

COLGATE PALMOLIVE CO
Form DEF 14A
March 31, 2004

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

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 [X] Definitive Proxy Statement
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COLGATE-PALMOLIVE COMPANY

(Name of Registrant as Specified In Its Charter)

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

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March 31, 2004

Dear Fellow Colgate Stockholder:

You are cordially invited to attend our Annual Meeting of Stockholders on Friday, May 7, 2004, at 10:00 a.m. in the Broadway Ballroom of the Marriott Marquis Hotel, 1535 Broadway, between 45th and 46th Streets, New York, New York 10036.

At the meeting, we will ask you to elect the Board of Directors, to ratify the selection of the independent auditors, to reapprove certain portions of the Company's stockholder-approved Executive Incentive Compensation Plan to preserve the tax deductibility of certain awards under the plan and to consider three stockholder proposals. We will also review the progress of the Company during the past year and answer your questions.

This booklet includes the Notice of Annual Meeting and Proxy Statement. The Proxy Statement describes the business we will conduct at the meeting and provides information about the Company that you should consider when you vote your shares.

The Proxy Statement includes a section highlighting the Company's corporate governance standards. The Company and its Board of Directors have a long-standing commitment to good governance, and the Board continuously reviews its governance practices to ensure that they promote shareholder value. In the past year, this ongoing review has resulted in several enhancements described in this section, including the adoption of strict director independence standards and the updating of the Company's Corporate Governance Guidelines, which are attached as Appendices A and B. Many of these enhancements reflect the formalization of practices long followed by the Company. We invite you to review these sections of the Proxy Statement to learn more about our continuing commitment to excellence in corporate governance.

It is important that your stock be represented at the meeting. Whether or not you plan to attend the meeting in person, we hope that you will vote on the matters to be considered by following the instructions on the enclosed proxy card. You may vote your proxy by telephone, Internet or mail.

Very truly yours,

Reuben Mark
Chairman of the Board and
Chief Executive Officer

William S. Shanahan
President

March 31, 2004

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The 2004 Annual Meeting of Stockholders of Colgate-Palmolive Company will be held in the Broadway Ballroom of the Marriott Marquis Hotel, 1535 Broadway, between 45th and 46th Streets, New York, New York 10036, on Friday, May 7, 2004, at 10:00 a.m., for the following purposes:

1. To elect the Board of Directors;
 2. To ratify the selection of PricewaterhouseCoopers LLP as the Company's independent auditors for 2004;
 3. To reapprove certain portions of the Company's stockholder-approved Executive Incentive Compensation Plan to preserve the tax deductibility of certain awards under the plan;
 4. To consider three stockholder proposals; and
 5. To consider and act upon such other business as may properly come before the meeting.
- Stockholders of record at the close of business on March 9, 2004 are entitled to vote at the Annual Meeting.

Your vote is important. We encourage you to vote by proxy, even if you plan to attend the meeting. You may vote your proxy by telephone, Internet or mail. A toll-free telephone number and web site address are included on your proxy card. If you choose to vote by mail, please complete and mail the enclosed proxy card to us in the return envelope, which requires no postage if mailed in the United States. Voting now will not limit your right to change your vote or to attend the meeting.

Andrew D. Hendry
Senior Vice President, General Counsel and Secretary
Colgate-Palmolive Company
300 Park Avenue
New York, New York 10022

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PROXY STATEMENT

Colgate-Palmolive Company (referred to in this Proxy Statement as "we," "Colgate" or the "Company") is sending you this Proxy Statement in connection with the solicitation by the Board of Directors of proxies to be voted at the 2004 Annual Meeting of Stockholders.

We are mailing this Proxy Statement, a proxy card and the 2003 Annual Report of the Company to stockholders beginning March 31, 2004. The Annual Report being mailed with the Proxy Statement is not part of the proxy-soliciting material.

VOTING PROCEDURES

Who Can Vote

The Company has two classes of voting stock outstanding: Common Stock and Series B Convertible Preference Stock. If you were a record owner of either of these classes of stock on March 9, 2004, the record date for voting at the Annual Meeting, then you are entitled to vote at the meeting.

Determining The Number of Votes You Have

Each share of Common Stock has one vote, and each share of Series B Convertible Preference Stock has eight votes.

How to Vote

You can vote your shares in two ways: either by proxy or in person at the Annual Meeting by written ballot. If you choose to vote by proxy, you may do so using the telephone, the Internet or mail. Each of these procedures is more fully explained below. Even if you plan to attend the meeting, the Board of Directors recommends that you vote by proxy.

