

WAL MART STORES INC

FORM 8-K

(Current report filing)

Filed 01/25/12 for the Period Ending 01/19/12

Address	702 SOUTHWEST 8TH ST BENTONVILLE, AR 72716
Telephone	5012734000
CIK	0000104169
Symbol	WMT
SIC Code	5331 - Variety Stores
Industry	Retail (Department & Discount)
Sector	Services
Fiscal Year	01/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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):
January 19, 2012**

Wal-Mart Stores, Inc.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-06991
(Commission
File Number)

71-0415188
(IRS Employer
Identification No.)

**702 Southwest 8th Street
Bentonville, Arkansas 72716-0215**
(Address of Principal Executive Offices) (Zip code)

**Registrant's telephone number, including area code:
(479) 273-4000**

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.

(b) On January 19, 2012, Brian C. Cornell, Executive Vice President, President and Chief Executive Officer of the Sam's Club division of Wal-Mart Stores, Inc. ("Walmart" or the "Company"), notified the Company that he will retire from his position as President and Chief Executive Officer of the Company's Sam's Club segment, effective on the close of business on January 31, 2012. Mr. Cornell will continue to be employed as an associate of the Company through April 1, 2012. During the period from February 1, 2012 to April 1, 2012, Mr. Cornell will continue to receive his current base salary and will be eligible for personal use of Company aircraft for a limited number of hours. In connection with his initial employment with the Company, the Company entered into a post-termination agreement and covenant not to compete with Mr. Cornell on March 5, 2009. This agreement prohibits Mr. Cornell, for a period of two years following his termination of employment with the Company for any reason, from participating in a business that competes with the Company and from soliciting the Company's associates for employment.

(c) Rosalind G. Brewer, age 49, will become Executive Vice President, President and Chief Executive Officer of the Company's Sam's Club segment, effective February 1, 2012. Ms. Brewer will report to the Company's President and Chief Executive Officer in this new position. Since February 2011, Ms. Brewer has been an Executive Vice President of the Company's Walmart U.S. segment, with responsibility for the Walmart U.S. eastern geographic business unit. Previously, Ms. Brewer had responsibility for the Company's Walmart U.S. segment's south and southeast geographic business units. Prior to joining Walmart in 2006, Ms. Brewer worked for Kimberly-Clark Corporation in various roles, including as president of its global nonwovens sector. Ms. Brewer has been a director of Lockheed Martin Corporation since April 2011. She also serves as the chair of the Board of Trustees of Spelman College.

Ms. Brewer does not have an employment contract with the Company, and her employment is on an at-will basis. Pursuant to the terms of Ms. Brewer's offer of employment and subject to the approval of the Compensation, Nominating and Governance Committee (the "CNGC") of the Company's Board of Directors, effective February 1, 2012, Ms. Brewer will receive an annual base salary of \$800,000, subject to annual adjustment. Ms. Brewer will also be eligible for an annual cash incentive under the Company's Management Incentive Plan (the "MIP"), based on performance criteria to be established by the CNGC. For the Company's fiscal year ending January 31, 2013, Ms. Brewer's target cash incentive under the MIP will be 160% of her base salary, with a maximum possible payout of 200% of her base salary. Under the performance criteria to be established by the CNGC for fiscal 2013, Ms. Brewer's cash incentive payment under the MIP, if any, will be based in part on the Company's operating income and in part on the operating income of the Sam's Club segment.

Ms. Brewer will also be eligible to receive an annual equity award. For fiscal 2013, this award, if approved by the CNGC, will be comprised of performance shares with a target value of \$2,625,000, which provide the right to receive shares of the Company's common stock, par value \$0.10 per share ("Common Stock"), if certain performance goals to be established by the CNGC are achieved over a three-year performance period, and restricted shares of Common Stock with a value of \$875,000 on the date of grant, which will vest on the third anniversary of the date of grant, provided that Ms. Brewer continues to be employed by the Company on that vesting date. Ms. Brewer will also receive two additional awards of performance shares in connection with her promotion effective February 1, 2012, subject to approval of the CNGC. The first additional performance share award will have a target value of approximately \$1,846,952, and will vest on the first anniversary of the grant date. The second additional performance share award will have a target value of approximately \$1,797,014, and will vest on the second anniversary of the grant date.

