

PHILLIPS VAN HEUSEN CORP /DE/  
Form DEF 14A  
May 09, 2007

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

**SCHEDULE 14A**  
**(Rule 14a-101)**  
**INFORMATION REQUIRED IN PROXY STATEMENT**  
**SCHEDULE 14A INFORMATION**

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

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

Check the appropriate box:

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

PHILLIPS-VAN HEUSEN CORPORATION  
(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):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
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  - (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:
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  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date Filed:

**PHILLIPS-VAN HEUSEN CORPORATION**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

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The Annual Meeting of Stockholders of PHILLIPS-VAN HEUSEN CORPORATION (the Company), a Delaware corporation, will be held at The Graduate Center - City University of New York, 365 Fifth Avenue, Proshansky Auditorium, Concourse Level, New York, New York, on Tuesday, June 19, 2007, at 10:00 a.m., for the following purposes:

- (1) to elect 10 directors of the Company to serve for a term of one year;
- (2) to ratify the appointment of auditors for the Company to serve for the current fiscal year; and
- (3) to consider and act upon such other matters as may properly come before the meeting.

Only stockholders of record at the close of business on April 23, 2007 are entitled to vote at the meeting.

Attendance at the meeting will be limited to holders of record as of the record date of the Company's Common Stock or their proxies, beneficial owners having evidence of ownership and guests of the Company. If you hold stock through a bank or broker, a copy of an account statement from your bank or broker as of the record date will suffice as evidence of ownership. Attendees also must present a picture ID to be admitted to the meeting.

You are requested to fill in, date and sign the enclosed proxy, which is solicited by the Board of Directors of the Company, and to mail it promptly in the enclosed envelope.

By order of the Board of Directors,

MARK D. FISCHER  
*Secretary*

New York, New York  
May 9, 2007

**IMPORTANT: The prompt return of proxies will save the Company the expense of further requests for proxies. A self-addressed envelope is enclosed for your convenience. No postage is required if mailed within the United States.**



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**PHILLIPS-VAN HEUSEN CORPORATION**

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**PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS**

**June 19, 2007**

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**GENERAL INFORMATION**

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of PHILLIPS-VAN HEUSEN CORPORATION to be used at the Annual Meeting of Stockholders, which will be held at The Graduate Center - City University of New York, 365 Fifth Avenue, Proshansky Auditorium, Concourse Level, New York, New York, on Tuesday, June 19, 2007, at 10:00 a.m., and at any adjournments thereof.

Our principal executive offices are located at 200 Madison Avenue, New York, New York 10016-3903. The approximate date on which this Proxy Statement and the enclosed proxy card were first sent or given to stockholders was May 9, 2007.

Disclosures in this proxy statement generally pertain to matters related to our most recently completed fiscal year, which ended on February 4, 2007. References herein to 2006 refer to that fiscal year, as the fiscal year commenced in calendar 2006. Similarly references to 2005, 2007 and 2008 are to our fiscal years that commenced or will commence in the referenced calendar year.

**VOTING INFORMATION**

Stockholders who execute proxies retain the right to revoke them at any time by notice in writing to the Secretary of the Company, by revocation in person at the meeting or by presenting a later dated proxy. Unless so revoked, the shares represented by proxies will be voted at the meeting. The shares represented by the proxies solicited by our Board of Directors will be voted in accordance with the directions given therein. Shares will be voted FOR the election of the 10 nominees for director and FOR the ratification of the appointment of Ernst & Young LLP as our auditors for our current fiscal year if no directions are given in a valid proxy.

Stockholders vote at the meeting by casting ballots (in person or by proxy) which are tabulated by a person who is appointed by the Board of Directors before the meeting to serve as inspector of elections at the meeting and who has executed and verified an oath of office. Abstentions and broker non-votes are included in the determination of the number of shares present at the meeting for quorum purposes. Abstentions will have the same effect as negative votes, except that abstentions will have no effect on the election of directors because directors are elected by a plurality of the votes cast. Broker non-votes are not counted in the tabulations of the votes cast on proposals presented to stockholders because shares held by a broker are not considered to be entitled to vote on matters as to which broker authority is withheld. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner. Banks, brokers and other nominees have discretionary voting power with respect to the election of directors and the ratification of the appointment of our auditor, as the proposals are considered to be routine matters under existing New York Stock Exchange rules.

Common stockholders of record at the close of business on April 23, 2007 will be entitled to one vote for each share of our Common Stock then held. There were outstanding on such date 55,979,999 shares of Common Stock. The Common Stock is the only class of voting stock outstanding as of the record date.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table presents certain information with respect to the persons who are known by us to be the beneficial owners of more than five percent of our Common Stock as of April 23, 2007. Except as otherwise indicated, the persons listed below have advised by us that they have sole voting and investment power with respect to the shares listed as owned by them.

Name and Address of Beneficial Owner	Amount Beneficially Owned	Percent of Class
Earnest Partners, LLC(1) 75 Fourteenth Street, Suite 2300 Atlanta, Georgia 30309	5,593,260	9.99
Barclays Global Investors, NA (2) 45 Fremont Street San Francisco, California 94105	2,988,658	5.34
FMR Corp.(3) 82 Devonshire Street Boston, Massachusetts 02109	2,848,450	5.09

(1) Earnest Partners, LLC, a registered investment adviser, may be deemed to be the beneficial owner of 5,593,260 shares of Common Stock, including 1,751,639 shares with respect to which it has sole voting power, 1,903,999 shares with respect to which it has shared voting power and as to all 5,593,260 of which it has sole dispositive power. Information as to the shares of Common Stock that may be deemed to be owned beneficially by Earnest Partners, LLC (other than percentage ownership) is as of December 31, 2006, as set forth in a Schedule 13G/A dated February 8, 2007 and filed with the Securities and Exchange Commission (which we refer to as the SEC).

(2) Barclays Global Investors, NA may be deemed to be the beneficial owner of 2,988,658 shares of Common Stock, including 2,809,439 shares with respect to which it has sole voting power and as to all of which it has sole dispositive power. The foregoing shares include 1,622,028 shares of Common Stock reported as beneficially owned by Barclays Global Fund Advisors, 45 Fremont Street, San Francisco, California, a registered investment adviser, and 35,434 shares reported as beneficially owned by Barclays Global Investors, Ltd., Murray House, Royal Mint Court, London EC3N 4HH, England, a bank. Information as to the shares that may be deemed to be beneficially owned by Barclays Global Investors, NA and other reporting persons (other than percentage ownership) is as of December 31, 2006, as set forth in a Schedule 13G dated January 31, 2007 and filed with the SEC.

(3) FMR Corp. may be deemed to be the beneficial owner of 2,848,450 shares of Common Stock, including 851,950 shares with respect to which it has sole voting power. Fidelity Management & Research Company, 82 Devonshire Street, Boston, Massachusetts 02109, a wholly owned subsidiary of FMR Corp., 82 Devonshire Street, Boston, Massachusetts 02109, and a registered investment adviser, is the beneficial owner of 2,272,750 shares of Common Stock as a result of acting as investment adviser to various investment companies. Pyramis Global Advisors



Trust Company ( PGATC ), 53 State Street, Boston, Massachusetts 02109, a wholly owned subsidiary of FMR Corp. and a bank as defined in Section 3(a)6 of the Securities Exchange Act of 1934, as amended (which we refer to as the Exchange Act ), owns 119,400 shares of Common Stock as a result of its serving as investment manger of institutional accounts owning such shares. Fidelity International Limited ( FIL ), Pembroke Hall, 42 Crow Lane, Hamilton, Bermuda, and various foreign-based subsidiaries provide investment advisory and management services to a number of non-U.S. investment companies and certain institutional investors. FIL, which is a qualified institution under Section 240.13d-1(b)(1) pursuant to an SEC No-Action Letter dated October 5, 2000, is the beneficial owner of 456,300 shares of Common Stock, including 449,200 shares with respect to which it has sole voting power. Each of Edward C. Johnson 3rd and FMR Corp., through control of Fidelity Management & Research Company and the Fidelity funds, has sole power to dispose of the 2,272,750 shares owned by the Fidelity funds. Members of the family of Edward C. Johnson 3rd may be deemed to form a controlling group with respect to FMR Corp. Each of Edward C. Johnson 3rd and FMR Corp., through control of PGATC, has sole dispositive power and sole voting power over 119,400 shares of Common Stock owned by the institutional accounts managed by PGATC. FMR Corp. and FIL are

of the view that they are not acting as a group for purposes of Section 13(d) under the Exchange Act and that they are not otherwise required to attribute to each other the beneficial ownership of securities beneficially owned by the other corporation. However, FMR Corp. filed the Schedule 13G on a voluntary basis as if all of the shares are beneficially owned by FMR Corp. and FIL on a joint basis. Information as to the shares of Common Stock that may be deemed beneficially owned by FMR Corp., Edward C. Johnson 3rd, PGATC and FIL (other than percentage ownership) is as of December 31, 2006, as set forth in a Schedule 13G dated February 14, 2007 and filed with the SEC.

The following table presents certain information with respect to the number of shares of Common Stock beneficially owned as of April 23, 2007 by the following persons:

each of our directors;

each of the nominees for director;

the persons who served as our Chief Executive Officer during our most recently completed fiscal year;

our Chief Financial Officer and our four most highly compensated executive officers with respect to our most recently completed fiscal year, other than the persons who served as Chief Executive Officer or Chief Financial Officer during our most recently completed fiscal year; and

our directors, the nominees for director and our executive officers, as a group.

