

NEWELL RUBBERMAID INC

Form DEF 14A

March 28, 2005

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OMB APPROVAL

OMB Number:	3235-0059
Expires:	February 28, 2006
Estimated average burden	
hours per response	12.75

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:

- o Preliminary Proxy Statement
- o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- x Definitive Proxy Statement
- o Definitive Additional Materials
- o Soliciting Material Pursuant to §240.14a-12

Newell Rubbermaid Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

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SEC 1913 (02-02)

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On May 11, 2005

To the Stockholders of NEWELL RUBBERMAID INC.:

You are cordially invited to attend the annual meeting of stockholders of NEWELL RUBBERMAID INC. (the Company) to be held on Wednesday, May 11, 2005, at 10:00 a.m., local time, at the Grand Hyatt Hotel, 3300 Peachtree Road (located at the northwest corner of Peachtree Road and Piedmont Road), Atlanta, Georgia.

At the annual meeting, you will be asked to:

Elect four directors of the Company to serve for a term of three years;

Ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the year 2005;

Vote on a proposal submitted by a stockholder if it is properly presented at the meeting; and

Transact such other business as may properly come before the annual meeting and any adjournment or postponement of the annual meeting.

Only stockholders of record at the close of business on March 15, 2005 may vote at the annual meeting or any adjournment or postponement thereof.

Whether or not you plan to attend the annual meeting, please act promptly to vote your shares with respect to the proposals described above. You may vote your shares by marking, signing and dating the enclosed proxy card and returning it in the postage-paid envelope provided. You also may vote your shares by telephone or through the Internet by following the instructions set forth on the proxy card. If you attend the annual meeting, you may vote your shares in person, even if you have previously submitted a proxy in writing, by telephone or through the Internet.

By Order of the Board of Directors,

Dale L. Matschullat
*Vice President General Counsel &
Corporate Secretary*

March 28, 2005

-IMPORTANT-

The Company's audited financial statements for fiscal year 2004, together with Management's Discussion and Analysis of Financial Condition and Results of Operations and other related information, are attached as Appendix A to this proxy statement.

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NEWELL RUBBERMAID INC.

**10B Glenlake Parkway
Suite 600
Atlanta, Georgia 30328**

**PROXY STATEMENT FOR ANNUAL MEETING OF
STOCKHOLDERS TO BE HELD ON MAY 11, 2005**

You are receiving this proxy statement and proxy card from us because you own shares of common stock in Newell Rubbermaid Inc. (the Company). This proxy statement describes the proposals on which we would like you to vote. It also gives you information so that you can make an informed voting decision. We first mailed this proxy statement and the form of proxy to stockholders on or about March 28, 2005.

VOTING AT THE ANNUAL MEETING

Date, Time and Place of the Annual Meeting

We will hold the annual meeting at the Grand Hyatt Hotel, 3300 Peachtree Road (located at the northwest corner of Peachtree Road and Piedmont Road), Atlanta, Georgia, at 10:00 a.m., local time, on May 11, 2005.

Who May Vote

Record holders of the Company's common stock at the close of business on March 15, 2005 are entitled to notice of and to vote at the annual meeting. On the record date, approximately 275,249,250 shares of common stock were issued and outstanding.

Quorum for the Annual Meeting

A quorum of stockholders is necessary to take action at the annual meeting. A majority of the outstanding shares of common stock of the Company, present in person or by proxy, will constitute a quorum. Votes cast in person or by proxy at the annual meeting will be tabulated by the inspectors of election appointed for the annual meeting. The inspectors of election will determine whether a quorum is present at the annual meeting. The inspectors of election will treat instructions to withhold authority, abstentions and broker non-votes as present for purposes of determining the presence of a quorum. In the event that a quorum is not present at the annual meeting, we expect that the annual meeting will be adjourned or postponed to solicit additional proxies.

Votes Required

The four nominees for director who receive the greatest number of votes cast in person or by proxy at the annual meeting will be elected directors of the Company. The vote required for ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the year 2005 and approval of the stockholder proposal is the affirmative vote of a majority of the shares of common stock present in person or by proxy and entitled to vote at the annual meeting.

You are entitled to one vote for each share you own on the record date on each proposal to be considered at the annual meeting. A broker or other nominee may have discretionary authority to vote certain shares of common stock if the beneficial owner or other person entitled to vote those shares has not provided instructions.

