

1 800 FLOWERS COM INC
Form DEF 14A
October 30, 2017
SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934, as amended.

Filed by the registrant

Filed by a party other than the registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential for Use of the Commission only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement X

Definitive Additional Materials

Soliciting Material Pursuant to §§ 240.14a-12

1-800-FLOWERS.COM, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transactions applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 240.0-11 and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

1-800-FLOWERS.COM, INC.

One Old Country Road

Carle Place, New York 11514

Notice of Annual Meeting of Stockholders

December 11, 2017

The Annual Meeting of Stockholders (the “Annual Meeting”) of 1-800-FLOWERS.COM, Inc. (the “Company”) will be held at One Old Country Road, Carle Place, New York 11514, Fourth Floor Conference Room (the “Meeting Place”), on Monday, December 11, 2017 at 9:00 a.m. eastern standard time, or any adjournment thereof, for the following purposes, as more fully described in the Proxy Statement accompanying this notice:

- (1) To elect ten Directors to serve until the 2018 Annual Meeting or until their respective successors have been duly elected and qualified;
- (2) To ratify the appointment of BDO USA, LLP as our independent registered public accounting firm for the fiscal year ending July 1, 2018;
- (3) Advisory vote on executive compensation;
- (4) Advisory vote on the frequency of holding future advisory votes on executive compensation;
- (5) To vote on one shareholder proposal, if properly presented; and
- (6) To transact such other matters as may properly come before the Annual Meeting.

Only stockholders of record at the close of business on October 13, 2017 will be entitled to notice of, and to vote at, the Annual Meeting. A list of stockholders eligible to vote at the Annual Meeting will be available for inspection at the Annual Meeting, and for a period of ten days prior to the Annual Meeting, during regular business hours at the Meeting Place.

All stockholders are cordially invited to attend the Annual Meeting in person. Whether or not you expect to attend the Annual Meeting, your proxy vote is important. To assure your representation at the Annual Meeting, you are urged to cast your vote, as instructed in the Notice of Internet Availability of Proxy Materials, over the Internet or by telephone as promptly as possible. If you received a copy of the proxy materials by mail, you may sign, date and mail the proxy card in the envelope provided. Any stockholder of record attending the Annual Meeting may vote in person, even if he or she has voted over the Internet, by telephone or returned a completed proxy card. You may revoke your proxy at any time prior to the Annual Meeting. If you attend the Annual Meeting and vote by ballot, your proxy will be revoked automatically and only your vote at the Annual Meeting will be counted.

By Order of the Board of Directors

/s/ Gerard M. Gallagher
Gerard M. Gallagher
Corporate Secretary

Carle Place, New York
October 30, 2017

YOUR VOTE IS EXTREMELY IMPORTANT. YOU ARE URGED TO VOTE BY TELEPHONE OR INTERNET AS PROMPTLY AS POSSIBLE. ALTERNATIVELY, IF YOU RECEIVED A PAPER PROXY CARD BY MAIL, YOU MAY COMPLETE, SIGN AND RETURN THE PROXY CARD BY MAIL.

1-800-FLOWERS.COM, INC.
PROXY STATEMENT

October 30, 2017

This Proxy Statement is furnished to stockholders of record of 1-800-FLOWERS.COM, Inc. (the “Company”) as of October 13, 2017 (the “Record Date”) in connection with the solicitation of proxies by the Board of Directors of the Company (the “Board of Directors” or the “Board”) for use at the Annual Meeting of Stockholders (the “Annual Meeting”) which will be held at One Old Country Road, Carle Place, New York 11514, Fourth Floor Conference Room (the “Meeting Place”), on Monday, December 11, 2017 at 9:00 a.m. eastern standard time or any adjournment thereof.

In accordance with rules and regulations adopted by the Securities and Exchange Commission, instead of mailing a printed copy of our proxy materials to every stockholder, we are now furnishing proxy materials to our stockholders on the Internet. If you received a Notice of Internet Availability of Proxy Materials by mail, you may not receive a printed copy of the proxy materials other than as described below. Instead, the Notice of Internet Availability of Proxy Materials will instruct you as to how you may access and review all of the important information contained in the proxy materials. The Notice of Internet Availability of Proxy Materials also instructs you as to how you may submit your proxy by telephone or over the Internet. If you received a Notice of Internet Availability of Proxy Materials by mail and did not receive proxy materials by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials.

The Securities and Exchange Commission’s rules permit us to deliver a single Notice or set of Annual Meeting materials to one address shared by two or more of our stockholders. This delivery method is referred to as “householding” and can result in significant cost savings. To take advantage of this opportunity, we have delivered only one proxy statement and annual report to multiple stockholders who share an address, unless we received contrary instructions from the impacted stockholders prior to the mailing date. We agree to deliver promptly, upon written or oral request, a separate copy of the Notice or Annual Meeting materials, as requested, to any stockholder at the shared address to which a single copy of those documents was delivered. If you prefer to receive separate copies of the proxy statement or annual report, contact Broadridge Financial Solutions, Inc. at 1.800.542.1061 or in writing at Broadridge, Householding Department, 51 Mercedes Way, Edgewood, New York 11717. If you are currently a stockholder sharing an address with another stockholder and wish to receive only one copy of future Notices, proxy statements and annual reports for your household, please contact Broadridge at the above phone number or address.

Shares cannot be voted at the Annual Meeting unless the owner is present in person or by proxy. All properly executed and unrevoked proxies in the accompanying form that are received in time for the Annual Meeting will be voted at the Annual Meeting or any adjournment thereof in accordance with instructions thereon, or if no instructions are given, will be voted “FOR” the election of ten Directors named in this proxy statement, “FOR” the ratification of the

appointment of BDO USA, LLP, as the Company's independent registered public accounting firm, for the fiscal year ending July 1, 2018, "FOR" the approval of the executive compensation, "THREE YEARS" with respect to the frequency of future advisory votes on executive compensation, "AGAINST" the shareholder proposal and will be voted in accordance with the discretion of the person appointed as proxy with respect to other matters which may properly come before the Annual Meeting. Any person giving a proxy may revoke it by written notice to the Company at any time prior to the exercise of the proxy. In addition, although mere attendance at the Annual Meeting will not revoke the proxy, a stockholder who attends the Annual Meeting may withdraw his or her proxy and vote in person. Abstentions and broker non-votes will be counted for purposes of determining the presence or absence of a quorum for the transaction of business at the Annual Meeting. Abstentions will be counted in tabulations of the votes cast on each of the proposals presented at the Annual Meeting, whereas broker non-votes will not be counted for purposes of determining whether a proposal has been approved.

The Annual Report of the Company (which does not form a part of the proxy solicitation materials) is being made available on www.proxyvote.com concurrently herewith to stockholders.

The mailing address of the principal executive office of the Company is One Old Country Road, Suite 500, Carle Place, New York 11514. It is anticipated that the Notice of Internet Availability of Proxy Materials is first being sent to stockholders on or about October 30, 2017. The proxy statement and form of proxy relating to the 2017 Annual Meeting is first being made available to stockholders on or about October 30, 2017.

