

CAMPBELL SOUP CO  
Form DEF 14A  
October 09, 2008

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant

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 under §240.14a-12

**CAMPBELL SOUP COMPANY**

(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

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(3) Filing Party:

(4) Date Filed:



**Campbell Soup Company  
1 Campbell Place  
Camden, New Jersey 08103-1799  
856-342-4800**

**October 9, 2008**

**Notice of Annual Meeting of Shareowners**

**Thursday, November 20, 2008  
11:30 a.m. Eastern Time  
Hilton Stamford Hotel and Executive Meeting Center  
One First Stamford Place  
Stamford, CT 06902**

**AGENDA**

- 1. Elect Directors.**
- 2. Ratify appointment of independent registered public accounting firm.**
- 3. Approve amendment of the 2005 Long-Term Incentive Plan.**
- 4. Approve performance goals for the 2003 Long-Term Incentive Plan.**
- 5. Transact any other business properly brought before the meeting.**

Shareowners of record at the close of business on September 23, 2008 are entitled to receive notice of the meeting and to vote. This year the Company has decided to provide access to its proxy materials, including its annual report, to certain shareowners of record, depending upon the number of shares held by the shareowner and including certain Company savings plan participants, via the Internet instead of mailing those shareowners copies of the materials. The Company expects that this will reduce the amount of paper necessary to produce the materials, as well as the costs associated with mailing the materials to all shareowners. On or about October 9, 2008, the Company began mailing a Notice of Internet Availability of Proxy Materials ( e-proxy notice ) to certain shareowners of record and posted its proxy materials for those shareowners on the Web site referenced in the e-proxy notice ([www.envisionreports.com/cpb](http://www.envisionreports.com/cpb)). On or about October 9, 2008, the Company also began delivering the proxy statement and the accompanying proxy card to the remaining shareowners of record. If you do not own shares in your own name, you may access the Company's Notice of Annual Meeting and Proxy Statement and its annual report, including the Form 10-K for the fiscal year ended August 3, 2008 at [www.edocumentview.com/cpb](http://www.edocumentview.com/cpb).

Your vote is important. In order to have as many shares as possible represented, kindly **SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD IN THE ENVELOPE PROVIDED OR VOTE BY PHONE OR THE INTERNET** (see instructions on your proxy card or e-proxy notice).

By Order of the Board of Directors,

John J. Furey  
Vice President and Corporate Secretary

**Important.**

Please note that an admission ticket is required in order to attend the Annual Meeting. If you plan to attend, please request a ticket. If shares were registered in your name as of September 23, 2008, please check the appropriate box on your proxy card or when voting on the Internet, or indicate when prompted if voting by telephone. A ticket of admission will be forwarded to you. If your shares are held in the name of a broker or other nominee, please follow the instructions on page 65 to obtain an admission ticket. If you plan to attend the meeting, please bring government-issued photographic identification. You will need an admission ticket and this identification in order to be admitted to the meeting.

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n Denotes items to be voted on at the meeting.

**Shareowners may receive copies of the Company's Annual Report on Form 10-K for the year ended August 3, 2008, Code of Business Conduct and Ethics, Corporate Governance Standards, and the charters of the four standing committees of the Board of Directors, also without charge, by:**

- (1) writing to Investor Relations, Campbell Soup Company, 1 Campbell Place, Camden, NJ 08103-1799;**
- (2) calling 1-888-SIP-SOUP (1-888-747-7687); or**
- (3) leaving a message on Campbell's home page at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com).**

**These documents are also available in the governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com).**

**Shareowners may elect to receive future distributions of annual reports and proxy statements by electronic delivery and vote Campbell shares on-line. To take advantage of this service you will need an electronic mail**

**(e-mail) account and access to an Internet browser. To enroll, go to the investor center section on [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com) and click on E-Delivery of Materials. If your shares are registered in your name, you will be asked to enter your account number, which is printed on your dividend check or Dividend Reinvestment Statement. If your shares are held by a broker, you will need your account number with the broker.**

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**Item 1**

**Election of Directors**

**The Board of Directors Recommends a Vote For ALL Nominees**

The Board of Directors of the Company, pursuant to the By-Laws, has determined that the number of directors of the Company shall be 14. The directors are to be elected to hold office until the next Annual Meeting of the Shareowners and until their successors are elected and shall have qualified. Directors are elected by a plurality of the votes cast. Except as otherwise specified in the proxy, proxies will be voted for election of the nominees named below.

Fourteen of the current directors are standing for reelection. The Company's Corporate Governance Standards include a mandatory retirement age for directors. Under the Standards, a director may not stand for reelection if he or she would be age 72 or over at the time of election. Philip E. Lippincott has reached our mandatory retirement age and will retire on November 20, 2008.

All of the nominees are independent directors, except for Mr. Conant. If a nominee becomes unable or unwilling to serve, proxies will be voted for election of such person as shall be designated by the Board of Directors. Management knows of no reason why any nominee shall be unable or unwilling to serve.

The following table sets forth certain information concerning the nominees at October 1, 2008:

Name	(1) Principal Occupation or Employment	Age	Director
	(2) Other Business Affiliations		Since
Edmund M. Carpenter	(1) Retired President and Chief Executive Officer of Barnes Group, Inc. (1998-2006). Previously Senior Managing Director of Clayton Dubilier & Rice. Former Chairman and Chief Executive Officer of General Signal Corporation.  (2) Director of Altra Holdings, Inc.	66	1990
Paul R. Charron	(1) Retired Chairman (1996-2006) and Chief Executive Officer (1995-2006) of Liz Claiborne Inc.	66	2003

Name	(1) Principal Occupation or Employment (2) Other Business Affiliations	Age	Director Since
Douglas R. Conant	(1) President and Chief Executive Officer of Campbell Soup Company since January 2001. Previously President of Nabisco Foods Company.	57	2001
Bennett Dorrance	(1) Private investor and Chairman and Managing Director of DMB Associates in Phoenix, Arizona. (2) Director of Insight Enterprises, Inc.	62	1989
Harvey Golub	(1) Non-executive Chairman of Campbell Soup Company since November 2004. Retired Chairman and Chief Executive Officer of American Express Company (1993-2001).	69	1996
Randall W. Larrimore	(1) Former non-executive Chairman of Olin Corporation (2003-2005). Retired President and Chief Executive Officer of United Stationers Inc. (1997-2003). (2) Director of Olin Corporation.	61	2002



Name	(1) Principal Occupation or Employment (2) Other Business Affiliations	Age	Director Since
Mary Alice D. Malone	(1) Private investor and President of Iron Spring Farm, Inc.	58	1990
Sara Mathew	(1) President and Chief Operating Officer (since March 2007) of The Dun and Bradstreet Corporation and Former Chief Financial Officer (2001-2007) and President-U.S. (2006-2007) of D&B. Previously Vice President Finance, ASEAN Region, The Procter & Gamble Company.	53	2005
David C. Patterson	(1) Founder and Chairman, Brandywine Trust Company since 1989.	60	2002
Charles R. Perrin	(1) Non-executive Chairman of Warnaco Group, Inc. since March 2004. Retired Chairman and Chief Executive Officer of Avon Products, Inc. (1998-1999). Former Chairman and Chief Executive Officer of Duracell International, Inc. (1994-1996).  (2) Director of Warnaco Group, Inc.	63	1999

Name	(1) Principal Occupation or Employment (2) Other Business Affiliations	Age	Director Since
A. Barry Rand	(1) Retired Chairman and Chief Executive Officer of Equitant, Inc. (2003-2005). Previously Chairman and Chief Executive Officer of Avis Group (1999-2001).  (2) Director of Agilent Technologies, Inc.	63	2005
George Strawbridge, Jr.	(1) Private investor and President of Augustin Stables, Inc.	70	1988
Les C. Vinney	(1) Senior Advisor of STERIS Corporation. Former President and Chief Executive Officer of STERIS from 2000 to October 1, 2007. Previously Senior Vice President, Finance and Operations, of STERIS. Former Senior Vice President and Chief Financial Officer of the B.F. Goodrich Company.	59	2003
Charlotte C. Weber	(1) Private investor and President and Chief Executive Officer of Live Oak Properties.	65	1990

### Security Ownership of Directors and Executive Officers

The following table sets forth information regarding beneficial ownership as of the record date of Campbell's Capital Stock by: each director; the Company's Chief Executive Officer, Chief Financial Officer and the three most highly compensated other executive officers; and the directors and executive officers as a group. The table also sets forth Campbell stock units credited to the individual's deferred compensation account. The account reflects the deferral of previously earned compensation and/or pending awards of restricted stock into Campbell stock units. The individuals are fully at risk as to the price of Campbell stock in their deferred stock accounts. Additional stock units are credited to the accounts to reflect accrual of dividends. The stock units do not carry any voting rights. Unrestricted deferred Campbell stock units are included in calculating the stock ownership required by the Company for directors and executives.

	Number of Shares	Vested Options as of November 23, 2008(a)	Total Beneficial(a)	Campbell Stock Deferred	Total Number of Shares and Deferred Stock
Edmund M. Carpenter	16,866	78,513	95,379	14,621	110,000
Paul R. Charron	2,000	24,381	26,381	9,484	35,865
Douglas R. Conant	200,767	3,991,675	4,192,442	776,895	4,969,337
Bennett Dorrance(b)	48,130,029	91,186	48,221,215	19,872	48,241,087
Harvey Golub	4,812	101,411	106,223	75,941	182,164
Randall W. Larrimore	12,212	32,516	44,728	0	44,728
Phillip E. Lippincott	35,813	93,741	129,554	5,257	134,811
Mary Alice D. Malone(c)	54,119,595	50,266	54,169,861	26,231	54,196,092
Sara Mathew	0	6,201	6,201	11,151	17,352
David C. Patterson(d)	30,207,486	40,649	30,248,135	0	30,248,135
Charles R. Perrin	10,000	49,433	59,433	18,227	77,660
A. Barry Rand	0	6,201	6,201	6,409	12,610
George Strawbridge, Jr.(e)	8,102,359	95,772	8,198,131	4,300	8,202,431
Les C. Vinney	11,532	25,362	36,894	0	36,894
Charlotte C. Weber(f)	15,485,214	50,266	15,535,480	16,027	15,551,507
Ellen O. Kaden	190,535	451,400	641,935	35,715	677,650
Robert A. Schiffner	218,362	439,750	658,112	3,515	661,627
Larry S. McWilliams	193,510	314,945	508,455	2,454	510,909
Denise M. Morrison	136,043	168,400	304,443	17,867	322,310
<b>*TOTAL</b>	<b>158,655,395</b>	<b>7,192,538</b>	<b>165,847,933</b>	<b>1,300,949</b>	<b>167,148,882</b>

\*All directors and executive officers  
as a group (26 persons)

(a) The shares shown include shares of Campbell stock as to which directors and executive officers can acquire beneficial ownership because of stock options that are currently vested or that will vest as of November 23, 2008.

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All persons listed own less than 1% of the Company's outstanding shares of capital stock, except:

	<b>% of Outstanding Shares</b>
Bennett Dorrance	13.4%
Mary Alice D. Malone	15.0%
David C. Patterson	8.4%
George Strawbridge, Jr.	2.3%
Charlotte C. Weber	4.3%

All directors and executive officers (26 persons) as a group beneficially own 45.9% of the outstanding shares.

- (b) Bennett Dorrance is a grandson of John T. Dorrance, the brother of Mary Alice D. Malone, and a first cousin of George Strawbridge and Charlotte C. Weber. Share ownership shown includes 29,569,355 shares that are pledged to banks as collateral for loans. Share ownership shown does not include 1,105,142 shares held by trusts for his children, as to which shares he disclaims beneficial ownership. Share ownership shown does not include shares held by the Dorrance Family Foundation. See also *Principal Shareowners* below.
- (c) Mary Alice D. Malone is a granddaughter of John T. Dorrance, the sister of Bennett Dorrance and a first cousin of George Strawbridge and Charlotte C. Weber. Share ownership shown does not include 134,609 shares held by trusts for her children, as to which shares she disclaims beneficial ownership. See also *Principal Shareowners* below.
- (d) Share ownership shown for David C. Patterson includes 29,881,262 shares held by the Voting Trust (defined in *Principal Shareowners* below) over which he, as a Trustee, has shared voting power. Reference is also made to *Principal Shareowners*. In 2002 the Voting Trust described below recommended that the Company's Governance Committee nominate David C. Patterson as a candidate for election as a director. Also includes 313,978 shares held by the Brandywine Trust Company of which Mr. Patterson is the Chairman and for which he has shared dispositive power, and 34 shares held by ABANCO Management Corporation of which he is President.
- (e) George Strawbridge is a grandson of John T. Dorrance and a first cousin of Charlotte C. Weber, Bennett Dorrance and Mary Alice D. Malone. Share ownership shown does not include 10,131,559 shares held by various trusts, of which he is a trustee, for the benefit of his sister, as to which shares he disclaims beneficial ownership. Share ownership shown does not include 3,000 shares held by a trust for the benefit of his wife, 273,092 shares held by trusts for the benefit of his sons, and 2,142,320 shares held by trusts for the benefit of his descendants, all as to which shares he disclaims beneficial ownership.
- (f) Charlotte C. Weber is a granddaughter of John T. Dorrance and a first cousin of George Strawbridge, Bennett Dorrance and Mary Alice D. Malone. Share ownership shown includes 15,451,708 shares held indirectly and for which she has shared voting and dispositive power. Share ownership shown includes 1,390,000 shares that are pledged to a bank as security for a revolving credit loan.

### Security Ownership of Certain Beneficial Owners

At the close of business on September 23, 2008, the record date for the meeting, there were outstanding and entitled to vote 360,949,300 shares of Campbell Capital Stock, all of one class and each having one vote. The holders of a majority of the shares outstanding and entitled to vote, present in person or represented by proxy, constitute a quorum for the meeting.

#### Principal Shareowners

Information concerning the owners of more than 5% of the outstanding Campbell Common Stock as of the record date for the meeting follows:

Name/Address	Amount/Nature of Beneficial Ownership	Percent of Outstanding Stock
Bennett Dorrance DMB Associates 7600 E. Doubletree Ranch Road Scottsdale, AZ 85258	48,221,215 Note (1)	13.4%
Mary Alice D. Malone Iron Spring Farm, Inc. 75 Old Stottsville Road Coatesville, PA 19320	54,169,861 Note (2)	15.0%
John A. van Beuren and David C Patterson, Voting Trustees under the Major Stockholders Voting Trust dated as of June 2, 1990 ( Voting Trust ) and related persons P.O. Box 4098 Middletown, RI 02842 Note(4)	34,601,038 Note (3)	9.6%

- (1) A director nominee. See note (b) on page 6. The shares shown include 91,186 shares with respect to which Bennett Dorrance has the right to acquire beneficial ownership because of vested stock options.
- (2) A director nominee. See note (c) on page 6. The shares shown include 50,266 shares with respect to which Mary Alice D. Malone has the right to acquire beneficial ownership because of vested stock options.
- (3) David C. Patterson is a director nominee. See note (d) on page 6. Includes 29,881,262 shares (8.3% of the outstanding shares) held by the Voting Trustees with sole voting power and 4,719,776 shares held by participants outside the Voting Trust or by persons related to them, for a total of 34,601,038 shares (9.6% of the outstanding shares). Includes 4,785,988 shares with sole dispositive power held by Hope H. van Beuren and 5,222,801 shares with sole dispositive power held by her husband, John van Beuren, P.O. Box 4098, Middletown, RI 02842. John and Hope van Beuren also hold 7,644,775 shares with shared dispositive power, including shares held by family

partnerships, family trusts and a foundation. David C. Patterson has shared dispositive power over 313,978 shares as Chairman of Brandywine Trust Company, a corporate trustee, and 34 shares as President of ABANCO Management Corporation. Participants in the Voting Trust have certain rights to withdraw shares deposited with the Voting Trustees, including the right to withdraw these shares prior to any annual or special meeting of the Company's shareowners. Dispositive power as used above means the power to direct the sale of the shares; in some cases it does not include the power to direct how the proceeds of a sale can be used. The Voting Trust was formed by certain descendants (and spouses, fiduciaries and a related foundation) of the late John T. Dorrance. The participants have indicated that they formed the Voting Trust as a vehicle for acting together as to matters which may arise affecting the Company's business, in order to obtain their objective of maximizing the value of their shares. The Trustees will act for participants in communications with the Company's Board of Directors. Participants believe the Voting Trust may also facilitate communications between the Board and the participants.

