

DOLLAR GENERAL CORP

FORM 8-K (Current report filing)

Filed 04/10/08 for the Period Ending 04/09/08

Address	100 MISSION RIDGE GOODLETTSVILLE, TN, 37072
Telephone	6158554000
CIK	0000029534
Symbol	DG
SIC Code	5331 - Retail-Variety Stores
Industry	Discount Stores
Sector	Consumer Cyclical
Fiscal Year	02/02

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): April 9, 2008

Dollar General Corporation

(Exact name of registrant as specified in its charter)

Tennessee

(State or other jurisdiction
of incorporation)

001-11421

(Commission File Number)

61-0502302

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

100 Mission Ridge
Goodlettsville, Tennessee

(Address of principal executive offices)

37072

(Zip Code)

Registrant's telephone number, including area code: (615) 855-4000

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

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

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

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

Letter Agreement with David L. Beré

On April 9, 2008, Dollar General Corporation (the “Company”) entered into a letter agreement with David L. Beré (the “Letter Agreement”) pursuant to which Mr. Beré will continue employment with the Company, for a five year term beginning on April 8, 2008, as President and Chief Strategy Officer. Immediately prior to the effective date of the Letter Agreement, Mr. Beré had served as the Company’s President and Chief Operating Officer. Such employment will be governed by the terms of Mr. Beré’s existing Employment Agreement with the Company which became effective July 6, 2007 (the “Employment Agreement”), and such five-year term shall be deemed the Subsequent Employment Term as defined in the Employment Agreement.

The Letter Agreement provides that Mr. Beré’s 2008 cash bonus opportunity shall be governed by the terms of the Company’s 2008 Bonus Plan (which 2008 Bonus Plan has yet to be established by the Compensation Committee of the Board of Directors) but, to the extent earned, any payment shall be pro rated or divided as follows:

- For February and March of 2008, any payout will be based on the Threshold Bonus (35%), Target Bonus (140%) and Maximum Bonus (280%) levels as defined in paragraph 6(b)(i) of the Employment Agreement; and
- For the remainder of 2008, any payout will be determined under the 2008 Bonus Plan for officers of the Company at Mr. Beré’s job grade level.

For each future fiscal year, the cash bonus opportunity shall be as determined under the Bonus Plan for officers of the Company at Mr. Beré’s job grade level. Where applicable, the Employment Agreement is deemed amended to reflect the provisions of the Letter Agreement.

This summary of the terms of the Letter Agreement is qualified in its entirety by the full text of the Letter Agreement which is attached hereto as Exhibit 99.1 and incorporated by reference herein.

Named Executive Officer Employment Matters

Beryl J. Buley, Division President of Merchandising, Marketing and Supply Chain, will cease employment with the Company effective April 15, 2008. Mr. Buley will receive payments and benefits as contemplated in his employment agreement with the Company, subject to his execution of a release in the form attached as an exhibit to such employment agreement.

The Company issued a press release on April 10, 2008 regarding each of the above matters, and regarding the matter referenced in Item 8.01 below, which press release is attached hereto as Exhibit 99.6.

ITEM 8.01 OTHER EVENTS

Wayne Gibson, the Company’s Senior Vice President of Dollar General Markets and Shrink, will cease employment with the Company effective April 15, 2008. Mr. Gibson will receive payments and benefits as contemplated in his employment agreement with the Company, subject to his execution of a release in the form attached as an exhibit to such employment agreement.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

- (a) Financial statements of businesses acquired. N/A
- (b) Pro forma financial information. N/A
- (c) Shell company transactions. N/A
- (d) Exhibits. See Exhibit Index immediately following the signature page hereto.

SIGNATURE

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

Date: April 10, 2008

DOLLAR GENERAL CORPORATION

By: /s/ Susan S. Lanigan

Susan S. Lanigan

Executive Vice President and General Counsel

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Letter Agreement dated April 9, 2008 between the Company and David L. Beré.
99.2	Employment Agreement, dated July 6, 2007, by and between the Company and David L. Beré (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated July 6, 2007, filed with the SEC on July 12, 2007 (file number 001-11421)).
99.3	Extension of Initial Term of Employment Agreement, dated December 27, 2007, between the Company and David Beré (incorporated by reference to Exhibit 10.33 to the Company's Amendment No. 1 to Registration Statement on Form S-4, filed with the SEC on January 24, 2008 (file number 333-148320)).
99.4	Notice of Initiation of Transition Period under Employment Agreement, dated January 8, 2008, by the Company to David Beré (incorporated by reference to Exhibit 10.34 to the Company's Amendment No. 1 to Registration Statement on Form S-4, filed with the SEC on January 25, 2008 (file number 333-148320)).
99.5	Employment Agreement with Beryl J. Buley effective April 1, 2006 (incorporated by reference to Exhibit 99 to the Company's Current Report on Form 8-K dated April 6, 2006, filed with the SEC on April 12, 2006 (file number 001-11421)).
99.6	Press Release issued April 10, 2008.

Richard W. Dreiling
Chief Executive Officer
Phone: 615-855-5888

April 9, 2008

Mr. David Bere
100 Mission Ridge
Goodlettsville, TN 37072

Re: Notice of Entry into Subsequent Employment Term

Dear David:

In connection with the closing of the acquisition contemplated in that certain Agreement and Plan of Merger, dated as of March 11, 2007, by and among Buck Holdings, L.P., a Delaware corporations (“Parent”), Buck Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of Parent, and the Dollar General Corporation (“Company”), you and the Company executed an employment agreement (the “Employment Agreement”), the terms of which became effective on July 6, 2007. All capitalized terms not defined herein shall have the meaning set forth in your Employment Agreement.

