NEWELL RUBBERMAID INC
Form PRE 14A
March 14, 2008

Table of Contents

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 (Amendment No.)

Filed by the Registrant þ
Filed by a Party other than the Registrant o

Check the appropriate box:

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

Newell Rubbermaid Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

o 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:

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3) Filing Party:

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Table of Contents

Preliminary Copy
Filed Pursuant to SEC Rule 14a-6(a)

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On May 6, 2008

To the Stockholders of NEWELL RUBBERMAID INC.:

You are cordially invited to attend the annual meeting of stockholders of NEWELL RUBBERMAID INC. (the Company) to be held on Tuesday, May 6, 2008, at 9:00 a.m., local time, at the Westin Atlanta Perimeter North, Seven Concourse Parkway, Atlanta, Georgia.

At the annual meeting, you will be asked to:

Elect four directors of the Company to serve for a term of three years;

Ratify the appointment of Ernst & Young LLP as the Company s independent registered public accounting firm for the year 2008;

Approve the Company s Management Cash Bonus Plan;

Approve the amendment and restatement of the Company s Restated Certificate of Incorporation to eliminate supermajority vote requirements and the fair price provision; and

Transact such other business as may properly come before the annual meeting and any adjournment or postponement of the annual meeting.

Only stockholders of record at the close of business on March 14, 2008 may vote at the annual meeting or any adjournment or postponement thereof.

Whether or not you plan to attend the annual meeting, please act promptly to vote your shares with respect to the proposals described above. You may vote your shares by marking, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided. You also may vote your shares by telephone or through the Internet by following the instructions set forth on the proxy card. If you attend the annual meeting, you may vote your shares in person, even if you have previously submitted a proxy in writing, by telephone or through the Internet.

By Order of the Board of Directors,

Dale L. Matschullat
Senior Vice President General Counsel & Corporate Secretary

March , 2008

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on May 6, 2008 The Proxy Statement and Annual Report to Stockholders are available at www.edocumentview.com/NWL.

TABLE OF CONTENTS

Table of Contents

NEWELL RUBBERMAID INC.
10B Glenlake Parkway
Suite 300
Atlanta, Georgia 30328

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 6, 2008

You are receiving this Proxy Statement and proxy card from us because you own shares of common stock of Newell Rubbermaid Inc. (the Company). This Proxy Statement describes the items on which the Company would like you to vote. It also gives you information so that you can make an informed voting decision. The Company first mailed this Proxy Statement and the proxy card to stockholders on or about March , 2008.

VOTING AT THE ANNUAL MEETING

Date, Time and Place of the Annual Meeting

We will hold the annual meeting at the Westin Atlanta Perimeter North, Seven Concourse Parkway, Atlanta, Georgia, at 9:00 a.m., local time, on Tuesday, May 6, 2008.

Who May Vote

Record holders of the Company s common stock at the close of business on March 14, 2008 are entitled to notice of and to vote at the annual meeting. On the record date, approximately shares of common stock were issued and outstanding.

Quorum for the Annual Meeting

A quorum of stockholders is necessary to take action at the annual meeting. A majority of the outstanding shares of common stock of the Company, present in person or by proxy, will constitute a quorum. Votes cast in person or by proxy at the annual meeting will be tabulated by the inspectors of election appointed for the annual meeting. The inspectors of election will determine whether a quorum is present at the annual meeting. The inspectors of election will treat instructions to withhold authority, abstentions and broker non-votes as present for purposes of determining the presence of a quorum. In the event that a quorum is not present at the annual meeting, the Company expects that the annual meeting will be adjourned to solicit additional proxies.

Votes Required

You are entitled to one vote for each share you own on the record date on each proposal to be considered at the annual meeting. A broker or other nominee may have discretionary authority to vote certain shares of common stock if the beneficial owner or other person entitled to vote those shares has not provided instructions.

Directors receiving a majority of votes cast (number of shares voted for a director must exceed the number of votes cast against that director) will be elected as a director. The vote required for ratification of the appointment of Ernst & Young LLP as the Company s independent registered public accounting firm for the year 2008 and approval of the Management Cash Bonus Plan is the affirmative vote of the majority of the shares of common stock present in person or by proxy and entitled to vote at the annual meeting. Approval of the amendment and restatement of the Company s

Restated Certificate of Incorporation to eliminate supermajority vote requirements and the fair price provision requires the affirmative vote of at least 75% of the outstanding shares of common stock.

Table of Contents

For the election of directors, each director must receive the majority of votes cast with respect to that director s election. Shares not present and shares voting abstain have no effect on the election of directors. With respect to the ratification of the appointment of Ernst & Young LLP, approval of the Management Cash Bonus Plan and approval of the amendment and restatement of the Company s Restated Certificate of Incorporation to eliminate supermajority vote requirements and the fair price provision, you may vote in favor of or against each item or you may abstain from voting. Any proxy marked abstain with respect to the ratification of the appointment of Ernst & Young LLP, approval of the Management Cash Bonus Plan, and approval of the amendment and restatement of the Company s Restated Certificate of Incorporation, will have the effect of a vote against the proposal. Shares not voted on the amendment and restatement of the Company s Restated Certificate of Incorporation have the effect of a vote against the proposal.

Please note that banks and brokers that have not received voting instructions from their clients may vote their clients shares on the election of directors, the ratification of the appointment of Ernst & Young LLP as the Company s independent registered public accounting firm, approval of the Management Cash Bonus Plan and the proposal to approve the amendment and restatement of the Company s Restated Certificate of Incorporation. Broker non-votes on a proposal (shares held by brokers that do not have discretionary authority to vote on the matter and have not received voting instructions from their clients) are not counted or deemed to be present or represented for the purpose of determining whether stockholders have approved the amendment and restatement of the Company s Restated Certificate of Incorporation and would have the effect of a vote against the proposal.

How to Vote

You may attend the annual meeting and vote your shares in person. You also may choose to submit your proxies by any of the following methods:

Voting by Mail. If you choose to vote by mail, simply complete the enclosed proxy card, date and sign it, and return it in the postage-paid envelope provided. Your shares will be voted in accordance with the instructions on your proxy card. If you sign your proxy card and return it without marking any voting instructions, your shares will be voted FOR the election of all director nominees, FOR the ratification of the appointment of Ernst & Young LLP, FOR the approval of the Management Cash Bonus Plan, and FOR the amendment and restatement of the Company s Restated Certificate of Incorporation to eliminate supermajority vote requirements and fair price provision, and in the discretion of the persons named as proxies on all other matters that may properly come before the annual meeting or any adjournment or postponement thereof.

Voting by Telephone. You may vote your shares by telephone by calling the toll-free telephone number provided on the proxy card. Telephone voting is available 24 hours a day, and the procedures are designed to authenticate votes cast by using a personal identification number located on the proxy card. The procedures allow you to give a proxy to vote your shares and to confirm that your instructions have been properly recorded. If you vote by telephone, you should not return your proxy card.

Voting by Internet. You also may vote through the Internet by signing on to the website identified on the proxy card and following the procedures described in the website. Internet voting is available 24 hours a day, and the procedures are designed to authenticate votes cast by using a personal identification number located on the proxy card. The procedures allow you to give a proxy to vote your shares and to confirm that your instructions have been properly recorded. If you vote by Internet, you should not return your proxy card.

If you are a stockholder whose shares are held in street name (*i.e.*, in the name of a broker, bank or other record holder), you must either direct the record holder of your shares how to vote your shares or obtain a proxy, executed in your favor, from the record holder to be able to vote at the annual meeting.

Table of Contents

This Proxy Statement is also being used to solicit voting instructions for the shares of the Company s common stock held by trustees of the Newell Rubbermaid Inc. 401(k) Savings and Retirement Plan, and shares of the Company s common stock held by the plan administrator of the Newell Rubbermaid Inc. Employee Stock Purchase Plan and Newell Rubbermaid Inc. 2003 Stock Plan, for the benefit of plan participants. Participants in these plans have the right to direct the trustees or plan administrator regarding how to vote the shares of Company stock credited to their accounts. Unless otherwise required by law, the shares credited to each participant s account will be voted as directed. Participants in these plans may direct the trustees or plan administrator by telephone, by the Internet or by completing and returning a voting card. If valid instructions are not received from a 401(k) Savings and Retirement Plan participant by May 1, 2008, a participant s shares will be voted proportionately by the trustee in the same manner in which the trustee votes all shares for which it has received valid instructions. If valid instructions are not received from an Employee Stock Purchase Plan or 2003 Stock Plan participant by May 1, 2008, the shares of stock credited to his or her account will not be voted.

How You May Revoke or Change Your Vote

You may revoke your proxy at any time before it is voted at the annual meeting by any of the following methods:

Submitting a later-dated proxy by mail, over the telephone or through the Internet.

Sending a written notice, including by facsimile, to the Corporate Secretary of the Company. You must send any written notice of a revocation of a proxy so that it is received before the taking of the vote at the annual meeting to:

Newell Rubbermaid Inc.
10B Glenlake Parkway, Suite 300
Atlanta, Georgia 30328
Facsimile: 1-770-407-3987
Attention: Corporate Secretary

Attending the annual meeting and voting in person. Your attendance at the annual meeting will not in and of itself revoke your proxy. You must also vote your shares at the annual meeting. If your shares are held in street name by a broker, bank or other record holder, you must obtain a proxy, executed in your favor, from the record holder to be able to vote at the annual meeting.

If you require assistance in changing or revoking your proxy, please contact the Company s proxy solicitor, Morrow & Co., Inc., at the following address or telephone number:

Morrow & Co., Inc.
470 West Avenue
Stamford, CT 06902
Phone Number: 1-800-662-5200

Costs of Solicitation

This Proxy Statement and the accompanying proxy card are being furnished to stockholders in connection with the solicitation of proxies by the Board of Directors of the Company. The Company will pay the costs of soliciting proxies. The Company has retained Morrow & Co., Inc. to aid in the solicitation of proxies and to verify certain records related to the solicitation. The Company will pay Morrow & Co., Inc. a fee of $10,000 as compensation for its services and will reimburse it for its reasonable out-of-pocket expenses.

In addition to solicitation by mail, directors, officers and employees of the Company, at no additional compensation, may solicit proxies from stockholders by telephone, facsimile, Internet or in person. Upon request, the Company will also reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable expenses in sending the proxy materials to beneficial owners.

Table of Contents

PROPOSAL 1 ELECTION OF DIRECTORS

The Company s Board of Directors is currently comprised of 12 directors who are divided into three classes, with each class elected for a three-year term. The Board of Directors has nominated Michael T. Cowhig, Mark D. Ketchum, William D. Marohn and Raymond G. Viault for re-election as Class III directors at the annual meeting. General Gordon Sullivan will retire at the annual meeting of stockholders in accordance with the Company s Corporate Governance Guidelines. Upon General Sullivan s retirement, the number of directors serving on the Board will be reduced to 11. If re-elected, Michael T. Cowhig, Mark D. Ketchum, William D. Marohn and Raymond G. Viault will serve until the annual meeting of stockholders to be held in 2011 and until their successors have been duly elected and qualified, except that Mr. Marohn is expected to retire at the 2010 Meeting of Stockholders in accordance with the Company s Corporate Governance Guidelines.

Proxies will be voted, unless otherwise indicated, FOR the election of the four nominees for director. All of the nominees are currently serving as directors of the Company and have consented to serve as directors if elected at this year s annual meeting. The Company has no reason to believe that any of the nominees will be unable to serve as a director. However, should any nominee be unable to serve if elected, the Board of Directors may reduce the number of directors, or proxies may be voted for another person nominated as a substitute by the Board of Directors.

The Board of Directors unanimously recommends that you vote FOR the election of each nominee for director.

Information about the nominees and the continuing directors whose terms expire in future years is set forth below.

