

TUPPERWARE CORP  
Form DEF 14A  
March 24, 2004

**SCHEDULE 14A INFORMATION**

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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| <input type="checkbox"/>            | Preliminary Proxy Statement                 | <input type="checkbox"/> | Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2)) |
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**TUPPERWARE CORPORATION**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount Previously Paid:

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(3) Filing Party:

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(4) Date Filed:

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## **Tupperware Corporation**

**14901 S. Orange Blossom Trail**

**Orlando, FL 32837**

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Mailing Address:

Post Office Box 2353

Orlando, FL 32802-2353

To Our Shareholders:

It is my pleasure to invite you to attend the annual meeting of shareholders of Tupperware Corporation to be held on Wednesday, May 12, 2004, at the Hyatt Regency Orlando International Airport Hotel, 9300 Airport Boulevard, Orlando, Florida. The meeting will begin at 1:00 p.m.

The notice of meeting and proxy statement following this letter describes the business expected to be transacted at the meeting. During the meeting we will also report on the current activities of the Company, and you will have an opportunity to ask questions. Whether or not you plan to attend this meeting, we urge you to sign the enclosed proxy card and return it, or to vote telephonically or electronically, as soon as possible so that your shares will be represented.

Sincerely,

Rick Goings

*Chairman and Chief Executive Officer*

March 25, 2004

## **Tupperware Corporation**

**14901 S. Orange Blossom Trail**

**Orlando, FL 32837**

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Mailing Address:

Post Office Box 2353

Orlando, FL 32802-2353

### **NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

The 2004 annual meeting of shareholders of Tupperware Corporation will be held at the Hyatt Regency Orlando International Airport Hotel, 9300 Airport Boulevard, Orlando, Florida on Wednesday, May 12, 2004, at 1:00 p.m. to consider and vote upon:

1. The election of one director for the term expiring at the 2005 annual meeting of shareholders and of four directors for the term expiring at the 2007 annual meeting of shareholders;
2. The proposal to ratify the appointment of PricewaterhouseCoopers LLP as independent auditors for the fiscal year ending December 25, 2004; and
3. Such other business as may properly come before the meeting and any adjournment thereof.

The foregoing matters are described in more detail in the attached proxy statement.

Please complete and sign the enclosed proxy card and return it promptly in the accompanying postage-paid envelope or vote your shares telephonically or electronically, as is contemplated by the voting materials. This will ensure that your vote is counted whether or not you are able to be present. If you attend the meeting, you may revoke your proxy and vote in person.

If you are a shareholder of record and plan to attend the meeting, please check your proxy card in the space provided or indicate your intention to attend as instructed by the telephonic and electronic voting instructions. Your admission ticket will be mailed to you prior to the meeting date. If your shares are not registered in your name, please advise the shareholder of record (your broker, bank, etc.) that you wish to attend. That firm will provide you with evidence of ownership which will admit you to the meeting.

By order of the Board of Directors,

Thomas M. Roehlk

*Senior Vice President,*

*General Counsel and Secretary*

March 25, 2004

**GENERAL INFORMATION**

This proxy statement is furnished in connection with the solicitation on behalf of the Board of Directors (the Board) of Tupperware Corporation (the Company) of proxies to be voted at the annual meeting of shareholders of the Company to be held on May 12, 2004, and at any adjournment thereof. This proxy statement and the accompanying form of proxy are being mailed to shareholders on or about March 25, 2004.

**Voting at the Meeting**

The Board has fixed the close of business on March 15, 2004 as the record date for determining shareholders entitled to vote at the meeting. On that date there were outstanding 58,536,044 shares of the Company's common stock, each of which will be entitled to one vote. A majority of the shares entitled to vote at the meeting will constitute a quorum for the transaction of business.

Shares will be voted in accordance with the instructions indicated in a properly executed proxy. If no instructions are indicated, such shares will be voted as recommended by the Board. A shareholder who has given a proxy may revoke it by voting in person at the meeting, or by giving written notice of revocation or a later-dated proxy to the Corporate Secretary of the Company at any time before the closing of the polls at the meeting. The Company has appointed an officer of Wells Fargo Bank, N.A., transfer agent for the Company, as the independent inspector to act at the meeting.

