
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 27, 2008

Commission file number: 1-5256

V. F. CORPORATION

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction of
incorporation or organization)

23-1180120
(I.R.S. employer
identification number)

105 Corporate Center Boulevard
Greensboro, North Carolina 27408
(Address of principal executive offices)

(336) 424-6000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities and Exchange Act of 1934). YES NO

On October 25, 2008, there were 110,075,616 shares of the registrant's Common Stock outstanding.

VF CORPORATION
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Part I — Financial Information

Item 1 — Financial Statements (Unaudited)

VF CORPORATION
Consolidated Statements of Income
(Unaudited)

(In thousands, except per share amounts)

	Three Months Ended September		Nine Months Ended September	
	2008	2007	2008	2007
Net Sales	\$ 2,185,825	\$ 2,053,136	\$ 5,669,503	\$ 5,207,175
Royalty Income	20,802	20,023	60,947	56,996
Total Revenues	<u>2,206,627</u>	<u>2,073,159</u>	<u>5,730,450</u>	<u>5,264,171</u>
Costs and Operating Expenses				
Cost of goods sold	1,227,577	1,163,399	3,184,470	2,975,009
Marketing, administrative and general expenses	627,839	578,721	1,786,788	1,574,336
	<u>1,855,416</u>	<u>1,742,120</u>	<u>4,971,258</u>	<u>4,549,345</u>
Operating Income	351,211	331,039	759,192	714,826
Other Income (Expense)				
Interest income	1,435	2,202	4,696	7,494
Interest expense	(24,310)	(19,349)	(69,516)	(46,373)
Miscellaneous, net	(1,950)	1,834	950	3,583
	<u>(24,825)</u>	<u>(15,313)</u>	<u>(63,870)</u>	<u>(35,296)</u>
Income from Continuing Operations Before Income Taxes	326,386	315,726	695,322	679,530
Income Taxes	<u>92,511</u>	<u>106,409</u>	<u>208,437</u>	<u>230,330</u>
Income from Continuing Operations	233,875	209,317	486,885	449,200
Discontinued Operations	<u>—</u>	<u>(2,110)</u>	<u>—</u>	<u>(21,987)</u>
Net Income	<u>\$ 233,875</u>	<u>\$ 207,207</u>	<u>\$ 486,885</u>	<u>\$ 427,213</u>
Earnings Per Common Share — Basic				
Income from continuing operations	\$ 2.14	\$ 1.91	\$ 4.46	\$ 4.06
Discontinued operations	—	(0.02)	—	(0.20)
Net income	2.14	1.89	4.46	3.86
Earnings Per Common Share — Diluted				
Income from continuing operations	\$ 2.10	\$ 1.86	\$ 4.37	\$ 3.96
Discontinued operations	—	(0.02)	—	(0.20)
Net income	2.10	1.84	4.37	3.76
Weighted Average Shares Outstanding				
Basic	109,106	109,671	109,062	110,689
Diluted	111,258	112,424	111,379	113,568
Cash Dividends Per Common Share	\$ 0.58	\$ 0.55	\$ 1.74	\$ 1.65

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Balance Sheets
(Unaudited)
(In thousands, except share amounts)

	<u>September 2008</u>	<u>December 2007</u>	<u>September 2007</u>
ASSETS			
Current Assets			
Cash and equivalents	\$ 225,957	\$ 321,863	\$ 193,855
Accounts receivable, less allowance for doubtful accounts of: September 2008 - \$59,403, Dec. 2007 - \$59,053; September 2007 - \$59,793	1,313,919	970,951	1,266,490
Inventories:			
Finished products	1,118,878	911,496	1,082,906
Work in process	90,878	87,176	91,701
Materials and supplies	<u>132,086</u>	<u>140,080</u>	<u>121,387</u>
	1,341,842	1,138,752	1,295,994
Other current assets	222,669	213,563	209,422
Current assets of discontinued operations	<u>—</u>	<u>—</u>	<u>14,861</u>
Total current assets	3,104,387	2,645,129	2,980,622
Property, Plant and Equipment	1,582,337	1,529,015	1,524,030
Less accumulated depreciation	<u>920,760</u>	<u>877,157</u>	<u>883,304</u>
	661,577	651,858	640,726
Intangible Assets	1,390,402	1,435,269	1,434,904
Goodwill	1,323,808	1,278,163	1,265,878
Other Assets	<u>504,091</u>	<u>436,266</u>	<u>373,854</u>
	<u>\$6,984,265</u>	<u>\$6,446,685</u>	<u>\$6,695,984</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Short-term borrowings	\$ 413,469	\$ 131,545	\$ 461,043
Current portion of long-term debt	3,427	3,803	67,403
Accounts payable	418,712	509,879	413,814
Accrued liabilities	577,647	488,089	606,348
Current liabilities of discontinued operations	<u>69</u>	<u>1,071</u>	<u>267</u>
Total current liabilities	1,413,324	1,134,387	1,548,875
Long-term Debt	1,142,170	1,144,810	1,186,792
Other Liabilities	567,769	590,659	592,524
Commitments and Contingencies			
Common Stockholders' Equity			
Common Stock, stated value \$1; shares authorized, 300,000,000; shares outstanding: Sept. 2008 - 109,827,052; Dec. 2007 - 109,797,984; Sept. 2007 - 109,736,874	109,827	109,798	109,737
Additional paid-in capital	1,747,775	1,619,320	1,601,708
Accumulated other comprehensive income (loss)	78,268	61,495	(29,634)
Retained earnings	<u>1,925,132</u>	<u>1,786,216</u>	<u>1,685,982</u>
Total common stockholders' equity	3,861,002	3,576,829	3,367,793
	<u>\$6,984,265</u>	<u>\$6,446,685</u>	<u>\$6,695,984</u>

See notes to consolidated financial statements.

VF CORPORATION
Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Nine Months Ended September	
	2008	2007
Operating Activities		
Net income	\$ 486,885	\$ 427,213
Adjustments to reconcile net income to cash used by operating activities of continuing operations:		
Loss from discontinued operations	—	21,987
Depreciation	77,482	69,081
Amortization of intangible assets	29,781	17,655
Other amortization	9,862	11,352
Stock-based compensation	33,824	48,449
Other, net	4,911	22,327
Changes in operating assets and liabilities, net of acquisitions:		
Accounts receivable	(363,767)	(353,469)
Inventories	(193,485)	(196,290)
Accounts payable	(93,990)	(9,694)
Accrued compensation	(24,259)	(11,907)
Accrued income taxes	36,373	60,792
Accrued liabilities	52,588	86,522
Other assets and liabilities	3,598	(28,225)
Cash provided by operating activities of continuing operations	59,803	165,793
Loss from discontinued operations	—	(21,987)
Adjustments to reconcile loss from discontinued operations to cash used by discontinued operations	(1,002)	8,816
Cash used by discontinued operations	(1,002)	(13,171)
Cash provided by operating activities	58,801	152,622
Investing Activities		
Capital expenditures	(88,319)	(79,085)
Business acquisitions, net of cash acquired	(93,377)	(1,054,501)
Software purchases	(7,349)	(1,885)
Sale of property, plant and equipment	5,851	11,745
Sale of intimate apparel business	—	348,714
Other, net	1,020	597
Cash provided used by investing activities of continuing operations	(182,174)	(774,415)
Discontinued operations, net	—	(243)
Cash used by investing activities	(182,174)	(774,658)
Financing Activities		
Increase in short-term borrowings	281,340	963,713
Payments on long-term debt	(2,945)	(57,971)
Purchase of Common Stock	(149,729)	(350,000)
Cash dividends paid	(190,347)	(182,831)
Proceeds from issuance of Common Stock, net	63,450	77,594
Tax benefits of stock option exercises	22,246	15,119
Other, net	(305)	—
Cash provided by financing activities	23,710	465,624
Effect of Foreign Currency Rate Changes on Cash	3,757	7,043
Net Change in Cash and Equivalents	(95,906)	(149,369)
Cash and Equivalents — Beginning of Year	321,863	343,224
Cash and Equivalents — End of Period	\$ 225,957	\$ 193,855

See notes to consolidated financial statements.

VF CORPORATION
Notes to Consolidated Financial Statements
(Unaudited)

Note A — Basis of Presentation

VF Corporation (and its subsidiaries collectively known as “VF”) operate and report using a 52/53 week fiscal year ending on the Saturday closest to December 31 of each year. Similarly, the fiscal third quarter ends on the Saturday closest to September 30. For presentation purposes herein, all references to periods ended September 2008, December 2007 and September 2007 relate to the fiscal periods ended on September 27, 2008, December 29, 2007 and September 29, 2007, respectively.

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X and do not include all of the information and notes required by accounting principles generally accepted in the United States of America for complete financial statements. Similarly, the December 2007 consolidated balance sheet was derived from audited financial statements but does not include all disclosures required by generally accepted accounting principles. In the opinion of management, the accompanying unaudited consolidated financial statements contain all normal and recurring adjustments necessary to make a fair statement of the consolidated financial position, results of operations and cash flows of VF for the interim periods presented. Operating results for the three months and nine months ended September 2008 are not necessarily indicative of results that may be expected for any other interim period or for the year ending January 3, 2009. For further information, refer to the consolidated financial statements and notes included in VF’s Annual Report on Form 10-K for the year ended December 2007 (“2007 Form 10-K”).

In April 2007, VF sold its intimate apparel business consisting of its domestic and international women’s intimate apparel business units. Accordingly, the Consolidated Statements of Income and Consolidated Statements of Cash Flows present the intimate apparel businesses as discontinued operations for all periods. Similarly, the assets and liabilities of the discontinued operations have been separately presented in the Consolidated Balance Sheets. Amounts presented herein, unless otherwise stated, relate to continuing operations. See Note D.

Certain prior year amounts, none of which are material, have been reclassified to conform with the 2008 presentation.

Note B — Changes in Accounting Policies

During the first quarter of 2008, VF adopted Financial Accounting Standards Board (“FASB”) Statement No. 157, *Fair Value Measurements* (“Statement 157”), which clarified the definition of fair value, established a framework and a hierarchy based on the level of observability and judgment associated with inputs used in measuring fair value, and expanded disclosures about fair value measurements. Statement 157 applies whenever other accounting pronouncements require or permit assets or liabilities to be measured at fair value but does not require any new fair value measurements. As permitted by FASB Staff Position No. 157-2, *Effective Date of FASB Statement No. 157*, the disclosure provisions of Statement 157 relating to nonrecurring measurements of nonfinancial assets and nonfinancial liabilities are deferred until VF’s 2009 fiscal year. This deferral of disclosures applies primarily to nonfinancial assets and nonfinancial liabilities initially measured at fair value in a business combination or measured at fair value for an impairment assessment.

Fair value is defined in Statement 157 as the price that would be received from the sale of an asset or paid to transfer a liability (i.e., an exit price) in the principal or most advantageous market in an orderly transaction between market participants. In determining fair value, Statement 157 establishes a three-level hierarchy that distinguishes between (i) market data obtained or developed from independent sources (i.e., observable data inputs) and (ii) a reporting entity's own data and assumptions that market participants would use in pricing an asset or liability (i.e., unobservable data inputs). Financial assets and financial liabilities measured and reported at fair value are classified in one of the following categories, in order of priority of observability and objectivity of pricing inputs:

- Level 1 — Fair value based on quoted prices in active markets for identical assets or liabilities.
- Level 2 — Fair value based on significant directly observable data (other than Level 1 quoted prices) or significant indirectly observable data through corroboration with observable market data. Inputs would normally be (i) quoted prices in active markets for similar assets or liabilities, (ii) quoted prices in inactive markets for identical or similar assets or liabilities or (iii) information derived from or corroborated by observable market data.
- Level 3 — Fair value based on prices or valuation techniques that require significant unobservable data inputs. Inputs would normally be a reporting entity's own data and judgments about assumptions that market participants would use in pricing the asset or liability.

The following table summarizes financial assets and financial liabilities measured at fair value on a recurring basis at September 2008:

	Total Fair Value	Fair Value Measurement Using:		
		Quoted Price in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
In thousands				
Financial assets:				
Cash equivalents	\$ 84,050	\$ 84,050	—	—
Investment securities	197,071	151,265	\$ 45,806	—
Derivative instruments	4,965	—	4,965	—
Financials liabilities:				
Derivative instruments	3,689	—	3,689	—
Deferred compensation	226,472	—	226,472	—

Cash equivalents represent funds held in institutional money market funds. Investment securities, consisting primarily of mutual funds (classified as Level 1) and a separately managed fixed income fund (classified as Level 2), are purchased to offset a substantial portion of participant-directed investment selections representing underlying liabilities to participants in VF's deferred compensation plans. Liabilities under deferred compensation plans are recorded at amounts payable to participants, based on the fair value of participant-directed investment selections. Derivative instruments represent net unrealized gains or losses on foreign currency forward exchange contracts, which is the net difference between (i) the U.S. dollars to be received or paid at the contracts' settlement date and (ii) the U.S. dollar value of the foreign currency to be sold or purchased at the current forward exchange rate.

VF also adopted FASB Statement No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* ("Statement 159") in the first quarter of 2008. Statement 159 permits companies to measure at fair value eligible financial assets and financial liabilities that were not otherwise required to be recorded at

fair value, with changes in fair value recognized in net income as they occur. Since VF has not elected to apply fair value accounting to any additional items, the adoption of Statement 159 had no impact.

In addition, as required beginning in the first quarter of 2008, VF adopted Emerging Issues Task Force (“EITF”) 06-11, *Accounting for Income Tax Benefits of Dividends on Share-Based Payment Awards*, which requires that the tax benefit related to dividend equivalents declared on restricted stock units that are expected to vest be recorded as an increase in additional paid-in capital. The impact of adopting EITF 06-11 was not significant.

Note C — Acquisitions

The final valuation of intangible assets for Seven For All Mankind, the largest acquisition in 2007, was completed in 2008, resulting in reductions in the amount assigned to indefinite-lived trademark intangible assets from \$340.0 million to \$313.7 million and the amount assigned to amortizable intangible assets (primarily customer relationships) from \$185.0 million to \$182.8 million, with offsetting increases in goodwill.

In June 2008, VF acquired one-third of the outstanding equity of Mo Industries Holdings, Inc. (“Mo Industries”), a Los Angeles-based company that owns the *Splendid* and *Ella Moss* brands of premium sportswear marketed to upscale department and specialty stores. VF also acquired an option to purchase the remaining shares of Mo Industries, and granted the other stockholders of Mo Industries an option to require VF to purchase all of their stock, during the first half of 2009 at a price based on its 2008 earnings. The cost of the investment, including the related put/call rights, was \$77.0 million, with this investment being accounted for using the equity method of accounting. From the date of acquisition, the equity in net income of Mo Industries is reported as part of the Contemporary Brands Coalition. If VF were to acquire the remaining shares in 2009, the purchase price of those shares, plus any net debt assumed, is limited to a maximum amount of \$225 million.

In July 2008, VF acquired 100% ownership of its former 50%-owned joint venture that markets *Lee* branded products in Spain and Portugal. The cost of the additional investment was \$25.5 million, consisting of \$14.9 million in cash and transfer of certain nonmonetary assets held by the former joint venture. Management has allocated the purchase price to acquired tangible and intangible assets, and assumed liabilities, based on their respective fair values. Of the total consideration, \$13.5 million was preliminarily assigned to indefinite-lived and amortizable intangible assets and \$11.9 million was assigned to goodwill, subject to possible refinement during the fourth quarter. Goodwill arising from the acquisition related to synergies and economies of scale from combining this business with VF’s existing European jeanswear business. The joint venture was accounted for using the equity method of accounting through July 2008, while the entity is consolidated for periods since the acquisition of the remaining 50% ownership. Operating results for all periods are reported as part of the Jeanswear Coalition. Pro forma operating results for this acquisition are not provided because this acquisition is not material to VF’s operating results.

Note D — Sale of Intimate Apparel Business

In December 2006, management and the Board of Directors decided to exit VF’s domestic and international women’s intimate apparel business (formerly referred to as the Intimate Apparel Coalition, a reportable business segment). On April 1, 2007, VF sold the net assets of this business (except for an investment in marketable securities of an intimate apparel supplier) for \$348.7 million, plus \$28.8 million related to the business unit’s Cash and Equivalents. The results of operations and cash flows of the intimate apparel business are separately presented as discontinued operations for all periods in accordance with FASB Statement No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. Similarly, the assets and liabilities of this business have been reported as held for sale.