Name and Background	Director Since
Nominees for Class III Directors Term Expiring in 2011	
Michael T. Cowhig, age 61, retired in December 2006 as President, Global Technical and Manufacturing of The Procter & Gamble Company Gillette Global Business Unit (a manufacturer and marketer of consumer products), a post he held since October 1, 2005. Prior thereto, he held the position of President, Global Technical and Manufacturing of The Gillette Company from January 2004 to October 2005. Mr. Cowhig joined Gillette in 1968, and thereafter served in a variety of roles, including Senior Vice President, Global Manufacturing and Technical Operations Stationery Products from 1996 to 1997, Senior Vice President, Manufacturing and Technical Operations Grooming from 1997 to 2000, Senior Vice President, Global Supply Chain and Business Development from 2000 to 2002, and Senior Vice President, Global Manufacturing and Technical Operations from 2002 to 2004. Mr. Cowhig is also a director of CCL Industries, a global manufacturer of specialty packaging and labeling solutions for the consumer products and healthcare industries	2005
Mark D. Ketchum, age 58, has been President & Chief Executive Officer of the Company since October 16, 2005. From 1999 to 2004, Mr. Ketchum was President, Global Baby and Family Care of The Procter & Gamble Company. Mr. Ketchum joined Procter & Gamble in 1971, and thereafter served in a variety of roles, including Vice President and General Manager Tissue/Towel from 1990 to 1996 and President North American Paper Sector from 1996 to 1999. Mr. Ketchum is also a director of Kraft Foods, Inc. (a global manufacturer and marketer of packaged foods and beverages)	2005

4

Table of Contents

Name and Background	Director Since
William D. Marohn, age 68, has been Chairman of the Board of the Company since May 2004. He retired in December 1998 as Vice Chairman of the Board of Whirlpool Corporation (a manufacturer and marketer of major home appliances), a post he held since February 1997. From 1992 to 1997, Mr. Marohn served as the President and Chief Operating Officer of Whirlpool Corporation. From January to October 1992, he was President of Whirlpool Europe, B.V. From 1989 to 1991, Mr. Marohn served as Executive Vice President of Whirlpool s North American Operations, and from 1987 to March 1989 he was President of Whirlpool s Kenmore Appliance Group. Prior to retirement, Mr. Marohn had been associated with Whirlpool since 1964	1999
Raymond G. Viault, age 63, retired in January 2005 as Vice Chairman of General Mills, Inc. (a manufacturer and marketer of consumer food products), a post he held since 1996. From 1990 to 1996, Mr. Viault was President of Kraft Jacobs Suchard in Zurich, Switzerland. Mr. Viault was with Kraft General Foods for a total of 20 years, serving in a variety of major marketing and general management positions. Mr. Viault is also a director of VF Corp. (an apparel company), Safeway Inc. (a food and drug retailer), and Cadbury Schweppes plc (a manufacturer and marketer of foods and beverages)	2002
Class II Directors Continuing in Office Term Expiring in 2010	
Scott S. Cowen, age 61, has been the President of Tulane University and Seymour S. Goodman Memorial Professor of Business since 1998. From 1984 to 1998, Dr. Cowen served as Dean and Albert J. Weatherhead, III Professor of Management, Weatherhead School of Management, Case Western Reserve University. Prior to his departure in 1998, Dr. Cowen had been associated with Case Western Reserve University in various capacities since 1976. Dr. Cowen is also a director of American Greetings Corp. (a manufacturer of greeting cards and related merchandise), Forest City Enterprises (a real estate developer) and Jo-Ann Stores (an operator of retail fabric shops)	1999
Cynthia A. Montgomery, age 55, is the Timken Professor of Business Administration and Chair of the Strategy Unit at the Harvard University Graduate School of Business, where she has served on the faculty since 1989. Prior thereto, Dr. Montgomery was a Professor at the Kellogg School of Management at Northwestern University from 1985 to 1989. Dr. Montgomery also serves on the Board of Directors of Black Rock Mutual Funds, Harvard Business School Publishing, and McLean Hospital	1995
Michael A. Todman, age 50, has been President, Whirlpool North America since June 2007 and a member of the Board of Directors of Whirlpool Corporation (a manufacturer and marketer of major home appliances) since January 1, 2006. He served as President, Whirlpool International from January 2006 to June 2007 and served as Executive Vice President and President of Whirlpool Europe from October 2001 to January 2006. From March 2001 to October 2001, he served as Executive Vice President, North America of Whirlpool Corporation. From 1993 to 1999, Mr. Todman served in a number of roles at Whirlpool, including Senior Vice President, Sales and Marketing, North America; Vice President, Sears Sales and Marketing; Vice President, Product Management; Controller of North America; Vice President, Consumer Services, Whirlpool Europe; General Manager, Northern Europe; and Director, Finance, United Kingdom. Prior to joining Whirlpool, Mr. Todman held a variety of leadership positions at Wang Laboratories, Inc. and Price Waterhouse and Co.	2007

Table of Contents

Name and Background	Director Since
Class I Directors Continuing in Office Term Expiring in 2009	
Thomas E. Clarke, age 57, has been President of New Business Ventures of Nike, Inc. (a designer, developer and marketer of footwear, apparel, equipment and accessory products) since 2001. Dr. Clarke joined Nike, Inc. in 1980. He was appointed divisional Vice President in charge of marketing in 1987, corporate Vice President in 1989, General Manager in 1990, and served as President and Chief Operating Officer from 1994 to 2000. Dr. Clarke previously held various positions with Nike, Inc., primarily in research, design, development and marketing	2003
Domenico De Sole, age 64, has been the Chairman of Tom Ford International since 2005. Prior thereto he was President and Chief Executive Officer of Gucci Group NV, and Chairman of the Group s Management Board, a post he held from 1995 to 2004. From 1984 to 1994, Mr. De Sole served as Chief Executive Officer of Gucci America. Prior thereto, Mr. De Sole was a partner with Patton Boggs & Blow (a law firm) from 1970 to 1984. Mr. De Sole also serves on the Board of Directors of Telecom Italia S.p.A., GAP, Inc., Ermenegildo Zegna, and is a Member of the Advisory Board of Harvard Law School	2007
Elizabeth Cuthbert-Millett, age 51, has been a private investor for more than five years	1995
Steven J. Strobel, age 50, has been Senior Vice President Treasurer of Motorola, Inc. (a wireless and broadband communications company) since June 2007. Prior thereto, he was Senior Vice President Corporate Controller, a post he held since 2003. From 2000 to 2003, Mr. Strobel was Vice President Finance and Treasurer for Owens Corning (a manufacturer and marketer of building material and composites systems). From 1996 to 1999, Mr. Strobel served as Owens Corning s Vice President Corporate Controller. From 1986 to 1996, Mr. Strobel served in a number of roles with Kraft Foods, a former division of Philip Morris Companies, Inc. (a manufacturer and marketer of consumer products). While at Kraft, he held various financial positions, including Vice President, Finance, Kraft Grocery Products Division; Vice President and Controller, Kraft USA Operations; and Chief Financial Officer, Kraft Foods Canada	2006

Table of Contents

INFORMATION REGARDING BOARD OF DIRECTORS AND COMMITTEES AND CORPORATE GOVERNANCE

General

The primary responsibility of the Board of Directors is to oversee the affairs of the Company for the benefit of the Company s stockholders. To assist it in fulfilling its duties, the Board of Directors has delegated certain authority to the Audit Committee, the Organizational Development & Compensation Committee and the Nominating/Governance Committee. The duties and responsibilities of these standing committees are described below under Committees.

The Board of Directors has adopted the Newell Rubbermaid Inc. Corporate Governance Guidelines. The purpose of these guidelines is to ensure that the Company s corporate governance practices enhance the Board s ability to discharge its duties on behalf of the Company s stockholders. The Corporate Governance Guidelines are available under the Corporate Governance link on the Company s website at *www.newellrubbermaid.com* and may be obtained in print without charge upon written request by any stockholder to the office of the Corporate Secretary of the Company at 10B Glenlake Parkway, Suite 300, Atlanta, Georgia 30328. The Corporate Governance Guidelines include:

a requirement that a majority of the Board will be independent directors, as defined under the applicable rules of The New York Stock Exchange, Inc. (NYSE) and any standards adopted by the Board of Directors from time to time;

a requirement that all members of the Audit Committee, the Organizational Development & Compensation Committee and the Nominating/Governance Committee will be independent directors as defined under the applicable rules of the NYSE and any standards adopted by the Board of Directors from time to time;

a requirement that a director submit his or her resignation to the Board for consideration in the event he or she is not elected by a majority of the votes cast in an uncontested election;

mandatory director retirement at the annual meeting immediately following the attainment of age 70;

regular executive sessions of non-management directors outside the presence of management at least four times a year, provided that if the non-management directors include one or more directors who are not independent directors under the applicable NYSE rules, the independent directors also will meet, outside the presence of management in executive session, at least once a year;

annual review of the performance of the Board and the Chairman of the Board;

regular review of management succession planning and annual performance reviews of the Chief Executive Officer; and

the authority of the Board to engage independent legal, financial, accounting and other advisors as it believes necessary or appropriate to assist it in the fulfillment of its responsibilities, without consulting with, or obtaining the advance approval of, any Company officer.

Director Independence

Pursuant to the Corporate Governance Guidelines, the Board of Directors undertook its annual review of director independence in February 2008. During this review, the Board of Directors considered whether or not each director has any material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) and has otherwise complied with the requirements for independence under the applicable NYSE rules.

As a result of these reviews, the Board of Directors affirmatively determined that all of the Company s current directors are independent of the Company and its management within the meaning of the applicable NYSE rules and under the standards set forth in the Corporate Governance Guidelines, with the

Table of Contents

exception of Mark D. Ketchum. Mr. Ketchum is considered an inside director because of his employment as President and Chief Executive Officer of the Company.

In making its independence determinations, the Board of Directors considered the following facts and circumstances relating to directors Cowhig and Viault.

Prior to his retirement on December 31, 2006, Michael T. Cowhig served as President, Global Technical and Manufacturing of the Gillette Global Business Unit (Gillette) of The Procter & Gamble Company. In 2006, the Company s Office Products business segment subleased from Gillette a manufacturing facility in Santa Monica, California, as a result of the Company s acquisition in 2000 of Gillette s former writing instruments business. The Company exited this facility in July 2006, but the Company s obligations under the sublease of approximately $70,000 per month remained in effect until 2013. The Company subsequently entered into an agreement with Gillette terminating the sublease. Under the terms of the agreement, Gillette has been given access to the property since July 1, 2006 and began making all payments under the master lease on the property commencing September 1, 2006. Gillette paid the Company $5 million in 2006 under the agreement, offset by approximately $320,000 of additional rent and tax payments. Mr. Cowhig recused himself from any approval of, or involvement in, the transaction, the terms of which were approved in advance by the Audit Committee of the Company s Board of Directors. Given the absence of any involvement by Mr. Cowhig and the lack of materiality of the transaction to the Company and to Gillette as a whole, the Board concluded that Mr. Cowhig s interest in this transaction was not material and would not influence his actions or decisions as a director of the Company and that Mr. Cowhig therefore complies with the requirements for independence under applicable NYSE rules.

Raymond G. Viault currently serves as a director of Safeway Inc., an entity which purchases the Company s products in the ordinary course of business. Sales by the Company to Safeway Inc. totaled $5.0 million in 2007, and such sales were made on customary terms. The Board has concluded that, under these facts and circumstances, Mr. Viault s interest in these transactions is not material and would not influence his actions or decisions as a director of the Company, and that Mr. Viault therefore complies with the requirements for independence under applicable NYSE rules.

Meetings

The Company s Board of Directors held six meetings during 2007. All directors attended at least 75% of the Board meetings and meetings of Board committees on which they served. Under the Company s Corporate Governance Guidelines, each director is expected to attend the annual meeting of the Company s stockholders. All of the directors attended the 2007 annual meeting of stockholders.

The Company s non-management directors held five meetings during 2007 separately in executive session without any members of management present. The Company s Corporate Governance Guidelines provide that the presiding director at each such session is the Chairman of the Board or lead director, or in his or her absence, the person the Chairman of the Board or lead director so appoints. The Chairman of the Board currently presides over executive sessions of the non-management directors.

Committees

The Board of Directors has an Audit Committee, an Organizational Development & Compensation Committee and a Nominating/Governance Committee.

Audit Committee. The Audit Committee, whose Chair is Dr. Cowen and whose other current members are Mr. De Sole, Mr. Strobel, General Sullivan, Mr. Todman and Mr. Viault, met nine times during 2007. The Board of Directors has affirmatively determined that each current member of the Audit Committee is an independent director within the meaning of the applicable U.S. Securities and Exchange Commission (SEC) regulations, the applicable NYSE rules and the Company s Corporate Governance Guidelines. Further, the Board of Directors has affirmatively determined that each of

8

Table of Contents

Dr. Cowen, Mr. Strobel, Mr. Todman and Mr. Viault is qualified as an audit committee financial expert within the meaning of the applicable SEC regulations.