VOTING SECURITIES

The Company has two classes of voting securities issued and outstanding, its Class A common stock, par value \$0.01 per share (the “Class A Common Stock”), and its Class B common stock, par value \$0.01 per share (the “Class B Common Stock”, and together with the Class A Common Stock, the “Common Stock”), which generally vote together as a single class on all matters presented to the stockholders for their vote or approval. At the Annual Meeting, each stockholder of record at the close of business on October 13, 2017 of Class A Common Stock will be entitled to one vote for each share of Class A Common Stock owned on that date as to each matter presented at the Annual Meeting and each stockholder of record at the close of business on October 13, 2017 of Class B Common Stock will be entitled to ten votes for each share of Class B Common Stock owned on that date as to each matter presented at the Annual Meeting. On October 13, 2017, 36,018,141 shares of Class A Common Stock and 28,567,063 shares of Class B Common Stock were outstanding. A list of stockholders eligible to vote at the Annual Meeting will be available for inspection at the Annual Meeting, and for a period of ten days prior to the Annual Meeting, during regular business hours at the Meeting Place.

METHODS OF VOTING

Stockholders can vote in person at the Annual Meeting or by proxy. There are three ways to vote by proxy:

By Telephone -- You can vote by telephone by calling 1.800.690.6903

By Internet -- You can vote over the Internet at www.proxyvote.com by following the instructions on the proxy card;
or

By Mail -- If you received your proxy materials by mail, you can vote by mail by signing, dating and mailing the enclosed proxy card.

Telephone and Internet voting facilities for stockholders of record will be available 24 hours a day and will close at 11:59 p.m. (EST) on December 10, 2017.

PROPOSAL 1

ELECTION OF DIRECTORS

The Board of Directors has recommended Meses. GERALYN R. BREIG, CELIA R. BROWN and KATHERINE OLIVER and Messrs. JAMES CANNAVINO, EUGENE DEMARK, LEONARD J. ELMORE, SEAN HEGARTY, CHRISTOPHER G. MCCANN, JAMES F. MCCANN, and LARRY ZARIN for election as Directors, to serve until the 2018 Annual Meeting or until their successors are duly elected and qualified. If a nominee is unable to be a candidate when the election takes place, the shares represented by valid proxies will be voted in favor of the remaining nominees. The Board of Directors does not currently anticipate that any of the nominees will be unable to be a candidate for election.

Information regarding the director nominees is set forth below under the heading “—Information Regarding Director Nominees”.

The affirmative vote of a plurality of the Company’s outstanding Common Stock present in person or by proxy at the Annual Meeting is required to elect the nominees for Directors. Unless otherwise instructed, the proxy holder will vote the proxies received by him “FOR” the election of the Directors.

THE BOARD RECOMMENDS THAT STOCKHOLDERS VOTE FOR THE ELECTION OF ITS TEN DIRECTOR NOMINEES

Information Regarding Director Nominees

Our Board of Directors currently consists of ten Directors with each Director serving a one year term. The following information with respect to the principal occupation or employment, other affiliations and business experience of each of the nominees to be elected at the meeting and during the last five years has been furnished to the Company by the nominee.

Geralyn R. Breig, age 55, has been a Director of the Company since January 2012. Ms. Breig served as President of Clarks, Americas Region, a division of the global, privately held footwear company C & J Clark Ltd. headquartered in England, from 2014 through 2016. Prior to Clarks she worked for Avon Products Inc. where she served as President of Avon North America and General Manager of Avon USA from 2008 to 2011. Prior to that, she was Senior Vice President & Brand President of Avon's Global Marketing Business Unit from 2005-2008. Ms. Breig held several executive positions at the Campbell Soup Company from 1995 to 2005. She began her career in brand management for the Beauty Care Division at The Procter & Gamble Company and from 1986 to 1995, she held several managerial positions at Kraft Foods, Inc. Ms. Breig has been a Director of Welch Foods Inc. since 2013 where she is a member of the Compensation Committee, Chair of the Nominating and Governance committee and former member of the Audit Committee.

Ms. Breig's career has focused on brand and product management at the management and executive level. She provides the Board with a brand management strategy, executive management experience and operational insights. We believe these experiences, qualifications, attributes and skills qualify her to serve as a member of our Board of Directors.

Celia R. Brown, age 63, has been a director of the Company since June 2016. Since 2017, Ms. Brown has served as an Independent Management Consultant. From 2010 until June 2016, she served as EVP, Group HR Director of Willis Group, a multi-billion dollar global, risk management and insurance brokerage company with operations in more than 120 countries. At Willis, Ms. Brown was an advisor to the CEO, compensation committee and Board of Directors on talent strategy, succession planning, reward strategy (including executive compensation), culture and diversity. Upon the 2016 merger of Willis and Towers Watson, Ms. Brown served as an integration advisor to the combined company. Prior to joining Willis, Ms. Brown was with XL Capital Ltd. and its predecessor company from 1988 through 2009 where she held numerous positions culminating in EVP, Head of Global HR and Corporate Relations. Ms. Brown serves as a board member for non-profit organization Volunteer New York.

As a result of Ms. Brown's career, she provides the Board with compensation and human resource experience and expertise. She also has experience integrating merger and acquisition transactions at the executive level. We believe these experiences, qualifications, attributes and skills qualify her to serve as a member of our Board of Directors.

James Cannavino, age 73, has been a Director of the Company since June 2007. Mr. Cannavino served as Chairman of the Board of Direct Insite from 2000 through 2011 and was Chief Executive Officer from December 2002 until May 2011. He continues to serve as a director. Direct Insite is a global provider of financial supply chain automation across procure-to-pay and order-to cash business processes. From September 1997 through April 2000, he was elected non-executive Chairman of Softworks, Inc. (a wholly owned subsidiary of Direct Insite, formerly Computer Concepts), which went public and was later sold to EMC. Mr. Cannavino was also the Chief Executive Officer and Chairman of the Board of Directors of Cybersafe, Inc., a company specializing in network security. Prior to Cybersafe, Mr. Cannavino was hired as President and Chief Operating Officer of Perot Systems Corporation; he was elected to serve as Chief Executive Officer through July 1997. Mr. Cannavino retired from IBM in 1995, a career that spanned 30 years, where he was Senior Vice President for Strategy and Business Development. Mr. Cannavino presently serves on the Boards of the National Center for Missing and Exploited Children and is the immediate past Chairman of The International Center for Missing and Exploited Children. He is a past chairman of the Board of Marist College in Poughkeepsie, New York and continues to serve on that board.

Mr. Cannavino's numerous years of experience in executive level positions in the technology industry provides the Board with a wealth of valuable insight and knowledge regarding business strategy, operational and management experience in the technology industry. We believe these experiences, qualifications, attributes and skills qualify him to serve as a member of our Board of Directors.

Eugene DeMark, age 70, has been a Director of the Company since January 2012. Mr. DeMark worked for KPMG LLP, a global professional services firm, from June 1969 until his retirement in October 2009. He served as the Advisory Northeast Area Managing Partner at KPMG from October 2005 until his retirement. During his career with KPMG, he served in various leadership positions including Area Managing Partner of the Information, Communications and Electronics Practice as well as Managing Partner of the firm's Long Island office. While on special assignment at KPMG he worked on the research staff of the Commission on Auditors Responsibilities (the predecessor of the Treadway Commission) that was formed to assess increases in fraudulent financial reporting and

developed KPMG's first study guide on SEC reporting. Since his retirement, Mr. DeMark has been an independent consultant. Mr. DeMark has served on the Board of Directors of BankUnited, Florida's largest independent bank, since 2010 and is the chair of the Audit and Risk Committee. He also serves on the Governance and Compensation committees of the Bank's Board and is the Lead Director. Mr. DeMark was on the Board of Directors of MSG Networks from October 2015 to December 2016 and was the Chair of their Audit Committee and served on the Compensation Committee. He is a Certified Public Accountant in the State of New York.

