield (0%), projected time of exercise (4.5 years) and projected risk of forfeiture and non-marketability for the vesting period (6.21% per annum).

Option Exercises And Year-End Option Holdings. The following table shows information regarding option exercises during 1998 as well as 1998 year-end option holdings for each of the named executive officers.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END OPTION/SAR VALUES

<TABLE>
<CAPTION>

Name	Shares Acquired on Exercise (#)	Value Realized (\$)	Number of Securities Underlying Unexercised Options/SARs at FY-End (#) Exercisable/ Unexercisable	Value of Unexercised In-the-Money Options/SARs at FY-End (\$) Exercisable/ Unexercisable
<S>	<C>	<C>	<C>	<C>
Norman Axelrod	192,500	3,198,900	267,855/989,129	7,811,316/20,806,876
Steven B. Silverstein	30,000	462,450	60,000/229,376	1,767,188/4,413,725
Hugh J. Scullin	22,500	358,875	30,000/95,009	883,594/2,191,997
Brian D. Silva	13,000	223,925	26,000/85,345	741,563/1,825,054
William T. Giles	0	0	37,500/80,845	1,122,656/1,725,210

</TABLE>

Employment Agreements and Change in Control Agreements. The Company has employment agreements with Messrs. Axelrod, Silverstein and Scullin (each referred to individually as an "Employment Agreement"). The following briefly summarizes the principal terms of the Employment Agreements.

The period of employment under the Employment Agreements extends initially for four years subject to automatic one-year extensions at the end of the initial term unless either party gives notice of non-renewal at least 180 days prior to expiration of the term. The Employment Agreements generally provide for payment of an annual base salary that will be reviewed each year, but may not be decreased from the amount in effect in the previous year, and there is an annual target bonus of a minimum of 55% and a maximum of 110% of base salary for Mr. Axelrod and a minimum of 40% and a maximum of 80% of base salary for the other named executive officers.

The Employment Agreements generally provide for (i) continued payment of annual base salary, incentive compensation, and other benefits for 24 months in the case of Mr. Axelrod and for 12 months in the case of the other executives in the event the executive's employment is terminated other than in connection with a termination by the Company for "cause" or voluntary termination by the executive without "good reason;" (ii) other restrictive covenants including non-disclosure, non-solicitation of employees and availability for litigation support; (iii) participation in certain benefit plans and programs (including retirement benefits, disability and life insurance, and medical benefits); (iv) annual and long-term incentive compensation opportunities; and (v) deferred compensation arrangements. Mr. Axelrod also received from CVS an initial crediting to a deferred compensation account of approximately \$2.2 million in lieu of certain accumulated pension benefits, outstanding CVS restricted stock awards and outstanding CVS stock options.

In the event of a "change in control," the Employment Agreements generally provide lump sum severance benefits equal to 2 times (2.99 for Mr. Axelrod)

annual base salary and target bonus and continued participation in certain welfare benefit plans for 24 months (36 months for Mr. Axelrod). In addition, in the case of voluntary termination, the Company may elect to pay the executive over a 12 month period an amount equal to annual base salary plus target annual bonus in exchange for the executive's agreement not to compete with the Company for a period of one year. Upon a termination for cause, the executives have agreed not to compete with the Company for a period of one year.

A "change in control" is defined to include a variety of events, including significant changes in the stock ownership of the Company or a significant subsidiary, certain changes in the Company's Board of Directors, certain mergers and consolidations of the Company or a significant subsidiary, and the sale or disposition of all or substantially all the consolidated assets of the Company. "Good reason" is defined generally as demotion, reduction in compensation, unapproved relocation in the case of Mr. Axelrod or a material breach of the Employment Agreement by the Company. "Cause" is defined generally as a breach of the restrictive covenants contained in the Employment Agreements, certain felony convictions, or willful acts or gross negligence that are materially damaging to the Company.