Voting by Proxy

Because many stockholders cannot attend the Annual Meeting in person, it is necessary that a large number of stockholders be represented by proxy. You may vote your proxy by telephone, Internet or mail, each as more fully explained below. In each case, we will vote your shares as you direct. When you vote your proxy, you can specify whether your shares should be voted for all, some or none of the nominees for director. You can also specify whether you approve, disapprove or abstain from voting on the selection of PricewaterhouseCoopers LLP as the Company's independent auditors for 2004, the reapproval of certain portions of the Company's stockholder-approved Executive Incentive Compensation Plan and the stockholder proposals. If you vote using the telephone or Internet, you will be instructed how to record your vote on each of these proposals.

If any other matters are properly presented at the Annual Meeting for consideration, the Company's directors named on your proxy card as the Proxy Committee (the "Proxy Committee") will have discretion to vote for you on those matters. At the time this Proxy Statement was printed, we knew of no other matters to be raised at the Annual Meeting.

• Vote by Telephone

If you reside in the United States, Canada or Puerto Rico, you can vote your shares by telephone by calling the toll-free number on your proxy card (at no cost to you). Telephone voting is available 24 hours a day, seven days a week, until 11:59 p.m. (Eastern time) on Thursday, May 6, 2004. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded. Our telephone voting procedures are designed to authenticate stockholders through individual control numbers. **If you vote by telephone, you do not need to return your proxy card.**

• **Vote by Internet**

You also can vote your shares via the Internet. The web site address for Internet voting is printed on your proxy card. Internet voting is available 24 hours a day, seven days a week, until 11:59 p.m. (Eastern time) on Thursday, May 6, 2004. As with telephone voting, you will have the opportunity to confirm that your instructions have been properly recorded. Our Internet voting procedures are designed to authenticate stockholders through individual control numbers. If you vote via the Internet, you may incur costs such as telephone and Internet access fees for which you will be responsible. **If you vote via the Internet, you do not need to return your proxy card.**

• **Vote by Mail**

To vote your shares by mail, complete and return the enclosed proxy card to us before May 7, 2004, the date of the Annual Meeting. If you sign and return the proxy card but do not specify how to vote, we will vote your shares in favor of our nominees for director, the ratification of the selection of independent auditors and the reapproval of certain portions of the Company's stockholder-approved Executive Incentive Compensation Plan and against the stockholder proposals.

Voting at the Annual Meeting

If you wish to vote at the Annual Meeting, written ballots will be available from the ushers at the meeting. If your shares are held in the name of a bank, broker or other holder of record, you must obtain a proxy, executed in your favor, from the holder of record to be able to vote at the meeting. Voting by proxy, whether by telephone, Internet or mail, will not limit your right to vote at the Annual Meeting if you decide to attend in person. However, if you vote by proxy and also attend the meeting, there is no need to vote again at the meeting unless you wish to change your vote.

Revocation of Proxies

You can revoke your proxy at any time before it is exercised at the Annual Meeting by taking any one of the following actions: (1) you can deliver a valid written proxy with a later date or follow the instructions given for changing your vote by telephone or via the Internet; (2) you can notify the Secretary of the Company in writing that you have revoked your proxy (using the address in the Notice of Annual Meeting of Stockholders above); or (3) you can vote in person by written ballot at the Annual Meeting.

Quorum

To carry on the business of the Annual Meeting, a minimum number of shares, constituting a quorum, must be present. The quorum for the Annual Meeting is a majority of the votes represented by the outstanding stock of the Company. This majority may be present in person or by proxy. Abstentions and "broker non-votes" (which are explained below) are counted as present to determine whether there is a quorum.

Broker Non-Votes

A "broker non-vote" occurs when your broker submits a proxy for your shares but does not indicate a vote for a particular proposal because the broker does not have authority to vote on that proposal and has not received voting instructions from you. "Broker non-votes" are not counted as votes against the proposal in question or as abstentions, nor are they counted to determine the number of votes present for the particular proposal.

Under the rules of the New York Stock Exchange (the "NYSE"), if your broker holds shares in your name and delivers this Proxy Statement to you, the broker is entitled to vote your shares on Proposals 1, 2 and 3, even if the broker does not receive instructions from you, but not on Proposals 4, 5 and 6.

