

SCHULMAN A INC
Form 8-K
October 30, 2009

**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): October 15, 2009

A. SCHULMAN, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other Jurisdiction of
Incorporation)

0-7459

(Commission File Number)

34-0514850

(IRS Employer Identification No.)

3550 West Market Street, Akron, Ohio

(Address of Principal Executive Offices)

44333

(Zip Code)

Registrant's telephone number, including area code: **(330) 666-3751**

(Former name or former address if changed since last report.)

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))

ITEM 5.02 DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF PRINCIPAL OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

On October 15, 2009, the Board of Directors of A. Schulman, Inc. (the Company), upon the recommendation of the Compensation Committee of the Board, approved a cash bonus plan (the 2010 Bonus Plan) for the Company's executive officers, including its Named Executive Officers (NEOs).

The 2010 Bonus Plan sets forth target bonus amounts for each participating executive officer, expressed as a percentage of base salary, and provides for awards ranging from 50% (threshold) to 200% (maximum) of target. The target bonus awards under the 2010 Bonus Plan for each of the Company's NEOs are as follows:

Named Executive Officer	2010 Bonus Target
Joseph M. Gingo, President, Chief Executive Officer and Chairman	100% of salary
Paul F. DeSantis, Chief Financial Officer, Vice President and Treasurer	55% of salary
Jack B. Taylor, General Manager and Chief Operating Officer Asia	50% of salary
Bernard Rzepka, General Manager and Chief Operating Officer Europe	50% of salary
Walter Belderbos, Chief Financial Officer Europe and Asia	40% of salary

For each of the NEOs, 100% of each executive's 2010 bonus opportunity will be dependent upon the achievement of pre-established worldwide corporate and/or segment performance metrics, with upward or downward adjustments based upon individual performance. Pursuant to the 2010 Bonus Plan, performance will be evaluated based upon the following metrics: (1) Net Income; (2) Operating Income; and (3) Days of Working Capital. For Messrs. Gingo and DeSantis, each of their respective annual bonus opportunities will be measured by the Company's consolidated worldwide operations, with Net Income and Operating Income each receiving a 33.0% weighting and Days of Working Capital receiving a 34.0% weighting. For Mr. Taylor, his respective annual bonus opportunity will be based upon the performance of the Company's consolidated worldwide operations and its Asian segment, with the following metric weighting: (1) Asian Operating Income 49.5%; (2) Asian Days of Working Capital 25.5%; (3) consolidated worldwide Net Income 8.3%; (4) consolidated worldwide Operating Income 8.3%; and (5) consolidated worldwide Days of Working Capital 8.4%. For Messrs. Rzepka and Belderbos, each executive's annual bonus opportunity will be based upon the performance of the Company's consolidated worldwide operations and its European segment, with the following metric weighting: (1) European Operating Income 49.5%; (2) European Days of Working Capital 25.5%; (3) consolidated worldwide Net Income 8.3%; (4) consolidated worldwide Operating Income 8.3%; and (5) consolidated worldwide Days of Working Capital 8.4%. Under the 2010 Bonus Plan, Mr. Gingo retains authority to adjust award payouts for all directly reporting executive officers, based upon individual performance, up to 20% more than the calculated award amount or down to 0% of such award amount.

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.

A. Schulman, Inc.

By: /s/ David C. Minc
David C. Minc
Vice President, General Counsel and
Secretary

Date: October 30, 2009