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) October 11, 2006

# Winnebago Industries, Inc.
(Exact Name of Registrant as Specified in its Charter)

| | | |
|---|---|---|
| Iowa | 001-06403 | 42-0802678 |
| (State or Other Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| | |
|---|---|
| P.O. Box 152, Forest City, Iowa | 50436 |
| (Address of Principal Executive Offices) | (Zip Code) |

Registrant's telephone number, including area code 641-585-3535

__________________________________________________
(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):

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

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

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

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

### Item 1.01 Entry into a Material Definitive Agreement.

The Human Resources Committee of the Board of Directors of Winnebago Industries, Inc. (*"Winnebago Industries" or the "Company"*) recommended, and on October 11, 2006 the full Board of Directors approved, an increase in the base salary of each of Mr. Bruce D. Hertzke, Chairman and Chief Executive Officer, and Ms. Sarah N. Nielsen, Vice President and Chief Financial Officer, such that effective January 1, 2007, Mr. Hertzke's annual base salary will increase to $541,942 from $523,615 and, effective November 13, 2006, Ms. Nielsen's annual base salary will increase to $220,000 from $210,000.

Winnebago Industries from time to time makes awards to its directors and employees pursuant to the shareholder approved Winnebago Industries, Inc. 2004 Incentive Compensation Plan (the *"Plan"*). Winnebago Industries filed a copy of the Plan with the Securities and Exchange Commission as Appendix B to Winnebago Industries' Proxy Statement filed on November 21, 2003. In addition, on October 11, 2005, the Human Resources Committee of the Board of Directors of Winnebago Industries recommended, and the full Board of Directors of Winnebago Industries approved, an amendment to the Plan to reduce the minimum restriction period from three years to one year for non-performance based stock awards and certain other administrative, non-material amendments to the Plan.

The Human Resources Committee of the Board of Directors of Winnebago Industries recommended the award of, and on October 11, 2006 the full Board of Directors of Winnebago Industries approved the award of, restricted stock grants of shares of Winnebago Industries' Common Stock under the Plan to the following named executive officers, in the following amounts. The restricted stock grants vest in annual increments of one-third commencing October 11, 2007, subject to full vesting if the named executive officer has five years of service with Winnebago Industries and retires at age 55 or older, or upon a change of control, as defined in the Plan.

Bruce D. Hertzke (Chairman of the Board and Chief Executive Officer) – 15,000 shares

Edwin F. Barker (President) – 7,500 shares

Robert J. Olson (Senior Vice President, Operations) – 6,000 shares

Raymond M. Beebe (Vice President, General Counsel and Secretary) – 4,000 shares

Sarah N. Nielsen (Vice President, Chief Financial Officer) – 4,000 shares

William J. O'Leary (Vice President, Product Development) – 4,000 shares

The form of the Restricted Stock Grant Award Agreement under the Plan used in connection with the foregoing awards is filed as Exhibit 99.1 to this Current Report on Form 8-K.

The Company's officers including the CEO are eligible for quarterly incentive awards under the Company's Officers Incentive Compensation Plan Fiscal Period 2007 (the *"Officers Incentive Compensation Plan"*). Under the Officers Incentive Compensation Plan, the incentive awards are based upon financial performance of the Company, as established by the Board of Directors.



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The Officers Incentive Compensation Plan is an annual program that provides for quarterly cumulative measurements of financial performance and an opportunity for quarterly incentive payments based on financial results measured against performance objectives set by the Human Resources Committee and approved by the Board of Directors.

On October 11, 2006, the Human Resources Committee recommended, and the full Board of Directors approved, that the Officers Incentive Compensation Plan utilize the same plan format that had been used in prior years, but that the manner of calculating the financial targets for the officers be changed such that the financial performance measurement for the Plan is weighted 75% to earnings per share (*"EPS"*) and 25% of Return on Invested Capital (*"ROIC"*). The first portion of the target bonus is based solely on ROIC to a maximum of 50% of the aggregate maximum 200% target bonus achievable at an ROIC of 22%. Financial performance of less than 16.5% ROIC results in no bonus attributable to ROIC. In fiscal 2006, the Company achieved ROIC of 24.9% and, in surveying a group of 70 companies with the same SIC code, the Human Resources Committee found an average ROIC of 16.5% at such companies based on each such companies' last reported fiscal year.