Required Vote

Proposal 1: Election of Directors. The nine nominees for director who receive the most votes of all the votes cast for directors will be elected. This means that if you do not vote for a particular nominee, or if you withhold authority to vote for a particular nominee when voting your proxy, your vote will not count for or against the nominee.

Proposal 2: Ratification of Selection of Independent Auditors. The affirmative vote of a majority of the votes represented at the meeting, either in person or by proxy, and entitled to vote on this proposal, is required to ratify the selection of the independent auditors. This means that if you abstain from voting on this proposal, it will have the same effect as if you voted against it.

Proposal 3: Reapproval of Certain Portions of the Company's Stockholder-Approved Executive Incentive Compensation Plan. The affirmative vote of a majority of the votes represented at the meeting, either in person or by proxy, and entitled to vote on this proposal, is required to reapprove certain portions of the Company's stockholder-approved Executive Incentive Compensation Plan, as required every five years to preserve the tax deductibility of certain awards under the plan. An abstention is treated as a vote against this proposal.

Proposals 4, 5 and 6: Stockholder Proposals. For each of the stockholder proposals, the affirmative vote of a majority of the votes represented at the meeting, either in person or by proxy, and entitled to vote on the proposal, is required for adoption of the proposed resolution. When voting your proxy, the Proxy Committee will vote against these proposals unless you instruct otherwise. If you abstain from voting on a particular stockholder proposal, it will have the same effect as if you voted against the proposal. "Broker non-votes" are not counted as abstentions or votes against these proposals or as shares present and entitled to vote on these matters.

Confidential Voting

All proxies, ballots and vote tabulations that identify stockholders are confidential. An independent tabulator will receive, inspect and tabulate your proxy whether you vote by telephone, Internet or mail. Your vote will not be disclosed to anyone other than the independent tabulator without your consent, except if proxies are being solicited for a change of control of the Company or if doing so is necessary to meet legal requirements.

Voting by Employees Participating in the Company's Savings and Investment Plan

If you are a Colgate employee who participates in the Colgate-Palmolive Company Employees Savings and Investment Plan (the "Savings and Investment Plan"), you will receive a proxy card prior to the Annual Meeting. This card will indicate the aggregate number of shares of Series B Convertible Preference Stock and Common Stock credited to your account under the Savings and Investment Plan as of March 9, 2004, the record date for voting at the meeting.

- You can direct the trustee how to vote the shares by telephone, via the Internet or by returning the proxy card. Instructions for each method are indicated on the proxy card.
- If you do not indicate your vote to the trustee on time, the trustee will vote your shares in the same proportion as the shares voted by employees who indicate their votes on time.

Voting by Employees Participating in a Stock Ownership Program outside the U.S.

If you are an employee who participates in one of our employee stock ownership plans outside the U.S., you will receive separate voting instructions from your local Human Resources Department.

GOVERNANCE OF THE COMPANY

Colgate's Corporate Governance Commitment

Colgate's Board of Directors believes strongly that good corporate governance accompanies and greatly aids our long-term business success. This success has been the direct result of Colgate's key business strategies, including its focus on core product categories and global brands, people development programs emphasizing "pay for performance" and the highest business standards. Colgate's Board has been at the center of these key strategies, helping to design and implement them, and seeing that they guide the Company's operations.

The Board believes that the Company has consistently been at the forefront of good corporate governance. Reflecting its commitment to continuous improvement, the Board reviews its governance practices on an ongoing basis to ensure that they promote shareholder value. This review has resulted in several recent enhancements, including the adoption of strict director independence standards, which are detailed below along with other highlights of the Company's corporate governance program.