The Company's By-Laws require the affirmative vote of a plurality of the votes cast at the meeting for the election of directors, and the affirmative vote of a majority of the votes cast at the meeting for the approval of the independent auditors. Abstentions are not treated as votes cast for purposes of the election of directors or the approval of independent auditors. Broker non-votes are not treated as votes cast for purposes of any of the matters to be voted on at the meeting.

**1. Election of Directors**

**Board of Directors**

The Board is divided into three classes of directors. At each annual meeting, members of one of the classes, on a rotating basis, are elected for a three-year term. All of the nominees are currently directors of the Company. The Board has nominated Robert J. Murray for election as a director at this meeting for a term expiring in 2005, at which time he is expected to be renominated by the Board for election by shareholders for a three-year term. His candidacy was recommended by another non-management director of the Company. The Board has nominated four directors for re-election at this meeting, each for a term expiring in 2007. They are Rita Bornstein, E.V. Goings, Joyce M. Roché and M. Anne Szostak.

Unless otherwise specified, proxy votes will be cast for the election of all of the nominees as directors. If any such person should be unavailable for election, resign or withdraw, the Board has authority to either reduce the number of directors accordingly or designate a substitute nominee. In the latter event, it is intended that proxy votes will be cast for the election of such substitute nominee. Shareholder nominations of persons for election as directors are subject to the notice requirements described under the caption "Other Matters" appearing later in this proxy statement.

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The following pages contain information concerning the nominees and the directors whose terms of office will continue after the meeting. Unless otherwise indicated, each such person has served for at least the past five years in the principal business position currently or most recently held.

### **Nominee for Election as Director for the Term Expiring in 2005:**

**ROBERT J. MURRAY**, Chairman of New England Business Service, Inc., a business services company, since December 1995. Mr. Murray concurrently held the position of Chief Executive Officer in

that company until he retired from that role in January 2004. Mr. Murray serves as a director of New England Business Service, Inc, Allmerica Financial Corporation, Delhaize Group and LaJack Corporation. Term expires 2005. Age 62. First elected by the Board of Directors: 2004

**Nominees for Election as Directors for the Term Expiring in 2007:**

**RITA BORNSTEIN, Ph.D.**, President of Rollins College, an independent comprehensive liberal arts college with campuses in Winter Park and Melbourne, Florida, since 1990. Term expires 2004. Age 68. First elected: 1997.

**E. V. GOINGS**, Chairman and Chief Executive Officer since October 1997. Mr. Goings serves as a director of SunTrust Bank of Central Florida, N.A., Circuit City Stores, Inc. and R.J. Reynolds Tobacco Holdings, Inc. Term expires: 2004. Age 58. First elected: 1996.

**JOYCE M. ROCHÉ**, President and Chief Executive Officer of Girls Incorporated, a national non-profit youth organization whose purpose is to inspire girls to be strong, smart and bold since September 2000. Prior thereto, she was an independent consultant since September 1998. Ms. Roché serves as a director of SBC Communications, Inc., May Department Stores Company and Anheuser-Busch Companies. Term expires 2004. Age 56. First elected: 1998.

**M. ANNE SZOSTAK**, Executive Vice President and Corporate Director of Human Resources of FleetBoston Financial Corporation, a diversified financial services company, since October 1998. In addition, Ms. Szostak served as Chief Executive Officer of Fleet Bank of Rhode Island, a unit of FleetBoston Financial Corporation, from October, 2001 to January 2004. Ms. Szostak serves as a director of New England Business Service, Inc. Term expires 2004. Age 53. First elected: 2000.

**Directors Continuing in Office:**

**KRISS CLONINGER III**, President and Chief Financial Officer of AFLAC, Incorporated (AFLAC), an insurance and financial services firm, since 2001 and prior thereto as Executive Vice President and Chief Financial Officer of AFLAC, Inc. Mr. Cloninger also serves as a director of AFLAC, Inc. Term expires 2006. Age 56. First elected: 2003.

**CLIFFORD J. GRUM**, Retired Chairman of the Board and Chief Executive Officer of Temple-Inland Inc., a holding company with operations in corrugated packaging, bleached paperboard, building products and financial services. Mr. Grum also serves as Deputy Chairman of Cooper Industries, Inc., a diversified manufacturer of electrical products, tools and hardware, since January, 2004. Mr. Grum serves as a director of Cooper Industries, Inc. and Trinity Industries, Inc. Term expires 2005. Age 69. First elected: 1996.