If payments under the Employment Agreements following a change in control are subject to the "golden parachute" excise tax, the Company will make an additional "gross-up" payment sufficient to ensure that the net after-tax amount retained by the executive (taking into account all taxes, including those on the gross-up payment) is the same as it would have been had such excise tax not applied. The Employment Agreements obligate the Company to indemnify the executives to the fullest extent permitted by law, including the advancement of expenses, and, in the case of Mr. Axelrod, generally provides that the Company will reimburse Mr. Axelrod for expenses incurred in seeking enforcement of his Employment Agreement, unless Mr. Axelrod's assertion of such rights is in bad faith or is frivolous.

Report on Compensation of Executive Officers

Compensation decisions for the Company's Chief Executive Officer and the other named executive officers for fiscal 1998 were reviewed and determined by the Compensation Committee of the Board of Directors.

The overall objectives of the Company's executive compensation program are to attract and retain the highest quality executives to manage and lead the Company, and to provide annual and long-term incentives to management, based on both Company performance and individual performance, in order to build and sustain value for shareholders.

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The Company's executive compensation program for 1998 was reviewed and approved by the Compensation Committee of the Board of Directors. Before the Company's 1996 IPO, a national compensation consultant was retained by the Compensation Committee to assist the Compensation Committee in reviewing competitive compensation programs for the Company. The consultant reviewed competitive compensation in connection with the Company's senior officers, including the Chief Executive Officer and each of the other named executive officers as well as other members of the management group. This review included compensation levels reported for senior executives of a survey group of 14 retailers. The survey group is not the same group of companies included in the Peer Group Index set forth in the Company's Performance Graph below because, in the view of the Compensation Committee and its compensation consultant, such survey group is not necessarily the most representative group for purposes of determining competitive compensation pay practices for the senior executives. Since that time, the Compensation Committee has continued to review the competitiveness of the Company's executive compensation practices based on the pre-IPO survey as well as its own subjective view of the appropriate level and competitiveness of such compensation levels.

Annual Base Salary. Based on this survey group review, annual base salaries for the Chief Executive Officer and the other named executives were established prior to the IPO at approximately the mean of the range of salaries considered in the survey group, with increases through fiscal 1998 made by the Compensation Committee based on its subjective view of appropriate, competitive annual base salary levels for such executives without specific reference to such survey group. Actual total remuneration levels may range below or above target in any one year and over a period of years based on performance against annual and long-term goals and return to shareholders. At the time of the IPO, the Company entered into employment agreements with the Chief Executive Officer and Messrs. Scullin and Silverstein under which a minimum base pay level for each individual was established.

Incentive Awards. The Company's incentive program provides for cash bonuses based on performance relative to predetermined objectives established for the year. For 1998, the target award was 70% for the Chief Executive Officer, a blended target rate equivalent to 42% for Mr. Silverstein, 40% for

Messrs. Scullin and Silva and 34% for Mr. Giles. Larger awards may be permitted from time to time if performance exceeds predetermined objectives. Smaller or no awards may be made if performance falls below such objectives. Eligible members of management, including the Chief Executive Officer and the other named executives, can defer receipt of a portion of their incentive award. For 1998, incentive bonuses payable to the Chief Executive Officer and the other named executives were based on specific earnings objectives established by the Compensation Committee in early 1998. Such goals for 1998 having been surpassed by a substantial margin, actual 1998 incentive awards were determined to be 179% of the target levels for each of the named executive officers (see Summary Compensation Table above).

Stock Based Compensation. The Board of Directors and the Compensation Committee are of the view that stock ownership or its equivalent by management aligns the interest of management with the Company's shareholders. Stock options are granted at fair market value and are intended to align executive compensation opportunities with shareholder returns. Stock options granted during 1998 were made in two segments. The first grant (see option grant table above) was made in connection with early distributions of restricted stock from the Company's Deferred Compensation Plan as a result of changes in accounting rules. The second grant was part of the Compensation Committee's customary review and these option grants were made at levels which the Compensation Committee determined to be appropriate long-term equity based incentives to such executives and were made at approximately the mean level for each of the named executives based on the survey group. Vesting under these latter stock option grants generally does not begin until three years from date of grant and then only in one-third annual increments. Stock options are intended to provide long-term compensation incentive, and future grants of options or other awards will be periodically reviewed and determined by the Compensation Committee. Restricted stock awards made in fiscal 1998 (see Summary Compensation Table) were made by the Compensation Committee to the named executive officers based on such executives having exceeded certain established performance objectives for earnings and net return on assets, with each named executive having an award incentive rate ranging from 55% of annual base salary to, in the case of Mr. Axelrod, 96% of annual base salary. Such restricted stock vests three years from the date of grant.