As a result of Mr. DeMark's professional experience and 40-year career with one of the leading professional services firm, he provides the Board with financial expertise, experience in risk management and executive managerial experience. Mr. DeMark qualifies as an audit committee financial expert and is financially sophisticated within the meaning of the NASDAQ Stock Market Rules. We believe these experiences, qualifications, attributes and skills qualify him to serve as a member of our Board of Directors.

Leonard J. Elmore, age 65, has been a Director of the Company since October 2002. Mr. Elmore has been a NCAA commentator for CBS Sports and ESPN for over 25 years. Mr. Elmore was the Chief Executive Officer of iHoops, the official youth basketball initiative of the NCAA and NBA from May 2010 until October 2011 and served as a Board Member from its inception in April 2009 until May 2010. Prior to joining iHoops, he was a Partner with the law firm of Dreier LLP in its New York City headquarters from September 2008 until February 2009. Prior to his employment with Dreier LLP in September, 2008, Mr. Elmore served as Senior Counsel with LeBoeuf, Lamb, et. al (subsequently Dewey & LeBouef) from October 2004 until March 2008. Prior thereto, Mr. Elmore served as the President of Test University, a leading provider of internet-delivered learning solutions for pre-college students, from 2001 to 2003. Mr. Elmore has served on the Board of Directors of Lee Enterprises, Inc. since February 2007 and is currently a member of their Audit Committee. Mr. Elmore continues to fulfill his commitment to public service as a Commissioner on the John and James L. Knight Foundation's Knight Commission on Intercollegiate Athletics.

Mr. Elmore's career has spanned many different sectors from the diverse public service sectors to law firm experience. He provides the Board a wealth of business strategy, operational and management experience. We believe these experiences, qualifications, attributes and skills qualify him to serve as a member of our Board of Directors.

Sean Hegarty, age 60, has been a Director of the Company since January 2014. Mr. Hegarty worked for Forbes Family Holdings, Inc. and its subsidiary, Forbes Media LLC from 1987 until 2011. Mr. Hegarty joined Forbes as the director of taxes, became the vice president of finance in 1998 and in 2003 he became the Executive Vice President and Chief Financial Officer until he left the company in 2011. Since 2011, Mr. Hegarty has been the managing partner of his own financial and tax planning consulting firm, Hegarty & Company. Since January 2015, he has served as the Chief Financial Officer for SBKTM Holdings, Inc., an affiliate of Forbes Family Holdings, Inc. Mr. Hegarty began his career in 1979 with Ernst & Young LLP. He is a Certified Public Accountant in the State of New York.

As a result of Mr. Hegarty's professional experience, he provides the Board with financial expertise, experience in risk management and executive managerial experience. We believe these experiences, qualifications, attributes and skills qualify him to serve as a member of our Board of Directors.

Christopher G. McCann, age 56, has been the Company's President since September 2000 and Chief Executive Officer since June 2016. Prior to that he served as the Company's Senior Vice President and was the President of the Consumer Floral Brand from July 2010 until October 2013. Mr. McCann has been a Director of the Company since inception. Mr. McCann is a member of the Board of Trustees of Marist College. He is the Vice Chairman of the Board

of Directors of IGHL. Christopher G. McCann is the brother of James F. McCann, the Company's Executive Chairman of the Board.

Due to Mr. C. McCann's various positions within the Company over the course of 30+ years, he brings to the Board a unique insight into the day-to-day operations of the Company and its subsidiaries as well as its strategic vision. In addition, his prior service on other public company boards of directors provide the Board with valuable board-level experience. We believe these experiences, qualifications, attributes and skills qualify him to serve as a member of our Board of Directors.

James F. McCann, age 66, is the founder of the Company and served as the Company's Chairman of the Board and Chief Executive Officer from inception until June 2016. In June 2016, Mr. McCann became the Executive Chairman of the Board and relinquished the Chief Executive Officer role to Mr. C. McCann. Mr. McCann has been in the floral industry since 1976 when he began a retail chain of flower shops in the New York metropolitan area. Mr. McCann is the non-executive Chairman of the Board of Directors of Willis Towers Watson and serves as a member of its Nominating and Corporate Governance Committee. Mr. McCann is also a member of the Board of Directors of International Game Technology PLC and The Scotts Miracle Gro Company. James F. McCann is the brother of Christopher G. McCann, Chief Executive Officer, Director and President of the Company.

As the Company's Executive Chairman of the Board and former Chief Executive Officer since inception Mr. J. McCann brings to the Board his deep understanding of the Company's strategic business goals and extensive experience with both Company and industry-specific opportunities and challenges. Mr. J. McCann's current and prior service on other public company boards of directors and their committees provide the Board with valuable board-level experience. We believe these experiences, qualifications, attributes and skills qualify him to serve as a member of our Board of Directors.

Katherine Oliver, age 53, has been a director of the Company since February 2017 and was recommend to the Board by the Executive Chairman. She is a Principal at Bloomberg Associates, an international philanthropic consulting firm founded by former New York City Mayor Michael R. Bloomberg. She oversees the media and technology portfolio and advises mayors around the globe on economic development and public communications strategies. Previously, Ms. Oliver was appointed by Mayor Bloomberg as Commissioner of Media and Entertainment for New York City from 2002 until 2013. Since December 2015, she has been on the Board of Directors of The Chef's Warehouse, Inc. and is a member of their Nominating and Governance Committee as well as their Compensation and Human Capital Committee.

Ms. Oliver has over 25 years of experience in media and entertainment and therefore brings a unique lens to business development, creativity, branding and customer service. As she advises a variety of corporate and non-profit organizations on content creation and marketing strategies, the Company can leverage her expertise and insight. We believe these experiences, qualifications, attributes and skills qualify her to serve as a member of our Board of Directors

Larry Zarin, age 63, has been a director of the Company since March 2009. Mr. Zarin was Senior Vice President and Chief Marketing Officer for Express Scripts, a Fortune 25 company whose goal is to make the use of prescription drugs safer and more affordable, until his retirement in July 2013. He joined Express Scripts in 1996 and during his tenure, he had a leading role in the successful integration of the company's numerous major acquisitions, including, the \$29.1 billion acquisition of Medco. Mr. Zarin was responsible for corporate communications and marketing and was a frequent speaker at industry conferences and events. Before joining Express Scripts, Mr. Zarin headed a St. Louis consulting firm.

Mr. Zarin has extensive product and brand marketing and business leadership skills from his career at Express Scripts. He also has experience overseeing and integrating merger and acquisition transactions at an executive level. We believe these experiences, qualifications, attributes and skills qualify him to serve as a member of our Board of Directors.

Board Leadership Structure

The Board has no policy that requires the combination or separation of the roles of Chairman or Chief Executive Officer. Mr. J. McCann served as both our Chairman of the Board and our Chief Executive Officer until June 2016, at which point he ceased serving as Chief Executive Officer. The Board believes that Mr. J. McCann is the director best suited to serve as Executive Chairman of the Board. As the founder of the Company, he is most familiar with the Company's business and industry. He is uniquely situated to identify strategic priorities and to lead the Board in discussions regarding strategy and business planning and operations. In addition, his service on other public company boards of directors and their committees provide the Board with valuable board-level experience. The Company does not currently have a lead independent director.