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With respect to election of directors, you may vote in favor of all nominees, withhold votes as to all nominees or withhold votes as to specific nominees. Instructions to withhold authority to vote will have no effect on the election of directors because directors are elected by a plurality of votes cast. With respect to ratification of the appointment of Ernst & Young LLP and the stockholder proposal, you may vote in favor of or against either such proposal or you may abstain from voting. Any proxy marked *abstain* with respect to the proposal to ratify the appointment of Ernst & Young LLP or the stockholder proposal will have the effect of a vote against the proposal. Shares represented by a proxy as to which there is a broker non-vote or a proxy in which authority to vote for any matter considered is withheld will have no effect on the vote for the election of directors, the ratification of the appointment of Ernst & Young LLP or the stockholder proposal.

How to Vote

You may attend the annual meeting and vote your shares in person. You also may choose to submit your proxies by any of the following methods:

Voting by Mail. If you choose to vote by mail, simply complete the enclosed proxy card, date and sign it, and return it in the postage-paid envelope provided. Your shares will be voted in accordance with the instructions on your proxy card. If you sign your proxy card and return it without marking any voting instructions, your shares will be voted FOR the election of all director candidates nominated by the Board of Directors, FOR the ratification of the appointment of Ernst & Young LLP, AGAINST the stockholder proposal and in the discretion of the persons named as proxies on all other matters that may come before the annual meeting or any adjournment or postponement thereof.

Voting by Telephone. You may vote your shares by telephone by calling the toll-free telephone number provided on the proxy card. Telephone voting is available 24 hours a day, and the procedures are designed to authenticate votes cast by using a personal identification number located on the proxy card. The procedures allow you to give a proxy to vote your shares and to confirm that your instructions have been properly recorded. If you vote by telephone, you should not return your proxy card.

Voting by Internet. You also may vote through the Internet by signing on to the website identified on the proxy card and following the procedures described in the website. Internet voting is available 24 hours a day, and the procedures are designed to authenticate votes cast by using a personal identification number located on the proxy card. The procedures allow you to give a proxy to vote your shares and to confirm that your instructions have been properly recorded. If you vote by Internet, you should not return your proxy card.

If you are a stockholder whose shares are held in *street name* (*i.e.*, in the name of a broker, bank or other record holder), you must either direct the record holder of your shares how to vote your shares or obtain a proxy, executed in your favor, from the record holder to be able to vote at the annual meeting.

This proxy statement is also being used to solicit voting instructions for the shares of the Company's common stock held by trustees of the Newell Rubbermaid 401(k) Savings Plan (the *Newell 401(k) Plan*) for the benefit of plan participants. Participants in the Newell 401(k) Plan have the right to direct the trustees regarding how to vote the shares of Company stock credited to their accounts. Unless otherwise required by law, the shares credited to each participant's account will be voted as directed. Participants in the Newell 401(k) Plan may direct the trustees by telephone, by the Internet or by completing and returning a voting card. If valid instructions are not received from a Newell 401(k) Plan participant by May 6, 2005, such participant's shares will be voted proportionately in the same manner in which the trustee votes all shares for which it has received valid instructions.

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How You May Revoke or Change Your Vote

You may revoke your proxy at any time before it is voted at the annual meeting by any of the following methods:

Submitting a later-dated proxy by mail, over the telephone or through the Internet.

Sending a written notice, including by telegram or facsimile, to the Corporate Secretary of the Company. You must send any written notice of a revocation of a proxy so that it is received before the taking of the vote at the annual meeting to:

Newell Rubbermaid Inc.
10B Glenlake Parkway, Suite 600
Atlanta, Georgia 30328
Facsimile: 1-770-407-3987
Attention: Corporate Secretary

Attending the annual meeting and voting in person. Your attendance at the annual meeting will not in and of itself revoke your proxy. You must also vote your shares at the annual meeting. If your shares are held in street name by a broker, bank or other record holder, you must obtain a proxy, executed in your favor, from the record holder to be able to vote at the annual meeting.

If you require assistance in changing or revoking your proxy, please contact the Company's proxy solicitor, Morrow & Co., Inc., at the following address or telephone number:

Morrow & Co., Inc.
445 Park Avenue, 5th Floor
New York, New York 10022
Phone Number: 1-800-566-9061

Costs of Solicitation

This proxy statement and the accompanying proxy card are being furnished to stockholders in connection with the solicitation of proxies by the Board of Directors of the Company. The Company will pay the costs of soliciting proxies. The Company has retained Morrow & Co., Inc. to aid in the solicitation of proxies and to verify certain records related to the solicitation. The Company will pay Morrow & Co., Inc. a fee of \$10,000, plus \$5 per holder for any individual solicitation, as compensation for its services and will reimburse it for its reasonable out-of-pocket expenses.