**JOE R. LEE**, Chairman and Chief Executive Officer of Darden Restaurants, Inc., which owns and operates casual dining restaurants, since May 1995. Mr. Lee serves as a director of Darden Restaurants, Inc. and SunTrust Bank of Central Florida, N.A. Term expires 2006. Age 63. First elected: 1996.



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**BOB MARBUT**, Founder, Chairman and CEO of SecTec GLOBAL, Inc., a communications security company, since 2003. Prior to 2003 he was Chairman of Hearst-Argyle Television, Inc. since January 1, 2001, after serving as Chairman and Co-Chief Executive Officer at that company from August 1997. Mr. Marbut serves as a director of Argyle Communications, Inc., Hearst-Argyle Television, Inc., and Valero Energy Corporation. Term expires 2006. Age 68. First elected: 1996.

**ANGEL R. MARTINEZ**, President and Chief Executive Officer of Keen LLC, an outdoor footwear manufacturer, since April 2003, after serving as an independent consultant since June 2001. Prior thereto he served as Executive Vice President and Chief Marketing Officer of Reebok International Ltd. Term expires 2005. Age 48. First elected: 1998.

**DAVID R. PARKER**, Managing Director of The Archstone Partnerships, a leading fund of funds manager, since January 2003. Prior to this he was Managing Partner of Interprise Technology Partners, L.P., a technology and Internet-focused venture capital firm, since January 1999. Mr. Parker serves as a director of Spherion Corporation. Term expires 2006. Age 60. First elected: 1997.

## Board Committees

The Audit and Corporate Responsibility Committee, which held four meetings in 2003, reviews the scope and results of the audit by the independent auditors, evaluates, selects and replaces the independent auditors and has approval authority with respect to services provided by the independent auditors and fees therefor. The Committee monitors the independent auditors' relationship with and independence from the Company. In addition, it reviews the adequacy of internal control systems and accounting policies, as well as reviewing and discussing with management and the independent auditors the Company's financial statements and recommending the audited annual financial statements for inclusion in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission. The Committee also monitors the Company's relationships with and support of various outside interests, including the communities within which it operates; and reviews the Company's adherence to both the spirit and letter of relevant laws. Members of this Committee are Mr. Grum (Chairperson), Dr. Bornstein, Ms. Roché and Messrs. Cloninger and Murray. All such members are independent in accordance with New York Stock Exchange listing standards and at least one member of this Committee (Mr. Grum) is an audit committee financial expert as defined by applicable rules. None of the members of this Committee serve on more than three audit committees.

The Compensation and Governance Committee, which held five meetings in 2003, identifies and reviews qualifications of and recommends to the Board candidates for election as directors of the Company, and also acts on other matters pertaining to Board membership. This Committee will evaluate and determine the criteria for selection of a director candidate in the context of the continuing makeup of the Board of Directors based on the facts and circumstances of the Company. Once such criteria have been determined, the Committee will conduct a search for qualified candidates, which may include the use of third-party search organizations or solicitations of nominee suggestions from management or the non-management members of the Board of Directors. After compiling background material on potential nominee candidates, management will provide an analysis against Committee-established criteria and promising candidates will be interviewed by management and non-management directors, including the chairpersons of the board committees. As part of this process, a determination is made relating to a candidate's possible schedule conflicts, conflicts of interest, concerns over independence and possession of financial expertise. If a third-party search firm is paid a fee for a search it will identify potential candidates, meet with appropriate members of management to clarify issues and requirements, communicate with candidates, arrange for interviews with management and directors, and prepare materials for consideration by the Committee. The Committee also will consider recommendations of shareholders as to candidates for Board membership. Any shareholder who desires to propose to the Committee a candidate for Board membership should send to the attention of the Corporate Secretary of the Company a letter of recommendation containing the name and address of the proposing shareholder and the proposed candidate, a written consent of the proposed candidate and a complete business, professional and educational background of the proposed candidate. The Compensation and Governance Committee also evaluates the performance of and makes compensation recommendations to the Board for senior management, including the Chief Executive Officer. It also directs the administration of and makes various determinations under the management incentive plans, appoints members of senior management to have responsibility for the design and administration of employee benefit plans and reviews employee benefit plan investment performance and policies. Members of this Committee are Mr. Marbut (Chairperson), Ms. Szostak and Messrs. Lee, Martinez and Parker, and all such members are independent in accordance with New York Stock Exchange listing standards. Ms. Szostak is replacing Mr. Marbut as Chairperson of this Committee, who will continue to serve on the Committee.

