

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): APRIL 30, 2007

MOVADO GROUP, INC.

(Exact name of registrant as specified in charter)

NEW YORK

(State or other jurisdiction of incorporation)

1-16497

13-2595932

(Commission File Number)

(IRS Employer Identification Number)

650 FROM ROAD
PARAMUS, NEW JERSEY

07652

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (201) 267-8000

NOT APPLICABLE

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (SEE General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.

(e) On April 30, 2007, the Compensation Committee (the "COMMITTEE") of Movado Group, Inc. (the "COMPANY") approved additional awards under the Movado Group, Inc. Executive Long-Term Incentive Plan (the "LTIP"), which was adopted initially on May 31, 2006 pursuant to Section 9 of the Movado Group, Inc. 1996 Stock Incentive Plan (as amended and restated, the "PLAN"). The awards relate to the three-year Award Period (as defined below) ending on January 31, 2010. The Committee may make additional awards under the LTIP with respect to future Award Periods.

The LTIP provides for the award of "Performance Share Units" (as defined in the Plan) during the three fiscal years beginning with the fiscal

year during which the award is granted (the "AWARD PERIOD"). Performance Share Units are equivalent, one for one, to shares of "Stock" (as defined in the Plan) that vest based on the Company's achievement of its "operating margin" (as defined in the LTIP) for the last fiscal year of the Award Period (the "PERFORMANCE GOAL") and continued service by the employee. Each participant's target award is expressed as a number of Performance Share Units. The actual number of shares of Stock earned by a participant will be based on the Company's actual performance at the end of the Award Period relative to the Performance Goal and can range from 0% to 150% of the target award.

Depending on the extent to which the Performance Goal is achieved, up to 50% of the shares of Stock equal to the target Award will be distributed within 75 days after the completion of the Award Period and the remainder of the earned shares will be distributed on the second anniversary of the completion of the Award Period. Participants must be employed at the completion of the Award Period to receive the shares. The amount deferred to the second anniversary is subject to forfeiture only in the event of the participant's voluntary resignation or termination of the participant's employment for "Cause" (as defined in the LTIP). A pro-rata payout will be made for "retirement" (as defined in the LTIP), permanent disability (as determined by the Committee) or death occurring during the Award Period based on actual performance at the end of the Award Period.

Each Performance Share Unit will be credited with "Dividend Equivalents" (as defined in the Plan) equal to the dividends paid on one share of Stock during the Award Period and the subsequent two-year mandatory deferral period. Dividend Equivalents will be in the form of "Phantom Stock Units" (as defined in the Plan) and will be distributed as an equal number of shares of Stock at the same time as the distribution of earned shares.

Upon the occurrence of a "Change in Control" (as defined in the Plan), the Performance Share Units awarded will be converted on a one-for-one basis to time-based Phantom Stock Units without pro-ration, which will vest at the end of the Award Period. Upon vesting, one share of Stock will be distributed for each Phantom Share Unit not previously forfeited. If the Change in Control occurs during the first 12 months of the Award Period, the shares will be converted at 50% of the target Award. If the Change in Control occurs during the second 12 months of the Award Period, the shares will be converted

at 100% of the target Award. If the Change in Control occurs during the final 12 months of the Award Period, the shares will be converted at a percentage of the target Award based on actual performance through the Change in Control date. If a participant's employment is terminated within 24 months after the Change in Control, the unvested Phantom Stock Units will become immediately vested.

A form of the LTIP Award Notice, which contains a summary of the material terms of the award, is filed as Exhibit 10.1 to this Form 8-K and incorporated herein by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

10.1 Form of LTIP Award Notice.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report on Form 8-K to be signed on its behalf by the undersigned, hereunto duly authorized.

Dated: May 4, 2007

MOVADO GROUP, INC.

By: /s/ Timothy F. Michno

Name: Timothy F. Michno
Title: General Counsel

MOVADO GROUP, INC.
EXECUTIVE LONG-TERM
INCENTIVE PROGRAM

INTRODUCTION:

The Movado Group, Inc. long-term incentive plan ("LTIP") is a performance share program that has been established by the Compensation Committee of the Board of Directors of Movado Group, Inc. (the "Committee") pursuant to Section 9 of the Movado Group, Inc. 1996 Stock Incentive Plan (as amended and restated, the "Plan").

Capitalized terms that are not defined below have the meaning given to them in the Plan. Performance Share Units are equivalent, 1 for 1, to shares of Stock that vest based on the Company's achievement of multi-year Performance Goals and the continued service of the Plan Participant.

OBJECTIVES:

- o Links compensation to the achievement of corporate goals
- o Recognizes competitive practices in executive compensation
- o Focuses key employees on the improvement of the Company's operating profit
- o Provides greater equity awards for achieving and exceeding goals
- o Assists with the attraction and retention of key management personnel

TYPE OF AWARD:

Your Award is in the form of Performance shares as described under Section 9 of the Plan. These Performance Share Units will be credited with Dividend Equivalents during the Award Period as described below if the Performance Goals are achieved and the stock is distributed.

PERFORMANCE GOALS:

The Performance Goal that will determine the number of shares of Stock, if any, you receive is the Company's OPERATING MARGIN. Operating margin is defined as operating profit divided by net sales, determined in accordance with GAAP as consistently applied by the Company. This number will be adjusted to exclude the impact of acquisitions and divestitures.

AWARD PERIOD:

The Award Period, which is the period of time within which performance is measured to determine whether an Award of Performance Share Units has been earned, is a three year period ending January 31.