In addition to solicitation by mail, directors, officers and employees of the Company may solicit proxies from stockholders by telephone, telecopy, telegram, Internet or in person. Upon request, the Company will also reimburse brokerage houses and other custodians, nominees and fiduciaries for their reasonable expenses in sending the proxy materials to beneficial owners.

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PROPOSAL 1 ELECTION OF DIRECTORS

The Company's Board of Directors is currently comprised of 12 directors who are divided into three classes, with each class elected for a three-year term. Alton F. Doody, a current director whose term expires at the annual meeting, is not standing for re-election, and the Board of Directors has acted to reduce the size of the Board to 11 members, with such change to take effect immediately prior to the annual meeting. The Company is grateful for Dr. Doody's 29 years of exemplary service as a director. The Board of Directors has nominated Michael T. Cowhig, Mark D. Ketchum, William D. Marohn, and Raymond G. Viault for re-election as Class III directors at the annual meeting. If elected, Mr. Marohn, Mr. Cowhig, Mr. Ketchum and Mr. Viault will serve until the annual meeting of stockholders to be held in 2008 and until their successors have been duly elected and qualified.

Proxies will be voted, unless otherwise indicated, for the election of the four nominees for director. All of the nominees are currently serving as directors of the Company and have consented to serve as directors if elected at this year's annual meeting. The Company has no reason to believe that any of the nominees will be unable to serve as a director. However, should any nominee be unable to serve if elected, the Board of Directors may reduce the number of directors, or proxies may be voted for another person nominated as a substitute by the Board of Directors.

The Board of Directors unanimously recommends that you vote FOR the election of each nominee for director.

Information about the nominees and the continuing directors whose terms expire in future years is set forth below. The dates shown for service as a director of the Company include service as a director of the predecessor of the Company prior to July 1987.

Name and Background	Director Since
Nominees for Class III Directors Continuing in Office Term Expiring in 2008	
Michael T. Cowhig, age 58, has been President, Global Technical and Manufacturing of The Gillette Company (a manufacturer and marketer of consumer products) since January 2004. Mr. Cowhig joined Gillette in 1968, and thereafter served in a variety of roles, including Senior Vice President, Global Manufacturing and Technical Operations Stationery Products from 1996 to 1997, Senior Vice President, Manufacturing and Technical Operations Grooming from 1997 to 2000, Senior Vice President, Global Supply Chain and Business Development from 2000 to 2002, and Senior Vice President, Global Manufacturing and Technical Operations from 2002 to 2004. Mr. Cowhig is also a director of Wilsons The Leather Experts Inc. (a retailer of leather outerwear, accessories and apparel)	2005

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Name and Background	Director Since
<p>Mark D. Ketchum, age 55, retired on November 1, 2004, as President, Global Baby and Family Care of The Procter & Gamble Company (a manufacturer and marketer of consumer products), a position he had held since 1999. Mr. Ketchum joined P&G in 1971, and thereafter served in a variety of roles, including Vice President and General Manager Tissue/ Towel from 1990 to 1996 and President North American Paper Sector from 1996 to 1999. Mr. Ketchum is also a director of Hillenbrand Industries, Inc. (a provider of goods and services for the health care and funeral services industries)</p>	2005
<p>William D. Marohn, age 64, has been Chairman of the Board of the Company since May 2004. He retired in December 1998 as Vice Chairman of the Board of Whirlpool Corporation (a manufacturer and marketer of major home appliances), a post he held since February 1997. From October 1992 through January 1997, Mr. Marohn served as the President and Chief Operating Officer of Whirlpool Corporation. From January through October 1992, he was President of Whirlpool Europe, B.V. From April 1989 through December 1991, Mr. Marohn served as Executive Vice President of Whirlpool's North American Operations and from 1987 through March 1989 he was President of Whirlpool's Kenmore Appliance Group. Prior to retirement, Mr. Marohn had been associated with Whirlpool since 1964. Mr. Marohn is also a director at Hanson Logistics (a provider of flexible refrigerated storage and logistics solutions)</p>	1999
<p>Raymond G. Viault, age 60, retired on September 27, 2004 as Vice Chairman of General Mills, Inc. (a manufacturer and marketer of consumer food products), a post he held since 1996. From 1990 to 1996, Mr. Viault was President of Kraft Jacobs Suchard in Zurich, Switzerland. Mr. Viault was with Kraft General Foods for a total of 20 years, serving in a variety of major marketing and general management positions. Mr. Viault is also a director of VF Corp. (an apparel company) and Safeway Inc. (a food and drug retailer)</p>	2002