The Executive Committee, which did not meet in 2003, has most of the powers of the Board and can act when the Board is not in session. Members of this Committee are Messrs. Goings (Chairperson), Grum, Lee and Marbut.

## Board Meetings and Annual Meeting of Shareholders and Directors Attendance

There were five Board meetings and nine committee meetings held in 2003. No director attended fewer than 75 percent of the aggregate of Board meetings and committee meetings on which the director served as a

committee member. The Board has adopted Corporate Governance Principles which are set forth on the Company's website and which provide, in part, that directors should be available to attend scheduled and special Board and committee meetings on a consistent basis and in person, as well as to attend the annual meeting of shareholders. With the exception of one director, all directors attended the Annual Meeting of Shareholders in 2003.

### **Corporate Governance**

The Board has established corporate governance guidelines, a code of conduct for its officers, employees and directors, a code of ethics for financial executives and charters for the key committees of its Board of Directors. These corporate governance documents may be viewed by accessing the Company's website at [www.Tupperware.com](http://www.Tupperware.com). Copies of these documents may be obtained by a request in writing to the Corporate Secretary's Department, Tupperware Corporation, P.O. Box 2353, Orlando, Florida 32802-2353. In addition, because it has been modified to incorporate New York Stock Exchange required provisions, the Audit and Corporate Responsibility Committee's charter is appended hereto as Appendix A. The Company will, to the extent required by law, disclose on its website if and when there are any waivers of or amendments to its code of conduct or code of ethics.

In addition, the Company has implemented written, telephonic and electronic means for interested parties to communicate directly with the Company's compliance officers or with the non-management members of the Company's Board of Directors. Communications from interested parties to non-management directors are routed to the chairperson of the Audit and Corporate Responsibility Committee of the Board of Directors, who will then determine whether such communication shall be distributed to all non-management directors, make such distribution, if so determined, and oversee any reaction to such communications by the Board of Directors, if appropriate. Instructions are located at [Tupperware.com/Investor Relations/Corporate Governance/Code of Conduct or Contact the Board](http://Tupperware.com/Investor Relations/Corporate Governance/Code of Conduct or Contact the Board). These procedures allow for such communications to be confidential, and if desired, anonymous.

Each regularly-scheduled meeting (excluding telephonic meetings) of the Board of Directors includes an executive session of the non-management members of the Board of Directors. The Board of Directors has determined that the presiding director of such sessions shall be the chairperson of the Compensation and Governance Committee of the Board of Directors.

The Board of Directors has affirmatively determined that each non-management member of the Board has no material relationship with the Company, taking into consideration all relevant facts and circumstances, including without limitation, commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships. The Board of Directors has adopted a standard which permits a relationship to exist in which the annual financial amount involved in the relationship does not exceed the greater of \$1 million or two percent of the consolidated gross revenue of the Company or the organization with whom the non-management director is affiliated, whichever is lower. Any such permitted relationship shall be deemed immaterial and shall not constitute a conflict of interest preventing a director's independence.

## SECURITY OWNERSHIP OF MANAGEMENT

The following table sets forth the number of shares of the Company's common stock beneficially owned by each of the directors, by each of the executive officers named in the Summary Compensation Table and by all directors and all executive officers of the Company as a group on March 15, 2004, unless otherwise indicated in the footnotes. Each of the following persons and members of the group had sole voting and investment power with respect to the shares shown unless otherwise indicated. No director or officer owns more than 1 percent of the Company's common stock, except Mr. Goings, who owns 2.64 percent. Directors and officers as a group own 6.61 percent.