Board Oversight of Risk Management

The Board of Directors, as a whole and through its committees, oversees the Company's risk management process, including operational, financial, legal, strategic, marketing and brand reputation risks. The Audit Committee assists the Board in the oversight of the risk management process. In addition, the Board is guided by management presentations at Board meetings and throughout the fiscal year that serve to provide visibility to the Board about the identification, evaluation and management of risks the Company is facing as well as how to mitigate such risks.

Information about the Board and its Committees

Each of our Directors, other than Messrs. James F. McCann and Christopher G. McCann, qualifies as an "independent director" as defined under the published listing requirements of the NASDAQ Stock Market. The NASDAQ independence definition includes a series of objective tests. For example, an independent director may not be employed by us and may not engage in certain types of business dealings with the Company. In addition, as further required by NASDAQ rules, the Board has made a subjective determination as to each independent Director that no relationship exists which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director. In making these determinations, the Board reviewed and discussed information provided by the Directors and by the Company with regard to each Director's business and personal activities as they may relate to the Company and the Company's management. In addition, as required by NASDAQ rules, the Board determined that the members of the Audit Committee each qualify as "independent" under special standards established by NASDAQ and the U.S. Securities and Exchange Commission (the "Commission") for members of audit committees. The Board does not have a formal policy with respect to diversity. The Board and Nominating and Corporate Governance Committee believe that it is critical for the Directors to have varying points of view, with a broad spectrum of experience, education, skills, backgrounds, professional and life experience that when viewed as the collective group, provide an ample blend of perspectives to allow the Board to fulfill its duties to the long-term interests of the Company's shareholders.

The table below provides current membership and meeting information for each of the Board committees for Fiscal 2017.

Current Membership:

Directors	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
James F. McCann			
Christopher G. McCann			
Geralyn R. Breig	X		
Celia R. Brown		X	X
James Cannavino		X*	
Eugene F. DeMark	X*		
Leonard J. Elmore			X*
Sean Hegarty	X		
Katherine Oliver			X
Larry Zarin		X	
Total Meetings in Fiscal 2017	5	7	2

*Committee Chairperson

Audit Committee

The Audit Committee of the Board of Directors reports to the Board regarding the appointment of the Company's independent registered public accountants, the scope and results of its annual audits, compliance with accounting and financial policies and management's procedures and policies relative to the adequacy of internal accounting controls. The Company's Board of Directors adopted a written charter for the Audit Committee in January 2000, as amended in August 2003, which outlines the responsibilities of the Audit Committee. A current copy of the charter of the Audit Committee is available on our website located at www.1800flowers.com under the Investor Relations section of the website.

Each member of the Audit Committee is "financially literate" as required by NASDAQ rules. The Audit Committee also includes at least one member, Eugene DeMark, who was determined by the Board to meet the qualifications of an "audit committee financial expert" in accordance with Commission rules and to meet the qualifications of "financial sophistication" in accordance with NASDAQ rules. Stockholders should understand that these designations relate to our Audit Committee members' experience and understanding with respect to certain accounting and auditing matters

and do not impose upon any of them any duties, obligations or liabilities that are greater than those generally imposed on a member of the Audit Committee or of the Board.

Compensation Committee

The Compensation Committee of the Board of Directors establishes the Company's compensation philosophy and makes a final determination on all forms of compensation to be provided to the Company's Section 16 Executive Officers ("Executive Officers"), including base salary and the provisions of the Sharing Success Program under which annual incentive compensation may be awarded. In addition, the Compensation Committee administers the Company's 2003 Long Term Incentive and Share Award Plan, as amended and restated as of October 22, 2009, as amended as of October 28, 2011 and September 14, 2016 ("2003 Plan") under which option grants, stock appreciation rights, restricted awards, performance awards and equity awards may be made to Directors, officers, employees of, and consultants to, the Company and its subsidiaries. See "Named Executive Officer Compensation—Compensation Discussion and Analysis—Sharing Success Program and Long-Term Incentive Equity Awards." The Board of Directors has authorized Mr. James F. McCann to review awards for all of the Company's employees, other than its Executive Officers. The Compensation Committee also makes recommendations to the Board of Directors regarding Directors' compensation. The Company's Board of Directors adopted a written charter for the Compensation Committee in June 2003, as amended in June 2013, which outlines the responsibilities of the Compensation Committee. All of the members of the Company's compensation committee are independent directors and have never been employees of the Company. A current copy of the charter of the Compensation Committee is available on our web site located at www.1800flowers.com under the Investor Relations section of the website.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for the oversight of the evaluation of the Board of Directors, including its size and composition; it reviews and reassesses the adequacy of corporate governance guidelines and practices and develops and recommends to the Board the Company's corporate governance guidelines and practices; and identifies and evaluates individuals qualified to become Board members and recommends to the Board, Director nominees for election and re-election. The Nominating and Corporate Governance Committee will consider recommendations for prospective nominees for the Board from other members of the Board, management and others, including Stockholders, and may employ third-party search firms. The Company's Board of Directors adopted a written charter for the Nominating and Corporate Governance Committee in June 2003, which outlines the responsibilities of the Committee. A current copy of the charter of the Nominating and Corporate Governance Committee is available on our website located at www.1800flowers.com under the Investor Relations section of the website.

Compensation Committee Interlocks and Insider Participation

No interlocking relationships exist between the Board of Directors or the Compensation Committee and the Board of Directors or the compensation committee of any other company, nor has any such interlocking relationship existed in the past. No member of the Compensation Committee was an officer or employee of the Company at any time during Fiscal 2017.

Communication with Board of Directors

The Nominating and Corporate Governance Committee, on behalf of the Board, reviews letters from stockholders concerning the Company's Annual Meeting of Stockholders and governance process, including recommendations of director candidates, and makes recommendations to the Board based on such communications. Stockholders can send communications to the Board and to the non-management Directors by mail in care of the Corporate Secretary at One Old Country Road, Suite 500, Carle Place, NY 11514, Attention: Gerard M. Gallagher, and should specify the intended recipient or recipients. All such communications, other than unsolicited commercial solicitations or communications, will be forwarded to the appropriate Director or Directors for review. Any such unsolicited commercial solicitation or communication not forwarded to the appropriate Director or Directors will be available to any non-management Director who wishes to review it.

Attendance at Meetings

During Fiscal 2017, the Board of Directors held four meetings and acted by unanimous written consent on four occasions. During Fiscal 2017, all incumbent Directors attended at least 75 % of the meetings of the Board of Directors and the meetings held by all committees of the Board of which they were a member. We expect Messrs. J. McCann and C. McCann, and no other directors, to attend the Annual Meeting; Messrs. J. McCann and C. McCann, and no other directors, attended last year's Annual Meeting of the Stockholders.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 ("Exchange Act") requires our Executive Officers and Directors, and persons who own more than 10% of a registered class of our equity securities, to file reports of ownership and changes in ownership with the Commission. Executive Officers, Directors, and greater than 10% stockholders are required by Commission regulations to furnish us with copies of all reports they file pursuant to Section 16(a).