- (4) Under the Voting Trust Agreement, all shares held by the Voting Trust will be voted by the Trustees, whose decision must be approved by two Trustees if there are two Trustees then acting. The Voting Trust continues until December 31, 2013, unless it is sooner terminated or extended.

The foregoing information relating to Principal Shareowners is based upon the Company's stock records and data supplied to the Company by the holders as of the record date for the meeting.

### **Corporate Governance**

The Board of Directors is responsible for overseeing the business of the Company, and the competence and integrity of its management, to serve the long-term interests of the shareowners. The Board believes that sound corporate governance is essential to diligent and effective fulfillment of its oversight responsibilities.

#### **Corporate Governance Standards and Committee Charters**

Campbell first published the Corporate Governance Standards in its proxy statement in 1992. The Standards are reviewed annually by the Governance Committee and approved by the Board. In 2003, the Governance Committee and the Board undertook a comprehensive review of the Corporate Governance Standards, the charters of the standing committees, and the overall governance structure of the Company, in light of new statutory and regulatory requirements, proposed new rules and recommendations of the New York Stock Exchange, and the ongoing discussion of effective means for raising the standards of governance of public companies. Revised Corporate Governance Standards and committee charters that were developed and approved by the Board in the course of that review were included in the 2003 proxy statement. In 2004, these documents were further revised to reflect the provisions of the final New York Stock Exchange Corporate Governance Listing Standards approved by the Securities and Exchange Commission in November 2003. Additional modifications have been made since that time to take account of subsequent changes in regulatory requirements and the Board's experience with the revised governance procedures.

The Company's current Corporate Governance Standards appear in Appendix A. Also set forth in Appendix A are procedures by which interested persons can communicate concerns to the Board of Directors and the Audit Committee.

#### **Director Independence**

A statement of standards that the Board has adopted to assist it in evaluating the independence of Campbell directors is set forth in Appendix A, and appears in the governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com). The Standards for the Determination of Director Independence (the Standards) describe various types of relationships that could potentially exist between a director and the Company, and define the thresholds at which such relationships would be deemed material. The Board will deem a director to be independent if (i) no relationship exists that would disqualify the director under the guidelines set forth in paragraphs 1 and 2 of the Standards, and (ii) the Board has determined that, based on all relevant facts and circumstances, any other relationship between the director and the Company, not covered by paragraphs 1 and 2, is not material. In any case in which the Board makes the latter determination, the relationship will be disclosed in the proxy statement, along with the basis for the Board's conclusion that it is not material.

The Board has determined that no relationship exists between the Company and any nominee for director listed in this proxy statement, except Mr. Conant, that would influence or impair the nominee's independence as a director. In making this determination, the Board considered certain transactions or relationships between the Company and entities in which individual nominees serve as a director, executive officer or operating partner, including transactions



or relationships involving purchases by the Company of product ingredients or packaging supplies (Messrs. Carpenter and Patterson), sterilization materials or services (Mr. Vinney), business information services and advertising (Mr. Golub and Ms. Mathew), and information technology services (Messrs. Dorrance and Rand). In each case, the aggregate dollar amounts of the purchases are not material to the Company or the entity from which they are made, and the nominee plays no role in any of the transactions.

The Board has determined that each of the following director nominees is independent under the rules of the New York Stock Exchange and the Standards set forth in Appendix A:

Edmund M. Carpenter  
Paul R. Charron  
Bennett Dorrance  
Harvey Golub  
Randall W. Larrimore  
Mary Alice D. Malone  
Sara Mathew

David C. Patterson  
Charles R. Perrin  
A. Barry Rand  
George Strawbridge, Jr.  
Les C. Vinney  
Charlotte C. Weber

### **Board Committees**

Pursuant to the By-Laws, the Board had established four standing committees as of the record date, which are the Audit Committee, the Compensation and Organization Committee, the Finance and Corporate Development Committee, and the Governance Committee. Each of the standing committees has a charter that is reviewed annually by the committee. Proposed changes to the charter of any standing committee are reviewed by the Governance Committee and approved by the Board. The committee charters are available in the governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com).

All members of the Audit Committee, the Compensation and Organization Committee and the Governance Committee are independent directors as defined by the rules of the New York Stock Exchange and the Standards set forth in Appendix A. All members of the Audit Committee also satisfy the independence requirements for audit committee members set forth in the rules of the Securities and Exchange Commission.

Membership in the standing committees as of the record date, September 23, 2008, was as follows:

#### **Audit**

Les C. Vinney, Chair\*  
Randall W. Larrimore  
Philip E. Lippincott  
Sara Mathew  
George Strawbridge, Jr.

#### **Compensation and Organization**

Paul R. Charron, Chair  
Edmund M. Carpenter  
Bennett Dorrance  
Philip E. Lippincott  
Charles R. Perrin  
A. Barry Rand  
Charlotte C. Weber

#### **Finance and Corporate Development**

Edmund M. Carpenter, Chair  
Paul R. Charron  
Douglas R. Conant  
Mary Alice D. Malone  
Sara Mathew  
David C. Patterson

#### **Governance**

Charles R. Perrin, Chair  
Bennett Dorrance  
Randall W. Larrimore  
Mary Alice D. Malone  
David C. Patterson  
Les C. Vinney

A. Barry Rand  
George Strawbridge, Jr.

Charlotte C. Weber

\* The Board has determined that Les C. Vinney is an audit committee financial expert as defined by the SEC rules.

The principal responsibilities of the standing committees, and the number of meetings held by each committee in fiscal 2008, were as follows:

**Audit Committee** 11 meetings in fiscal 2008

- 1 Evaluates the performance of and selects the Company's independent registered public accounting firm, subject only to ratification by the shareowners;
- 1 Reviews the scope and results of the audit plans of the independent registered public accounting firm and the internal auditors;
- 1 Oversees the adequacy and effectiveness of the Company's internal controls and disclosure controls and procedures;
- 1 Reviews the performance and resources of the internal audit function, which reports directly to the Committee;
- 1 Confers independently with the internal auditors and the independent registered public accounting firm;
- 1 Reviews the Company's financial reporting and accounting principles and standards and the audited financial statements to be included in the annual report;
- 1 Reviews the Company's quarterly financial results and related disclosures;
- 1 Approves all permissible non-audit services to be performed by the independent registered public accounting firm and all relationships the independent registered public accounting firm has with the Company;
- 1 Determines the appropriateness of fees for audit and non-audit services performed by the independent registered public accounting firm; and
- 1 Reviews the Company's compliance and ethics program and Code of Business Conduct and Ethics.

**Compensation and Organization Committee** 5 meetings in fiscal 2008

- 1 Conducts an annual performance evaluation of the Chief Executive Officer by all independent directors;
- 1 Determines and approves the salary and incentive compensation, including bonus and performance restricted stock, for the Chief Executive Officer, with input from the other independent directors;
- 1 Reviews and approves the salaries and incentive compensation for senior executives;
- 1 Reviews and approves the short-term and long-term incentive compensation programs, including the performance goals;
- 1 Reviews the executive salary structure and the apportionment of compensation among salary and short-term and long-term incentive compensation;
- 1 Reviews and approves the total incentive compensation to be allocated annually to employees;

- 1 Reviews and recommends to the Board significant changes in the design of employee benefit plans;
- 1 Reviews major organizational changes; and
- 1 Reviews executive organization and principal programs for executive development, and annually reports to the Board on management development and succession planning.

The Compensation and Organization Committee approves the Company's compensation policies and executive compensation programs, and approves all individual compensation actions for approximately the top 25 most highly compensated executives. The CEO and the Senior Vice President and Chief Human Resources and Communications Officer make recommendations to the Committee on compensation

actions for the Company's senior executives and on potential changes in the design of executive compensation programs. The Chair of the Committee is authorized to approve compensation actions for senior executives between Committee meetings when necessary for business continuity. Approval of both the Chair of the Committee and the Chairman of the Board is required for equity grants made to senior executives in such circumstances.

In fiscal 2008, the Compensation and Organization Committee received advice on CEO compensation, compensation trends and policy issues, and projects of current interest to the Committee, from an independent compensation consultant, Yale D. Tauber, the Principal of Independent Compensation Committee Adviser, LLC. Mr. Tauber has been retained directly by the Committee and reports directly to the Committee. The Committee's compensation consultant provides no services to management.

For an expanded discussion of the process by which the Compensation and Organization Committee determines executive compensation, and the roles of executive officers and the Committee's independent compensation consultant in determining executive compensation in fiscal 2008, see Corporate Governance of Executive Compensation on page 18.

#### **Finance and Corporate Development Committee**

6 meetings in fiscal 2008

- 1 Reviews and recommends to the Board all issuances, sales or repurchases of equity and long-term debt;
- 1 Reviews and recommends changes in the Company's capital structure;
- 1 Reviews and recommends the financing plan, dividend policy, capital budget and capital expenditure program;
- 1 Reviews and recommends acquisitions, divestitures, joint ventures, partnerships or combinations of business interests;
- 1 Reviews financial risks and the Company's principal policies, procedures and controls with respect to investment and derivatives, foreign exchanges and hedging transactions;
- 1 Recommends proposed appointments to the Administrative Committee of the Company's 401(k) savings plans and pension plans; and
- 1 Oversees the administration and the investment policies and practices of the Company's 401(k) savings plans and pension plans.

#### **Governance Committee**

5 meetings in fiscal 2008

Reviews and makes recommendations to the Board regarding:

- 1 The organization and structure of the Board;
- 1 Qualifications for director candidates;
- 1 Candidates for election to the Board;
- 1 Evaluation of the Chairman's performance;
- 1 Candidate for the position of Chairman of the Board;

- 1 Chairpersons and members for appointment to the Board Committees;
- 1 Remuneration for Board members who are not employees; and
- 1 The role and effectiveness of the Board, the respective Board Committees and the individual directors in the Company's corporate governance process.

The Governance Committee determines the amount and design of all compensation provided to independent directors. The Senior Vice President-Law and Government Affairs and the Vice President &

Corporate Secretary make recommendations to the Governance Committee regarding changes to the director compensation program. The Governance Committee also reviews any transaction with a related person, in accordance with the Board's policy concerning such transactions.

The Governance Committee seeks potential nominees for Board membership in various ways and will consider suggestions submitted by shareowners. See page 14 regarding the procedures for submitting nominee information.

Actions taken by any of the standing committees are reported to the Board. Generally, all members of the Board receive copies of the minutes of all committee meetings and copies of the materials distributed in advance of the meetings for all of the committees.

### **Compensation and Organization Committee Interlocks and Insider Participation**

There are no Compensation and Organization Committee interlocks and all members of the Committee are independent.

### **Evaluations of Board Performance**

Since 1995, the Board's Governance Committee has led annual evaluations of Board performance. The evaluation process is designed to facilitate ongoing, systematic examination of the Board's effectiveness and accountability, and to identify opportunities for improving its operations and procedures.

In accordance with the requirements of the Corporate Governance Listing Standards of the New York Stock Exchange, in 2008 the Board completed an evaluation process focusing on the effectiveness of the performance of the Board as a whole, and each standing committee conducted a separate evaluation of its own performance and of the adequacy of its charter. The Governance Committee designed and coordinated the Board evaluation and reported on its results. Each committee also reported to the Board on the results of its annual self-evaluation.

In the Board evaluation process, each director completed an evaluation form that solicited directors' comments and numerical ratings on 30 questions relating to the qualifications and responsibilities of directors, the effectiveness of Board and committee operations, and the oversight of management. Following review and discussion of a composite report by the Governance Committee, the Chair of the Committee presented a report to the Board that provided recommendations to enhance Board effectiveness based upon the responses received in this process.

In the committee evaluation process, the members of each standing committee completed an evaluation form that elicited numerical ratings of and written comments on the appropriateness of the committee's charter and the adequacy of the written materials distributed in advance of meetings, the time available for discussion of important policy matters, and the manner in which specific committee responsibilities were discharged. Following discussion of a composite report within each committee, the chair of the committee reported to the Board regarding its overall findings and recommendations to improve committee operations.

### **Director Continuing Education**

Since fiscal 2005, the Company has maintained a formal program of continuing education for directors. The curriculum for fiscal 2008 included eight hours of instruction, including a two-hour program on developments and trends in the consumer packaged goods (CPG) industry, presented by an outside specialist; a 1 1/2 hour program on corporate social responsibility; a one-hour program focusing on the business and legal issues associated with product innovation; a one-hour program focusing on compliance challenges in emerging markets; a one-hour program on the Company's procedures for assuring product safety; and two 45-minute online courses on corporate compliance issues.



Most directors participated in all of these programs. The Company also encourages and supports directors who wish to participate in continuing education programs for directors conducted by outside parties in addition to, or in lieu of, a portion of the Company's program.

## **Nomination and Evaluation of Candidates for Director**

The Governance Committee is responsible for investigating, reviewing and evaluating the qualifications of candidates for membership on the Board and for assessing the contributions and performance of directors eligible for re-election. It is also responsible for recommending director nominees for approval by the Board and nomination for election at the Annual Meeting of Shareowners.

***Recommendation of New Nominees.*** When vacancies on the Board arise due to the retirement or resignation of directors, the Governance Committee may consult with other directors and/or with senior management to obtain recommendations of potential candidates to fill these positions, and may also retain a search firm to assist it in identifying and evaluating candidates. The Governance Committee also considers candidates for election to the Board who are recommended to the Committee by shareowners.

The Governance Committee believes that a nominee for election to the Campbell Board should, at minimum:

- 1 be a person of the highest integrity;
- 1 have the ability to exercise independent judgment;
- 1 be committed to act in the best interest of all shareowners;
- 1 abide by exemplary standards of business and professional conduct;
- 1 have the skills and judgment to discharge the duties and responsibilities of a director;
- 1 be willing and able to devote the proper time and attention to fulfill the responsibilities of a director;
- 1 have no conflicts of interest arising from other relationships or obligations; and
- 1 have the ability to provide active, objective and constructive input at meetings of the Board and committees.