Name	Sole Ownership	Shared Ownership or held by or for Family Members	Shares that may be acquired within 60 days of March 15(1)	Restricted Stock(2)	Retirement Savings Plan-401(k)	Total Shares Beneficially Owned
Rita Bornstein	5,667	0	20,238	0	0	25,905
Kriss Cloninger III	7,165	0	8,238	0	0	15,403
R. Glenn Drake	40,041	0	92,699	11,000	23,786	167,526
E.V. Goings	305,360	400,000	825,755	12,000	1,877	1,544,992
Clifford J. Grum	14,004	23,000	35,055	0	0	72,059
David T. Halversen	23,300	0	106,994	6,000	6,273	142,567
Joe R. Lee	19,380	0	23,238	0	0	42,618
Bob Marbut	24,737	0	26,886	0	0	51,623
Angel R. Martinez	1,183	2,697	13,238	0	0	17,118
Robert J. Murray	4,000	0	4,477	0	0	8,477
David R. Parker	12,022	0	22,238	0	0	34,260
Michael S. Poteshman	9,400	0	57,928	4,000	1,726	73,054
Joyce M. Roché	7,198	0	13,858	0	0	21,056
Christian E. Skröder	59,700	0	312,710	2,000	0	374,410
M. Anne Szostak	5,554	0	13,238	0	0	18,792
<b>Subtotal</b>	<b>538,711</b>	<b>425,697</b>	<b>1,576,790</b>	<b>35,000</b>	<b>33,662</b>	<b>2,609,860</b>
All directors and executive officers as a group (27) (including the named individuals above)	738,186	439,090	2,518,619	72,000	99,953	3,867,848

- (1) Includes stock options granted under the Company's 1996, 2000 and 2002 Incentive Plans and the Director Stock Plan. It also includes the 4,000 shares to be subject to stock options that will be granted automatically to each Director on 5/12/2004 from the Director Stock Plan. In addition, it includes the estimated shares of common stock that will be paid in lieu of cash fees under the Director Stock Plan at the end of the first quarter.
- (2) Sole voting and no investment power.

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**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS**

The following table sets forth information with respect to any person who is known to be the beneficial owner of more than 5 percent of the Company's common stock, which is the Company's only class of outstanding voting securities.

<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Barclays Global Investors 45 Fremont Street San Francisco, CA 94105	6,793,384(1)	11.6
Vorwerk & Co. KG Muhlenweg 17-37 42275 Wuppertal Germany	6,343,900(2)	10.9

- (1) As of January 31, 2004, Barclays Global Investors indirectly held 6,793,384 shares of Tupperware Corporation common stock, with sole voting and dispositive power with respect to such shares. The entities comprising the Barclays Global Investors group and their respective ownership amounts, which include sole voting and dispositive power, are: Barclays Global Investors, NA (5,508,222 shares); Barclays Global Fund Advisors (644,428 shares); Barclays Global Investors, Ltd (608,694 shares); and Barclays Capital Securities Limited (32,040 shares).
- (2) As of December 31, 2003, Vorwerk & Co. KG, through Vorwerk & Co. Beteiligungsgesellschaft mbH, all of the voting rights of which are held by August Mittelsten Scheid & Soehne Gesellschaft mit beschränkter Haftung, all the voting rights of which are held by Vorwerk & Co. KG, a German limited partnership, held 6,343,900 shares of Tupperware Corporation common stock, with sole voting power to vote and dispositive power, directly or indirectly, with respect to all of such shares.

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

For its 2003 fiscal year, the Company believes all Section 16(a) filing requirements applicable to its officers, directors and greater than 10 percent beneficial owners were complied with.

**INDEBTEDNESS OF MANAGEMENT**

E. V. Goings, the Company's Chairman and Chief Executive Officer, was indebted to the Company at the end of 2003 in the amount of \$7,483,360 as a consequence of a loan from a subsidiary of the Company. The Company loaned \$7.65 million to Mr. Goings in 1998 to enable him to purchase 400,000 shares of the common stock of the Company. The shares were purchased in 1998 and are pledged to secure the repayment of the loan, which is non-interest bearing and non-recourse to Mr. Goings. Mr. Goings may prepay the loan in whole or in part and receive a pro rata release of the shares which secure the loan, based on the amount of the loan outstanding compared with the original amount of the loan. Ten percent of any annual bonus awards payable to Mr. Goings must be used to reduce the balance of the loan. The loan matures on November 12, 2006. An additional amount of indebtedness of Mr. Goings is described in the following paragraph.