Based on a review of the copies of such reports furnished to us, we believe that all Section 16(a) filings requirements applicable to our Executive Officers, Directors and greater than 10% stockholders have been satisfied, with the exception of the following inadvertent late filings. Non-executive director Celia Brown filed one late Form 4 relating to receipt of Common Stock as compensation for serving as a director, an exempt transaction under Section 16(b) of the Exchange Act. Christopher McCann filed one late Form 4 relating to a the withholding for tax purposes of Common Stock by the Company that was an exempt transaction under Section 16(b) of the Exchange Act.

Compensation of Directors

In fiscal 2017, which ended on July 2, 2017, non-employee members of the Company's Board of Directors received the following compensation:

Annual retainer of \$30,000 payable in quarterly installments on each of the Board of Director's four regularly *scheduled Board meetings during the calendar year following the Annual Meeting of Stockholders (the "Stockholders Meeting") held in the prior year.

* An additional fee to the Chairpersons of the Board's Committees for their services:

(a) Audit Committee Chairman - \$20,000,

(b) Compensation Committee Chairman - \$10,000, and

(c) Nominating and Corporate Governance Committee Chairman - \$7,500.

A grant of shares of the Company's Class A Common Stock equal to a value of \$20,000, on the date of the 2016 Annual Meeting of Stockholders. The actual number of shares was determined by the closing price of the shares on *the date of the Stockholders Meeting (the "Grant Date"). These shares shall fully vest on the first anniversary of the Grant Date. Effective with the 2017 Annual Meeting of Stockholders, each non-employee Director shall receive Shares of the Company's Class A Common Stock equal to a value of \$45,000.

* Any Director joining the Board, or becoming a Chairperson of one of the above Committees, in a given year following the Stockholders Meeting receives a pro-rata share of the compensation provided for above.

* Board members are reimbursed for reasonable travel and lodging expenses associated with attendance at any Board or Committee meeting.

The following table includes information about compensation paid to our non-employee directors for the fiscal year ended July 2, 2017:

Name	Annual		Fees Earned or Paid in Cash	Stock Awards (2)	Option Awards (3)	Non-Equity Incentive Plan Compensation (\$)	Value and Nonqualified Deferred		Total (\$)
	Cash	Other					Compensation	All Other	
	Retainer (\$)	Fees (\$)	(1) (\$)	(2) (\$)	(3) (\$)	Compensation (\$)	Earnings (\$)	Compensation (\$)	
Geralyn R. Breig	30,000	-	30,000	20,000	-	-	-	-	50,000
Celia Brown	30,000	-	30,000	20,000	-	-	-	-	50,000
Lawrence Calcano (4)	7,500	-	7,500	-	-	-	-	-	7,500
James A. Cannavino	30,000	10,000	40,000	20,000	-	-	-	-	60,000
Eugene F. DeMark	30,000	20,000	50,000	20,000	-	-	-	-	70,000
Leonard J. Elmore	30,000	7,500	37,500	20,000	-	-	-	-	57,500
Sean Hegarty	30,000	-	30,000	20,000	-	-	-	-	50,000
Katherine Oliver (5)	15,000	-	15,000	16,663	-	-	-	-	31,663
Larry Zarin	30,000	-	30,000	20,000	-	-	-	-	50,000

(1) Total Fees Earned or Paid in Cash combines the amounts in the two preceding columns.

Stock awards reflect the aggregate grant date fair value of restricted stock awards computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, "Compensation — Stock Compensation." The aggregate grant date fair value for restricted stock awards is calculated by multiplying the (2) number of restricted stock awards by the closing market price of the Common Stock on the date the restricted stock awards are credited to a director's account. These award fair values have been determined based on the assumptions set forth in Note 13, "Stock Based Compensation" in the Notes to the Consolidated Financial Statements in the Company's Annual Report on Form 10-K for the fiscal year ended July 2, 2017.

Compensation information on James F. McCann and Christopher G. McCann, who are Directors, as well as Executive Officers of the Company, is contained under the section titled "Executive Compensation and Other Information - Summary Compensation Table."

(3) No stock options were granted in fiscal 2017.

(4) Mr. Calcano retired from the Board of Directors during fiscal 2017 and did not stand for re-election.

(5) Ms. Oliver was appointed to the Board of Directors on February 2, 2017.

As of July 2, 2017, each non-employee director of the Company held the following aggregate number of option awards and unvested stock awards:

Name	Unvested Stock Awards (#)	Option Awards Outstanding (#)
Geralyn R. Breig	1,914	-
Celia Brown	1,914	-
James Cannavino	1,914	30,000
Eugene R. DeMark	1,914	-
Leonard J. Elmore	1,914	13,234
Sean Hegarty	1,914	-
Katherine Oliver	1,754	-
Larry Zarin	1,914	10,000

EXECUTIVE COMPENSATION AND OTHER INFORMATION

The following individuals were serving as Executive Officers of the Company on October 13, 2017:

<u>Name</u>	<u>Age</u>	<u>Position with the Company</u>
James F. McCann	66	Executive Chairman of the Board
Christopher G. McCann	56	Chief Executive Officer, Director and President, 1-800-Flowers.com, Inc.
William E. Shea	58	Senior Vice President, Chief Financial Officer
Gerard M. Gallagher	64	General Counsel, Senior Vice President, Corporate Secretary
Arnie Leap	49	Senior Vice President and Chief Information Officer
Thomas Hartnett	54	President, Consumer Floral
Mark L. Nance	67	President, BloomNet

Information Concerning Executive Officers Who Are Not Directors

William E. Shea has been our Senior Vice President and Chief Financial Officer since September 2000. Before holding his current position, Mr. Shea was our Vice President of Finance and Corporate Controller after joining us in April 1996. From 1980 until joining us, Mr. Shea was a certified public accountant with Ernst & Young LLP.

Gerard M. Gallagher has been our General Counsel, Senior Vice President and Corporate Secretary since August 1999 and has been providing legal services to the Company since its inception. Mr. Gallagher is the founder and a managing partner in the law firm of Gallagher, Walker, Bianco and Plataras, LLP based in Mineola, New York, specializing in corporate, litigation and intellectual property matters since 1993. Mr. Gallagher is duly admitted to practice before the New York State Courts and the United States District Courts of both the Eastern District and Southern District of New York.

Arnie Leap has been the Company's Chief Information Officer since November 2013. Mr. Leap served as the Executive Vice President and Chief Technology Officer for Direct Insite Corp. from November 2000 until joining the Company. Mr. Leap served in various positions with Direct Insite, including the Executive Vice President Channel Sales and Executive Vice President Sales and Marketing. Mr. Leap's background includes senior management positions with over 20 years' experience in the technology sector.

Thomas Hartnett has been the Company's President of Consumer Floral since October 2013. Previously, he was the Company's SVP and CFO of the Consumer Floral Brand since April 2010. Mr. Hartnett had previously served as the Company's SVP and COO of the Consumer Floral Brand from June 2006 through April 2010. Prior to this role, Mr. Hartnett was Senior Vice President of Retail and Fulfillment from September 2000. Before holding these positions, Mr. Hartnett held various positions within the Company since joining in 1991, including Controller, Director of Store Operations, Vice President of Retail Operations and Vice President of Strategic Development. Prior to joining the Company, Mr. Hartnett was a certified public accountant with Ernst & Young LLP.

Mark L. Nance has been President of BloomNet since August 2006. Before holding his current position, Mr. Nance was a Senior Vice President, Sales and Marketing for BloomNet after joining us in December 2004. Before joining us, Mr. Nance was an Executive Vice President and General Manager with Teleflora, LLC from November 2000 until June 2004 and held various senior level positions at American Floral Services, Inc. from 1983 to 2000.