In addition, the Committee believes that, collectively, the Board should include directors who are:

- 1 reasonably sophisticated about the duties and responsibilities of directors of a public company;
- 1 knowledgeable about the consumer products industry, business operations, marketing, finance and accounting;
- 1 respected in the business community;
- 1 knowledgeable about general economic trends; and
- 1 knowledgeable about the standards and practices of good corporate governance.

All candidates considered by the Governance Committee for potential recommendation to the Board as director nominees are evaluated by the Governance Committee in light of the minimum qualifications listed above. When vacancies occur, the Governance Committee also reviews the overall composition of the Board to determine whether the addition of a director with one or more of the additional skills or qualities listed above would be desirable to enhance the effectiveness of the Board, and whether candidates with other specific experience or expertise should be sought at that particular time. If a search firm is retained to assist in identifying and evaluating candidates, the

Governance Committee also considers the assessments of the search firm and the background information it provides on the persons recommended for consideration. The Chairman of the Board, the Chair of the Governance Committee and the Chief Executive Officer customarily interview leading candidates. Other directors and/or members of senior management may also interview these candidates. Candidates recommended by shareowners will be evaluated using the same process that is employed to evaluate any other candidate.

***Re-Nomination of Incumbent Directors.*** The Company's Corporate Governance Standards require the Governance Committee to assess the performance of each director eligible for re-election at the Annual Meeting. The Governance Committee's annual agenda contemplates that these assessments will

occur shortly before the Governance Committee recommends a slate of director nominees for approval by the Board. In the individual director assessment conducted by the Governance Committee in 2008, each director was evaluated in light of the criteria set forth in the Corporate Governance Standards with respect to the qualification of directors and the composition of the Board. In addition, the Chair of the Governance Committee solicited from the Chairman of the Board his assessment of the contributions of directors.

**2008 Nominees.** All of the director nominees listed in this proxy statement were nominated by the Board and elected by the shareowners in 2007. Kent Foster and Philip Lippincott also were elected to the Board in November 2007. Mr. Foster has retired and Mr. Lippincott will retire on November 20, 2008.

**Shareowner Recommendations.** Shareowners who wish to recommend candidates for nomination for election to the Board may do so by writing to the Corporate Secretary of Campbell Soup Company at 1 Campbell Place, Camden, New Jersey 08103-1799. The recommendation must include the following information:

1. The candidate's name and business address;
2. A resume or curriculum vitae which describes the candidate's background and demonstrates that he or she meets the minimum qualifications set forth above;
3. A letter from the candidate stating that he or she is willing to serve on the Board if elected, and identifying any legal or regulatory proceedings in which he or she has been involved during the last five years; and
4. A statement from the shareowner recommending the candidate, indicating that he or she is the registered owner of Campbell shares, or a written statement from the record holder of Campbell shares indicating that the shareowner is the beneficial owner of such shares.

#### **Requirement of Majority Shareowner Votes in Uncontested Director Elections.**

In 2007 the Board adopted a policy, set forth in the Company's Corporate Governance Standards, which provides that any nominee for director in an uncontested election who receives more votes withheld from his or her election than votes for his or her election shall immediately tender an offer of resignation following certification of the shareowner vote. The Board will accept the resignation unless there is compelling reason for the director to remain on the Board, and will promptly disclose the action it has taken and the reasons for it.

#### **Director Attendance at Board and Committee Meetings**

Directors meet their responsibilities by preparing for and attending Board and committee meetings, and through communication with the Chairman, the Chief Executive Officer and other members of management on matters affecting the Company. During fiscal 2008, the Board of Directors met for six regular meetings and four special meetings. All directors attended more than 80% of scheduled Board meetings and meetings held by committees of which they were members.

**Director Attendance at Annual Meeting of Shareowners**

It is the Company's policy that the Chairman of the Board, the Chief Executive Officer, and the Chairs of the Audit Committee, the Compensation and Organization Committee and the Governance Committee are expected to attend the Annual Meeting of Shareowners. The five directors who occupied these positions on November 16, 2007 as well as Messrs. Charron, Dorrance, Larrimore, Patterson, Rand, Strawbridge and Vinney, and Meses. Mathew, Malone and Weber, attended the 2007 Annual Meeting of Shareowners.

The Corporate Governance section beginning on page 8 was reviewed and discussed by the Governance Committee, and the Governance Committee recommended to the Board that it be included in this proxy statement.

**Governance Committee**

Charles R. Perrin, Chairman  
Bennett Dorrance  
Randall W. Larrimore  
Mary Alice D. Malone

David C. Patterson  
Les C. Vinney  
Charlotte C. Weber

### Transactions with Related Persons

Under the Company's written Policy Concerning Transactions with Related Persons (the Related Persons Policy), the Governance Committee is required to review and, in appropriate circumstances, approve or ratify any transaction in which the Company was or is to be a participant, the amount involved exceeded or is expected to exceed \$120,000, and any related person had or will have a direct or indirect interest, as well as any material amendment to or modification of such a transaction.

Management has established procedures for identifying and monitoring transactions that may be subject to Governance Committee review under the Related Persons Policy or disclosure under SEC rules. Under the Company's conflicts of interest policy, directors and executive officers have a duty to report transactions in which they or their immediate family members have a direct or indirect interest and which might be deemed to constitute related person transactions. Directors and executive officers also annually complete a proxy questionnaire in which they are asked to identify all for-profit and not-for-profit entities with which they are associated. Based on the disclosures in the proxy questionnaires, management ascertains whether the Company has engaged or is expected to engage in any transactions involving these entities, directly or indirectly, of which the relevant director or executive officer may be unaware.

The Related Persons Policy specifies that the Governance Committee shall review the material terms of such a transaction, including the approximate dollar amount, and the material facts as to the related person's direct or indirect interest in, or relationship to, the transaction. In determining whether to approve or ratify a transaction, the Governance Committee is directed to consider, among other factors it may deem appropriate, whether the transaction was or will be on terms no less favorable than those generally available to an unaffiliated third party under the same or similar circumstances. No director may participate in the discussion or approval of a transaction in which he or she, or a member of his or her immediate family, has a direct or indirect interest.

The Chair of the Governance Committee (or, if a transaction involves the Committee Chair, the Chairman of the Board) may approve or ratify a related person transaction in which the aggregate amount involved is less than \$1 million. Any transaction approved by the Chair or the Chairman is to be reported to the Governance Committee at its next regularly scheduled meeting.

The following types of transactions are deemed by the Policy Concerning Transactions with Related Persons to have been approved in advance by the Governance Committee, even if the aggregate amount involved exceeded or will exceed \$120,000:

- 1 Compensation paid by the Company to a director or executive officer for services rendered to the Company as a director or executive officer.
- 1 Transactions with other entities in which a related person has a direct or indirect interest solely as a result of being a director of the other entity or of owning, with all other related persons, a less than 10% equity or limited partnership interest in the entity, and the aggregate amount of the transaction does not exceed the greater of \$1 million or 2% of that entity's total annual revenues.
- 1 Contributions by the Company to charitable organizations with which a related person's relationship is solely that of an employee (other than a executive officer), director or trustee, and the aggregate amount of the contribution does not exceed the lesser of \$25,000 or 2% of the charitable organization's annual receipts.

Transactions in which a related person's only interest is as a holder of the Company's stock, and all holders received or will receive proportional benefits (such as the payment of regular quarterly dividends).

- 1 Transactions involving competitive bids.
- 1 Transactions in which the rates or charges are regulated by law or government authority.
- 1 Transactions involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

There were no transactions during the period from July 30, 2007 to October 1, 2008, and none are currently proposed, in which the Company was or is to be a participant, the amount involved exceeded or is expected to exceed \$120,000, and any related person had or will have a direct or indirect material interest.

### **Audit Committee Report**

The Audit Committee is comprised of the five directors named below. The Board has determined that each member of the Committee meets the current requirements as to independence, experience and expertise established by the New York Stock Exchange and applicable rules and regulations. In addition, the Board of Directors has determined that Les C. Vinney is an audit committee financial expert as defined by SEC rules. A copy of the Audit Committee Charter, as most recently updated in September 2004, is available at the Company's corporate website at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com) in the governance section under Board Committees.

One of the Audit Committee's primary responsibilities is to assist the Board in its oversight of the integrity of the Company's financial statements and financial reporting process, including its system of internal controls.

To fulfill these oversight responsibilities, the Committee has reviewed and discussed with management and the independent registered public accounting firm the audited financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended August 3, 2008, and has reviewed and discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, Communications with Audit Committee (as amended). In addition, the Committee has received from the independent auditors a written report stating that they are not aware of any relationships between the independent registered public accounting firm and the Company that, in their professional judgment, may reasonably be thought to bear on their independence, as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the audit committee concerning independence. The Committee has discussed with the independent registered public accounting firm the firm's objectivity and independence. The Committee has also considered whether the provision of non-audit services by the independent registered public accounting firm to the Company for the most recent fiscal year and the fees and costs billed and expected to be billed by the independent registered public accounting firm for those services are compatible with maintaining its independence.

The Audit Committee discussed with the Company's internal auditors and independent registered public accounting firm the overall scope and plans for their respective audits. The Committee has reviewed with the internal auditors and independent registered public accounting firm, with and without members of management present, the results of their examinations, their assessment of the Company's internal controls and the overall quality of the Company's financial reporting. In addition, the Audit Committee has discussed with the Chief Executive Officer and the Vice President-Controller who is serving as the Company's principal financial officer the processes that they have undertaken to evaluate the accuracy and fair presentation of the Company's financial statements and the effectiveness of the Company's system of disclosure controls and procedures.

Based on the review and discussions described in this report, the Audit Committee recommended to the Board of Directors that Campbell's audited consolidated financial statements be included in Campbell's Annual Report on Form 10-K for the fiscal year ended August 3, 2008, for filing with the Securities and Exchange Commission. The Audit Committee also recommended to the Board that PricewaterhouseCoopers be appointed independent registered public accounting firm for the Company for fiscal 2009.

#### **Audit Committee:**

Les C. Vinney, Chairman  
Randall W. Larrimore  
Philip E. Lippincott



Sara Mathew  
George W. Strawbridge, Jr.

### Independent Registered Public Accounting Firm Fees and Services

The aggregate fees, including expenses, billed by PricewaterhouseCoopers LLP ( PwC ), Campbell's independent registered public accounting firm, for professional services in Fiscal 2008 and 2007 were as follows:

<b>Services Rendered</b>	<b>Fiscal 2008</b>	<b>Fiscal 2007</b>
Audit Fees	\$ 4,710,000	\$ 5,343,000
Audit-Related Fees	\$ 1,267,000	\$ 206,000
Tax Fees	\$ 844,000	\$ 687,000
All Other Fees	0	0

The Audit Committee's Charter provides that the Committee will pre-approve all audit services and all permissible non-audit services (including the fees and terms thereof) to be performed for the Company by its independent registered public accounting firm. From time to time, the Committee may delegate its authority to pre-approve non-audit services to one or more Committee members. Any such approvals shall be reported at the next Audit Committee meeting.

The audit fees for the years ended August 3, 2008 and July 29, 2007 include fees for professional services rendered for the audits of the consolidated financial statements and the effectiveness of internal control over financial reporting of the Company, quarterly reviews and statutory audits.

The audit-related fees for the years ended August 3, 2008 and July 29, 2007 include fees for services related to certain agreed-upon procedures reports, accounting consultations, SAP pre-implementation controls reviews, and work related to the divestiture of Godiva.

Tax fees for the years ended August 3, 2008 and July 29, 2007 include fees for services related to tax compliance, including the preparation of tax returns and tax assistance with transfer pricing and tax audits.

In fiscal 2008 and 2007, 100% of the audit fees, audit-related fees, and tax fees were approved either by the Audit Committee or its designee.

### Compensation and Organization Committee Report

The Compensation and Organization Committee has reviewed and discussed the following Compensation Discussion and Analysis with management, and based on such reviews and discussions, the Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

#### Compensation and Organization Committee

Paul R. Charron, Chair  
 Edmund M. Carpenter  
 Bennett Dorrance  
 Philip E. Lippincott  
 Charles R. Perrin  
 A. Barry Rand

Charlotte C. Weber

**Compensation Discussion and Analysis ( CD&A )**

**Corporate Governance of Executive Compensation**

The Compensation and Organization Committee ( Committee ) approves the Company s executive compensation policies and programs and reviews major organizational changes and the Company s succession planning and leadership development processes. The Committee s charter is available in the

governance section of the Company's Web site at [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com). The Board has determined that all members of the Committee are independent directors as defined by the New York Stock Exchange rules.

The Committee annually reviews the Company's compensation strategy, principles and policies, including the apportionment of pay between fixed compensation elements and incentive compensation, and the design of incentive compensation programs. The Committee approves all compensation and benefits for senior executives, authorizes the aggregate amount of annual incentive awards for all eligible participants under the Annual Incentive Plan ( AIP ) and the Long-Term Incentive ( LTI ) Program, and authorizes the Chief Executive Officer ( CEO ) to allocate the other awards, up to the aggregate amounts.

Each September, the Committee reviews the performance of the senior executives and approves for each executive his or her base salary, annual incentive payment and long-term incentive grant. This review of all major elements of executive compensation at one time provides the Committee with a comprehensive analysis of the target dollar amount of compensation being delivered by each element of compensation, assuming the required performance goals are 100% attained.

Prior to fiscal 2009, the Committee approved all compensation actions for approximately the top 40 senior executive positions in the Company, including the CEO, Chief Financial Officer and the other most highly compensated executive officers that are named in the summary compensation table ( named executive officers or NEOs ). In May 2008, the Committee determined that, beginning with the actions to be taken the following September, it would focus its approval of individual compensation actions on approximately the top 25 senior executive positions. The CEO and the Senior Vice President & Chief Human Resources and Communications Officer provide recommendations to the Committee on compensation actions for these senior executives, except for his or her own compensation actions, and on potential changes in the design of executive compensation programs. By the terms of its charter, the Committee has delegated to the Chair of the Compensation and Organization Committee the authority to approve compensation actions for the Company's senior executives between Committee meetings when necessary for business continuity purposes. The Chair of the Committee and the Chairman of the Board of Directors must jointly approve any equity grants made to senior executives between meetings.

In fiscal 2008, the Committee retained Yale D. Tauber, the Principal of Independent Compensation Committee Adviser, LLC, an independent compensation consultant. Mr. Tauber reports directly to the Committee and advises the Committee on CEO compensation, compensation trends, governance issues, and projects of current interest to the Committee, such as changes to the design of the Company's LTI Program. The consultant provides his advice about any proposed changes to the design of the executive compensation programs directly to the Committee. He did not provide any services to management in fiscal 2008 and will not be directly retained by management for any services.

The Senior Vice President - Law & Government Affairs and the Senior Vice President & Chief Human Resources and Communications Officer work with the Committee to develop the annual list of agenda items and the annual schedule of meetings for the Committee. The list of agenda items is approved by the Committee. In September 2008, the CEO and the Senior Vice President & Chief Human Resources and Communications Officer recommended to the Committee compensation actions for approximately the top 25 executive positions, including AIP awards for fiscal 2008 and base salaries and LTI grants for fiscal 2009.