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Name and Background	Director Since
Class I Directors Continuing in Office Term Expiring in 2006	
Thomas E. Clarke, age 53, has been President of New Business Ventures of Nike, Inc. (a designer, developer and marketer of footwear, apparel, equipment and accessory products) since June 2001. Dr. Clarke joined Nike, Inc. in 1980. He was appointed divisional vice president in charge of marketing in 1987, corporate Vice President in 1989, General Manager in 1990, and served as President and Chief Operating Officer from 1994 to 2000. Dr. Clarke previously held various positions with Nike, Inc., primarily in research, design, development and marketing	2003
Joseph Galli, Jr., age 46, has been President and Chief Executive Officer of the Company since January 2001. Prior thereto, Mr. Galli was President and Chief Executive Officer of VerticalNet, Inc. (an internet business-to-business company) from June 2000 until January 2001. From June 1999 until June 2000, he was President and Chief Operating Officer of Amazon.com (an internet business-to-consumer company). From 1980 until June 1999, Mr. Galli held a variety of positions with The Black and Decker Corporation (a manufacturer and marketer of power tools and accessories), culminating as President of Black and Decker's Worldwide Power Tools and Accessories Group	2001
Elizabeth Cuthbert Millett, age 48, has been the owner and operator of Plum Creek Ranch, located in Newcastle, Wyoming (a commercial cattle production company) for more than five years	1995
Class II Directors Continuing in Office Term Expiring in 2007	
Scott S. Cowen, age 58, has been the President of Tulane University and Seymour S. Goodman Memorial Professor of Business since July 1998. From 1984 through July 1998, Dr. Cowen served as Dean and Albert J. Weatherhead, III Professor of Management, Weatherhead School of Management, Case Western Reserve University. Prior to his departure in 1998, Dr. Cowen had been associated with Case Western Reserve University in various capacities since 1976. Dr. Cowen is also a director of American Greetings Corp. (a manufacturer of greeting cards and related merchandise), Forest City Enterprises (a real estate developer) and Jo-Ann Stores (an operator of retail fabric shops)	1999
Cynthia A. Montgomery, age 52, has been a Professor of Business Administration at the Harvard University Graduate School of Business since 1989. Prior thereto, Dr. Montgomery was a Professor at the Kellogg School of Management at Northwestern University from 1985 to 1989. She is also a director of Harvard Business School Publishing (a publishing company) and certain registered investment companies managed by Merrill Lynch & Co. or one of its subsidiaries	1995
Allan P. Newell, age 58, has been a private investor for more than five years	1982
Gordon R. Sullivan, age 67, General, U.S. Army (Ret.), has been President of the Association of the United States Army since February 1998. From 1995 through 1997, General Sullivan served as President of Coleman Federal, a division of Coleman Research Corporation (a systems engineering company and a subsidiary of Thermo Electron Corporation). From 1991 through 1995, General Sullivan served as the 32nd Chief of Staff of the United States Army and as a member of the Joint Chiefs of Staff. Prior thereto, General Sullivan served as Vice Chief of Staff and Deputy Chief of Staff for Operations and Plans of the United States Army. General Sullivan is also a director of Shell Oil Company (a petroleum company), Electronic Warfare Associates, Inc. (an information technology company) and the Institute for Defense Analyses (an institute providing analysis on national security	1999

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INFORMATION REGARDING BOARD OF DIRECTORS AND COMMITTEES

General

The primary responsibility of the Board of Directors is to oversee the affairs of the Company for the benefit of the Company's stockholders. To assist it in fulfilling its duties, the Board of Directors has delegated certain authority to the Audit Committee, the Organizational Development & Compensation Committee and the Nominating/ Governance Committee. The duties and responsibilities of these standing committees are described below under "Committees."