In October 2000, a subsidiary of the Company adopted the Management Stock Purchase Plan, pursuant to which and since such time such subsidiary has loaned a total of approximately \$13.2 million to current employees and of such amount \$8.0 million has been loaned to thirteen executive officers of the Company. The loans bear interest at various rates of interest ranging from 5.21 to 5.96 percent per annum, are recourse to the borrowers and mature over an eight-year period from their origination. The proceeds of the loans were used to purchase shares of common stock of the Company, which are pledged to secure the repayment of the loans. The outstanding principal amounts of indebtedness under the loan program for each executive officer as of December 27, 2003 were as follows: Judy B. Curry, \$66,912; R. Glenn Drake, \$638,115; Lillian D. Garcia, \$368,834;

E. V. Goings, \$3,122,033; Josef Hajek, \$229,073; David T. Halversen, \$359,490; C. Morgan Hare, \$410,074; Michael S. Poteshman, \$153,409; Anne E. Naylor, \$71,808; Gaylin L. Olson, \$706,660; Thomas M. Roehlk, \$450,434; Christian E. Skroeder, \$1,000,500; and José Timmerman, \$460,226. Except for Mr. Goings, such amounts also represent the largest aggregate amounts of indebtedness by such executive officer at any time during 2003. The largest aggregate amount of indebtedness by Mr. Goings at any time during 2003 was \$10,605,393.

The purpose of all of the foregoing loan transactions was to enable the borrowers to substantially increase their ownership in the common stock of the Company and to serve as an incentive for performance to increase shareholder value. Based upon the provisions of the Sarbanes-Oxley Act of 2002, no further loans under this plan will be permitted.

#### **REPORT OF THE AUDIT AND CORPORATE RESPONSIBILITY COMMITTEE**

The Audit and Corporate Responsibility Committee (under this heading, the Committee) has reviewed and discussed with management the audited financial statements of the Company for the year 2003, which management has represented to the Committee have been prepared in accordance with accounting principles generally accepted in the United States of America and PricewaterhouseCoopers LLP has concurred in such representation in its opinion relating to such audited financial statements. The Committee discussed with representatives of PricewaterhouseCoopers LLP, the Company's independent auditors, the matters required to be discussed by Statement on Auditing Standards 61. In addition, the Committee received from PricewaterhouseCoopers LLP the written disclosures required by the Independence Standards Board Standard Number 1 (Independence Discussions with Audit Committee) and has discussed with that firm the independent auditor's independence, and has considered whether the provision of non-audit services is compatible with maintaining such firm's independence.

Management has responsibility for establishing and maintaining the Company's internal control system and its financial reporting process, and PricewaterhouseCoopers LLP has responsibility for auditing the Company's consolidated financial statements in accordance with auditing standards generally accepted in the United States of America and issuing an audit report. The Committee monitors and oversees these processes.

Based upon the foregoing disclosures, representations, reports and discussions, the Committee recommended to the Board of Directors that the audited financial statements for the Company's 2003 fiscal year be included in the Company's Annual Report on Form 10-K for the year ended December 27, 2003.

Audit and Corporate Responsibility Committee

Clifford J. Grum, Chairperson

Dr. Rita Bornstein

Kriss Cloninger III

Robert J. Murray

Joyce M. Roché

**REPORT OF THE COMPENSATION AND GOVERNANCE COMMITTEE**

**ON EXECUTIVE COMPENSATION**

The Compensation and Governance Committee (under this heading, the Committee) is responsible for the establishment, oversight and administration of executive compensation, management incentive plans and stock-based incentive plans. It appoints members of senior management to have authority over the design and administration of other employee benefit plans.

**Executive Compensation Philosophy**

The executive compensation program is designed to achieve two principal objectives. First, the program is intended to be fully competitive to enable the Company to attract, motivate and retain talented executives. Second, the program is intended to create an alignment of interests between the Company's executives and shareholders such that a significant portion of each executive's compensation varies with Company performance.

The Committee's philosophy is to pay competitive annual salaries, coupled with a leveraged incentive system that pays more than competitive total compensation for performance exceeding financial goals, and less than competitive total compensation for performance below financial goals. The leveraged incentive system consists of annual cash incentive compensation and equity compensation.

The Committee assesses compensation competitiveness by referring annually to a variety of compensation survey data furnished by prominent international consulting firms. The data include market values (medians and/or averages) for salaries, bonuses, total cash compensation, stock options and various other long-term incentives provided by companies with which the Company may compete for executive talent. In addition, the Committee refers to benchmarks of total compensation for the Company's most senior executives, derived from a group of consumer products companies whose businesses are felt to be similar to the Company's. The companies whose data are represented in these various surveys include companies of varying performance levels, and are many of the same companies that comprise the comparator group indices in the Performance Graph included in this proxy statement.

Based on studies supplied by an independent consultant, the Committee believes that the Company's compensation program for the Named Officers, as defined below, has the following characteristics that serve to align executive interest with long-term shareholder value creation:

Emphasizes at risk pay such as annual cash incentives and stock options.