In connection with her promotion and her move to Bentonville, Arkansas, from Atlanta, Georgia, Ms. Brewer will also be eligible to receive relocation benefits typically available to senior officers of the Company. Ms. Brewer will also be eligible for personal use of Company aircraft for a limited number of hours and be entitled to continue to participate in all employee benefit plans and programs generally available to the Company's associates and officers, including the Company's medical plan, the Deferred Compensation Matching Plan, the Associate Stock Purchase Plan, and the 401(k) Plan.

The Company entered into a post-termination agreement and covenant not to compete with Ms. Brewer on December 29, 2009, which was amended on March 23, 2010 (collectively, the “Non-Compete Agreement”). The Non-Compete Agreement is substantially similar to the form of post-termination agreement and covenant not to compete that is attached as Exhibit 10(p) to the Company’s Form 10-K filed on March 30, 2010. The Non-Compete Agreement prohibits Ms. Brewer, for a period of two years following termination of employment with the Company for any reason, from participating in a business that competes with the Company and from soliciting the Company’s associates for employment. The Non-Compete Agreement also provides that, if Ms. Brewer is terminated by the Company for any reason, other than for a violation of the Company’s policies, the Company will continue to pay her base salary for two years following termination of employment.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1 Press Release dated January 20, 2012 announcing senior management changes.

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.

Dated: January 25, 2012

WAL-MART STORES, INC.

By: /s/ Gordon Y. Allison

Name: Gordon Y. Allison

Title: Vice President and General
Counsel, Corporate Division

INDEX TO EXHIBITS

Exhibit
Number

Description

99.1 Press Release dated January 20, 2012 announcing senior management changes.

**FOR IMMEDIATE RELEASE**

Contact: Media Relations
800-331-0085
<http://walmartstores.com/reporter>
Investor Relations
479-277-1498
<http://walmartstores.com/investors>

Walmart Announces Senior Management Changes and Promotions Sam's Club CEO Cornell shares plans to leave and is replaced by current Walmart U.S. east business unit President Brewer; new corporate CAO, CIO and Walmart U.S. COO named

BENTONVILLE, Ark, Jan. 20, 2012 – As it approaches its new fiscal year, Wal-Mart Stores, Inc. (NYSE: WMT) today announced a number of changes across the business, drawing on a deep bench of internal talent.

“We are very intentional about developing talent to meet the needs of our rapidly growing business worldwide,” said Walmart President and CEO Mike Duke. “The promotions we are announcing today are clear evidence that our succession and management development programs work, and that we have highly talented, well-rounded and experienced business leaders ready to step into larger roles when the opportunities arise.”

Current Sam's Club President and CEO **Brian Cornell**, 52, recently informed the company that he and his wife would like to move back to the Northeast for family reasons.

With his departure, **Rosalind G. Brewer**, 49, is promoted to president and CEO of Sam's Club, reporting to Duke, effective Feb. 1. Brewer was most recently president of the Walmart U.S. east business unit, where she was responsible for more than \$100 billion in annual revenue, representing almost 1,600 stores and more than 500,000 associates. Brewer was also the first chairperson of the Walmart President's Council of Global Women Leaders.

“Roz came to us with an outstanding background in consumer packaged goods more than five years ago,” said Duke. “During that time I have seen her develop into a talented merchant and retailer. She has strong strategic, analytical and operational skills and has successfully managed a large and complex business. I've also been struck by Roz's servant leadership when I have visited stores with her. She always lets her team do the talking, with her focus being on how to better support their needs.”

Prior to Walmart, Brewer worked for Kimberly-Clark, progressing through various positions and eventually becoming president of a key business sector in 2004. She is a director of the Lockheed Martin Corporation (NYSE:LMT) and currently serves as Chair of the Board of Trustees at her alma mater Spelman College. She was also selected one of the Most Powerful Women in Business by *Fortune Magazine* in 2010 and 2011.

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In speaking about Cornell, Duke said “Brian has done a terrific job at Sam’s Club. He is a strong, high-energy leader who has delivered great results and leaves behind a business with outstanding momentum. In addition to building a talented, high-functioning team to run that business, he has also developed other leaders who now hold senior positions around the globe.”

