

DEAN FOODS CO  
Form 8-K  
March 04, 2011

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported):**

**March 4, 2011**

**Dean Foods Company**

**(Exact name of registrant as specified in charter)**

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**Delaware**  
(State or other jurisdiction  
  
of incorporation)

**1-12755**  
(Commission

**75-2559681**  
(IRS Employer

File Number)  
**2711 North Haskell Ave., Suite 3400**

Identification No.)

**Dallas, TX 75204**

(Address of principal executive offices) (Zip Code)

**Registrant's telephone number, including area code: (214) 303-3400**

**Not Applicable.**

(Former name or former address, if changed since last report)

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

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

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

**Short-Term Incentive Compensation Plan**

On March 2, 2011, the Compensation Committee (the Committee) of the Board of Directors of Dean Foods Company (the Company) established objectives for 2011 short-term incentive payments payable in 2012 to the executive officers and other employees of the Company under the Company's 2011 Short-Term Incentive Compensation Plan.

Short-term incentive payments for 2011 will be paid based on the achievement of Company and/or business unit financial objectives, and individual objectives for each executive officer. The Committee determines the appropriate relative weight for each factor each year. Short-term incentive payments for 2011 will be based on the achievement of Company and business unit objectives for that portion of the target payment tied to financial objectives, and the Committee's assessment of each executive officer's performance in 2011 against their individual objectives for that portion of the target payment tied to individual objectives. The payout factor for the financial component of short-term incentive compensation for each executive officer ranges from zero to 200 percent of that officer's target payment, depending on actual performance in 2011 against the financial objectives established by the Committee. The payout factor for the individual objective component of short-term incentive compensation for each executive officer ranges from zero to 150 percent of that officer's target payment, depending on the officer's performance rating in 2011. The performance rating is determined by the achievement of the individual objectives established by the Committee. If the Company or business unit exceeds 100 percent of its respective financial objectives, then each executive officer's individual objective payout factor is multiplied by the relevant financial payout factor, resulting in a maximum payout of 300 percent of the individual objective component of the officer's short-term incentive compensation. The maximum total payout for any executive officer under the formulas above is 240% of the executive officer's target incentive opportunity.

The key Company financial objective for 2011 is targeted consolidated adjusted operating income. The key financial objectives for the Company's business units include targeted operating income and net sales where appropriate. The individual objectives include the achievement of strategic goals based on each executive officer's business unit or area of responsibility. The portion of the Short-Term Incentive Compensation Plan applicable to the Company's executive officers is attached to this Form 8-K as Exhibit 10.1, and this description is qualified entirely by reference thereto.

**Retention Plan**

In addition, on March 2, the Compensation Committee approved strategic objectives for 2011 grants to executive officers pursuant to the Company's three-year performance-based cash retention plan (the Retention Plan). The Retention Plan was previously approved by the Compensation Committee on December 20, 2010, and further described in our Current Report on Form 8-K filed on December 27, 2010. Pursuant to the Retention Plan, each executive officer can receive a maximum amount equal to his or her target bonus established for 2011. For 2011, payouts will be made at 0%, 75% or 100% of target payout based on the achievement of the strategic objectives established by the Committee, depending on the officer's area of responsibility. Achievement of these objectives will be measured as of December 31, 2011.

Although the Retention Plan originally included Gregg Engles, the Company's Chief Executive Officer, as a participant, Mr. Engles voluntarily removed himself as a participant from the Retention Plan for the term of the plan. Such removal was approved by the Compensation Committee on March 2, 2011.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

10.1 Dean Foods Company 2011 Short-Term Incentive Compensation Plan

**SIGNATURES**

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

Date: March 4, 2011

DEAN FOODS COMPANY

By: /s/ Steven J. Kemps  
Steven J. Kemps

*Executive Vice President and General Counsel*

**EXHIBIT INDEX**

Exhibit No.	Description
10.1	Dean Foods Company 2011 Short-Term Incentive Compensation Plan