Board Independence and Expertise

- **Strict Director Independence Standards.** Since 1989, the Board of Directors has been comprised entirely of outside independent directors, with the exception of the Chief Executive Officer (the "CEO"). All members of the Personnel and Organization Committee, the Audit Committee and the Nominating and Corporate Governance Committee are independent directors. The Board believes that an independent director should be free of any relationship with Colgate or its senior management that may in fact or appearance impair the director's ability to make independent judgments or compromise the director's objectivity and loyalty to stockholders. Based on this principle, the Board recently adopted new director independence standards, which outline the types of relationships, both personal and professional, between directors and the Company, its senior management and other directors that, if present, would preclude a finding of independence. These standards, which are substantially stricter than those required by the NYSE, will guide the Board's annual affirmative determinations of independence. A copy of the standards is contained in Appendix A.
- **Executive Sessions/Presiding Director.** The independent directors of the Board meet in executive session without the CEO present at each regularly scheduled Board meeting. The role of presiding director at these sessions is rotated among the independent directors every six months in accordance with an established schedule. The presiding director also serves as a liaison between the independent directors and the CEO and discusses with the CEO, to the extent appropriate, matters discussed during their executive sessions.
- **Audit Committee Independence and Financial Literacy.** All members of the Audit Committee are independent directors. The Board has also determined that all members of the Audit Committee are "audit committee financial experts" as that term is defined in the rules of the Securities and Exchange Commission (the "SEC") and that they meet the independence and financial literacy requirements of the NYSE.
- **Board Experience and Diversity.** As its present directors exemplify, Colgate values experience in business, education and public service fields, international experience, educational achievement, strong moral and ethical character and diversity. A copy of Colgate's criteria for Board membership, entitled "Independent Board Candidate Qualifications," is contained in Appendix C.

Directors are Stockholders

- **Director Compensation in Stock.** On average, 85 percent of a director's compensation is paid in Colgate stock. Board members also receive stock options each year.
- **Significant Levels of Director Stock Ownership.** Board members own significant amounts of Company stock. The Board recently formalized this practice, adopting stock ownership

guidelines for directors and officers of the Company. For more information on director stock ownership, please see the table included in "Stock Ownership of Directors and Executive Officers" on page 16.

- **No Director Pensions.** In 1996, the Director Pension Plan was terminated. At the same time, the annual grant of Common Stock under the Stock Plan for Non-Employee Directors was increased to further align the interests of directors with stockholder interests.

Established Policies Guide Governance and Business Integrity

- **Charters for Board Committees.** In 2003, the Personnel and Organization Committee, the Finance Committee and the Nominating and Corporate Governance Committee, under the leadership of the respective committee chairs, reviewed their mission statements. First developed in 1992, long before the SEC or the NYSE recommended such action, these mission statements have been updated and are now presented as committee charters. The Board also recently adopted a revised Audit Committee charter reflecting the increased authority and responsibilities of the committee under new corporate governance rules adopted by the SEC and the NYSE. Copies of the committee charters are available on the Company's website at www.colgate.com.
- **Corporate Governance Guidelines.** In connection with the 2003 charter updates, the Board also reviewed and revised its "Guidelines on Significant Corporate Governance Issues." More recent updates reflect the Company's new director independence standards, stock ownership guidelines and committee self-evaluation procedures. First formalized in 1996, the Board believes the updated Corporate Governance Guidelines are state-of-the-art. A copy of the updated guidelines is contained in Appendix B.
- **Code of Conduct.** The Board sponsors the Company's Code of Conduct, which was first issued in 1987, and Business Practices Guidelines, both of which promote the highest ethical standards in all of the Company's business dealings. The Global Business Practices function, headed by an executive officer, oversees compliance with these standards. The Code of Conduct applies to the Company's directors and employees, including the Chief Executive Officer, the Chief Financial Officer and the Chief Accounting Officer, and satisfies the SEC's requirements for a code of ethics for senior financial officers. The Code of Conduct, which is updated periodically, most recently in January 2004, is available on the Company's website at www.colgate.com.
- **Business Integrity Initiatives.** The Board supports the Company's efforts to communicate effectively its commitment to ethical business practices. To further this goal, during 2003, supervisors, managers and executives throughout the Colgate world completed "Business Integrity: Colgate Values at Work." This training experience ensures a thorough and consistent understanding of the Company's ethical business standards as expressed in Colgate's Code of Conduct.

Board Focused on Key Business Priorities

- **Strategic Role of Board.** The Board plays a major role in developing Colgate's business strategy. It reviews the Company's strategic plan and receives detailed briefings throughout the year on critical aspects of its implementation. These include subsidiary performance reviews, product category reviews, presentations regarding R&D initiatives and reports from specific disciplines such as manufacturing and information technology.
- **Succession Planning and People Development.** The Board has extensive involvement in this area with special focus on CEO succession. It discusses potential successors to key executives and examines backgrounds, capabilities and appropriate developmental assignments. Regular reviews of professional training programs, benefit programs and career development processes assist the Board in guiding the Company's people development initiatives and efforts to gain a competitive recruitment and retention advantage.