SIZE OF INDIVIDUAL AWARDS:

Your target Award is expressed as a Number of Performance Share Units. The actual number of shares of Stock earned is based on actual performance at the end of the Award Period relative to the Performance Goals and can range from 0% to 150% of the target Award depending on the achievement of the operating margin goals.

PERFORMANCE STANDARDS:

- o The number of shares of Stock earned is determined using the following payout schedule for the Award Period ending January 31.
- o Payouts between performance levels will be based on straight line interpolation.

THREE YEAR FISCAL PERFORMANCE CYCLE

Degree of Performance Attainment (% of Target Goal)	Operating Margin FY []**	% of Shares Earned
Maximum (111%)	*	150%

Target (100%)	*	100%
Threshold (89.5%)	*	50%
Below Threshold	*	0%

* To be determined by resolution of the Committee

** The last fiscal year of the Award Period.

VESTING AND EARN OUT:

After the Award Period ends, depending on the extent to which the Performance Goals is achieved, up to 50% of the shares of Stock equal to the target Award will be distributed within 75 days after completion of the Award Period and the remainder of the earned shares will be distributed on the 2nd anniversary of completion of the Award Period.

Participants must be employed at the completion of the Award Period in order to receive the shares of Stock. The amount deferred to the 2nd anniversary is subject to forfeiture only in the event of the Participant's voluntary resignation or termination of the Participant's employment for cause.

TERMINATION FOR CAUSE

For purposes of this LTIP, the Participant's employment shall be deemed to be terminated for "Cause" if the Participant is discharged: (i) on account of fraud, embezzlement or other unlawful or tortious conduct, whether or not involving or against the Company or any Affiliate, (ii) for violation of a written policy of the Company or any Affiliate, (iii) for serious and willful acts of misconduct detrimental to the business or reputation of the Company or any Affiliate or (iv) for "Cause" or any like term as defined in any written employment contract with the Participant

PRO-RATA PAYOUTS

Pro-rata payouts will be made for retirement, permanent disability (as determined by the Committee) and death occurring during the Award Period based on actual performance at the end of the Award Period.

RETIREMENT AND LEAVE OF ABSENCE

For purposes of the LTIP, "retirement" means a Participant's voluntary resignation (i) at or after age 65, or (ii) before the age of 65 but after age 55 provided the Participant has been employed by the Company (or one of its Affiliates) for at least 10 years and further subject to the specific approval of the Committee (including any limitations or conditions the Committee may, in its discretion, impose which are not inconsistent with the express terms of the Plan such as, without limitation, a covenant by the Participant not to compete with the Company).

The Committee may in its discretion determine whether any leave of absence (including short-term or long-term disability or medical leave) shall constitute a termination of employment for purposes of the LTIP.

DISTRIBUTION SCHEDULE

TARGET AWARD: 2,000 PERFORMANCE SHARE UNITS

ACTUAL PERFORMANCE LEVEL	# OF SHARES EARNED	# OF SHARES OF STOCK DISTRIBUTED (END OF CYCLE)*	2ND ANNIVERSARY
Maximum	3,000	1,000	2,000
Target	2,000	1,000	1,000
Threshold	1,000	500	500

*EQUAL TO THE LESSER OF (A) 50% OF NUMBER OF SHARES EARNED OR (B) 50% OF TARGET SHARES

PAYOUT:

Awards will be paid in shares of Stock, net of required tax withholding. Dividend credits are paid on the number of shares actually earned, as described below.

DIVIDENDS:

Each Performance Share Unit will be credited with Dividend Equivalents equal to the dividends paid on one share of Stock during the Award Period and the subsequent two-year mandatory deferral period.

Dividend Equivalents will be in the form of Phantom Stock Units and will be distributed as an equal number of shares of Stock at the same time as the distribution of earned shares.

CHANGE IN CONTROL:

If there should be a Change in Control, the Performance Share Units awarded will be immediately and automatically converted on a 1 for 1 basis to TIME-BASED Phantom Stock Units without pro-ration which will vest at the end of the Award Period and upon vesting, one share of Stock will be distributed for each Phantom Share Unit not previously forfeited. The basis for conversion depends upon when during the Award Period the Change in Control occurs.

TIME OF THE CHANGE IN CONTROL	SHARES CONVERTED AT
Months 1 through 12	Threshold
Months 13 through 24	Target
Months 25 through 36	Performance to Date

If a Participant's employment is terminated within 24 months after the Change in Control, the unvested Phantom Stock Units will become immediately vested.

MISCELLANEOUS:

The Committee reserves the right with or without notice, at any time and from time to time, in its sole and absolute discretion to (i) amend or modify in whole or in part any of the provisions of the LTIP in any respect whatsoever (ii) suspend or cancel the LTIP and (iii) make exceptions to any or all of the provisions of the LTIP on a case by case basis.

This LTIP shall be subject to all of the terms and provisions of the Plan, which are incorporated hereby and made a part hereof. If there is any inconsistency between any of the provisions of the LTIP and the Plan, the provisions of the Plan shall govern.

NEITHER THE PLAN NOR THE LTIP CONSTITUTES A CONTRACT OF EMPLOYMENT AND THE COMPANY SPECIFICALLY RESERVES THE RIGHT TO TERMINATE A PARTICIPANT'S EMPLOYMENT AT ANY TIME WITH OR WITHOUT CAUSE AND WITH OR WITHOUT NOTICE OR ASSIGNING A REASON.