### **Compensation Principles and Policies**

The Committee annually reviews and the Board approves the principles and policies for executive compensation. The principles and policies are:

Campbell offers a total compensation package that is designed to attract, motivate and retain talent of the caliber needed to deliver successful business performance in absolute terms and relative to competition.

- 1 Campbell's compensation program is designed to link pay to Company, business unit and individual performance in absolute terms and relative to competition.

- 1 Compensation levels are set by comparing Campbell's pay levels and practices to the practices of other food, beverage and consumer products companies in the Compensation Peer Group (see below) where the Company primarily competes for executive talent. Composition of this group is reviewed annually by the Committee.
- 1 The Company's competitive position is reviewed annually by the Committee. During fiscal 2007, the Committee completed a comprehensive review of the competitive position of the executive compensation program. The review confirmed that long-term incentive targets had been positioned significantly above the median in prior years, in order to attract the executive talent necessary to execute the transformation plan initiated by the Company in fiscal 2002. Due to this positioning and to a reduction in market-competitive long-term incentive grant levels, target total direct compensation in fiscal 2007 was 15% to 25% above the median of the Compensation Peer Group. For fiscal 2008, base salaries, annual incentives, and total annual cash compensation were targeted to the median of the Compensation Peer Group. Long-term incentives were targeted significantly above the median at median performance. Total direct compensation, consisting of salary, annual incentives and long-term incentives, was targeted 15% to 25% above the median at median performance. In May 2008, the Committee reduced the long-term incentive grant levels, so that beginning in fiscal 2009, target total direct compensation will be 10% to 15% above the median at median performance. The Committee believes that this level of compensation is necessary to continue to attract and retain executives with the strong operating, functional or international capabilities that are required to execute the Company's business strategies.
- 1 Annual incentive payments are based on annual performance compared with goals established at the beginning of the fiscal year in four measurement areas relating to the Company's financial, marketplace, operational, and strategic objectives for that year. The Committee evaluates performance compared to goals each year and determines the total AIP pool available.
- 1 Long-term incentive grants are delivered in a combination of performance-restricted shares and time-lapse restricted shares or units, with the mix varying by level of responsibility within the organization. Employees with higher levels of responsibility receive a higher percentage of performance-restricted shares or units. Grants for fiscal years 2006, 2007 and 2008 were delivered in shares. Beginning with the grants for fiscal 2009 that were approved in September 2008, the Company will deliver long-term incentive grants in performance-restricted stock units and time-lapse restricted stock units, both settled in shares, in the United States.
- 1 Senior executives have a substantial portion of compensation at risk, based upon the achievement of the performance goals for annual incentive payments and the performance goals for long-term incentives. When Company performance is strong, senior executives will receive compensation that is well above the median of the Compensation Peer Group. When Company performance is weak, senior executives will receive compensation well below the median. To align the interests of the Company's senior executives with those of shareowners, a higher proportion of incentive compensation is delivered to senior executives through long-term incentives that are paid out depending upon the Company's total return to shareowners (TSR) ranking in the Performance Peer Group (see below).

### **Compensation Objectives**

The objectives of the Company's executive compensation program are to:

- 1 Align the financial interests of the Company's executives with those of its shareowners, in both the short and long term;

- 1 Provide incentives for achieving and exceeding the Company's short-term and long-term goals;
- 1 Attract, motivate and retain highly competent executives by providing total compensation that is competitive with compensation paid at other well-managed companies in the food, beverage and consumer products industries; and

- 1 Differentiate the level of compensation paid to executives based on individual and business unit performance, leadership potential, and level of responsibility within the organization. Individual performance is rated based upon demonstrated leadership skills, accomplishment of objectives, business unit or functional accountabilities, and personal contributions.

### Peer Groups and Benchmarking

The Committee identifies both a Compensation Peer Group and a Performance Peer Group in designing and determining compensation for its executive officers. In order to determine total compensation paid by companies that compete with Campbell for executive talent, in fiscal 2008 the Committee considered a comparison of Campbell's total compensation levels with the levels at 29 companies in the food, beverage and consumer products industries ( Compensation Peer Group ), which was provided by Hewitt Associates. Given Campbell's relatively small size in relation to many of the companies in the Compensation Peer Group, a regression analysis was performed to adjust the compensation data for the top positions for differences in the total revenues of the various companies compared to Campbell's total revenue. The Committee believes that use of the Compensation Peer Group is the most effective method to evaluate and set the compensation needed to attract, motivate and retain the executive talent needed to manage the Company's businesses and operations successfully, because these are the primary companies with which Campbell competes for senior executives. Use of this peer group also provides a broad database that allows Campbell to obtain accurate, representative survey information for a majority of its positions. The composition of the Compensation Peer Group is approved by the Committee each fiscal year after obtaining advice from its independent compensation consultant. For the purpose of determining fiscal 2008 compensation, the Compensation Peer Group consisted of the following companies:

#### Compensation Peer Group

Altria	H. J. Heinz Company (1)	PepsiCo, Inc.
Anheuser-Busch Companies, Inc.	Hershey Foods Corporation (1)	Pfizer Inc.
The Clorox Company	Hormel, Inc.	The Procter & Gamble Company
The Coca-Cola Company	Johnson & Johnson Company	Reynolds American Inc.
Colgate-Palmolive Company	Kellogg Company (1)	S.C. Johnson
ConAgra Foods, Inc. (1)	Kimberly-Clark Corporation	Sara Lee Corporation (1)
Dean Foods(1)	Kraft Foods, Inc. (1)	Tyson Foods (1)
Del Monte Foods Company	Mars, Inc.	Unilever United States, Inc.
Diageo North America, Inc.	McCormick & Company, Inc. (1)	Wm. Wrigley Jr. Company (1)
General Mills, Inc. (1)	Nestle USA, Inc.	

- (1) These companies, plus Campbell, constitute the S&P Packaged Foods Group ( Performance Peer Group ), which is used to measure TSR performance for calculation of the payout from the LTI Program.

The Committee uses the Compensation Peer Group to evaluate the competitiveness of executive compensation and uses the Performance Peer Group to measure the competitiveness of the Company's TSR performance. The Performance Peer Group is independently selected by Standard and Poor's based upon the similarities of the companies' businesses in the packaged foods industry, and has remained relatively stable over a long period of time. Companies that are added to and deleted from the S&P Packaged Foods Group are automatically added to or deleted from the list of companies whose TSR rankings are compared to Campbell's ranking for TSR performance-restricted stock (see below). The list of companies in the S&P Packaged Foods Group is readily available through S&P. The



Committee and management exercise no discretion in selecting the companies that are included in the S&P Packaged Foods Group. The use of this Performance Peer Group for the LTI Program was recommended by the Committee's independent compensation consultant when the current LTI Program was adopted in 2005. The Committee believes that the Performance Peer Group is the appropriate group in Campbell's industry against which to measure the Company's TSR performance. TSR performance of the companies in the Compensation Peer Group that are

not in the packaged foods industry is more likely to be affected by economic developments that do not affect the packaged foods industry.

### **Elements of Executive Compensation**

The elements of Campbell's executive compensation program are:

- 1 base salary;
- 1 performance-based annual incentive compensation;
- 1 long-term equity incentive compensation;
- 1 pension and nonqualified deferred compensation benefits;
- 1 perquisites; and
- 1 post-termination compensation and benefits.

The proportion of compensation delivered in each of these elements is designed to:

- 1 Put more compensation at risk based upon Company or business unit and individual performance for senior executives whose performance is more likely to influence the results of the executive's business unit or function, or the results of the Company;
- 1 Provide the opportunity for executives to earn above-median compensation primarily through annual and long-term incentives, with performance goals that align executives' interests directly with those of Campbell's shareowners;
- 1 Provide consistency over time in the proportion of compensation opportunity among the elements, while varying actual pay based upon Company, business unit and individual performance; and
- 1 Be competitive with the practices in the Compensation Peer Group in order to attract, motivate and retain key executives.

### **Base Salary**

Base salaries are intended to provide a base level of income that is competitive in relation to the responsibilities of each executive's position. Midpoints of base salary ranges are targeted at the median of the Compensation Peer Group reduced by regression by reason of the Company's relatively small size compared to many of the companies in the Compensation Peer Group. Salary ranges and individual salaries for senior executives are reviewed annually by the Committee. The Committee considers salary levels for senior executives each September, when it also reviews the performance of those executives. Merit increases are based on the CEO's and Committee's assessment of individual performance. Targets for annual incentive payments and long-term incentive grants are a percentage of base salary (see below).

The Committee considers a number of factors in determining individual base salaries, including the scope of an individual's job responsibilities, his or her individual contributions, business performance, job market conditions, the Company's salary budget guidelines, and the individual's current base salary as compared with those of persons in

similar positions at other companies in the Compensation Peer Group. The Committee does not utilize a mathematical formula in which these factors or their interrelationships are quantified and weighted (either in general, or with respect to any individual executive). During a particular year, one factor or group of factors may play a more significant role in the determination of an executive's base salary than in other years, based on the Committee's judgment and discretion.

An executive's individual performance may be assessed based upon any of his or her demonstrated leadership skills, accomplishment of objectives, business unit or functional accountabilities, and personal contributions. A broad range of factors relevant to each of these areas, generally qualitative in nature, may be considered in this assessment. The Committee's judgments regarding base salaries are also strongly

influenced by the judgments and recommendations of the CEO with respect to the named executive officers other than himself. In the case of the CEO's base salary, the assessment is made by the Committee.

Named executive officers, like other executives of the Company, have annual performance objectives which include individual goals that relate to the business performance of the Company and/or the individual's business unit or corporate function. As indicated above, the extent to which an executive attains these objectives is one of the factors considered in determining his or her base salary for the following year. However, no single individual performance factor or specific set of individual or business performance factors is dispositive in this determination, and no specific factor or specific set of factors was material to the determinations in September 2007 concerning base salary increases for fiscal 2008 for any of the named executive officers.

In September 2007, the Committee approved salary increases for the named executive officers. These increases were made to maintain market competitiveness based on available market comparison data. After these adjustments, the Committee judged each named executive officer's salary for fiscal 2008 to be correctly positioned at or near the median of the compensation paid by companies in the Compensation Peer Group for the executive's position. Two further adjustments to base salaries for named executive officers were subsequently made in fiscal 2008. On October 4, 2007, the Company announced the formation of a new division known as North America Soup, Sauces and Beverages, consisting of the U.S. Soup, Sauces and Beverages retail business (Campbell USA), North America Foodservice and StockPot, and the business in Canada. The three business units comprising North America Soup, Sauces and Beverages had sales of approximately \$4.5 billion in fiscal 2007. Denise Morrison, then the President of Campbell USA, was appointed President-North America Soup, Sauces and Beverages, reporting to the Company's President and CEO. In connection with her expanded responsibilities, the Committee further increased Ms. Morrison's base salary from \$484,763 to \$520,000 per year. In addition, on March 26, 2008, the Committee approved an additional increase in Ellen Kaden's base salary from \$555,000 to \$600,000 effective April 1, 2008, related to a qualitative assessment of her significant contributions beyond the legal and government affairs functions at the Company and her assumption of the leadership of the Company's corporate social responsibility program. Changes in the CEO's compensation are discussed on page 30.

### **Annual Incentive Plan ( AIP )**

Annual incentives are intended to motivate and reward the achievement of business goals approved by the Board of Directors in the annual Operating Plan and three-year Strategic Plan, and to assure that these goals are achieved in a manner that strengthens the business for the long term. Annual incentive targets are set at the median of the Compensation Peer Group. At the beginning of each fiscal year, the Committee establishes a competitive annual incentive target, expressed as a percent of base salary, for each executive salary level. In fiscal 2008, the annual incentive targets for senior executives, other than the CEO, ranged from 55% to 90% of base salary, with executives at the higher levels having a higher percentage at risk. These percentages are at or near the median for similar executive positions at companies in the Compensation Peer Group. The sum of the individual incentive targets for all participants (approximately 1,850 executives and managers) comprises the target incentive pool.

Since fiscal 2003, the Committee has used a Company scorecard in which many quantitative and qualitative goals for the Company as a whole and its business units are established at the beginning of each fiscal year for the purposes of the Annual Incentive Plan. The goals defined in the scorecard fall within four key measurement areas relating respectively to the Company's financial, strategic, operational and marketplace objectives. Goals identified in each area include a mix of quantitative and qualitative factors. Corresponding goals, consistent with the total Company scorecard, are established for the respective business units. The goals listed in the scorecard are not weighted in any manner.

The Company scorecard adopted in connection with the administration of the AIP for fiscal 2008 included approximately one hundred performance goals. In the financial area, for example, some of the quantitative goals for fiscal 2008 related to net sales, earnings before interest and taxes, earnings per share, profit margins, administrative expenses, marketing expenditures, free cash flow, and return on invested

capital. In fiscal 2008, the adjusted EPS goal from continuing operations was \$2.06, excluding certain transactions not considered to be part of the ongoing business, and the goal for net sales was \$7.8 billion, excluding the impact of currency. Qualitative financial goals included, for example, quality of earnings and Company performance compared against the Performance Peer Group in sales and earnings growth. Marketplace goals included, for example, quantitative measures relating to consumption, and objectives relating to growth in market share for products sold by the Company's 19 business units. For the operational and strategic areas, progress toward achievement of 74 business and workplace initiatives to deliver the annual Operating Plan and the three-year Strategic Plan are assessed. Operational goals included, for example, objectives relating to the success of new product launches, growth in distribution, the effectiveness of advertising campaigns, and improvements in employee engagement. Finally, goals in the strategic area included, among other things, objectives relating to the progress of research and development projects, new product development, portfolio optimization, and other key strategic platforms. The goals in the four measurement areas require effective execution of business plans and are difficult to attain.

After a fiscal year has ended, the Committee assesses total Company performance in light of the goals enumerated in the scorecard for that year, and, based on that assessment, determines the aggregate amount of the incentive pool for the total Company for that year. Comparable judgments are made with respect to the achievement of the goals defined in the corresponding business unit scorecards. The Committee's determination of the overall Company score and the determinations of business unit scores are not based on any mathematical calculation or formula, and do not focus on any single performance goal. This plan intentionally provides substantial opportunity for the exercise of judgment and discretion by the Committee in determining the overall Company score and the overall scores for the respective business units. In any given year, the Committee's assessment of total Company performance may range from 0 to 175%. For fiscal year 2008, the Committee decided upon a total annual incentive pool of 105% of the target pool. AIP awards to each executive, within the limits of the approved total pool, are based on business unit/function performance and individual performance, and can vary for executive officers from 0 to 200% of the individual's incentive target. The sum of individual awards cannot exceed the approved total AIP pool. Extraordinary items, such as major restructuring and accounting changes, are excluded in determining the AIP pool.

Each participant in the AIP has an annual incentive target, which is a percent of base salary approved by the Committee at the beginning of the year for each executive salary level. Within the limits of the total AIP pool, the award paid to a participant for a given year is determined by multiplying his or her annual incentive target for that year by (x) a percentage representing the assessment of the performance of the participant's business unit, or, if the participant is a member of the corporate staff (that is, not within a business unit), the percentage representing the Committee's assessment of total Company performance for the year; and (y) a percentage representing an assessment of the participant's performance against the individual objectives established for that participant at the beginning of the fiscal year.