The Audit Committee assists the Board of Directors in fulfilling its fiduciary obligations to oversee:

- the integrity of the Company s financial statements;
- the Company s compliance with legal and regulatory requirements;
- the qualifications and independence of the Company s independent registered public accounting firm;
- the performance of the Company s internal audit function and independent auditors; and
- the Company s overall risk management profile and the Company s process for assessing significant business risks.

In addition, the Audit Committee:

- is directly responsible for the appointment, compensation, retention and oversight of the work of the Company s independent registered public accounting firm;
- has established procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls and auditing matters, including procedures for confidential, anonymous submission by employees of concerns regarding questionable accounting or audit matters; and
- has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties.

The Audit Committee acts under a written charter that is available under the Corporate Governance link on the Company s website at *www.newellrubbermaid.com* and may be obtained in print without charge upon written request by any stockholder to the office of the Corporate Secretary of the Company at 10B Glenlake Parkway, Suite 300, Atlanta, Georgia 30328.

Organizational Development & Compensation Committee. The Organizational Development & Compensation Committee, whose Chair is Dr. Clarke and whose other current members are Mr. Cowhig, Ms. Cuthbert-Millett, General Sullivan, and Mr. Viault, met eight times during 2007. The Board of Directors has affirmatively determined that each member of the Organizational Development & Compensation Committee is an independent director within the meaning of the applicable NYSE rules and the Company s Corporate Governance Guidelines.

The Organizational Development & Compensation Committee is principally responsible for:

- assisting the independent directors in evaluating the Chief Executive Officer s performance and fixing the CEO s compensation;
- making recommendations to the Board with respect to non-CEO compensation, incentive-compensation plans, equity based plans and director compensation; and
- assisting the Board in management succession planning.

The Organizational Development & Compensation Committee acts under a written charter that is available under the Corporate Governance link on the Company s website at *www.newellrubbermaid.com* and may be obtained in print without charge upon written request to the office of the Corporate Secretary of the Company at 10B Glenlake Parkway, Suite 300, Atlanta, Georgia 30328. Additional information on the Organizational Development & Compensation Committee s processes and procedures for the consideration and determination of executive and director compensation is addressed below under the caption Executive Compensation Compensation Discussion and Analysis.

Nominating/Governance Committee. The Nominating/Governance Committee, whose Chair is Dr. Montgomery and whose other current members are Dr. Clarke, Mr. Cowhig and Ms. Cuthbert-Millett, met five times during 2007. The Board of Directors has affirmatively determined that each member of the Nominating/Governance Committee is an independent director within the meaning of the applicable NYSE rules and the Company s Corporate Governance Guidelines.

The Nominating/Governance Committee is principally responsible for:

- identifying and recommending to the Board of Directors candidates for nomination or appointment as directors;
- reviewing and recommending to the Board of Directors appointments to Board committees;
- developing and recommending to the Board of Directors corporate governance guidelines for the Company and any changes to those guidelines;
- reviewing, from time to time, the Company s Code of Business Conduct and Ethics and certain other policies and programs intended to promote compliance by the Company with its legal and ethical obligations, and recommending to the Board of Directors any changes to the Company s Code of Business Conduct and Ethics and such policies and programs; and
- overseeing the Board of Directors annual evaluation of its own performance.

The Nominating/Governance Committee acts under a written charter that is available under the Corporate Governance link on the Company s website at *www.newellrubbermaid.com* and may be obtained in print without charge upon written request by any stockholder to the office of the Corporate Secretary of the Company at 10B Glenlake Parkway, Suite 300, Atlanta, Georgia 30328.

Director Nomination Process

The Nominating/Governance Committee is responsible for identifying and recommending to the Board of Directors candidates for directorships. The Nominating/Governance Committee considers candidates for Board membership who are recommended by members of the Nominating/Governance Committee, other Board members, members of management and individual stockholders. Once the Nominating/Governance Committee has identified prospective nominees for director, the Board is responsible for selecting such candidates. As set forth in the Corporate Governance Guidelines, the Board seeks to identify as candidates for director persons from various backgrounds and with a variety of life experiences, a reputation for integrity and good business judgment and experience in highly responsible positions in professions or industries relevant to the conduct of the Company s business. In selecting director candidates, the Board takes into account the current composition and diversity of the Board and the extent to which a candidate s particular expertise and experience will complement the expertise and experience of other directors. The Board considers candidates for director who are free of conflicts of interest or relationships that may interfere with the performance of their duties.

From time to time, the Nominating/Governance Committee has engaged the services of Korn/Ferry International, a global executive search firm, to assist the Nominating/Governance Committee and the Board of Directors in identifying and evaluating potential director candidates. Korn/Ferry International identified Mr. De Sole as a director candidate and in 2007 recommended his candidacy to the Nominating/Governance Committee. The Nominating/Governance Committee evaluated Mr. De Sole against the criteria set forth above and recommended him to the full Board of Directors for election.

A stockholder who wishes to recommend a director candidate for consideration by the Nominating/ Governance Committee should submit such recommendation in writing to the Nominating/Governance Committee at the address set forth below under Communications with the Board of Directors. A candidate recommended for consideration must be highly qualified and must be willing and able to serve as a director. Director candidates recommended by stockholders will receive the same consideration given to other candidates and will be evaluated against the criteria outlined above.

Table of Contents

Communications with the Board of Directors

The independent members of the Board of Directors have adopted the Company s Procedures for the Processing and Review of Stockholder Communications to the Board of Directors, which provide for the processing, review and disposition of all communications sent by stockholders or other interested persons to the Board of Directors. Stockholders and other interested persons may communicate with the Company s Board of Directors or any member or committee of the Board of Directors by writing to them at the following address:

Newell Rubbermaid Inc.
Attention: [Board of Directors]/[Board Member]
c/o Corporate Secretary
Newell Rubbermaid Inc.
10B Glenlake Parkway, Suite 300
Atlanta, Georgia 30328

Communications directed to the independent or non-management directors should be sent to the attention of the Chairman of the Board or the Chair of the Nominating/Governance Committee, c/o Corporate Secretary, at the address indicated above.

Any complaint or concern regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Company s Code of Ethics for Senior Financial Officers should be sent to the attention of the General Counsel at the address indicated above or may be submitted in a sealed envelope addressed to the Chair of the Audit Committee, c/o General Counsel, at the same address, and labeled with a legend such as: To Be Opened Only by the Audit Committee. Such accounting complaints will be processed in accordance with procedures adopted by the Audit Committee. Further information on reporting allegations relating to accounting matters is available under the Corporate Governance link on the Company s website at *www.newellrubbermaid.com*.

Code of Ethics

The Board of Directors has adopted a Code of Ethics for Senior Financial Officers , which is applicable to the Company s senior financial officers, including the Company s principal executive officer, principal financial officer, principal accounting officer and controller. The Company also has a separate Code of Business Conduct and Ethics that is applicable to all Company employees, including each of the Company s directors and officers. Both the Code of Ethics for Senior Financial Officers and the Code of Business Conduct and Ethics are available under the Corporate Governance link on the Company s website at *www.newellrubbermaid.com*. The Company posts any amendments to or waivers from its Code of Ethics for Senior Financial Officers or to the Code of Business Conduct and Ethics (to the extent applicable to the Company s directors or executive officers) at the same location on the Company s website. In addition, copies of the Code of Ethics for Senior Financial Officers and of the Code of Business Conduct and Ethics may be obtained in print without charge upon written request by any stockholder to the office of the Corporate Secretary of the Company at 10B Glenlake Parkway, Suite 300, Atlanta, Georgia 30328.

Table of Contents

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Various Company policies and procedures, which include the Code of Business Conduct and Ethics (applicable to all executive officers and non-employee directors), the Code of Ethics for Senior Financial Officers and annual questionnaires completed by all Company directors and executive officers, require disclosure of transactions or relationships that may constitute conflicts of interest or otherwise require disclosure under applicable SEC rules. Pursuant to its charter, the Company s Nominating/Governance Committee considers and makes recommendations to the Board of Directors with respect to possible waivers of conflicts of interest or any other provisions of the Code of Business Conduct and Ethics and the Code of Ethics for Senior Financial Officers. Pursuant to the Company s Corporate Governance Guidelines, the Nominating/Governance Committee also annually reviews the continuing independence of the Company s nonemployee directors under applicable law or rules of the NYSE and reports its findings to the Board of Directors in connection with its independence determinations.

When the Nominating/Governance Committee learns of a transaction or relationship that may constitute a conflict of interest or may cause a director not to be treated as independent, the Committee determines if further investigation is required and, if so, whether it should be conducted by the Company s legal, internal audit or other staff or by outside advisors. The Committee reviews and evaluates the transaction or relationship, including the results of any investigation, and makes a recommendation to the Board of Directors with respect to whether a conflict or violation exists or will exist or whether a director s independence is or would be impaired. The Board of Directors, excluding any director who is the subject of the recommendation, receives the report of the Nominating/Governance Committee and makes the relevant determination. These practices are flexible and are not required by any document.

Table of Contents

ORGANIZATIONAL DEVELOPMENT & COMPENSATION COMMITTEE REPORT

The Organizational Development & Compensation Committee of the Board of Directors has furnished the following report to the stockholders of the Company in accordance with rules adopted by the Securities and Exchange Commission.

The Organizational Development & Compensation Committee of the Company states that the Committee reviewed and discussed with management the Company s Compensation Discussion and Analysis contained in this Proxy Statement.

Based upon the review and discussions referred to above, the Organizational Development & Compensation Committee recommended to the Board of Directors that the Company s Compensation Discussion and Analysis be included in this Proxy Statement.

This report is submitted on behalf of the members of the Organizational Development & Compensation Committee:

Thomas E. Clarke, Chair
Michael T. Cowhig
Elizabeth Cuthbert-Millett
Gordon R. Sullivan
Raymond G. Viault

Table of Contents

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

This Compensation Discussion and Analysis explains the material elements of the compensation of the Company s named executive officers and describes the objectives and principles underlying the Company s executive compensation program.

Executive Compensation Objectives

The Company s executive compensation objectives are to:

- Motivate its executives to meet or exceed the Company s performance goals;
- Reward individual performance and contributions;
- Link the financial interests of executives and stockholders; and
- Attract and retain the best possible executive talent.

The key elements of the Company s executive compensation program are:

- Salary;
- Annual incentive compensation;
- Long-term incentive compensation; and
- Retirement benefits.

Please see the caption Key Elements of Executive Compensation below for an explanation of each of these elements.

The following discussion shows how the Company used these compensation elements in 2007 to meet the four objectives of its executive compensation program.

Motivate executives to meet or exceed Company performance goals. The Company motivates executives to meet or exceed Company goals by linking a significant portion of their total compensation directly to achieving the Company s performance goals. Each year, the Company reviews the performance goals and changes them as appropriate to reflect its current business objectives. For 2007, the Company tied two elements of executive compensation directly to Company performance goals.

- The Company tied annual cash incentive compensation under its Management Cash Bonus Plan (the Bonus Plan) directly to performance against Company performance goals. Please see the caption Annual Incentive Compensation below for an explanation of payments in 2007 under the Bonus Plan.

- The Company also used annual performance goals for 2007 under the Long-Term Incentive Plan (LTIP) to determine the number of shares of restricted stock it would award to executives in 2008. Please see the caption

Long-Term Incentive Compensation below for an explanation of shares of restricted stock awarded under the LTIP.

Reward individual performance and contributions. The Company s evaluation of the individual performance of each executive officer, together with the executive s contribution to Company performance, affected most aspects of an executive s compensation for 2007:

The Company considered individual performance in determining the executive s annual salary, as discussed under the caption Salary below.

The executive s annual salary, in turn, directly affected the amount of incentive compensation that the executive could earn for meeting or exceeding annual performance goals under the Bonus Plan, as discussed under the caption Annual Incentive Compensation below.

Table of Contents

Annual salary, along with achievement of annual performance goals for 2007, also directly affected the number of shares of restricted stock that were granted to the executive under the LTIP, as discussed under the caption Long-Term Incentive Compensation Restricted Stock below.

Individual performance was also an important factor in determining the number of stock options that were granted to executives in 2007, as discussed under the caption Long-Term Incentive Compensation Stock Options below.

Link the financial interests of executives and stockholders. For 2007, the Company used stock options and restricted stock to provide long-term incentive compensation and to link the financial interests of its executives with the financial interests of its stockholders.

Stock options become exercisable over time, typically five years, and thus require a long-term commitment by executives to realize the appreciation potential of the options.