Summarized operating results for the discontinued intimate apparel business was as follows:

In thousands	Three Months Ended September 2007	Nine Months Ended September 2007
Total revenues	\$ —	\$ 196,167
Income (loss) from discontinued operations, net of income taxes of \$1,669 and \$4,859	\$ (1,870)	\$ 2,567
Loss on disposal, without income tax benefit	(240)	(24,554)
Loss from discontinued operations	\$ (2,110)	\$ (21,987)
Earnings per common share — basic		
Income (loss) from operations	\$ (0.02)	\$ 0.02
Loss on disposal	—	(0.22)
Discontinued operations	(0.02)	(0.20)
Earnings per common share — diluted		
Income (loss) from operations	\$ (0.02)	\$ 0.02
Loss on disposal	—	(0.22)
Discontinued operations	(0.02)	(0.20)

Summarized assets and liabilities of discontinued operations presented in the Consolidated Balance Sheets were as follows:

In thousands	September 2008	December 2007	September 2007
Investments in marketable securities	\$ —	\$ —	\$ 14,861
Current assets of discontinued operations	\$ —	\$ —	\$ 14,861
Accrued liabilities	\$ 69	\$ 1,071	\$ 267
Current liabilities of discontinued operations	\$ 69	\$ 1,071	\$ 267

Note E — Intangible Assets

Dollars in thousands	Weighted Average Life *	September 2008		December 2007	
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Net Carrying Amount
Amortizable intangible assets:					
License agreements	22 years	\$198,208	\$ 48,654	\$ 149,554	\$ 158,566
Customer relationships	20 years	333,879	47,913	285,966	301,057
Trademarks and other	7 years	12,425	6,387	6,038	5,917
Amortizable intangible assets, net				441,558	465,540
Indefinite-lived intangible assets:					
Trademarks and tradenames				948,844	969,729
Intangible assets, net				\$1,390,402	\$ 1,435,269

* Amortization of license agreements — accelerated and straight-line methods; customer relationships — accelerated methods; trademarks and other — accelerated and straight-line methods.

Amortization expense of intangible assets for the third quarter and nine months of 2008 was \$9.8 million and \$29.8 million, respectively. Estimated amortization expense for the remainder of 2008 is \$8.3 million and for the years 2009 through 2012 is \$31.9 million, \$29.9 million, \$28.4 million and \$26.8 million, respectively.

Note F — Goodwill

In thousands	Jeanswear	Outdoor	Imagewear	Sportswear	Contemporary Brands	Total
Balance, December 2007	\$232,068	\$564,867	\$ 56,246	\$215,767	\$ 209,215	\$1,278,163
2008 acquisition	11,875	—	—	—	—	11,875
Adjustments to purchase price allocation	—	(94)	—	—	37,465	37,371
Currency translation	(6,195)	(1,026)	—	—	3,620	(3,601)
Balance, September 2008	\$237,748	\$563,747	\$ 56,246	\$215,767	\$ 250,300	\$1,323,808

Note G — Pension Plans

VF's net periodic pension cost contained the following components:

In thousands	Three Months Ended September		Nine Months Ended September	
	2008	2007	2008	2007
Service cost — benefits earned during the year	\$ 4,162	\$ 5,022	\$ 12,486	\$ 16,642
Interest cost on projected benefit obligations	17,276	16,914	51,828	50,742
Expected return on plan assets	(20,840)	(20,652)	(62,520)	(61,956)
Settlement loss	3,242	—	3,242	—
Amortization of:				
Prior service cost	673	672	2,019	2,016
Actuarial loss	254	1,323	1,180	3,969
Net periodic pension cost	4,767	3,279	8,235	11,413
Amount allocable to discontinued operations	—	—	—	(1,612)
Net periodic pension cost — continuing operations	\$ 4,767	\$ 3,279	\$ 8,235	\$ 9,801

The settlement loss in the third quarter of 2008 related to recognition of deferred actuarial losses upon payment of a portion of the retirement benefits accrued under VF's Supplemental Executive Retirement Plan ("SERP"). During the first nine months of 2008, VF made contributions totaling \$10.3 million to fund benefit payments for the SERP. VF currently anticipates making an additional \$0.9 million of contributions to fund benefit payments for the SERP during the remainder of 2008. Due to the overfunded status of the qualified pension plan at the end of 2007, the latest valuation date, VF is not required under applicable regulations, and does not currently intend, to make a contribution to the plan during 2008.

Note H — Business Segment Information

For internal management and reporting purposes, VF's businesses are grouped principally by product categories, and by brands within those product categories. These groupings of businesses are referred to as "coalitions." These coalitions represent VF's reportable segments. Financial information for VF's reportable segments is as follows:

In thousands	Three Months Ended September		Nine Months Ended September	
	2008	2007	2008	2007
Coalition revenues:				
Jeanswear	\$ 743,180	\$ 758,485	\$ 2,101,635	\$ 2,174,691
Outdoor	906,608	806,113	2,066,351	1,791,611
Imagewear	260,099	267,470	748,384	711,046
Sportswear	163,733	172,964	444,238	475,055
Contemporary Brands	100,489	32,667	284,009	32,667
Other	32,518	35,460	85,833	79,101
Total coalition revenues	\$ 2,206,627	\$ 2,073,159	\$ 5,730,450	\$ 5,264,171
Coalition profit:				
Jeanswear	\$ 122,868	\$ 135,727	\$ 323,499	\$ 366,617
Outdoor	188,621	161,305	352,762	298,012
Imagewear	40,757	41,553	104,529	98,059
Sportswear	16,512	17,110	31,472	45,918
Contemporary Brands	11,674	4,854	40,617	4,854
Other	(994)	530	(3,008)	2,988
Total coalition profit	379,438	361,079	849,871	816,448
Corporate and other expenses	(30,177)	(28,206)	(89,729)	(98,039)
Interest, net	(22,875)	(17,147)	(64,820)	(38,879)
Income from continuing operations before income taxes	\$ 326,386	\$ 315,726	\$ 695,322	\$ 679,530

Note I — Capital and Comprehensive Income (Loss)

Common stock outstanding is net of shares held in treasury, and in substance retired. There were 12,198,054 treasury shares at September 2008 and 10,042,686 at December 2007 and September 2007. The excess of the cost of treasury shares acquired over the \$1 per share stated value of Common Stock is deducted from Retained Earnings. In addition, 242,964 shares of VF Common Stock at September 2008, 284,103 shares at December 2007, and 279,198 shares at September 2007 were held in trust for deferred compensation plans. These shares held for deferred compensation plans are treated for financial reporting purposes as treasury shares at a cost of \$9.6 million, \$11.8 million and \$11.5 million at each of the respective dates.

There are 25,000,000 authorized shares of Preferred Stock, \$1 par value, of which none are outstanding.

Activity for 2008 in the Common Stock, Additional Paid-in Capital and Retained Earnings accounts is summarized as follows:

In thousands	Common Stock	Additional Paid-in Capital	Retained Earnings
Balance, December 2007	\$109,798	\$ 1,619,320	\$1,786,216
Net income	—	—	486,885
Cash dividends on Common Stock	—	—	(190,347)
Purchase of treasury stock	(2,000)	—	(147,729)
Stock compensation plans, net	2,029	128,455	(9,893)
Balance, September 2008	\$109,827	\$ 1,747,775	\$1,925,132

Other comprehensive income consists of changes in assets and liabilities that are not included in Net Income under generally accepted accounting principles but are instead reported within a separate component of Common Stockholders' Equity. VF's comprehensive income was as follows:

In thousands	Three Months Ended September		Nine Months Ended September	
	2008	2007	2008	2007
Net income	\$233,875	\$207,207	\$486,885	\$427,213
Other comprehensive income (loss):				
Foreign currency translation				
Amount arising during the period	(99,412)	50,862	(4,923)	61,098
Reclassification to net income during the period (2007 - Note D)	—	(5,622)	(1,522)	44,569
Defined benefit pension plans				
Reclassification to net income during the period	927	2,107	3,200	5,985
Settlement loss (Note G)	3,242	—	3,242	—
Adjustment of funded status	—	—	25,950	—
Unrealized gains (losses) on derivative financial instruments				
Amount arising during the period	10,272	(13,136)	982	(20,949)
Reclassification to net income during the period	3,270	5,719	17,733	6,483
Unrealized gains (losses) on marketable securities				
Amount arising during the period	(2,120)	(3,027)	(6,873)	(6,666)
Income tax expense related to components of other comprehensive income (loss)	15,636	(8,201)	(21,016)	(19,077)
Other comprehensive income (loss)	(68,185)	28,702	16,773	71,443
Comprehensive income	\$165,690	\$235,909	\$503,658	\$498,656

Accumulated Other Comprehensive Income (Loss) for 2008 is summarized as follows:

In thousands	Foreign Currency Translation	Defined Benefit Pension Plans	Derivative Financial Instruments	Marketable Securities	Total
Balance, December 2007	\$126,171	\$ (63,975)	\$ (8,419)	\$ 7,718	\$61,495
Other comprehensive income (loss)	<u>(7,867)</u>	<u>19,973</u>	<u>11,540</u>	<u>(6,873)</u>	<u>16,773</u>
Balance, September 2008	<u>\$118,304</u>	<u>\$ (44,002)</u>	<u>\$ 3,121</u>	<u>\$ 845</u>	<u>\$78,268</u>

Note J — Stock-based Compensation

During the nine months of 2008, VF granted options for 1,395,214 shares of Common Stock at a weighted average exercise price of \$79.41, equal to the fair market value of VF Common Stock on the date of grant. The options vest in equal annual installments over a three year period. The fair value of these options was estimated using a lattice valuation model for employee groups having similar exercise behaviors, with the following assumptions: expected volatility ranging from 23% to 36%, with a weighted average of 27%; expected term of 4.8 to 7.3 years; expected dividend yield of 2.8%; and risk-free interest rate ranging from 2.1% at six months to 3.6% at 10 years. The resulting weighted average fair value of these options at the date of grant was \$18.58 per option.

Also during the nine months of 2008, VF granted 293,735 performance-based restricted stock units. Participants are eligible to receive shares of VF Common Stock at the end of a three year performance period. The actual number of shares that will be earned, if any, will be based on VF's performance over that period. The weighted average grant date fair value of the restricted stock units was \$78.02 per unit.

In addition, VF granted 31,000 shares of restricted VF Common Stock during the nine months of 2008 at a weighted average fair value of \$72.38 per share. The shares will vest at various dates through 2014.

Note K — Income Taxes

The effective income tax rate was 28.3% for the third quarter and 30.0% for the first nine months of 2008, compared with 33.7% and 33.9% in the comparable periods of 2007. The lower rate in 2008 was due to reductions of previously accrued amounts that will not be paid due to resolution of the underlying uncertain income tax positions, as covered below. In addition, results in 2008 included a higher percentage of income in lower tax jurisdictions outside the United States. The effective tax rate for the full year 2007 was 32.3%, which included the favorable impact from expiration of statutes of limitations and tax audit settlements.

VF files a consolidated U.S. federal income tax return, as well as separate and combined income tax returns in numerous state and foreign jurisdictions. In the United States, Internal Revenue Service ("IRS") examinations for tax years 2002 and 2003 were settled. In 2008, the IRS commenced an examination of tax years 2004, 2005 and 2006. In the United Kingdom, Inland Revenue examinations for certain subsidiaries for tax years 2001 to 2006 were settled. Tax years 1998 to 2002 are under examination by the State of North Carolina, and tax years 2003 to 2005 are under examination by the State of Alabama. VF is also currently subject to examination by various other taxing authorities. Management believes that some of these audits and negotiations will conclude during the next 12 months.

The amount of unrecognized tax benefits decreased by \$15.0 million during the third quarter and by \$18.2 million during the first nine months of 2008, primarily due to favorable settlements of audit exposures and updated assessments of previously accrued amounts. During the next 12 months, management believes that it is reasonably possible that the amount of unrecognized tax benefits may decrease by approximately \$9 million due to settlement of audit exposures and expiration of statutes of limitations, which includes \$7 million that would reduce income tax expense.

VF had been granted a lower income tax rate in a foreign subsidiary based on meeting certain increased investment and employment level requirements. The tax status providing this benefit expires at the end of 2009. During the second quarter of 2008, VF entered into a new agreement with the tax authorities of that country, which will result in a slightly higher effective income tax rate on taxable income in that subsidiary for 2010 through 2014.

Note L — Earnings Per Share

Earnings per share from continuing operations were computed as follows:

In thousands, except per share amounts	Three Months Ended September		Nine Months Ended September	
	2008	2007	2008	2007
Basic earnings per share:				
Income from continuing operations	<u>\$233,875</u>	<u>\$209,317</u>	<u>\$486,885</u>	<u>\$449,200</u>
Weighted average Common Stock outstanding	<u>109,106</u>	<u>109,671</u>	<u>109,062</u>	<u>110,689</u>
Basic earnings per share from continuing operations	<u>\$ 2.14</u>	<u>\$ 1.91</u>	<u>\$ 4.46</u>	<u>\$ 4.06</u>
Diluted earnings per share:				
Income from continuing operations	<u>\$233,875</u>	<u>\$209,317</u>	<u>\$486,885</u>	<u>\$449,200</u>
Weighted average Common Stock outstanding	109,106	109,671	109,062	110,689
Effect of dilutive securities:				
Stock options and other	<u>2,152</u>	<u>2,753</u>	<u>2,317</u>	<u>2,879</u>
Weighted average Common Stock and dilutive securities outstanding	<u>111,258</u>	<u>112,424</u>	<u>111,379</u>	<u>113,568</u>
Diluted earnings per share from continuing operations	<u>\$ 2.10</u>	<u>\$ 1.86</u>	<u>\$ 4.37</u>	<u>\$ 3.96</u>

Outstanding options to purchase 1.4 million shares of Common Stock were excluded from the computation of diluted earnings per share for the three and nine months ended September 2008 because the effect of their inclusion would have been antidilutive. Earnings per share for Discontinued Operations and Net Income in 2007 were computed using the same weighted average shares described above.

Note M — Recently Issued Accounting Standards

In December 2007, the FASB issued FASB Statement No. 141(Revised), *Business Combinations* (“Statement 141(R)”), which revises how business combinations are accounted for, both at the acquisition date and in subsequent periods. Statement 141(R) requires the acquiring entity in a business combination to (i) measure all assets acquired and liabilities assumed at their fair value at the acquisition date, (ii) recognize the full fair value of assets acquired and liabilities assumed in either a full or a partial acquisition, (iii) expense transaction and restructuring costs and (iv) provide additional disclosures not required under prior rules. Statement 141(R) is effective for transactions in which VF obtains control of a business beginning in VF’s 2009 fiscal year. The impact on VF of adopting Statement 141(R) will depend on the nature, terms and size of business combinations completed after the effective date.

In December 2007, the FASB issued FASB Statement No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an amendment of ARB No. 51* (“Statement 160”). Statement 160 requires a company to classify noncontrolling (minority) interests in consolidated subsidiaries as equity instead of a liability and provides guidance on the accounting for transactions between an entity and noncontrolling interests. Statement 160, effective for VF’s 2009 fiscal year, requires retroactive adoption of the presentation and disclosure requirements, with all other requirements to be applied prospectively. Since VF does not have significant noncontrolling interests in subsidiaries, Statement 160 is not expected to have a significant impact on the consolidated financial statements.

In March 2008, the FASB issued FASB Statement No. 161, *Disclosures about Derivative Instruments and Hedging Activities — an amendment of FASB Statement No. 133* (“Statement 161”). Statement 161 requires expanded disclosures related to (i) how and why an entity uses derivative instruments, (ii) how derivative instruments and related hedged items are accounted for under Statement 133 and its related interpretations and (iii) how derivative instruments and related hedged items affect an entity’s financial position, operating results and cash flows. This Statement is effective for financial statements issued for VF’s 2009 fiscal year. VF is currently evaluating the impact of adopting Statement 161.

In April 2008, the FASB issued FASB Staff Position No. FAS 142-3, *Determination of the Useful Life of Intangible Assets* (“FSP 142-3”). FSP 142-3 amends the factors to be considered in developing renewal or extension assumptions used to determine the useful life of an identified intangible asset under FASB Statement No. 142, *Goodwill and Other Intangible Assets*, and requires expanded disclosure related to the determination of intangible asset useful lives. FSP 142-3 provides guidance for determining the useful life of recognized intangible assets acquired beginning in VF’s 2009 fiscal year, and the expanded disclosures are effective for all recognized intangible assets in VF’s 2009 consolidated financial statements. VF is currently evaluating the impact of adopting FSP 142-3.

Note N — Subsequent Events

VF’s Board of Directors declared a quarterly cash dividend of \$0.59 per share, an increase of \$0.01, payable on December 19, 2008 to shareholders of record on December 9, 2008.

Item 2 — Management’s Discussion and Analysis of Financial Condition and Results of Operations

Overview

Highlights of the third quarter of 2008 included:

- Revenues and earnings per share for the third quarter were each at record levels.
- Revenues increased 6% over the prior year quarter to \$2,206.6 million, with the increase coming from organic growth in our Outdoor businesses and from acquisitions in the prior year.
- Our direct-to-consumer and international businesses continue to be key drivers of growth, with these revenues in the quarter rising 12% and 22%, respectively. International revenues represented 34% of total revenues.
- Gross margin as a percent of revenues rose to 44.4% from 43.9% in the prior year quarter.
- VF acquired 100% ownership of its former 50%-owned joint venture that marketed *Lee* branded products in Spain and Portugal (“Lee Spain”). The cost of the additional investment was \$25.5 million, consisting of \$14.9 million in cash and transfer of certain assets held by the former joint venture. The joint venture had revenues of \$35 million in its latest fiscal year.

Discontinued Operations

In December 2006, management and the Board of Directors decided to exit the women’s intimate apparel business. The sale, which closed on April 1, 2007, was consistent with VF’s stated objective of focusing on lifestyle businesses having higher growth and profit potential. The results of operations and cash flows of the intimate apparel business are separately presented as discontinued operations for all periods. Similarly, the assets and liabilities of this business have been reclassified and reported as held for sale for all periods presented. See Note D to the Consolidated Financial Statements. Unless otherwise stated, the remaining sections of this discussion and analysis of financial condition and results of operations relate only to continuing operations.