At the beginning of a fiscal year, the Committee also establishes a performance goal for the AIP that is applicable only to executive officers. This goal is referred to as the 162(m) performance goal. The 162(m) performance goal for fiscal 2008 required that the Company achieve 80% of its EPS goal for the year. In fiscal 2008, the goal for adjusted EPS from continuing operations was \$2.06, excluding certain transactions not considered to be part of the ongoing business. In order for an executive officer to be eligible to receive the maximum payment of 200% of his or her annual incentive target, the Company must meet the 162(m) performance goal for the year. If the Company achieves less than 80% but not less than 50% of the EPS goal, executive officers are eligible to receive a maximum of 100% of his or her annual incentive target. If the Company does not achieve at least 50% of the EPS goal, executive officers are not eligible for any AIP award. The Company's adjusted EPS from continuing operations for fiscal 2008 was \$2.09, excluding certain transactions not considered to be part of the ongoing business.

The Company's achievement of the 162(m) performance goal does not assure that an executive officer will receive the maximum incentive award, because the Committee has retained negative discretion to reduce the award based upon

the assessment of the performance of his or her business unit (or, in the case of an executive officer who is a member of the corporate staff, the assessment of total Company performance) in light of the goals set forth in the scorecard, and the assessment of his or her individual performance against

individual annual objectives. The Committee has consistently exercised its negative discretion in determining annual incentive payments to executive officers. Although the Company has regularly achieved the 162(m) performance goal of 80% of the EPS goal established annually by the Committee, no named executive officer in the applicable fiscal year has received an award equal to the maximum potential payment.

As indicated above, payments made to participants in the AIP are influenced by their managers' assessments of individual performance against objectives established for each participant at the beginning of the fiscal year. In the case of named executive officers other than the CEO, the Committee's assessments of individual performance are based primarily on the CEO's judgments and recommendations. The assessment of the CEO's individual performance is made by the Committee itself. However, awards made to named executive officers under the AIP were so closely tied to the assessment of overall Company performance or, in relevant cases, to the assessments of business unit performance, that determinations relating to individual performance for fiscal 2008 were not a significant differentiating factor for these executives.

Based on its review of the results achieved in fiscal 2008 against the objectives defined at the beginning of the year in each of the four measurement areas of the Company scorecard, the Committee made the qualitative judgments that total Company performance with respect to financial and operational goals was on target, that performance with respect to strategic goals was significantly above target, and that performance with respect to marketplace goals was slightly below target. Based on its assessment of the Company's overall performance in fiscal 2008, the Committee determined that the aggregate amount of the incentive pool should be 105% of target. In making this determination, the Committee applied no mathematical calculations or specific weightings to individual objectives identified in the scorecard. Its determination of the total Company score was based on its qualitative judgment of overall Company performance, with particular attention to the fact that management had operated the business successfully through a period of unprecedented cost inflation and, at the same time, successfully executed a number of complex strategic projects to focus the Company for sustainable long-term growth. Incentive payments to the named executive officers listed on page 31 for fiscal 2008 ranged from 100% to 113% of the target incentive amount, with an average of 105%. The annual incentive awards made to the named executive officers for fiscal 2008 are listed in the summary compensation table on page 31 in the column captioned "Non-Equity Incentive Plan Compensation."

## **Long-Term Incentive Compensation**

### **Prior Long-Term Incentive Programs**

Long-term incentives are intended to motivate and reward executives based upon the Company's success in delivering superior value to its shareowners and to retain executives. For several years prior to fiscal 2006, Campbell used two long-term incentive programs for approximately 350 top executives, a time-lapse restricted stock program and a stock option program. The value delivered to these executives through each program was intended to be approximately 50% of total competitive long-term incentive value. For other participants (about 850 people) the long-term incentive program consisted entirely of stock options. While these programs were replaced in fiscal 2006 with a new long-term incentive program consisting entirely of restricted stock, grants under the former programs are still outstanding and expense was incurred in fiscal 2008. The former programs were described in prior years' proxy statements.

### **Current Long-Term Incentive ( LTI ) Program**

During fiscal 2005, the Committee conducted a comprehensive analysis of the Company's LTI Program during four separate meetings. The Committee's independent consultant at the time, Frederic W. Cook & Co., Inc., advised the Committee throughout this project. As a result of this analysis, the Committee approved a new LTI Program recommended by the independent consultant for the period beginning in fiscal 2006, consisting of three types of restricted shares: (1) TSR performance-restricted shares which are earned based on the Company's TSR compared to



the TSRs of the companies in the Performance Peer Group over a three-year performance period; (2) EPS performance-restricted shares which are earned based on the achievement of a minimal level of EPS in each fiscal year in a three-year performance period, which is designed to

qualify the payment of the shares as tax deductible; and (3) time-lapse restricted shares which vest over three years based on continued employment.

For fiscal 2008, long-term incentive targets were significantly above the median of the Compensation Peer Group at median performance. The long-term incentive targets for senior executives, other than the CEO, ranged from 128% to 285% of base salary, with executives at higher levels having a higher percentage at risk. For executive officers, 70% of the long-term incentive opportunity was delivered in TSR performance-restricted shares and 30% in EPS performance-restricted shares. For senior executives who were not executive officers, 70% of the long-term incentive opportunity was delivered in TSR performance-restricted shares and 30% in time-lapse restricted shares. Linking a significant portion of long-term compensation to the Company's TSR performance aligns the interests of executives with those of Campbell's shareowners. Other participants in the program received a higher proportion of time-lapse restricted shares and a lower proportion of TSR performance-restricted shares. Regular awards of stock options are not part of the current LTI Program, and no stock options have been granted to executives after fiscal 2005.

Grants under the program were made at the beginning of the fiscal year to approximately 1,200 participants, and the performance period for TSR shares is the current and subsequent two fiscal years. For the past five years, equity grants have been approved by the Committee in September, which is near the beginning of the Company's fiscal year. Individual grants were based on the executive's level of responsibility in the Company, possession of critical skills, individual performance and future leadership potential as assessed in the Company's human resources organization planning process. All shares used in the Company's executive compensation programs were shares which were previously issued and outstanding and were reacquired by the Company.

TSR performance-restricted shares are paid out based upon the Company's TSR performance over a three-year period compared to the TSRs of the other 11 companies in the Performance Peer Group. For fiscal years 2006-2008, 2007-2009 and 2008-2010, the following percentage of TSR shares that were granted at the beginning of the three-year performance period will be paid out based upon the Company's TSR performance ranking:

Company's TSR Performance Rank	1	2	3	4	5	6	7	8	9	10	11
Percentage Payout	200%	175%	150%	125%	125%	100%	85%	70%	50%	50%	0

In order to maintain focus and interest in the TSR performance-restricted share portion of the program during the first and second years of the performance period, one-third of the TSR performance-restricted shares initially granted can be earned at the end of the first year, provided the Company's TSR performance ranking is median (#6) or above during the one-year period. An additional one-third of the TSR performance-restricted shares initially granted can be earned at the end of the second year, provided the Company's TSR performance ranking is median or above during the two-year period. At the end of the three-year performance period, a participant will be paid the greater of (i) the earned shares from the first two years or (ii) the TSR performance-restricted shares determined by the Company's TSR ranking for the full three-year period. The earned shares will be forfeited if the participant resigns prior to the pay-out date, which is two months following the end of the three-year performance period. At the time of payment, the Committee can exercise negative discretion in determining Campbell's ranking under the TSR performance-restricted share portion of the program in the event of extraordinary circumstances.

As noted above, beginning with the grants approved for fiscal 2009, TSR performance-restricted grants will be delivered in units rather than shares. In May 2008, the Committee approved modifications to the payout grid for TSR units in order to provide for no payout for bottom quartile performance and to enhance the payout percentage for

strong performance. Beginning with the grant for fiscal years 2009-2011, the following

percentage of TSR units granted at the beginning of the three-year performance period will be paid out based upon the Company's TSR performance ranking:

Company's TSR Performance Rank	1	2	3	4	5	6	7	8	9	10	11
Percentage Payout	225%	200%	175%	150%	125%	100%	75%	75%	50%	0	0

By way of illustration, if, at the end of the three-year performance period, the Committee determines that the Company's cumulative TSR for fiscal years 2009-2011 ranks in fifth place compared with those of the 11 other companies in the Performance Peer Group, TSR performance-restricted units granted in October 2008, at the beginning of the performance period, will be paid out at 125% of the original grants.

As noted above, beginning with the grants approved for fiscal 2009, EPS performance-restricted grants will also be delivered in units rather than in shares. EPS performance-restricted awards are paid out two months following the end of each fiscal year in the three-year performance period, provided that the EPS achieved in the fiscal year is at least 50% of the EPS goal for the AIP approved by the Committee for that fiscal year. This performance goal is designed to qualify the payment of EPS performance-restricted awards as deductible under Section 162(m) of the Internal Revenue Code. The payout of EPS performance-restricted shares or units is either 0 or 100%. For fiscal 2008, the goal for adjusted EPS from continuing operations for the AIP was \$2.06, and actual adjusted EPS from continuing operations was \$2.09. Estimated future payouts of TSR and EPS performance-restricted awards to the Company's named executive officers are listed in the table of Grants of Plan-Based Awards on page 34.

Following its review of the competitive positioning of the LTI Program in fiscal 2007, the Committee determined to reduce the size of the LTI grants for all participants. Beginning with fiscal 2009 (fiscal 2008 for the CEO), the Company has reduced long-term incentive targets so that the Company's target total direct compensation will be in the range of 10%-15% above market median in the Compensation Peer Group.

### Executive Stock Ownership

The Company requires senior executives to own shares to further align their interests with those of shareowners. In fiscal 2008 approximately the top 85 executives were required to achieve an ownership stake in the Company that was significant in comparison with the executive's salary. Until the ownership level is achieved, executives must retain at least half of the after-tax value of each equity award in Campbell shares upon the vesting of restricted shares or exercise of options. Executive officers are prohibited from selling in a twelve-month period more than 50% of (1) the value of shares owned plus (2) the after-tax value of vested options, in excess of the applicable ownership standard.

The ownership requirements for corporate officers, expressed in terms of the value of shares to be owned, were as follows:

Position	Required Ownership
Chief Executive Officer	\$5,750,000
Senior Vice President	\$850,000 to \$2,000,000
Vice President	\$750,000 to \$1,000,000

Executives may count toward these requirements the value of shares owned and shares which are deferred and fully vested in the Company's 401(k) plan and other deferred compensation programs. Restricted shares and unexercised stock options are not counted in calculating ownership. Company policy prohibits executives from hedging the economic risk associated with fully owned shares, restricted shares and unexercised stock options.

To better align the stock ownership program with market practice while ensuring that the primary objectives of the program are maintained, in May 2008, the Committee approved two modifications to the program. As of August 1, 2008, ownership requirements apply to executives at the highest levels in the

Company, approximately the top 35 executive positions, and the ownership standard is expressed as a multiple of salary that is determined based on organization level or title. Establishing ownership standards as a multiple of base salary links the program with pay actions (i.e., base salary increases) which are performance-based, and ensures that ownership objectives remain competitive.

<b>Organization Level</b>	<b>Multiple of Salary</b>
CEO	6.0 x
CEO Direct Reports (including other NEOs)	3.5 x
Other Participating Executives	2.0 x

The ownership multiple for the CEO has been set at the market 75<sup>th</sup> percentile while the ownership standards for others covered by the program have been set at market median.

### **Retirement Plans**

Senior executives participate in two defined benefit plans: (1) the Retirement and Pension Plan ( Qualified Plan ) and (2) the Mid-Career Hire Pension Plan ( MCHP ). The Qualified Plan provides funded, tax-qualified benefits up to the limits allowed under the Internal Revenue Code ( IRC ) for most of the Company s full-time U.S. employees. The MCHP provides unfunded benefits for senior executives who are hired in the middle of their careers and that are in excess of the IRC limits applicable to the Qualified Plan. Such executives give up future pension benefits that they would have earned if they remained with their prior employers. The MCHP is consistent with the Company s objective to attract and retain experienced senior executives in order to execute the Company s business strategies. MCHP benefits are offset by benefits under the Qualified Plan.

These plans prohibit duplication of benefits. The Company adopted these plans as an additional means to attract and retain employees and to provide a competitive level of pension benefits. The retirement plans provide employees, including the NEOs listed on page 31, the opportunity to plan for future financial needs during retirement. Other than the MCHP, the actual pension benefit is calculated on the same basis for all participants, and is based on:

- 1 length of service;
- 1 covered compensation (base salary and annual incentive); and
- 1 age at retirement.

Stock option gains, time-lapse restricted shares and performance-restricted shares, as well as any extraordinary remuneration, play no part in the calculation of retirement benefits. For a more detailed discussion of the retirement plans and the accumulated benefits under these plans, see the Pension Benefits table and the accompanying narrative on page 38.

### **Deferred Compensation Plans**

The Company adopted the Deferred Compensation Plans to provide an opportunity for the U.S.-based participants, including the eligible NEOs, to save for future financial needs. The amount of salary and annual incentive earned by the employee is not affected by the plans. The plans essentially operate as unfunded, tax-advantaged personal savings accounts of the employee, administered by the Company, and contribute to the Company s attractiveness as an employer. For a more detailed discussion of the deferred compensation arrangements relating to the NEOs, see the

Nonqualified Deferred Compensation table and accompanying narrative on page 41.

**Perquisites**

The Company's Personal Choice Program provides quarterly cash payments to executives in lieu of reimbursements for items such as tax or estate planning services or financial planning services. For NEOs, the annual cash payments range from \$32,000 to \$48,000, are reviewed by the Committee annually, and are included in the summary compensation table on page 31. The Committee believes that perquisite payments are appropriate to reimburse executives for financial and tax planning services or other purposes, so that the

executives are not distracted from devoting their time and energy to their responsibilities to the Company. In addition to tax and estate planning services or financial planning services, executives may use the payments made under this program, at their discretion, for such other purposes as home security systems, country club dues and automobile expenses. The Company also provides long-term disability protection for NEOs. Other perquisites provided by the Company to NEOs in 2008 were the payment of car and driver expenses for Mr. Conant, driver expenses for Ms. Kaden and commuting expenses for Mr. Schiffner. When these executives were hired in 1998 and 2001, the Company agreed to pay these expenses in lieu of paying for relocation expenses.

### **Severance Plans**

The Company has severance plans for its U.S.-based exempt employees. All exempt salaried employees in the U.S., including NEOs, are covered by the plans, under which payments are based on level of responsibility, seniority and/or length of service. For the NEOs, the maximum payment under the plans is two times base salary. The payment and benefit levels defined in the Company's severance plans for U.S.-based exempt employees have been determined primarily by reference to the amount of time customarily required for employees who are involuntarily terminated without cause to find other employment. The Company believes that, due to the relative scarcity of senior executive roles, employees at higher levels in the organization generally need more time to locate comparable positions elsewhere than those at lower levels. The Company also periodically reviews the severance benefits provided at other Fortune 500 companies. Assurance of a reasonable measure of financial security in the event of involuntary termination is important to candidates for executive positions, and the extent of the severance benefits offered by Campbell in comparison with those available at other companies is sometimes a significant factor in their evaluations of the attractiveness of opportunities at Campbell. The Company generally does not enter into employment contracts in the United States. The Company provides the severance plans to reassure employees of assistance in their transition to new employment in the event the Company terminates their employment. For a more detailed discussion of these severance arrangements, see Potential Payments on Termination or Change in Control beginning on page 41.