Pursuant to the Employment Agreement and to that notification letter to you from the Company dated January 8, 2007, you are currently serving in the Transition Period as defined in the Employment Agreement. The Transition Period ended on April 8, 2008.

In accordance with the provisions of the Employment Agreement, you and the Company have agreed to your continued employment, for a five year term beginning on April 8, 2008, as President and Chief Strategy Officer. Your employment from and after such date will be governed by the existing Employment Agreement and such five-year term shall be deemed the Subsequent Employment Term, as defined therein. For fiscal year 2008, your annual cash bonus opportunity under the Company’s 2008 Bonus Plan approved by the Compensation Committee of the Board shall be governed under the terms of that Plan, but, to the extent earned, any payment shall be pro rated or divided as follows:

- (i) For the two months of the Transition Period of 2008 (i.e., February and March), any payout will be based on the Threshold Bonus
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- (35%), Target Bonus (140%) and Maximum Bonus (280%) levels as defined in paragraph 6(b)(i) of the Employment Agreement;
- (ii) For the remainder of the year, any payout will be determined under the Bonus Plan for officers of the Company at your grade level (pursuant to which, currently, your Threshold Bonus will be 35% of Base Salary, your Target Bonus will be 70% of Base Salary and your Maximum Bonus will be 140% of Base Salary)

For each future fiscal year going forward, your cash bonus opportunity shall be as determined under the Bonus Plan for officers of the Company at your grade level. Where applicable, the Employment Agreement will be deemed amended to reflect the agreements contained in this letter agreement, and none of the changes to the terms of your employment with the Company as set forth herein shall give rise to any right to resign and receive severance payments or benefits under Section 12 of the Employment Agreement.

Please acknowledge your agreement to the foregoing by signing below and returning a copy of your executed letter agreement to me.

Sincerely,

/s/ Rick Dreiling

Rick Dreiling, CEO
Dollar General Corporation

Acknowledged and Agreed this 9th day of April, 2008.

/s/ David L. Bere

David Bere

Investor Contact:
Emma Jo Kauffman
(615) 855-5525

Media Contact:
Tawn Earnest
(615) 855-5209

DOLLAR GENERAL CORPORATION ANNOUNCES MANAGEMENT CHANGES

GOODLETTSVILLE, Tenn. –April 10, 2008 – Dollar General Corporation today announced certain senior management changes as part of its refocused operating plan. As previously communicated, Dollar General has begun a series of initiatives intended to build on its proven strengths while also introducing greater operating discipline and a more strategic approach to growth. The management realignment announced today is designed to enable Dollar General to execute its key business goals.

David L. Beré, who most recently served as President and Chief Operating Officer, has been named President and Chief Strategy Officer, a newly created role. In this new position, Mr. Beré will work closely with the senior management team to ensure effective execution of the 2008 business initiatives and will assist Chief Executive Officer Rick Dreiling in identifying and implementing the Company's strategic initiatives going forward.

In addition, the Company has made other strategic changes. Beryl Buley, Division President of Merchandising, Marketing and Supply Chain, and Wayne Gibson, Senior Vice President of Dollar General Market, have resigned from the Company effective April 15, 2008.

The Company will promptly commence a search for a new head of merchandising. In the interim, Dollar General's merchandising group, which encompasses all merchandising, marketing and supply chain functions, will report directly to Mr. Dreiling. Operational functions of Dollar General Market stores will report to Kathleen Guion, Division President of Store Operations and Store Development.

Mr. Dreiling stated, "I am pleased that Dave has taken on this new and critical role as we begin to implement our new operating priorities. Dave has proven his value to the Dollar General team, and I look forward to continuing to partner with him to drive our business forward.

"Beryl and Wayne have been key contributors to the senior management team of our Company. We are grateful for their service to Dollar General and wish them the very best in their future endeavors. As we move forward, we will continue to bolster and expand our executive team so that we can properly execute the Company's refocused operating plan and prepare the Company for its next phase of growth."

About Dollar General Corporation

Dollar General is the largest discount retailer in the United States by number of stores with more than 8,200 neighborhood stores located in 35 states. Dollar General helps shoppers Save Time. Save Money. Every Day.(R) by offering national branded items that are frequently used and

replenished such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, house wares and seasonal items at everyday low prices in convenient neighborhood stores. Dollar General is among the largest retailers of top-quality products made by America's most trusted manufacturers such as Procter & Gamble, Kimberly Clark, Unilever, Kellogg's, General Mills, Nabisco, and Fruit of the Loom. The Company store support center is located in Goodlettsville, Tennessee. Dollar General's Web site can be reached at www.dollargeneral.com.

Forward-Looking Statements

This press release contains forward-looking information. The words "believe," "anticipate," "project," "plan," "schedule," "expect," "estimate," "objective," "forecast," "goal," "intend," "committed," "will likely result," or "will continue" and similar expressions generally identify forward-looking statements. These matters involve risks, uncertainties and other factors that may cause the actual performance of the Company to differ materially from that expressed or implied by these forward-looking statements. All forward-looking information should be evaluated in the context of these risks, uncertainties and other factors. The Company believes the assumptions underlying these forward-looking statements are reasonable; however, any of the assumptions could be inaccurate and, therefore, actual results may differ materially from those projected by, or implied in, the forward-looking statements. Factors that may result in actual results differing from such forward-looking information include, but are not limited to those set forth in the Company's Annual Report on Form 10-K for the fiscal year ended February 1, 2008, filed with the SEC on March 28, 2008.

Forward-looking statements speak only as of the date made. The Company undertakes no obligation to update any forward-looking statements to reflect events or circumstances arising after the date on which they were made. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements included herein or that may be made elsewhere from time to time by, or on behalf of, the Company.

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