

MCKESSON CORP
Form 8-K
May 03, 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):

April 28, 2005

McKesson Corporation

(Exact name of registrant as specified in its charter)

Delaware

001-13252

943207296

(State or other jurisdiction
of incorporation)

(Commission
File Number)

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

McKesson Plaza, One Post Street, San
Francisco, California

94104

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

415-983-8300

Not Applicable

Former name or former address, if changed since last report

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

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

Top of the Form

Item 1.01. Entry into a Material Definitive Agreement.

On April 28, 2005, the McKesson Corporation (the "Company") Board of Directors, on the recommendation of its Committee on Directors and Corporate Governance, approved a change in the Nonemployee Directors' compensation effective July, 2005. The changes provide that the annual cash retainer will increase from \$40,000 to \$50,000 per year. Subject to the approval by the Company's stockholders at the Company's Annual Meeting on July 27, 2005, the annual nonqualified stock option grant on 7,500 shares to nonemployee directors will change to an annual grant of 2,500 restricted stock units which will vest immediately, and the receipt of which will be deferred until such time as the director leaves the Board. These changes are intended to keep the directors' compensation competitive, and also to better align their compensation structure with that of the management compensation structure. Other elements of directors' compensation remain unchanged.

Separately the Board of Directors also approved Director Stock Ownership Guidelines of three times the annual retainer amount and three years in which to satisfy the guidelines.

Top of the Form

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.

McKesson Corporation

April 28, 2005

By: *Ivan D. Meyerson*

Name: Ivan D. Meyerson

*Title: Executive Vice President, General Counsel and
Secretary*