Direct Access to Management

- **Management Participation at Board Meetings.** Key senior managers regularly attend Board meetings. Topics are presented to the Board by the members of management who are most knowledgeable about the issue at hand irrespective of seniority. An open and informal environment allows dialogue to develop between directors and management, which often produces new ideas and areas of focus.
- **Direct Access to Management.** The Board's direct access to management continues outside the boardroom during frequent discussions with corporate officers, division presidents and other employees, usually without the CEO present. Directors are invited to, and often do, contact senior managers directly with questions and suggestions.

Ensuring Management Accountability

- **Performance-Based Compensation.** Colgate has linked the pay of its managers and employees at all levels to the Company's performance. As described in greater detail in the Personnel and Organization Committee Report on Executive Compensation beginning on page 28, the Personnel and Organization Committee adheres to this pay-for-performance philosophy, and stock-based incentives comprise a significant component of senior management's overall compensation.
- **CEO Evaluation Process.** The Board's evaluation of the CEO is a formal annual process. The CEO is evaluated against the goals set each year, including both objective measures (such as earnings per share) and subjective criteria reflective of the Company's core values. As part of the overall evaluation process, the Board meets informally with the CEO to give and seek feedback on a regular basis.

Board Practices Promote Effective Oversight

- **Board Size.** Designed to maximize board effectiveness, Colgate's By-Laws fix the number of directors between seven and 12. Continuing the Board's practice of being comprised of less than ten directors, nine directors have been nominated for election at the Annual Meeting.
- **Directorship Limits.** To devote sufficient time to properly discharge their duties, no director presently serves on more than three other corporate boards.
- **Meeting Attendance.** All of the directors attended 100% of the meetings of the Board and the committees on which they served in 2003.

Continuous Improvement through Evaluation

- **Board Evaluation Process.** In 1997, the Board implemented a formal Board evaluation procedure. The Board first evaluates the overall Board performance against certain criteria that the Board has determined are important to its success. These include financial oversight, succession planning, compensation, corporate governance, strategic planning and Board structure and role. The Board then reviews the results of the evaluation and identifies steps to enhance its performance.
- **Board Committee Evaluations.** During the past year, the Board's committees also conducted self-evaluations, examining their overall performance against their committee charters. The results of these evaluations were reviewed with the Board, and further enhancements were agreed for each committee.
- **Shareholder Rights Plan—Periodic Evaluation Policy.** In 2002, the Board designated a Board committee, made up of independent directors, to evaluate the Company's Shareholder Rights Plan every three years to determine whether it continues to be in the interests of the Company and its stockholders.

External Recognition for Colgate's Governance Practices

- **High Governance Ratings.** In February 2004, Colgate was one of 22 companies to earn the highest rating of 10 from GovernanceMetrics International, an independent governance ratings agency, in its survey of the governance practices of more than 2,100 companies worldwide. Colgate was one of only four companies to achieve this score in the two most recent ratings cycles. Colgate is also among the top rated companies by Institutional Shareholder Services ("ISS"), a provider of proxy voting and corporate governance services. ISS evaluates the quality of corporate boards and governance practices of more than 7,500 companies worldwide.
- **Wharton/Spencer Stuart Award.** In 2001, Colgate's Board of Directors was selected by the Wharton School of the University of Pennsylvania and Spencer Stuart to receive their fifth annual "Board Excellence" Award for demonstrated leadership in the area of corporate governance.
- **Business Week Top 10 Boards.** On three occasions, most recently in October 2002, the Board has been ranked among the top 10 boards in the U.S. by Business Week. In each case, Colgate was chosen from a group of more than 200 public companies based on Business Week's surveys of institutional investors and leading corporate governance experts.
- **Corporate Board Member "Champion Board".** In September 2002, the Board was named one of five "Champion Boards" by Corporate Board Member. Colgate was chosen by a group of securities analysts, competitors and academics who cited the open interaction among directors and between the Board and management.

The Board of Directors

The Board of Directors oversees the business, assets, affairs, performance and financial integrity of the Company. In accordance with the Company's long-standing practice, the Board of Directors is independent, consisting of a substantial majority of outside directors. Currently, the Board has ten directors, consisting of nine independent directors and one employee director, Reuben Mark, who is the Chief Executive Officer of the Company.

The Board of Directors met eleven times during 2003. The directors attended 100% of the meetings of the Board and the committees on which they served in 2003. The independent directors meet in executive session without Mr. Mark present at each regularly scheduled meeting of the Board of Directors.

