

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): **February 3, 2011**

**Simpson Manufacturing Co., Inc.**

(Exact name of registrant as specified in its charter)

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

**1-13429**  
(Commission  
file number)

**94-3196943**  
(I.R.S. Employer  
Identification No.)

**5956 W. Las Positas Boulevard, Pleasanton, CA 94588**  
(Address of principal executive offices)

(Registrant's telephone number, including area code): **(925) 560-9000**

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-2)
- ☐ 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))

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

On February 3, 2011, the Compensation and Leadership Development Committee of our Board of Directors approved an additional stock option grant for Michael J. Herbert if he exceeds a budgeted goal for international sales in 2011. There were no other changes to the compensation arrangements with our other Named Executive Officers. The compensation arrangements with all of our Named Executive Officers, including the change to Mr. Herbert's compensation, are set forth on Exhibit 10 attached hereto and incorporated herein by this reference.

**Item 7.01 Regulation FD Disclosure**

On February 4, 2011, during our quarterly earnings conference call, our Chairman stated that we are planning to close our plant in Ireland. To clarify that statement, we are continuing to evaluate our alternatives for our operations at this plant. We have not yet decided if or when we will relocate the manufacturing operations, and we hope to maintain research and development and limited production operations at this location. We believe that closing this plant, if it occurs, will not be material to our operations as a whole.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
10	Compensation of Named Executive Officers

## 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.

**Simpson Manufacturing Co., Inc.**

(Registrant)

**DATE:** February 8, 2011

By /s/ Karen Colonias  
Karen Colonias  
Chief Financial Officer

**Exhibit 10 Compensation of Named Executive Officers**

Our executive officers are at-will employees. We do not have a written employment contract with any of them. We or the officer can terminate the employment relationship at any time, for any reason, with or without cause. For 2011, we have set the following officers' annual salaries and expect to contribute to their defined contribution profit sharing trust accounts, as follows:

	<u>2011 Salary</u>	<u>Estimated Profit Sharing Trust Con- tribution{1}</u>
Thomas J Fitzmyers President and Chief Executive Officer	\$ 346,117	\$ 24,500
Barclay Simpson Chairman of the Board	150,000	15,000
Phillip Terry Kingsfather President and Chief Executive Officer of Simpson Strong-Tie Company Inc.	297,000	24,500
Michael J. Herbert Vice President	283,089	24,500
Karen W. Colonias Chief Financial Officer, Treasurer and Secretary	283,089	24,500
Jeffrey E. Mackenzie Vice President	164,800	16,480

{1} If we employ the officer on December 31, 2011, or if he or she is age sixty or older, we will (in 2012) contribute to his or her profit sharing trust account 10% of his or her salary, with a contribution limit of \$24,500 for 2011, plus a pro rata share of forfeitures by other participants. The estimates in this table assume that no forfeitures will occur.

The 2011 salaries represent a 3% increase for each of Thomas J Fitzmyers and Jeffrey E. Mackenzie and an 8% increase for each of Phillip Terry Kingsfather, Michael J. Herbert and Karen W. Colonias from their 2010 salaries. The 2011 salary for Barclay Simpson is the same as 2010.

Those officers participate in our Executive Officer Cash Profit Sharing Plan, which is designed to reward them with quarterly cash bonuses based on operating profit for Simpson Strong-Tie Company Inc. less a return on assets, as established by our Board of Directors. For this purpose, we generally define operating profit as:

Income from operations of Simpson Strong-Tie Company Inc.

Plus: Stock compensation charges  
Certain incentive compensation and commissions  
Salaried pension contributions  
Self-insured workers' compensation costs

Equals: Operating profit

Once we determine the operating profit, we subtract qualifying levels based on a specified return on assets (also as established by our Board of Directors) to determine the pool of profit available to our participating employees. We generally determine the return on assets as follows:

Average assets of Simpson Strong-Tie Company Inc., net of specified liabilities, for the 3 months ended on the last day of the month prior to the end of the quarter

Less:     Cash  
           Real estate  
           Acquired assets (excluding cash, real estate, goodwill and  
                                   indefinite lived intangible assets) based on tiered phase-in schedule  
           Goodwill and indefinite lived intangible assets  
           Self-Insured workers' compensation reserves

Multiplied by:     Specified return percentage for Simpson Strong-Tie Company Inc.

Equals:     Qualifying level

Based on our operating profit for each of the 4 quarters of 2011, our officers may receive payouts after our quarterly earnings are announced to the public. Whether or not we pay amounts in any quarter under the Executive Officer Cash Profit Sharing Plan does not affect our officers' ability to earn amounts in any other quarter. If the operating profit is lower or higher than the targeted operating profit, the payouts will be correspondingly lower or higher, but we generally do not make any payment when the operating profit for the quarter is less than the qualifying level for the quarter.

For the full year 2011, the annual operating profit goals, qualifying levels and targeted payouts for each of the following executive officers are as follows:

	<b><u>Operating Profit Goal</u></b>	<b><u>Qualifying Level</u></b>	<b><u>Targeted Payout{1}</u></b>
Thomas J Fitzmyers	\$ 93,979,000	\$ 57,353,000	\$ 933,000
Barclay Simpson	93,979,000	57,353,000	268,000
Phillip Terry Kingsfather	93,979,000	57,353,000	408,000
Michael J. Herbert	93,979,000	57,353,000	383,000
Karen W. Colonias	93,979,000	57,353,000	383,000
Jeffrey E. Mackenzie	93,979,000	57,353,000	178,000

{1} Amounts expected to be paid for the full year of 2011 if operating profit goals established at the beginning of the year are met and qualifying levels are as projected at the beginning of the year.