Restricted stock, which typically vests after a minimum of three years, requires a long-term commitment by executives to realize its value, which in turn depends on the stock price at the time of vesting and exposes the executive to increases and decreases in stock price for at least three years.

The Company believes that its stock ownership guidelines supplement the Company s use of stock options and restricted stock as tools to link the financial interests of its executives and its stockholders. Under those guidelines, the Company expects executive officers to acquire and maintain ownership of Company stock with a value of at least twice their annual salaries, or three times in the case of the Chief Executive Officer.

In February 2008, the Company adopted changes to its incentive compensation program that changed the corporate performance goals used under the Bonus Plan and revised the methodology for determining grants of equity-based compensation under the LTIP. Please see the captions Amendments to Bonus Plan and Amended LTIP below for a discussion of these changes.

Attract and retain the best possible executive talent. The Company believes that successfully recruiting and retaining talented executives requires the Company to pay compensation at a competitive level. To do that, it needs information about compensation practices of its relevant competitors, and in order to obtain that information for 2007 compensation levels, the Company used compensation information compiled from two separate comparator groups.

Custom Comparator Group

For 2007, as in 2006, the Company used a custom comparator group, which consists of companies that participate in the various consumer and commercial products industries in which the Company competes. The Company believes that the companies in the custom comparator group represent both its principal competitors for executive talent and the appropriate companies against which to compare corporate performance. Please see the caption Custom Comparator Group Companies at the end of this Compensation Discussion and Analysis for a complete list of the companies in the Company s custom comparator group for 2007.

Multiple Industry Index Comparator Group

For 2007, the Company also used compensation information compiled from a multiple industry index of 107 companies, whose compensation data is tracked by the outside consultant of the Organizational Development & Compensation Committee (the Committee). This index includes companies both inside and outside of the consumer products industry in which the Company operates with annual revenues ranging from $3 billion to $12 billion. For 2007, the Company chose to utilize the multiple industry index, in addition to the Company s custom comparator group, in order to provide a larger pool of data for a more statistically relevant comparison of compensation levels. Please see the caption Multiple Industry Index

15

Table of Contents

Comparator Group Companies at the end of this Compensation Discussion and Analysis for a complete list of the companies in the Company s multiple industry index comparator group for 2007.

The Company periodically obtains surveys of the compensation practices of companies in both comparator groups and compares the Company s executive compensation components with those of the comparator groups. In 2007, the Company used compensation information about the comparator groups as guidance for decisions regarding:

- The portion of executive compensation that is current and the portion that is long-term;
- The portion of total compensation that is equity and the portion that is cash; and
- Levels of salary, annual bonus opportunities and long-term incentive opportunities.

For purposes of making total shareholder return comparisons under the Bonus Plan and LTIP, the Company only uses the custom comparator group, as the companies in the custom comparator group constitute the most relevant businesses against which the Company compares its corporate performance.

For 2007, various elements of the executive compensation program encouraged executives to remain with the Company. The annual incentives that could be earned under the Bonus Plan and LTIP generally require continued employment for at least the full current year. Restricted stock awards typically do not vest for three years, and stock option grants typically vest over a five-year period. In addition, the vesting provisions of the Company s retirement plans require long-term commitment to the Company.

Key Elements of Executive Compensation

The Company believes that each key element of its compensation program complements the others and that, together, the elements achieve the Company s principal compensation objectives. When the Company makes decisions about compensation for an executive officer, it considers the impact on the total value of all these elements of compensation for the individual. To facilitate this approach, the Committee annually reviews a summary report, or tally sheet, which identifies each element of the compensation paid to its executive officers and its dollar value. The Committee uses the summary report to review the Company s overall pay and benefit levels to provide the Committee with additional perspective to help it evaluate how the Company s executive compensation program meets the Company s compensation objectives.

The Summary Compensation Table shows the compensation of each named executive officer for the fiscal year ended December 31, 2007. The Total Compensation amount shown on the Summary Compensation Table differs in a number of ways from what the Company views as relevant to its decisions about executive compensation.

- While the Company believes that retirement benefits constitute a key component of the competitive compensation package offered to executives, and carefully considers the design and cost of these programs and the benefits they provide, it does not view the year-to-year change in the amount of accrued retirement benefits, and in particular the present value of the benefits, as a meaningful measure of annual executive compensation because the increase in any year is so strongly influenced by the age, years of service and related benefits of the individual executive and assumptions used to calculate the present value of benefits.
- The amounts reported for restricted stock and stock option awards in the Summary Compensation Table consist of the amount recognized by the Company as compensation cost in 2007 under Statement of Financial Accounting Standards No. 123 (Revised 2004), Share-Based Payment (FAS 123(R)), in respect of these equity awards to each named executive officer. The Company does not view this amount as a meaningful measure of

annual executive compensation, because the compensation cost includes amounts attributable to equity grants made in prior years and thus varies significantly based on the length of an individual s tenure with the Company. In making its compensation decisions, the Company valued stock options and restricted stock awarded in and for

2007 under methodologies developed by the Committee s compensation consultant rather than FAS 123(R), as described below under Long-Term Incentive Compensation.

The Company does not view as compensation living expenses in Atlanta, Georgia pending relocation by named executive officers (Mr. Robinson in 2007), nor does it view the reimbursement of expenses associated with such relocations as compensation.

For Company executives, including the named executive officers, as a group, the Company views salaries at or near the 50th percentile of the comparator groups, aggregate target annual incentive opportunities at or near the 65th percentile of the comparator groups and aggregate long-term incentive opportunities at or near the 50th percentile of the comparator groups as an indication of the competitive annual compensation level for its executives. In the case of the named executive officers as a group, compensation varied from these levels in 2007 as salaries were slightly above the targeted 50th percentile and each of aggregate target annual incentive opportunities and aggregate long-term incentive opportunities were slightly below the targeted 65th and 50th percentiles, respectively.

The differences reflected individual performance and other factors, including the breadth of the executive s responsibility, the circumstances surrounding the executive s initial hiring and the desire to promote executive retention in a competitive market place. The Company pegs annual incentive opportunities at a level higher than the 50th percentile in order to provide a more attractive benefit that rewards and incentivizes annual performance, which the Company believes, in turn, encourages efforts to increase stockholder value.

Finally, the Company s retirement plans provided competitive benefits and assisted in attracting and retaining key executives. The extended vesting requirements, in particular, encourage executives to stay until retirement.

Salary

The Company pays its executives a fixed, annual salary. Salaries provide a degree of financial stability for the executives, with salary increases designed to reward recent performance and contributions. The Company reviews and may revise salaries for executives in the early part of each year. The Company uses the following principal factors to make salary decisions:

The executive s current salary;

An evaluation of the individual performance of the executive officer. Individual performance criteria include operating and financial performance of the Company, Group or function for which the executive is responsible, success in achieving his or her individual business objectives, promotion of the Company s values and initiatives and other personal criteria, including leadership, communication, teamwork, decision making, commitment to excellence and work ethic;

The recommendation of the Chief Executive Officer, in the case of other executive officers; and

Survey data available regarding salaries provided to persons holding comparable positions at the companies in the comparator groups used by the Company. Not all of the companies in the comparator groups have positions comparable to all Company positions nor is information available as to the compensation paid to all persons in those positions. The Company uses the 50th percentile as an indication of competitive salary for an executive s position. However, salaries of individual named executive officers may be above or below those levels, reflecting individual performance, responsibilities and other relevant factors.

The relative importance of each of these factors varies from executive to executive and from year to year. For 2007, in the case of other executive officers, the Company considered the Chief Executive Officer s evaluation of individual performance as a critical factor.

The Salary column of the Summary Compensation Table shows the salaries paid in 2007 to each named executive officer. The Company paid Mark Ketchum an annualized base salary of $1,200,000 for

Table of Contents

his service as Chief Executive Officer in 2007, as was agreed in his February 2006 compensation arrangement. For the other named executive officers, the Company increased, effective February 1, 2007, their base salaries by approximately three to six percent from their prior levels. The Company approved the increases to reward positive individual performance and contribution to Company performance, to reflect the higher salaries for comparable positions at the companies in the comparator groups and because the Company had not increased base salary levels since 2005. In addition, in December 2007, the Company increased the base salary for Mr. Roberts by approximately seven percent in connection with his appointment, and as a result of this increased responsibilities, as Executive Group President, Office Products and Cleaning, Organization and Décor.

The Company believes that the salaries it paid in 2007 to each named executive officer served the Company s goals to:

reward each individual s performance and contribution to the Company s overall performance for the year based on operating and financial performance of the Company, Group or function for which the executive is responsible, success in achieving his or her individual business objectives and other personal criteria, including leadership, communication, teamwork, decision making, commitment to excellence and work ethic; and

retain each individual s services because the Company paid overall compensation, including salaries, at a competitive level based on the Company s review of salaries and overall compensation paid by the companies in the Company s comparator groups.

Annual Incentive Compensation

The annual incentive program is designed to reward performance that supports the Company s short-term performance goals. The Company provides annual performance-based compensation to the named executive officers and other executives under its Bonus Plan. Within the first 90 days of each year, the Company sets goals for the year under the Bonus Plan, based on its short-term performance goals. The Company pays a cash bonus, measured as a percentage of the executive s salary, based on the extent to which the Company achieves each of the performance goals. If a performance goal is met at the target level, the Company pays the target bonus for that goal. Performance above the target for a goal results in payment of a higher percentage of salary up to a preestablished maximum, depending on participation levels. Performance below the target results in a lower bonus payment for that goal if a minimum threshold is met, or no payment if it is not.

For 2007, as in 2006, the performance goals for cash bonus payments to the named executive officers were based on the Company s Earnings Per Share, Cash Flow, Internal Sales Growth and Total Shareholder Return (as measured against the actual total shareholder return in 2007 of the companies in the custom comparator group). In the case of those named executive officers who served as Group Presidents during 2007 (Messrs. Roberts and Marton), the goals were based 50% on those overall Company performance goals and 50% on their individual Group s Operating Income, Cash Flow and Internal Sales Growth. The Company paid Mr. Marton a bonus based on the criteria for Group Presidents since he served in the capacity for almost 11 months in 2007. In the case of each of the other named executive officers (Messrs. Ketchum, Robinson and Blaha), the goals were based 100% on overall Company performance measures.

The range of goals spread incentive across various categories to help ensure that no particular performance category received excessive focus at the expense of others. The Company and Group Internal Sales Growth goals were intended to emphasize the importance of increasing its internal sales. The Total Shareholder Return goal aimed to align further the interests of executives with those of Company stockholders. The 50-50 split for Group Presidents rewarded performance of the President s Group while aligning their interests with the success of the overall Company. The relative weight assigned under the Bonus Plan to each performance goal for 2007 for each named executive officer appears in the table below.

2007 Bonus Plan: Relative Percentage Assigned to Each Performance Goal

Performance Goal	Mark D. Ketchum	James J. Roberts	J. Patrick Robinson	Steven G. Marton	Hartley D. Blaha
Earnings Per Share	50%	25%	50%	25%	50%
Internal Sales Growth	20%	10%	20%	10%	20%
Cash Flow	15%	7.5%	15%	7.5%	15%
Total Shareholder Return	15%	7.5%	15%	7.5%	15%
Group Operating Income		25%		25%	
Group Cash Flow		12.5%		12.5%	
Group Internal Sales Growth		12.5%		12.5%	

For purposes of measuring attainment of the performance goals in 2007:

The Total Shareholder Return goal is the stock price increase plus dividends paid during the year divided by the stock price at the beginning of the year.

The Earnings Per Share goal excludes the effect of impairment and restructuring charges.

The Group Operating Income goal includes foreign exchange gains and losses and excludes foreign tax adjustments and franchise taxes and the effect of minority ownership interests.

The Cash Flow goal is operating cash flow less capital expenditures and dividends.

The Group Cash Flow goal is cash flow derived from Group operating income after an applied tax rate, less cash expenditures associated with purchase accounting reserves and restructuring, less Group capital expenditures.

The Internal Sales Growth and Group Internal Sales Growth goals exclude the impact of material acquisitions and divestitures.

Group level performance goals include the effect of businesses classified as discontinued operations for the portion of the year during which they were owned by the Company. However, upon the divestiture of a business unit, Group level performance targets are restated to exclude budgeted results for the business unit to the extent allocated to the period following the divestiture.