The Board of Directors recently adopted new independence standards which are stricter than those mandated by the NYSE. The Board of Directors has made an affirmative determination, based on these new standards, that each non-employee director is independent.

The name, age, principal occupation and length of service of each director, together with certain other biographical information, are set forth below. All nominees have been directors since last year's annual meeting, except Ms. Monrad, who joined the Board of Directors in February 2004. Howard B. Wentz, Jr., who has served as a director since 1982, will retire from the Board following the Annual Meeting.

Reuben Mark, 65 Chairman and Chief Executive Officer of the Company. Mr. Mark joined the Company in 1963 and has held a series of significant positions in the United States and abroad. He was appointed Vice President and General Manager of the Household Products Division in 1975. From March 1979 to March 1981, he was Group Vice President of domestic operations. In March 1981, he was elected Executive Vice President and became President and a director of the Company on March 1, 1983. Mr. Mark was elected Chief Executive Officer in May 1984 and Chairman in May 1986. Mr. Mark is also a director of Pearson plc and Time Warner.

Director since 1983

Jill K. Conway, 69 Visiting Scholar, Program in Science, Technology and Society, Massachusetts Institute of Technology since 1985. Mrs. Conway was President of Smith College from 1975 to 1985. She was Vice President, Internal Affairs, University of Toronto, from 1973 to 1975 and a member of its graduate faculty from 1971 to 1975. She has served as a member of the Harvard University Board of Overseers and The Conference Board and as a trustee of Hampshire College, Northfield Mt. Hermon School and The Clarke School for the Deaf. Mrs. Conway is a director of Merrill Lynch & Co., Inc. and Nike, Inc. and the former Chairman of Lend Lease Corporation. She is also a trustee of The Knight Foundation.

Director since 1984

Ronald E. Ferguson, 62 Consultant to General Re Corporation since 2002. Mr. Ferguson served as Chairman of General Re Corporation from 1987 until 2002 and Chief Executive Officer from 1987 until 2001. Prior to joining General Re in 1969, Mr. Ferguson worked for the Kemper Insurance Group from 1965 to 1969 and served with the U.S. Public Health Service from 1966 to 1968. Mr. Ferguson is a director of Kölnische Rückversicherungs Gesellschaft AG (Cologne Re) and The Hartford Financial Services Group, Inc. He is a Fellow of the Casualty Actuarial Society and the American Academy of Actuaries.

Director since 1987

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- Carlos M. Gutierrez, 50** Chairman of the Board and Chief Executive Officer of Kellogg Company since April 2000. Mr. Gutierrez also was President of Kellogg from 1998 to 2003. Mr. Gutierrez joined Kellogg de Mexico in 1975 and became its General Manager in 1984. He was promoted to Vice President of Kellogg Company and Executive Vice President of Sales and Marketing, Kellogg USA in 1990, General Manager of Kellogg USA Cereal Division in 1993 and Executive Vice President of Kellogg Company and President, Kellogg Asia-Pacific in 1994. He became President and Chief Operating Officer in 1998, a director in January 1999 and President and Chief Executive Officer in April 1999. Mr. Gutierrez is a member of the Board of Directors of Grocery Manufacturers of America and a trustee of the W.K. Kellogg Foundation Trust.
- Director since 2002
- Ellen M. Hancock, 60** Former Chairman and Chief Executive Officer of Exodus Communications, Inc., a computer network and Internet systems company, March 1998 to September 2001. From July 1996 to July 1997, Mrs. Hancock was Executive Vice President, Research and Development, Chief Technology Officer of Apple Computer Inc. She previously was Executive Vice President and Chief Operating Officer, National Semiconductor. Prior to joining National Semiconductor in 1995, she was Senior Vice President and Group Executive at IBM. Mrs. Hancock is a director of Aetna, Electronic Data Systems Corporation and WatchGuard Technologies, Inc. She is also a trustee of Marist College and Santa Clara University and a director of the Pacific Council of International Policy.
- Director since 1988
- David W. Johnson, 71** Chairman Emeritus of Campbell Soup Company. Mr. Johnson began his business career as a management trainee at Colgate Australia in 1959 and after a series of promotions became General Manager of Colgate's South African subsidiary in 1967. From 1972 to 1982, Mr. Johnson held several senior positions with Warner-Lambert. In 1982, Mr. Johnson became President and Chief Executive Officer of Entenmann's, Inc. From 1987 to 1989, he variously served as Chairman, Chief Executive Officer and President of Gerber Products Company. Mr. Johnson was Chairman of Campbell Soup Company from 1993 to 1999 and its President and Chief Executive Officer from January 1990 to July 1997 and also from March 2000 to January 2001. Mr. Johnson serves on the Council for the University of Chicago's Graduate School of Business.
- Director since 1991
- Richard J. Kogan, 62** Retired as President and Chief Executive Officer of Schering-Plough Corporation in April 2003. Mr. Kogan was also Chairman of Schering-Plough Corporation from 1998 until 2002. He joined Schering-Plough as Executive Vice President, Pharmaceutical Operations in 1982 and became President and Chief Operating Officer in 1986 and President and Chief Executive Officer in 1996. Mr. Kogan is also a director of The Bank of New York Company. He serves on the boards of St. Barnabas Corporation & Medical Center and New York University, and is a member of the Council on Foreign Relations.
- Director since 1996