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

This section discusses compensation to our Named Executive Officers, which consist of our Chief Executive Officer, our Chief Financial Officer and the three next most highly compensated Executive Officers of the Company, as determined under the rules of the Commission (collectively, the “NEO’s”).

The Compensation Committee believes that the compensation programs for its NEO’s, as well as all of its Executive Officers, should reflect the Company’s performance and the value created for the Company’s stockholders. In addition, the compensation programs should support the short-term and long-term strategic goals and values of the Company and should reward individual loyalty to the Company and contribution to the Company’s success. The Company is engaged in a very competitive industry, and the Company’s success depends upon its ability to attract and retain qualified Executive Officers through the competitive compensation packages it offers to such individuals.

The fundamental policy of the Compensation Committee is to provide the Company’s NEO’s, as well as its Executive Officers, with competitive compensation opportunities based upon their contribution to the development and financial success of the Company. It is the Compensation Committee’s philosophy that a significant portion of each NEO’s and Executive Officer’s compensation should be contingent upon the Company’s financial performance. The Company also acknowledges the importance of attracting and retaining talented, motivated and success-oriented Executive Officers who share our overall corporate philosophy and will enable our Company to achieve its short and long-term goals. Accordingly, the compensation package for each NEO and Executive Officer is comprised of three elements: (i) base salary; (ii) annual incentives and (iii) long-term incentive equity awards.

Guiding Principles:

Growth - To create an atmosphere that encourages superior growth and performance of the Company while also offering personal and professional growth.

Teamwork - To encourage executives to work together effectively and efficiently so that company goals can be fully realized.

Innovation - To encourage and reward creativity and innovation, including the development of new ideas and business opportunities for the Company.

Market competitiveness - To offer a strong, comprehensive compensation package that will enable the Company to attract and retain qualified executive talent.

Setting Executive Compensation

We compete for senior executive talent with many leading companies. In order to stay competitive in the marketplace, a critical component of which is the recruitment and retention of executive talent, we periodically review the market competitiveness of our Executive Officer compensation programs. The Compensation Committee also reviews the Company's recent historical compensation practices for its executives, and considers recommendations from the Chief Executive Officer regarding the compensation of his direct reports, who include the other NEO's. In connection with this review, the Compensation Committee retained the services of Mercer LLC for fiscal year 2017 ("Mercer") (see "Role of Compensation Consultant" below for further discussion of Mercer's role).

Elements of Compensation

The Compensation Committee believes that we can maximize the effectiveness of our compensation program by ensuring that all program elements are working in concert to motivate and reward performance. The elements of our executive compensation program are detailed below, together with the principal factors which the Compensation Committee considers in reviewing the components of each Executive Officer's compensation package. In general, for each compensation element, these factors include: the key role each Executive Officer performs for the Company; the benefit to the Company in assuring the retention of his or her services; the performance of the Company during the past fiscal year; the competitive market conditions for executive compensation; the executive's prior year compensation; and the objective evaluation of the Executive Officer's performance. The Compensation Committee may also, however, in its discretion, apply other factors with respect to executive compensation. We believe that our executive compensation program effectively strengthens the mutuality of interests between the Executive Officers and the Company's stockholders, which results in greater Company performance.

Base Salary. The Compensation Committee views base salary as the assured element of compensation that permits income predictability. Subject to existing employment agreements, our objective is to set base salary levels at the competitive norm. However, individual salaries may be above or below the competitive norm to reflect the strategic role, experience, proficiency and performance of the executive. Incumbents who have been in their positions for a longer period of time, and whose performance is superior, may be paid above the competitive norm. In addition, in the case of seasoned executives with strategic value who are newly hired into the Company, it may be necessary to pay above the competitive norm in order to attract the best candidates to the Company.

The minimum base salaries for Messrs. J. McCann and C. McCann are primarily prescribed in their employment agreements (see below for description of the employment agreements in the "Narrative Disclosure to Summary Compensation Table"). Annual base salary increases for the NEO's and other Executive Officers are determined on the basis of the employment agreements (for Messrs. J. McCann, C. McCann), as well as the following factors: the performance of the executive versus job responsibilities; the relationship between current salary and the range for the executive's level, ranges having been set in part based on the competitive norm in the industry; the average size of salary increase based upon the Company's financial performance; and whether the responsibilities or criticality of the position of the incumbents have been changed during the preceding year. The weight given to each of these factors may differ from individual to individual as the Compensation Committee deems appropriate. Increases for Fiscal 2017 for Messrs. J. McCann, C. McCann, Shea, Hartnett, Gallagher and Taiclet were approximately 0%, 7.0%, 5.9%, 3.9%, 3.5% and 0%, respectively.

Annual Incentive Award. Annual incentive awards play a significant role in the Company's overall compensation package for its Executive Officers. The annual incentive award for the NEO's is based upon the Company's financial performance and, in the case of Mr. Hartnett, also includes brand specific financial performance. This balance supports the accomplishment of the Company's overall financial objectives and rewards the individual contributions of our NEO's. Annual incentive programs for Executive Officers support the following company objectives:

Communication of important goals through performance targets that are aligned with business strategies.

Motivation for the entire management team to work together toward a common set of goals.

Reward executives on the basis of results achieved.

Deliver annual incentive opportunities and payments through a structured, performance driven, objective mechanism.

Deliver a competitive level of compensation that is fully competitive with industry practice.

NEO's are eligible to receive annual incentive awards under the Company's Sharing Success Program.

Sharing Success Program. The Sharing Success Program is intended to cover management positions, including the NEO's. Each eligible plan participant is assigned a target award (expressed as a percentage of base salary) which represents the level of incentive award the participant can expect to earn in the event all performance measures are achieved at 100% during the ensuing fiscal year. For each fiscal year, specific performance measures are established by the Compensation Committee that reflect the key strategic and business goals established by the business plan for that year. EBITDA as used for purposes of the Sharing Success Program is defined as net income before interest, taxes, depreciation, amortization and stock based compensation expense on a pre-bonus basis, adjusted to exclude the impact of acquisitions and dispositions completed during the fiscal year as well as the impact of investment gains or losses on the Company's non-qualified supplemental deferred compensation plan ("Plan EBITDA"). Revenue as used for purposes of the Sharing Success Program is defined as achieving or exceeding revenue growth in line with the Company's budget adjusted to exclude the impact of acquisitions and dispositions completed during the fiscal year ("Plan Revenue"). Brand-specific Plan EBITDA as used for purposes of the Sharing Success Program is defined as EBITDA for the brand less corporate expenses ("Brand-specific Plan EBITDA"). Corporate expenses consist of the Company's enterprise shared service cost centers, and include, among other items, Information Technology, Human Resources, Accounting and Finance, Legal, and Executive, as well as Stock-Based Compensation. In order to leverage the Company's infrastructure, these functions are operated under a centralized management platform, providing support services throughout the organization. Brand performance is measured based on segment contribution margin or Brand-specific Plan EBITDA, reflecting only the direct controllable revenue and operating expenses of the segments. Brand-specific Plan Revenue as used for purposes of the Sharing Success Program is defined as achieving or exceeding revenue growth with the Brand's budget for the fiscal year ("Brand-specific Plan Revenue").