Analysis of Results of Operations

Consolidated Statements of Income

The following table presents a summary of the changes in our Total Revenues from 2007:

(In millions)	Third Quarter 2008 Compared with 2007	Nine Months 2008 Compared with 2007
Total revenues - 2007	\$ 2,073	\$ 5,264
Organic growth	66	167
Acquisitions in prior year (to anniversary date)	60	291
Acquisition in current year	<u>8</u>	<u>8</u>
Total revenues - 2008	<u>\$ 2,207</u>	<u>\$ 5,730</u>

The increases in Total Revenues were due to strong organic revenue growth within the Outdoor Coalition, plus inclusion for the full quarter and nine months of the Seven For All Mankind and Lucy businesses (together, the “Contemporary Brands Acquisitions”) acquired in the third quarter of 2007.

Additional details on revenues are provided in the section titled “Information by Business Segment.”

During the third quarter and first nine months of 2008, approximately 34% and 33%, respectively, of Total Revenues were in international markets. In translating foreign currencies into the U.S. dollar, a weaker U.S. dollar in relation to the functional currencies where VF conducts the majority of its international business (primarily the European euro countries) benefited revenue comparisons by \$50 million in the third quarter of 2008 and \$148 million in the first nine months of 2008, compared with the 2007 periods. The weighted average translation rate for the euro was \$1.51 per euro for the first nine months of 2008, compared with \$1.36 during the first nine months of 2007. The U.S. dollar has strengthened in recent months, resulting in a translation rate of \$1.47 per euro at the end of September 2008. With the strengthening of the U.S. dollar, it is likely that reported revenues for the fourth quarter will be negatively impacted compared with 2007.

The following table presents the percentage relationship to Total Revenues for components of our Consolidated Statements of Income:

	Three Months Ended September		Nine Months Ended September	
	2008	2007	2008	2007
Gross margin (total revenues less cost of goods sold)	44.4%	43.9%	44.4%	43.5%
Marketing, administrative and general expenses	28.5	27.9	31.2	29.9
Operating income	15.9%	16.0%	13.2%	13.6%

Gross margin as a percentage of Total Revenues increased 0.5% in the third quarter of 2008 and 0.9% in the first nine months of 2008 over the prior year periods. This improvement was driven by growth in our higher margin lifestyle businesses, with our retail revenue growth being a primary contributor.

Marketing, Administrative and General Expenses as a percentage of Total Revenues increased 0.6% in the third quarter of 2008. The third quarter of 2008 included charges for cost reduction actions and an unremitted value-added tax and duty issue related to a 2007 acquisition, together representing 0.5% of revenues. In the first nine months of 2008, Marketing, Administrative and General Expenses as a percentage of Total Revenues increased 1.3% compared with the prior year period. Approximately 0.3% of the change was attributed to charges for cost reduction actions and the value-added tax and duty issue in the first nine months of 2008. In addition, approximately 0.4% of the increase was driven by the change in mix of our businesses toward retail operations, which have higher expense percentages. The remainder of the increase resulted primarily from lower revenues in our jeanswear and sportswear businesses without comparable expense reduction.

Interest expense increased \$5.0 million in the quarter and \$23.1 million in the first nine months of 2008, reflecting higher borrowings. Average interest-bearing debt outstanding totaled \$1,450 million for the first nine months of 2008 and \$922 million for the comparable period of 2007, with the increase driven by the issuance of \$600.0 million of senior long-term notes in October 2007. The weighted average interest rate on total outstanding debt decreased to 6.2% for the first nine months of 2008 from 6.4% for the comparable period of 2007. This decrease was driven by the mix of our outstanding debt, including the impact of the \$600.0 million of senior notes, and lower short-term rates.

The effective income tax rate was 28.3% in the third quarter and 30.0% for the first nine months of 2008,

compared with 33.9% for the first nine months of 2007. The lower rate in the 2008 periods was due primarily to net favorable income tax adjustments in the third quarter of 2008 and a higher percentage of income in lower tax jurisdictions outside of the United States. The effective income tax rate for the third quarter and first nine months of 2008 was based on the expected annual rate, adjusted for discrete events arising during the respective periods.

Income from Continuing Operations in the quarter increased 12% to \$233.9 million, compared with \$209.3 million in the third quarter of 2007. Earnings per share from continuing operations increased 13% to \$2.10 per share from \$1.86 per share in the prior year quarter. (All per share amounts are presented on a diluted basis.) The third quarter of 2008 included a net benefit of \$0.07 per share in unusual items, comprised of \$0.14 per share in net favorable income tax adjustments offset by \$0.07 per share from cost reduction actions and for costs related to an unremitted value-added tax and duty issue. The third quarter also benefited from a \$0.06 per share positive impact from translating foreign currencies into the U.S. dollar. The remaining improvement in the quarter was driven primarily by profitability in our Outdoor businesses.

Income from Continuing Operations increased 8% to \$486.9 million in the first nine months of 2008, compared with \$449.2 million in 2007. Earnings per share from continuing operations increased 10% to \$4.37 per share from \$3.96 per share in the first nine months of 2007. Earnings per share in the first nine months of 2007 included a benefit of \$0.04 per share from the sale of *H.I.S*[®] trademarks and intellectual property. Earnings per share in the first nine months of 2008 included a net benefit of \$0.09 per share in unusual items, comprised of \$0.20 per share in net favorable income tax adjustments and favorable tax audit settlements offset by \$0.11 per share from cost reduction actions and for costs related to an unremitted value-added tax and duty issue. In addition, the 2008 period included a \$0.16 per share positive impact from translating foreign currencies into the U.S. dollar.

Information by Business Segment

VF's businesses are grouped into five product categories, and by brands within those product categories, for management and internal financial reporting purposes. These groupings of businesses within VF are referred to as "coalitions." These coalitions represent VF's reportable business segments.

See Note H to the Consolidated Financial Statements for a summary of our results of operations by coalition, along with a reconciliation of Coalition Profit to Income from Continuing Operations Before Income Taxes.

The following table presents a summary of the changes in our Total Revenues by coalition for the third quarter and first nine months of 2008:

Third Quarter

(In millions)	Jeanswear	Outdoor	Imagewear	Sportswear	Contemporary Brands	Other
Revenues - 2007	\$ 758	\$ 806	\$ 267	\$ 173	\$ 33	\$ 36
Organic growth	(23)	101	(7)	(9)	7	(3)
Acquisition in prior year (to anniversary date)	—	—	—	—	60	—
Acquisition in current year	8	—	—	—	—	—
Revenues - 2008	\$ 743	\$ 907	\$ 260	\$ 164	\$ 100	\$ 33

Nine Months

(In millions)	Jeanswear	Outdoor	Imagewear	Sportswear	Contemporary Brands	Other
Revenues - 2007	\$ 2,175	\$ 1,792	\$ 711	\$ 475	\$ 33	\$ 78
Organic growth	(81)	260	4	(31)	7	8
Acquisition in prior year (to anniversary date)	—	14	33	—	244	—
Acquisition in current year	8	—	—	—	—	—
Revenues - 2008	\$ 2,102	\$ 2,066	\$ 748	\$ 444	\$ 284	\$ 86

Jeanswear:

Jeanswear Coalition revenues declined 2% in the third quarter of 2008. Domestic jeanswear revenues declined 3% in the quarter, with the mass market business remaining essentially flat and the Lee and western specialty businesses declining due to a very challenging retail environment, retailers lowering their inventory levels and consumers moving to lower price points, including private label products. International jeans revenues were flat in the quarter, which included a \$20 million benefit from foreign currency translation and double-digit revenue increases on a constant-currency basis in Asia and Latin America. For the nine month period ended September 2008, Jeanswear Coalition revenues decreased 3%, with domestic revenues declining 8% due to the retail environment and other factors discussed above. International jeanswear revenues increased 6% in the 2008 nine month period, reflecting the benefit of foreign currency translation. The Lee Spain acquisition, completed in July 2008, also added \$8 million in revenue to both the third quarter and first nine months of 2008.

Jeanswear Coalition Profit decreased 9% in the third quarter of 2008, with operating margins declining from 17.9% in the third quarter of 2007 to 16.5% in the current quarter. The third quarter of 2008 was negatively impacted by increased promotional activity and a higher proportion of sales of lower margin new fashion products. In addition, approximately 0.3% of the total 1.4% margin decline was attributed to actions taken in the third quarter of 2008 to improve our cost structure. Operating margins for the nine month period also declined from 16.9% in 2007 to 15.4% in 2008. The nine month period ending September 2007 included a gain on sale of H.I.S³ trademarks and intellectual property items that positively impacted operating margins by 0.4%. The remainder of the declines in both the quarter and nine month period were driven primarily by decreases in revenues without comparable expense reduction.

Outdoor:

Revenues in our Outdoor businesses increased 12% in the third quarter of 2008 and 15% in the nine month period, compared with prior year periods. These increases were led by strong global unit volume gains of *The North Face*, *Vans*, *Kipling*, *Napapijri* and *Eastpak* brands. Also, the 2007 acquisitions of Eagle Creek and specific brand-related assets of a former licensee of *The North Face* brand in China and Nepal added \$14 million to revenues in the first nine months of 2008 (prior to the anniversary dates of the respective acquisitions). Foreign currency translation positively impacted 2008 Outdoor Coalition revenues by \$27 million, or 3%, in the quarter and \$80 million, or 4%, in the first nine months.

Operating margins increased in the quarter to 20.8% from 20.0% in the prior year quarter and also increased in the nine months ended September 2008 to 17.1% from 16.6% in the prior year period. Operating margins were higher in both 2008 periods due to a higher percentage of products sold in international markets, where higher gross margins are realized. Revenue growth and the resulting benefit of improved leverage of certain operating expenses were offset by increased retail investments.

Imagewear:

Coalition Revenues declined 3% in the third quarter of 2008, with similar decreases in both our occupational apparel and activewear divisions. Coalition Revenues increased 5% for the nine month period of 2008 over the prior year period. The *Majestic* brand, acquired on February 28, 2007, accounted for substantially all of the increase in the nine month period (prior to the anniversary date of its acquisition).

Operating margins increased to 15.7% from 15.5% in the prior year quarter and also increased in the nine months ended September 2008 to 14.0% from 13.8% due to lower distribution and selling costs.

Sportswear:

Coalition Revenues declined 5% in the 2008 quarter and 6% in the nine month period of 2008 compared with the prior year. Revenues in our core *Nautica* brand sportswear business declined 10% in the third quarter of 2008 and 11% in the nine month period, driven by the exit of our women's wholesale sportswear business and challenging overall conditions in the department store channel. These declines were partially offset by significant revenue growth in our *Kipling* and *John Varvatos* businesses in both 2008 periods, including over 18% growth in each in the third quarter and over 20% growth in each in the nine month period.

Operating margins improved to 10.1% from 9.9% in the prior year quarter, with third quarter 2008 operating margins negatively impacted by 0.9% from cost reduction actions. The improved operating performance resulted from the exit of the women's wholesale sportswear business and benefits of recent cost reduction initiatives. Operating margins declined to 7.1% from 9.7% for the nine month period due to lower *Nautica* brand revenues without comparable expense reduction, plus a charge in the first quarter of 2008 to discontinue our *Nautica* women's wholesale sportswear business.

Contemporary Brands:

The Contemporary Brands Coalition was formed in August 2007 with two newly acquired businesses - Seven For All Mankind and Lucy activewear. This coalition in 2008 also includes the earnings from our one-third equity investment in Mo Industries Holdings, Inc. ("Mo Industries"), the owner and marketer of the *Splendid* and *Ella Moss* brands.

The Contemporary Brands Coalition operating margins of 11.6% in the third quarter and 14.3% for the first nine months of 2008 were driven by the high operating margins of Seven For All Mankind and our portion of the earnings of the *Splendid* and *Ella Moss* brands. Operating margins were negatively impacted by 6.2% in the third quarter of 2008 and 2.2% in the nine month period for a \$6.2 million charge related to an unremitted value-added tax and duty matter at Seven For All Mankind. Operating margins were 14.9%

during the period of our ownership in the third quarter of 2007. While not currently profitable, we expect results of our Lucy activewear business to improve as we increase our operating efficiencies.

Other:

The Other business segment includes the VF Outlet business unit of company-operated retail outlet stores in the United States that sell a broad selection of excess quantities of first quality VF products and other branded products. Revenues and profits of VF products are reported as part of the operating results of the applicable coalitions, while revenues and profits of non-VF products are reported in this business segment. The increase in revenues in the first nine months of 2008 was due to VF Outlet's sale of women's intimate apparel products obtained from independent suppliers following VF's sale of its intimate apparel business in April 2007 (whereas such revenues prior to April 2007 were reported as part of discontinued operations).

Reconciliation of Coalition Profit to Income from Continuing Operations before Income Taxes:

There are two types of costs necessary to reconcile total Coalition Profit, as discussed in the preceding paragraphs, to consolidated Income from Continuing Operations Before Income Taxes. These costs are (i) Corporate and Other Expenses, discussed below, and (ii) Interest, Net, which was discussed in the previous "Consolidated Statements of Income" section.

Corporate and Other Expenses consist of corporate headquarters expenses that are not allocated to the coalitions and certain other expenses related to but not allocated to the coalitions for internal management reporting, including development costs for management information systems, certain costs of maintaining and enforcing VF's trademarks and miscellaneous consolidating adjustments. The reduction in Corporate and Other Expenses in the nine month period ended September 2008 over the prior year period resulted primarily from lower stock-based and other incentive compensation.

Analysis of Financial Condition

Balance Sheets

Accounts Receivable at September 2008 increased 4% over the September 2007 balance, reflecting higher revenues in the third quarter of 2008. This increase was partially offset by an improvement in days' sales outstanding. Accounts Receivable are higher at September 2008 than at the end of 2007 due to seasonal sales patterns.

Inventories at September 2008 increased 4% over September 2007, which is in line with the forecasted revenue growth in the fourth quarter of 2008 over the prior year quarter. Inventory levels at September 2008 increased over December 2007 due to higher seasonal requirements of our businesses.

Property, Plant and Equipment increased at September 2008 over December 2007 and September 2007 because capital spending, including investments in retail stores, exceeded depreciation expense.

Total Intangible Assets and Goodwill at September 2008 increased over September 2007 as a result of the Lee Spain acquisition and foreign currency translation, offset in part by amortization. See Notes C, E and F to the Consolidated Financial Statements.

Other Assets increased at September 2008 over December 2007 and September 2007 due to a \$77.0 million investment in shares of the owner of the *Splendid* and *Ella Moss* brands in the second quarter. In addition, the September 2008 and December 2007 balances included the recognition of the overfunded status of our qualified defined benefit pension plan (based at both dates on our December 2007 plan valuation), whereas the plan was underfunded at September 2007 (based on our December 2006 valuation). These increases

were offset in part by lower values of investment securities held for deferred compensation plans at September 2008.

Short-term Borrowings at September 2008 consisted of \$362.5 million of domestic commercial paper borrowings and \$51.0 million of international borrowings. Overall, the extent of short-term borrowings varies throughout the year in relation to working capital requirements and other investing and financing activities. See the "Liquidity and Cash Flows" section below for a discussion of these items. Due to seasonal working capital flows and financing requirements, there is typically more need for external borrowings at the end of the third quarter than at our fiscal year-end.

Accounts Payable at September 2008 increased slightly over September 2007 due primarily to increased inventory levels discussed above. The Accounts Payable balance at December 2007 was higher than normal due to the timing of inventory purchases and payments to vendors at the end of 2007.

Accrued Liabilities increased at September 2008 from December 2007 due to (i) an increase in accrued income taxes resulting from higher profitability and timing of tax payments, (ii) seasonal increases and growth-related factors in our businesses and (iii) the Lee Spain acquisition in the third quarter of 2008. The September 2008 balance declined from September 2007 due to changes in accrued income tax balances, driven by higher estimated income tax payments, partially offset by the Lee Spain acquisition.

Total Long-term Debt, including the current portion, decreased at September 2008 and December 2007 from the level at September 2007 resulting from repayment of \$49.3 million of short-term international borrowings that had been classified as long-term at September 2007 because of our intent and ability to retain that amount as outstanding for the following twelve months. These short-term international borrowings were repaid due to higher cash generation than expected.

Other Liabilities were lower at September 2008 than both December 2007 and September 2007 due to lower deferred compensation liabilities. Also, Other Liabilities were lower at September 2008 and December 2007 than September 2007 due to the improved funded status of our defined benefit pension plans, offset by higher deferred income tax liabilities.

Liquidity and Cash Flows

The financial condition of VF is reflected in the following:

(Dollars in millions)	September 2008	December 2007	September 2007
Working capital	\$1,691.1	\$1,510.7	\$1,431.7
Current ratio	2.2 to 1	2.3 to 1	1.9 to 1
Debt to total capital ratio	28.8%	26.4%	33.7%

For the ratio of debt to total capital, debt is defined as short-term and long-term borrowings, and total capital is defined as debt plus common stockholders' equity. Our ratio of net debt to total capital, with net debt defined as debt less cash and equivalents, was 25.7% at September 2008.

On an annual basis, VF's primary source of liquidity is its strong cash flow provided by operating activities. Cash provided by operating activities is primarily dependent on the level of net income and changes in investments in inventories and other working capital components. Our cash flow from operations is typically

low in the first half of the year as we build working capital to service our operations in the second half of the year. Cash provided by operating activities is substantially higher in the fourth quarter of the year as we collect accounts receivable arising from our higher seasonal wholesale sales in the third quarter. In addition, cash flows from our direct-to-consumer businesses are significantly higher in the fourth quarter of the year.