We refer to our current and former Chief Executive Officers, Chief Financial Officer and our four most highly compensated executive officers other than our Chief Executive Officer and Chief Financial Officer collectively as our Named Executive Officers. References to our continuing Named Executive Officers are to the same group, excluding our former Chief Executive Officer.

Except as otherwise indicated below, each of the persons named below has sole voting and investment power with respect to the shares listed as owned by him or her.

Name	Amount Beneficially Owned(1)	Percent of Class
Mary Baglivo		
Emanuel Chirico	270,339	*
Edward H. Cohen	39,100	*
Francis K. Duane	89,530	*
Joseph B. Fuller	62,000	*
Joel H. Goldberg	19,500	*
Marc Grosman	57,000	*
Margaret L. Jenkins		
Bruce J. Klatsky	8,200	*
Bruce Maggin	71,875	*
V. James Marino		
Paul Thomas Murry	34,140	*
Henry Nasella	7,500	*

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Rita M. Rodriguez	7,500	*
Craig Rydin		
Michael A. Shaffer	27,500	*
Allen E. Sirkin	131,250	*
Mark Weber(2)	150,000	*
Michael Zaccaro	86,517	*
All directors, nominees for director and current executive officers as a group (18 persons)	911,951	1.61

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\* Less than 1% of class.

(1) The figures in the table are based upon information furnished to us by our directors, nominees for director and persons who served as executive officers during our most recently completed fiscal year. The figures do not

include the shares held for the benefit of our executive officers in the Master Trust for the PVH Stock Fund. The PVH Stock Fund is one of the investment options under our Associates Investment Plans, which are employee benefit plans under Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended. We refer to the Associates Investment Plans as the AIPs. Participants in the AIPs who make investments in the PVH Stock Fund may direct the vote of shares of Common Stock held for their benefit in the Master Trust for the PVH Stock Fund.

Based on the value of their investment in the PVH Stock Fund as of April 23, 2007, the following directors and executive officers will have the right to cast votes equal to the number of shares shown (which have been rounded to the nearest full share):

Name	Shares
Emanuel Chirico	6,671
Francis K. Duane	323
Bruce J. Klatsky	16,684
Michael A. Shaffer	6,543
Allen E. Sirkin	17,773

The Trustee of the Master Trust has the right to vote shares in the Trust that are unvoted as of two days prior to the meeting in the same proportion as the vote by all other participants in the AIPs who have cast votes with respect to their investment in the PVH Stock Fund. These participants also have the right, subject to certain limitations, to receive a distribution of shares of Common Stock held for their benefit in the Master Trust, but the committee that administers the AIPs makes all other decisions regarding the disposition of Common Stock held in the Master Trust. Mr. Shaffer is a member of that committee.

(2) Mr. Weber served as our Chief Executive Officer and a director for part of our most recently completed fiscal year. His employment by us terminated on February 27, 2006, on which date he also resigned as a director.

The foregoing table also includes shares which the persons on the foregoing table have the right to acquire within 60 days of April 23, 2007 upon the exercise of options granted under the Company's stock option plans: Emanuel Chirico, 260,000 shares; Edward H. Cohen, 33,000 shares; Francis K. Duane, 67,030 shares; Joseph B. Fuller, 57,000 shares; Joel H. Goldberg, 19,500 shares; Marc Grosman, 57,000 shares; Bruce J. Klatsky, 2,500 shares; Bruce Maggin, 53,000 shares; Paul Thomas Murry, 26,250 shares; Henry Nasella, 7,500 shares; Rita M. Rodriguez, 7,500 shares; Michael A. Shaffer, 27,500 shares; Allen E. Sirkin, 108,686 shares; Mark Weber, 150,000 shares; Michael Zaccaro, 53,186; and all of our current directors, nominees for director and executive officers as a group, 779,652 shares.

**ELECTION OF DIRECTORS****Directors**

Our Board of Directors has established 10 as the number of directors constituting the entire Board, effective at the conclusion of the meeting. The Board had previously provided that we may have up to 14 directors and our Board of Directors currently consists of 11 members, nine of whom were elected by our stockholders and two of whom were elected by the directors subsequent to the 2006 Annual Meeting of Stockholders to fill vacancies on the Board. Three of our current directors, Joel H. Goldberg, Marc Grosman and Bruce J. Klatsky, requested not to be nominated for re-election and will be retiring as directors effective as of the date of the meeting.

All members of the Board of Directors elected by the stockholders at the Annual Meeting of Stockholders of the Company will serve for a term of one year or until their successors are elected and qualified. All of the nominees for director have previously been elected directors of the Company by the stockholders, other than Margaret L. Jenkins and Craig Rydin, who were elected by the Board in September 2006 to fill existing vacancies, and Mary Baglivo and V. James Marino.

The election of directors requires the affirmative vote of a plurality of the votes cast in person or by proxy at the meeting. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve. There is no arrangement or understanding between any director or nominee and any other person pursuant to which such person was selected as a director or nominee.

**The Board of Directors recommends a vote FOR the election of the 10 nominees named below. Proxies received in response to this solicitation will be voted FOR the election of the nominees unless otherwise specified in a proxy.**

Name	Principal Occupation	Age	Year Became a Director
Mary Baglivo	Chief Executive Officer, North America and Marketing Director Worldwide, Saatchi & Saatchi Worldwide, an advertising agency	49	N/A
Emanuel Chirico	Chief Executive Officer of the Company	50	2005
Edward H. Cohen	Counsel, Katten Muchin Rosenman LLP, a law firm	68	1987
Joseph B. Fuller	Chief Executive Officer, Monitor Company, a management consulting firm	50	1991
Margaret L. Jenkins	Senior Vice President and Chief Marketing Officer, Denny's Corporation, a full-service family restaurant chain	55	2006
Bruce Maggin	Principal, The H.A.M. Media Group, LLC, a media investment company	64	1987
V. James Marino	President and Chief Executive Officer, Alberto-Culver Company, a personal care products company	56	N/A
Henry Nasella	Partner and Co-Founder, LNK Partners, a private equity investment firm	60	2003

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Rita M. Rodriguez	Senior Fellow, Woodstock Theological Center at Georgetown University	64	2005
Craig Rydin	Chief Executive Officer, The Yankee Candle Company, Inc., a designer, manufacturer and branded marketer of premium scented candles	55	2006

**Other Directors**

The following directors have requested that they not be nominated for re-election and will be retiring as of the date of the meeting:

<b>Name</b>	<b>Principal Occupation</b>	<b>Age</b>	<b>Year Became a Director</b>
Joel H. Goldberg	President, Career Consultants, Inc., an organizational consulting firm	63	1997
Marc Grosman	Chief Executive Officer, Marc Laurent S.A., a European menswear retailer d/b/a CELIO	52	1997
Bruce J. Klatsky	Partner, LNK Partners, a private equity investment firm	58	1985

**Additional Information**

Several of our directors also serve as directors of other public companies:

Mr. Chirico is also a director of Dick's Sporting Goods, Inc.

Mr. Cohen is also a director of Franklin Electronic Publishers, Incorporated, Gilman & Ciocia, Inc., Levcor International, Inc. and Merrimac Industries, Inc.

Dr. Goldberg is also a director of Hampshire Group, Limited and Merrimac Industries, Inc.

Mr. Grosman is also a director of Altadis and Compass Limited

Mr. Maggin is also a director of Central European Media Enterprises, Ltd.

Mr. Marino is also a director of Alberto-Culver Company

Mr. Nasella is also a director of Denny's Corporation

Dr. Rodriguez is also a director of ENSCO International Incorporated and Affiliated Managers Group, Inc.

Mr. Rydin is also a director of priceline.com Incorporated

Each of our directors has been engaged in the principal occupation indicated in the foregoing table for more than the past five years, except:

Ms. Baglivo, who was President of Arnold Worldwide from April 2002 to July 2004;

Mr. Chirico, who had been our President and Chief Operating Officer from June 2005 to February 27, 2006 and our Chief Financial Officer from February 1999 to June 2005;

Ms. Jenkins, who was Vice President, Marketing of El Pollo Loco Restaurants, Inc. from June 1999 to June 2002;

Mr. Klatsky, who had been our Chief Executive Officer from 1994 until June 2005;

Mr. Maggin, who from 1999 until 2002 was also the Chief Executive Officer of TDN, Inc. (d/b/a at TV Media, Inc.), a marketer of interactive television advertising;

Mr. Marino, who was President of Alberto-Culver Consumer Products Worldwide, a division of Alberto-Culver Company, from October 2004 to November 2006, and President of Alberto Personal Care Worldwide, a division of Alberto-Culver Company, from July 2002 to October 2004;

Mr. Nasella, who was a Venture Partner of Apax Partners, an international private equity investment group, from 2001 until 2005; and

Dr. Rodriguez, who has also been self-employed in the field of international finance since 1999 and was a full-time member of the Board of Directors of the Export-Import Bank of the United States from 1982 to 1999.

