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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):  
July 15, 2011



(Exact name of registrant as specified in its charter)

Commission File No. 1-11107

Utah  
(State or other  
jurisdiction of  
incorporation)

87-0401551  
(IRS Employer  
Identification Number)

2200 West Parkway Boulevard  
Salt Lake City, Utah 84119-2099  
(Address of principal executive offices)(Zip Code)

Registrant's telephone number, including area code: **(801) 817-1776**

Former name or former address, if changed since last report: **Not Applicable**

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

- (e) On July 15, 2011, the Company's Board of Directors approved a share-based compensation plan that will allow certain members of the Company's executive team and other members of senior management, including direct-office general managers and leaders of the company's practices, to receive shares of the Company's common stock if price targets are met within a specified time period. The Company believes that this program will increase shareholder value as shares will only be awarded to participants if the Company's share price increases significantly over time. The award has a price target of \$17.00 per share. Participants may earn 100 percent of the award if the share price target is met within three years of the grant date and only 50 percent of the award if the share price target is met within five years of the grant date. If the share price is not met within five years of the grant date, no shares are awarded.

Under the terms of this share-based compensation award, the target number of shares to be received by the Company's officers is as follows:

M. Sean Covey	44,118
Shawn D. Moon	44,118
C. Todd Davis	26,471
Stephen D. Young	24,632

The total amount of the award to all participants, including the above-listed officers, is 308,569 shares.

- (b) As Stephen R. Covey, Vice Chairman and Board Member of Franklin Covey Co., approaches his 80<sup>th</sup> year, he is increasingly experiencing age-related health challenges. As a consequence, on July 20, 2011, it was determined he will not stand for re-election to the Board of Directors of Franklin Covey Co. (the Company) at the Company's annual meeting of shareholders expected to be held in January 2012. A statement from Stephen R. Covey to the Company regarding his health and future plans has been filed as exhibit 99.1 attached hereto.

**Item 9.01 Financial Statements and Exhibits**

- (d) Exhibits
- 99.1 Statement from Stephen R. Covey
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## 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.

FRANKLIN COVEY CO.

Date: July 20, 2011

By: /s/ Stephen D. Young  
Stephen D. Young  
Chief Financial Officer

My dear friends and colleagues at FranklinCovey,

As I approach my 80<sup>th</sup> year, I am increasingly experiencing age-related health challenges. Many of you know that my wife, Sandra, has also faced health challenges in recent years and managed them with great courage and cheerfulness. After counseling with my family and closest advisors, I've made the decision to put first things first and transition from my public work as a speaker, consultant, and broadcast media personality, to a more private life, where I can dedicate myself wholly to my writing and a few other key projects that I believe will continue to build and enable FranklinCovey's profoundly important mission.

I am deeply excited to bring to completion several books I've been working on with colleagues and co-authors for years, including *The 3<sup>rd</sup> Alternative: Solving Life's Most Difficult Problems*, a book that I consider my life's work and which will be released in October.

Consistent with my long-held conviction about "living life in crescendo," I look to the future with great optimism and believe I have many important contributions ahead of me, both professionally and with my family.

I express my heartfelt gratitude for the privilege of working with you in spreading principle-centered leadership around the world and I wish God's choicest blessings upon each of you.

With admiration and appreciation,

Stephen R. Covey