For the nine months through September 2008, cash provided by operating activities was \$59.8 million, compared with cash provided by operating activities of \$165.8 million in the comparable 2007 period. The decrease in cash provided by operating activities was driven by the net change in operating asset and liability components, which was a usage of funds of \$582.9 million for the nine months ended September 2008, compared with a usage of funds of \$452.3 million for the comparable period ended September 2007. This additional usage of funds in the first nine months of 2008 was primarily due to an increase in payments to vendors as a result of a higher than normal accounts payable balance at the end of 2007. See the discussion of accounts payable in the "Balance Sheets" section above.

To finance our ongoing operations and unusual circumstances that may arise, we rely on our continued strong cash flow from operations. In addition, VF has liquidity from its available cash balances and debt capacity, supported by its strong credit rating. At the end of September 2008, \$625.9 million was available for borrowing under VF's \$1.0 billion senior unsecured committed domestic revolving bank credit facility. There was \$362.5 million of commercial paper outstanding and \$11.6 million of standby letters of credit issued under this agreement. We have not drawn down any funds on this facility. Also at the end of September 2008, €250.0 million (U.S. dollar equivalent of \$366.4 million) was available for borrowing under VF's senior unsecured committed international revolving bank credit facility.

The investing activities in the first nine months of 2008 included the \$14.9 million cash component of the Lee Spain acquisition and \$77.0 million purchase of one-third of the shares of Mo Industries, owner of the *Splendid*[®] and *Ella Moss*[®] brands. We have an option to purchase the remaining shares of Mo Industries and have granted the other stockholders of Mo Industries an option to require us to purchase all of their stock in 2009, with the purchase price based on their 2008 earnings. If we were to acquire the remaining shares, the purchase price of those shares, plus any net debt assumed, would be subject to a maximum amount of \$225 million. The other significant investing activity in the first nine months of 2008 was capital spending, primarily related to retail initiatives. We expect that capital spending could reach \$120 million for the full year of 2008, which will be funded by operating cash flows.

In October 2007, Standard & Poor's Ratings Services affirmed its 'A minus' corporate credit rating, 'A-2' commercial paper rating and 'stable' outlook for VF. Standard & Poor's also assigned its 'A minus' senior unsecured debt rating to VF's \$600.0 million unsecured senior notes issued in October 2007. In August 2007, Moody's Investors Service affirmed VF's long-term debt rating of 'A3', commercial paper rating of 'Prime-2' and 'stable' outlook. Existing long-term debt agreements do not contain acceleration of maturity clauses based solely on changes in credit ratings. However, for the \$600.0 million of senior notes issued in 2007, if there were a change in control of VF and, as a result of the change in control, the notes were rated below investment grade by recognized rating agencies, then VF would be obligated to repurchase the notes at 101% of the aggregate principal amount of notes repurchased, plus any accrued and unpaid interest.

During the first nine months of 2008, VF purchased 2.0 million shares of its Common Stock in open market transactions at a cost of \$149.7 million (average price of \$74.86 per share) and in the first nine months of 2007 purchased 4.1 million shares at a cost of \$350.0 million (average price of \$85.03 per share). Share repurchase activity during the first nine months of 2008 reduced the total remaining authorization approved by the Board of Directors to 3.2 million shares as of the end of September 2008. The primary objective of our share repurchase program is to offset, on a long-term basis, dilution caused by awards under equity compensation plans. We will continue to evaluate future share repurchases by comparing to the benefits of business acquisitions.

Management's Discussion and Analysis in our 2007 Form 10-K provided a table summarizing VF's contractual obligations and commercial commitments at the end of 2007 that would require the use of funds. Since the filing of our 2007 Form 10-K, there have been no material changes, except as noted below, relating to VF's contractual obligations and commercial commitments that will require the use of funds:

- Inventory purchase obligations represent binding commitments to purchase finished goods, raw materials and sewing labor in the ordinary course of business. These commitments increased by approximately \$20 million at the end of September 2008 to support the growth of our businesses.
- Operating leases represent required minimum lease payments. These commitments increased by approximately \$85 million at the end of September 2008, driven by leases for additional retail stores.
- Minimum royalty and other commitments decreased by approximately \$70 million at the end of September 2008 due to payments made under the agreements.

During the first nine months and extending into the fourth quarter of 2008, the fair value of investments in our qualified defined benefit pension plan declined due to disruption in the global capital and credit markets. Management is continually evaluating current credit market conditions and, along with its independent actuary, is evaluating the impact of those conditions on our pension plan's assets and liabilities. If our plan's investment portfolio does not recover its losses before our next plan measurement date at the end of 2008 and if the extent of the effects of any decline in asset values are not offset by the effects of a possible increase in the discount rate used to value the plan's obligations to participants, it is likely that (i) the reduction in the plans' funded status will result in charges to Other Comprehensive Income at December 2008, (ii) our pension expense in 2009 will increase, and (iii) VF will be required to make funding contributions to the plan in 2009.

Management believes that VF's cash balances and funds provided by operating activities, as well as unused committed bank credit lines, additional borrowing capacity and access to equity markets, taken as a whole, provide (i) adequate liquidity to meet all of its current and long-term obligations when due, (ii) adequate liquidity to fund capital expenditures and to maintain our dividend payout policy and (iii) flexibility, depending on capital market conditions, to meet investment opportunities that may arise.

VF does not participate in transactions with unconsolidated entities or financial partnerships established to facilitate off-balance sheet arrangements or other limited purposes.

Critical Accounting Policies and Estimates

We have chosen accounting policies that we believe are appropriate to accurately and fairly report VF's operating results and financial position in conformity with accounting principles generally accepted in the United States. We apply these accounting policies in a consistent manner. Our significant accounting policies are summarized in Note A to the Consolidated Financial Statements included in our 2007 Form 10-K.

The application of these accounting policies requires that we make estimates and assumptions about future events and apply judgments that affect the reported amounts of assets, liabilities, revenues, expenses, contingent assets and liabilities, and related disclosures. These estimates, assumptions and judgments are based on historical experience, current trends and other factors believed to be reasonable under the circumstances. We evaluate these estimates and assumptions and may retain outside consultants to assist in our evaluation. If actual results ultimately differ from previous estimates, the revisions are included in results of operations in the period in which the actual amounts become known.

The accounting policies that involve the most significant estimates, assumptions and management judgments used in preparation of our consolidated financial statements, or are the most sensitive to change from outside

factors, are discussed in Management's Discussion in our 2007 Form 10-K. There have been no material changes in these policies, except for those mentioned in Note B to the Consolidated Financial Statements.

Cautionary Statement on Forward-Looking Statements

From time to time, we may make oral or written statements, including statements in this Quarterly Report that constitute "forward-looking statements" within the meaning of the federal securities laws. These include statements concerning plans, objectives, projections and expectations relating to VF's operations or economic performance, and assumptions related thereto. Forward-looking statements are made based on our expectations and beliefs concerning future events impacting VF and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and actual results could differ materially from those expressed or implied in the forward-looking statements.

Potential risks and uncertainties that could cause the actual results of operations or financial condition of VF to differ materially from those expressed or implied by forward-looking statements in this Quarterly Report on Form 10-Q include VF's reliance on a small number of large customers; the financial strength of VF's customers; changing fashion trends and consumer demand; increasing pressure on margins; VF's ability to implement its growth strategy; VF's ability to grow its international and direct-to-consumer businesses; VF's ability to successfully integrate and grow acquisitions; VF's ability to maintain the strength and security of its information technology systems; stability of VF's manufacturing facilities and foreign suppliers; continued use by VF's suppliers of ethical business practices; VF's ability to accurately forecast demand for products; continuity of members of VF's management; VF's ability to protect trademarks and other intellectual property rights; maintenance by VF's licensees and distributors of the value of VF's brands; the overall level of consumer spending; disruption and volatility in the global capital and credit markets; general economic conditions and other factors affecting consumer confidence; fluctuations in the price, availability and quality of raw materials and contracted products; foreign currency fluctuations; and legal, regulatory, political and economic risks in international markets. More information on potential factors that could affect VF's financial results is included from time to time in VF's public reports filed with the Securities and Exchange Commission, including VF's Annual Report on Form 10-K.

Item 3 — Quantitative and Qualitative Disclosures about Market Risk

There have been no significant changes in VF's market risk exposures from what was disclosed in Item 7A in our 2007 Form 10-K.

Item 4 — Controls and Procedures

Disclosure controls and procedures:

Under the supervision of our Chief Executive Officer and Chief Financial Officer, a Disclosure Committee comprising various members of management has evaluated the effectiveness of the disclosure controls and procedures at VF and its subsidiaries as of the end of the period covered by this Quarterly Report (the "Evaluation Date"). Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded as of the Evaluation Date that such controls and procedures were effective.

Changes in internal control over financial reporting:

There have been no changes during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, VF's internal control over financial reporting.

Part II — Other Information

Item 1A — Risk Factors

Except for the item below, there have been no material changes to our risk factors from those disclosed in our 2007 Form 10-K.

Global capital and credit markets conditions, and resulting declines in consumer confidence and spending, could have an adverse effect on VF's operating results. Further, the conditions in the global capital and credit markets could have an adverse effect on VF's ability to access those markets.

Volatility and disruption in the global capital and credit markets reached unprecedented levels during the third quarter of 2008 and extending into the fourth quarter. This market turmoil has led to failures of major financial institutions, government intervention in the capital markets, a tightening of business credit and liquidity, a contraction of consumer credit, higher unemployment and declines in consumer confidence and spending. The economic downturn in the United States and in many international markets could have an adverse effect on demand for our products and on the financial condition of some of our wholesale customers. Global economic conditions could continue to deteriorate and remain weak for an extended period of time, which could have a material adverse effect on VF's financial condition, results of operations and ability to access the capital and credit markets.

Item 2 — Unregistered Sales of Equity Securities and Use of Proceeds

(c) Issuer purchases of equity securities:

Fiscal Period	Total Number of Shares Purchased	Weighted Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (1)
June 29 - July 26, 2008	—	\$ —	—	3,204,000
July 27 - August 23, 2008	—	—	—	3,204,000
August 24 - September 27, 2008	—	—	—	3,204,000
Total	—	—	—	—

- (1) Under the Mid-Term Incentive Plan implemented under VF's 1996 Stock Compensation Plan, VF must withhold from the shares of Common Stock issuable in settlement of a participant's performance-based restricted stock units the number of shares having an aggregate fair market value equal to any minimum statutory federal, state and local withholding or other tax that VF is required to withhold, unless the participant has made other arrangements to pay such amounts. There were no shares withheld under the Mid-Term Incentive Plan during the third quarter of 2008.

Item 6 — Exhibits

- 10.1 VF 2004 Mid-Term Incentive Plan, as amended July 14, 2008
- 10.2 The Form of Indemnification Agreement with each of VF's non-employee Directors
- 10.3 Executive Deferred Savings Plan II, as amended and restated to be effective January 1, 2009
- 31.1 Certification of the principal executive officer, Eric C. Wiseman, pursuant to 15 U.S.C. Section 10A, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification of the principal financial officer, Robert K. Shearer, pursuant to 15 U.S.C. Section 10A, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification of the principal executive officer, Eric C. Wiseman, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification of the principal financial officer, Robert K. Shearer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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 thereunto duly authorized.

V.F. CORPORATION
(Registrant)

By: /s/ Robert K. Shearer
Robert K. Shearer
Senior Vice President and Chief Financial Officer
(Chief Financial Officer)

Date: November 5, 2008

By: /s/ Bradley W. Batten
Bradley W. Batten
Vice President - Controller
(Chief Accounting Officer)

VF CORPORATION

2004 Mid-Term Incentive Plan, as amended July 14, 2008

1. **Purposes.** This 2004 Mid-Term Incentive Plan (the “Plan”) of VF Corporation (the “Company”), as amended July 14, 2008, is implemented under the Company’s 1996 Stock Compensation Plan (the “1996 Plan”). The Plan, which replaces, for periods beginning on and after January 1, 2004, the Mid-Term Incentive Plan adopted in 1999, is intended to provide an additional means to attract and retain talented executives, to link a significant element of executives’ compensation opportunity to the Company’s performance over more than one year, thereby providing an incentive for successful long-term strategic management of the Company, and otherwise to further the purposes of the 1996 Plan.

2. **Status as Subplan Under the 1996 Plan; Administration.** This Plan is a subplan implemented under the 1996 Plan, and will be administered by the Compensation Committee of the Board of Directors in accordance with the terms of the 1996 Plan. All of the terms and conditions of the 1996 Plan are hereby incorporated by reference in this Plan, and if any provision of this Plan or an agreement evidencing an award hereunder conflicts with a provision of the 1996 Plan, the provision of the 1996 Plan shall govern. Capitalized terms used in this Plan but not defined herein shall have the same meanings as defined in the 1996 Plan.

3. **Certain Definitions.** In addition to terms defined above and in the 1996 Plan, the following are defined terms under this Plan:

(a) “Account” means the account established for a Participant under Section 7(a).

(b) “Administrator” means the officers and employees of the Company responsible for the day-to-day administration of the Plan and to which other authority may be delegated under Section 10(b). Unless otherwise specified by the Committee, the Administrator shall be the VF Corporation Pension Plan Committee.

(c) “Cause” means (i), if the Participant has an Employment Agreement defining “Cause,” the definition under such Employment Agreement, or (ii), if the Participant has no Employment Agreement defining “Cause,” the Participant’s gross misconduct, meaning (A) the Participant’s willful and continued refusal substantially to perform his or her duties with the Company (other than any such refusal resulting from his or her incapacity due to physical or mental illness), after a demand for substantial performance is delivered to the Participant by the Board of Directors which specifically identifies the manner in which the Board believes that the Participant has refused to perform his or her duties, or (B) the willful engaging by the Participant in gross misconduct materially and demonstrably injurious to the Company. For purposes of this definition, no act or failure to act on the Participant’s part shall be considered “willful” unless done, or omitted to be done, by the Participant not in good faith and without reasonable belief that his or her action or omission was in the best interest of the Company.

(d) “Covered Employee” means a Participant determined by the Committee to be

likely to be a named executive officer of the Company in the year compensation under the Plan will become payable and whose compensation in that year likely could be non-deductible under Section 162(m) of the Internal Revenue Code, such that the Committee has determined that compensation to such Participant under the Plan should qualify as “performance-based compensation” for purposes of Section 162(m).

(e) “Disability” means (i), if the Participant has an Employment Agreement defining “Disability,” the definition under such Employment Agreement, or (ii), if the Participant has no Employment Agreement defining “Disability,” the Participant’s incapacity due to physical or mental illness resulting in the Participant’s absence from his or her duties with the Company on a full-time basis for 26 consecutive weeks, and, within 30 days after written notice of termination has been given by the Company, the Participant has not returned to the full-time performance of his or her duties.

(f) “Dividend Equivalents” means credits in respect of each PRSU representing an amount equal to the dividends or distributions declared and paid on a share of Common Stock, subject to Section 7(b).

(g) “Employment Agreement” means a written agreement between the Company and a Participant securing the Participant’s services as an employee for a period of time and in effect at the later of the time of the Participant’s Designation of Participation (as defined below) or December 31, 2008 or, if no such agreement is then in effect, an agreement providing severance benefits to the Participant upon termination of employment in effect at the later of the time of the Participant’s Designation of Participation or December 31, 2008 (including for this purpose an agreement providing such benefits only during a period following a defined change in control, whether or not a change in control in fact has occurred prior to the Participant’s Termination of Employment).

(h) “Good Reason” means “Good Reason” as defined in the Participant’s Employment Agreement. If the Participant has no such Employment Agreement, no circumstance will constitute “Good Reason” for purpose of this Plan.

(i) “Participant” means an Employee participating in this Plan.

(j) “Performance Cycle” means the period specified by the Committee over which a designated amount of PRSUs potentially may be earned. Performance Cycles generally will be periods comprising three consecutive fiscal years of the Company.

(k) “Performance Goal” means the performance required to be achieved as a condition of earning of PRSUs under the Plan. As specified in Section 6(a), for each Participant who is a Covered Employee in a given Performance Cycle, the Performance Goal will include at least two components, a “Pre-Set Goal” which must be met in order for any amount to be earned and one or more “Challenge Goals” which will then determine the amount of PRSUs such Participant will earn for the Performance Cycle, and for each Participant who is not a Covered Employee in a given Performance Cycle, the Performance Goal may but is not required to include the Pre-Set Goal and will include one or more Challenge Goals which will then

determine the amount of PRSUs such Participant will earn for the Performance Cycle.

(l) "PRSU" or "Performance Restricted Stock Unit" means a Stock Unit which is potentially earnable by a Participant hereunder upon achievement of the Performance Goal. PRSUs that have been earned but deferred at the election of the Participant continue to be referred to as PRSUs under the Plan, with the understanding that such PRSUs are no longer forfeitable upon Termination of Employment or based on performance.

(m) "Pro Rata Portion" means a portion of a specified number of PRSUs potentially earnable in a given Performance Cycle determined by multiplying such number of PRSUs by a fraction the numerator of which is the number of calendar days from the beginning of the Performance Cycle until a specified Proration Date and the denominator of which is the number of calendar days in the Performance Cycle.

