

WAL MART STORES INC

FORM 8-K (Current report filing)

Filed 06/29/10 for the Period Ending 06/23/10

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

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):
June 23, 2010

Wal-Mart Stores, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other Jurisdiction of Incorporation)

001-06991

(Commission File Number)

71-0415188

(IRS Employer Identification No.)

702 S.W. 8th Street

Bentonville, Arkansas 72716

(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.

Eduardo Castro-Wright, age 55, current vice chairman of Wal-Mart Stores, Inc. (the “company”), has been appointed president and chief executive officer, global.com and global sourcing of the company and will be transitioning through August 1, 2010. Mr. Castro-Wright will continue to serve as vice chairman and report to the company’s president and chief executive officer. Prior to this appointment, Mr. Castro-Wright served as vice chairman of the company, with primary responsibility for Walmart U.S. and the company’s global procurement operation since November 2008. Previously, Mr. Castro-Wright served as executive vice president, president and chief executive officer of Walmart U.S. from September 2005 to November 2008. From February 2005 to September 2005, he served as executive vice president and chief operating officer, Walmart U.S. Prior to joining Walmart U.S., Mr. Castro-Wright served as president and chief executive officer of Wal-Mart de Mexico beginning in December 2002.

William S. Simon, age 50, an executive vice president of the company, has been appointed president and chief executive officer, Walmart U.S., effective immediately. Mr. Simon, as an executive vice president of the company, will report to the company’s president and chief executive officer in his new position. Prior to this appointment, Mr. Simon served as executive vice president and chief operating officer, Walmart U.S. since April 2007. Mr. Simon joined the company in March 2006 as executive vice president of professional services and new business development for the company’s Walmart U.S. division. Previously, Mr. Simon served as senior vice president of global business development for Brinker International, an owner, operator and franchisor of restaurants, from February 2005 to March 2006. From May 2003 to February 2005, Mr. Simon served as secretary of the Florida Department of Management Services, appointed by then-Governor Jeb Bush where he was responsible for the state’s operations and administrative functions, including health care benefits, human resources, the Florida retirement system and facilities management. Mr. Simon is also a retired officer from the U.S. Navy and Navy Reserves after 25 years of service.

The company entered into a post-termination agreement and covenant not to compete with Mr. Castro-Wright in January 2010, and with Mr. Simon in March 2010 (the “Noncompete Agreement(s)”). The Noncompete Agreements are 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 Noncompete Agreements prohibit Mr. Castro-Wright and Mr. Simon, 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 Noncompete Agreements also provide that, if Mr. Castro-Wright or Mr. Simon is terminated from the company for any reason, other than for a violation of the company’s policies, the company will continue to pay the terminated officer’s base salary for two years following termination of employment. As consideration for executing the Noncompete Agreement, Mr. Castro-Wright received a grant of 37,016 shares of performance-based restricted stock. As consideration for executing the Noncompete Agreement, Mr. Simon received a grant of 35,772 shares of restricted stock.

The following disclosure is provided under Item 404(a) of Regulation S-K: during a portion of the fiscal year ended January 31, 2010 (“fiscal 2010”), Mauricio Castro-Wright, the brother of Mr. Castro-Wright, served as a format manager at Distribución y Servicio D&S S.A., the company’s Chilean subsidiary. For fiscal 2010, the company paid Mauricio Castro-Wright a salary of \$196,943, other benefits having a value of approximately \$291,049 (including payments related to his expatriate assignment of \$271,998, insurance premiums of \$9,848, and vacation pay of \$9,203), and a bonus of \$197,582. For Mauricio Castro-Wright’s performance in fiscal 2010, he also received a grant of 691 restricted stock rights. In connection with the termination of Mauricio Castro-Wright’s employment with the company as of December 14, 2009, the company made a one-time severance payment of \$402,214 to him.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

- 99.1 Press Release dated June 29, 2010 announcing the appointment of Eduardo Castro-Wright as President and Chief Executive Officer, Global.com and Global Sourcing and the appointment of William S. Simon as President and Chief Executive Officer, Walmart U.S.

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: June 29, 2010

WAL-MART STORES, INC.