### **Change in Control Benefits**

The Company has entered into Special Change in Control Severance Protection Agreements ( Special CIC Agreements ) with the NEOs as well as all other executive officers. The Special CIC Agreements provide for severance pay and continuation of certain benefits should a change in control occur. The independent members of the Board of Directors unanimously approved entry into the Special CIC Agreements beginning in 2000. The Committee believes that the Special CIC Agreements are necessary in order to retain stability in the senior executive team in the event there is a threatened or actual change in control. The Agreement requires the occurrence of the following two events in order for an executive to receive payments and benefits: 1) the executive's employment must be terminated involuntarily and without cause (whether actual or constructive ); and 2) the termination must occur within two years following a change in control. The Company also has change in control provisions in its AIP, its long-term incentive plans and its U.S. retirement plans, and these provisions apply equally to all participants in the plans, including the NEOs.

### **Accounting and Tax Implications**

Section 162(m) of the Internal Revenue Code ( IRC ) limits the tax deductibility of compensation paid to an NEO to \$1 million, except to the extent the compensation is performance based. The Committee's policy is to comply with the requirements of section 162(m) except where the Committee determines that compliance is not in the best interests of the Company and its shareowners. All annual incentive payments and restricted stock grants to executive officers for fiscal year 2008 met the requirements for deductibility under section 162(m).



Beginning on August 1, 2005, the Company began accounting for stock-based compensation, including unvested stock options and any restricted shares, in accordance with the requirements of Financial

Accounting Standards Board Statement of Financial Accounting Standards No. 123 (revised 2004), *Share-Based Payment*, ( FAS 123R ).

### **CEO Compensation and Evaluation**

The NEOs' compensation, other than the CEO's compensation and the CFO's special grant described below, are not materially different from each other. The compensation components for the CEO, Douglas Conant, are consistent with the program generally described above. Mr. Conant's compensation is designed to be competitive with the CEO compensation paid in the Compensation Peer Group and his incentive compensation is directly linked to both Company performance and his performance. The process used to review and establish Mr. Conant's compensation for fiscal 2008 was as follows:

In June 2007, the Committee reviewed Mr. Conant's salary and his proposed incentive targets for fiscal 2008 as a percentage of his salary for annual and long-term incentives compared to the CEO salary and incentive targets for the Compensation Peer Group. The Committee received the opinion of its independent compensation consultant at the time, Frederic W. Cook & Co., Inc., regarding Mr. Conant's salary and his incentive targets. The Committee met in executive session to discuss the CEO's salary and targets, and the Committee's conclusions were discussed with the independent directors in an executive session. The Committee developed a final recommendation regarding reduced targets for the CEO's annual and long-term incentives for fiscal 2008.

The specific changes approved by the Committee for fiscal 2008 were a reduction in Mr. Conant's AIP target from 175% to 150% of base salary and a reduction in his LTI target (affecting the October 1, 2007 grant discussed below) from 615% to 565% of base salary.

In September 2007, the Committee considered the results of the CEO evaluation and the performance of the Company for fiscal 2007 and developed a final recommendation regarding a salary increase for Mr. Conant. The Committee received advice from its new independent compensation consultant, Yale D. Tauber, the Principal of Independent Compensation Committee Adviser, LLC, regarding Mr. Conant's proposed salary and incentive targets. These recommendations were discussed by the Committee and the independent directors in an executive session, and then discussed with the Board in an executive session and then approved by the Committee.

The Board evaluated Mr. Conant's performance based on the Company's total performance as measured by the scorecard approach described above under Annual Incentive Plan, and evaluated his personal performance in the following areas:

development of a long-term strategy and timely progress toward strategic objectives;

development and communication of a clear and consistent vision of the Company's goals and values;

achievement of appropriate annual and longer-term financial goals;

continuous improvement of the quality, value and competitiveness of Campbell's products and business systems;

management development and succession planning;

programs for the recruitment, training, compensation, retention and motivation of all employees;

spokesperson for the Company; and

relationship with the Board of Directors.

Based on the above review of competitive data, Company performance and Mr. Conant's performance, on October 1, 2007, his salary was increased to \$1,185,000, and he received a grant of 122,585 TSR performance-restricted shares and 52,537 EPS performance-restricted shares. His annual incentive award earned in fiscal 2008 was \$1,866,375. This award was based on Company performance compared to the goals for the AIP described on pages 23 through 25 and his performance as determined by the Board in the CEO evaluation process.

**CFO Resignation and Retirement**

On April 22, 2008, the Company announced that Robert Schiffner would resign from his position as Senior Vice President and Chief Financial Officer by August 1, 2008, or earlier if his successor were appointed, and will retire from the Company on January 31, 2009. Mr. Schiffner has agreed to continue as an employee of the Company beyond the date of his resignation from his former position and until January 31, 2009 to facilitate the Company's smooth transition to a new Chief Financial Officer. His base salary will remain the same at \$525,000, and he will be eligible for annual incentive compensation and long-term incentive compensation in accordance with the regular terms and conditions of those programs. On April 22, 2008, the Company made a special grant to Mr. Schiffner of 55,265 shares of performance-restricted stock under the 2005 Long-Term Incentive Plan. The performance-restricted stock will vest on January 31, 2009, provided Mr. Schiffner remains employed by the Company through that date and successfully assists the Company with the financial reporting, operational, and business transition projects specified in the restricted stock grant agreement. In the event the Company terminates his employment for reasons other than for cause or as a result of his total disability or death prior to January 31, 2009, the shares will vest immediately and will be paid to him or his estate. The shares will be forfeited if, prior to January 31, 2009, Mr. Schiffner retires or is terminated for cause.

**Summary Compensation Table Fiscal 2008**

The following Summary Compensation Table (SCT) provides information concerning the compensation of the Company's Chief Executive Officer, Chief Financial Officer and the three other most highly compensated executive officers (named executive officers or NEOs) for fiscal 2008 and 2007. However, fiscal 2007 information for Ms. Morrison is not provided because she was not a named executive officer of the Company during fiscal 2007. In addition, Mr. Schiffner resigned from the position of Senior Vice President and Chief Financial Officer effective August 1, 2008 and will retire from the Company on January 31, 2009. For a complete understanding of the table, please read the narrative disclosures that follow the table.

Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation (\$)	
							Earnings (\$)		
	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
	2008	\$ 1,177,500	0	\$ 6,028,736	\$ 233,181	\$ 1,866,375	\$ 224,405	\$ 278,554	\$
Chief Officer	2007	\$ 1,133,333	0	\$ 6,495,915	\$ 1,782,073	\$ 2,793,000	\$ 883,755	\$ 339,645	\$ 1
	2008	\$ 520,000	0	\$ 2,143,058	\$ 23,318	\$ 496,125	\$ 58,011	\$ 96,244	\$
Chief Officer	2007	\$ 491,667	0	\$ 1,104,393	\$ 181,589	\$ 667,359	\$ 676,227	\$ 92,829	\$
<b>Kaden</b>	2008	\$ 566,333	0	\$ 1,532,282	\$ 21,986	\$ 567,000	\$ 0	\$ 160,386	\$

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Law and t	2007	\$ 530,417	0	\$ 1,250,233	\$ 173,225	\$ 596,960	\$ 370,429	\$ 123,175	\$
s	2008	\$ 553,333	0	\$ 1,528,759	\$ 23,085	\$ 493,430	\$ 192,028	\$ 71,238	\$
oup nd	2007	\$ 516,667	0	\$ 1,143,478	\$ 176,601	\$ 582,400	\$ 252,640	\$ 68,544	\$
l	2008	\$ 510,833	0	\$ 1,366,344	\$ 11,992	\$ 458,185	\$ 573,981	\$ 69,744	\$
oup nd forth up,									

**Salary (Column C)**

The amounts reported represent base salaries paid to each of the NEOs for fiscal 2008 and 2007.

### **Bonus (Column D)**

No discretionary bonus was paid to any NEO in fiscal 2008. Payments under the AIP are listed in column G.

### **Stock Awards (Column E)**

The amounts reported represent the compensation expense recognized for financial reporting purposes in accordance with FAS 123R for restricted share awards for each of the NEOs for financial reporting purposes for fiscal 2008 and 2007. The assumptions used by the Company in calculating these amounts are included in Notes 1 and 13 to Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the year ended August 3, 2008 (Form 10-K). Compensation expense includes amounts from awards granted in and prior to fiscal 2008. The FAS 123R value of a grant is amortized for financial reporting purposes over the number of months to vest, except for awards to retirement-eligible participants, which are amortized over an accelerated period. To see the value of awards made to the NEOs in fiscal 2008, see the Grants of Plan-Based Awards table on page 34. To see the value actually received by the NEOs in fiscal 2008, see the Option Exercises and Stock Vested table on page 36.

The amounts reported in the SCT for these awards may not represent the amounts that the NEOs will actually realize from the awards. Whether, and to what extent, a NEO realizes value will depend on the Company's actual operating performance, stock price fluctuations and the NEO's continued employment. Additional information on all outstanding stock awards is reflected in the Outstanding Equity Awards at Fiscal Year-End table on page 35.

### **Option Awards (Column F)**

The amounts reported represent the compensation expense recognized for financial reporting purposes for the fiscal year ended August 3, 2008 for grants of options made prior to fiscal 2006, to each of the NEOs, calculated in accordance with the provisions of FAS 123R. The Company ceased issuing stock options to employees beginning in fiscal 2006. To see the value actually received by the NEOs in fiscal 2008, see the Option Exercises and Stock Vested table on page 36. Details for each of the outstanding option awards to NEOs can be found in the Outstanding Equity Awards at Fiscal Year-End Table on page 35.

The assumptions used by the Company in calculating these amounts are incorporated herein by reference to Notes 1 and 13 to Consolidated Financial Statements in the Form 10-K. The amounts reported in the SCT for these awards may not represent the amounts that the NEOs will actually realize from the awards. Whether, and to what extent, a NEO realizes value will depend on the Company's actual operating performance, stock price fluctuations and the NEO's continued employment. Additional information on all outstanding option awards is reflected in the Outstanding Equity Awards at Fiscal Year-End table on page 35.

### **Non-Equity Incentive Plan Compensation (Column G)**

The amounts reported reflect the amounts earned and paid to each NEO for fiscal 2008 and 2007 under the AIP. Payments under the AIP were calculated as described in the Compensation Discussion and Analysis beginning on page 23.

### **Change in Pension Value and Nonqualified Deferred Compensation Earnings (Column H)**

The change in pension amounts reported for fiscal 2008 are comprised of changes between July 29, 2007 and August 3, 2008 in the actuarial present value of the accumulated pension benefits for each of the NEOs. The NEOs receive pension benefits under the same formula applied to all U.S. salaried employees, except for benefits accrued under the Mid-Career Hire Pension Plan. The assumptions used by the Company in calculating the change in pension

value are described beginning on page 40.

The values reported in this column are theoretical, as those amounts are calculated pursuant to SEC requirements and are based on assumptions used in preparing the Company's consolidated audited financial statements for the years ended July 29, 2007 and August 3, 2008. The Company's pension plans utilize a different method of calculating actuarial present value for the purpose of determining a lump sum payment, if

any, under the plan. The change in pension value from year to year as reported in the table is subject to market volatility and may not represent the value that a NEO will actually accrue under the Company's pension plans during any given year. The material provisions of the Company's pension plans and deferred compensation plans are described beginning on page 38 and on page 41.

The change in pension amounts for executives was as follows: Mr. Conant: \$158,953; Mr. Schiffner: \$0; Ms. Kaden: \$0; Mr. McWilliams: \$187,445; and Ms. Morrison: \$573,981.

Messrs. Conant, Schiffner and McWilliams received above-market earnings (as this term is defined by the SEC) on their nonqualified deferred compensation accounts because part of their accounts was credited with interest at The Wall Street Journal indexed prime rate. This rate of 7.8% for fiscal 2008 exceeded 120% of the applicable federal long-term rate by 2.24%, and this additional amount is included in column H. The additional amount for these executives was as follows: Mr. Conant: \$65,452; Mr. Schiffner: \$58,011; and Mr. McWilliams: \$4,583.

### All Other Compensation (Column I)

The amounts reported reflect, for each NEO, the sum of (i) the incremental cost to the Company of all perquisites and other personal benefits; (ii) amounts contributed by the Company to the 401(k) plan and the 401(k) supplemental program; and (iii) the premiums paid by the Company for executive long-term disability benefits.

The following table outlines those (i) perquisites and other personal benefits and (ii) additional all other compensation required by the SEC rules to be separately quantified:

Name	Personal Choice(1)	401(k)		Long-Term Disability	Other	Total
		Company Contribution	Supplemental Company Contribution(2)			
Douglas R. Conant	\$ 48,000	\$ 6,900	\$ 113,640	\$ 5,847	\$ 104,167(3)	\$ 278,554
Robert A. Schiffner	\$ 32,000	\$ 6,900	\$ 29,340	\$ 4,004	\$ 24,000(4)	\$ 96,244
Ellen Oran Kaden	\$ 47,000	\$ 6,900	\$ 28,665	\$ 5,557	\$ 72,264(5)	\$ 160,386
Larry S. McWilliams	\$ 32,000	\$ 6,900	\$ 27,822	\$ 4,516	\$ 0	\$ 71,238
Denise M. Morrison	\$ 32,000	\$ 6,900	\$ 27,479	\$ 3,365	\$ 0	\$ 69,744

(1) See page 28 for a description of the Company's Personal Choice program

(2) See page 41 for a description of the supplemental 401(k) program.

(3) Other compensation consisted of \$75,806 for driver expenses and \$28,361 for car expenses.

(4) Other compensation consisted of \$24,000 for commuting expenses.

(5) Other compensation consisted of \$72,264 for driver expenses.



**Total Compensation (Column J)**

The amounts reported in column J are the sum of columns C through I for each of the NEOs. All compensation amounts reported in column J include amounts paid and amounts deferred.