Our Board of Directors has determined the independence (or lack thereof) of each of the Company's directors and nominees for director and, as a result thereof, concluded that a majority of our directors are independent, as required under the rules of the New York Stock Exchange, on which exchange our Common Stock is listed for trading. Specifically, our Board determined that Dr. Rodriguez, Ms. Baglivo and Ms. Jenkins, and each of Messrs. Cohen, Fuller, Grosman, Maggin, Marino, Nasella and Rydin are independent under Section 303A(2) of the New York Stock Exchange rules. In making such determinations, the Board considered (i) whether a director had, within the last three years, any of the relationships under Section 303A(2)(b) of the New York Stock Exchange rules with us which would disqualify a director from being considered independent, (ii) whether the director had any disclosable transaction or relationship with us under Item 404 of Regulation S-K of the Exchange Act, which relates to transactions and relationships between directors and their affiliates,



on the one hand, and us and our affiliates (including management), on the other, and (iii) the factors suggested in the New York Stock Exchange's Commentary to Section 303A(2), such as a commercial, consulting and other relationship, or other interactions with management that do not meet the absolute thresholds under Section 303A(2) or Item 404(a) but which, nonetheless, could reflect upon a director's independence from management. In considering the materiality of any transactions or relationships that do not require disqualification under Section 303A(2)(b), the Board considered the materiality of the transaction or relationship to the director, the director's business organization and us and whether the relationship between (i) the director's business organization and the Company, (ii) the director and the Company and (iii) the director and his business organization interfered with the director's business judgment.

No family relationship exists between any director or executive officer of the Company.

### **Committees and Meetings**

Our Corporate Governance Guidelines provide that each member of our Board of Directors is expected to use reasonable efforts to attend, in person, or by telephone, all meetings of the Board and of any committees of which they are a member as well as the annual meeting of stockholders. All of the members of the Board attended the 2006 Annual Meeting of Stockholders.

During the fiscal year ended February 4, 2007, there were seven meetings of the Board of Directors. All of the directors attended at least 75% of the aggregate number of meetings of the Board of Directors and the Committees of the Board of Directors on which they served held during the fiscal year.

Our non-management directors meet regularly in executive sessions or in separate meetings without management or the management directors, and our independent directors generally meet at least once a year without the non-independent directors. Mr. Klatsky presides at the executive sessions of the non-management directors. Mr. Nasella will be presiding at the executive sessions after Mr. Klatsky's retirement from the Board.

Our Board of Directors has a standing Audit Committee, a standing Compensation Committee and a standing Nominating & Governance Committee.

#### ***Audit Committee***

The Audit Committee is currently composed of Dr. Rodriguez and Messrs. Cohen and Maggin, each of whom served on the Committee for the entirety of the fiscal year ended February 4, 2007. Each of Dr. Rodriguez and Messrs. Cohen and Maggin has been determined by the Board to be independent for purposes of audit committee service under the New York Stock Exchange's listing standards and Rule 10A-3 of the Exchange Act. Mr. Maggin, the Chairman of the Committee, and Dr. Rodriguez have each been determined by the Board to be an audit committee financial expert, as defined in Item 407 of Regulation S-K under the Exchange Act.

Our Board of Directors has adopted a written charter for the Audit Committee. A copy of the charter is available without charge on our website, [www.pvh.com](http://www.pvh.com), or by requesting a copy from the Secretary of the Company at the address listed on the last page of this proxy statement.

Pursuant to its charter, the Committee is charged with providing assistance to the Board of Directors in fulfilling the Board's oversight functions relating to the quality and integrity of our financial reports, monitoring our financial reporting process and internal audit function, monitoring the outside auditing firm's qualifications, independence and performance and performing such other activities consistent with its charter and our By-laws, as the Committee or the Board deems appropriate. The Committee will also have such additional functions as are required by the New York Stock Exchange, the SEC and federal securities law. The Committee is directly responsible for the appointment, compensation and oversight of the work of the outside auditing firm.

The Audit Committee held 12 meetings during the fiscal year ended February 4, 2007.

### *Compensation Committee*

The Compensation Committee is currently composed of Messrs. Grosman, Nasella (Chairman) and Rydin. Mr. Rydin was appointed to the Committee upon his election to the Board in September 2006. Mr. Christian Näther, a former director of the Company, served as a member of the Committee until his resignation from the Board in May 2006. Messrs. Nasella and Grosman were continuing members and served on the Committee for the entire fiscal year ended February 4, 2007. Dr. Goldberg, one of our retiring directors, has an organizational consulting business dealing with employment and employment-related matters and frequently participated in Committee meetings. He did not have a vote when he attended meetings. Our Chief Executive Officer, Vice President, Human Resources and General Counsel regularly attend and participate in meetings, although they generally excuse themselves from the meetings during discussions or votes on sensitive or personal matters.

The Board of Directors has adopted a written charter for the Compensation Committee, which is available without charge on our website, [www.pvh.com](http://www.pvh.com), or by requesting a copy from the Secretary of the Company at the address listed on the last page of this proxy statement. The charter provides for the Committee to be composed of three or more directors. All Committee members must be independent under the rules of the New York Stock Exchange, and must qualify as outside directors under Section 162(m) of the Internal Revenue Code of 1986, as amended, and as non-employee directors under Rule 16b-3 under the Exchange Act. The Board has determined that all current members satisfy (and Mr. Näther satisfied) such requirements. The Committee is charged with discharging the Board of Director's responsibilities relating to the compensation of our Chief Executive Officer and all of our other executive officers as defined under New York Stock Exchange rules and covers both executive officers and officers under the Exchange Act. The Committee also has overall responsibility for approving or recommending to the Board approval of and/or evaluating all of our compensation plans, policies and programs and is responsible for producing the annual report on executive compensation required to be included in the proxy statement for each annual meeting of stockholders.

The Compensation Committee has been meeting from three to six times a year over the past few years. Compensation decisions regarding the most recently completed fiscal year (*i.e.*, determination of bonuses under our Performance Incentive Bonus Plan and payouts under our Long-Term Incentive Plan, as well as discretionary bonuses) and the current fiscal year (*i.e.*, establishing base salary, setting bonus and LTIP targets and granting of option awards) are generally made at the meetings during the first quarter of the year. In addition, the Committee considers and approves at these meetings any new incentive compensation plans or arrangements that need to be approved by our Board and/or our stockholders. The other meetings are typically focused on reviewing our compensation programs generally and discussing potential changes to the program, including replacement or additional incentive compensation plans, as well as specific issues that arise during the course of the year (such as the need to amend plans as a result of regulatory changes or to address compensation issues relating to changes in and promotions among the executive officers).

The Compensation Committee held six meetings during the fiscal year ended February 4, 2007.

### *Nominating & Governance Committee*

The Nominating & Governance Committee currently consists of Ms. Jenkins and Messrs. Fuller (Chairman) and Grosman. Ms. Jenkins was appointed to the Committee upon her election to the Board in September 2006. Mr. Näther also served as a member of the Committee until his resignation from the Board in May 2006. Messrs. Fuller and Grosman were continuing members and served on the Committee for the entire fiscal year ended February 4, 2007. The Board of Directors has adopted a written charter for the Committee, which is available without charge on our website, [www.pvh.com](http://www.pvh.com), or by requesting a copy from the Secretary of the Company at the address listed on the last page of this proxy statement. The charter provides for the Committee to be composed of three or more directors, all of whom must meet the independence requirement under the rules of the New York Stock Exchange. Our Board has determined that all current members satisfy (and Mr. Näther satisfied) such requirement.

Pursuant to the charter, the Nominating & Governance Committee is charged with (1) assisting the Board of Directors by identifying individuals qualified to become Board members and recommending to the Board director nominees for the next annual meeting of stockholders, (2) recommending to the Board Corporate Governance Guidelines applicable to us, (3) overseeing the annual evaluation of the Board and management and (4) recommending to the Board director nominees for each committee.

The Nominating & Governance Committee will consider for election to the Board of Directors a nominee recommended by a stockholder if the recommendation is made in writing and includes (i) the qualifications of the proposed nominee to serve on the Board of Directors, (ii) the principal occupations and employment of the proposed nominee during the past five years, (iii) each directorship currently held by the proposed nominee and (iv) a statement that the proposed nominee has consented to the nomination. The recommendation should be addressed to our Secretary.

The Nominating & Governance Committee seeks and evaluates individuals qualified to become Board members for recommendation to the Board when and as appropriate. In evaluating potential candidates, and the need for new directors, the Committee may consider such factors, including, without limitation, professional experience and business, charitable or educational background, performance, age, service on other boards of directors and years of service on our Board, as the members deem appropriate.

In 2006, we paid fees to Heidrick & Struggles International, Inc., an executive search firm, to assist the Committee in identifying potential candidates to fill vacancies on the Board.

The Nominating & Governance Committee held three meetings during the fiscal year ended February 4, 2007.

**Other Corporate Governance Policies**

*Corporate Governance Guidelines*

Our Board of Directors has adopted Corporate Governance Guidelines applicable to us. The Nominating & Governance Committee reviews the Guidelines annually to determine whether to recommend changes to the Board to reflect new laws, rules and regulations and developing governance practices. The Guidelines address several key areas of corporate governance, including director qualifications and responsibilities, Board committees and their charters, director independence, director access to management, director compensation, director orientation and education, evaluation of the Chief Executive Officer, management development and succession planning and annual performance evaluations for the Board. The Guidelines are available on our website, [www.pvh.com](http://www.pvh.com). Stockholders may also contact the Secretary of the Company at the address listed on the last page of this proxy statement to obtain a copy of the Guidelines without charge.

*Code of Business Conduct and Ethics*

We have a Code of Business Conduct and Ethics for our directors, officers and employees. The Code is posted on our website, [www.pvh.com](http://www.pvh.com). Stockholders may also contact the Secretary of the Company at the address listed on the last page of this proxy statement to obtain a copy of the Code without charge. We intend to disclose on our website any amendments to, or waivers of, the Code that would otherwise be reportable on a current report on Form 8-K. Such disclosure would be posted within four days following the date of the amendment or waiver.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Based upon our review of the filings furnished to us pursuant to Rule 16a-3(e) promulgated under the Exchange Act and on representations from our executive officers and directors, all filing requirements of Section 16(a) of the Exchange Act were complied with during the fiscal year ended February 4, 2007, except that one charitable gift transaction that should have been reported on a Form 5 filed by Bruce Goldstein, our Vice President and Controller, was filed late.