The following table presents the NEO's targeted incentive award opportunity, as a percentage of their salary ("target award"), and the performance measures and relative weighting of their components for Fiscal 2017:

Name	Target Award (% of Salary)	Weighting of Performance Measures									
		Company-wide					Brand-specific				
		EBITDA	Revenue	Subtotal	EBITDA	Revenue	Subtotal	Total			
Christopher G. McCann Chief Executive Officer, Director and President	100.0 %	65.0 %	35.0 %	100.0 %	n/a	n/a	n/a	100.0 %			
William E. Shea Senior Vice President, Treasurer, and Chief Financial Officer	60.0 %	65.0 %	35.0 %	100.0 %	n/a	n/a	n/a	100.0 %			
James F. McCann (1) Executive Chairman	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a			
Thomas Hartnett President, Consumer Floral	55.0 %	25.0 %	15.0 %	40.0 %	40.0 %	20.0 %	60.0 %	100.0 %			
Gerard M. Gallaher General Counsel, Senior Vice President, Corporate Secretary	50.0 %	65.0 %	35.0 %	100.0 %	n/a	n/a	n/a	100.0 %			
David Taiclet Former President of Gourmet Foods and Gift Baskets	65.0 %	25.0 %	15.0 %	40.0 %	40.0 %	20.0 %	60.0 %	100.0 %			

On October 4, 2016, the Company entered into a new employment agreement with Mr. J. McCann. (the "JM 2016 Agreement"). Under the JM 2016 Agreement, Mr. J. McCann became the Executive Chairman of the Board, with a salary of \$975,000 in fiscal 2017, and his annual long-term incentive award will be 75% of his salary in the form of performance restricted shares under the 2003 Plan. He no longer participates in the Company's non-equity based bonus program. The Company will annually credit an amount equal to Mr. J. McCann's base salary to his retirement account under the Company's Nonqualified Supplemental Deferred Compensation Plan.

For Fiscal 2017, in the case of Messrs. Shea, C. McCann and Gallagher, performance measures were the achievement of Company-wide Plan EBITDA and Plan Revenue. As a result of the timing of the re-approval of the Company's 2003 Long Term Incentive and Share Award Plan and Section 16 Executive Officers Bonus Plan, Mr. C. McCann was

measured for Fiscal 2017 on the Company's performance from November 28, 2016 through the end of the fiscal year. Due to the seasonality of the Company's business, the performance metrics for Mr. C. McCann were substantially similar to the performance metrics for the other NEOs. For Messrs. Hartnett and Taiclet, performance measures were the aggregate of the achievement of: (i) brand-specific Plan EBITDA, (ii) brand-specific Plan Revenue, (iii) Company-wide Plan EBITDA and (iv) Company-wide Plan Revenue.

When Company-wide and/or brand-specific actual results exceed or fall below performance measures, actual awards are proportionately increased or decreased from the target awards. Participants may earn no Company-wide or brand-specific bonus if the threshold performance measures are not met (defined as achievement of 90% of Company-wide Plan EBITDA and 60% of Company-wide Plan Revenue, resulting in a 50% pay-out of each target award) and no participant may be paid an incentive award under the Sharing Success Program in excess of maximum (defined as achievement of 150% of Company-wide Plan EBITDA and 200% of Company-wide Plan Revenue, resulting in a 200% pay-out of each target award), as presented in the table below. In addition, all participants must be actively employed at the time of payment in order to qualify for the award.

EBITDA		Revenue Growth	
% Achievement of	Target	Achievement	Target
Performance Measures	Award Multiple	of Performance Measures	Award Multiple
150.0%	200% (max)	200.0%	200%(max)
125.0%	150%	150.0%	150%
100.0%	100	100.0%	100%
95.0%	75	80.0%	75%
90.0%	50	60.0%	50%
Below 90.0%	0	Below 60.0%	0%

For Fiscal 2017, the Company’s performance measures were a function of achieving specified EBITDA and Revenue targets. For Fiscal 2017, the Company-wide performance measures, were adjusted to exclude the operations of Fannie May due to the sale thereof as well as the late 2017 cherry harvest which shifted the Fruit of the Month Club shipment from the fourth quarter of Fiscal 2017 into the first quarter of Fiscal 2018, and were as follows: Company-wide Plan EBITDA of \$101.1 mm and Company-wide Plan Revenue of \$1.15 bn. Brand-specific measures for Fiscal 2017 for Gourmet Food & Gift Baskets were as follows: (i) Plan EBITDA of \$79.9 mm and (ii) Plan Revenue of \$619.8 mm. Brand-specific measures for Fiscal 2017 for Consumer Floral and BloomNet were as follows: (i) Plan EBITDA of \$93.0 mm and (ii) Plan Revenue of \$558.8 mm.

The following table reflects the relationship of actual performance against the Company’s performance measures. The performance measures range from “threshold” (the minimum achievement level of the performance measure at which an executive may earn 50% of the target award) to “maximum” (the maximum achievement level of the performance measure at which an executive may earn 200% of the target award). The weighting of performance measures is applied to the Target Award Multiples to produce the executive’s cash bonus award.

Performance Metric	Performance/Payout Relationship (\$'s in thousands)						Calculation of Target Award Earned	
	Threshold Performance Measures		Target Performance Measures		Maximum Performance Measures		Actual Performance	Target Award Multiple
	Payout	%	Payout	%	Payout	%	%	%
Company-wide Performance EBITDA and Revenue Growth Measures:								
EBITDA	\$90,950	50 %	\$101,056	100 %	\$151,584	200 %	\$90,950	50.0 %

Revenue	\$1,127,201	50 %	\$1,150,843	100 %	\$1,209,949	200 %	\$1,108,007	0.0 %
Brand-specific Performance								
1-800-Flowers.com and BloomNet Wire Service								
EBITDA and Revenue Growth Measures:								
EBITDA	\$83,738	50 %	\$93,043	100 %	\$139,564	200 %	\$90,385	85.7 %
Revenue	\$544,217	50 %	\$558,800	100 %	\$595,258	200 %	\$545,980	56.0 %
Gourmet Foods & Gift Baskets								
EBITDA and Revenue Growth Measures:								
EBITDA	\$71,889	50 %	\$79,876	100 %	\$119,815	200 %	\$67,292	0.0 %
Revenue	\$610,270	50 %	\$619,765	100 %	\$643,502	200 %	\$590,686	0.0 %

During Fiscal 2017, the Company-wide Actual EBITDA Award Multiple was 50% and Revenue Award was 0% for a Company-wide combined payout of 32.5%. The Company-wide Actual Award Multiple for Fiscal 2016, 2015, 2014, and 2013 was 56.0%, 103.7%, 69.8%, and 74.8%, of the target award, respectively. See “Summary Compensation Table - Non-Equity Incentive Plan Compensation” for payout amounts for Fiscal 2016 and Fiscal 2015.

Long-Term Incentive Equity Awards. In order to structure a long-term incentive program for the Company’s Executive Officers that would tie a significant portion of their compensation to the profitability of the Company, the Compensation Committee evaluated its long-term incentive equity awards. All award grants are designed to align the interests of each Executive Officer with those of the stockholders and provide each individual with a significant incentive to manage the Company from the perspective of an owner with an equity stake in the Company.