Compliance with Internal Revenue Code Section 162(m). Section 162(m) of the Internal Revenue Code, enacted in 1993, generally allows a deduction to publicly traded companies for certain qualifying performance based compensation. Section 162(m), however, disallows a deduction to the extent of excess non-performance based compensation over \$1 million paid to the Chief Executive Officer or to any of the four other most highly compensated executive officers. The Company believes that Section 162(m) deduction limits for fiscal 1999 will

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not be applicable or, if applicable, will not be material in terms of net financial effect or number of persons covered and therefore the Company does not intend to seek to restructure any fiscal 1999 compensation arrangements. The Company and the Compensation Committee will continue to monitor this matter.

Compensation Committee of the
Board of Directors

Stanley P. Goldstein, Chairman
Charles C. Conaway
Harold F. Compton

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Performance Graph

The following graph compares the percentage change in the cumulative total shareholders' return on the Company's Common Stock on a quarterly basis from November 26, 1996, the first trading day of the Company's Common Stock, through December 31, 1998, with the cumulative total return on the Standard & Poor's Specialty Retail Index, the 14 Company Peer Group Index and the Standard & Poor's 500 Index for the same period. In accordance with the SEC rules, the returns are indexed to a value of \$100 at November 26, 1996 and it is assumed that all dividends were reinvested.

The 14 Company Peer Group Index is comprised of the following companies in the retail industry: Bed, Bath & Beyond; Bombay Company; Borders Group; Fabri-Centers of America; General Nutrition Cos.; Haverty Furniture Cos.; Lechters, Inc.; Michaels Stores, Inc.; Petsmart, Inc.; Pier 1 Imports, Inc.;

Sharper Image, Inc.; The Sports Authority, Inc.; Strouds, Inc. and Williams-Sonoma, Inc. The returns of each issuer in the 14 Company Peer Group Index have been weighted according to the issuer's stock market capitalization at the beginning of each period for which a return is indicated.

Comparison of Year End Cumulative Total Return of Linens 'n Things, Inc., Standard & Poor's Specialty Retail Index, 14 Company Peer Group Index and Standard & Poor's 500 Index

[LINE CHART OMITTED]

<TABLE>

<CAPTION>	11/26/96	12/31/96	3/29/97	6/28/97	9/27/97	12/31/97	3/28/98	6/27/98	9/26/98	12/31/98
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Linens 'n Things	\$100	\$126	\$154	\$182	\$222	\$279	\$344	\$371	\$356	\$507
S&P Specialty Retail	100	86	82	91	94	86	91	76	52	67
14 Company Peer Group	100	96	100	107	117	122	146	142	104	129
S&P 500	100	98	102	117	125	128	145	150	138	163

</TABLE>

Compensation Committee Interlocks and Insider Participation. The Compensation Committee of the Board of Directors is comprised of Mr. Goldstein, Mr. Conaway and Mr. Compton. Mr. Goldstein has been Chairman of the Board and a director of CVS and Mr. Conaway has been Executive Vice President and Chief Financial Officer of CVS. Immediately following the 1996 IPO and prior to the secondary offering of Common Stock in fiscal 1997, CVS owned approximately 32.5% of the Company's Common Stock.

Certain Transactions With Related Parties. The Company was acquired by Melville Corporation in 1983. After the Company's IPO in November 1996, CVS, as successor in interest to Melville Corporation, retained approximately 32.5% of the Common Stock of the Company. During fiscal 1997, CVS sold substantially all of its equity interest in the Company's Common Stock in an underwritten public offering by the Company.