Additionally, the 100% target bonus payout for the EPS portion of the payment was set to be the same as the actual EPS for the prior fiscal year, the 200% target bonus payout (maximum) was set at 10% above the best EPS in the Company's history, payout under the EPS portion of the Officers Compensation Plan would begin only after EPS for the year reached 75% of the prior years EPS and an appropriate target bonus matrix was developed for 75%–100%–200% based upon EPS. Financial performance of less than 75% of the target for the EPS portion of the bonus results in no bonus attributable to EPS and the maximum bonus of 200% of the target will be paid at attainment of approximately 157% of the target.

Under the Officers Incentive Compensation Plan, the amount of the participants' incentive compensation for the quarter shall be in direct proportion to the Company's financial performance expressed as a percentage (Financial Factor) against compensation targets (Target) for each participant as determined by the Board of Directors prior to the commencement of the fiscal year.

The Officers Incentive Compensation Plan provides for a bonus (Target) of 60% of base salary (comprised of 2/3 cash and 1/3 stock (or in cash at the participant's election)) at 100% achievement of each of the financial objectives of ROIC and EPS for participating officers, except the CEO. The Officers Incentive Compensation Plan provides for a bonus (Target) of 105% of base salary (comprised of 2/3 cash and 1/3 stock (or in cash at the participant's election)) at 100% achievement of each of the financial objectives of ROIC and EPS for the CEO. Fifty percent (50%) of the quarterly calculated incentive is paid within 45 days after the close of each quarter. The remaining fifty percent (50%) of the quarterly calculated incentive is held back and carried forward into the next quarter on a cumulative basis. At the end of the fourth fiscal quarter (fiscal year end), a final year-end accounting is made prior to the payment of any remaining incentive holdback for the year. Fifty percent (50%) of a participant's cash incentive compensation earned for the year, as described above, is matched annually (in the form of restricted stock or cash, as elected by the participant). The Target bonus is inclusive of this matched incentive compensation. The annual supplementary cash payment is paid as soon as practical after the final fiscal year-end compensation accounting and payment of any remaining incentive compensation holdback for the fiscal year.



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The Committee reserves the right to modify the Financial Factor used in determining the incentive compensation by plus or minus 20% based upon strategic organizational priorities. Strategic performance is measured only at the end of the fiscal year. Strategic measurements may focus on one or more of the following strategic factors, but are not limited to those stated:

- Revenue Growth
- Market Share
- Product Quality
- Product Introductions
- Customer Satisfaction
- Inventory Management
- Technical Innovation
- Ethical Business Practices

For purposes of the Officers Incentive Compensation Plan, the Board determined that industry performance, market share, product quality and planning (both strategic and succession) would be the strategic factors used in determining this compensation.

On October 11, 2005, the Human Resources Committee recommended, and the full Board of Directors approved, an administrative, non-material amendment to the Winnebago Industries, Inc., Directors' Deferred Compensation Plan (the *"Directors' Plan"*) to align the definition of "Change of Control" in the Directors' Plan to the definition of corresponding terms in Section 409A of the Internal Revenue Code of 1986, as amended, and the Treasury regulations promulgated thereunder.

## Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| **Exhibit Number** | **Description** |
|---|---|
| 99.1 | Form of Restricted Stock Grant Award Agreement |

## SIGNATURES

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

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|---|---|
| Date: October 17, 2006 | WINNEBAGO INDUSTRIES, INC. |
| | By: /s/ Bruce D. Hertzke |
| | Name: Bruce D. Hertzke |
| | Title: Chief Executive Officer |

# WINNEBAGO INDUSTRIES, INC.
# 2004 INCENTIVE COMPENSATION PLAN
# RESTRICTED STOCK AWARD AND AGREEMENT

Congratulations! The Board of Directors at its meeting on October 11, 2006 awarded to you a restricted stock award under the Winnebago Industries, Inc. 2004 Incentive Compensation Plan as amended (the “Plan”).