(n) "Stock Unit" means a bookkeeping unit which represents a right to receive one share of Common Stock upon settlement, together with a right to accrual of additional Stock Units as a result of Dividend Equivalents as specified in Section 7(b), subject to the terms and conditions of this Plan. Stock Units, which constitute an award under Article IX of the 1996 Plan (including Section 9.6 thereof), are arbitrary accounting measures created and used solely for purposes of this Plan, and do not represent ownership rights in the Company, shares of Common Stock, or any asset of the Company.

(o) "Target PRSUs" means a number of PRSUs designated as a target number that potentially may be earned by a Participant in a given Performance Cycle.

(p) "Termination of Employment" means the Participant's termination of employment with the Company or any of its subsidiaries or affiliates in circumstances in which, immediately thereafter, the Participant is not employed by the Company or any of its subsidiaries or affiliates; provided, however, that in the case of any PRSUs that constitute a deferral of compensation, Termination of Employment shall mean a "separation from service" as defined in Treasury Regulation § 1.409A-1(h). The date of Termination of Employment will be determined without giving effect to any period during which severance payments may be made to a Participant, unless otherwise specifically stated herein.

4. Shares Available Under the Plan. Shares issuable or deliverable in settlement of PRSUs shall be drawn from the 1996 Plan. The Committee will monitor share usage under this Plan and the 1996 Plan to ensure that shares are available for settlement of PRSUs in compliance with the requirements of the 1996 Plan.

5. Eligibility. Employees who are eligible to participate in the 1996 Plan may be selected by the Committee to participate in this Plan.

6. Designation and Earning of PRSUs.

(a) *Designation of PRSUs, Pre-Set Goals, Challenge Goals and Related Terms.* Not later than 90 days after the beginning of a Performance Cycle (except that this time

limitation will not apply in the case of a Participant other than a Covered Employee), the Committee shall (i) select Employees to participate in the Performance Cycle, (ii) designate the Pre-Set Goal (to the extent applicable) for the Performance Cycle, and (iii) designate for each Participant the number of Target PRSUs and the range of PRSUs the Participant shall have the opportunity to earn in such Performance Cycle. The time at which these terms have been designated for a given Participant shall be the Participant's "Designation of Participation" for the specified Performance Cycle, except that with respect to any designation made not later than 90 days after the beginning of a Performance Cycle, the Designation of Participation shall be the commencement date of the Performance Cycle. The number of PRSUs potentially earnable by each Participant shall range from 0% to a maximum percentage of a specified number of Target PRSUs, subject to the following provisions:

- (A) In no event may the number of PRSUs that may be potentially earnable by any one Participant in all Performance Cycles that begin in any one calendar year exceed the applicable annual per-person limitation set forth in Section 5.3 of the 1996 Plan; and
- (B) The maximum percentage of the number of Target PRSUs that may be earned shall be 200% of the number of Target PRSUs, unless the Committee specifies a lesser percentage.

The Pre-Set Goal is intended to be a "Performance Objective" within the meaning of Section 9.3 of the 1996 Plan, in order to qualify PRSUs as "performance-based compensation" under Section 162(m) of the Code. Accordingly, the Pre-Set Goal shall be based on one or more of the performance criteria specified in Section 9.3 of the 1996 Plan. If the Pre-Set Goal applicable to a Participant who is a Covered Employee (or if so specified for a Participant who is not a Covered Employee) for a Performance Cycle is not achieved, no PRSUs may be earned by the Participant for such Performance Cycle. In addition, the Committee may at any time, in its discretion, specify the Challenge Goals applicable to one or more years of the Performance Cycle. Challenge Goals may be specified as a table, grid, or formula that sets forth the amount of PRSUs that will be earned upon achievement of a specified level of performance during all or part of the Performance Cycle (subject to the requirement that the Pre-Set Goal has been achieved, in the case of a Participant who is a Covered Employee or if so specified by the Committee for other Participants). For purposes of Section 162(m) of the Code, the Committee is authorized to treat the maximum percentage of PRSUs as earned upon achievement of the Pre-Set Goal, so specification of the Challenge Goals and related terms represents an exercise of negative discretion by the Committee.

(b) **Adjustments to Performance Goal.** The Committee may provide for adjustments to the Performance Goal, to reflect changes in accounting rules, corporate structure or other circumstances of the Company, for the purpose of preventing dilution or enlargement of Participants' opportunity to earn PRSUs hereunder; provided, however, that no adjustment shall be authorized if and to the extent that such authorization or adjustment would cause the Pre-Set Goal applicable to a Participant who is a Covered Employee not to meet the "performance goal requirement" set forth in Treasury Regulation 1.162-27(e)(2) under the Code.

(c) **Determination of Number of Earned PRSUs.** Not later than 75 days after the end of each Performance Cycle, the Committee shall determine the extent to which the Performance Goal for the earning of PRSUs was achieved during such Performance Cycle and the number of PRSUs earned by each Participant for the Performance Cycle. The Committee shall make written determinations that any Pre-Set Goal and Challenge Goals and any other material terms relating to the earning of PRSUs were in fact satisfied. The date at which the Committee makes a final determination of PRSUs earned with respect to a given Performance Cycle will be the "Earning Date" for such Performance Cycle. The Committee may adjust upward or downward the number of PRSUs earned, in its discretion, in light of such considerations as the Committee may deem relevant (but subject to applicable limitations of the 1996 Plan, as referenced in Section 6(a) of this Plan), provided that, with respect to a Participant who is a Covered Employee, no upward adjustment may be made if the Pre-Set Goal has not been achieved and adjustments otherwise shall comply with applicable requirements of Treasury Regulation 1.162-27(e) under the Code.

7. Certain Terms of PRSUs.

(a) **Accounts.** The Company shall maintain a bookkeeping account for each Participant reflecting the number of PRSUs then credited to the Participant hereunder. The Account may include subaccounts or other designations showing, with respect to separate Performance Cycles, PRSUs that remain potentially earnable, PRSUs that have been earned but deferred, and other relevant information. Fractional PRSUs shall be credited to at least three decimal places for purposes of this Plan, unless otherwise determined by the Administrator.

(b) **Dividend Equivalents and Adjustments.** Unless otherwise determined by the Administrator, Dividend Equivalents shall be paid or credited on PRSUs that have been earned as follows:

- (i) **Regular Cash Dividends.** At the time of settlement of PRSUs under Section 9, the Administrator shall determine the aggregate amount of regular cash dividends that would have been payable to the Participant, based on record dates for dividends since the beginning of the Performance Cycle (or, if later, the date of the Participant's Designation of Participation), if the earned PRSUs then to be settled had been outstanding shares of Common Stock at such record date (without compounding of dividends but adjusted to account for splits and other extraordinary corporate transactions). Such aggregate cash amount will be converted to a number of shares by dividing the amount by the Fair Market Value of a share of Common Stock at the settlement date.
- (ii) **Common Stock Dividends and Splits.** If the Company declares and pays a dividend or distribution on Common Stock in the form of additional shares of Common Stock, or there occurs a forward split of Common Stock, then the number of PRSUs credited to each Participant's Account and potentially earnable hereunder as of the payment date for such dividend or distribution or forward split shall be automatically adjusted by multiplying the number of PRSUs credited to the Account or potentially earnable as of the record date for such dividend or distribution or split by the number of additional shares of Common Stock actually

paid as a dividend or distribution or issued in such split in respect of each outstanding share of Common Stock.

- (iii) *Adjustments.* If the Company declares and pays a dividend or distribution on Common Stock that is not a regular cash dividend and not in the form of additional shares of Common Stock, or if there occurs any other event referred to in Article XI of the 1996 Plan, the Committee may determine to adjust the number of PRSUs credited to each Participant's Account and potentially earnable hereunder, in order to prevent dilution or enlargement of Participants' rights with respect to PRSUs.

(c) *Statements.* An individual statement relating to a Participant's Account will be issued to the Participant not less frequently than annually. Such statement shall report the amount of PRSUs potentially earnable and the number of PRSUs earned and remaining credited to Participant's Account (i.e., not yet settled), transactions therein during the period covered by the statement, and other information deemed relevant by the Administrator. Such statement may be combined with or include information regarding other plans and compensatory arrangements affecting the Participant. A Participant's statements may evidence the Company's obligations in respect of PRSUs without the need for the Company to enter into a separate agreement relating to such obligations; provided, however, that any statement containing an error shall not represent a binding obligation to the extent of such error.

8. Effect of Termination of Employment.

(a) *Termination Prior to Performance Cycle Earning Date.* Except to the extent set forth in subsections (i) through (v) of this Section 8(a), upon a Participant's Termination of Employment prior to the Earning Date with respect to a given Performance Cycle all unearned PRSUs relating to such Performance Cycle shall cease to be earnable and shall be canceled and forfeited, and Participant shall have no further rights or opportunities hereunder:

- (i) *Retirement.* If Termination of Employment is due to the Retirement (as defined in the 1996 Plan) of the Participant, the Participant shall be entitled to receive settlement of a Pro Rata Portion of the total number of PRSUs the Participant is deemed to have earned in accordance with this Section 8(a)(i), with the Proration Date (used to calculate the Pro Rata Portion) being the date of Retirement, except that PRSUs relating to any Performance Cycle beginning in 2009 or later that has not completed one full year as of the date of Termination of Employment will not be earnable and will be cancelled as of the date of Termination of Employment. The settlement of PRSUs shall occur promptly (and in any event not later than March 15) following completion of the fiscal year of the Company in which the Termination of Employment occurs. Performance for any open Performance Cycle shall be deemed to be the average performance achieved for the fiscal year(s) completed prior to the date of settlement. Any deferral election filed by the Participant shall be effective and apply to the settlement of the PRSUs.
- (ii) *Death or Disability.* If Termination of Employment is due to the Participant's

death or Disability, the Participant in the case of Disability or the Participant's Beneficiary in the case of death shall be entitled to receive settlement of a Pro Rata Portion of the total number of PRSUs the Participant is deemed to have earned in accordance with this Section 8(a)(ii), with the Proration Date (used to calculate the Pro Rata Portion) being the date of death or Termination due to Disability. The settlement of PRSUs shall occur promptly (and in any event not later than March 15) following completion of the fiscal year of the Company in which the date of death or Termination due to Disability occurs. Performance for any open Performance Cycle shall be deemed to be the average performance achieved for the fiscal year(s) completed prior to the date of settlement. Any deferral election filed by the Participant shall have no effect on the settlement of the PRSUs.

- (iii) *Involuntary Termination By the Company Not for Cause Prior to a Change in Control.* If Termination of Employment is an involuntary separation by the Company not for Cause prior to a Change in Control, the Participant shall be entitled to receive settlement of a Pro Rata Portion of the total number of PRSUs the Participant is deemed to have earned in accordance with this Section 8(a)(iii), with the Proration Date (used to calculate the Pro Rata Portion) being the earlier of (A) the last day of the payroll period with respect to which a severance payment in the nature of salary continuation has been made and (B) the last day of the Performance Cycle. If no severance payments are to be made, the applicable Proration Date shall be the date of Termination of Employment. In all cases under this Section 8(a)(iii), PRSUs relating to any Performance Cycle beginning in 2009 or later or, with respect to the 2008 -2010 Performance Cycle, as to which the Participant has been designated a participant after July 1, 2008, in which the Participant has not participated for twelve months as of the date of Termination of Employment (i.e., Termination occurs within 12 months after the Participant's Designation of Participation) will not be earnable and will be cancelled as of the date of Termination of Employment. The settlement of PRSUs shall occur promptly (and in any event not later than March 15) following completion of the fiscal year of the Company in which the Proration date occurs. Performance for any open Performance Cycle shall be deemed to be the average performance achieved for the fiscal year(s) completed prior to the date of settlement. Any deferral election filed by the Participant shall have no effect on the settlement of the PRSUs.
- (iv) *At or Following a Change in Control, Involuntary Termination By the Company Not for Cause or by Participant for Good Reason.* If Termination of Employment occurs at or after a Change in Control and is an involuntary separation by the Company not for Cause or a Termination by the Participant for Good Reason, the Participant shall be entitled to receive settlement of the total number of PRSUs the Participant is deemed to have earned in accordance with this Section 8(a)(iv), promptly (and in any event within 30 days) following the date of Termination of Employment. The amount of the settlement shall assume that the Participant has remained with the Company through the completion of each open Performance

Cycle and that the performance achieved by the Company for each such Performance Cycle is the average of the performance achieved for the completed year(s) in such Performance Cycle if greater than 100% (i.e., the performance required to earn at least the Target PRSUs), or, if such average is less than 100%, the performance achieved shall be deemed to be the average of the actual performance for the completed year(s) in such Performance Cycle (if any) together with performance for years not yet complete being deemed to be 100% of target performance. Any deferral election filed by the Participant shall have no effect on the settlement of the PRSUs.

- (v) *Termination by the Company for Cause or Voluntary Termination by the Participant.* If Termination of Employment is either by the Company for Cause or voluntary by the Participant (excluding a Termination for Good Reason following a Change in Control), PRSUs relating to each Performance Cycle which has not yet ended or reached its Earning Date will cease to be earnable and will be canceled.

The foregoing provisions notwithstanding, if any PRSUs constitute a deferral of compensation for purposes of Code Section 409A, and (i) such PRSUs would be settled at a date related to a Termination of Employment under this Section 8(a) (or in connection with a permitted elective deferral of the PRSUs), (ii) such settlement date would be within six months after the Termination of Employment, (iii) the Company at the date of Termination has any class of securities traded in a public trading market, and (iv) the Participant is a "Specified Employee" at the date of Termination of Employment under Code Section 409A, then the settlement date will be delayed until the date six months after Termination of Employment. PRSUs for a given Performance Cycle each will be deemed a separate payment for purposes of Code Section 409A. It is intended that PRSUs that are not electively deferred hereunder constitute short-term deferrals under Treasury Regulation § 1.409A-1(b)(4), unless otherwise specifically designated by the Company in the case of a specified Participant.

(b) *Termination After Performance Cycle Earning Date.* Upon a Participant's Termination of Employment at or after the Earning Date with respect to a given Performance Cycle, all PRSUs resulting from such Performance Cycle shall be settled in accordance with Section 9(a) as promptly as practicable after such Termination, except that, if the Participant has timely filed an irrevocable election to defer settlement of PRSUs following a Termination of Employment due to Retirement or Disability, such PRSUs shall be settled in accordance with such deferral election.

(c) *Release.* Any settlement of PRSUs following Termination of Employment may be delayed by the Committee if the Participant's Employment Agreement or any policy of the Committee then in effect conditions such settlement or severance payments upon the Company receiving a full and valid release of claims against the Company.

9. Settlement of PRSUs.

(a) **Settlement If PRSUs Not Deferred.** Not later than the Earning Date for each Performance Cycle, the Committee shall settle all PRSUs earned in respect of such Performance Cycle, other than PRSUs deferred under Section 9(b) or settled as specified in Section 8, by issuing and/or delivering to the Participant one share of Common Stock for each PRSU being settled. Such issuance or delivery shall occur as promptly as practicable after the Earning Date for the Performance Cycle.

(b) **Deferral of PRSUs.** If and to the extent authorized by the Committee, at any time on or before such date as may be specified by the Administrator, the Participant may elect to defer settlement of PRSUs to a date (i) later than the Earning Date for the Performance Cycle to which the PRSUs relate or (ii) later than Termination of Employment due to Retirement or Disability, as specified by the Participant; provided, however, that an optional deferral shall be subject to such additional restrictions and limitations as the Committee or Administrator may from time to time specify, including for purposes of ensuring that the Participant will not be deemed to have constructively received compensation in connection with such deferral. Dividend equivalents shall accrue on deferred PRSUs and shall be paid in cash annually to the Participant at an annual payment date set by the Administrator, without interest or compounding. Other provisions of the Plan notwithstanding, if any legislation or regulation imposes requirements on elective non-qualified deferred compensation that are inconsistent with the Plan and procedures hereunder, if Participants are not afforded an opportunity under such legislation or regulation to withdraw or modify their prior elections or deferred compensation resulting therefrom, then (i) if the prior deferrals can be automatically modified to conform to the requirements of the legislation or regulation with the Participant being deemed not to be in constructive receipt of the deferred compensation, then such modification automatically shall be in effect, and (ii) if not, then such deferral will immediately end and the deferred PRSUs shall be promptly settled in accordance with the Plan; provided, however, that if a Participant would be deemed to be in constructive receipt of any deferred amounts solely because of this provision, the provision shall be void and of no effect.

(c) **Creation of Rabbi Trust.** If and to the extent authorized by the Committee, the Company may create one or more trusts and deposit therein Common Stock or other property for delivery to the Participant in satisfaction of the Company's obligations hereunder. Any such trust shall be a "rabbi" trust that shall not jeopardize the status of the Participant's rights hereunder as "unfunded" deferred compensation for federal income tax purposes. If so provided by the Committee, upon the deposit by the Committee of Common Stock in such a trust, there shall be substituted for the rights of the Participant to receive settlement by issuance and/or delivery of Common Stock under this Agreement a right to receive property of the same type as and equal in value to the assets of the trust (to the extent that such assets represent the full amount of the Company's obligation at the date of deposit). The trustee of the trust shall not be permitted to diversify trust assets by voluntarily disposing of shares of Common Stock in the trust and reinvesting proceeds, but such trustee may be authorized to dispose of other trust assets and reinvest the proceeds in alternative investments, subject to such terms, conditions, and limitations as the Committee may specify, including for the purpose of avoiding adverse accounting consequences to the Company, and in accordance with applicable law.