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The following are summary descriptions of the Transitional Services Agreement, Stockholder Agreement and Tax Disaffiliation Agreement. The descriptions do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all of the provisions of such documents, which have been filed with the SEC.

Lease Guarantees. CVS guarantees the leases of certain stores operated by the Company and, prior to the IPO, charged a fee for that service. Since the IPO, CVS has no longer charged the Company a fee for this service. Although CVS remains obligated under its existing guarantees of the Company's store leases entered into prior to the IPO, CVS will not enter into any additional guarantees of leases on behalf of the Company. The Company has agreed to indemnify CVS under the Stockholder Agreement for any losses arising in connection with such lease guarantees.

Transitional Services Agreement. CVS and the Company entered into a transitional services agreement (the "Transitional Services Agreement"), effective concurrently with the IPO, under which CVS has provided or caused to be provided to the Company certain specified services for a transitional period after the IPO, including check authorization and collection. The Transitional Services Agreement provides that the services would be provided in exchange for fees based on CVS's cost for such services.

Stockholder Agreement. The Company and CVS entered into a Stockholder Agreement as of December 2, 1996 in connection with the IPO. The Stockholder Agreement provided that the Company and CVS will indemnify each other against certain liabilities. In addition, pursuant to the Stockholder Agreement no person or group shall acquire a majority of the beneficial ownership of the Common Stock of the Company unless (i) CVS receives prior written notice that such person or group proposes to acquire such majority beneficial ownership and (ii) prior to such acquisition such person or group provides to CVS (unless waived by CVS in writing) a guarantee, in form and substance acceptable to CVS, of the obligations of the Company under the Stockholder Agreement to indemnify the CVS Group in respect of the CVS Lease Guarantees. Upon such person or group acquiring majority ownership, CVS may terminate the provision of any or all of its services under the Transitional Services Agreement.

The Stockholder Agreement provides generally that CVS will cease to have any liability under its employee benefit plans with respect to employees and former employees of the Company after the IPO, except that (i) the full account

balances of current employees of the Company in CVS's 401(k) profit sharing plan were transferred to a similar successor plan of the Company and (ii) employees of the Company were entitled to exercise applicable distribution rights under CVS's employee stock ownership plan.

Tax Disaffiliation Agreement. CVS and the Company entered into a tax disaffiliation agreement (the "Tax Disaffiliation Agreement") in connection with the 1996 IPO that sets forth each party's rights and obligations with respect to payments and refunds, if any, with respect to taxes for periods before and after the IPO and related matters such as the filing of tax returns and the conduct of audits or other proceedings involving claims made by taxing authorities.

In general, CVS is responsible for filing consolidated federal and consolidated, combined or unitary state income tax returns for periods through the date on which the IPO was completed, and paying the associated taxes. The Company will reimburse CVS for the portion of such taxes, if any, relating to the Company's businesses, provided, however, that with respect to any combined and unitary state income taxes based in part on allocation percentages, the Company will reimburse CVS for the portion of such taxes attributable to the Company's businesses' contribution to the relevant allocation percentage. The Company will be reimbursed, however, for tax attributes, such as net operating losses, when and to the extent that they are used on a consolidated, combined or unitary basis. The Company is responsible for filing, and paying the taxes associated with, all other tax returns for tax periods (or portions thereof) relating solely to the Company's businesses. CVS, however, is responsible for preparing all income tax returns to be filed by the Company for tax periods that end on or before the date on which the IPO was completed.

