

BRISTOL MYERS SQUIBB CO

Form 8-K

January 18, 2005

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) January 11, 2005)

BRISTOL-MYERS SQUIBB COMPANY

(Exact Name of Registrant as Specified in its Charter)

Delaware

1-1136

22-079-0350

*(State or other jurisdiction
of incorporation)*

*(Commission
File Number)*

*(IRS Employer
Identification Number)*

345 Park Avenue
New York, NY 10154
(Address of Principal Executive Office)

Registrant's telephone number, including area code: (212) 546-4000

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 (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On January 11, 2005, the Board of Directors approved that the compensation paid to each independent director of the Registrant during 2005 would remain the same as the compensation paid to each independent director during 2004. A summary of the 2005 Board compensation is set forth below.

Each independent director of the Registrant will receive an annual retainer of \$45,000. The Registrant requires that 25% of the retainer be deferred and credited to a deferred compensation account, the value of which is determined by the value of Bristol-Myers Squibb Company Common Stock (BMS Stock), until certain ownership guidelines are attained. Independent directors receive an additional fee of \$2,000 for attending each Board meeting, Board Committee meeting, and the Annual Meeting of Stockholders. In addition, the Chairs of the Audit Committee, the Compensation and Management Development Committee and the Committee on Directors and Corporate Governance will receive an annual fee of \$10,000.

An independent director may elect to defer payment of all or part of the compensation received as a director under the company's Deferred Compensation Plan for Non-Employee Directors. Deferred funds may be credited to a 3-month United States Treasury bill equivalent fund, a fund based on the return on the company's invested cash or a fund based on the return on BMS Stock or to two or three of the funds. Deferred portions are payable in a lump sum or in a maximum of ten annual installments. Payments under the Plan begin when a participant ceases to be a director or at a future date previously specified by the director.

All independent directors will receive an annual award of 2,000 deferred common share units, the value of which is determined by the value of BMS Stock.

Under the company's 2000 Non-Employee Directors' Stock Option Plan, each independent director will receive on the date of the 2005 Annual Meeting, an option to purchase 2,500 shares of BMS Stock, provided the director was elected to the Board of Directors on the date of the Annual Meeting or had previously been elected to the Board of Directors for a term extending beyond such Annual Meeting. The price of the option will be the fair market price of BMS Stock on the date the option was granted. Each option becomes exercisable in four equal installments commencing on the earlier of the first anniversary of the date of the grant or the date of the next Annual Meeting and continuing similarly for the three years thereafter. The options also become fully exercisable upon retirement from the Board after one year of service following the grant date.

The Directors' Charitable Contribution Program is part of the company's overall program of charitable contributions in which all current directors participate. The Program is partially funded by life insurance policies purchased by the company on individual members and retired members of the Board of Directors. The policies provide for a \$1 million death benefit for each director covered. Upon the death of a director, the company donates one-half of the \$1 million benefit to one or more qualifying charitable organizations designated by the director. The remaining one-half of the benefit is contributed to the Bristol Myers Squibb Foundation, Inc. Individual directors derive no financial benefit from this program since the tax benefit of all charitable deductions relating to the contributions accrue solely to the company.

The Registrant's Retirement Plan for Non-Employee Directors was terminated as of March 15, 1996. Benefits existing under the Plan were vested as of that time for all directors who had served on the Board as of that date.

Attached as Exhibit 10(w) is the Summary of Terms of the Board of Directors' 2005 Compensation Program provided to each independent director.

Item 9.01. Financial Statements and Exhibits.

c) Exhibits

	Description
10w.	Summary of Terms of the Board of Directors' 2005 Compensation Program

SIGNATURES

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

Date: January 18, 2005

Bristol-Myers Squibb Company

By: /s/SANDRA LEUNG

Name: Sandra Leung

Title: Secretary

EXHIBIT INDEX

Description

10w. Summary of Terms of the Board of Directors 2005 Compensation Program