

CRACKER BARREL OLD COUNTRY STORE, INC
Form 8-K
August 02, 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): August 2, 2011 (July 27, 2011)
CRACKER BARREL OLD COUNTRY STORE, INC.**

Tennessee

0-25225

62-1749513

(State or Other Jurisdiction of
Incorporation)

(Commission File Number)

(IRS Employer
Identification No.)

305 Hartmann Drive, Lebanon, Tennessee 37087
(615) 444-5533

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

2012 Annual Bonus Plan (the 2012 Bonus Plan)

On July 27, 2011, the Compensation Committee (the Committee) of Cracker Barrel Old Country Store, Inc. (the Company) adopted the 2012 Bonus Plan in order to reward officers of the Company and of its subsidiaries for the Company's financial performance during fiscal year 2012 and to further align their interests with those of the shareholders of the Company. The payment of a bonus is dependent upon the Company achieving a minimum level of operating income from continuing operations during fiscal year 2012 (the Performance Goal), in which case executive officers will be eligible to receive a bonus of up to 200% of target (target being median reflected by our peer group). The Company intends for payments under the 2012 Bonus Plan to qualify as performance based compensation under Section 162(m) to the maximum amount allowed under the Company's 2010 Omnibus Stock and Incentive Plan (the Omnibus Plan). A copy of the 2012 Bonus Plan is filed as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

If the Performance Goal is not met, no bonus will be paid to any Covered Employee, which means an officer to whom Section 162(m) applies. If the Performance Goal is achieved and the executives therefore become eligible for the bonuses at 200% of target, the Committee may exercise discretion to decrease but not increase the bonus paid to any Covered Employee, based upon such factors as the Committee, in its discretion, deems appropriate. The following table indicates the target and maximum bonus (expressed as a percentage of base salary) for which any of the following officers would be eligible assuming achievement of the Performance Goal:

| Name | Target Bonus Performance | Eligible Bonus Percentage |
|----------------------|--------------------------|---------------------------|
| Michael A. Woodhouse | 125% | 250% |
| Sandra B. Cochran | 100% | 200% |
| Lawrence E. Hyatt | 70% | 140% |
| Douglas Barber | 70% | 140% |
| N.B. Forrest Shoaf | 70% | 140% |
| Terry Maxwell | 70% | 140% |

In no case can an executive's actual award under the 2012 Bonus Plan exceed the maximum award, regardless of the level of satisfaction of the performance goal.

Long-Term Incentive Plan (the LTI)

On July 27, 2011, the Committee established the LTI for 2012 (the 2012 LTI) and each named executive officer's LTI Percentage as follows:

| Name | LTI Percentage |
|----------------------|----------------|
| Michael A. Woodhouse | 250% |
| Sandra B. Cochran | 200% |
| Lawrence E. Hyatt | 130% |
| Douglas Barber | 130% |
| N.B. Forrest Shoaf | 130% |
| Terry Maxwell | 80% |

The LTI Percentage represents the target opportunity, expressed as a percentage of that executive's base salary that is available under the 2012 LTI. The 2012 LTI consists of two components of substantially equal value: (i) the FY12 Long-Term Performance Plan (the FY12 LTPP), which provides for awards of Performance Shares (as that term is defined in the Omnibus Plan), and (ii) the annual stock incentive grant (the FY12 LTI Incentive Grant), which will consist of performance-based stock units.

FY12 LTPP participants will be eligible to receive awards that consist of cash and/or performance shares (LTPP Awards). The payment of an LTPP Award is dependent upon the Company's achieving a minimum level of operating income from continuing operations during fiscal years 2012 and 2013 (the LTPP Performance Goal). The Company intends for payments under the FY12 LTPP to qualify as performance based compensation under Section 162(m) to the maximum amount allowed under the Omnibus Plan. Accordingly, if the LTPP Performance Goal is not met, no LTPP Award will be paid to any Covered Employee, which means an officer to whom Section 162(m) applies. If the LTPP Performance Goal is met, each participant then would be eligible for an LTPP Award. The Committee could decrease but could not increase the LTPP Award paid to any Covered Employee, based upon such factors as the Committee, in its discretion, deems appropriate. A copy of the FY12 LTPP is filed as Exhibit 10.2 to this Current Report on Form 8-K and incorporated herein by reference.

The remainder of the 2012 LTI consists of the FY12 LTI Incentive Grant. Each participant will receive a grant of performance-based stock units (an FY12 LTI Unit Award). The payment of a FY12 LTI Unit Award is dependent upon the Company's achieving a minimum level of operating income from continuing operations during fiscal years 2012, 2013 and 2014 (the LTI Unit Performance Goal). The Company intends for payments under the FY12 LTI Unit Awards to qualify as performance based compensation under Section 162(m) to the maximum amount allowed by law and the Omnibus Plan. Accordingly, if the LTI Unit Performance Goal is not met, no FY12 LTI Unit Awards will be paid to any Covered Employee. If the LTI Unit Performance Goal is met, each participant then would be eligible to receive his or her FY12 LTI Unit Award. The Committee could decrease but could not increase any FY12 LTI Unit Award paid to any Covered Employee, based upon such factors as the Committee, in its discretion, deems appropriate.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

10.1 Cracker Barrel Old Country Store, Inc. FY 2012 Annual Bonus Plan

10.2 Cracker Barrel Old Country Store, Inc. FY 2012 Long-Term Performance Plan

SIGNATURE

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

CRACKER BARREL OLD COUNTRY STORE,
INC.

Date: August 2, 2011

By: /s/ N.B. Forrest Shoaf

Name: N.B. Forrest Shoaf

Title: Senior Vice President, Secretary
and Chief Legal Officer

EXHIBIT INDEX

Exhibit No. Description

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|------|---|
| 10.1 | Cracker Barrel Old Country Store, Inc. FY 2012 Annual Bonus Plan |
| 10.2 | Cracker Barrel Old Country Store, Inc. FY 2012 Long-Term Performance Plan |