In general, the Company has agreed to indemnify CVS for taxes relating to a tax period (or portion thereof) ending on or before the completion of the IPO to the extent such taxes are attributable to the Company's businesses or, in the case of any combined and unitary state income taxes based in part on allocation percentages, to the extent such taxes are attributable to the contribution of the Company's businesses to the relevant allocation percentage and CVS will agree to indemnify the Company for all other taxes relating to a tax period (or portion thereof) ending on or before the completion of the IPO. The Tax Disaffiliation Agreement also provides that CVS will generally pay to the Company the net benefit realized by CVS relating to the Company's businesses from the carryback to tax periods or portions thereof, ending on or before the completion of the IPO of certain tax attributes of the Company arising in tax periods or portions thereof beginning after the completion of the IPO.

The Company and CVS have agreed not to take (or omit to take) any action that results in any increased liability relating to a tax period (or portion thereof) ending on or before the completion of the IPO. The Company and CVS have each agreed to indemnify the other for liabilities arising as a result of the breach of this agreement. The Company also agreed to indemnify CVS for liabilities resulting from a breach by the Company of a similar agreement and certain other agreements contained in the Tax Disaffiliation Agreement among Footstar, Inc., Melville Corporation (CVS's predecessor) and their respective affiliates, to which the Company continues to be a party.

BENEFICIAL OWNERSHIP OF COMMON STOCK

Certain Beneficial Owners. The following table sets forth certain information as to beneficial ownership of each person known to the Company to own beneficially more than 5% of the outstanding Common Stock of the Company as of February 1, 1999.

<TABLE>
<CAPTION>

Beneficial Owner	Number of Shares	Percent of Class
<S>	<C>	<C>
Putnam Investments, Inc. (1) One Post Office Square Boston, Massachusetts 02109	5,230,260	13.4%
Oppenheimer Funds, Inc. (2) Two World Trade Center, Suite 3400 New York, New York 10048-0203	2,052,800	5.3%

</TABLE>

(1) Based on a Report on Schedule 13G dated January 26, 1999, which was jointly

(2) Based on a Report on Schedule 13G dated February 11, 1999, which was filed by Oppenheimer Funds, Inc.

Stock Ownership of Directors and Executive Officers. The following table sets forth certain information as to beneficial ownership of the outstanding Common Stock of the Company as of February 1, 1999, by each director and nominee of the Company, each of the named executive officers listed in the Summary Compensation Table, and all executive officers and directors of the Company as a group. Except as otherwise indicated, all persons listed below have sole voting and investment power with respect to such shares. No director, nominee or executive officer beneficially owns more than one percent of the total outstanding Common Stock, and all directors and executive officers as a group own 1.45% of the total outstanding Common Stock.

<TABLE>
<CAPTION>

Name of Beneficial Owner	No. of Shares of Common Stock (1) (2)	Name of Beneficial Owner	No. of Shares of Common Stock (1) (2)
<S>	<C>	<C>	<C>
N. Axelrod	332,970 (3)	S. Silverstein	80,752
P. Beekman	10,986	H. Scullin	45,650 (4)
C. Conaway	10,986	B. Silva	33,500
S. Goldstein	10,986	W. Giles	45,000
H. Compton	3,190	All executive officers and directors as a group	574,020

</TABLE>

-
- (1) Includes shares of restricted stock which were vested as of February 1, 1999 (or will vest within 60 days thereafter), as follows: Mr. Axelrod, 35,741; Mr. Beekman, 3,200; Mr. Conaway, 3,200; Mr. Goldstein, 3,200; Mr. Compton, 800; Mr. Silverstein, 9,376; Mr. Scullin, 8,741; Mr. Silva, 4,155; Mr. Giles, 4,155; and all directors and executive officers as a group, 72,567.
 - (2) Includes shares subject to stock options which were exercisable as of February 1, 1999 (or will become exercisable within 60 days thereafter), as follows: Mr. Axelrod, 296,629; Mr. Beekman, 7,350; Mr. Conaway, 7,350; Mr. Goldstein, 7,350; Mr. Compton, 2,000; Mr. Silverstein, 69,376; Mr. Scullin, 32,509; Mr. Silva, 29,345; Mr. Giles, 40,845; and all directors and executive officers as a group, 492,754.
 - (3) Includes 400 shares held by Mr. Axelrod's minor children, as to which shares Mr. Axelrod disclaims beneficial ownership.
 - (4) Includes 1,000 shares held by Mr. Scullin's minor child and 1,000 shares held by Mr. Scullin's spouse, as to which shares Mr. Scullin disclaims beneficial ownership.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's executive officers and directors to file reports regarding ownership of the Company's Common Stock with the Securities and Exchange Commission, and to furnish the Company with copies of all such filings. Based on a review of these filings, the Company believes all such filings were timely made.