(d) **Settlement of PRSUs at the End of the Deferral Period.** Not later than 15 days

after the end of any elective period of deferral or immediately in the case of a deferral period ending upon a Change in Control, the Company will settle all PRSUs then credited to a Participant's Account by issuing and/or delivering to the Participant one share of Common Stock for each PRSU being settled. Any deferral period will end on an accelerated basis immediately prior to a Change in Control, except as limited under Section 9(b).

(e) **Manner of Settlement.** The Committee or Administrator may, in its or his or her sole discretion, determine the manner in which shares of Common Stock shall be delivered by the Company, including the manner in which fractional shares shall be dealt with; provided, however, that no certificate shall be issued representing a fractional share. In furtherance of this authority, PRSUs may be settled by the Company issuing and delivering the requisite number of shares of Common Stock to a member firm of the New York Stock Exchange which is also a member of the National Association of Securities Dealers, as selected by the Company from time to time, which shares shall be deposited by such member firm in separate brokerage accounts for each Participant. If there occurs any delay between the settlement date and the date shares are issued or delivered to the Participant, a cash amount equal to any dividends or distributions the record date for which fell between the settlement date and the date of issuance or delivery of the shares shall be paid to the Participant together with the delivery of the shares.

(f) **Settlement of PRSUs Held by Non-US Residents.** Other provisions of the Plan (including Section 9(e)) notwithstanding, PRSUs credited to the Account of a Participant who resides in or is subject to income tax laws of a country other than the United States may be settled in cash, in the discretion of the Committee. The cash amount payable in settlement of each PRSU shall equal the Fair Market Value of a share at the date of not more than five business days before the date of settlement. The Committee is authorized to vary the terms of participation of such foreign Participants in any other respect (including in ways not consistent with the express provisions of the Plan) in order to conform to the laws, regulations, and business customs of a foreign jurisdiction.

(g) **Tax Withholding.** The Company shall deduct from any settlement of a Participant's PRSUs and cash dividends paid in respect of any deferred PRSUs any Federal, state, or local withholding or other tax or charge which the Company is then required to deduct under applicable law. In furtherance of this requirement, the Company shall withhold from the shares of Common Stock issuable or deliverable in settlement of a Participant's PRSUs the number of shares having an aggregate Fair Market Value equal to any Federal, state, and local withholding or other tax or charge which the Company is required to withhold under applicable law, unless the Participant has otherwise elected and has made other arrangements satisfactory to the Company to pay such withholding amounts.

(h) **Non-Transferability.** Unless otherwise determined by the Committee, neither a Participant nor any beneficiary shall have the right to, directly or indirectly, alienate, assign, transfer, pledge, anticipate, or encumber (except by reason of death) any PRSU, Account or Account balance, or other right hereunder, nor shall any such PRSU, Account or Account balance, or other right be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Participant or any beneficiary, or to the debts, contracts, liabilities, engagements, or torts of the Participant or any Beneficiary or

transfer by operation of law in the event of bankruptcy or insolvency of the Participant or any beneficiary, or any legal process.

10. General Provisions.

(a) **Changes to this Plan.** The Committee may at any time amend, alter, suspend, discontinue, or terminate this Plan, and such action shall not be subject to the approval of the Company's shareholders; provided, however, that, without the consent of an affected Participant, no such action may materially impair the rights of such Participant under this Plan. The foregoing notwithstanding, the Committee may, in its discretion, accelerate the termination of any Performance Cycle or any deferral period and the resulting settlement of PRSUs with respect to an individual Participant or all Participants.

(b) **Delegation of Administrative Authority.** The Committee may, in writing, delegate some or all of its power and responsibilities under the Plan to the Administrator or any other officer of the Company or committee of officers and employees, except such delegation may not include (i) authority to amend the Plan under Section 10(a), (ii), with respect to any executive officer of the Company, authority under Section 6 or other authority required to be exercised by the Committee in order that compensation under the Plan will qualify as performance-based compensation under Section 162(m) of the Code, or (iii) authority that otherwise may not be delegated under the terms of the 1996 Plan, this Plan, or applicable law. In furtherance of this authority, the Committee hereby delegates to the Administrator, as from time to time designated, authority to administer the Plan and act on behalf of the Committee to the fullest extent permitted under this Section 10(b). This delegation of authority to the Administrator shall remain in effect until terminated or modified by resolution of the Committee (without a requirement that the Plan be amended further). The authority delegated to the Administrator hereunder shall include:

- (i) Authority to adopt such rules for the administration of the Plan as the Administrator considers desirable, provided they do not conflict with the Plan; and
- (ii) Authority under Section 9(b) to impose restrictions or limitations on Participant deferrals under the Plan, including in order to promote cost-effective administration of the Plan; no restriction or limitation on deferrals shall be deemed to conflict with the Plan.

No individual acting as Administrator (including any member of the committee serving as Administrator) shall participate in a decision directly affecting his or her own rights or obligations under the Plan, although participation in a decision affecting all Participants shall not be prohibited by this provision.

(c) **Nonexclusivity of the Plan.** The adoption of this Plan shall not be construed as creating any limitations on the power of the Board or Committee to adopt such other compensation arrangements as it may deem desirable for any Participant.

(d) ***Effective Date and Plan Termination.*** This Plan became effective on January 1, 2004, following its approval by the Committee. This Plan was most recently amended by the Committee on July 14, 2008. This Plan will remain in effect until such time as the Company and Participants have no further rights or obligations under this Plan in respect of PRSUs not yet settled or the Committee otherwise terminates this Plan.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT ("*Agreement*") is made as of this _____ day of _____, 2008, by and between V.F. Corporation, a Pennsylvania corporation (the "*Company*"), and [_____] ("*Indemnitee*").

WHEREAS, the Company and Indemnitee recognize the prevalent risk of corporate shareholder litigation, in general, subjecting directors to the risk of expensive litigation; and

WHEREAS, the Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve as directors of the Company and to indemnify its directors so as to provide them with the maximum indemnification protection permitted by law as protection against such risks.

NOW, THEREFORE, the Company and Indemnitee, intending to be legally bound, hereby agree as follows:

1. Indemnification.

a. Third Party and Derivative Proceedings. The Company shall indemnify Indemnitee if Indemnitee is or was a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, an action by or in the right of the Company or any affiliate of the Company) by reason of the fact that Indemnitee is or was a director, officer, trustee, fiduciary, employee or agent of the Company, or any affiliate of the Company, by reason of any action or inaction on the part of Indemnitee while an officer or director, or by reason of the fact that Indemnitee is or was serving at the request of the Company as a director, officer, trustee, fiduciary, employee or agent of any other enterprise, against expenses (including attorneys' fees), and all liabilities and loss, including, judgments, fines and amounts paid in settlement (if such settlement is approved pursuant to Section 2(f)) actually and reasonably incurred by Indemnitee in connection with such action, suit or proceeding so long as the Indemnitee's actions are not determined, in a final judicial determination (as to which all rights of appeal have been exhausted or lapsed), to have constituted willful misconduct or recklessness.

b. Mandatory Indemnification. To the extent that Indemnitee has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1(a) or in defense of any claim, issue or matter therein, Indemnitee shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by Indemnitee in connection therewith. For purposes of this Section 1(c), the term "*successful on the merits or otherwise*" shall include, but not be limited to, (i) any termination, withdrawal, or dismissal (with or without prejudice) of any claim, action, suit or proceeding against Indemnitee without any express finding of liability or guilt against him, or (ii) the expiration of a reasonable period of time after the making of any claim or threat of an action, suit or proceeding without the institution of the same and without any promise or payment made to induce a settlement.

2. Expenses and Indemnification Procedure.

a. Advancement of Expenses. The Company shall advance all reasonable out-of-pocket expenses incurred by Indemnitee in connection with the investigation, defense, settlement or appeal of any civil, criminal, administrative or investigative action, suit or proceeding referenced in Section 1(a).

b. Undertaking to Repay Expenses. In the event that it shall ultimately be determined that Indemnitee is not entitled to be indemnified for the expenses paid by the Company pursuant to Section 2(a) hereof or otherwise or was not entitled to be fully indemnified, Indemnitee shall repay to the Company such amount of the advanced expenses or the appropriate portion thereof.

c. Notice/Cooperation by Indemnitee. Indemnitee shall, as a condition precedent to his right to be indemnified under this Agreement, give the Company notice in writing as soon as practicable of any claim made against Indemnitee for which indemnification will or could be sought under this Agreement. Notice to the Company shall be directed to VF Corporation, 105 Corporate Center Blvd., Greensboro, North Carolina 27408, Facsimile: (336) 424-7696, Attention: General Counsel (or such other address as the Company may from time to time designate in writing to Indemnitee). Notice shall be deemed received on the third business day after the date postmarked if sent by domestic certified or registered mail, properly addressed; otherwise, notice shall be deemed received when such notice shall actually be received by the Company. In addition, Indemnitee shall give the Company such information and cooperation as it may reasonably require and as shall be within Indemnitee's power.

d. Procedure. Any indemnification and advances provided for in Section 1 and this Section 2 shall be made no later than 45 days after receipt of the written request of Indemnitee, coupled with appropriate documentation to support the requested payment. If a claim under this Agreement, under any statute, or under any provision of the Company's Articles of Incorporation or Bylaws providing for indemnification is not paid in full by the Company within 45 days after receipt of a fully documented written request for payment thereof has first been received by the Company, Indemnitee may, but need not, at any time thereafter bring an action against the Company to recover the unpaid amount of the claim and, subject to Section 13, Indemnitee shall also be entitled to be paid for the expenses (including attorneys' fees) of bringing such action. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in connection with any action, suit or proceeding in advance of its final disposition) that Indemnitee has not met the standards of conduct which make it permissible under applicable law for the Company to indemnify Indemnitee for the amount claimed, but the burden of proving such defense shall be on the Company, and Indemnitee shall be entitled to receive interim payments of expenses pursuant to Section 2(a) unless and until such defense may be finally adjudicated by court order or judgment from which no further right of appeal exists. It is the parties' intention that if the Company contests Indemnitee's right to indemnification, the question of Indemnitee's right to indemnification shall be for the court to decide, and neither the failure of the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its shareholders) to have made a determination that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard

of conduct required by applicable law, nor an actual determination by the Company (including its Board of Directors, any committee or subgroup of the Board of Directors, independent legal counsel, or its shareholders) that Indemnitee has not met such applicable standard of conduct, shall create a presumption that Indemnitee has or has not, as the case may be, met the applicable standard of conduct.

e. Notice to Insurers. If, at the time of the receipt of a notice of claim pursuant to Section 2(b), the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

f. Selection of Counsel. If the Company shall be obligated under Section 1 or Section 2 to pay the expenses of any proceeding against Indemnitee, the Company shall be entitled to assume the defense of such proceeding, with counsel approved by Indemnitee, upon the delivery to Indemnitee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnitee and the retention of such counsel by the Company, the Company will not be liable to Indemnitee under this Agreement for any fees of any other counsel subsequently incurred by Indemnitee with respect to the same proceeding; *provided* that (i) Indemnitee shall have the right to employ separate counsel in any such proceeding at Indemnitee's expense; and (ii) if (A) the employment of counsel by Indemnitee has been previously authorized by the Company, (B) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense, or (C) the Company shall not, in fact, have employed counsel to assume the defense of such proceeding, then the reasonable fees and expenses of Indemnitee's counsel shall be at the expense of the Company.

g. Settlements. The Company shall not be liable to Indemnitee under this Agreement for any amounts paid in settlement of any action or claim effected without its written consent. The Company shall not settle any action or claim in any manner which would impose any penalty or limitation on Indemnitee without Indemnitee's written consent. Neither the Company nor Indemnitee will unreasonably withhold consent to any proposed settlement.

h. Change in Control.

(1) If, at any time subsequent to the date of this Agreement, members of the Incumbent Board do not constitute a majority of the members of the Board of Directors, or there is otherwise a Change in Control, then upon the request of Indemnitee, the Company shall cause the determination of indemnification and advances required by Section 2 to be made by a third party (mutually agreed upon by the parties or failing such agreement, as determined by the Chief Judge of the Federal District Court for the Eastern District of Pennsylvania). The fees and expenses incurred by the third party in making the determination of indemnification and advances shall be borne solely by the Company. If such third party is unwilling and/or unable to make the determination of indemnification and advances, then the

Company shall cause the indemnification and advances to be made by a majority vote or consent of a Board of Directors committee consisting solely of members of the Incumbent Board.

(2) For purposes of this Agreement, a “**Change in Control**” shall be deemed to have occurred if individuals who, as of the date of this Agreement, constitute the Board of Directors (the “**Incumbent Board**”) cease for any reason to constitute at least a majority of the Board of Directors; *provided, however*, that any individual becoming a director subsequent to the date of this Agreement whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least a three-quarters (3/4) of the directors then comprising the Incumbent Board, (either by a specific vote or by approval of the proxy statement of the Corporation in which such person is named as a nominee of the Corporation for director), shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors.

3. Additional Indemnification Rights:

a. Scope. Notwithstanding any other provision of this Agreement, the Company shall indemnify Indemnitee to the fullest extent permitted by law, notwithstanding that such indemnification is not specifically authorized by the other provisions of this Agreement, the Company’s Articles of Incorporation, the Company’s Bylaws or by statute. In the event of any change, after the date of this Agreement, in any applicable law, statute, or rule which expands the right of a Pennsylvania corporation to indemnify a member of its board of directors, such changes shall be, *ipso facto*, within the purview of Indemnitee’s rights and Company’s obligations under this Agreement. In the event of any change in any applicable law, statute or rule which narrows the right of a Pennsylvania corporation to indemnify a member of its board of directors, such changes (to the extent not otherwise required by such law, statute or rule to be applied to this Agreement) shall have no effect on this Agreement or the parties’ rights and obligations hereunder.

b. Non-exclusivity. The indemnification provided by this Agreement shall not be deemed exclusive of any rights to which an Indemnitee may be entitled under the Company’s Articles of Incorporation, its Bylaws, any agreement, any vote of Shareholders or disinterested directors, the Pennsylvania Business Corporation Law of 1988, as amended, or otherwise, both as to action in Indemnitee’s official capacity and as to action in another capacity while holding such office.

4. Continuation of Indemnity. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is a director, officer, employee or agent of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of any other enterprise) and shall continue thereafter, so long as Indemnitee shall be subject to any possible claim or threatened, pending or completed action, suit or proceeding, whether civil, criminal or investigative, by reason of the fact that Indemnitee was a director, officer, employee or agent of the Company or serving in any other capacity referred to herein.

5. **Partial Indemnification.** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the expenses, judgments, fines or penalties actually or reasonably incurred by him in the investigation, defense, appeal or settlement of any civil or criminal action, suit or proceeding, but not for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion of such expenses, judgments, fines or penalties to which Indemnitee is entitled.

6. **Mutual Acknowledgment.** Both the Company and Indemnitee acknowledge that, in certain instances, federal law or public policy may override applicable state law and prohibit the Company from indemnifying its directors under this Agreement or otherwise. For example, the Company and Indemnitee acknowledge that the Securities and Exchange Commission (the “SEC”) has taken the position that indemnification is not permissible for liabilities arising under certain federal securities laws, and federal legislation prohibits indemnification for certain ERISA violations. Indemnitee understands and acknowledges that the Company has undertaken with the SEC to submit the question of indemnification to a court in certain circumstances for a determination of the Company’s right under public policy to indemnify Indemnitee.

7. **Officer and Director Liability Insurance.** The Company shall, from time to time, make the good faith determination whether or not it is practicable for the Company to obtain and maintain a policy or policies of insurance with reputable insurance companies providing the directors of the Company with coverage for losses from wrongful acts, or to ensure the Company’s performance of its indemnification obligations under this Agreement. Among other considerations, the Company will weigh the costs of obtaining such insurance coverage against the protection afforded by such coverage. In all policies of directors’ and officers’ liability insurance, Indemnitee shall be insured in such a manner as to provide Indemnitee the same rights and benefits as are accorded to the most favorably insured of the Company’s directors. Notwithstanding the foregoing, the Company shall have no obligation to obtain or maintain such insurance if the Company determines in good faith that such insurance is not reasonably available, if the premium costs for such insurance are disproportionate to the amount of coverage provided, if the coverage provided by such insurance is limited by exclusions so as to provide an insufficient benefit, or if Indemnitee is covered by similar insurance maintained by an affiliate of the Company.

8. **Severability.** Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. The Company’s inability, pursuant to court order, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. The provisions of this Agreement shall be severable as provided in this [Section 8](#). If this Agreement or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify Indemnitee to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated, and the balance of this Agreement not so invalidated shall be enforceable in accordance with its terms.

9. **Exceptions.** Any other provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement:

a. Claims Initiated by Indemnitee. To indemnify or advance expenses to Indemnitee with respect to proceedings or claims initiated or brought voluntarily by Indemnitee and not by way of defense (such as by counterclaim, cross-claim or third-party claim), except with respect to proceedings brought to establish or enforce a right to indemnification under this Agreement or any other statute or law or otherwise as required under the Pennsylvania Business Corporation Law of 1988, as amended, but such indemnification or advancement of expenses may be provided by Company in specific cases if the Board of Directors, at its sole discretion, finds it to be appropriate;

b. Lack of Good Faith. To indemnify Indemnitee for any expenses incurred by Indemnitee with respect to any proceeding instituted by Indemnitee to enforce or interpret this Agreement, if a court of competent jurisdiction determines that each of the material assertions made by Indemnitee in such proceeding was made in bad faith or was frivolous;

c. Insured Claims. To indemnify Indemnitee for expenses or liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) which have been paid directly to Indemnitee by an insurance carrier under a policy of officers' and directors' liability insurance maintained by the Company or other enterprise;

d. Claims Under Section 16(b). To indemnify Indemnitee for expenses or the payment of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 16(b) of the Exchange Act, or any similar successor statute;

e. Illegal Activity. To indemnify Indemnitee if a court of competent jurisdiction finally adjudges that such indemnification is illegal, including, without limitation, by virtue of such indemnification being in violation of public policy or any provision of law.