We use these parameters only to provide incentive to our officers and employees who participate in our Executive Officer Cash Profit Sharing Plan and our Cash Profit Sharing Plan. You should not draw any inference whatsoever from these parameters about our future financial performance. You should not take these parameters as projections or guidance of any kind.

Each of our officers participates in our 1994 Stock Option Plan. Whether we grant stock options under our 1994 Stock Option Plan each year depends on whether we meet the applicable operating profit goal for the preceding year. If we do not achieve the applicable operating profit goal for a year, we do not grant stock options to the affected officers for that year. If we achieve our operating profit goals for 2011, computed as income from operations plus stock compensation charges, certain incentive compensation and commissions, salaried pension contributions and self-insured workers' compensation costs, we anticipate granting stock options to the following executive officers for the following numbers of shares of our common stock:

	<b><u>Operating Profit Goal{1}</u></b>	<b><u>Option Grant</u></b>
Thomas J Fitzmyers	\$ 93,979,000	18,000 shares
Barclay Simpson	93,979,000	2,000 shares
Phillip Terry Kingsfather	93,979,000	56,000 shares
Michael J. Herbert	93,979,000	12,000 shares
Karen W. Colonias	93,979,000	22,000 shares
Jeffrey E. Mackenzie	93,979,000	40,000 shares

{1} The Operating Profit Goal relates to Simpson Strong-Tie Company Inc. We use these parameters only for the purposes stated above. You should not draw any inference whatsoever from these parameters about our future financial performance. You should not take these parameters as projections or guidance of any kind.

On February 3, 2011, the Compensation and Leadership Development Committee of our Board of Directors approved the grant of additional stock options to Mr. Herbert if we exceed our budgeted goal for international sales in 2011 by 5% or more. The additional stock options, if earned, will be for at least 2,975 shares, to increase ratably as the sales goal is exceeded from 5% to 10% and from 10% to 15%, to a maximum of 11,900 shares, as follows:

	<b><u>Option Grant</u></b>
105% of sales goal – 137,539,500{1}	2,975 shares
110% of sales goal – 144,089,000{1}	5,950 shares
115% of sales goal – 150,638,500{1}	11,900 shares

{1} The sales goal relates to sales outside of North America. We use these parameters only for the purposes stated above. You should not draw any inference whatsoever from these parameters about our future financial performance. You should not take these parameters as projections or guidance of any kind.

In addition, on February 3, 2011, our Board of Directors adopted, subject to the approval of our stockholders at our 2011 annual meeting of stockholders, the Simpson Manufacturing Co., Inc. 2011 Incentive Plan (the "Incentive Plan"). The Incentive Plan, if so approved, will replace our 1994 Stock Option Plan and will authorize the Compensation and Leadership Development Committee to grant stock options or awards of restricted stock or restricted stock units. Grants under the Incentive Plan in 2012 will be contingent on meeting our 2011 operating profit goals and sales goals. If the Compensation and Leadership Development Committee grants awards under the Incentive Plan in the form of restricted stock or restricted stock units, we anticipate that the number of shares subject to each such award would be substantially fewer than the number of shares that would be subject to an equivalent stock option.

We also pay allowances for travel costs. Mr. Fitzmyers receives compensation for the cost to hire an airplane for travel between his home and our offices or for business travel. We compute the cost of the use of airplanes using the Standard Industrial Fare Level tables in the applicable Internal Revenue Service Regulations. We estimate our cost for this allowance for 2011 will be approximately \$620,000, although the amount of compensation to be recognized by Mr. Fitzmyers under the Internal Revenue Service regulations may be less, depending on the extent of the use of the airplane for business travel.

The Compensation and Leadership Development Committee renewed the housing allowance for Mr. Kingsfather for 1 additional year, through 2012. We estimate our cost for this allowance for 2011 will be approximately \$130,000.

### **Compensation of Directors**

We pay each of our directors whom we do not compensate as an officer or employee –

- an annual retainer of \$40,000,
- a fee of \$2,000 for attending a scheduled meeting of our Board of Directors, whether he or she attends in person or by telephone,
- a fee of \$2,000 for attending a scheduled committee meeting held on a day when our Board of Directors does not meet, whether he or she attends in person or by telephone,
- a fee of \$1,000 for attending a committee meeting on the same day as a scheduled meeting of our Board of Directors or another committee, whether he or she attends in person or by telephone, and
- a fee of half the normal meeting fee for attending an unscheduled Board of Directors or committee meeting held by telephone.

We pay the Lead Independent Director an additional annual fee of \$10,000. We pay the Chair of the Audit Committee an additional annual fee of \$8,000. We pay the Chair of each of the Compensation and Leadership Development Committee, the Acquisition and Strategy Committee and the Governance and Nominating Committee an additional annual fee of \$4,000. We reimburse outside directors for expenses that they incur in attending Board of Directors and committee meetings and educational programs. We pay each outside director \$3,000 per day and reimburse his or her expenses when he or she visits our facilities to observe operations.

Each of our independent directors is eligible to receive stock options under our 1995 Independent Director Stock Option Plan for each year that we meet our annual operating profit goal. The operating profit goal for stock option grants for our independent directors is the same as the operating profit goal for stock option grants to our Named Executive Officers. We grant each independent director an option to purchase 5,000 shares of our common stock for each year that we make our operating profit goal. If the stockholders approve the Incentive Plan discussed above, the Incentive Plan will also replace our 1995 Independent Director Stock Option Plan and authorize awards to our independent directors of stock options, restricted stock or restricted stock units.