The Board of Directors has adopted the Newell Rubbermaid Inc. Corporate Governance Guidelines. The purpose of these guidelines is to ensure that the Company's corporate governance practices enhance the Board's ability to discharge its duties on behalf of the Company's stockholders. The Corporate Governance Guidelines, which are available under the "Corporate Governance" link on the Company's website at www.newellrubbermaid.com, include:

a requirement that a majority of the Board will be independent directors, as defined under the applicable rules of The New York Stock Exchange, Inc. ("NYSE") and any standards adopted by the Board of Directors from time to time;

a requirement that all members of the Audit Committee, the Organizational Development & Compensation Committee and the Nominating/ Governance Committee will be independent directors as defined under the applicable rules of the NYSE and any standards adopted by the Board of Directors from time to time;

mandatory director retirement at the annual meeting immediately following the attainment of age 73;

regular executive sessions of non-management directors outside the presence of management at least four times a year, provided that if the non-management directors include one or more directors who are not independent directors under the applicable NYSE rules, the independent directors also will meet, outside the presence of management in executive session, at least once a year;

annual review of the Board's performance;

regular review of management succession planning and annual performance reviews of the Chief Executive Officer; and

the authority of the Board to engage independent legal, financial, accounting and other advisors as it believes necessary or appropriate to assist it in the fulfillment of its responsibilities, without consulting with, or obtaining the advance approval of, any Company officer.

Director Independence

Pursuant to the Corporate Governance Guidelines, the Board of Directors undertook its annual review of director independence in February 2005. During this review, the Board of Directors considered whether or not each director has any material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) and has otherwise complied with the requirements for independence under the applicable NYSE rules.

As a result of this review, the Board of Directors affirmatively determined that all of the Company's current directors are independent of the Company and its management within the meaning of the applicable NYSE rules and under the standards set forth in the Corporate Governance Guidelines, with the exception of Mr. Galli. Mr. Galli is considered an inside director because of his employment as the President and Chief Executive Officer of the Company.

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An entity in which Dr. Doody and certain members of his immediate family collectively own an interest of slightly below 50%, from time to time, purchases Calphalon brand cookware and other products from the Company for use and resale in connection with the operation of a culinary center in New Orleans, Louisiana. Sales by the Company to this entity in 2004 and 2005 have totaled approximately \$28,500 (as of March 1, 2005). Pursuant to the Board's direction, the pricing and all other terms of sale are no more favorable to this entity, and no less favorable to the Company, than the terms on which the Company sells the same products to similarly situated buyers under similar circumstances. The Board has concluded that, under these facts and circumstances, Dr. Doody's interest in these transactions is not material and would not influence his decisions or actions as a director of the Company, and that Dr. Doody therefore complies with the requirements for independence under the applicable NYSE rules.

Meetings

The Company's Board of Directors held 13 meetings during 2004. All directors attended the 2004 annual meeting of stockholders and at least 75% of the Board meetings and meetings of Board committees on which they served. Under the Company's Corporate Governance Guidelines, each director is expected to attend the annual meeting of the Company's stockholders.

The Company's non-management directors held four meetings during 2004 separately in executive session without any members of management present. The Company's Corporate Governance Guidelines provide that the presiding director at each such session is the Chairman of the Board or lead director, or in his or her absence, the person the Chairman of the Board or lead director so appoints. The Chairman of the Board currently presides over executive sessions of the non-management directors.

Committees

The Board of Directors has an Audit Committee, an Organizational Development & Compensation Committee and a Nominating/Governance Committee.

Audit Committee. The Audit Committee, whose chairperson is Dr. Cowen and whose other current members are Mr. Ketchum, Mr. Newell, General Sullivan and Mr. Viault, met 12 times during 2004. The Board of Directors has affirmatively determined that each member of the Audit Committee is an independent director within the meaning of the applicable U.S. Securities and Exchange Commission (SEC) regulations, the applicable NYSE rules and the Company's Corporate Governance Guidelines. Further, the Board of Directors has affirmatively determined that each of Dr. Cowen, the chairperson of the Audit Committee, and Mr. Viault is qualified as an audit committee financial expert within the meaning of the applicable SEC regulations.

The Audit Committee assists the Board of Directors in fulfilling its fiduciary obligations to oversee:

- the integrity of the Company's financial statements;
- the Company's compliance with legal and regulatory requirements;
- the qualifications and independence of the Company's independent auditors; and
- the performance of the Company's internal audit function and independent auditors.

In addition, the Audit Committee:

- is directly responsible for the appointment, compensation, retention and oversight of the work of the Company's independent auditors;
- has established procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls and auditing matters, including procedures for confidential,

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anonymous submission by employees of concerns regarding questionable accounting or audit matters; and

has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties.

The Audit Committee acts under a written charter that is available under the Corporate Governance link on the Company's website at www.newellrubbermaid.com.