Delano E. Lewis, 65

Former U.S. Ambassador to South Africa, December 1999 to July 2001. Mr. Lewis served as the Chief Executive Officer and President of National Public Radio from 1994 to 1998. From 1988 through 1993, Mr. Lewis was the President and Chief Executive Officer of Chesapeake & Potomac Telephone Company, which he joined in 1973. Mr. Lewis has also served on the Peace Corps staff in Africa and on the staff of the United States Equal Employment Opportunity Commission and the United States Department of Justice. Mr. Lewis is also a director of Eastman Kodak Company.

Director from 1991 to 1999 and since 2001

Elizabeth A. Monrad, 49

Executive Vice President and Chief Financial Officer of TIAA-CREF since July 2003. Previously, Ms. Monrad was the Chief Financial Officer of General Re Corporation and a member of its Board of Directors and Executive Committee. Prior to joining General Re in 1992, she was an audit partner with Coopers & Lybrand in Boston. Ms. Monrad has served as a member of the Financial Institutions Expert Panel of the American Institute of Certified Public Accountants and as Chairman of the Accounting Committee of the Reinsurance Association of America. She serves on the Dean's Advisory Council of the MIT Sloan School of Management.

Director since 2004

Other Information Regarding Directors

In the ordinary course of business, General Re Corporation, its subsidiaries and its parent company, Berkshire Hathaway, Inc., make portfolio investments and may from time to time hold securities of the Company. Mr. Ferguson, a consultant to and the former Chairman and Chief Executive Officer of General Re Corporation, disclaims any beneficial ownership of these securities. In the ordinary course of business, the TIAA-CREF group of companies and funds may from time to time hold securities of the Company. Ms. Monrad, the Chief Financial Officer of TIAA-CREF, disclaims any beneficial ownership of these securities. Mrs. Hancock resigned as Chairman of the Board and Chief Executive Officer of Exodus Communications, Inc. on September 4, 2001. Exodus filed a voluntary petition under Chapter 11 of the federal bankruptcy laws on September 26, 2001. On September 9, 2003, Mr. Kogan and Schering-Plough Corporation, of which Mr. Kogan is the former Chairman and CEO, entered into a settlement with the SEC to resolve issues arising from the SEC's inquiry into certain meetings by the company with investors. Without admitting or denying any allegations of the SEC, Mr. Kogan agreed in connection with the settlement not to commit any future violations of Regulation FD and related securities laws.

Communications to the Board of Directors

Stockholders and other interested parties are encouraged to communicate directly with the Company's independent directors by sending an e-mail to directors@colpal.com or by writing to Directors, c/o Office of the General Counsel, Colgate-Palmolive Company, 300 Park Avenue, 11th Floor, New York, NY 10022-7499. Under procedures established by the Company's independent directors, each letter and e-mail sent in accordance with the above instructions will be automatically sent to all of the independent directors and copies will be provided to the General Counsel and the Office of the Chairman.

Stockholders and other interested parties may also communicate with individual independent directors and committee chairs by writing to them at the above mailing address, in care of the Office of the General Counsel, and at the following e-mail addresses:

Independent Directors:

Jill K. Conway
Ronald E. Ferguson
Carlos M. Gutierrez
Ellen M. Hancock
David W. Johnson
Richard J. Kogan
Delano E. Lewis
Elizabeth A. Monrad
Howard B. Wentz, Jr. (retiring May 2004)

E-mail Addresses:

director_conway@colpal.com
director_ferguson@colpal.com
director_gutierrez@colpal.com
director_hancock@colpal.com
director_johnson@colpal.com
director_kogan@colpal.com
director_lewis@colpal.com
director_monrad@colpal.com
director_wentz@colpal.com

Committees of the Board of Directors:

Audit Committee
Finance Committee
Nominating and Corporate Governance Committee
Personnel and Organization Committee

E-mail Addresses:

auditchair@colpal.com
financechair@colpal.com
governancechair@colpal.com
compensationchair@colpal.com

Similarly, under procedures established by the Company's independent directors, each letter and e-mail sent in accordance with the above instructions will be automatically sent to the individual director or committee chair in question and copies will be provided to the General Counsel and the Office of the Chairman.