## COMPENSATION COMMITTEE REPORT

The Compensation Committee of our Board of Directors has reviewed and discussed with management the Compensation Discussion and Analysis section of this proxy statement that immediately follows this report. Based on this review and discussion, the Committee has recommended to the Board that the Compensation Discussion and Analysis section be included in this proxy statement.

Compensation Committee

Henry Nasella, Chairman

Marc Grosman

Craig Rydin

## COMPENSATION DISCUSSION AND ANALYSIS

### Overview

The following discussion and analysis is intended to provide you with an explanation of our current compensation program, with particular regard towards the compensation of our Chief Executive Officer and the other Named Executive Officers. The discussion includes our compensation philosophy and the program's objectives, the elements of compensation used to pay our executives, and historical information regarding how our program has developed and how that relates to how our executive officers are currently compensated. We also address the particulars of the compensation we paid to the Named Executive Officers in 2006 and how our compensation program is administered. Although the discussion and analysis contained in this section is framed in terms of our management's approach to compensation and also speaks to actions taken by the Compensation Committee of our Board of Directors, it should be noted that the entirety of our compensation program is a cooperative effort among management, the Compensation Committee and the entire Board of Directors, with advice from an outside compensation consultant, and the discussion and analysis reflects that effort.

### Compensation Committee Purpose and Function

The Compensation Committee is responsible for fulfilling the Board's responsibilities relating to the compensation of our Chief Executive Officer and all of our other executive officers. Executive officers is defined for these purposes by a New York Stock Exchange rule as all officers and executive officers under Rule 16a-1(f) of the Exchange Act and includes all of our Named Executive Officers, as well as four other senior executives. The Committee is also the administrative committee for all of our incentive compensation plans—our Performance Incentive Bonus Plan, our Stock Incentive Plan and our Long-Term Incentive Plan—all of which have been approved by our stockholders. The Committee also has overall responsibility for approving or recommending to our Board approval of and/or evaluating all our compensation plans, policies and programs.

### **Compensation Consultant**

The Compensation Committee engages a compensation consultant to advise it on all matters related to the compensation of the Chief Executive Officer and the other executive officers and the Company's compensation plans. For the past several years, including the first half of 2006 (when all compensation decisions were made with respect to our continuing Named Executive Officers and our 2006 Stock Incentive Plan was proposed, developed and put to a vote of our stockholders), the Committee used Mercer Human Resource Consulting. Mercer had also advised our Board's Nominating & Governance Committee on director compensation and serves as the actuary for our pension plans.

The compensation consultant meets and works with the Compensation Committee, and the Chairman of the Committee between meetings, as well as with our Chief Executive Officer and our Vice President, Human Resources, in developing each year's compensation packages and any compensation plans to be considered by the Committee. The compensation consultant is used primarily to compile peer data, prepare tally sheets, help identify the appropriate types and terms of incentive compensation plans (*e.g.*, whether the equity incentive plan adopted in 2006 should be strictly an option plan or include other types of equity awards and how the vesting provisions of the bonus and long-term incentive plans adopted in 2005 should operate) and address developments in executive compensation. Additionally, the consultant is used to address specific issues identified by the Committee.

The Compensation Committee undertook a process in the second half of 2006 to consider changing its compensation consulting firm. This review was precipitated by the departure from Mercer of the lead consultant with whom the Compensation Committee had worked at Mercer and another consulting firm. Our Vice President, Human Resources and Chief Executive Officer also participated in the process. The Committee retained Executive Compensation Advisors, an

affiliate of Korn/Ferry International, after considering a number of candidates. Executive Compensation Advisors is where the lead consultant from Mercer now works and it is providing advice with respect to compensation for 2007. We have established a policy that management will not retain Executive Compensation Advisors, Korn/Ferry International or any other affiliate of Korn/Ferry International for any purpose without first informing and obtaining the approval of the Compensation Committee.

### **Compensation Objectives**

Our compensation program is structured primarily:

(i) to compensate our executive officers on an annual basis with a stable, secure cash salary at a market competitive level to retain and motivate these individuals and to attract new executives when necessary;

(ii) to provide short-term and long-term incentives to our executive officers to attain certain financial targets and to reward certain accomplishments or activities;

(iii) to link a portion of our executive officers' compensation to long-term increases in value created for our stockholders by the efforts of these individuals; and

(iv) to be consistent with our high ethical standards.

The incentive components listed on items (ii) and (iii) are the largest pieces of the compensation packages and require improved performance levels of our stock (in the case of stock options) and the attainment of the financial performance levels of our businesses (in the case of other incentives) in order for the continuing Named Executive Officers to earn the majority of their potential compensation.

Both objective and subjective factors are considered in making compensation decisions for individuals and in establishing compensation plans, policies and programs. These factors include, but are not limited to, compensation practices of competitors, relative compensation within our executive group, individual, business unit and corporate performance, tenure with the Company, job responsibility, potential for advancement and the recommendations of the top executive officers, including the Chief Executive Officer.

### **Compensation Procedure and Philosophy**

Compensation for our executive officers has both short-term and long-term components, as well as a benefits component, and is largely dependent on performance. The short-term components are base salary and annual cash bonuses, principally under our Performance Incentive Bonus Plan. The long-term components through 2006 were time-based stock options and cash awards under our Long-Term Incentive Plan. Our



Stock Incentive Plan, which was adopted by our stockholders in 2006, also permits the granting of restricted stock, restricted stock units, stock appreciation rights, performance shares, and other stock-based awards. Previously, our only permissible form of equity-based compensation had been stock options. In establishing future executive officer compensation packages, the Compensation Committee may utilize the other types of awards available under the Stock Incentive Plan, including restricted stock units and performance shares, and/or adopt additional long-term incentive and/or annual incentive plans to meet the needs of changing employment markets and economic, accounting and tax conditions. It is anticipated that any such new plans would be submitted to stockholders for approval. We generally have had our prior plans approved by stockholders and believe it is appropriate to seek stockholder approval. Stockholder approval is also needed to obtain tax deductibility of compensation paid to or received by our executive officers under incentive plans, which is typically desired by the Committee.

Our compensation program does not rely to any significant extent on pension and welfare benefits or perquisites. However, we believe that our pension and welfare benefit plans are generally competitive. The benefits offered under these plans and programs to executive officers serve a different purpose than do the other components of compensation. In general, they are designed to provide a safety net of protection against the financial catastrophes that can result from illness, disability or death, and to provide a reasonable level of retirement income based on compensation and years of service. Benefits offered to executive officers are those that are offered to the general employee population, with some variation, including to promote tax efficiency and replacement of benefit opportunities lost due to regulatory limits. Perquisites are limited and generally consist of discounts in Company retail stores available to all employees and, in certain cases, increased discounts, clothing allowances, gym memberships, parking, and travel, hotel and recreational activities of executives' spouses during our annual off-site budget, planning and strategy meetings.

Our management, the Compensation Committee, our Board and the compensation consultant work in a cooperative fashion. The compensation consultant advises the Committee on compensation developments, plan design and the like, as

well as in developing compensation packages and providing market data. New plans, plan amendments and the overall compensation program are presented to the Board by the Committee, which then reviews and is required to approve the same prior to their adoption by the company. The Board also approves any material changes in our Chief Executive Officer's compensation arrangements. Management works with the Committee and the compensation consultant to report on executive performance, particular business issues facing an executive or his or her division, and management's views on the efficacy of and incentives behind the compensation program in order to assist in the establishment of appropriate performance goals, the adjustment of salaries, the award of discretionary bonuses and related matters.

Our executive officer compensation program and the compensation package of each executive officer are reviewed annually by the Compensation Committee. On a program-wide basis, the Committee considers whether our incentive plans provide appropriate means of compensating our executives (*e.g.*, cash versus stock, time-based versus performance-based incentives, etc.), the proximity of the expiration of existing plans, stock availability under existing plans and developments in the field of incentive compensation. We seek to use types of plans and awards with tested effectiveness and clear accounting treatment that are understandable to stockholders and executives alike. We have designed our newest plans to be flexible in their application so that we have the appropriate tools available to develop compensation packages with the appropriate mix of fixed and at-risk components, short- and long-term incentives, and cash and equity awards with appropriate terms.

The Compensation Committee's annual review also includes consideration of the various elements of our executive compensation packages, including whether there should be general or specific salary increases, whether potential payouts as a percentage of salary should change, and whether to alter the mix between cash and equity compensation. This review also addresses the more specific issues of setting targets under our incentive plans and whether an individual associate's performance, promotion or change in circumstances warrant changes to his or her compensation package that are different from the other executives as a group.

The Compensation Committee considers a study compiled by its compensation consultant of compensation packages for an industry peer group, generally culled from public filings, and published compensation benchmark surveys, particularly for the executive officers other than the Named Executive Officers, as part of its review when considering the packages. The peer group is used to provide market context for compensation decisions, both because these are the companies with which we compete for executive talent and because their general similarity in size, business and economics aid the Committee in assessing the reasonableness of our compensation packages. The peer group consists of approximately 15 public companies in the apparel and footwear industry and is reviewed annually. In formulating the peer group, the consultant tries to identify companies with a similar business mix and of a comparable size to us. Burberry Limited, Coach, Inc., Jones Apparel Group, Inc., Kellwood Co., Kenneth Cole Productions, Inc., Liz Claiborne Inc., Polo Ralph Lauren Corporation, Quicksilver, Inc., Timberland Co. and VF Corp. have been included in the peer group over the past few years. Several other companies have come into or out of the group over the years due to going public, going private, being acquired, or emerging from bankruptcy.