Under the Bonus Plan, the Committee determines the performance goals for the named executive officers, and bonus payments are made only on the Committee s determination that the performance goals for the year were achieved. When the performance goals for 2007 were established, the Company viewed the target goals, with a few exceptions, as likely to be met if the Company and each Group performed in accordance with annual budgets. The exceptions were (1) the Internal Sales Growth and Group Internal Sales Growth goals, where targets exceeded budgets in order to maximize incentives for increased sales growth, and (2) the Total Shareholder Return goal, which was unpredictable because it depended in large part on the performance of the other companies in the custom comparator group and other external factors. The corporate target goals used under the Bonus Plan for 2007 are set forth below:

2007 Bonus Plan: Corporate Performance Targets and Payout Percentages

Performance Goal	Target	Actual Performance	% Attainment of Target
Earnings Per Share	$1.72	$1.97	200%
Internal Sales Growth	+3%	+3.3%	111%
Cash Flow	$450 million	$462 million	110%
Total Shareholder Return (Rank in Custom Comparator Group)	12th	19th	7.2%

Table of Contents

Attainment of the target indicated above in respect of each of these measures would have resulted in a bonus payout equal to 100% of the target cash bonus. The maximum payout in respect of each measure was equal to 200% of the target cash bonus. The Bonus Plan does not provide for discretion to waive pre-established goals.

For 2007, the Company based bonus payouts on a target of 105% of base salary for the Chief Executive Officer and 65% of base salary for each of the other named executive officers and used those levels because the Company believed that targeted payouts at those levels would achieve annual incentive compensation at or near the 65th percentile level of the comparator groups.

For 2007, the amount of the bonus paid to each named executive officer appears in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table. The Company paid Mr. Ketchum a bonus for 2007 of $1,837,080, or 145.8% of target bonus opportunity of 105% of his base salary. The table below shows bonus payouts for 2007 to the named executive officers as a percentage of target opportunity and as a percentage of base salary.

Name	Target as % of Base Salary	Actual % of Target Opportunity Paid	Actual % of Base Salary Paid
Mark D. Ketchum	105%	145.8%	153.1%
J. Patrick Robinson	65%	145.8%	94.8%
James J. Roberts	65%	137.0%	89.1%
Steven G. Marton	65%	86.4%	56.2%
Hartley D. Blaha	65%	145.8%	94.8%

Differences in the relative performance against goals for the Groups account for the differing actual payout percentages shown for the Group Presidents. Additional information appears in the Estimated Possible Payouts Under Non-Equity Incentive Plan Awards columns of the Grants of Plan-Based Awards table.

The Company believes that the cash bonuses it paid for 2007 to each named executive officer served the Company s goals to:

- motivate each of them to exceed Company performance goals, three of which were in fact exceeded; and
- allow the Company to retain their services because it provided each of them with the opportunity to receive a cash bonus at a competitive level based on the Company s review of annual incentive and overall compensation paid by the companies in the Company s comparator groups.

Amendments to Bonus Plan

In February 2008, the Company adopted an amended Bonus Plan, subject to stockholder approval at the 2008 annual meeting. The Company changed the goals and relative percentages that will apply to the named executive officers under this Bonus Plan. Total Shareholder Return was eliminated as a performance goal because the Company believes that Total Shareholder Return, which measures the Company s performance only against the performances of others, does not serve to promote the Company s short-term performance goals as effectively as do the other measures the Company uses. The Company performance goals for 2008 are Earnings Per Share, Cash Flow and Internal Sales Growth. In the case of the Group Presidents, the goals continue to be based 50% on the Company performance goals and 50% on their individual Group s Operating Income, Cash Flow and Internal Sales Growth. In the case of the other named executive officers, the goals continue to be based 100% on Company performance measures.

Table of Contents

Long-Term Incentive Compensation

Long-term incentive awards motivate executives to increase stockholder value over the long term and align the interests of executives with those of stockholders. The Company provides long-term incentive compensation to the named executive officers and other executives primarily with annual awards of stock options and shares of restricted Company stock. The stock options and restricted stock are awarded under the Company s 2003 Stock Plan. The 2003 Stock Plan also permits the Company to award restricted stock units, stock appreciation rights, performance shares, and performance units, as well as other equity awards. The Company considers the 50th percentile of its comparator groups to be an indication of the competitive long-term incentive compensation level for executives because paying compensation at this level will allow the Company to attract and retain the best possible executive talent.

In 2007, the Company awarded stock options with a value of approximately 35% of the total value of long-term incentive compensation awarded to the named executive officers and restricted stock with a value of approximately 65% of the total value of long-term incentive compensation awarded to the named executive officers. The Company determined these percentages based on its review of the compensation paid pursuant to long-term incentive compensation programs of the companies in the Company s comparator groups and the Company s belief that this allocation of stock options and restricted stock would enable the Company to award long-term incentive compensation at a competitive level. For this purpose, the Company uses the valuation methodology developed by the Committee s compensation consultant rather than the FAS 123(R) valuation. This methodology values stock-denominated awards for purposes of assessing compensation levels at one company in relation to those delivered at another, and seeks to compute the dollar equivalence of different award types.

The model used by the Company in valuing options for this purpose constitutes a modified Black-Scholes approach that recognizes option-specific terms, vesting schedules, forfeiture provisions and strike prices, as well as the particular characteristics of the stock underlying the option, such as volatility and dividend yield. The formula assumes that the option life equals the option term (ten years), and ignores exercise patterns, based on the belief that early exercises reflect individual decisions not relating to the inherent value of the equity opportunity. The formula for options also assumes that future share price volatility equates to the daily change in share price over the 36 months preceding the option grant date. In the case of restricted stock, this methodology applies a discount of 10 to 12 percent to the market price of a share on the grant date to reflect the risk of forfeiture, as opposed to the common accounting convention that reflects an undiscounted share value. This approach is consistent with the methodology used by the consultant in valuing the long-term incentive opportunities provided by companies within the comparator groups used by the Company, providing for comparability of award values.

Stock Options

In 2007, the Company made specific grants of stock options to the named executive officers (other than Mr. Ketchum) based on a management recommendation. Management prepared the recommendation based primarily on an evaluation of the executive s performance and expected future contribution to the Company and consideration of market data (provided by the Company s outside compensation consultant) using the 50th percentile for comparable positions at other companies in the comparator groups.

Options granted under the 2003 Stock Plan have an exercise price equal to the closing sale price of the common stock on the date of grant, have a maximum term of ten years, and become exercisable in annual cumulative installments of 20% of the number of options granted over a five-year period. All options granted in 2007 to named executive officers were subject to this five-year vesting schedule. In addition to the annual grants, the Company will from time to time grant stock options to executive officers in circumstances such as a promotion, a new hire or for retention purposes.

Based on the criteria above, in 2007, Mr. Ketchum received a grant of options to purchase 400,000 shares of common stock. Mr. Ketchum s options have an exercise price of $30.37, which was the closing stock price on the grant date.

Table of Contents

The Option Awards column of the Summary Compensation Table shows the dollar amount recognized for financial statement reporting purposes in 2007 in accordance with FAS 123(R) (but disregarding adjustments for estimated forfeitures) in respect of stock option grants to the named executive officers, and thus includes amounts attributable to awards made in both 2007 and prior years. The total FAS 123(R) grant date fair value of stock options awarded to each of the named executive officers in 2007 appears in the Grant Date Fair Value of Stock and Option Awards column of the Grants of Plan-Based Awards table below.

The Company currently grants only non-qualified stock options, based on its view that the tax benefits to the Company of non-qualified stock options outweigh the potential tax benefits to executives of incentive stock options.

Restricted Stock

For 2007, as in 2006, the Company used the LTIP to determine the number of shares of restricted stock to award to executives under the 2003 Stock Plan. Under the LTIP, the fair market value of the shares awarded equaled a percentage of the executive s salary, with the percentage determined by the level of attainment of the performance goals established for the immediately preceding year. The target, and maximum, value of restricted stock awarded to named executive officers under the LTIP is 100% of salary or, for the grant made to the Chief Executive Officer in 2008 (based on 2007 performance), 200% of salary.

For 2007, the Company set LTIP performance goals based on the Company s Total Shareholder Return in comparison with the actual Total Shareholder Return of the custom comparator group companies for the year and the extent to which the Company achieved a Cash Flow goal. The Cash Flow goal for 2007 consisted of cash flow provided by operating activities less capital expenditures and dividends. For 2007, the Total Shareholder Return goal was 75% of the total performance goals and Cash Flow was 25%, and target payouts would occur in respect of these goals upon the attainment of a Total Shareholder Return within the top five of the custom comparator group and Cash Flow at or above 110% of the Cash Flow target under the Bonus Plan.

The restricted stock awarded to each named executive officer in 2007 based on performance in 2006, represented 81.3% of target, and maximum, opportunities. The Stock Awards column of the Summary Compensation Table shows the dollar amount recognized for financial statement reporting purposes in 2007 in accordance with FAS 123(R) (but disregarding adjustments for estimated forfeitures) in respect of restricted stock awards to the named executive officers, and thus includes amounts attributable to awards in both 2007 and prior years. The total FAS 123(R) grant date fair value of restricted stock awarded to each of the named executive officers in 2007 appears in the Grant Date Fair Value of Stock and Option Awards column of the Grants of Plan-Based Awards table below.

The Company s performance in 2007 resulted in restricted stock awards in February 2008 equal to 42.9%, or 85.8% in the case of the Chief Executive Officer, of executive officer salaries. The grants of restricted stock to each of the named executive officers in February 2008 under the LTIP represented 42.9% of target and maximum opportunities. The awards of restricted stock made in February 2008 are described in the footnotes to the Stock Awards column of the Summary Compensation Table.

The Committee determines the extent to which the LTIP performance goals have been achieved and also has discretion to reduce any amount of restricted stock to be awarded under the LTIP. That discretion was not exercised in 2007. In addition to grants under the LTIP, the Company will from time to time make awards of restricted stock to executive officers in circumstances such as a promotion, a new hire or for retention purposes.

In February 2006, the Company awarded Mr. Ketchum 50,000 shares of restricted stock on a one-time basis under the terms of his employment as Chief Executive Officer. The one-year vesting period of the award was contingent on stockholder approval of the amendment and restatement of the 2003 Stock Plan, which would permit a vesting period for restricted stock shorter than three years. Because that

22

Table of Contents

approval was received, the shares vested in February 2007, one year after the date of grant. The Company used the one-year vesting to provide Mr. Ketchum with an immediate equity stake in the Company.

All shares of restricted stock granted to the named executive officers in 2007 are subject to a risk of forfeiture and restrictions on transfer which lapse three years after the date of award only if the executive remains employed by the Company.

The Company believes that the long-term incentive compensation awards it made in 2007 to each named executive officer served the Company s goals to:

- motivate each of them to exceed Company performance goals;
- in the case of stock options, reward each named executive officer s individual performance and contribution to the Company s overall performance for the year based on operating and financial performance of the Company, Group or function for which the executive is responsible, success in achieving his or her individual business objectives and other personal criteria, including leadership, communication, teamwork, decision making, commitment to excellence and work ethic;
- retain their services because it provided each of them with the opportunity to receive a stock awards at a competitive level based on the Company s review of long-term and incentive and overall compensation paid by the companies in the Company s comparator groups; and
- help to link the financial interests of the named executive offices and stockholders.

Amended LTIP

In February 2008, the Company adopted a new LTIP, which will be used to determined long-term incentive compensation for executives beginning in 2009 (the current methodology described above continues to apply with respect to 2008 grants). The forms of equity compensation awarded under the LTIP will be stock options and restricted stock units (restricted stock will no longer be awarded). The new LTIP is intended to provide executives long-term incentive compensation with an economic value at approximately the 50th percentile of such compensation paid to employees holding comparable job positions at the companies within the Company s comparator groups. Of this target value, 40% will be paid in an award of non-qualified stock options, 30% will be paid in an award of time-based restricted stock units, and 30% will be paid in an award of performance-based restricted stock units, with the performance goals based on Total Shareholder Return. Stock options will vest at a rate equal to 331/3% per year over a three-year period, time-based restricted stock will vest three years after the date of the award, and performance-based restricted stock units will vest three years after the date of the award, with the number of such performance based units that actually vest adjusted based on the level of achievement of the performance goals (to a maximum of 200% of the target number and a minimum of 0% of the target number).

Grant Policies and Practices

The Company s practice has been to make annual grants of stock options and restricted stock and other incentive compensation to named executive officers at the time of regularly scheduled meetings of the Board of Directors or its Organizational Development & Compensation Committee in February of each year. Those meetings typically occur within a few weeks after the Company has announced its financial results for the recently completed fiscal year. On occasion, the Company makes additional grants to named executive officers, typically in connection with their hiring or promotion or for retention purposes. The Company s policy is that all stock option, restricted stock award and other equity based grants will be made only at quarterly meetings of the Committee or the Board of Directors, which closely follow release of the Company s quarterly or annual financial results.