“Being part of the Sam’s Club family has been a wonderful personal and professional experience, one that I will always value,” said Cornell, who is leaving at a time of strength for that business. “I have felt at home here and have a strong connection to the associates, the company and its values and mission. However, after 30 years of asking my family to follow me all around the globe, it is time to put them first. My wife and I want to put down roots in the Northeast and live in the same ZIP code as our children – not just occasionally seeing them in hotels and restaurants.”

Rollin Ford, 49, is promoted to chief administrative officer (CAO) for the company, effective Feb. 1. Specific areas of responsibility include the information systems division, global sourcing, global business processes, global shared services and global customer insights. Ford was most recently the company’s chief information officer, and will continue reporting to Duke.

Ford will play an important role in helping the company meet its commitment to reduce SG&A expenses as a percentage of sales by more than 100 basis points over the next five years. Ford’s efforts will include a focus on leveraging scale, reducing expenses and increasing productivity around the world.

“We work hard to keep our costs low so that we can pass these savings on to our customers,” said Duke, “and now we are sharpening our focus even more. Rollin has played a key role in driving process improvement and leveraging technology in the past and will now have broad responsibility for some of the key areas that give us the greatest opportunity. His new position enables us to capitalize on his experience in our information systems, logistics and supply chain divisions, as well as his strength in teambuilding and ability to lead across multiple organizations.”

Ford joined Walmart in 1983 as an hourly associate in our logistics network and has held many positions over the years. He has helped lead the company through periods of enormous growth, including the expansion of the company’s transportation and logistics network.

Gisel Ruiz, 41, is promoted to executive vice president and chief operating officer for Walmart U.S., effective Feb. 1. In this position, she will be responsible for the company’s U.S. operations, which cover more than 3,800 stores and include Supercenters, discount stores, Neighborhood Markets and Walmart Express formats. Gisel will continue reporting to Walmart U.S. President and CEO Bill Simon and all three regional business unit presidents will report to her.

Ruiz was most recently executive vice president of People for Walmart U.S. where she was responsible for the human resources and store innovation organizations supporting more than 1.2 million associates. She helped transform the company’s approach to talent management and leveraged technology to drive process changes that increased efficiencies and improved the customer and associate experience.

“I’m incredibly excited to see Gisel’s impact on the stores,” said Simon. “She started in our stores, ran stores and, more importantly, understands the perspective of our associates like no one else on our leadership team. That’s invaluable. For nearly 20 years, Gisel has proven herself to be a strong and capable operator, manager, teacher, retail executive and role model for our culture.”

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Ruiz began her career at Walmart U.S. as a store management trainee in 1992 and has held a variety of leadership positions in store operations, labor relations and human resources. In 2006, she became vice president, regional general manager in the field operations division, and was responsible for 150 Walmart stores in western Texas and New Mexico. In February 2011, *Latina Style* honored Ruiz as its 2010 Latina Executive of the Year.

Karenann Terrell, 50, is promoted to chief information officer for the company, effective Feb. 1. In this position she will be responsible for the company's global technology systems including stores and clubs, supply chain, merchandising and enterprise platforms. Terrell was most recently Walmart's assistant chief information officer and will continue reporting to Ford.

"Karenann has brought a wealth of experience to the organization, along with a technology foundation that will continue to serve Walmart well," said Ford. "She has embraced our mission and our values and has a passion for supporting our customers around the world. I'm confident that, in her new role, she will take Walmart's information systems division to a whole new level."

Prior to joining Walmart, Terrell was chief information officer of health care leader Baxter International, Inc., supporting its businesses worldwide from 2006 to 2010. She previously served as chief information officer of the Chrysler Group and Mercedes-Benz North America. Terrell began her career at General Motors in 1986, where she spent 16 years with responsibility for brand development, manufacturing and engineering at Cadillac.

About Walmart Wal-Mart Stores, Inc. (NYSE: WMT) serves customers and members more than 200 million times per week at over 10,000 retail units under 69 different banners in 28 countries. With fiscal year 2011 sales of \$419 billion, Walmart employs 2.2 million associates worldwide. Walmart continues to be a leader in sustainability, corporate philanthropy and employment opportunity. Additional information about Walmart can be found by visiting <http://walmartstores.com> and on Twitter at <http://twitter.com/walmart>. Online merchandise sales are available at <http://www.walmart.com> and <http://www.samsclub.com>.

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