We believe that severance, retirement payments and the like were generally taken into consideration in formulating compensation packages when appropriate. We instituted the practice of using tally sheets when reviewing the compensation packages for our continuing Named Executive Officers beginning in 2006 to assist in this analysis. The tally sheets cover prior year compensation, proposed compensation for the then current year and seven different termination of employment scenarios, including termination with or without cause or for good reason, voluntary termination, normal and early retirement and termination after a change in control, and 12 elements of compensation, including severance, value receivable under cash incentive, option, pension, savings and deferred compensation plans, as well as the value of any tax gross-ups.

The tally sheets provide both a snapshot of current compensation opportunities and benefits and a quantification of payments and other value an executive would receive in various termination of employment scenarios. As such, they enable the Compensation Committee to see and evaluate the full range of executive compensation, understand the magnitude of potential payouts as a result of retirement, change in control and other events resulting in termination of employment, and consider changes to our compensation program, arrangements and plans in light of best practices and emerging trends. The Committee does not view the tally sheets in isolation. The assessment takes into consideration financial and market performance, individual performance and tenure, and other factors.

While the Compensation Committee does look at wealth accumulation calculations how much an executive is projected to accrue over time or receive through certain benefits it does not believe it to be a deciding factor on its own, but rather must be looked at considering all relevant factors. The reason for this is two-fold. First, we believe it both necessary and appropriate to continue to compensate our executives for their on-going individual performance and the Company's on-going performance and provide pension and other post-employment benefits that properly reflect years of service. We believe that were we to discontinue incentive compensation awards, benefit accruals or the like, there could be less of an incentive for our executives to continue to perform at the high levels we believe they have performed and

could even cause them to seek alternative employment at a competitor who would offer a full range of incentive compensation. Moreover, since the most significant vehicle for wealth accumulation is stock options, and the amount of the benefit of options is largely dependent on creating stockholder value through increases in the price of our stock, we believe there is little risk in the executives receiving compensation without a correlating benefit to stockholders. We do, of course, consider relevant factors, including whether the mix of compensation needs to change over time to reflect changes relative to the Company (such as a change in growth trajectory), and the individual associate (such as proximity to retirement). We also consider whether existing long-term awards already provide sufficient incentives to retain and motivate our executives, such that an additional award is not warranted with respect to an overlapping period, and whether existing awards payout as expected and produce the desired results. In addition, we will make other adjustments as we see the need arise, whether as a result of changes in applicable tax or accounting rules, to encourage different desirable results.

Second, we historically have had executives with long tenures. All of our prior chief executive officers served more than 30 years with the Company. The average tenure (including, in one case, service with a business we acquired) of our continuing Named Executive Officers is over 13 years. The remaining 23 members of our senior executive team have an average tenure (including, in two cases, service with a business we acquired) of over 18 years. As a result, we would expect to see, for example, that the value in an executive's Associates Investment Plan (our 401(k) plan) account and Supplemental Savings Plan (a non-qualified deferred compensation plan), both of which are included in our wealth accumulation analysis, would be significant. These plans are largely funded by the executive through payroll deductions but also include Company match funds.

#### ***Targeted Compensation***

Compensation levels of our top two executives, Messrs. Chirico and Sirkin, are targeted to approximate the competitive median if we achieve our budget, to exceed the median and approach the 75th percentile of competitive compensation levels if we exceed our budget and to be below the competitive median if our budget is not attained. A similar approach is taken with respect to the other continuing Named Executive Officers. We focus on the median and refer to the 25<sup>th</sup> and 75<sup>th</sup> percentiles of the peer group data to understand the market range. We use this approach, as our consultant has demonstrated that it diminishes the disproportionate affect caused by the outliers that pay well above or well below the balance of the group.

#### ***Allocation Among Compensation Components***

Our compensation program does not provide for a specific mix of base salary, annual incentive and long-term incentive components. Ideally, we would like salaries to approximate the median, while the other components would provide for annual cash compensation and total compensation to reach appropriate levels discussed above based on short-term and long-term performance.

Historically, we had no bonus or other incentive compensation plans, other than stock options. Furthermore, we were limited (and continue to be limited) in the number of options (and other equity awards) we could grant to individuals as we had relatively small option plans due to a small market capitalization and the need to temper possible dilution. Also limiting our ability to give large grants is our long-standing practice of awarding options to a relatively large group of our associates. As a result, salaries were generally increased annually (other than the chief executive officer's salary) and tended to be higher than desired for the fixed portion of our compensation packages. Base salaries being a higher percentage of the total compensation package has also been the result of our good fortune of generally having a long-tenured executive management team that we believe is highly qualified and responsible for our success, as we had to award raises continuously on top of base salaries that were higher than the peer group data would suggest because of the lack of other compensation elements to award performance and achievement.

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We instituted annual performance-based bonus plans in an effort to slow down increases of base salaries and provide for performance-based incentive compensation in addition to the long-term incentive provided through stock options. In addition, we instituted a cash-based long-term incentive plan to address further the base salary issue, as well as shortfalls in total compensation (when comparing our executive officer compensation to our peer group) due, in part, to the inability to use stock-based awards. Our current Long-Term Incentive Plan, which was approved by stockholders in 2005, permits awards to be granted to the continuing Named Executive Officers, although awards have only been granted under it to the current and immediate former Chief Executive Officers (*i.e.*, Messrs. Chirico and Weber), the current and former chief operating officers (*i.e.*, Messrs. Sirkin and Chirico) and the Vice Chairman, Wholesale Apparel (*i.e.*, Mr. Duane).

*Base Salaries*

Annual salaries are determined by evaluating our overall performance, the performance of each individual executive officer, and the performance of their division for operational executives, as well as considering market forces, peer data and other general factors believed to be relevant, including time between salary increases, promotion (and, if applicable, the base salary of the predecessor), expansion of responsibilities, advancement potential, and the execution of special or difficult assignments. Additionally, the Compensation Committee will take into account the relative salaries of the executive officers and determine what it believes are appropriate compensation level distinctions between and among the executive officers, including between the Company's Chief Executive Officer and the other Named Executive Officers and among the other Named Executive Officers. There is no specific relationship between achieving or failing to achieve budgeted estimates or our stock or financial performance and the annual salaries determined by the Committee for any of the executive officers. No specific weight is attributed to any of the factors considered by the Committee; the Committee considers all factors and makes a subjective determination, based upon the experience of its members, the information and analysis provided by its compensation consultant and the recommendations of the Chief Executive Officer and the Vice President, Human Resources.

We have made a concerted effort to hold down base salaries in recent years and have, instead, introduced short-term and, in some cases, long-term cash incentive plans to increase the performance-based component of compensation, as well as the total compensation opportunity. However, we have continued to grant salary increases related to promotions, expansion of responsibilities, and advancement potential, and to take into account the relative salaries of the executive officers. Under this practice, Mr. Chirico received a \$100,000 raise in 2006 in connection with his promotion to Chief Executive Officer, Mr. Sirkin received a \$100,000 raise in 2006 in connection with his promotion to Chief Operating Officer, Mr. Duane received a \$50,000 raise in 2006 in connection with his promotion to Vice Chairman, Wholesale Apparel, and Mr. Shaffer received a \$50,000 raise in 2006, in connection with his promotion to Chief Financial Officer. In addition, Mr. Zaccaro, Vice Chairman, Retail Apparel, received a \$50,000 raise in 2006 to recognize his successful assumption of overall responsibility for our Bass retail group and elevation to our Operating Committee, as well as to bring his salary more closely in line with the other members of our Operating Committee and comparable positions in the peer group.

*Short-Term Incentives*

**Performance Incentive Bonus Plan.** The purpose of our 2005 Performance Incentive Bonus Plan is to provide cash compensation on an annual basis that is at-risk and contingent on the achievement of overall Company performance or divisional performance, as appropriate. The Plan allows for goals to be set based upon numerous different performance criteria, but to date the Compensation Committee has only set targets based on our earnings per share or the net earnings of our businesses during the applicable year.

Our senior executives, including the continuing Named Executive Officers, can receive bonuses under our 2005 Performance Incentive Bonus Plan. Bonuses for our senior corporate executives, including the Chief Executive, Chief Operating and Chief Financial Officers, are based on annual earnings targets for the Company as a whole. Bonuses in the case of the Vice Chairmen and the President of Calvin Klein are principally based on the annual earnings targets for their respective divisions, but in 2006 they were awarded, and going forward they are expected to continue to be awarded, bonuses or other awards based, in part, on annual earnings targets for the Company as a whole. All other senior divisional executives earn bonuses solely on the annual earnings targets for their respective divisions.

Messrs. Sirkin and Duane's potential payouts were increased with respect to 2006 in order to bring their total compensation for 2006 in line with their targeted levels for their new positions. Their compensation packages would have included an award under our 2005 Long-Term Incentive Plan, but the LTIP does not permit awards that cover a performance cycle of one year or less. As such, the Compensation Committee determined

to increase the bonus payout percentages for the year, as it most closely emulated the risk and goals that would have been associated with an LTIP award covering the same period.