Table of Contents

Stock Ownership Guidelines

In 2005 the Company adopted stock ownership guidelines that apply to the Chief Executive Officer and all management employees who report directly to the Chief Executive Officer (including the named executive officers and all Group Presidents). Under the guidelines, the Company expects the Chief Executive Officer to maintain ownership of Company stock having a market value equal to three times his annual salary. The Company expects other executives to maintain ownership of Company stock having a value of twice their annual salaries. All shares held directly or beneficially, including shares of restricted stock and shares held under the Company s 401(k) Savings and Retirement Plan, count toward attainment of these targets. Unexercised stock options are not counted. Each participant has three years to achieve the applicable ownership target. If a participant is promoted, the executive will have three years to increase his or her holdings to meet the ownership requirements at the new level. The Company can enforce the guidelines using restrictions on the sale of Company stock when stock ownership is below the target ownership level and by paying certain compensation in the form of stock rather than cash.

All Other Compensation

The Company provides its executive officers other benefits as part of its executive compensation program which it believes are in line with competitive practices. See the All Other Compensation column of the Summary Compensation Table and the related footnotes and narrative discussion. Those benefits include:

- personal use of a leased automobile worth up to $80,000 in the case of the Chief Executive Officer, or $60,000 in the case of each of the other named executive officers;
- personal use of Company aircraft by the CEO;
- limited personal use of Company aircraft by executive officers other than the CEO in exceptional circumstances;
- tax planning and tax return preparation services;
- Company contributions to the executive s account under the 2002 Deferred Compensation Plan;
- Company contributions to the 401(k) Savings and Retirement Plan, including Company contributions that match employee deferrals and retirement savings contributions;
- payment of life and long-term disability insurance premiums;
- annual health examinations required by the Company; and
- assistance upon a new hire or transfer necessitating relocation, which includes reimbursement of various relocation expenses, a relocation allowance, a bonus for an early sale of the executive s home, and tax assistance on certain taxable reimbursed expenses.

While the Company maintains corporate aircraft primarily for business travel, the Company believes that it is in the best interest of the Company from a productivity, safety and security concern that the Chief Executive Officer be permitted to use the aircraft for personal travel. The Company also permits limited use of corporate aircraft by other named executive officers for personal travel in exceptional circumstances.

Retirement Compensation

The Company provides its eligible executives with retirement benefits that are in addition to those provided to its employees generally in order to provide competitive benefits and assist in attracting and retaining key executives. These retirement benefits are provided using a combination of the Company s Supplemental Executive Retirement Plan (SERP) and 2002 Deferred Compensation Plan.

The named executive officers can accrue retirement benefits that, if paid as an annuity at age 65, would provide an annual benefit equal to a percentage of their average salary and cash bonus during the

Table of Contents

five consecutive years of employment in which it was highest, offset by benefits under the Company s Pension Plan and Social Security. The maximum benefit payable to a named executive officer who had a title of President or above on December 31, 2003 (namely, Messrs. Robinson, Roberts and Blaha) is equal to 67% of his average annual salary and bonus for the five consecutive years in which it was highest. The maximum benefit payable to a named executive officer who is hired with or promoted to a title of President or above after 2003 (namely, Messrs. Ketchum and Marton) is 50% of his average annual salary and bonus for the five consecutive years in which it was highest. The benefit is reduced pro rata if the executive s credited service is less than 25 years and reduced 6% annually if the executive retires and begins receiving payments before age 65.

This annuity benefit (after the offsets described above) is reduced by the annuity value of the executive s SERP Cash Account under the 2002 Deferred Compensation Plan, the vested portion of which is paid out following termination of employment. Each named executive officer s Cash Account consists of the present value, if any, of his SERP benefit accrued as of December 31, 2003, annual Company contributions beginning in 2004 generally ranging from 3% to 6% of compensation, depending on age and years of service, and earnings on the Cash Account. However, for Messrs. Ketchum and Marton, the contribution only takes into account compensation that is in excess of the IRS limit, which was $225,000 for 2007. If the value of the Cash Account, as converted to an annuity, is less than the SERP annuity portion, the difference is paid from the SERP. If the value of the Cash Account, as converted to an annuity, is equal to or more than the SERP annuity portion, no benefit is paid from the SERP. In any event, the executive is entitled to the Cash Account, to the extent vested, following his termination of employment.

Each named executive officer must satisfy various vesting requirements before becoming entitled to these retirement benefits. These extended vesting periods encourage executives to remain with the Company.

A more detailed discussion of these retirement benefits appears under Executive Compensation Retirement Plans, below.

Deductibility of Compensation

Section 162(m) of the Internal Revenue Code limits the deductibility of executive compensation paid to the chief executive officer and to each of the three other most highly compensated officers (other than the chief financial officer) of a public company to $1 million per year. However, compensation that is considered qualified performance-based compensation generally does not count toward the $1 million deduction limit. Annual salary does not qualify as performance-based compensation under Section 162(m) due to its nature. Amounts paid under the Bonus Plan, stock options, restricted stock awards and restricted stock units granted pursuant to LTIP based on corporate performance criteria generally qualify as fully deductible performance-based compensation. Any restricted stock awards or restricted stock units not based on corporate performance criteria are not likely to be fully deductible by the Company when the restrictions lapse and the shares are taxed as income to an executive officer while he or she is subject to Section 162(m). However, the Company believes that most of the compensation paid to the named executive officers for 2007 will be deductible for federal income tax purposes.

The Company considers the tax deductibility of executive compensation as one factor to be considered in the context of its overall compensation philosophy and objectives. However, the Company will not necessarily limit executive compensation to amounts deductible under Section 162(m), since the Company desires to maintain the flexibility to structure compensation programs that attract and retain the best possible executive talent and meet the objectives of the Company s executive compensation program.

Employment Agreements

The Company does not have employment agreements with its executive officers. In connection with hiring an executive officer, the Company does make written compensation offers and arrangements. It also has Employment Security Agreements, described below, with its executive officers, which apply only if there is a change in control of the Company. Executive officers may also receive post-employment benefits

Table of Contents

under the severance plan described below, with the exact amount dependent on the Company s discretion. The Company believes that the absence of employment agreements gives the Company more flexibility to make changes that it concludes are appropriate.

In November 2005, the Company made compensation arrangements for Mr. Ketchum s service as Chief Executive Officer on an interim basis. When the Company chose Mr. Ketchum as its Chief Executive Officer in February 2006, it entered into a compensation arrangement with him. The arrangements are summarized under Summary Compensation Table and Potential Payments Upon Termination or Change in Control of the Company.

Employment Security Agreements

The Company has Employment Security Agreements with each of its named executive officers as well as with other executives and key employees. In 2007 the Company adopted a new form of Employment Security Agreement. Many of the Company s executives and key employees, including all of the named executive officers, remain parties to the previously existing form of Employment Security Agreement. The Company amended the form agreement in order to comply with Section 409A of the Internal Revenue Code, adopted in 2004, and because the Company believes that the new form of Employment Security Agreement contains terms, in the aggregate, that are more consistent with current market practice. Please see the caption Potential Payments Upon Termination or Change in Control of the Company Employment Security Agreements below for a discussion of the terms of the Employment Security Agreements.

The Company believes that the protections afforded by the Employment Security Agreements are a valuable incentive for attracting and retaining top managers. It believes that the Agreements are particularly important because the Company does not have employment agreements or long-term arrangements with its executives. The Company also believes that, in the event of an extraordinary corporate transaction, the agreements could prove crucial to the Company s ability to retain top management through the transaction process. Also, the Agreements include covenants that prohibit the executives from competing and from soliciting Company employees for 24 months following a termination of employment.

Severance Plan

The Company has severance plans that provide benefits to non-union employees who are involuntarily terminated without cause due to a layoff, reduction in force, reorganization or similar reason. For named executive officers following a qualifying termination of employment, the plans provide (1) continued salary for a period, in the Company s sole discretion, of 52 to 104 weeks (reduced by 50% once the executive is re-employed), and (2) continued health coverage, with the executive paying active employee rates for the duration of the severance period. Severance benefits are not paid if the executive officer (a) receives severance pursuant to an Employment Security Agreement or another agreement or (b) declines an offer to remain with the Company unless the offer requires him to relocate more than 50 miles, involves more than a 15% reduction in total cash compensation opportunities, or is not for a comparable position. Benefits under the severance plans are contingent on the executive s release of claims against the Company. The Company believes that appropriate severance benefits are essential to attracting and retaining talented executives.

Processes and Procedures for the Consideration and Determination of Executive Officer Compensation

The Committee determines and makes recommendations to the Board of Directors concerning the compensation of the Company s executive officers, including the named executive officers, and non-employee directors. The Committee reviews and recommends to the Board of Directors:

base salary amounts for the Chief Executive Officer and his direct reports,

- annual incentive programs and payout of such plans for the Chief Executive Officer and key executives,
- long-term equity incentive compensation, using individual stock option and restricted stock awards, as well as all policies related to the issuance of options and restricted stock within the Company, including to directors,
- annual performance goals for the Company under the Bonus Plan and the LTIP, and
- amounts of the annual retainers and other fees for the Company s non-employee directors.

The full Board of Directors reviews and approves all decisions of the Committee relating to compensation of the Company s executive officers and directors. Only independent members of the Board of Directors participate with respect to decisions relating to compensation of the Chief Executive Officer.

The Chief Executive Officer recommends to the Committee, in the case of other executive officers, base salary amounts, stock option and restricted stock awards and annual performance goals for the Company under the Bonus Plan and the LTIP. The Chief Executive Officer acts on advice of the members of his management team in recommending to the Committee, in the case of other executive officers, elements of their executive compensation. The Chief Executive Officer s management team plays a prominent role in gathering information for, and by participating in meetings of, the Committee. In particular, the Chief Executive Officer works with the Executive Vice President-Human Resources regarding recommendations on base salary amounts, stock option and restricted stock awards for executives other than the CEO and with the Chief Financial Officer in connection with recommendations on annual performance goals and determinations whether performance goals were attained for the Company under the Bonus Plan and the LTIP.

The Committee has directly engaged Hewitt Associates, LLC as the Committee s outside consultant to assist it in reviewing the effectiveness and competitiveness of the Company s executive compensation and outside director programs and policies, including to:

- make recommendations regarding executive compensation consistent with the Company s business needs, pay philosophy, market trends, and the latest legal and regulatory considerations,
- provide market data as background to annual decisions regarding Chief Executive Officer and senior executive base salary, annual bonus, and long-term incentives, and
- advise the Committee regarding executive compensation best practices.

Hewitt Associates, LLC also provides pension administration, human resources consulting and executive compensation consulting services directly to the Company. In order for the Committee to obtain a different perspective on the Company s executive compensation program, the Committee has engaged Frederick W. Cook Incorporated to be the Committee s outside consultant beginning in May 2008.

Custom Comparator Group.

The following 24 companies were in the Company s custom comparator group for 2007:

3M Company
Alberto-Culver Company
Avery Dennison Corporation

Colgate-Palmolive Company
Cooper Industries, Ltd.
Danaher Corporation
Dorel Industries, Inc.
Ecolab, Inc.
Energizer Holdings, Inc.
Fortune Brands, Inc.
Groupe Seb
Helen of Troy Corporation
Illinois Tool Works, Inc.
Johnson & Johnson
Kimberly-Clark Corporation
Masco Corporation
Mattel, Inc.
The Bic Group
The Black & Decker Corporation
The Clorox Company
The Procter & Gamble Company
The Stanley Works
Trane, Inc. (Formerly known as American Standard Companies, Inc.)
Tupperware Brands Corporation

Table of Contents

Multiple Industry Index Comparator Group.