Item 2
PROPOSED INCREASE IN AUTHORIZED COMMON STOCK

The Board of Directors has approved a proposal to amend the Company's Amended and Restated Certificate of Incorporation to increase the authorized Common Stock from 60 million shares to 135 million shares. If approved by shareholders at this Annual Meeting, the proposed amendment would become effective upon filing with the Secretary of State of Delaware, which will occur promptly following the Annual Meeting.

The Board of Directors believes that it is in the Company's best interests to increase the number of authorized shares of Common Stock in order to have additional authorized but unissued shares available to meet business needs as they arise.

The Company's Amended and Restated Certificate of Incorporation currently authorizes the issuance of a total of 60 million shares of Common Stock and one million shares of Preferred Stock without designation.

On May 7, 1998 the Company effected a 2-for-1 split of the Common Stock of the Company in the form of a stock dividend. As a result of the 2-for-1 stock split, together with the additional shares of Common Stock issued under the Company's equity incentive plans following the stock split, as of February 1, 1999 there were 39,047,733 shares of Common Stock outstanding and 53,333 treasury shares. In addition, as of February 1, 1999, there were approximately 4.5 million shares of Common Stock currently reserved for future issuance under the Company's equity incentive plans. No shares of Preferred Stock are currently outstanding or reserved.

The increased authorized shares of Common Stock would be available for issuance at such times and for such corporate purposes as the Board of Directors may deem advisable, without further action by the Company's shareholders except as may be required by applicable law, by the Company's Amended and Restated Certificate of Incorporation, or by the rules of the New York Stock Exchange or any other stock exchange or national securities association trading systems on which the securities may then be listed or traded.

The Board of Directors believes that the availability of such additional authorized Common Stock will provide the Company with the flexibility to issue Common Stock for possible future stock splits or stock dividends, if such action is determined by the Board to be advisable, or in connection with acquisitions, equity incentive plans, financings or other corporate purposes which may be identified in the future by the Board of Directors, without the possible expense or delay of a special shareholders' meeting. Upon issuance, such shares of Common Stock will have the same rights as the outstanding shares of Common Stock. Issuance of additional shares of Common Stock may have a dilutive effect on existing holders of Common Stock. Holders of Common Stock have no preemptive rights.

The proposed increase in the authorized Common Stock is not designed to have an anti-takeover effect. However, although the Board of Directors has no present intention of doing so, it could issue shares of Common Stock or Preferred Stock (within the limits imposed by applicable law, by the Amended and Restated Certificate of Incorporation and by the rules of applicable self-regulatory organizations) which could, depending upon the circumstances, make more difficult or discourage an attempt to obtain control of the Company by means of a merger, tender offer, proxy contest or other means, including sale or issuance to persons favorable to the Board or management or otherwise having the effect of diluting the stock ownership of a person or entity. The Company currently has no firm plans or commitments involving the issuance of Common Stock, other than under its equity incentive plans.

INDEPENDENT AUDITORS

The Board of Directors has selected KPMG LLP (formerly known as KPMG Peat Marwick LLP) as the Company's independent auditors to make an examination of the accounts of the Company for the 1999 fiscal year. KPMG LLP has served as the independent auditors of the Company since November 26, 1996. Representatives of KPMG LLP are expected to be present at the Annual Meeting and will be available to respond to appropriate questions and to make such statements as they may desire.