10. Interpretation; Construction of Certain Phrases

a. The headings of particular provisions of this Agreement are inserted for convenience only and will not be construed as a part of this Agreement or serve as a limitation or expansion on the scope of any term or provision of this Agreement. The words "*include*," "*includes*" or "*including*" shall be deemed to be followed by the words "*without limitation*." The words "*hereof*," "*herein*" and "*herewith*" and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement.

b. For purposes of this Agreement:

(1) references to the "*Company*" shall include, in addition to the resulting or surviving corporation, any constituent entity (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that if Indemnitee is or was a director, officer, employee or agent of such constituent entity, or is or was serving at the request of such constituent entity as a director, officer, employee or agent of any other enterprise, Indemnitee shall stand in the same position under the

provisions of this Agreement with respect to the resulting or surviving corporation as Indemnitee would have with respect to such constituent entity if its separate existence had continued;

(2) references to any “*other enterprise*” shall include any corporation, trust, partnership, joint venture, or other entity;

(3) references to “*fin*es” shall include any excise taxes or penalties assessed on Indemnitee with respect to an employee benefit plan;

(4) references to “*serv*ing at the request of the Company” shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, Indemnitee with respect to an employee benefit plan, its participants, or beneficiaries;

(5) references to “*aff*iliates” shall mean any entity which, directly or indirectly, is in the control of, is controlled by, or is under common control with, the Company; and

(6) references to “*Sections*” or “*clauses*” shall be to Sections or clauses of this Agreement.

11. **Counterparts; Facsimile Signatures.** This Agreement may be executed in any number of counterparts (including by facsimile signature), each of which shall be deemed to be an original and all of which together shall constitute one and the same document.

12. **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and Indemnitee and Indemnitee’s estate, heirs, legal representatives and assigns.

13. **Attorneys’ Fees.** If any action is instituted by Indemnitee under this Agreement to enforce or interpret any of the terms hereof, Indemnitee shall be entitled to be paid all court costs and expenses, including reasonable attorneys’ fees, incurred by Indemnitee with respect to such action, unless as a part of such action, the court of competent jurisdiction determines that each of the material assertions made by Indemnitee as a basis for such action was made in bad faith or was frivolous. In the event of an action instituted by or in the name of the Company under this Agreement or to enforce or interpret any of the terms of this Agreement, Indemnitee shall be entitled to be paid all court costs and expenses, including attorneys’ fees, incurred by Indemnitee in defense of such action (including with respect to Indemnitee’s counterclaims and cross-claims made in such action), unless as a part of such action the court determines that each of Indemnitee’s material defenses to such action was made in bad faith or was frivolous.

14. **Notice.** All notices, requests, demands, consents and other communications hereunder shall be in writing and shall be given or made (and shall be deemed to have been duly given or made upon receipt) by delivery in person, by overnight courier service, or by facsimile with receipt confirmed (followed by delivery of an original via overnight courier service). The address for notice to the Company shall be as set forth in Section 2(b), and

the address for notice to Indemnitee shall be as set forth on the signature page of this Agreement, or as subsequently modified in a notice given in accordance with this Section 14.

15. **Consent to Jurisdiction.** The Company and Indemnitee each hereby irrevocably consent to the jurisdiction of the courts of the Commonwealth of Pennsylvania for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement. Any action or proceeding instituted under or to enforce this Agreement shall be brought only in the state courts of the Commonwealth of Pennsylvania.

16. **Subrogation.** In the event of payment under this Agreement, Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable Company effectively to bring suit to enforce such rights.

17. **Choice of Law.** This Agreement shall be governed by and its provisions construed in accordance with the laws of the Commonwealth of Pennsylvania, as applied to contracts between Pennsylvania residents entered into and to be performed within Pennsylvania.

18. **Prior Agreement.** Notwithstanding any contrary provision contained herein, this Agreement supersedes and replaces any and all prior written indemnification agreements between the Indemnitee and the Company.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

V.F. Corporation

By: _____
Name:
Title:

Indemnitee

Address for Notice:

VF EXECUTIVE DEFERRED SAVINGS PLAN II

(Adopted January 1, 2005 and amended and restated effective January 1, 2009)

Prior to 2005, VF Corporation maintained the VF Executive Deferred Savings Plan (the "Old EDSP"). In response to the addition of section 409A to the Internal Revenue Code of 1986, as amended (the "Code"), VF Corporation ceased participation in the Old EDSP effective December 31, 2004 and adopted the VF Executive Deferred Savings Plan II (the "Plan") effective January 1, 2005 which served as an interim plan until necessary revisions, effective January 1, 2009, could be made to bring the Plan into documentary compliance with Code section 409A. The Old EDSP shall continue to hold those vested accounts under the Old Plan as of December 31, 2004.

The Plan permits senior executive employees, who are among a select group of management or highly-compensated employees of VF Corporation or a Participating Employer, to defer compensation and be credited with matching deferrals in a manner similar to that offered to other VF Corporation employees who participate in the VF Corporation Retirement Savings Plan for Salaried Employees (the "Savings Plan"). Those employees who are eligible to participate in this Plan are not eligible to participate in the Savings Plan. In addition, this Plan also provides an additional benefit (*i.e.*, Company Retirement Deferrals) for any eligible employee who begins employment with VF Corporation or a Participating Employer on or after January 1, 2005 (or, earlier, if determined by the VF Corporation Pension Plan Committee) and who is not eligible to participate in the VF Corporation Pension Plan.

The intention of VF Corporation is that the Plan be at all times maintained on an unfunded basis for federal income tax purposes, administered as a "top hat" plan exempt from the substantive requirements of the Employee Retirement Income Security Act of 1974, as amended, and operated in accordance with the requirements of section 409A of the Code.

**SECTION I
DEFINITIONS**

Unless otherwise required by the context, the terms used herein shall have the meanings as set forth below:

1. "**Accrued Benefit**" means the sum of a Participant's Basic Deferrals and the vested portion of the Participating Employer's Matching Deferrals and Company Retirement Deferrals. A Participant's Accrued Benefit shall also include any Matching Deferrals that, as of December 31, 2004, were not vested under the Old EDSP.

2. "**Basic Deferral**" means that portion of a Participant's Earnings elected to be deferred under the terms of this Plan.

3. **“Beneficiary”** means the individual or entity named pursuant to the Plan to receive benefit payments hereunder in the event of the death of the Participant. In the case of any Participant who also was a participant in the Old EDSP, such Participant’s Beneficiary under this Plan shall be the same Beneficiary designated by the Participant under the Old EDSP unless and until a different Beneficiary is otherwise designated.

4. **“Change of Control”** means, for purposes of vesting under Article III, the same as it does in the Company’s change of control agreements with its senior management in place at the relevant time; provided, however, that if there is ever a time that the Company no longer has any such agreements in place with its senior management, then the Committee shall determine the meaning of “Change of Control.” Notwithstanding the foregoing, for purposes of benefit entitlement under Article VI and payment rights under Article VII, when used in connection with a Participating Employer (including the Company), “Change of Control” means the same as “change in the ownership or effective control of a corporation” under Code section 409A.

5. **“Code Section 409A”** means, collectively, Section 409A of the Code and any Treasury regulations and guidance issued thereunder.

6. **“Committee”** means the VF Corporation Pension Plan Committee, as appointed from time to time by the Board of Directors of the Company. In the event the Committee has delegated an authority or responsibility under this Plan in accordance with subsection 3 of Section X, the term “Committee” where used herein shall be deemed to refer to the applicable delegate.

7. **“Company”** means VF Corporation, a Pennsylvania corporation.

8. **“Company Controlled Group”** shall include the Company and each related company or business which is part of the same controlled group under Code sections 414(b) or 414(c); provided that in applying Code section 1563(a)(1) — (a)(3) for purposes of determining a controlled group of corporations under Code section 414(b) and in applying Treasury Regulation section 1.414(c)-2 for purposes of determining whether trades or businesses are under common control under Code section 414(c), the phrase “at least 50 percent” is used instead of “at least 80 percent.”

9. **“Company Retirement Deferral”** means the additional deferral amount credited to a Participant by a Participating Employer under the terms of Subsection 3 of Section III of this Plan.

10. **“Deferrals”** means, collectively, a Participant’s Basic, Matching, and Company Retirement Deferrals under the Plan (and, unless specified otherwise, shall include any gains or losses attributable thereto).

11. **“Earnings”** means the Participant’s total compensation, including any salary and any cash bonus payments made to a Participant by a Participating Employer in the relevant year under a Participating Employer’s performance-based incentive compensation plans.

For purposes of the Plan, Earnings shall be determined without regard to any salary or bonus deferrals or reductions which may be made by a Participant pursuant to section 401(k) or section 125 of the Code. However, Earnings shall not include any reimbursement for expenses paid to a Participant by a Participating Employer nor shall it include any payments or contributions made by a Participating Employer to a plan or arrangement, on behalf of a Participant, which results in imputed income to the Participant for federal income tax purposes. In the discretion of the Committee, a Participant's deferral election may identify additional forms of compensation to be included in or excluded from the Participant's Earnings.

12. **"Excess Earnings"** means:

(a) Earnings received by a Participant during a Plan Year in excess of the annual compensation limit described in section 401(a)(17) of the Code (as adjusted by the Secretary of the Treasury); and

(b) Earnings not described in (a) above with respect to which the Participant did not receive an allocation of Company Retirement Contributions under the Savings Plan because such Earnings were deferred as Basic Deferrals under this Plan.

13. **"Initial Eligibility Date"** means the earliest date on which a newly eligible employee may participate in the Plan. The Initial Eligibility Date shall be established by the Committee and may not be earlier than the date the employee is notified, in writing, by the Participating Employer of the material terms of the Plan.

14. **"Matching Deferral"** means the additional deferral amount credited to a Participant by a Participating Employer under the terms of Subsection 2 of Section III of this Plan. In addition, the term "Matching Deferral" shall include any Matching Deferrals (and any gains and losses credited thereon) that, as of December 31, 2004, were not vested under the Old EDSP.

15. **"Old EDSP"** means the VF Executive Deferred Savings Plan, as it may be amended from time to time.

16. **"Participant"** means an eligible employee who participates in this Plan in accordance with its provisions.

17. **"Participating Employer"** means the Company and each related company or business within the Company Controlled Group the eligible employees of which are designated by the Committee to participate in this Plan with respect to Basic and Matching Deferrals and/or Company Retirement Deferrals.

18. **"Performance-Based Compensation"** shall have the meaning as set forth under Code section 409A.

19. **"Plan"** means the VF Executive Deferred Savings Plan II as it may be amended subsequently from time to time.

20. "**Plan Year**" means the calendar year.

21. "**Service**" means the sum of (i) the vesting service, if any, the Participant accrued, or such service as is recognized for the Participant, under the VF Corporation Retirement Savings Plan for Salaried Employees as of the date the Participant commences participation in this Plan (or, if earlier, the date the Participant commenced participation in the Old EDSP), (ii) service, if any, while eligible to participate under the Old EDSP, and (iii) service while eligible to participate under this Plan. An employee shall be credited with Service under (iii) hereof for each calendar month during which he or she performs services while eligible to participate in this Plan determined, for these purposes, without regard to any period of suspension attributable to a hardship withdrawal under Section VIII. Service shall also include the following periods:

(a) Any leave of absence from employment which is authorized by the Participating Employer;

(b) Any period of military service in the Armed Forces of the United States required to be credited by law; provided, however, that the Participant returns to the employment of a Participating Employer within the period his or her re-employment rights are protected by law; and

(c) Service with any entity or enterprise related to the Company if, and to the extent that, the Committee determines that such service should be counted.

22. "**Severance from Service**" shall have the same meaning as the term "separation from service" as set forth under Code section 409A. Notwithstanding the foregoing, a Severance from Service does not occur if a Participant is transferred to another Participating Employer or any member of the Company Controlled Group.

23. "**Social Security Wage Base**" means the applicable dollar amount for the Plan Year of the contribution and benefit base as determined under section 230 of the Social Security Act.

24. "**Specified Employee**" means as of any given date, the one-hundred (100) highest compensated employees as of the end of the preceding Plan Year; provided that the group of one-hundred (100) employees shall include at least fifty (50) officers, and provided further that such group of employees and officers shall be determined from a listing of same drawn from the Company Controlled Group, and compiled as of the end of such preceding Plan Year.

25. "**Spouse**" means the person to whom the Participant is legally married at the time relevant to any determination under the Plan.

26. "**Total Disability**" means a physical or mental impairment that qualifies a Participant for disability benefits under a long-term disability benefits plan maintained by a Participant's Participating Employer and/or eligibility for disability benefits under the Social

Security Act; provided that such impairment would also qualify as a “disability” as defined in Code section 409A. All determinations of Total Disability for purposes of this Plan shall be based on the fact that the Participant is in receipt of disability payments under either or both the above-referenced disability benefits plans.

SECTION II ELIGIBILITY

1. **Requirements.** An individual shall be eligible to elect to contribute Basic Deferrals and be credited with Matching Deferrals if he or she is working for a Participating Employer in a capacity classified by the Participating Employer as that of an employee and, for compensation purposes, is assigned by the Participating Employer to grade 20 (or its equivalent) or above. An individual shall be eligible to be credited with Company Retirement Deferrals if he or she satisfies the foregoing requirements and satisfies the requirements of Subsection 3(a) of Section III. An employee shall be eligible to participate only if the employee is so notified, in writing, by the Participating Employer of the material terms of the Plan and the employee’s Initial Eligibility Date.

2. **Participation.** Participation in this Plan by an eligible employee is voluntary with respect to the right to elect to contribute Basic Deferrals and be credited with Matching Deferrals but is mandatory with respect to Company Retirement Deferrals.

3. **Termination of Participation.** In the event that a Participant ceases to be an eligible employee, the Participant’s Basic Deferral election shall remain in effect through the end of the Plan Year in which the Participant remains employed but has ceased to be an eligible employee (and such Participant shall remain eligible to be credited with Company Retirement Deferrals during such period), and thereafter, the Participant shall make no further Basic Deferrals (or be credited with Company Retirement Deferrals) unless and until the Participant again becomes an eligible employee.

SECTION III DEFERRALS

1. Basic Deferrals.

(a) **Election.** A Participant may elect to defer any portion of his or her Earnings (“Basic Deferral”) by directing his or her Participating Employer to reduce his or her Earnings by an amount authorized by the Participant in the form and manner designated by the Committee provided, however, that a Participant may not elect to defer an amount under this Plan that, when aggregated with any similar amount deferred under any other nonqualified deferred compensation plan maintained by the Company would either (A) with regard to annual salary, result in a reduction of his or her annual salary below the lesser of: (1) the Social

Security Wage Base, or (2) fifty percent (50%) of annual salary, or (B) with regard to bonuses, exceed one hundred percent (100%) of any cash bonus payment that qualifies as Earnings; provided the following requirements are met:

(i) With respect to deferrals of a Participant's Earnings other than Performance-Based Compensation, a Participant's Basic Deferral Election shall be made no later than the December immediately preceding the Plan Year to which the election relates;

(ii) With respect to deferrals of Performance-Based Compensation, a Participant's Basic Deferral Election shall be made no later than six (6) months preceding the end of the performance period to which the Performance-Based Compensation relates;

(iii) Notwithstanding the foregoing, with respect to an individual who is first eligible to participate in the Plan, such individual may submit a Basic Deferral Election within the first thirty (30) days after the individual's Initial Eligibility Date with respect to: (A) salary to be paid for services to be performed after the Basic Deferral Election is submitted, and (B) Performance-Based Compensation, if so permitted by the Committee at the time, provided that such election shall be prorated in accordance with Code section 409A; and

(iv) In the event a Participant is on a bona fide leave of absence with the Participating Employer's consent, or in military service in conformity with the Participating Employer's policies, such Participant's Basic Deferrals shall continue if Earnings are being continued by the Participating Employer.

(b) **Vesting.** A Participant shall have a nonforfeitable right to his or her Basic Deferrals.

(c) **Change of Election.** The percentage or amount of Earnings designated by a Participant as a Basic Deferral for any given Plan Year shall continue in effect for such Plan Year, notwithstanding any change in Earnings.

(d) **Manner of Deferral.** A Participant's Basic Deferrals may be taken from the Participant's Earnings ratably during the applicable Plan Year or in any other manner determined by the Committee; provided that such Basic Deferrals during the Plan Year, in the aggregate, reflect the Participant's Basic Deferral Election in accordance with Code section 409A.

