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NORDSTROM INC
Form 8-K
May 02, 2006

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 28, 2006

NORDSTROM, INC.
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

WASHINGTON	001-15059	91-0515058
(STATE OR OTHER JURISDICTION OF INCORPORATION)	(COMMISSION FILE NUMBER)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

1617 SIXTH AVENUE, SEATTLE, WASHINGTON	98101
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)	(ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE (206) 628-2111

INAPPLICABLE
(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 (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

The Compensation Committee of the Board of Directors of Nordstrom, Inc. (the "Compensation Committee") recently approved bonus goals, performance levels and award levels that may be earned during the fiscal year ending February 3, 2007 ("Fiscal Year 2006") under the Company's shareholder approved Executive Management Group Bonus Plan (the "Plan").

Under the Plan, bonus awards are paid only when performance goals are achieved. The bonus target and maximum payments are expressed as a percentage of base salary and the bonus goals vary by position depending on each participant's area of responsibility and influence.

Fiscal Year 2006 bonus arrangements for the Company's Named Executive Officers were approved by the Compensation Committee as follows:

Name and Principal Position	Bonus Target as a % of Base Salary	Bonus Maximum as a % of Base Salary	Bonus Measures	Bonus Measure Weighting
Blake W. Nordstrom President	100%	250.0%	-Earnings before taxes/ Return on invested capital	100.0%
Peter E. Nordstrom Executive Vice President	125%	312.5%	-Earnings before taxes/ Return on invested capital -Full-Line Stores earnings before taxes	75.0% 25.0%
Erik B. Nordstrom Executive Vice President	125%	312.5%	-Earnings before taxes/ Return on invested capital -Full-Line Stores earnings before taxes	75.0% 25.0%
Michael G. Koppel Executive Vice President	60%	150.0%	-Earnings before taxes/ Return on invested capital -Oversight of the Company's Credit and Faconnable divisions -Planning, budgeting and capital management	75.0% 12.5% 12.5%
James R. O'Neal Executive Vice President	60%	150.0%	-Earnings before taxes -Nordstrom Product Group gross margin return on investment and total expense -Nordstrom Product Group design development and reduction in lead times	75.0% 12.5% 12.5%

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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.

NORDSTROM, INC.

By: /s/ David L. Mackie

David L. Mackie
Vice President, Real Estate
and Corporate Secretary

Dated: May 2, 2006