Concerns and questions relating to accounting, internal accounting controls, financial policy, risk management or auditing matters are immediately brought to the attention of the Audit Committee chair and handled in accordance with the procedures established by the Audit Committee. Under these procedures, the Company's Global Business Practices function, in conjunction with the Company's Internal Audit and Corporate Legal departments, addresses these concerns in accordance with the directions of the Audit Committee chair. The Audit Committee chair approves recommendations regarding the handling of each matter, oversees any investigations and approves the disposition of each matter. In the Audit Committee chair's discretion, he or she may engage outside counsel and other independent advisors.

Concerns relating to accounting, internal accounting controls and auditing matters may also be reported to the Global Business Practices function through its telephone, facsimile and e-mail hotline as follows: 24-hour Hotline: (800) 778-6080 (toll free from United States, Canada and Puerto Rico) or (212) 310-2330 (collect from all other locations); e-mail: business_practices@colpal.com; and facsimile number: (212) 310-2371.

Colgate policy prohibits the Company from retaliating against any individual who provides information to the directors. Concerns may be submitted to the directors on an anonymous basis through their postal address or through the 24-hour hotline numbers maintained by Global Business Practices. If requested, Colgate will endeavor to keep information submitted confidential, subject to the need to conduct an effective investigation and take appropriate action.

Director Attendance at Annual Meetings

It is the Company's policy that all members of the Board of Directors should attend the Company's Annual Meeting of Stockholders, unless extraordinary circumstances prevent a director's attendance. All of the Company's directors attended the 2003 Annual Meeting of Stockholders.

Committees of the Board of Directors

The Board of Directors has four standing committees: the Audit Committee, the Finance Committee, the Nominating and Corporate Governance Committee and the Personnel and Organization Committee (the "P&O Committee"). The members and responsibilities of these committees are set forth below. The committee charters are available on the Company's website at www.colgate.com

Committee Membership (* indicates Chair and ** indicates Deputy Chair)

Audit Committee	Finance Committee	Nominating and Corporate Governance Committee	P&O Committee
Jill K. Conway Ronald E. Ferguson* Carlos M. Gutierrez** Ellen M. Hancock Howard B. Wentz, Jr.	Ronald E. Ferguson Carlos M. Gutierrez Ellen M. Hancock** Richard J. Kogan Reuben Mark Howard B. Wentz, Jr.* Principal Lifetime 2010 Fund Principal Lifetime 2020 Fund Principal Lifetime 2030 Fund Principal Lifetime 2040 Fund Principal Lifetime 2050 Fund Principal Lifetime Strategic Income Fund Vanguard Total Stock Market Index Fund Collective Investment Trusts: * Putnam S&P 500 Index Fund * Putnam Stable Value Fund	Jill K. Conway David W. Johnson* Delano E. Lewis** Howard B. Wentz, Jr.	5,552,222 * * 449,393 * * 1,483,174 * * 2,332,186 * * 2,177,403 * * 435,595 * * 322,208 * * 1,884,545 * * 8,023,725 * * 13,387,760

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Common Stock:				
*	Blockbuster Class A Common Stock Fund	1,580,657	**	1,991,628
*	Blockbuster Class B Common Stock Fund	170,478	**	110,811
Other:				
*	Loans to participants	Interest rates ranging from 5.0% to 10.5%, with various maturities through 9/9/2033	**	3,446,788
Total investments, at fair value				\$ 71,395,673

* Identified as a party-in-interest to the Plan.

** Cost information is not required for participant-directed investments and participant loans, therefore it is not included.

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SIGNATURES

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

BLOCKBUSTER INVESTMENT PLAN

Date: June 29, 2009

By: /s/ Bruce Lewis
Bruce Lewis
Member of the Retirement/Investments Committee

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23.1 Consent of Independent Registered Public Accounting Firm

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