

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): **December 20, 2007**

Simpson Manufacturing Co., Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

0-23804
(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 December 20, 2007, the Compensation Committee of our Board of Directors approved the matters set forth on Exhibit 10 attached hereto and incorporated herein by this reference.

Item 9.01 Financial Statements and Exhibits

(c) 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: December 21, 2007

By /s/Michael J. Herbert

Michael J. Herbert
Chief Financial Officer

EXHIBIT 10

Compensation of Named Executive Officers

Our 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 2008, we have set the following officers' salaries and expect to contribute to their defined contribution profit sharing trust accounts, as follows:

	<u>2008 Salary</u>	<u>Estimated Profit Sharing Trust Con- tribution{1}</u>
Thomas J Fitzmyers, President and Chief Executive Officer	\$ 336,037	\$ 34,500
Barclay Simpson, Chairman of the Board	150,000	22,500
Phillip Terry Kingsfather, President and Chief Operating Officer of Simpson Strong-Tie	185,658	27,849
Michael J. Herbert, Chief Financial Officer and Secretary	209,695	31,454
Stephen P. Eberhard, President and Chief Executive Officer of Simpson Dura-Vent	200,788	30,118

{1} If we employ the officer on December 31, 2008, we will contribute to his profit sharing trust account 15% of his annual salary, with a contribution limit of \$34,500 for 2008, plus a pro rata share of forfeitures by other participants.

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 their respective profit centers 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 the relevant subsidiary)	
Less:	Amortization of goodwill
Plus:	Stock compensation charges
	Certain bonuses 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, 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
Self-Insured workers' compensation reserves

Multiplied by: Specified return percentage for company or subsidiary

Equals: Qualifying level

Based on our operating profit for each of the 4 quarters of 2008, our officers may receive a payout after our quarterly earnings are announced to the public. If the operating profit is lower or higher than the targeted operating profit, the payout will be correspondingly lower or higher, but we generally do not make any payment when the operating profit is less than the qualifying level.

For 2008, the operating profit goals, qualifying levels and targeted payouts for each of the Named Executive Officers are as follows:

	<u>Operating Profit Goal</u>	<u>Qualifying Level</u>	<u>Targeted Payout</u>
Thomas J Fitzmyers	\$162,431,000	\$ 94,945,000	\$ 1,097,000
Barclay Simpson	162,431,000	94,945,000	315,000
Phillip Terry Kingsfather	161,774,000	87,751,000	617,000
Michael J. Herbert	162,431,000	94,945,000	494,000
Stephen P. Eberhard	657,000	7,194,000	–

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 or our relevant subsidiary meets the applicable operating profit goal for the preceding year. If we or the relevant subsidiary does not achieve the applicable operating profit goal for a year, we do not grant stock options to the affected officer(s) for that year. If we meet all applicable operating profit goals for 2008, computed as income from operations of the relevant business plus stock option charges, certain incentive compensation and commissions and salaried pension contributions, we anticipate granting stock options to the following officers for the following numbers of shares of our common stock:

	<u>Operating Profit Goal</u>	<u>Option Grant</u>
Thomas J Fitzmyers	\$163,583,000	9,000 shares
Barclay Simpson	163,583,000	1,000 shares
Phillip Terry Kingsfather	162,442,000	28,000 shares
Michael J. Herbert	163,583,000	6,000 shares
Stephen P. Eberhard	1,141,000	16,000 shares

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 2008 will be approximately \$400,000, although the amount of compensation to be recognized by Mr. Fitzmyers under the Internal Revenue Service Regulations may be somewhat less, depending on the extent of the use of the airplane for business travel.

We pay Mr. Eberhard an allowance for an automobile for business use and for his personal use. We estimate our cost for this allowance for 2008 will be approximately \$15,600.

We pay Mr. Kingsfather an allowance for housing. We estimate our cost for this allowance for 2008 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 \$32,000,
- 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 Chair of the Audit Committee an additional annual fee of \$8,000. We pay the Chair of each of the Compensation 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 Messrs. Fitzmyers, Simpson and Herbert. We grant each independent director an option to purchase 4,000 shares of our common stock in the first year we make our operating profit goal after he or she is appointed to our Board of Directors and an option to purchase 5,000 shares of our common stock for each subsequent year that we make our operating profit goal.