

GROUP 1 AUTOMOTIVE INC  
Form 8-K  
March 14, 2011

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

March 8, 2011

Group 1 Automotive, Inc.

(Exact name of registrant as specified in its charter)

Delaware

1-13461

76-0506313

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

800 Gessner, Suite 500, Houston, Texas

77024

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

713-647-5700

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

On March 8, 2011, the Compensation Committee of the Board of Directors of Group 1 Automotive, Inc., established the objectives for the company's 2011 corporate incentive plan payable in 2012, for our executive officers. Incentive compensation will be based upon both financial and mission-based goals. Up to 50% of the incentive award will be financial-based (EPS target) and up to 50% of the incentive award will be based on mission-based goals established at the beginning of the year. The mission-based and financial portions of the bonus can be awarded independently so that achievement of one is not predicated on the achievement of the other. Under this plan, the bonus payout, as a percentage of each officer's base salary at January 1, 2011, is as follows:

Earl J. Hesterberg - Threshold Performance - 67% (\$666,667); Target Performance - 83% (\$833,333); and Maximum Performance - 100% (\$1,000,000).

John C. Rickel - Threshold Performance - 67% (\$333,333); Target Performance - 83% (\$416,667); and Maximum Performance - 100% (\$500,000).

Mark J. Iuppenlatz - Threshold Performance - 40% (\$170,000); Target Performance - 50% (\$212,500); and Maximum Performance - 60% (\$255,000).

Darryl M. Burman - Threshold Performance - 40% (\$152,000); Target Performance - 50% (\$190,000); and Maximum Performance - 60% (\$228,000).

J. Brooks O'Hara - Threshold Performance - 40% (\$112,080); Target Performance - 50% (\$140,100); and Maximum Performance - 60% (\$168,120).

A copy of the 2011 Incentive Compensation Guidelines is attached hereto as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

10.1 Group 1 Automotive, Inc. 2011 Incentive Compensation Guidelines

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Group 1 Automotive, Inc.

*March 8, 2011*

By: */s/Darryl M. Burman*

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*Name: Darryl M. Burman*

*Title: Vice President & General Counsel*

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Exhibit Index

<b>Exhibit No.</b>	<b>Description</b>
10.1	Group 1 Automotive, Inc. 2011 Incentive Compensation Guidelines