

---

---

**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) December 14, 2007

**ROCKY BRANDS, INC.**

(Exact name of registrant as specified in its charter)

Ohio	0-21026	31-1364046
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
39 East Canal Street, Nelsonville, Ohio		45764
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code (740) 753-1951

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 (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))
- 
-

**TABLE OF CONTENTS**

[Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.](#)

[Item 9.01 Financial Statements and Exhibits.](#)

[SIGNATURES](#)

[EXHIBIT INDEX](#)

[EX-10.1](#)

---

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On December 14, 2007, the Compensation Committee (the "Compensation Committee") of the Board of Directors (the "Board") of Rocky Brands, Inc. (the "Company") approved and adopted the Company's Bonus Plan for the fiscal year ending December 31, 2008 (the "2008 Bonus Plan"). A description of the material terms of the 2008 Bonus Plan with respect to the Company's "named executive officers" (as defined by Item 402(a)(3) of Regulation S-K) is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits.**

<i>Exhibit No.</i>	<i>Description</i>
10.1	Description of the Material Terms of Rocky Brands, Inc.'s Bonus Plan for the Fiscal Year Ending December 31, 2008

**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.

**Rocky Brands, Inc.**

Date: December 20, 2007

By: /s/ James E. McDonald  
James E. McDonald,  
Executive Vice President and  
Chief Financial Officer

**EXHIBIT INDEX**

*Exhibit No.*

*Description*

10.1 Description of the Material Terms of Rocky Brands, Inc.'s Bonus Plan for the Fiscal Year Ending December 31, 2008

**Description of the Material Terms of Rocky Brands, Inc.'s  
Bonus Plan for the Fiscal Year Ending December 31, 2008**

Messrs. Brooks, Sharp and McDonald (the "Executive Officers") are eligible to receive cash bonuses under the Company's Bonus Plan for the fiscal year ending December 31, 2008 (the "2008 Bonus Plan"), based upon the attainment of certain Adjusted Operating Income targets. For purposes of the 2008 Bonus Plan, Adjusted Operating Income is calculated as the Company's operating income excluding (i) operating income attributable to military sales, (ii) bonuses payable under the 2008 Bonus Plan, and (iii) gains or losses, or charges or adjustments resulting from unusual, one-time events, such as intangible assets or goodwill impairment charges and charges or gains resulting from changes in accounting policies, as determined by the Compensation Committee of the Board of Directors. If the Adjusted Operating Income performance targets are met, the Executive Officers will receive cash bonuses based on a percentage of their base salaries in accordance with the table below (with bonus amounts to be interpolated between the performance levels):

	Payout as a Percentage of Base Salary		
	Threshold	Target	Goal
Mike Brooks Chairman of the Board and Chief Executive Officer	0%	75%	175%
David Sharp President and Chief Operating Officer	0%	60%	140%
James E. McDonald Executive Vice President and Chief Financial Officer	0%	50%	115%

No payment will be made for performance below the Threshold amount of Adjusted Operating Income, and no payment will be required for performance above the Goal amount of Adjusted Operating Income; provided, however, that to the extent Adjusted Operating Income exceeds the Goal amount for fiscal 2008, 10% of all Adjusted Operating Income in excess of the Goal amount will go into a pool to be distributed to any or all plan participants, including, but not limited to, the Executive Officers of the Company, at the discretion of the Compensation Committee.

In addition to the foregoing, assuming that at least the Threshold amount of Adjusted Operating Income is attained, 10% of any operating income attributable to military sales during fiscal 2008 will go into a pool to be distributed, at the discretion of the Compensation Committee of the Board, to any or all of the plan participants, including, but not limited to, the Executive Officers of the Company, at the discretion of the Compensation Committee.

If Mr. Brooks becomes eligible to receive a cash bonus under the 2008 Bonus Plan exceeding \$10,000, at the time scheduled for payment of the bonus, he may choose, at least six months prior to payment, to receive any portion of his bonus in the form of the issuance of restricted shares of common stock of the Company, which shares will vest immediately but will not be tradable in the public markets for one year (the "Restricted Stock"). If Messrs. Sharp or McDonald become eligible to receive a cash bonus under the 2008 Bonus Plan exceeding \$10,000, at the time scheduled for payment of the bonus, a minimum of 35% of the bonus shall be paid in shares of Restricted Stock of the Company, and each of Messrs. Sharp or McDonald may choose, at least six months prior to payment, to receive any additional portion of his bonus in the form of shares of Restricted Stock.