Organizational Development & Compensation Committee. The Organizational Development & Compensation Committee, whose chairperson is Dr. Clarke and whose other current members are Mr. Cowhig, Ms. Millett, General Sullivan, and Mr. Viault, met six times during 2004. The Board of Directors has affirmatively determined that each member of the Organizational Development & Compensation Committee is an independent director within the meaning of the applicable NYSE rules and the Company's Corporate Governance Guidelines.

The Organizational Development & Compensation Committee is principally responsible for:

reviewing the Company's executive compensation programs to ensure the attraction, retention and appropriate reward of executive officers, to motivate their performance in the achievement of the Company's business objectives, and to align the interest of the executive officers with the long-term interests of the Company's shareholders;

reviewing and recommending to the Board of Directors (or, in the case of the Chief Executive Officer, the independent members of the Board of Directors) base salary amounts for the Chief Executive Officer and his direct reports, annual incentive programs and payout of such plans for the Chief Executive Officer and key executives, individual stock option and restricted stock grants, as well as all policies related to the issuance of options and restricted stock within the Company, and annual performance objectives for the Company to be achieved by the Chief Executive Officer;

reviewing and reporting to the Board of Directors progress on the Company's organizational development activities, including succession planning and training of all management levels; and

conducting an annual review and making recommendations to the Board of Directors on director compensation.

The Organizational Development & Compensation Committee acts under a written charter that is available under the Corporate Governance link on the Company's website at www.newellrubbermaid.com.

Nominating/ Governance Committee. The Nominating/ Governance Committee, whose chairperson is Dr. Montgomery and whose other current members are Dr. Clarke, Dr. Doody, and Ms. Millett, met five times during 2004. The Board of Directors has affirmatively determined that each member of the Nominating/ Governance Committee is an independent director within the meaning of the applicable NYSE rules and the Company's Corporate Governance Guidelines.

The Nominating/ Governance Committee is principally responsible for:

identifying and recommending to the Board of Directors candidates for nomination or appointment as directors;

reviewing and recommending to the Board of Directors appointments to Board committees;

developing and recommending to the Board of Directors corporate governance guidelines for the Company and any changes to those guidelines;

reviewing, from time to time, the Company's Code of Business Conduct and Ethics and certain other policies and programs intended to promote compliance by the Company with its legal and

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ethical obligations, and recommending to the Board of Directors any changes to the Company's Code of Business Conduct and Ethics and such policies and programs; and

overseeing the Board of Directors' annual evaluation of its own performance.

The Nominating/ Governance Committee acts under a written charter that is available under the Corporate Governance link on the Company's website at www.newellrubbermaid.com.

Director Nomination Process

The Nominating/ Governance Committee is responsible for identifying and recommending to the Board of Directors candidates for directorships. The Nominating/ Governance Committee considers candidates for Board membership who are recommended by members of the Nominating/ Governance Committee, other Board members, members of management and individual stockholders. Once the Nominating/ Governance Committee has identified prospective nominees for director, the Board is responsible for selecting such candidates. As set forth in the Corporate Governance Guidelines, the Board seeks to identify as candidates for director persons from various backgrounds and with a variety of life experiences, a reputation for integrity and good business judgment and experience in highly responsible positions in professions or industries relevant to the conduct of the Company's business. In selecting director candidates, the Board takes into account the current composition of the Board and the extent to which a candidate's particular expertise and experience will complement the expertise and experience of other directors. The Board considers candidates for director who are free of conflicts of interest or relationships that may interfere with the performance of their duties.

From time to time, the Nominating/ Governance Committee has engaged the services of Christian & Timbers, a global executive search firm, to assist the Nominating/ Governance Committee and the Board of Directors in identifying and evaluating potential director candidates. Christian & Timbers identified Messrs. Cowhig and Ketchum as director candidates and recommended their candidacy to the Nominating/ Governance Committee in 2004. The Nominating/ Governance Committee evaluated such individuals against the criteria set forth above and recommended them to the full Board of Directors for election.

A stockholder who wishes to recommend a director candidate for consideration by the Nominating/ Governance Committee should submit such recommendation in writing to the Nominating/ Governance Committee at the address set forth below under Communications with the Board of Directors. A candidate recommended for consideration must be highly qualified and must be willing and able to serve as a director. Director candidates recommended by stockholders will receive the same consideration given to other candidates and will be evaluated against the criteria outlined above.