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SHAREHOLDER PROPOSALS FOR THE 2000 ANNUAL MEETING

Any proposal of a shareholder intended to be presented at the Company's 2000 Annual Meeting of Shareholders must be received by the Secretary of the Company, for inclusion in the Company's Proxy Statement, Notice of Meeting and proxy relating to the 2000 Annual Meeting, not later than November 27, 1999.

The Company's Bylaws establish an advance written notice procedure for shareholders seeking to nominate candidates for election as directors at any Annual Meeting of Shareholders, or to bring business before an Annual Meeting of Shareholders of the Company. The Bylaws provide that only persons who are nominated by, or at the direction of, the Board, or by a shareholder who has given timely written notice to the Secretary of the Company prior to the meeting at which directors are to be elected, will be eligible for election as directors of the Company. The Bylaws also provide that at any meeting of shareholders only such business may be conducted as has been brought before the meeting by, or at the direction of, the Board or, in the case of an Annual Meeting of Shareholders, by a shareholder who has given timely written notice to the Secretary of the Company of such shareholder's intention to bring such business before such meeting. Under the Bylaws, for any such shareholder notice to be timely, such notice must be received by the Company in writing not less than 60

days nor more than 90 days prior to the meeting, or in the event that less than 70 days' notice or prior public disclosure of the date of the Annual Meeting is given or made to shareholders, to be timely, notice by the shareholder must be received not later than the close of business on the 10th day following the day on which such notice of the date of the meeting or such public disclosure was made. Under the Bylaws, a shareholder's notice must also contain certain information specified in the Bylaws.

ANNUAL REPORT

A copy of the Company's Annual Report to Shareholders has been mailed to all shareholders of record. Shareholders, upon written request to the Investor Relations Department of the Company, 6 Brighton Road, Clifton, New Jersey 07015, may receive, without charge, a copy of the Company's Annual Report on Form 10-K, including the financial statements and financial statement schedules, required to be filed with the Securities and Exchange Commission for the 1998 fiscal year.

OTHER MATTERS

As of the date of this Proxy Statement, the Company knows of no business that will be presented for consideration at the Annual Meeting other than the items referred to above. Proxies in the enclosed form will be voted in respect of any other business that is properly brought before the Annual Meeting as recommended by the Board of Directors or, if no such recommendation is given, in the discretion of the proxy holders.

LINSAU DETACH HERE

PROXY

LINENS 'N THINGS, INC.

April 21, 1999

This Proxy is Solicited on Behalf of the Board of Directors of Linens 'n Things, Inc.

The undersigned hereby appoints Brian D. Silva, William T. Giles and Denise Tolles, and each of them, with power of substitution, proxies for the undersigned and authorizes each of them to represent and vote, as designated, all of the shares of stock of Linens 'n Things, Inc. (the "Company") which the undersigned may be entitled to vote at the Annual Meeting of Shareholders of the Company to be held at the Company's headquarters at 6 Brighton Road, Clifton, New Jersey on April 21, 1999 and at any adjournment or postponement of such meeting.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED SHAREHOLDER. IF NO CONTRARY DIRECTION IS MADE, THIS PROXY WILL BE VOTED "FOR" PROPOSAL 1 AND PROPOSAL 2. PLEASE VOTE PROMPTLY.

SEE REVERSE SIDE

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

SEE REVERSE SIDE

LINSAU DETACH HERE

[X] Please mark votes as in this example.

1. ELECTION OF TWO DIRECTORS.

To elect Norman Axelrod as director for a three-year term:

FOR WITHHELD

To elect Charles C. Conaway as director for a three-year term:

FOR WITHHELD

2. Proposal to increase authorized	FOR	AGAINST	ABSTAIN
Common Stock to 135,000,000 shares.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

MARK HERE FOR ADDRESS CHANGE AND NOTE AT LEFT

Please sign exactly as your name or names appear hereon. When signing as attorney, executor, administrator, trustee or guardian, please give your full title as such. If a corporation, please print the full corporate name and sign by president or other authorized officer. If a partnership, please print the full partnership name and sign by authorized person.

Signature: _____ Date: _____ Signature: _____ Date: _____