The Compensation Committee established all earnings targets for 2006 for the senior executives in April 2006. The targets were based upon the budget reviewed and approved by our Board for 2006 and excluded special items. In the case of our performance as a whole, the excluded items included (but were not limited to) the costs of the secondary offering of our Common Stock completed in May 2006, costs associated with our closing in May 2006 of our dress shirt facility in Ozark, Alabama, costs relating to the departure of Mark Weber, our former Chief Executive Officer, and a one time pre-tax gain associated with our sale of minority interests in certain entities that operate various licensed Calvin Klein jeans and sportswear businesses in Europe and Asia. As such, they were based on non-GAAP financial measures, which is how we look at our performance as compared to our 2005 earnings of \$1.88 per share (which also excludes certain special items and is on a non-GAAP basis). The targets provided for the threshold earnings levels (below which no bonus would be paid), target earnings levels, and maximum earnings levels (above which no additional bonus is earned), and the

percentage of base salary payable for the achievement of such targets (with achievement of levels between targets equal to a percentage of base salary that is on a straight-line basis between the two targets).

The targets based on our annual earnings were as follows:

		%		%		%		
	THRESHOLD	INCREASE OVER PRIOR YEAR EPS	TARGET	INCREASE OVER PRIOR YEAR EPS	MAXIMUM	INCREASE OVER PRIOR YEAR EPS		
\$	2.08	11	\$	2.18	16	\$	2.58	37

Our actual earnings were \$2.62 per share, representing a 39% increase over 2005 earnings per share. Each of the Named Executive Officers earned bonuses at the maximum level for 2006 as a result. The payouts are equal to the percentage of the executive's base salary. The percentage payouts were as follows with respect to Messrs. Chirico, Sirkin and Shaffer, the Named Executive Officers that receive payouts based solely on our annual earnings:

Mr. Chirico 200%

Mr. Sirkin 210% (155% plus an additional 55% in lieu of Long-Term Incentive Plan award)

Mr. Shaffer 150%

The payouts would have been 37.5%, 45% (35% plus an additional 10% in lieu of Long-Term Incentive Plan award), and 30% of base salary for Messrs. Chirico, Sirkin, and Shaffer, respectively, had we only reached the threshold earnings level. The payouts would have been 75%, 90% (65% plus an additional 25% in lieu of Long-Term Incentive Plan award), and 60% of base salary for Messrs. Chirico, Sirkin, and Shaffer, respectively, if we had achieved target level earnings.

Mr. Duane also received maximum bonus payouts equal to an aggregate of 190% of his base salary. This included a 40% payout based upon our total earnings (in lieu of a Long-Term Incentive Plan award) and a 150% payout based on the net earnings, which includes an interest charge and excludes certain corporate charges used for segment reporting, of \$158,751,000 of our wholesale dress shirt and sportswear divisions, for which he has overall responsibility. The divisional targets that had been established for Mr. Duane were \$124,386,000, \$128,056,000, and \$150,077,000 at threshold, target, and maximum, respectively, and represented earnings growth (net loss of earnings) of (6.8)%, (4.1)% and 12.4%, respectively. The payouts at the threshold and target levels would have been 10% and 20% of base salary, respectively, for the total earnings component, and 30% and 60% of base salary, respectively, for the divisional earnings component. Although we would typically expect to award bonuses based only on growth of a business, 2006 was an unusual year, as our wholesale businesses had to deal with a changing retail landscape, particularly with the acquisition of The May Department Stores Company by Federated Department Stores, Inc., which resulted in the closing of approximately 80 stores, as well as Federated's merchandising plan, which included a scaling back of its purchases of certain branded items from us as compared to the business we did with May. In addition, there were door closings at other retailers, including Mervyns, a promotional neighborhood department store chain, and general difficulties at some of our other customers, which necessitated us to plan our



wholesale businesses down.

Mr. Murry also received maximum bonus payouts equal to 150% of his salary. This included a 25% payout based upon our total earnings, and 125% based upon the combined net earnings, which includes an interest charge and excludes certain corporate charges used for segment reporting, of \$123,403,000 of our Calvin Klein licensing, advertising and retail businesses, for which he has overall responsibility. The divisional targets that had been established for Mr. Murry were \$95,141,000, \$97,276,000, and \$110,086,000 at threshold, target, and maximum, respectively, and represented net earnings growth of 23.4%, 26.2% and 42.8%, respectively. The payout at the threshold and target levels would have been 5% and 10% of base salary, respectively, for the total earnings component, and 25% and 50% of base salary for the divisional earnings component, respectively.

Mr. Zaccaro also received maximum bonus payouts equal to 150% of his salary. This included a 25% payout , based upon our total earnings, and 125% based upon the combined net earnings, which includes an interest charge and excludes certain corporate charges used for segment reporting, of \$43,272,000 of our IZOD, Van Heusen, Geoffrey Beene and Bass retail businesses, for which he has overall responsibility. The divisional targets that had been established for Mr. Zaccaro were \$18,697,000, \$21,071,000, and \$35,317,000 at threshold, target, and maximum, respectively, and represented net earnings growth of 18.8%, 33.9% and 124.4%, respectively. The payout at the threshold and target levels would have been

5% and 10% of base salary, respectively, for the total earnings component, and 25% and 50% of base salary for the divisional earnings component, respectively.

In accordance with the provisions of the Performance Incentive Bonus Plan, the amount of each of the bonus payments for 2006 was determined and paid during the first quarter of the current fiscal year.

**Discretionary Bonuses.** The Compensation Committee has the authority to award annual bonuses to executive officers on a discretionary basis. The Committee typically awards discretionary bonuses for undertaking additional duties or accomplishing specific projects or achieving specific benefits for the Company, such as special efforts in connection with a transaction or the disposition on favorable terms of corporate assets. The Committee may also award discretionary bonuses based on other factors. The Committee has the authority to place restrictions, such as a vesting period, on any discretionary bonus it awards to an executive officer. No discretionary bonuses were awarded to any of the Named Executive Officers with respect to achievements or performance in 2006.

#### *Long-Term Incentives*

**Stock Options.** Our equity-based compensation through 2006 has been through the grant of stock options under various stock option plans approved by stockholders over the years. Our stockholders approved at our 2006 Annual Meeting our 2006 Stock Incentive Plan. The Stock Incentive Plan replaced our stock option plans that were then in effect, except with respect to option grants outstanding prior to the Annual Meeting (including all grants to the Named Executive Officers in 2006). The outstanding grants continue to be governed by the applicable plan under which they were granted.

Stock options are designed to align the interests of grantees with those of our stockholders and their value is at-risk. Generally, the options we have granted may not be exercised until the first anniversary of the date of grant and do not become fully exercisable until the fourth anniversary of the date of the grant. The stock options granted to our Named Executive Officers (and other grantees) typically remain exercisable during employment until the tenth anniversary of the date of grant. We believe that this approach provides an incentive to the executive to increase stockholder value over the long term, since the full benefit of the options granted cannot be realized unless stock price appreciation occurs over a number of years.

Our practice had been to give one annual grant, typically in close proximity to the time annual performance evaluations and salary adjustments are given. In addition, option eligible associates are typically granted options upon employment (for new associates) or in connection with promotions, if recommended by management and approved by the Compensation Committee or the Chief Executive Officer. (Our plans have delegated the authority to our Chief Executive Officer to make option grants of no more than 5,000 shares per year to individuals who are not executive officers.)

The exercise price of options granted under our prior stock option plans and the Stock Incentive Plan is dictated by the terms of the applicable plans, but in all cases required the exercise price to be equal to the fair market value of a share of our Common Stock on the date of grant. Fair market value was defined as the closing price of our Common Stock on the business day immediately preceding the date of grant, and all option

grants to our Named Executive Officers were made on such basis. The Stock Incentive Plan was amended in September 2006 to define fair market value as the closing price of our Common Stock on the date of grant.

As noted above, our annual option grants are typically made around the time we are engaged in the annual performance review and compensation adjustment process with our associates. The annual grants for 2006, however, were made in January 2006, which was during fiscal 2005, in order to effectively delay for a year certain effects of the retirement provisions of our stock option plans that would have resulted upon our adoption of Financial Accounting Standards Board Statement No. 123R (so-called FAS 123R ) while we considered making adjustments to those retirement provisions. The retirement provisions in effect at the time would have had the effect of increasing our option expense in the year of grant under FAS 123R. Those grants were made to 322 of our key employees, including the Named Executive Officers. Each such individual received a fixed number of shares relative to his or her salary range and position within the Company. Options were granted to the executive officers in an amount such that the value of the award, when combined with base salaries, potential bonuses under the Performance Incentive Bonus Plan and, in the case of Mr. Chirico, who was then our Chief Operating Officer, and Mr. Weber, who was then our Chief Executive Officer, potential payouts under the Long-Term Incentive Plan, would generally provide for compensation consistent with our compensation philosophy described above. In addition, each of Messrs. Chirico, Sirkin, Duane and Shaffer received additional grants in fiscal 2006 under our 2003 Stock Option Plan in connection with their promotions to their current positions. These grants were on the same general terms as our annual option grants (*e.g.*, 10-year term, vesting in four substantially equal increments from the first through fourth anniversaries of grant and an exercise price equal to the closing price of our Common Stock on the date prior to grant), other than the grant to Mr. Sirkin. The options granted to Mr. Sirkin in connection with his promotion vest in three unequal installments. The first installment was for 15,000 shares and it vested six months from the date of grant. The second and third installments are each for 60,000 shares and vest on the second and

third anniversary of grant, respectively. The options will not vest and will be cancelled if and to the extent Mr. Sirkin's employment is terminated, whether voluntarily, by reason of death or otherwise prior to the date they vest. The reason for the different vesting terms is to reflect the proximity Mr. Sirkin is to retirement age and to ensure that he completes his expected and desired service over this time period. Mr. Sirkin's options would have vested upon his retirement at any time after the grant was made had the vesting provisions not been changed, as the 2003 Stock Option Plan provided for options to vest after an optionee reached age 55 and 10 years of service with us (both of which criteria Mr. Sirkin met), unless the Compensation Committee provided otherwise. (Our 2006 Stock Incentive Plan currently provides for accelerated vesting if a participant retires at age 62 with at least five years of service with us, unless the Committee provides otherwise at the time of grant.)