Communications with the Board of Directors

The independent members of the Board of Directors have adopted the Company's Procedures for the Processing and Review of Stockholder Communications to the Board of Directors, which provide for the processing, review and disposition of all communications sent by stockholders or other interested persons to the Board of Directors. Stockholders and other interested persons may communicate with the Company's Board of Directors or any member or committee of the Board of Directors by writing to them at the following address:

Newell Rubbermaid Inc.
Attention: [Board of Directors]/[Board Member]
c/o Corporate Secretary
Newell Rubbermaid Inc.
10B Glenlake Parkway, Suite 600
Atlanta, Georgia 30328

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Communications directed to the independent or non-management directors should be sent to the attention of the Chairman of the Board or the chairperson of the Nominating/ Governance Committee, c/o Corporate Secretary, at the address indicated above.

Any complaint or concern regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Company's Code of Ethics for Senior Financial Officers should be sent to the attention of the General Counsel at the address indicated above or may be submitted in a sealed envelope addressed to the chairperson of the Audit Committee, c/o General Counsel, at the same address, and labeled with a legend such as: To Be Opened Only by the Audit Committee. Such accounting complaints will be processed in accordance with procedures adopted by the Audit Committee. Further information on reporting allegations relating to accounting matters is available under the Corporate Governance link on the Company's website at www.newellrubbermaid.com.

Code of Ethics

The Board of Directors has adopted a Code of Ethics for Senior Financial Officers, which is applicable to the Company's senior financial officers, including the Company's principal executive officer, principal financial officer, principal accounting officer and controller. The Company also has a separate Code of Business Conduct and Ethics that is applicable to all Company employees, including each of the Company's directors and officers. Both the Code of Ethics for Senior Financial Officers and the Code of Business Conduct and Ethics are available under the Corporate Governance link on the Company's website at www.newellrubbermaid.com. The Company posts any amendments to or waivers from its Code of Ethics for Senior Financial Officers (to the extent applicable to the Company's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) or to the Code of Business Conduct and Ethics (to the extent applicable to the Company's directors or executive officers) at the same location on the Company's website. In addition, a copy of the Code of Ethics for Senior Financial Officers and the Code of Business Conduct and Ethics may be obtained without charge upon written request to the office of the Corporate Secretary of the Company at 10B Glenlake Parkway, Suite 600, Atlanta, Georgia 30328.

Compensation of Directors

Directors of the Company who are not also employees of the Company are paid an annual retainer of \$50,000 (the Chairman is paid an annual retainer of \$300,000), plus a \$2,000 fee for each Board meeting attended and a \$1,000 fee for each committee meeting attended, unless such meetings are conducted by telephone, in which case the fee is \$500 for each meeting. Committee chairs receive an additional \$1,000 fee for each committee meeting attended in person.

Under the Newell Rubbermaid Inc. 2003 Stock Plan (the 2003 Plan), each new non-employee director is eligible to receive a stock option grant of up to a maximum of 20,000 shares on the date he or she joins the Board of Directors, and each non-employee director is eligible to receive a stock option grant of up to a maximum of 5,000 shares on the date of each annual meeting of stockholders at which he or she is re-elected or continues as a non-employee director. In addition, each non-employee director is entitled to receive a restricted stock award of up to a maximum of 2,000 shares at each annual meeting of stockholders at which he or she is first elected, is re-elected or continues as a non-employee director. Subject to the limitations of the 2003 Plan, all stock options and restricted stock awards, including the actual number of shares and the applicable restrictions, terms and conditions, are determined by the Board of Directors in its discretion. Under the 2003 Plan, stock options may not vest more rapidly than at a rate of 33 1/3% on each anniversary of the date of grant, and restricted stock is generally subject to a minimum three-year vesting period.

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Each non-employee director of the Company received a grant of an option to purchase 4,000 shares on the date of the 2004 annual meeting, and each non-employee director first elected or appointed subsequent to the 2004 annual meeting received an initial grant of an option to purchase 10,000 shares, despite the higher maximum levels permitted under the 2003 Plan. All such options were granted at an exercise price equal to the fair market value of the common stock on the date of grant, and become exercisable in five annual installments of 20%, commencing one year from the grant date. In addition, in 2004 each non-employee director of the Company received a restricted stock award of 1,000 shares, despite the higher maximum levels permitted under the 2003 Plan, with all restrictions on such shares lapsing on the third anniversary of the date of grant.

Table of Contents**EXECUTIVE COMPENSATION****Summary**

The following table shows the compensation of the Company's Chief Executive Officer and each of the other executive officers named in this section (the Named Officers) for the fiscal years ended December 31, 2004, 2003 and 2002.