(e) **Hardship.** In the event a Participant receives a hardship withdrawal pursuant to Section VIII or in the event the Participant receives a hardship distribution (as defined in Treasury Regulations section 1.401(k)-1(d)(3)) under the Company's 401(k) plan, such Participant's Basic Deferral Election with respect to the Plan Year during which such hardship withdrawal under this Plan or hardship distribution under the Company's 401(k) plan occurs shall be cancelled in accordance with Code section 409A. The Participant

may submit a new Basic Deferral Election with respect to future Plan Years to the extent permitted under this Subsection 1 of this Section III.

2. Matching Deferrals.

(a) **Amount.** The Participating Employer shall credit an additional deferral amount (“Matching Deferral”) equal to 50% of a Participant’s Basic Deferral; provided, however, that such Matching Deferral shall not exceed \$12,500 for any given Plan Year or such other amount as the Committee shall approve from time to time.

(b) **Vesting.** A Participant shall become vested in his or her Matching Deferrals at the rate of one-sixtieth (1/60th) per month of Service. Notwithstanding the foregoing, a Participant shall become 100% vested in his or her Matching Deferrals if, prior to his or her Severance from Service the Participant attains age sixty-five (65), incurs a Total Disability, dies, or a Change of Control of the Company occurs.

(c) **Forfeitures.** A Participant shall forfeit, upon his or her Severance from Service prior to becoming vested in accordance with Subsection 2(b) of this Section III, any right to Matching Deferrals in which he or she is not vested.

3. Company Retirement Deferrals.

(a) **Amount.** A Participating Employer shall credit an additional deferral amount (“Company Retirement Deferral”) equal to the percentage of the Excess Earnings of each eligible Participant employed by such Participating Employer in accordance with the following schedule:

<u>Years of Service</u>	<u>Percentage of Excess Earnings</u>
Less than 10	2%
10, but less than 15	3%
15, but less than 20	4%
20 or more	5%

A Participant shall be eligible for Company Retirement Deferrals under the Plan only if he or she began employment with the Participating Employer on or after January 1, 2005 (or earlier, if determined by the Committee) and is either not covered by the VF Corporation Pension Plan or not eligible to actively participate in the VF Corporation Pension Plan. For purposes of the above schedule, the term “Years of Service” shall mean each 12-month period of Service accrued by the Participant after December 31, 2004, unless otherwise determined by the Committee.

(b) **Vesting.** A Participant shall become vested in his or her Company Retirement Deferrals at the rate of one-sixtieth (1/60th) per month of Service. Notwithstanding the foregoing, a Participant shall become 100% vested in his or her Company Retirement

Deferrals if, prior to his or her Severance from Service, the Participant attains age sixty-five (65), incurs a Total Disability, dies, or a Change of Control of the Company occurs.

(c) **Forfeitures.** A Participant shall forfeit upon his or her Severance from Service prior to becoming vested in accordance with Subsection 3(b) of this Section III, any right to Company Retirement Deferrals in which he or she is not vested.

SECTION IV INVESTMENT

1. **Investment Election.** A Participant may elect, pursuant to procedures established by the Committee and subject to applicable limitations herein, that his or her Basic, Matching, and Company Retirement Deferrals be credited with gains and losses as if such Deferrals had been invested (in increments of at least one percent (1%)) in one or more of the investment funds offered under the Plan, as may be determined by the Committee from time to time; provided, however, that a Participant may not elect to have any Company Retirement Deferrals credited with gains and losses as if such amounts had been invested in a fund composed of common stock of the Company (the "VF Corporation Stock Fund").

2. **Change of Investment Election.** A Participant may elect, pursuant to procedures established by the Committee and subject to applicable limitations herein, a change with respect to his or her previously-made investment election.

3. **Special Rule for Certain Participants Who Invest in the VF Corporation Stock Fund.** If a Participant who is either a director or officer of the Company or otherwise subject to Section 16 of the Securities Exchange Act of 1934 (the "Exchange Act") has Basic or Matching Deferrals which, under this Plan, are credited with gains and losses as if invested in the VF Corporation Stock Fund, then such amounts shall continue to be so credited until such Participant's Severance from Service, Total Disability, or death, and, prior thereto, shall not be available for hardship withdrawal pursuant to Section VIII except as provided therein. Any Participant who becomes subject to this limitation by reason of being appointed a director or officer of the Company or to such other position subject to Section 16 of the Exchange Act may elect, in accordance Subsection 2, that any portion of his or her prior Deferrals that had been previously credited with gains and losses as if invested in the VF Corporation Stock Fund be changed to a different fund or funds under this Plan; provided, however, that such election is made and such change is implemented prior to the date of such appointment. For purposes of this Subsection 3, the term "officer" shall have the same meaning as that term is defined in Rule 16a-1(f) under the Exchange Act.

**SECTION V
RECORDS**

The Committee shall create and maintain, or may direct a third party to create and maintain, adequate records, in book entry form, for each Participant of Basic, Matching, and Company Retirement Deferrals. Each Participant shall, to the extent permitted by the Committee, have electronic access to the status of his or her account balance and vested percentage.

**SECTION VI
PLAN BENEFITS**

1. **Severance from Service.** Upon a Participant's Severance from Service, he or she shall be entitled to his or her Accrued Benefit payable in accordance with Section VII.

2. **Death.** In the event of the death of a Participant prior to Severance from Service, the Participant's Beneficiary shall be entitled to a benefit equal to the Participant's Accrued Benefit payable in accordance with Section VII. In the event of the death of a Participant after a Severance from Service, the Participant's Beneficiary shall be entitled to that part, if any, of the Participant's Accrued Benefit which has not yet been paid to the Participant payable in accordance with Section VII.

3. **Total Disability.** In the event a Participant incurs a Total Disability prior to Severance from Service, the Participant shall be entitled to his or her Accrued Benefit payable in accordance with Section VII.

4. **Change of Control.** In the event a Participant's Participating Employer undergoes a Change of Control prior to a Participant's Severance from Service, the Participant shall be entitled to his or her Accrued Benefit payable in accordance with Section VII.

5. **Beneficiary.** Each Participant may designate a Beneficiary (along with alternate beneficiaries) to whom, in the event of the Participant's death, any benefit is payable hereunder. Each Participant has the right to change any designation of Beneficiary and such change automatically revokes any prior designation. A designation or change of Beneficiary must be in writing on forms supplied by the Committee and any change of Beneficiary shall not become effective until filed with the Committee; provided, however, that the Committee shall not recognize the validity of any designation received after the death of the Participant. The interest of any Beneficiary who dies before the Participant shall terminate unless otherwise provided. If a Beneficiary is not validly designated, or is not living or cannot be found at the date of payment, any amount payable pursuant to this Plan shall be paid to the Spouse of the Participant if living at the time of payment, otherwise in equal shares to such of the children of the Participant as may be living at the time of payment; provided, however, that if there is no surviving Spouse or child at the time of payment, such payment shall be made to the estate of the Participant.

**SECTION VII
PAYMENT OF BENEFITS**

1. **Normal Form.** The normal form for the payment of a Participant's Accrued Benefit shall be a lump-sum payment in cash payable to the Participant not earlier than the first business day of the month occurring three full calendar months following the event giving rise to the distribution and not later than the close of the Plan Year during which such three month period ends or any such later date as may be permitted under Code section 409A.

2. **Installments.** Notwithstanding the foregoing, a Participant may elect in the form and manner designated by the Committee, that payment of his or her Accrued Benefit be made in annual installments over a period of not more than ten (10) years. Such election must be made to the Committee at the same time that the Participant makes his or her Basic Deferral Election for such Plan Year in accordance with Subsection 1 of Section III.

3. **Death.**

(a) If a Participant dies prior to a Severance from Service, his or her Accrued Benefit shall be distributed to his or her Beneficiary in a lump-sum payment in cash in accordance with Subsection 1 of this Section VII unless the Participant has elected an installment form of distribution in accordance with Subsection 2 of this Section VII, in which case, distribution to the Beneficiary shall be made in accordance with such election.

(b) If a Participant dies after a Severance from Service, his or her Accrued Benefit shall be distributed to his or her Beneficiary in the same form and at the same time as it would have been paid to the Participant had he or she survived.

4. **Change of Control.**

(a) In the event of a Change of Control of a Participant's Participating Employer (other than the Company), his or her Accrued Benefit shall be distributed in a lump sum payment in accordance with Subsection 1 of this Section VII unless the Participant has elected an installment form of distribution in accordance with Subsection 2 of this Section VII, in which case, distribution to the Participant shall be made in accordance with such election.

(b) In the event of a Change of Control of the Company, all Accrued Benefits under the Plan (regardless of whether or not in pay status) shall be distributed in a lump sum payment as soon as practicable and in accordance with procedures determined by the Committee.

5. **Specified Employee Restrictions.** During any period in which the stock of any member of the Company Controlled Group is publicly traded on an established securities market, in the event benefits become payable to a Participant who is a Specified Employee due to the Participant's Severance from Service, distribution of the Participant's Accrued Benefit shall not commence any earlier than six (6) months following the Participant's Severance from Service. Any payment that would have been made during such six (6) month period shall be

retained in the Plan as part of the Participant's Accrued Benefit (and credited with any applicable earnings and losses) and paid as soon as administratively feasible following the end of the six (6) month period.

SECTION VIII HARDSHIP WITHDRAWALS

Distribution may be made to a Participant of some or all of his or her Accrued Benefit (excluding any Company Retirement Deferrals) in the event of an unforeseeable emergency; provided, however, that such a distribution shall not be made to any Participant who is a director of the Company or an officer as defined in Subsection 3 of Section IV or otherwise subject to Section 16 of the Exchange Act, from any Basic or Matching Deferrals which have been credited with gains and losses as if invested in the VF Corporation Stock Fund unless approved by the Committee. The Participant shall file a written request with the Committee, and the Committee shall determine in its sole discretion, if an unforeseeable emergency exists, based on the facts of each case. For this purpose, "unforeseeable emergency" shall have the meaning as set forth under Code section 409A.

SECTION IX FUNDING STATUS

This Plan is unfunded. All obligations hereunder shall constitute an unsecured promise of the Company to pay a Participant's benefit out of the general assets of the Company, subject to all of the terms and conditions of the Plan, as amended from time to time, and applicable law. A Participant shall have no greater right to benefits provided hereunder than that of any unsecured general creditor of the Company.

SECTION X ADMINISTRATION

1. **Powers and Responsibilities.** The Plan shall be administered by the Committee which shall have the following powers and responsibilities.

(a) to amend the Plan;

(b) to terminate the Plan;

(c) to construe the Plan, make factual determinations, decide all benefit requests made by a Participant or any other person, correct defects, and take any and all similar actions considered by the Committee to be necessary to administer the Plan, with any such determinations under or interpretations of the Plan made in good faith by the Committee to be final and conclusive for all purposes;

(d) determine the investment options which may be utilized under the Plan, including any default option to be utilized if a Participant makes no investment request;

(e) to designate a related company or business as a Participating Employer and to revoke such status if, in the Committee's discretion, such action is in the best interest of the Company; and

(f) to take all other actions and do all other things which are considered by the Committee to be necessary to the administration of the Plan.

2. **Actions Conclusive.** The Committee shall have complete discretion in carrying out its powers and responsibilities under the Plan, and its exercise of discretion hereunder shall be final and conclusive.

3. **Delegation.** The Committee may, in writing, delegate some or all of its powers and responsibilities to any other person or entity.

4. **Meetings.** The Committee may hold meetings upon such notice, at such time or times, and at such place or places as it may determine. The majority of the members of the Committee at the time in office shall constitute a quorum for the transaction of business at all meetings and a majority vote of those present and constituting a quorum at any meeting shall be required for action. The Committee may also act by written consent of a majority of its members.

5. **Rules of Administration.** The Committee may adopt such rules for administration of the Plan as is considered desirable, provided they do not conflict with the Plan.

6. **Agents.** The Committee may retain such counsel, and actuarial, medical, accounting, clerical and other services as it may require to carry out the provisions and purposes of the Plan.

7. **Reliance.** The Committee shall be entitled to rely upon all tables, valuations, certificates, and reports furnished by any duly appointed auditor, or actuary, upon all certificates and reports made by any investment manager, or any duly appointed accountant, and upon all opinions given by any duly appointed legal counsel.

8. **Liability and Indemnification.** No member of the Committee shall be personally liable by virtue of any instrument executed by the member, or on the member's behalf, as a member of the Committee. Neither the Company nor a Participating Employer, nor any of their respective officers or directors, nor any member of the Committee, shall be personally liable for any action or inaction with respect to any duty or responsibility imposed upon such person by the terms of the Plan except when the same is finally judicially determined to be due to the self dealing, willful misconduct or recklessness of such person. The Company shall indemnify and hold harmless its officers, directors, and those of any Participating Employer, and each member of the Committee against any and all claims, losses, damages, expenses (including attorneys' fees and the advancement thereof), and liability (including, in

each case, amounts paid in settlement), arising from any action or failure to act regarding the Plan, to the greatest extent permitted by applicable law. The foregoing right of indemnification shall be in addition to any other rights to which any such person may be entitled.

9. **Conflict of Interest.** If any Participant is a member of the Committee, he or she shall not participate as a member of the Committee in any determination under the Plan relating specifically to his or her Basic, Matching, or Company Retirement Deferrals.

SECTION XI MODIFICATION AND TERMINATION

The Committee reserves the right to terminate this Plan at any time or to modify, amend or suspend it from time to time, such right to include, without limitation, the right to distribute any and all Accrued Benefits following a termination of the Plan. Any such termination, modification, amendment or suspension shall be effective at such date as the Committee may determine and may be effective as to all Participating Employers, or as to one or more Participating Employers, and their respective employees. The Committee shall notify all affected Participants of any such termination, modification, amendment or suspension and, in appropriate circumstances as determined by the Committee, shall also notify the relevant Participating Employers. A termination, modification, amendment or suspension may affect Participants generally, by class or individually, and may apply irrespective of whether they are past, current or future Participants; provided, however, that any such action may not eliminate or reduce the Accrued Benefit of any Participant as of the effective date of such action.

SECTION XII GENERAL PROVISIONS

1. **No Employment Right.** Nothing contained herein shall be deemed to give any employee the right to be retained in the service of the Company or a Participating Employer, as applicable, or to interfere with the rights of any such employer to discharge any employee at any time.

2. **Interest Not Assignable.** It is a condition of this Plan, and all rights of each Participant shall be subject thereto, that no right or interest of any Participant under this Plan or in his or her credited Deferrals shall be assignable or transferable in whole or in part, either directly or by operation of law or otherwise, including without limitation, execution, levy, garnishment, attachment, pledge, bankruptcy, or in any other manner, subject, however, to applicable law, but excluding devolution by death or mental incompetency, and no right or interest of any Participant under this Plan or in his or her credited Deferrals shall be liable for or subject to any obligation or liability of such Participant, subject, however, to applicable law.

3. **Taxes and Withholding.** All Deferrals and payments under the Plan shall be subject to such taxes and other withholdings (federal, state or local) as may be due thereon,

and the determination of the Committee as to withholding with respect to Deferrals and payments shall be binding upon the Participant and each Beneficiary.

4. **Sale of Assets.** The sale of all or substantially all of the assets of the Company, or a merger, consolidation or reorganization of the Company wherein the Company is not the surviving corporation, or any other transaction which, in effect, amounts to a sale of the Company or voting control thereof, shall not terminate this Plan or any related agreements and the obligations created hereunder or thereby and the same shall be binding upon the successors and assigns of the Company.

5. **Legal Incapacity.** If a Participant or Beneficiary entitled to receive any benefits hereunder is deemed by the Committee or is adjudged to be legally incapable of giving valid receipt and discharge for such benefits, the benefits will be paid to such persons as the Committee designates or to the duly appointed guardian.

6. **Governing Law.** This Plan shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, notwithstanding the conflict of law rules applicable therein.

7. **Compliance with Code Section 409A.** Notwithstanding any other provision of the Plan to the contrary, the Plan shall be administered in accordance with all applicable requirements of Code section 409A and the regulations or guidance issued with regard thereto, and any distribution, acceleration or election feature that could result in the early inclusion in gross income shall be deemed restricted or limited to the extent necessary to avoid such result.

[END]

Pursuant to its authority under Sections X and XI of the Plan, as adopted effective January 1, 2005, the Committee, as evidenced by the signatures of its members below, hereby amends and restates the Plan effective January 1, 2009 for the stated purposes set forth herein and this amended and restated Plan shall, on and after such effective date, be applicable to all Participating Employers and their respective employees until such time as the Committee may, in its discretion, further amend or take any other authorized action with respect to the Plan.

APPROVED BY:

/s/ Candace S. Cummings

Candace S. Cummings

October 30, 2008

/s/ Frank C. Pickard III

Frank C. Pickard III

/s/ Susan L. Williams

Susan L. Williams

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 15 U.S.C. SECTION 10A, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Eric C. Wiseman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of V.F. Corporation;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.
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November 5, 2008

/s/ Eric C. Wiseman

Eric C. Wiseman
President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 15 U.S.C. SECTION 10A, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert K. Shearer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of V.F. Corporation;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.
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November 5, 2008

/s/ Robert K. Shearer

Robert K. Shearer
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of V.F. Corporation (the "Company") on Form 10-Q for the period ending September 27, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Eric C. Wiseman, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

November 5, 2008

/s/ Eric C. Wiseman

Eric C. Wiseman

President and Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of V.F. Corporation (the "Company") on Form 10-Q for the period ending September 27, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert K. Shearer, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

November 5, 2008

/s/ Robert K. Shearer

Robert K. Shearer
Senior Vice President
and Chief Financial Officer