The following 107 companies were in the Company s multiple industry index comparator group for 2007:

Alcatel
Alliant Techsystems, Inc.
Alltel Corporation
Armstrong World Industries, Inc.
Arrow Electronics, Inc.
AstraZeneca
Automatic Data Processing, Inc.
Avaya, Inc.
Avery Dennison Corporation
Avon Products, Inc.
BAE Systems Land & Armaments
Baxter International, Inc.
Boise Cascade, LLC
BorgWarner, Inc.
Brunswick Corporation
Campbell Soup Company
CHS, Inc.
Colgate-Palmolive Company
ConAgra Foods, Inc.
Cooper Industries, Ltd.
Corporate Express, Inc.
Cummins, Inc.
Denso International America, Inc.
Diageo North America, Inc.
Dole Food Company, Inc.
Dover Corporation
Eastman Chemical Company
Eaton Corporation
Ecolab, Inc.
Engelhard Corporation
Equity Office Properties Trust
Federal-Mogul Corporation
First Data Corporation
Fiserv, Inc.
FMC Technologies
Fortune Brands, Inc.
Gannett Co., Inc.
General Mills, Inc.
Goodrich Corporation
Gordon Food Service
H.J. Heinz Company
Hallmark Cards, Inc.
Harley-Davidson Motor Co., Inc.
Hasbro, Inc.

Hilton Hotels Corporation
ITT Industries, Inc.
Kellogg Company
Kohler Company
L-3 Communications Corporation
Land O Lakes
Lennox International, Inc.
Levi Strauss & Co.
Marriott International, Inc.
Maytag Corporation
MeadWestvaco Corporation
Medtronic, Inc.
Mittal Steel USA, Inc.
Mohawk Industries
Molson Coors Brewing Company
Nalco Company
Nestle Purina PetCare Company
Nintendo of America
Owens Corning
Panasonic Corp of North America
Parker Hannifin Corporation
Phelps Dodge Corporation
Phillips Electronics Corporation
Pilgrim s Pride Corporation
Potash Corp of Saskatchewan, Inc.
PPG Industries, Inc.
R.R. Donnelley & Sons Company
Reynolds American, Inc.
Rinker Materials Corporation
Robert Bosch Corporation
Rockwell Automation
Rohm and Haas Company
Rolls-Royce North America, Inc.
S.C. Johnson Consumer Products
Schering-Plough Corporation
Schneider Electric USA
Schneider National, Inc.
Science Applications Int l Corp.
Solectron Corporation
Sonoco Products Company
Starwood Hotels & Resorts Worldwide, Inc.
TAP Pharmaceutical Products3, Inc.
Temple-Inland, Inc.
Textron Inc.
The Black & Decker Corporation
The Clorox Company
The Hershey Company
The Mosaic Company
The New York Times Company
The ServiceMaster Company
The Sherwin-Williams Co.

The Thomson Corporation
The Timken Company
Time Warner Cable Inc.
Trane, Inc. (Formerly known as American Standard Companies, Inc.)
Unilever United States, Inc.
Unisource Worldwide, Inc.
Unisys Corporation
United Stationers, Inc.
USG Corporation
W.W. Grainger, Inc.
Washington Group Int l, Inc.
Wm. Wrigley Jr. Company

Table of Contents

2007 Summary Compensation Table

This table shows the compensation of the Company s Chief Executive Officer, Chief Financial Officer and each of the other executive officers named in this section for the fiscal years ended December 31, 2007 and 2006.

d Principal	Year	Salary ($)	Bonus ($)	Stock Awards ($)(3)	Option Awards ($)(4)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(5)	All Other Compensation ($)	T (
Ketchum,	2007	$ 1,200,000		$ 739,407	$ 910,941	$ 1,837,080	$ 1,384,257	$ 562,483	$ 6,6
t and Chief	2006	$ 1,177,308		$ 2,333,269	$ 361,071	$ 2,337,662	$ 393,302	$ 975,289	$ 7,5
e Officer(1)									
t Robinson,	2007	$ 533,333		$ 374,646	$ 290,000	$ 505,440	$ 86,055	$ 213,950	$ 2,0
e Vice	2006	$ 515,000		$ 597,375	$ 276,885	$ 633,038	$ 85,607	$ 182,688	$ 2,2
t Chief									
. Officer									
Roberts,	2007	$ 747,917		$ 540,509	$ 494,463	$ 666,095		$ 110,887	$ 2,5
e Group	2006	$ 725,000		$ 815,546	$ 477,708	$ 790,540	$ 108,777	$ 106,064	$ 3,0
t									
. Marton,	2007	$ 543,333		$ 552,216	$ 214,823	$ 305,353		$ 94,500	$ 1,7
t, Special	2006	$ 525,000	$ 21,000	$ 599,132	$ 132,838	$ 465,847		$ 96,506	$ 1,8
ents(2)									
). Blaha,	2007	$ 422,917		$ 297,861	$ 386,400	$ 400,798		$ 79,974	$ 1,5
t,	2006	$ 400,000	$ 16,000	$ 333,619	$ 318,034	$ 511,347	$ 29,744	$ 68,592	$ 1,6
e									
ment									

(1) *Mr. Ketchum.* Appointed President and Chief Executive Officer of the Company effective February 13, 2006. Served as interim President and Chief Executive Officer of the Company from October 16, 2005 to February 13, 2006.

(2) *Mr. Marton*. Served as Group President, Office Products until December 1, 2007, when he became President, Special Assignments. Mr. Marton entered into a Separation Agreement and General Release dated February 28, 2008, ending his employment with the Company.

(3) *Stock Awards.* The amounts in this column represent the Company s expense for the years ended December 31, 2007 and 2006 with respect to all outstanding restricted stock and performance share awards held by each named executive officer, disregarding any adjustments for estimated forfeitures, and thus include amounts attributable to stock awards made in both the current and prior years. See Footnote 15 to the Consolidated Financial Statements contained in the Company s Annual Report on Form 10-K for the year ended December 31, 2007 and Annual Report on Form 10-K for the year ended December 31, 2006 for an explanation of the assumptions made by the Company in the valuation of these awards.

(4) *Option Awards.* The amounts in this column represent the Company s expense for the years ended December 31, 2007 and 2006 with respect to all outstanding stock options held by each named executive officer, disregarding any adjustments for estimated forfeitures, and thus include amounts attributable to option awards made in both the current and prior years. See Footnote 15 to the Consolidated Financial Statements contained in the Company s Annual Report on Form 10-K for the year ended December 31, 2007 and Annual Report on Form 10-K for the year ended December 31, 2006 for an explanation of the assumptions made by the Company in the valuation of these awards.

(5) *Change in Pension Value and Nonqualified Deferred Compensation Earnings*. The amounts in this column represent the annual net increase (but not less than zero) in the present value of accumulated benefits under the SERP and Pension Plan, determined for 2007 from September 30, 2006 to September 30, 2007 (the measurement date used for reporting purposes of these plans in the

Table of Contents

Company s December 31, 2007 Form 10-K) and similarly for 2006. No named executive officer participated in a plan with above-market earnings. For Messrs. Ketchum, Marton and Blaha (none of whom participate in the Pension Plan), this column reflects amounts only from the SERP. In Mr. Blaha s case, a decrease in present value under the SERP occurred for 2007 of $(10,693). For Messrs. Robinson and Roberts, this column reflects aggregated amounts from the SERP and Pension Plan. In Mr. Roberts case, an overall decrease in present value under the SERP and Pension Plan occurred for 2007 of $(3,113). The present values of accumulated benefits under the SERP and Pension Plan were determined using assumptions consistent with those used for reporting purposes of these plans in the Company s December 31, 2006 Form 10-K and December 31, 2007 Form 10-K, with certain adjustments for the use of uniform mortality tables and no reduction for mortality risk before age 65. Please refer to footnote (2) to the 2007 Pension Benefits table for information regarding the assumptions used to calculate the amounts in this column for 2007.

Salary. The Salary column of the Summary Compensation Table shows the salaries paid in 2007 and 2006 to each of the named executive officers. With respect to the period beginning on February 13, 2006, the Company paid Mr. Ketchum an annualized salary of $1,200,000 for his service as President and Chief Executive Officer in 2006 and in 2007, as was agreed in his February 2006 compensation arrangement. With respect to the period from January 1, 2006 to February 13, 2006, the Company paid Mr. Ketchum an annualized salary of $1,000,000 for his service as interim President and Chief Executive Officer in 2006. Salary increases, if any, for each year are effective as of February 1st of that year.

Bonus. The Bonus column of the Summary Compensation Table shows one-time, lump-sum payments paid to Messrs. Marton and Blaha in 2006 in lieu of a salary increase.

Stock Awards. The amounts in the Stock Awards column of the Summary Compensation Table consist of the dollar amount of expense recognized in 2007 and 2006 for financial statement reporting purposes in respect of restricted stock and performance share awards for each named executive officer (disregarding any adjustments for estimated forfeitures). Effective January 1, 2006, the Company adopted the provisions of FAS 123(R) using the modified prospective method. Under this transition method, stock-based compensation expense includes compensation expense for all stock-based compensation awards granted prior to, but not yet vested as of January 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS No. 123, Accounting for Stock-Based Compensation , and compensation expense for all share-based payment awards granted after January 1, 2006 based on grant-date fair values estimated in accordance with the provisions of FAS 123(R).

Restricted Stock. The restricted stock awarded to each named executive officer in 2007 under the LTIP, based on performance in 2006, represents 81.3% of the target and maximum opportunities. The restricted stock awarded in 2006 to each named executive officer, other than the Chief Executive Officer under the LTIP, based on performance in 2005, represented 87.5% of target and maximum opportunities. The Chief Executive Officer did not receive an award of restricted shares in 2006 pursuant to the LTIP. However, In February 2006, the Company granted Mr. Ketchum 50,000 shares of restricted stock on a one-time basis under the terms of his employment as Chief Executive Officer, which shares vested in February 2007, one year after the date of grant. Shares of restricted stock granted in 2006 and 2007 are subject to a risk of forfeiture and restrictions on transfer which lapse three years (other than in the case of the 2006 award to Mr. Ketchum) after the date of award only if the executive remains employed by the Company. Vesting may be accelerated as a result of death or disability, or certain changes in control of the Company. Holders of restricted stock are entitled to vote their restricted shares and receive dividends at the rate paid to all holders of the Company s common stock.

In addition, the Company awarded restricted stock to the Messrs, Ketchum, Robinson, Roberts and Blaha on February 13, 2008 on the basis of the Company s attainment of 2007 performance criteria pursuant to the LTIP. The grant date fair value of these awards, computed in accordance with FAS 123(R), is: Mr. Ketchum, $1,029,601;

Mr. Robinson, $229,515; Mr. Roberts, $343,200; and Mr. Blaha, $182,316. These grants represented 42.9% of target and maximum opportunities and were equal to 42.9%, or

Table of Contents

85.8% in the case of Mr. Ketchum, of salary in 2007. The expense recognized in 2008 for these awards will be reported in next year s Summary Compensation Table along with other 2008 compensation.

Performance Shares. The performance share awards made in 2006 provided the named executive officers (other than Mr. Ketchum) the right to receive unrestricted common stock in 2007 based on the extent to which the Company achieved 2006 performance goals under the Bonus Plan. Because those goals were met above target levels, each of those named executive officers received shares having a market value as of February 13, 2007 (the date on which the shares were issued to the named executive officer) equal to 35.5% of the individual s base salary during 2006, which reflects the reduction in the individual s target cash bonus (as a percentage of salary) from 2005 to 2006.

In connection with Mr. Ketchum s service as interim President and Chief Executive Officer, the Company awarded him a performance share award in 2006. That award entitled him to receive up to 50,000 shares of unrestricted stock of the Company in 2007. The award was based equally on attainment of the performance goals for 2006 under the Bonus Plan, which were met as described above, and on attainment of the individual performance criteria established by the Board of Directors for 2006. The Board determined in 2007 that it was satisfied with Mr. Ketchum s performance on these criteria and did not exercise its discretion to reduce the number of shares of Company stock. As a result, Mr. Ketchum received the full award of 50,000 shares in February 2007.

The Company did not award performance shares in 2007.

Option Awards. The amounts in the Option Awards column of the Summary Compensation Table consist of the dollar amount of expense recognized for financial statement reporting purposes in respect of stock option awards for each named executive officer, computed in accordance with FAS 123(R) (disregarding any adjustments for estimated forfeitures). All options granted to the named executive officers in 2007 and 2006 have an exercise price equal to the closing sale price of the common stock on the date of grant, become exercisable in annual cumulative installments of 20% of the number of options granted over a five-year period, and have a maximum term of ten years. Vesting may be accelerated and earlier exercise permitted as a result of death, disability or retirement, or certain changes in control of the Company. Actual gains, if any, on stock option exercises are dependent on several factors, including the future performance of the common stock, overall market conditions and the continued employment of the named executive officer, and may be more or less than the fair value assigned to stock option awards under FAS 123(R).