**Grants of Plan-Based Awards in Fiscal 2008**

	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Awards	All Other Stock Option Awards	Exercise or Base	Grant Value
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)	# of Shares or Securities or Underlying Options	# of Securities or Awards	Price (\$/sh)	
R.	TSR Grant	10/1/2007			40,861	122,585	245,170				\$ 4,2
	EPS Grant	10/1/2007			52,537	52,537	52,537				\$ 1,9
r.	TSR Grant	10/1/2007			10,739	32,219	64,438				\$ 1,1
r	EPS Grant	10/1/2007			13,808	13,808	13,808				\$ 5
	Special Grant	4/22/2008			55,265	55,265	55,265				\$ 1,9
an	TSR Grant	10/1/2007			11,158	33,475	66,950				\$ 1,1
	EPS Grant	10/1/2007			14,347	14,347	14,347				\$ 5
ams	TSR Grant	10/1/2007			12,246	36,739	73,478				\$ 1,2
	EPS Grant	10/1/2007			15,745	15,745	15,745				\$ 5
M.	TSR Grant	10/1/2007			10,951	32,855	65,710				\$ 1,1

EPS Grant	10/1/2007	14,080	14,080	14,080	\$ 5
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The Compensation Committee sets annual grant targets for executives participating in the LTI Program. The dollar targets are expressed as a percentage of salary and converted to shares based upon the average closing stock price during the last 20 trading days in the month of August. The performance period for the grant is fiscal years 2008-2010. The target shares are issued to the executives on the grant date. During the performance period dividends are paid on the shares at the same time as paid to all shareowners, and the executives have voting rights. The Compensation Committee certifies the attainment of performance goals, and any earned shares are distributed to participants following the end of the applicable performance period. The performance period for TSR shares is fiscal years 2008-2010. One-third of EPS shares are paid based on EPS performance in each of fiscal years 2008, 2009, and 2010. See the description in the CD&A beginning on page 25 for information about targets, performance goals and payment of shares. The grants have specific rules related to the treatment of the shares in the event of termination for cause, voluntary resignation, retirement, involuntary termination and change in control. These provisions are described under Potential Payments Upon Termination or Change in Control beginning on page 41. The amount recognized for financial reporting purposes for fiscal 2008 under FAS 123R for the target grants listed above is included in column (e) (Stock Awards) in the SCT on page 31. For a description of the reason for the special grant to Mr. Schiffner on April 22, 2008, please see page 31.

### Outstanding Equity Awards at Fiscal Year-End

The following table provides information on the current holdings of stock options and restricted stock by the NEOs. This table includes unexercised option awards; unvested time-lapse restricted shares; and unvested performance-restricted shares. Each equity grant is shown separately for each NEO. The vesting schedule for the grants is shown following this table, based on the grant date. The market value of the stock awards is based on the closing market price of Campbell stock as of August 1, 2008, which was \$35.85. The performance-restricted shares, which were initially granted on September 22, 2005, September 28, 2006 or October 1, 2007 are subject to specific goals during the performance period as explained in the CD&A beginning on page 25. The market value as of August 1, 2008, shown below assumes the satisfaction of these goals. For additional information about the option awards and restricted stock awards prior to fiscal 2008, see the description of long-term incentive compensation in the CD&A beginning on page 25.

Grant Date for Options (a)	Option Awards(1) Equity Incentive Plan Number of Awards: Number of Securities of					Stock Awards(2) Equity Incentive Plan Awards: Number of Shares or Units of			
	Unexercised Options Exercisable (#) (b)	Unexercised Options Unexercisable (#) (c)	Underlying Securities Earned Options (#) (d)	Option Exercise Price (\$) (e)	Option Expiration Date (f)	Grant Date for Restricted Shares (g)	Number of Shares or Units of Unvested Stock (#) (h)(3)	Market Value of Shares or Units of Unvested Stock (\$) (i)	or Units of Unvested Stock (#) (j)
1/8/2001	1,000,000	0		\$ 32.41	1/8/2011	9/23/2004	19,359	\$ 694,020	
9/28/2001	900,000	0		\$ 27.99	9/28/2011	9/22/2005			157,500
7/25/2002	382,675	0		\$ 22.95	7/25/2012	9/28/2006			125,934
9/25/2003	904,000	0		\$ 26.84	9/25/2013	10/1/2007			122,585
9/23/2004	805,000	0		\$ 26.36	9/23/2014	9/22/2005			22,500
						9/28/2006			35,981
						10/1/2007			52,537
2/26/2001	65,000	0		\$ 29.03	2/26/2011	9/23/2004	8,000	\$ 286,800	
9/28/2001	108,000	0		\$ 27.99	9/28/2011	9/22/2005			23,336
7/25/2002	86,250	0		\$ 22.95	7/25/2012	9/28/2006			24,780
9/25/2003	100,000	0		\$ 26.84	9/25/2013	10/1/2007			32,219
9/23/2004	80,500	0		\$ 26.36	9/23/2014	9/22/2005			4,400
						9/28/2006			7,080

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					10/1/2007			13,808
					4/22/2008			55,265
6/22/2000	81,250	0	\$ 29.60	6/22/2010	9/23/2004	9,034	\$ 323,869	
9/28/2001	108,000	0	\$ 27.99	9/28/2011	9/22/2005			24,662
7/25/2002	86,250	0	\$ 22.95	7/25/2012	9/28/2006			27,020
9/25/2003	100,000	0	\$ 26.84	9/25/2013	10/1/2007			33,475
9/23/2004	75,900	0	\$ 26.36	9/23/2014	9/22/2005			4,650
					9/28/2006			7,720
					10/1/2007			14,347
3/12/2001	35,000	0	\$ 30.97	3/12/2011	9/23/2004	8,467	\$ 303,542	
9/28/2001	58,500	0	\$ 27.99	9/28/2011	9/22/2005			31,500
7/25/2002	51,750	0	\$ 22.95	7/25/2012	9/28/2006			28,070
9/25/2003	90,000	0	\$ 26.84	9/25/2013	10/1/2007			36,739
9/23/2004	79,695	0	\$ 26.36	9/23/2014	9/22/2005			4,500
					9/28/2006			8,020
					10/1/2007			15,745
4/28/2003	65,000	0	\$ 22.10	4/28/2013	9/23/2004	4,667	\$ 167,312	
9/25/2003	62,000	0	\$ 26.84	9/25/2013	9/22/2005			23,800
9/23/2004	41,400	0	\$ 26.36	9/23/2014	9/28/2006			23,800
					10/1/2007			32,855
					9/22/2005			3,400
					9/28/2006			6,800
					10/1/2007			14,080

(1) All options vested in accordance with the following schedule:

the first 30% vested on the first anniversary of the grant date;

an additional 30% vested on the second anniversary of the grant date; and

an additional 40% vested on the third anniversary of the grant date.

(2) The different stock awards vest as explained below.

The time-lapse restricted shares listed in column (h) vest in accordance with the following schedule:

Grant Date      Vesting Schedule

9/23/2004      1/3 vests in 21/2 years; 1/3 vests in 31/2 years; and 1/3 vests in 41/2 years.

The performance-restricted shares listed in column (j) vest in accordance with the following schedule:

Grant Dates                      Vesting Schedule

9/22/2005, 9/28/2006  
and 10/1/2007      The TSR performance-restricted shares which are listed first in column (j), vest 100% in 3 years, if the performance goal is 100% achieved (see page 26 of CD&A). The EPS performance-restricted shares which are listed second in column (j), vest 1/3 in 1 year; 1/3 in 2 years; and 1/3 in 3 years, provided the fiscal year EPS performance goal is achieved (see page 27 of CD&A).

(3) The 55,265 special grant shares for Mr. Schiffner listed in column (j) vest on 1/31/2009.

### Option Exercises and Stock Vested in Fiscal 2008

The following table provides information, for the NEOs on (1) stock option exercises during fiscal 2008, including the number of shares acquired upon exercise and the value realized and (2) the number of shares acquired upon the vesting of stock awards and the value realized, each before payment of any applicable withholding tax.

Name (a)	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#) (b)	Value Realized on Exercise (\$) (c)	Number of Shares Acquired on Vesting (#) (d)	Value Realized on Vesting (\$) (e)
Douglas R. Conant(1)	422,325	\$ 5,088,189	80,648	\$ 2,883,983
Robert A. Schiffner(2)	0	0	31,038	\$ 1,090,892
Ellen Oran Kaden(3)	0	0	34,131	\$ 1,199,051
Larry S. McWilliams(4)	0	0	25,311	\$ 892,956
Denise M. Morrison(5)	0	0	17,968	\$ 635,291

(1) The dollar value realized on exercise of stock options reflects the total pre-tax value realized (Campbell stock price at exercise minus the option's exercise price), not the grant-date fair value or recognized compensation expense disclosed elsewhere in the proxy statement. Mr. Conant acquired 17,990 EPS performance-restricted shares with a market price of \$37.00 on September 30, 2007. His deferred compensation account was credited

with 40,158 fully vested Campbell stock units on April 1, 2008, upon the vesting of 40,158 time-lapse restricted shares, and 22,500 fully vested Campbell stock units on September 30, 2007, upon the vesting of 22,500 EPS performance-restricted shares. He had elected to defer the shares to Campbell stock units shortly after the grant dates.

- (2) Mr. Schiffner acquired 15,634 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 7,940 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. The number of shares acquired on vesting of stock awards in the table also includes 7,464 TSR performance-restricted shares whose vesting was accelerated from September 2008 to April 1, 2008 with a market price of \$34.51 for purposes of satisfying a tax withholding obligation with respect to 20,533 unvested TSR performance-restricted shares that were deemed taxable prior to vesting due to Mr. Schiffner's having reached retirement eligibility under the LTI Program.
- (3) Ms. Kaden acquired 17,733 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 8,510 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. The number of shares acquired on vesting of

stock awards in the table also includes 7,888 TSR performance-restricted shares whose vesting was accelerated from September 2008 to April 1, 2008 with a market price of \$34.51 for purposes of satisfying a tax withholding obligation with respect to 21,700 unvested TSR performance-restricted shares that were deemed taxable prior to vesting due to Ms. Kaden s having reached retirement eligibility under the LTI Program.

- (4) Mr. McWilliams acquired 15,134 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 8,510 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. In addition, he acquired 1,667 shares on June 1, 2008, upon the vesting of time-lapse restricted shares, with a market price of \$33.48 on the last preceding business day, May 30, 2008.
- (5) Ms. Morrison acquired 4,667 shares with a market price of \$34.51 on April 1, 2008, upon the vesting of time-lapse restricted shares, and 6,800 shares with a market price of \$37.00 on September 30, 2007, upon the vesting of EPS performance-restricted shares. In addition, she acquired 1,667 shares on June 1, 2008, upon the vesting of time-lapse restricted shares, with a market price of \$33.48 on the last preceding business day, May 30, 2008. Her deferred compensation account was credited with 4,834 fully vested Campbell stock units on April 1, 2008, upon the vesting of 4,834 time-lapse restricted shares. She had elected to defer 4,834 of the shares that vested on April 1, 2008 to Campbell stock units after the grant date.



**Pension Benefits**

<b>Name (a)</b>	<b>Plan Name (b)</b>	<b>Number of Years of Credited Service (#) (c)</b>	<b>Present Value of Accumulated Benefit (\$) (d)</b>	<b>Payments During Last Fiscal Year (\$) (e)</b>
<b>Douglas R. Conant</b>	Retirement and Pension Plan	7.6	\$ 130,433	\$ 0
	Mid-Career Hire Pension Plan	7.6	\$ 8,679,351	\$ 0
<b>Robert A. Schiffner</b>	Retirement and Pension Plan	7.5	\$ 138,198	\$ 0
	Mid-Career Hire Pension Plan	7.5	\$ 2,948,526	\$ 0
<b>Ellen Oran Kaden</b>	Retirement and Pension Plan	10.3	\$ 245,766	\$ 0
	Mid-Career Hire Pension Plan	10.3	\$ 2,886,527	\$ 0
<b>Larry S. McWilliams</b>	Retirement and Pension Plan	7.4	\$ 107,784	\$ 0
	Mid-Career Hire Pension Plan	7.4	\$ 1,171,526	\$ 0
<b>Denise M. Morrison</b>	Retirement and Pension Plan	5.3	\$ 90,103	\$ 0
	Mid-Career Hire Pension Plan	5.3	\$ 1,914,027	\$ 0

Senior executives participate in two defined benefit plans: (1) the Retirement and Pension Plan ( Qualified Plan ) and (2) the Mid-Career Hire Pension Plan ( MCHP ).

**The Qualified Plan**

The Qualified Plan was established and designed to provide funded, tax-qualified pension benefits for eligible U.S.-based employees of the Company up to the limits allowed under the IRC. The Qualified Plan became a cash balance pension plan on May 1, 1999. Participants who had an accrued benefit as of April 30, 1999 are eligible to receive the greater of their pension benefit under the prior plan formula, which is based on final average pay, or the

cash balance benefit. Employees who became participants in the Qualified Plan on or after May 1, 1999 are eligible only for the cash balance benefit. All of the NEOs, with the exception of Ms. Kaden, became participants in the Qualified Plan after May 1, 1999.

A participant in the Qualified Plan receives an account consisting of an opening account balance, pay credits and interest credits.

*Opening Account Balance:* If an employee was an active participant on April 30, 1999, he or she would receive an opening account balance consisting of an age 65 benefit accrued under the Qualified Plan as of December 31, 1998, converted to a lump sum cash value using an interest rate of 5.25% and the 1983 unisex Group Annuity Mortality table. If an employee became a participant on or after May 1, 1999, the opening account balance is zero.

*Pay Credits:* Pay credits equal a percentage of a participant's eligible compensation, which is limited by the IRC. Pay credits are credited as of the last day of each calendar year and made based upon the following formula:

<b>Age as of December 31 of Prior Calendar Year</b>	<b>Pay Credit Rate</b>
Less than 30	4.5%
30 but less than 40	5.5%
40 but less than 50	7.0%
50 but less than 60	8.0%
60 or more	9.0%

If a participant terminates employment before the end of a calendar year, he or she will be credited with pay credits as of the last day of the month in which the employment ended.

**Interest Credits:** Interest is credited to a participant's cash balance account as of the last day of each calendar year and is based on the average annual yield on the 30-year U.S. Treasury securities for the November of the prior calendar year. Interest credits will never be less than 2.5% or more than 10%.

Eligible compensation includes non-deferred base pay and AIP payments, deferred compensation attributable to cafeteria plan contributions and 401(k) plan deferrals. Under the Qualified Plan, the named executive officers are not eligible for unreduced benefits before attaining the normal retirement age of 65. The only exception is Ms. Kaden, who will be eligible for an unreduced benefit after attaining age 62. In addition, the Company does not credit extra service beyond the actual years of an employee's participation in the plan. Qualified Plan participants are 100% vested in their accrued benefit after attaining three years of service. Lump sum payments are available as a form of distribution under the Qualified Plan.

The Present Value of Accumulated Benefit is the lump sum present value of the annual pension benefit that was earned as of August 3, 2008, and that would be payable at age 65. The present value of accumulated benefits for the Qualified Plan was determined in the same manner for all named executive officers, except for Ms. Kaden.

Because Ms. Kaden had an accrued benefit on April 30, 1999, her benefit is determined using the prior plan formula of 1% of her Final Average Pay up to the Social Security Covered Compensation amount plus 1.5% of her Final Average Pay in excess of the Social Security Covered Compensation times her years of service. Final Average Pay is the average of eligible compensation earned in the highest 5 calendar years, whether or not consecutive, during the last 10 years of employment. Social Security Covered Compensation is the un-indexed average of the taxable wage base in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the participant ceases to be an employee of the Company. Under the prior plan formula, if a participant continues to work with the Company until at least age 55 with 5 years of service, the benefit is reduced 5% per year for each year that the benefit commences prior to age 62. If the participant terminates employment after attaining age 62, he or she is eligible for an unreduced benefit. The present value of Ms. Kaden's accumulated benefit is the lump sum present value of the annual pension benefit that was earned as of August 3, 2008, and that would be payable at age 62.