Emphasizes long-term compensation in the form of various equity programs.

Provides rewards based primarily on financial results and only secondarily on individual performance against individual objectives.

Section 162(m) of the Internal Revenue Code establishes certain requirements in order for compensation exceeding \$1 million earned by certain senior executives to be deductible. The Company's executive compensation programs have been structured to comply with Section 162(m). The actions of the Committee regarding the compensation paid, or to be paid, to executive management have also complied with Section 162(m); however, the Committee reserves the right to forego deductibility if, in its discretion, it believes a particular compensation program or payment or Committee action is consistent with the overall best interests of the Company and its shareholders.



**Annual Salaries**

Salary ranges governing executives, including the Chief Executive Officer (the CEO ) and the other four most highly compensated executive officers of the Company (under this heading, the Named Officers ), are established annually based on the competitive data described earlier. Within those ranges, individual salaries vary

based upon the individual's work experience, performance, level of responsibility, impact on the business, tenure and potential for advancement within the organization. Annual salaries for newly hired executives are determined at time of hire taking into account the above factors other than tenure. Under the Company's general compensation policy, salary increase consideration is conducted at 12 month intervals.

Individual salary increases are based on the performance of the individual executives and on the overall performance of the Company in the case of the CEO. Salary adjustments for the CEO and the other Named Officers are subject to approval by the full Board, based upon the recommendation of the Committee.

### **Incentives**

One part of the Company's leveraged incentive system is the cash incentive program. This incentive program for executives is based on financial performance and is designed to promote the annual and longer-term objectives of the organization. Participants include the CEO, the other Named Officers, and other management employees whose contributions influence results. The target annual incentive opportunities of the CEO and the other Named Officers are subject to Committee review and approval annually and are established as a percentage of salary based on job level, impact on results and the competitive data referred to previously. The CEO's and the other Named Officers' targets range from 45-100 percent of annual salary, and awards based on financial performance range from 0-300 percent of target. Financial goals are subject to review and approval by the Committee at the beginning of each year. For 2003, the financial measure for executive level incentives was net income after tax.

In 2003, the Company introduced a long-term cash incentive in the form of a performance share program based upon achievement of Company financial performance, which is designed both to promote the long-term objectives of the organization and to serve as a retention incentive. Participants include the CEO and other Named Officers as well as selected executives who are in a position to make substantial contributions to the accomplishment of the long-term financial objectives of the Company. Financial objectives are based upon three-year cumulative earnings per share and three-year cumulative free cash flow. Every year begins a new three-year measurement period. The amount of potential bonus awards under the performance share program is based upon a fixed number of shares dependent upon the level of the participant. Participants in this program receive a reduced annual stock option grant from what would otherwise be granted absent such participation.

The CEO and one other senior officer received incentive compensation in 2003 based upon the completion of performance goals relating to real estate development. This incentive program continues in 2004 and beyond for such senior officer and the CEO, and compensation levels will be based upon the amount of proceeds from completed sales.

For all incentive programs, the Committee verifies the actual performance achieved as a precondition to approving awards and reserves the right to reduce any formula-based award that, in its judgment, is inappropriate in light of overall results and circumstances. The Committee has reserved the right to interpret financial results and to determine the proper treatment of changes in accounting standards, non-recurring events, capital gains and losses or changes in capital structure of the Company. The Committee's discretion generally is limited to reducing or withholding awards. Performance targets are established so as to include or exclude the effects of transactions or events, such that the Committee can effectively modify awards through the use of negative discretion.

### **Restricted Stock**

In 2003 the Company made a grant of restricted stock to the CEO and the other Named Officers, and to select key employees having strategic impact on revenue generation, product, staffing, technology, pricing, controls, investment or policy matters. The main purpose was to provide

motivation and retention incentive. The amount of restricted stock was based upon a fixed number of shares dependent upon the level of the participant.

Participants in this program received a reduced annual stock option grant from what would otherwise have been granted absent such participation.