By: /s/ Jeffrey J. Gearhart
Jeffrey J. Gearhart
Executive Vice President and General Counsel

INDEX TO EXHIBITS

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**For Immediate Release****Media Relations Contact**

David Tovar
1-800-331-0085

Investor Relations Contact

Carol Schumacher
479-277-1498

**Walmart Appoints Vice Chairman Eduardo Castro-Wright President and CEO
of Global.com and Global Sourcing; Bill Simon is Promoted
to President and CEO of Walmart U.S.**

BENTONVILLE, Ark., June 29, 2010 – Today Wal-Mart Stores, Inc. (NYSE: WMT) announced that Vice Chairman Eduardo Castro-Wright, 55, has been appointed President and CEO of Global.com and Global Sourcing, and Bill Simon, 50, has been promoted to President and CEO of Walmart U.S. Castro-Wright, who will also continue to serve as vice chairman, and Simon will report directly to Walmart President and CEO Mike Duke. Simon will assume his new responsibilities immediately. Castro-Wright will be transitioning through August 1.

“As we continue to become a truly global company and address the business challenges of a rapidly changing world, it is clear that Global.com and Global Sourcing are critical to our future growth and success,” Duke continued. “We are fortunate to have someone as strategic and knowledgeable as Eduardo leading the teams to drive these initiatives forward at a faster pace. Appointing him to this role demonstrates our commitment and the importance we assign to these areas and to building the next generation Walmart, while also allowing Eduardo to relocate to California to be with his family during his wife’s illness.”

“Eduardo has made extraordinary contributions to Walmart U.S. over the past five years, and many contributions are still to come,” said Duke. “He is a visionary thinker who has strengthened our overall business and built a foundation that positions us well for the future. Eduardo has developed a strong team and led improvements in many of the ways we serve our customers.”

“Bill is a strong leader who has made a positive difference from his first day at Walmart,” added Duke. “He’s been responsible for successfully running more than 3,700 stores and leading 1.3 million associates in the U.S. Bill transformed the customer experience at Walmart through faster service, a friendlier shopping environment and cleaner stores. He also helped develop and launch our game-changing \$4 prescription drug program and has continued to drive innovation and improvement throughout Walmart U.S. He is a talented strategist and an excellent people manager with strong execution skills.”

“Eduardo has been a terrific mentor to me,” said Simon, “and I am honored to take on this new role. My goal is to partner closely with our suppliers and build on the successes of our strategy over the last several years. Together we will bring a sense of urgency in the areas that matter most for the continued growth of our business – increasing customer traffic, ensuring our product assortment is even more relevant, and never ever giving an inch on price leadership. We know our customers are counting on us now more than ever in these challenging economic times and we’re committed to delivering for them.”

“I am excited to take on this new role to help drive the next generation of value creation for Walmart and to be closer to my family,” said Castro-Wright. “I am committed to building the leading global e-commerce and multi-channel business and to truly leveraging our global sourcing to deliver value for our customer.”

“I can’t think of anyone more qualified than Bill to take the Walmart U.S. business to new heights,” continued Castro-Wright. “He is an exceptionally capable leader who understands our customer and our business and is dedicated to our associates in our stores.”

Castro-Wright will be relocating to the West Coast and will work from the company’s Global.com office in California.

Simon, most recently chief operating officer, joined Walmart U.S. in March 2006 from Brinker International, where he was senior vice president of global business development and was responsible for the growth of the company’s restaurant portfolio outside the United States. Prior to Brinker, he served as Secretary of the Florida Department of Management Services, appointed by then-Governor Jeb Bush. He was responsible for the state’s operations and administrative functions, including health care benefits, human resources, the Florida retirement system and facilities management. He is also a retired officer from the U.S. Navy and Navy Reserves after 25 years of service.

About Walmart

Wal-Mart Stores, Inc., (NYSE: WMT) serves customers and members more than 200 million times per week at more than 8,400 retail units under 55 different banners in 15 countries. With fiscal year 2010 sales of \$405 billion, Walmart employs more than 2 million associates worldwide. A leader in sustainability, corporate philanthropy and employment opportunity, Walmart ranked first among retailers in Fortune magazine’s 2010 Most Admired Companies survey. Additional information about Walmart can be found by visiting www.walmartstores.com. Online merchandise sales are available at www.walmart.com and www.samsclub.com.

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