The grant of an award is set at a level intended to create a meaningful incentive based in part on the Executive Officer's and NEO's current position with the Company, the base salary associated with that position, the size of comparable awards made to individuals in similar positions within the industry, and the individual's personal performance in recent periods. The Compensation Committee also takes into account the number of awards held by the Executive Officer in order to maintain an appropriate level of incentive for that individual. The Compensation Committee has the authority to review extraordinary events that impact on the Company's performance and may adjust the calculation of an award by taking into account the effect of any such extraordinary events. For Fiscal 2017, the Compensation Committee excluded the financial results of Fannie May Confections Brands, Inc. due to the sale thereof and adjusted for the timing of the late harvest of cherries which shifted the Harry & David Fruit of the Month Club from the fourth quarter of Fiscal 2017 into the first quarter of Fiscal 2018 when evaluating the performance measures for the Sharing Success Program as well as the equity grant discussed below.

In Fiscal 2017, the Compensation Committee approved an equity award grant for management level employees with a grant date of November 7, 2016. This grant was intended to align shareholder interest with the long-term growth of the Company, as well as address employee retention concerns. The Fiscal 2017 performance-based equity award provided the NEOs with the opportunity to earn 100% of their target share award if the Company achieved \$101.1 million of Plan EBITDA, (as adjusted to exclude Fannie May's Plan EBITDA, reflecting the sale of the brand during fiscal 2017), and Plan Revenue growth of 5.4%, (as adjusted to exclude Fannie May's Plan Revenue), weighted such that 65% of the target share award was tied to achievement of the EBITDA metric, and 35% of the target share award was tied to the revenue growth metric. The award scaled, on pro-rata basis, to 50% of their target share award if the Company achieved a minimum of 90% of its Fiscal 2017 Plan EBITDA, as adjusted, and 60% of its Plan Revenue , as adjusted. During Fiscal 2017, the Company achieved of 50% of its EBITDA metric and 0% of its Plan Revenue metric, resulting in a weighted achievement of 32.5% of the Targeted Performance-Based Equity Incentive Plan Awards. Refer to Grants of Plan-Based Awards for disclosures of shares earned. (See "Summary Compensation Table").

Executive Benefits

The Company's NEO's are eligible for the same level and offering of benefits made available to other employees, including our 401(k) Profit Sharing Plan (which includes a discretionary annual Company contribution), health care plan and other welfare benefit programs. We do not currently maintain any qualified or nonqualified defined benefit pension plans or nonqualified deferred compensation plans for our NEO's, except for the Nonqualified Supplemental Deferred Compensation Plan discussed below.

During fiscal 2017, the Company offered a Nonqualified Supplemental Deferred Compensation Plan for certain executives. Participants can defer from 1% up to a maximum of 100% of salary and performance and non-performance based bonuses. Until January 1, 2017, the Company matched 50% of the deferrals made by each participant during the applicable period, up to a maximum of \$2,500 per calendar year. Participating employees are vested in the Company's contributions based upon years of participation in the Plan. The Company discontinued its match in calendar 2017. Distributions are made to participants upon termination of employment or death in a lump

sum, unless installments are selected.

Perquisites

We do not routinely provide any significant perquisites to our NEO's. Except for Messrs. J. McCann's and C. McCann's perquisites which are disclosed in the Summary Compensation Table, the value of perquisites to each other NEO in Fiscal 2017 did not exceed \$10,000.

21

Severance/Change of Control

We do not maintain any severance or change of control plans or agreements. However, pursuant to the terms of employment agreements and incentive plans, certain NEO's are eligible to receive severance and other benefits in the case of certain termination events and in the case of a change in control. See "Potential Payments upon Termination and Change in Control" below.

Management's Role in Setting Executive Compensation

Although the Compensation Committee of the Board of Directors establishes the Company's compensation philosophy and makes the final determinations on all compensation paid to our Executive Officers, the Chief Executive Officer works closely with the Senior Vice President of Human Resources to develop compensation programs and policies and make recommendations regarding annual adjustments to the Executive Officers' salaries and incentive award opportunities (other than his own compensation).

Role of Compensation Consultant

The Compensation Committee has retained the services of Mercer to provide specialized information and targeted research to assist us in the development of compensation and retention strategies. Mercer provided general assistance to our Senior Vice President of Human Resources and the Compensation Committee and does not perform any other services for the Company. For Fiscal 2017, Mercer's services were in advising on benchmark data for base salary, bonus targets and long-term incentives for the Company. Mr. C. McCann participated in discussions with Mercer in Fiscal 2017 regarding the Fiscal 2018 compensation of the NEO's other than himself.

Compensation Deductibility Policy

A federal income tax deduction will generally be available for annual compensation in excess of \$1 million paid to the Chief Executive Officer and the three other most highly compensated executive officers of a public corporation (other than the Chief Financial Officer) only if such compensation is "performance-based" and complies with certain other tax law requirements. The 2003 Long Term Incentive and Share Award Plan (as amended and restated as of October 22, 2009, as amended as of October 28, 2011 and September 14, 2016) and the Section 16 Executive Officers Bonus Plan (as amended and restated as of September 14, 2016) contain certain provisions which are intended to permit any compensation deemed paid in connection with the granting of Awards or bonus compensation to be able to qualify as performance-based compensation. Although our policy is to maximize the deductibility of all executive compensation,

the Compensation Committee retains the discretion to award compensation that is not deductible under Section 162(m) of the Code.

Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis provisions to be included in the Company's filings pursuant to the Securities Exchange Act of 1934. Based on the reviews and discussions referred to above, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis referred to above be included in such filings.

Compensation Committee

James Cannavino, Chairman
Celia Brown
Larry Zarin

Notwithstanding any Commission filing by the Company that includes or incorporates by reference other commission filings in their entirety, this Compensation Committee Report shall not be deemed to be "filed" with the Commission except as specifically provided otherwise therein.

Summary Compensation Table

Set forth below is summary compensation information for each person who was (1) at any time during fiscal 2017 our Chief Executive Officer or Chief Financial Officer, (2) at July 2, 2017, one of our three most highly compensated Executive Officers, other than the Chief Executive Officer and the Chief Financial Officer and (3) a former executive officer who left the Company prior to our fiscal year end.

Name and Principal Position (1)	Year	Salary (\$)	Bonus (\$)	Stock Awards (2) (\$)	Option Awards (3) (\$)	Non-Equity	Change	Total	
						Incentive Plan Compensation (4) (\$)	in Pension Value and Nonqualified Deferred Other Compensation (5) (\$)		
Christopher G. McCann Chief Executive Officer, Director and President	2017	\$766,692	\$ 0	\$697,500	\$ 0	\$ 251,875	\$ 0	\$ 17,353	\$1,733,420
	2016	\$721,000	\$ 0	\$540,750	\$ 0	\$ 343,196	\$ 0	\$ 18,034	\$1,622,980
	2015	\$721,002	\$ 0	\$360,500	\$ 0	\$ 743,675	\$ 0	\$ 17,875	\$1,843,052
William E. Shea Senior Vice President, Treasurer, and Chief Financial Officer	2017	\$446,154	\$ 0	\$292,500	\$ 0	\$ 87,750	\$ 0	\$ 375	\$826,779
	2016	\$422,692	\$ 0	\$305,000	\$ 0	\$ 111,265	\$ 0	\$ 2,500	\$841,457
	2015	\$403,259	\$ 0	\$205,000	\$ 0	\$ 211,447	\$ 0	\$ 2,500	\$822,206
James F. McCann	2017	\$975,000	\$ 0	\$731,250	\$ 0	\$ 0	\$ 0		