Non-Equity Incentive Plan Compensation. The Non-Equity Incentive Plan Compensation column of the Summary Compensation Table shows the cash bonus the Company awarded under the Bonus Plan to each named executive officer. The Company pays all of these amounts in the month of February following the year in which they are earned.

Each of the named executive officers is eligible to participate in the Bonus Plan. Cash payouts under the Bonus Plan are tied to the Company s performance against objective criteria established by the Organizational Development & Compensation Committee. For 2007 and 2006, the performance goals for cash bonus payments to the named executive officers were based on the Company s Earnings Per Share, Cash Flow, Internal Sales Growth and Total Shareholder Return. In the case of those named executive officers who are Group Presidents, the goals were based 50% on those overall Company performance goals and 50% on their individual Group s Operating Income, Cash Flow and Internal Sales Growth. The bonus amount payable is a percentage of salary based upon a participant s participation category and the level of attainment of the applicable performance goals. Performance below the target levels will result in lower or no bonus payments, and performance above the target levels will result in higher bonus payments. With respect to the 2007 Bonus Plan, the applicable Company performance targets were achieved at a 145.8% level and the bonus payout to the Chief Executive Officer equaled $1,837,080 or 153.1% of his salary. For the other named executive officers, since the applicable performance goal targets were achieved at levels ranging from 131.2% to 189.1% in 2006 and 86.4% to 145.8% in 2007 (based on relative differences in attainment of Company and individual Group performance goals), the bonus payouts ranged from 85.3% to 122.9% and 56.2% and 94.8% of salary in 2006 and 2007,

Table of Contents

respectively. For 2006, since the applicable Company performance goal targets were achieved at a 189.1% level, the bonus payout to the Chief Executive Officer equaled $2,337,662, or 198.55% of his salary under the 2006 Bonus Plan. For both 2007 and 2006, the Chief Executive Officer could have received a maximum bonus payout of 210% of salary, and each of the other named executive officers could have received a maximum bonus payout of 130% of salary. Additional explanation of the non-equity incentive plan compensation for each named executive officer appears above under the caption Compensation Discussion and Analysis Annual Incentive Compensation and below in the footnotes to the Grants of Plan-Based Awards table.

All Other Compensation. The All Other Compensation column of the Summary Compensation Table reflects the following amounts for each named executive officer in 2007.

Name	Personal Use of Aircraft (1)	Relocation (2)	Other Perquisites and Personal Benefits (3)	Tax Reimbursement (4)	401(k) Plan (5)	SERP Cash Account Credit (6)	Life Insurance Premiums (7)	Total
Mark D. Ketchum	$ 314,378		$ 22,162		$ 8,800	$ 212,260	$ 4,883	$ 562,483
J. Patrick Robinson	$ 34,123	$ 60,171	$ 22,743	$ 17,057	$ 17,800	$ 58,277	$ 3,779	$ 213,950
James J. Roberts			$ 15,600		$ 15,088	$ 76,767	$ 3,432	$ 110,887
Steven G. Marton			$ 25,181		$ 15,300	$ 50,417	$ 3,602	$ 94,500
Hartley D. Blaha			$ 24,210		$ 15,600	$ 37,328	$ 2,836	$ 79,974

(1) *Personal Use of Aircraft.* This column shows the estimated incremental cost to the Company in 2007 of providing personal use of Company-owned aircraft to Messrs. Ketchum and Robinson. The estimated cost of aircraft usage by the named executive officers is determined by multiplying flight hours by an average estimated hourly cost of operating the aircraft. The hourly cost is calculated at the beginning of each year by dividing total budgeted variable expenses, such as fuel, equipment repair, supplies, pilot lodging, meals and transportation, airport services and aircraft catering, by estimated flight hours for the year.

(2) *Relocation*. For Mr. Robinson, this amount represents (a) payment of Mr. Robinson s living expenses in Atlanta, Georgia, pending his relocation ($12,382) and (b) the reimbursement of his relocation expenses in connection with the relocation of Mr. Robinson s principal residence to Atlanta, Georgia ($47,789).

(3) *Other Perquisites and Personal Benefits.* The amounts in this column consist of (a) the incremental cost to the Company of providing personal use of a leased Company automobile to each named executive officer; (b) all amounts paid by the Company to or on behalf of Messrs. Ketchum, Robinson, Marton and Blaha in respect of tax planning and return preparation services; and (c) all amounts paid by the Company for physical examinations, which are required pursuant to Company policy of each named executive officer.

(4)

Tax Reimbursement. This column shows the amount of reimbursement of taxes associated with certain taxable reimbursements paid to Mr. Robinson in connection with his relocation in 2007.

(5) *401(k) Plan*. This column shows the amount of all Company matching and retirement contributions made in 2007 under the Company s 401(k) Savings and Retirement Plan on behalf of each named executive officer.

(6) *SERP Cash Account Credit*. Each of the named executive officers is eligible to participate in the 2002 Deferred Compensation Plan and the SERP Cash Account. This column shows the annual employer credit for 2007 (exclusive of employee deferrals) to each named executive officer s account under the 2002 Deferred Compensation Plan, which is referred to as a SERP Cash Account , as described below under Retirement Plans 2002 Deferred Compensation Plan.

(7) *Life Insurance Premiums.* This column shows all amounts paid by the Company on behalf of each named executive officer in 2007 for (a) life insurance premiums: Mr. Ketchum, $2,687; Mr. Robinson,

Table of Contents

$1,583; Mr. Roberts, $1,236; Mr. Marton, $1,406; and Mr. Blaha, $640; and (b) long-term disability insurance premiums of $2,196 for each named executive officer.

Compensation Arrangements with President and Chief Executive Officer. On February 13, 2006, with the approval of the independent members of its Board of Directors, the Company entered into a written compensation arrangement with Mr. Ketchum in connection with his appointment as the Company s President and Chief Executive Officer. The material terms of this arrangement are:

Salary of $1,200,000 per year. See the Salary column of the Summary Compensation Table.

An annual bonus opportunity under the Bonus Plan with a target payout equal to 105% of salary and a maximum payout equal to 210% of salary, based on attainment of the performance criteria and payout levels contained in the Bonus Plan. See the Non-Equity Incentive Compensation column of the Summary Compensation Table and the Estimated Possible Payouts Under Non-Equity Incentive Plan Awards columns under the Grants of Plan-Based Awards table.

A Company-paid automobile lease for a vehicle worth up to $80,000. See the All Other Compensation column of the Summary Compensation Table and the related description under the caption Summary Compensation Table All Other Compensation.

Participation in the LTIP, which permits Mr. Ketchum to earn an annual award of restricted shares under the 2003 Stock Plan based on attainment of annual performance criteria in respect of the Company s Cash Flow and Total Shareholder Return. The value of Mr. Ketchum s target and maximum award under the LTIP for 2007 was equal to 200% of salary, and restricted shares issued under the LTIP are subject to a three-year cliff vesting period. Mr. Ketchum s first award of restricted shares under the LTIP was granted in 2007, based on attainment of performance criteria for 2006. See the description under the caption Summary Compensation Table Stock Awards Restricted Stock.

Eligibility for an annual stock option award under the 2003 Stock Plan, with a target annual option award for 250,000 shares and a maximum annual option award for 400,000 shares. The options will have an exercise price equal to the closing price of the Company s stock on the date of grant and will vest at a rate of 20% per year over five years. Actual option awards will be determined by the Board of Directors based on individual and Company performance. See the Option Awards column of the Summary Compensation Table.

Participation in the SERP and SERP Cash Account. Mr. Ketchum is entitled to receive three years of credited service under the SERP and SERP Cash Account for each year of his first five years of completed service, and then one year of credited service for each year of completed service thereafter. The additional years of service credited to Mr. Ketchum will be forfeited in the event his employment terminates prior to completing five years of service. See the table and related description below under the captions Retirement Plans SERP and Retirement Plans 2002 Deferred Compensation Plan.

Participation in the 2002 Deferred Compensation Plan and benefit plans provided to Company employees generally, including the Total Retirement Savings Program. Under the Total Retirement Savings Program, Mr. Ketchum will receive an annual Company contribution to his 401(k) Savings and Retirement Plan account equal to five percent of his eligible earnings.

A one-time grant on February 13, 2006 of a stock option under the 2003 Stock Plan to acquire 200,000 shares of Company stock, with an exercise price equal to the closing price of the Company stock on February 13, 2006 and vesting at a rate of 20% per year over five years. See the Option Awards column of the Summary

Compensation Table.

A one-time award on February 13, 2006 of 50,000 restricted shares under the Company s 2003 Stock Plan, with a one-year cliff vesting period, which grant was approved by the Company s stockholders in connection with their approval of the amendment and restatement of the 2003

Table of Contents

Stock Plan. See the Stock Awards column of the Summary Compensation Table and the related description under the caption Summary Compensation Table Stock Awards.

Participation in the Company s executive relocation program.

Entitlement to retain the stock option award for up to 75,000 shares made in 2005, which is described below, and continued entitlement to receive a performance share award in 2006 for up to 50,000 shares under the Company s 2003 Stock Plan, in connection with his prior service as the Company s interim President and Chief Executive Officer. See the Stock Awards column of the Summary Compensation Table and the related description under the caption Summary Compensation Table Stock Awards.

Mr. Ketchum had served as the interim President and Chief Executive Officer of the Company from October 16, 2005 until February 13, 2006. On November 5, 2005, with the approval of the independent members of its Board of Directors, the Company entered into a compensation arrangement with Mr. Ketchum in connection with his interim service. The material terms of this arrangement were:

Salary of $1,000,000 per year. See the Salary column of the Summary Compensation Table with respect to the period from January 1, 2006 to February 13, 2006.

A bonus opportunity under the Bonus Plan for 2005 equal to 25% of the bonus that would have been paid to a CEO if employed for all of 2005, and based on attainment of the CEO performance criteria and payout levels contained in the Bonus Plan. This bonus was previously reported in the Summary Compensation Table of the Company s 2006 Proxy Statement.

A bonus opportunity under the Bonus Plan for 2006, equal to the bonus that would have been paid to him had he remained employed until December 31, 2006 based on attainment of the CEO performance criteria and payout levels in effect for 2006, prorated for the number of days of employment in 2006 as interim President and CEO. See the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.

Reimbursement of temporary living expenses while residing in the Atlanta, Georgia area during his employment as interim President and CEO and the use of a Company airplane for commuting purposes. See the All Other Compensation column of the Summary Compensation Table and the related description under Summary Compensation Table All Other Compensation.

Participation in the 2002 Deferred Compensation Plan and benefit plans provided to Company employees generally. See the tables and related descriptions below under the caption Retirement Plans 2002 Deferred Compensation Plan.

A grant on November 9, 2005 of a stock option under the 2003 Stock Plan to acquire up to 75,000 shares of Company stock, with an exercise price equal to the closing price of the Company stock on November 9, 2005. If his employment with the Company had terminated for any reason (including in connection with the hiring of a new President and CEO) within one year of the grant date, he would have been required to forfeit a portion of the option based on the number of full and partial months in the one-year period during which Mr. Ketchum did not serve as President and CEO. The option is subject to a vesting schedule whereby 20% of the option vests on each anniversary of the grant while he is employed or in continued service on the Board of Directors.

An award of performance shares granted in 2006 under the 2003 Stock Plan, entitling him to receive up to 50,000 shares of unrestricted stock of the Company in 2007. The award was based upon attainment of the CEO performance goals set forth in the Bonus Plan for 2006 and/or upon attainment of the individual performance criteria established by the Board of Directors. See the Stock Awards column of the Summary Compensation Table.

Table of Contents

2007 Grants of Plan-Based Awards

This table sets forth information for each named executive officer with respect to (1) estimated possible payouts under non-equity incentive plan awards that could be earned for 2007, (2) stock awards made in 2007, and (3) stock options granted in 2007.

		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards (1)			All Other Stock Awards: Number Of Shares Of Stock Or Units	All Other Option Awards: Number Of Securities Underlying Options	Exercise Or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
Name	Grant Date	Threshold ($)(2)	Target ($)(3)	Maximum ($)(4)	(#)(5)	(#)(6)	($/sh)	(7)
Mark D. Ketchum	2/6/2007					400,000	$ 30.37	$ 2,857,680
	2/6/2007				64,248			$ 1,951,212
	2/6/2007		$ 1,260,000	$ 2,520,000				
J. Patrick Robinson	2/6/2007					60,000	$ 30.37	$ 428,652
	2/6/2007				13,787			