### **The MCHP**

The MCHP is an unfunded, nonqualified plan for certain U.S.-based senior executives. It is intended to provide a participant with a pension benefit which approximates the pension earned by an employee who worked his or her entire career for the Company. The Company established the MCHP to attract and retain more experienced executives who were hired mid-career and would be unable to accumulate a full pension over an entire career with a single employer. The MCHP also provides benefits in excess of the IRC limits that are applicable to the Qualified Plan.

The benefit provided under the MCHP is payable as an annuity beginning on the first day of the seventh month following termination of employment. Depending on a participant's age and years of service, he or she will be eligible to receive an MCHP benefit under either the income replacement formula or the excess benefit formula. If a participant satisfies the eligibility criteria such that he or she is eligible for an MCHP benefit under both formulas, the formula resulting in the higher benefit shall apply.

### **Income Replacement Formula**

A participant who is age 55 with at least 5 years of service is eligible for an MCHP benefit under the income replacement formula. If such a participant terminates employment on or after age 62, the MCHP benefit is calculated as an annual single life annuity equal to 37.5% of a participant's Adjusted Final Pay reduced by the Qualified Plan benefit. If the participant terminates before age 62, the single life annuity will be reduced by 5% per year for each year that the benefit commences prior to age 62. Adjusted Final Pay is equal to the average of eligible compensation earned

in the highest 5 calendar years, whether or not consecutive, during the last 10 years of a participant's career as a covered employee. Participants are eligible for unreduced pensions under the income replacement formula beginning at age 62.

## Excess Benefit Formula

A participant who has at least 3 years of service is eligible for an MCHP benefit under the excess benefit formula. If such a participant terminates employment on or after 3 years of service, the benefit is calculated using the pension formula under the Qualified Plan described above but only on eligible compensation in excess of the IRC limit on compensation. Participants shall receive reduced pensions under the excess benefit formula if they begin to receive payments before normal retirement age, which is age 65.

The MCHP defines eligible compensation in the same manner as in the Qualified Plan. In addition, the MCHP provides benefit accruals on base pay or AIP payments that are deferred. Messrs. Conant, Johnson, and Schiffner and Ms. Kaden are vested in the MCHP benefit using the income replacement formula as they have satisfied the age and service criteria. Mr. McWilliams and Ms. Morrison have vested in the MCHP benefit using the excess benefit formula. Currently, none of the NEOs have attained age 62. The Company does not grant extra years of service for the pension benefit portion of the MCHP benefit. The Present Value of Accumulated Benefit is the lump sum present value of the annual pension benefit that was earned as of August 3, 2008, and that would be payable under the MCHP at age 62. A lump sum form of payment was used for purposes of completing the Pension Benefit Table, although a lump sum form of payment is not available under the MCHP.

## Assumptions

For purposes of determining the Present Value of Accumulated Benefits, the following assumptions were used:

<b>Fiscal Year Ended</b>	<b>2008</b>	<b>2007</b>
FAS 87 Discount Rate	7.0%	6.5%
Retirement Age for Qualified Plan	65 for cash balance or 62 for the prior plan formula	65 for cash balance or 62 for the prior plan formula
Retirement Age for MCHP	62	62
Pre-retirement Mortality or Disability	None	None
Post-retirement Mortality	1994 GAM M/F	1994 GAM M/F
Cash Balance Interest Rate	4.75%	5.00%
Form of Payment	Lump sum using FAS 87 assumption methods	Lump sum using FAS 87 assumption methods

The accumulated benefit is calculated based on credited service and pay as of August 3, 2008. The values reported in the Present Value of Accumulated Benefit column are theoretical and are calculated and presented according to SEC requirements. These values are based on assumptions used in preparing the Company's consolidated audited financial statements for the year ended August 3, 2008. The Company's pension plans use a different method of calculating actuarial present value for the purpose of determining a lump sum payment, if any, under the plans. Using applicable plan assumptions, the lump sum present value of the two defined benefit plans combined for each NEO as of August 3, 2008 and payable as of September 1, 2008 was as follows: Mr. Conant: \$10,155,787; Mr. Schiffner: \$3,379,379; Ms. Kaden: \$3,513,579; Mr. McWilliams: \$499,269; and Ms. Morrison: \$339,454. All benefit calculations set forth in this narrative and on the Pension Benefit Table are estimates only; actual benefits will be based on data, applicable plan assumptions, pay and service at time of retirement.



## Nonqualified Deferred Compensation

Name	Plan Name	Executive Contributions in Last Fiscal Year (\$)	Registrant Contributions in Last Fiscal Year (\$)	Aggregate		Aggregate Balance at Fiscal Year End (1) (\$)
				Aggregate Earnings in Last Fiscal Year (\$)	Withdrawals/ in Last Fiscal Year (\$)	
Douglas R. Conant	Deferred Compensation Plan I	\$ 0	\$ 0	\$ 155,269	\$ 0	\$ 8,072,322
	Deferred Compensation Plan II	\$ 2,526,606	\$ 113,640	\$ (48,270)	\$ 0	\$ 9,263,264
Robert A. Schiffner	Deferred Compensation Plan I	\$ 0	\$ 0	\$ 137,767	\$ 0	\$ 1,745,618
	Deferred Compensation Plan II	\$ 333,680	\$ 29,340	\$ 72,284	\$ 0	\$ 1,077,678
Ellen Oran Kaden	Deferred Compensation Plan I	\$ 0	\$ 0	\$ (20,140)	\$ 0	\$ 1,195,231
	Deferred Compensation Plan II	\$ 0	\$ 28,665	\$ (719)	\$ 0	\$ 84,624
Larry S. McWilliams	Deferred Compensation Plan I	\$ 0	\$ 0	\$ 2,613	\$ 0	\$ 351,126
	Deferred Compensation Plan II	\$ 0	\$ 27,822	\$ (655)	\$ 0	\$ 78,742
Denise M. Morrison	Deferred Compensation Plan I	\$ 0	\$ 0	\$ (272)	\$ 0	\$ 16,116
	Deferred Compensation Plan II	\$ 169,724	\$ 27,479	\$ 534	\$ 0	\$ 624,896

(1) The amounts listed for Mses. Kaden and Morrison, and Messrs. Conant, Schiffner and McWilliams include amounts previously reported in summary compensation tables as annual incentive payments or the value of

grants of restricted stock.

The Deferred Compensation Plans are unfunded and maintained for the purpose of providing the Company's U.S.-based executives and key managers the opportunity to defer a portion of their earned compensation. Participants may defer a portion of their base salaries and all or a portion of their annual incentive compensation, and long-term incentive awards.

Each participant's contributions to the plans are credited to an investment account in the participant's name. Gains and losses in the participant's account are based on the performance of the investment choices the participant has selected. Six investment choices are available, including the Campbell Stock Account. In addition to the Stock Account, participants have the opportunity to invest in book accounts that track the performance of: (i) Fidelity's Spartan U.S. Equity Index Fund; (ii) Fidelity's Puritan Fund; (iii) Fidelity's Spartan Extended Market Index Fund; (iv) Fidelity's Spartan International Index Fund; and (v) a book account that credits interest at the Wall Street Journal indexed prime rate. A participant may reallocate his or her investment account at any time among the six investment choices, except that (i) restricted stock awards must be invested in the Stock Account during the restriction period, and (ii) reallocations of the Stock Account must be made in compliance with the Company's policies on trading Company stock. Dividends on amounts invested in the Stock Account may be reallocated among the six investment accounts.

The Company credits a participant's account with an amount equal to the matching contribution that the Company would have made to the participant's 401(k) plan account if the participant had not deferred compensation under the plans. In addition, for those individuals whose base salary and annual incentive compensation exceed the IRC indexed compensation limit for the 401(k) plan (\$225,000 for calendar 2007 and \$230,000 for calendar 2008) and who defer 5% of eligible pay to the 401(k) plan, the Company credits such individual's account with an amount equal to the matching contribution the Company would have made to the 401(k) plan but for the compensation limit (supplemental 401(k) program). These Company contributions vest in 20% increments over the participant's first five (5) years of credited service; after the participant's first five (5) years of service, the Company contributions vest immediately. All of the NEOs have completed five years of service and therefore all Company contributions are fully vested. Except as described above, there is no Company match on deferred compensation.

#### **Potential Payments upon Termination or Change in Control**

The following section describes potential incremental payments upon termination of a NEO's employment under various circumstances.



### **Termination for Cause**

In the event of termination for cause, a NEO will forfeit any:

- unpaid annual incentive compensation;
- unvested time-lapse restricted shares and performance-restricted shares or units; and
- all unexercised stock options, whether or not vested.

The NEO will be entitled to any vested pension benefit and vested balance in his or her deferred compensation account.

### **Voluntary Resignation**

In the event of voluntary resignation prior to the end of a fiscal year, a NEO will forfeit any:

- annual incentive compensation for that fiscal year; and
- unvested time-lapse restricted shares and performance-restricted shares or units.

The NEO will be entitled to any vested pension benefits and vested balance in his or her deferred compensation account, and can exercise any outstanding vested stock options within three months of the officer's last day of employment.

### **Retirement**

In the event of retirement after attaining age 55 and 5 years of service, a NEO will be entitled to:

A pro rata portion of any annual incentive compensation for the current fiscal year based upon length of employment during the year, provided the officer was employed for at least three months in the fiscal year. The pro rata portion will be paid out based upon business unit/function performance and individual performance as explained in the CD&A.

A pro rata portion of any unvested time-lapse restricted shares or units based upon length of employment during the applicable restriction period.

A pro rata portion of any TSR performance-restricted shares or units based upon length of employment during the three-year restriction period, provided the executive officer retires at least six months after the grant date. The pro rata portion will be paid out at the end of the restriction period based upon the Company's TSR ranking as explained in the CD&A.

100% of any EPS performance-restricted shares or units at the end of the restriction period based upon the Company's EPS performance as explained in the CD&A, provided the NEO retires at least six months after the grant date.

The NEO will be entitled to any vested pension benefit and vested balance in his or her deferred compensation account, and can exercise any outstanding stock options through the end of the option expiration period.

**Involuntary Termination**

In the event of involuntary termination by the Company for any reason other than cause, a NEO will be entitled to:

A pro rata portion of any annual incentive compensation based upon length of employment during the fiscal year, provided the officer was employed for at least three months in the fiscal year. The pro rata portion will be paid out based upon business unit/function performance and individual performance as explained in the CD&A.

A pro rata portion of any unvested time-lapse restricted shares or units based upon length of employment during the applicable restriction period.

A pro rata portion of any TSR performance-restricted shares or units based upon length of employment during the three-year restriction period, provided the executive officer's employment continued at least six months after the grant date. The pro rata portion will be paid out at the end of the restriction period based upon the Company's TSR ranking as explained in the CD&A.

A pro rata portion of any EPS performance-restricted shares or units based upon length of employment during the restriction period, provided the executive officer's employment continued at least six months after the grant date. The pro rata portion will be paid out at the end of the restriction period based upon the Company's EPS performance as explained in the CD&A.

The NEO will be entitled to any vested pension benefit and vested balance in any deferred compensation account, and can exercise any vested outstanding stock options for a period of three years following the officer's last day of employment.

The Company has a regular severance policy that applies to all the executive officers, including the NEOs. An executive officer will receive severance benefits equal to two times the officer's base salary if the officer's employment is involuntarily terminated by the Company without cause, except for change in control severance benefits which are described below. The severance benefits also include the continuation of medical benefits and life insurance unless the executive obtains medical benefits or life insurance from another employer.

In order to receive severance payments executive officers must execute severance agreements that contain provisions prohibiting the executive officer from disparaging the Company, soliciting Company employees to work elsewhere and competing with the Company.

### **Change in Control**

Generally, a Change in Control will be deemed to have occurred in any of the following circumstances:

- (i) the acquisition of 25% or more of the outstanding voting stock of the Company by any person or entity, with certain exceptions for Dorrance family members;
- (ii) the persons serving as directors of the Company as of September 28, 2000, and those replacements or additions subsequently approved by a two-thirds vote of the Board, cease to make up more than 50% of the Board;
- (iii) a merger, consolidation or share exchange in which the shareowners of the Company prior to the merger wind up owning 50% or less of the surviving corporation; or
- (iv) a complete liquidation or dissolution of the Company or disposition of all or substantially all of the assets of the Company.

Under the Special CIC Agreements with the NEOs, severance pay would equal two and one half years' base salary and annual incentive, medical, life and disability benefits would be provided at the expense of the Company for the lesser of (i) 30 months or (ii) the number of months remaining until the executive's 65th birthday. The Company would pay in a single payment an amount equal to the value of the benefit the executive would have accrued under the Company's pension and 401(k) plans had the executive remained in the employ of the Company for an additional 30 months or until his or her 65th birthday, if earlier. The payments of these amounts are listed as other payments in the following tables.

Upon a Change in Control and termination of employment within two years, all restrictions upon any time-lapse restricted shares would lapse immediately and all such shares would become fully vested. An executive officer would become vested in, and restrictions would lapse on, the greater of (i) fifty percent (50%) of any performance-restricted shares or (ii) a pro rata portion of such performance-restricted shares based on the portion of the performance period that has elapsed to the date of the change in control.

During any fiscal year in which a Change in Control occurs, each participant in the Annual Incentive Plan (a) whose employment is terminated prior to the end of such year or (b) who is in the employ of the Company on the last day of such year would be entitled to receive, within thirty (30) days thereafter, a cash payment

equal to the greater of (i) his or her target bonus award for such year or (ii) the average of the awards paid or payable to him or her under the AIP for the two most recent fiscal years ended prior thereto. Any amount to be paid to a participant who is not employed for the entire fiscal year would be prorated. The Special CIC Agreements provide for gross-up payments to cover any federal excise taxes owed on change in control-related severance payments/benefits.

The following tables display the incremental payments that would be made and the value of options or restricted stock that would vest in the event of termination for the reasons listed. The amounts listed for performance-restricted shares assume that the applicable performance goal is 100% attained, except in the event of a change in control. The amounts listed assume that termination occurred as of August 1, 2008 when the Company's stock price was \$35.85. The NEOs would be entitled to any vested pension benefits and any vested amounts in deferred compensation accounts that are disclosed above under Pension Benefits and Nonqualified Deferred Compensation. If a NEO is eligible to retire, the amounts listed below for voluntary resignation and retirement are the same.

**Douglas R. Conant**

Incremental Benefits and Payments Upon Termination	Voluntary		Involuntary Termination Without Cause	Change-in-Control
	Resignation	Retirement		
<b>Compensation:</b>				
- Annual Incentive Plan (AIP) Award				\$ 870,250
- Equity	\$ 13,883,631	\$ 13,883,631	\$ 13,883,631	\$ 13,689,366
<b>Benefits &amp; Perquisites:</b>				
- Health and Welfare Benefits			\$ 32,492	\$ 40,615
<b>Severance:</b>				
- Cash			\$ 2,370,000	\$ 9,581,875
- Excise Tax Gross-Up				\$ 11,323,000
- Other Payments				\$ 2,168,477
<b>TOTAL:</b>	\$ 13,883,631	\$ 13,883,631	\$ 16,286,123	\$