**Long-Term Incentive Plan.** Our continuing Named Executive Officers are eligible to receive awards under our 2005 Long-Term Incentive Plan. The LTIP provides for cash payouts upon the achievement of goals established by the Compensation Committee at the beginning of each performance cycle. Performance cycles typically consist of three consecutive fiscal year periods, although the LTIP permits cycles of any length in excess of 12 months and, in connection with the management reorganization in 2006 that resulted in the promotions of Messrs. Sirkin and Duane, they were given awards under the LTIP for a two fiscal year period covering 2006 and 2007, as well as awards for a three fiscal year performance cycle covering 2006 through 2008. The purpose of the LTIP is to provide cash compensation that is at-risk and contingent on the achievement of the selected performance criteria over an extended period.

To date, the awards given under the Long-Term Incentive Plan (including the award paid out this year with respect to the 2004-2006 performance cycle, which was granted under the prior LTIP, and the continuing awards for the 2005-2007, 2006-2007 and 2006-2008 performance cycles, which were awarded under the current LTIP) require the Company to achieve both cumulative earnings growth and improvement in return on equity over the applicable performance cycle. (The LTIP allows for goals to be set based upon numerous different performance criteria, but to date the Compensation Committee has only set targets based on the criteria noted.) The goals exclude special items identified at the time the awards are made, if any, and typically would include most, if not all of the same special items as are excluded for awards given the same year under our Performance Incentive Bonus Plan. (The items excluded from awards in 2006 are discussed above.)

Payouts are equal to a percentage of base salary based on the achievement of the targets established by the Compensation Committee. The targets provide for threshold goals (performance below which would result in no payout being made), target goals, and maximum goals (performance above which no additional payout is earned), with achievement of levels between goals equal to a percentage of base salary that is on a straight-line basis between the two goals. The amount of a participant's payout, if any, is determined by the Compensation Committee by the end of the first quarter of the fiscal year immediately following the end of the performance cycle. Payouts under the Long-Term Incentive Plan are weighted towards the achievement of earnings growth, while the return on equity serves more as a check to prevent any engineering of earnings and ensure that the participant's interests are aligned with those of our stockholders.

Mr. Chirico received a payout at the maximum level in the current fiscal year with respect to the three-year performance cycle ended February 4, 2007 based on our attainment of \$2.62 per share and a return on equity of 14.8%. He is the only Named Executive Officer who was eligible to receive a payout with respect to that cycle. For that cycle, the maximum payout was 150% of base salary, while the minimum payout (assuming satisfaction of both cumulative earnings per share and return on equity at the minimum level) would have been 50% of base salary, and the target payout (assuming satisfaction of both cumulative earnings per share and return on equity at the target levels) would have been 81% of base salary. There is no payout if the minimum target levels are not achieved, nor is there a payout above the maximum percentage, even if the maximum targets are exceeded. The earnings per share growth targets with respect to the three-year performance cycle ended February 4, 2007 were as follows:

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Minimum Cumulative Earnings Per Share	Compound % Growth	Target Cumulative Earnings Per Share	Compound % Growth	Maximum Cumulative Earnings Per Share	Compound % Growth
\$ 3.58	10	\$ 3.93	15	\$ 4.70	25

The average return on equity goals were 9.6% at minimum, 10.4% at target, and 12.2% at maximum.

Messrs. Chirico, Sirkin and Duane received awards under the Long-Term Incentive Plan in 2006 with respect to a performance cycle covering 2006 – 2008. The earnings per share growth targets with respect to the performance cycle are as follows:

Minimum Cumulative Earnings Per Share	Compound % Growth	Target Cumulative Earnings Growth Per Share	Compound % Growth	Maximum Cumulative Earnings Per Share	Compound % Growth
\$ 6.85	10	\$ 7.51	15	\$ 8.96	25

The average return on equity goals are 12.9% at minimum, 13.1% at target and 16.2% at maximum.

Mr. Chirico's potential payouts with respect to the award range from 50% to 200% of base salary, with 90% being the target payout. Mr. Sirkin's potential payouts with respect to the award range from 10% to 55% of base salary, with 25% being the target payout. Mr. Duane's potential payouts with respect to the award range from 10% to 40% of base salary, with 20% being the target payout.

Messrs. Sirkin and Duane received awards under the Long-Term Incentive Plan in 2006 with respect to a performance cycle covering 2006 – 2007. The earnings per share growth targets with respect to the performance cycle are as follows:

Minimum Cumulative Earnings Per Share	Compound % Growth	Target Cumulative Earnings Growth Per Share	Compound % Growth	Maximum Cumulative Earnings Per Share	Compound % Growth
\$ 4.34	10	\$ 4.65	15	\$ 5.29	25

The average return on equity goals are 13.1% at minimum, 14.0% at target and 15.6% at maximum.

Mr. Sirkin's potential payouts with respect to the award range from 10% to 55% of base salary, with 25% being the target payout. Mr. Duane's potential payouts with respect to the award range from 10% to 40% of base salary, with 20% being the target payout.

#### ***Federal Income Tax Deductibility of Executive Compensation***

Section 162(m) of the Internal Revenue Code limits the amount of compensation a publicly held corporation may deduct as a business expense for Federal income tax purposes. The deductibility limit, which applies to a company's chief executive officer and the four other most highly compensated executive officers (as defined in the Exchange Act), is \$1 million, subject to certain exceptions. The exceptions include the general exclusion of performance-based compensation from the calculation of an executive officer's compensation for purposes of determining whether his or her compensation exceeds the deductibility limit. Compensation paid or received under our Performance Incentive Bonus Plan, our Long-Term Incentive Plan, our stock option plans, and our Stock Incentive Plan is intended to satisfy the requirements for full deductibility. Nonetheless, the Compensation Committee recognizes that in certain instances it may be in our best interest to provide compensation that is not

fully deductible and has done so, such as with the base salaries that were paid to our former Chief Executive Officer, Mr. Weber, and his immediate predecessor as Chief Executive Officer.

### **Stock Ownership**

To ensure that management's interests remain aligned with stockholders' interests, we encourage our key executives to retain shares acquired pursuant to the exercise of stock options. In addition, our associates, including the executive officers, may acquire our Common Stock through the AIPs, subject to certain limitations on the amount an employee can contribute to or hold in the PVH Stock Fund. Many of our executive officers have a significant portion of their AIP accounts invested in the PVH Stock Fund.

## EXECUTIVE COMPENSATION

## SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards(1) (\$)	Non-Equity Incentive Plan Compensation(2) (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(3) (\$)	All Other Compensation(4) (\$)	Total (\$)
Emanuel Chirico Chief Executive Officer, Phillips-Van Heusen Corporation	2006	992,436	0	0	1,659,629	3,500,000	400,255	126,476	6,678,796
Michael A. Shaffer Executive Vice President and Chief Financial Officer, Phillips-Van Heusen Corporation	2006	419,712	0	0	210,150	637,500	44,751	38,437	1,350,550
Francis K. Duane Vice Chairman, Wholesale Apparel, Phillips-Van Heusen Corporation	2006	794,711	0	0	420,934	1,520,000	215,868	63,656	3,015,169
Paul Thomas Murry President and Chief Operating Officer, Calvin Klein, Inc.	2006	850,000	0	0	395,264	1,275,000	199,302	96,235	2,815,801
Allen E. Sirkin President and Chief Operating Officer, Phillips-Van Heusen Corporation	2006	889,423	0	0	586,433	1,890,000	530,953	68,360	3,965,169
Michael Zaccaro Vice Chairman, Retail Apparel, Phillips-Van Heusen Corporation	2006	694,712	0	0	467,218	1,050,000	232,155	56,931	2,501,016
Mark Weber Former Chief Executive Officer, Phillips-Van Heusen Corporation	2006	91,667	0	0	0	0	2,446,730	2,557,125	5,095,522

(1) The Options Awards column represents the compensation costs recognized in 2006 and included in our financial statements with respect to all outstanding stock option awards held by each of our Named Executive Officers without regard to forfeiture assumptions. Please see Note 11, Stock-Based Compensation, in the Notes to Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended February 4, 2007 for our assumptions used to determine the compensation costs associated with stock option awards that we expensed in 2006.

(2) The compensation reported in the Non-Equity Incentive Plan Compensation column includes payouts under our Performance Incentive Bonus Plan of \$2,000,000 for Mr. Chirico; \$637,500 for Mr. Shaffer; \$1,520,000 for Mr.



Duane; \$1,275,000 for Mr. Murry; \$1,890,000 for Mr. Sirkin; and \$1,050,000 for Mr. Zaccaro; and a payout under our Long-Term Incentive Plan of \$1,500,000 for Mr. Chirico. Our Performance Incentive Bonus Plan and Long-Term Incentive Plan are described in our Compensation Discussion and Analysis included in this proxy statement.

(3) The amounts reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column consist of the changes in values under our Pension Plan and Supplemental Pension Plan and under the Named Executive Officer's capital accumulation program agreement, if any, as follows:

Name	Change in Pension Plan Value	Change in Supplemental Pension Plan Value	Change in Capital Accumulation Program Value
Emanuel Chirico	\$ 15,841	\$ 275,043	\$ 109,371
Michael A. Shaffer	10,896	33,855	N/A
Francis K. Duane	14,800	119,909	81,159
Paul Thomas Murry	19,711	179,591	N/A
Allen E. Sirkin	56,183	394,228	80,542
Michael Zaccaro	31,770	200,385	N/A
Mark Weber	246,374	2,017,258	183,098

Additional information regarding our Pension Plan and Supplemental Pension Plan are included in this section under the Pension Benefits table. Additional information regarding our capital accumulation program is included in this section under the heading Potential Payments Upon Termination or Change In Control Provisions.