GRANT: Winnebago Industries, Inc., an Iowa corporation (“Company”), hereby awards to you (the “Grantee” named below) restricted shares of the Company’s Common Stock, par value of $.50 per share (“Shares”), subject to the forfeiture provisions and other terms of this Agreement. The Shares will be issued at no cost to you on the Grant Date subject to vesting as described herein, provided that you continue to serve as an employee of the Company or any subsidiary (“Service”) on the Vesting Date or otherwise qualify as set forth herein. Please read this Agreement carefully and return one copy as requested below. Unless otherwise provided in this Agreement, capitalized terms have the meanings specified in the Plan.

The total award made herein is _________ restricted Shares which will vest as follows:

| Grantee | No. of Shares | Grant Date | Vesting Date |
|---|---|---|---|
| ________________ | ____________ | 10/11/2006 | 10/11/2007 |
| _________________ | ____________ | 10/11/2006 | 10/11/2008 |
| ________________ | ____________ | 10/11/2006 | 10/11/2009 |

Accelerated vesting will occur as follows:

(1) Any Shares not vested will vest upon a Change of Control.

(2) In the event that Grantee ceases to be employed by the Company or any subsidiary, any unvested awards held by Grantee shall be handled as follows:

(a) If the Grantee’s termination of employment is due to his or her retirement and occurs after at least five (5) consecutive years of employment with the Company or any subsidiary, any unvested awards shall immediately vest (Retirement for purposes of the Plan has previously been defined in rules adopted by the Human Resources Committee of the Company’s Board of Directors as termination of employment with the Company or any subsidiary by a participant (other than as a result of death or disability) if the participant is at least 55 years of age);

(b) If the Grantee’s termination of employment is due to his or her Disability (as defined in the Plan) and occurs after at least five consecutive years of employment with the Company or any subsidiary, any unvested awards shall immediately vest; and

(c) If the Grantee’s termination of employment is due to his or her death and occurs after at least five consecutive years of employment with the Company or any subsidiary any unvested awards shall immediately vest.

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In the event that a Grantee ceases to be employed by the Company or any subsidiary other than because of retirement, disability or death or if retirement, disability or death occurs before the Grantee has completed five consecutive years of employment with the Company or any subsidiary, any unvested awards held by such Grantee will terminate and thereafter be null and void.

You shall from and after the Grant Date be entitled to receipt of any dividends payable on the Shares with a record date after the Grant Date and you will further be entitled to vote such Shares at any meeting of the shareholders of the Company. However, you will not be able to sell or transfer any Shares until they have vested.

Upon the vesting of any Shares the vested Shares shall immediately be transferred to Grantee free and clear of all Restrictions and at the option of the Company be held either in book entry form by the transfer agent or a stock certificate representing such shares will be delivered to the Grantee.

Grantee acknowledges that the tax treatment respecting the Shares issued pursuant to this Agreement or any events or transactions with respect thereto may be dependent upon various factors or events which are not determined by the Plan or this Agreement. The Company makes no representations to Grantee with respect to and hereby disclaims all responsibility as to such tax treatment.

No Shares shall be issued pursuant to this Agreement unless such issuance is in compliance with applicable Federal and State tax and securities laws.

This award is governed by and subject to the terms and conditions of the Plan, which contain important provisions relating to this award and form a part of this Agreement. If there is any conflict between any provisions of this Agreement and the Plan, this Agreement will control, unless the provision is not permitted by the Plan, in which case the provision of the Plan will apply.

AGREEMENT: To acknowledge your agreement to the terms and conditions of this award, please sign and return one copy of this Agreement to the General Counsel’s office, Attention: Karen Jefson.

WINNEBAGO INDUSTRIES, INC.

By: ______________________________

Bruce D. Hertzke, Chairman and
Chief Executive Officer

GRANTEE:

______________________________________

Address: _______________________________

_______________________________

Date Agreed To: ___________________________