Summary Compensation Table

Name and Principal Position	Year	Annual Compensation			Long Term Compensation Awards		
		Salary (\$)	Bonus (\$)	Other Annual Compensation \$(5)	Restricted Stock Awards \$(6)	Securities Underlying Options (#)	All Other Compensation \$(7)
Joseph Galli, Jr.	2004	\$ 1,200,000	\$ 1,519,200	\$ 338,798	\$ 1,288,500	100,000	\$ 79,925
President and Chief Executive Officer	2003	1,166,673	234,501	201,910		0	8,000
	2002	1,000,038	1,068,341	122,676		200,000	8,000
James J. Roberts	2004	\$ 700,000	\$ 585,270		\$ 679,200	50,000	\$ 56,467
Group President and Chief Operating Officer(1)	2003	618,333	581,666			122,200	8,000
	2002	467,500	351,887			31,800	
J. Patrick Robinson	2004	\$ 445,833	\$ 423,453		\$ 566,000	35,000	\$ 33,445
Vice President	2003	391,667	59,063			30,000	8,000
Chief Financial Officer(2)	2002	341,667	365,002			24,800	
Hartley D. Blaha	2004	\$ 400,000	\$ 379,920			30,000	\$ 34,200
President	2003	100,000	350,000			150,000	
Corporate Development(3)							
Timothy J. Jahnke	2004	\$ 401,667	\$ 292,855	\$ 18,331	\$ 569,400	50,000	\$ 34,811
Group President(4)	2003	277,500	41,847	56,677		20,000	8,000
	2002	257,500	275,087			17,700	8,000

- (1) Appointed President and Chief Operating Officer Rubbermaid/ IRWIN Group effective September 2, 2003. Served as Group President Irwin from April 1, 2001 to August 31, 2003.
- (2) Appointed Vice President Chief Financial Officer effective November 3, 2004. Served as Vice President Controller and Chief Financial Officer from June 10, 2003 to November 3, 2004. Served as Controller and Chief Accounting Officer from May 7, 2001 to June 10, 2003.
- (3) Appointed President Corporate Development effective February 24, 2005. Served as Vice President Corporate Development from October 1, 2003 to February 24, 2005.
- (4) Appointed President Home & Family Products Group effective April 28, 2004. Served as Vice President Human Resources from February 1, 2001 to April 28, 2004.
- (5) The other annual compensation reported for Mr. Galli in 2004 represents \$295,708 for perquisites and other personal benefits, including \$77,488 for health care reimbursements and \$204,332 for personal use of company transportation, and \$43,090 in reimbursements of FICA taxes associated with the implementation of the Retirement Choice Program described below under Pension and Retirement Plans. The other annual compensation reported for Mr. Galli in 2003 represents \$85,613 for health care reimbursements and \$116,297 for personal use of company transportation. The other annual compensation reported for Mr. Galli in 2002 represents \$73,228 for health care reimbursements and \$49,448 for personal use of company transportation. The other annual compensation reported for Mr. Jahnke in 2004 represents reimbursement of FICA taxes associated with the implementation of the Retirement Choice Program. The other annual compensation reported for Mr. Jahnke in 2003 represents \$56,677 for perquisites and other personal benefits, including a \$15,900 moving

allowance and \$30,362 for reimbursed moving expenses.

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- (6) All restricted stock awarded to the Named Officers in 2004 will vest on the third anniversary of the date of grant. The value of restricted stock holdings held by each of the Named Officers as of December 31, 2004, based on the closing price of the common stock on the NYSE as reported in *The Wall Street Journal* on such date, was: Mr. Galli, 50,000 shares (\$1,209,500); Mr. Roberts, 30,000 shares (\$725,700); Mr. Robinson, 25,000 shares (\$604,750); Mr. Jahnke, 25,000 shares (\$604,750). As provided in the 2003 Plan, dividends are paid on the restricted stock at the same rate as is paid to all holders of the Company's common stock.
- (7) The compensation reported for each of the Named Officers for 2004 represents the following: Mr. Galli, \$71,725 for the annual credit to Mr. Galli's account in the Company's 2002 Deferred Compensation Plan (referred to herein as a SRP Cash Account Credit) pursuant to the cash account feature of the Newell Rubbermaid Supplemental Retirement Plan (the SRP) and \$8,200 for Company matching contributions to the Newell 401(k) Plan; Mr. Roberts, \$51,267 for the SRP Cash Account Credit and \$5,200 for Company matching contributions to the Newell 401(k) Plan; Mr. Ro