(4) All Other Compensation includes payments or contributions required to be made by us under our Associates Investment Plan for Salaried Associates, Supplemental Savings Plan, Executive Medical Reimbursement Insurance Plan, and Educational Benefits Plan, severance payments and perquisites.

Under our Associates Investment Plan for Salaried Associates, each participating employee, including each of the continuing Named Executive Officers, may authorize his or her employer to withhold a specified percentage of his or her eligible compensation. The limit on withholding is 7% in the case of certain management and highly compensated employees, including the continuing Named Executive Officers, and otherwise up to 25% (subject to certain limitations). Under our Supplemental Savings Plan applicable to certain management and highly compensated employees, including the continuing Named Executive Officers, each participating employee, which includes each of the continuing Named Executive Officers, eligible to participate may currently authorize his or her employer to withhold a specified percentage of his or her compensation, up to 25%, including deductions for contributions to our Associates Investment Plan for Salaried Associates. We currently contribute an amount equal to 100% of the first 2% of total compensation contributed by an employee and an amount equal to 25% of the next 4% of total compensation contributed by such employee. A participant's interest in the amounts arising out of our contributions currently vest ratably over the first five years of employment (regardless of when participation commences), or, if earlier, at age 65 or upon disability or death. In 2006, we made contributions which are reflected under this column in the amounts of \$114,598 for Mr. Chirico; \$26,559 for Mr. Shaffer; \$51,778 for Mr. Duane; \$57,037 for Mr. Murry; \$56,482 for Mr. Sirkin; \$45,053 for Mr. Zaccaro; and \$5,390 for Mr. Weber. Mr. Weber's ability to make contributions to these plans ceased upon the termination of his employment.

Our Executive Medical Plan covers eligible employees, including the Named Executive Officers for most medical charges not covered by our basic medical plan, up to a specified annual maximum. We incurred \$11,830 during 2006 as annual premiums for coverage for each of the Named Executive Officers, which amounts are reflected under this column.

Mr. Weber received severance payments aggregating \$2,459,799 in 2006 in connection with the termination of his employment, including interest of \$13,445 that accrued on amounts that were not paid until after September 1, 2006 to avoid the additional taxes that would have been imposed on Mr. Weber under Internal Revenue Code Section 409A if paid prior to September 1, 2006.

We do not provide significant amounts of perquisites to our executive officers. Perquisites received from time to time have included clothing allowances, gym memberships, parking and travel, hotel and recreational activities of our executive officers' spouses during our annual off-site budget, planning and strategy meetings. These amounts are not included in the table as they do not meet the threshold for disclosure, except as follows:

Under our Educational Benefits Plan, children of eligible employees received reimbursement of tuition and room and board charges while attending an accredited college or vocational school. The plan was terminated in 1986, except with respect to children who were then covered by the plan. For 2006, Mr. Weber received a benefit of \$44,506. Mr. Weber was the only Named Executive Officer to receive a benefit.

Mr. Weber received an all-expense paid trip in connection with his 30th anniversary as an employee, which he took in 2006. The total benefit Mr. Weber received was \$22,860, including airfare, golf fees, hotel accommodations, food and beverages.

Mr. Murry, the President and Chief Operating Officer of our Calvin Klein subsidiary, received in 2006 a clothing allowance and additional discounts at our Calvin Klein Collection store above the discount provided to all our associates. In addition, Mr. Murry's spouse traveled to and had use of recreational facilities and services in connection with our off-site budget, planning and strategy meeting. These additional perquisites provided him with a benefit of \$27,320, which is included in his compensation in this column.

GRANTS OF PLAN-BASED AWARDS

Name	Grant Date(1)	Meeting Date(1)	Threshold \$	Estimated Future Payouts Under Non-Equity Incentive Plan Awards		Maximum \$	All Other Option Awards: Number of Securities Underlying Options(2) (#)	Exercise or Base Price of Option Awards(3) (\$/sh)	Closing Market Price on Grant Date(3) (\$)	Grant Date Fair Value of Option Awards (\$)
				Target \$						
Emanuel Chirico	3/27/06	3/20/06	375,000	750,000	2,000,000(4)	200,000	38.98	38.99	3,142,000	
			500,000	900,000	2,000,000(5)					
Michael A. Shaffer	3/27/06	3/20/06				20,000	38.98	38.99	314,200	

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(12) Lease, dated as of February 8, 2006, by and between the Registrant and Big-Shoe Properties, LLC

10-B\* (13) 2006 Executive Incentive Compensation Plan

10-C\* (14) Form of Award Agreement for restricted stock granted under the Shoe Carnival, Inc. 2000 Stock Option and Incentive Plan

10-D (15) Lease, dated as of June 22, 2006, by and between Shoe Carnival, Inc. and Outback Holdings, LLC

**INDEX TO EXHIBITS - Continued**

Exhibit No.	Description
10-E*	(17)1993 Stock Option and Incentive Plan of Registrant, as amended
10-F*	(16)Executive Incentive Compensation Plan of Registrant
10-G*	(18)Outside Directors Stock Option Plan
10-H*	Summary Compensation Sheet
10-I	(16)Non-competition Agreement dated as of January 15, 1993, between Registrant and J. Wayne Weaver
10-L*	(17)Employee Stock Purchase Plan of Registrant, as amended
10-M*	(21)Form of Notice of Grant of Stock Options and Option Agreement for incentive stock options granted under the Company's 2000 Stock Option and Incentive Plan
10-N*	(22)Form of Notice of Grant of Stock Options and Option Agreement for non-qualified stock options granted under the Company's 2000 Stock Option and Incentive Plan
10-O*	(19)2000 Stock Option and Incentive Plan of Registrant, as amended
10-S*	(20)Employment and Noncompetition agreement dated December 31, 2006, between Registrant and Mark L. Lemond
10-T*	(20)Employment and Noncompetition agreement dated December 31, 2006, between Registrant and Timothy Baker
10-U*	(20)Employment and Noncompetition agreement dated December 31, 2006, between Registrant and Clifton E. Sifford
10-V*	(20)Employment and Noncompetition agreement dated December 31, 2006, between Registrant and W. Kerry Jackson
21	A list of subsidiaries of Shoe Carnival, Inc.
23	Written consent of Deloitte & Touche LLP
31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	

Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

\* The indicated exhibit is a management contract, compensatory plan or arrangement required to be filed by Item 601 of Regulation S-K.

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**INDEX TO EXHIBITS - Continued**

- (1) The copy of this exhibit filed as the same exhibit number to our Annual Report on Form 10-K for the year ended February 2, 2002 is incorporated herein by reference.
- (2) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on March 19, 2007 is incorporated herein by reference.
- (3) The copy of this exhibit filed as exhibit 4(I) to our Annual Report on Form 10-K for the year ended January 30, 1999 is incorporated herein by reference.
- (4) The copy of this exhibit filed as the same exhibit number to our Annual Report on Form 10-K for the year ended January 29, 2000 is incorporated herein by reference.
- (5) The copy of this exhibit filed as the same exhibit number to our Quarterly Report on Form 10-Q for the quarter ended October 28, 2000 is incorporated herein by reference.
- (6) The copy of this exhibit filed as the same exhibit number to our Annual Report on Form 10-K for the year ended February 1, 2003 is incorporated herein by reference.
- (7) The copy of this exhibit filed as the same exhibit number to our Annual Report on Form 10-K for the year ended January 31, 2004 is incorporated herein by reference.
- (8) The copy of this exhibit filed as the same exhibit number to our Quarterly Report on Form 10-Q for the quarter ended May 1, 2004 is incorporated herein by reference.
- (9) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on April 11, 2005 is incorporated herein by reference.
- (10) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on April 4, 2006 is incorporated herein by reference.
- (11) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on December 15, 2006 is incorporated herein by reference.
- (12) The copy of this exhibit filed as the same exhibit number to our Annual Report on Form 10-K for the year ended January 28, 2006 is incorporated herein by reference.

- (13) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on June 15, 2006 is incorporated herein by reference.
- (14) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on March 24, 2005 is incorporated herein by reference.
- (15) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on June 28, 2006 is incorporated herein by reference.
- (16) The copy of this exhibit filed as the same exhibit number to our Registration Statement on Form S-1 (Registration No. 33-57902) is incorporated herein by reference.
- (17) The copy of this exhibit filed as the same exhibit number to our Quarterly Report on Form 10-Q for the quarter ended August 2, 1997 is incorporated herein by reference.
- (18) The copy of this exhibit filed as exhibit number 4.4 to our Registration Statement on Form S-8 (Registration No. 333-82819) is incorporated herein by reference.

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**INDEX TO EXHIBITS - Continued**

- (19) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on June 17, 2005 is incorporated herein by reference.
- (20) The copy of this exhibit filed as the same exhibit number to our Current Report on Form 8-K filed on January 5, 2007 is incorporated herein by reference.
- (21) The copy of this exhibit filed as exhibit number 10-A to our Current Report on Form 8-K filed on September 2, 2004 is incorporated herein by reference.
- (22) The copy of this exhibit filed as exhibit number 10-B to our Current Report on Form 8-K filed on September 2, 2004 is incorporated herein by reference.

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