### **Stock Options**

The grant of stock options to key employees encourages equity ownership and closely aligns management interest with the interests of other shareholders. Additionally, because options are generally subject to forfeiture if the employee leaves the Company prior to their becoming exercisable, options provide an incentive to remain with the Company long term. The Company has guidelines regarding the accumulation of designated levels of Company stock over time by officers, and the exercise of options provide one way by which officers can meet the guidelines. Stock options are generally granted annually to the CEO and the other Named Officers, and to other key employees having strategic impact on revenue generation, product, staffing, technology, pricing, controls, investment or policy matters. The aggregate number of options granted, as well as each individual grant to the CEO and the other Named Officers, contain option exercise prices at least equal to the fair market value on the date of grant. The size of the annual 2003 stock option grant for the executive officers as a group is less than the median of the competitive norms, due to the group's participation in other incentive programs discussed above.

### **Corporate Performance & CEO Pay**

Performance in 2003 resulted in net income of \$47.9 million. This represented a 47 percent decrease from 2002 net income of \$90.1 million.

In 2003 Mr. Goings' salary was \$900,000, and he did not receive a salary increase. Mr. Goings' incentive bonus target remained the same at 100% of base salary in 2003. Based on a comparison of Mr. Goings' total compensation package (salary, incentives at target, stock options, benefits and perquisites) with the total compensation packages of the CEOs in benchmark companies referred to previously, Mr. Goings' total compensation opportunity at target incentive achievement is at the market median. In 2003 Mr. Goings' received a real estate incentive payout of \$57,943 and a discretionary bonus payout of \$225,000 for achieving individual objectives set by the Board.

The Committee granted an option to Mr. Goings to purchase 75,700 shares of the Company's common stock and 12,000 shares of restricted stock under the Company's annual stock incentive program. In addition, the Committee also issued 40,000 share units under the Performance Share Program.

The Committee also provided Mr. Goings with a Supplemental Executive Retirement Plan under which it is estimated that Mr. Goings will receive an annual benefit of \$525,253 at age 65 after offsetting other company benefits.

Compensation and Governance Committee  
Bob Marbut, Chairperson  
Joe R. Lee  
Angel R. Martinez  
David R. Parker  
M. Anne Szostak

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**PERFORMANCE GRAPH**

The following performance graph compares the performance of the Company's common stock to the Standard & Poor's 500 Stock Index and the Standard & Poor's Consumer Discretionary Index. The graph assumes that the value of the investment in the Company's common stock and each index was \$100 at December 26, 1998 and that all dividends were reinvested. The Company is included in both indices.

<b>Measurement Period</b> <b>(Fiscal Year Ended)</b>	<b>Tupperware Corporation</b>	<b>S&amp;P 500</b>	<b>S&amp;P Consumer Discretionary Index</b>
12/26/1998	100.00	100.00	100.00
12/25/1999	110.19	120.45	123.67
12/30/2000	139.80	110.32	101.25
12/29/2001	138.40	98.31	105.34
12/28/2002	112.10	75.33	77.80
12/27/2003	133.81	95.99	107.30

## SUMMARY COMPENSATION TABLE

The following table sets forth the compensation, attributable to all service in the fiscal years 2003, 2002 and 2001, paid to or deferred by those persons who were, at the end of the 2003 fiscal year, (i) the Chief Executive Officer, and (ii) the other four most highly compensated executive officers of the Company (the Named Officers):

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation		
		Salary (\$)(1)	Bonus (\$)	Other Annual Compensation (\$)	Awards		
					Stock Awards (\$)(2)	Securities Underlying Options(#)	All Other Compensation (\$)(3)
E. V. Goings	2003	909,852	\$ 282,943	\$ 435,578(4)	175,560	75,700	80,508
Chairman and Chief Executive Officer	2002	907,654	0	1,745,760(4)	0	172,100	78,357
	2001	627,480	0	422,601(4)	0	175,100	135,724
R. Glenn Drake	2003	315,601	131,285	0	87,780	3,200	37,663
Group President, North America, Europe, Africa and the Middle East	2002	289,063	142,675	0	94,700	54,500	50,166
	2001	232,963	305,910	0	0	34,100	35,102
David T. Halversen	2003	249,480	73,297	0	87,780	0	27,700
Group President, BeautiControl & Tupperware Latin America	2002	211,358	117,460	0	0	17,800	217,845
	2001	202,660	0	0	0	20,000	31,084
Michael S. Poteshman	2003	185,630	196,856	263,726(4)	58,520	20,000	23,977
Senior Vice President and Chief Financial Officer	2002	166,747	120,190	154,931(4)	0	13,000	14,689
	2001	154,373	11,500	49,060(4)	0	10,400	19,436
Christian E. Skröm							