

ALBERTO CULVER CO
Form 8-K
September 22, 2005

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): September 20, 2005

ALBERTO-CULVER COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1-5050
(Commission File Number)

36-2257936
(IRS Employer
Identification No.)

2525 Armitage Avenue

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Melrose Park, Illinois 60160

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (708) 450-3000

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))

SECTION 1 REGISTRANT'S BUSINESS AND OPERATIONS

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

Pursuant to Alberto-Culver Company's (the "Company") Management Incentive Plan (the "MIP"), on September 20, 2005, the Compensation and Leadership Development Committee of the Board of Directors of the Company (the "CLD Committee") established financial performance criteria for fiscal year 2006 for Carol L. Bernick, Chairman and a Director; Howard B. Bernick, President and Chief Executive Officer and a Director; William J. Cernugel, Senior Vice President and Chief Financial Officer; Michael H. Renzulli, Chairman of Sally Beauty Company; V. James Marino, President of Alberto-Culver Consumer Products Worldwide; and Gary G. Winterhalter, President of Sally Beauty Company. Under the MIP, the CLD Committee may base a participant's annual bonus upon one or more financial criteria set forth in the MIP, allocating the percentage weight that each such criterion has on the annual bonus. For the officers listed above, the financial criteria and percentage allocation were established by the CLD Committee as follows:

Mrs. Bernick's award opportunity is weighted 50% on sales and 50% on operating earnings of the Company;

Mr. Bernick's award opportunity is weighted 50% on sales and 50% on operating earnings of the Company;

Mr. Cernugel's award opportunity is weighted 50% on sales and 50% on operating earnings of the Company;

Mr. Renzulli's award opportunity is weighted 5% on sales and 5% on operating earnings of the Company and 45% on sales and 45% on operating earnings of Sally Beauty Company;

Mr. Marino's award opportunity is weighted 5% on sales and 5% on operating earnings of the Company and 45% on sales and 45% on operating earnings of Alberto-Culver Consumer Products Worldwide; and

Mr. Winterhalter's award opportunity is weighted 5% on sales and 5% on operating earnings of the Company and 45% on sales and 45% on operating earnings of Sally Beauty Company.

Under the MIP, "operating earnings" means pre-tax earnings before non-recurring and other unusual items reported separately in the Company's income statement.

Pursuant to the Company's Shareholder Value Incentive Plan (the "SVIP"), on September 20, 2005, the CLD Committee selected the Standard & Poor's 500 Index, among the six available indices set forth in the SVIP, to rank the total shareholder return of the Company's common stock for the three-year performance period beginning on October 1, 2005 and ending on September 30, 2008. Performance units were granted to Mrs. Bernick and Messrs. Bernick, Cernugel, Renzulli, Marino and Winterhalter. Each performance unit has a payout value of \$250 if the threshold performance level is attained, \$1,000 if the target performance level is attained and \$2,000 if the maximum performance level is attained. For such three-year performance period, the threshold, target and maximum performance levels are attained when the total shareholder return on the Company's common stock meets or exceeds the total shareholder return of 40%, 60% and 80%, respectively, of the companies comprising the Standard & Poor's 500 Index.

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 thereunto duly authorized.

ALBERTO-CULVER COMPANY

By: /s/ William J. Cernugel

William J. Cernugel
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

September 22, 2005