
**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**

May 7, 2008
Date of Report (Date of earliest event reported)

QUAKER CHEMICAL CORPORATION

(Exact name of Registrant as specified in its charter)

Commission File Number 001-12019

PENNSYLVANIA
(State or other jurisdiction of
incorporation or organization)

No. 23-0993790
(I.R.S. Employer
Identification No.)

**One Quaker Park
901 Hector Street
Conshohocken, Pennsylvania 19428**
(Address of principal executive offices)
(Zip Code)

(610) 832-4000
(Registrant's telephone number, including area code)

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:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 7, 2008, Ronald J. Naples, Chairman and Chief Executive Officer of Quaker Chemical Corporation (“Quaker”) announced that he plans to retire as Quaker’s Chief Executive Officer effective October 3, 2008. He will continue as Chairman of the Board for a limited time though no specific date has been set as to when he will retire from Quaker’s Board of Directors. Quaker and Mr. Naples plan to enter into an Employment, Transition and Consulting Agreement (“Naples Employment Agreement”) which will supersede his prior employment agreement dated March 11, 1999, as amended in part effective July 21, 2004.

The Naples Employment Agreement would modify the prior agreement by providing for certain retirement benefits and continued services as a consultant following retirement. Mr. Naples would continue to be paid at his current rate of salary of \$682,500 through the end of 2008, and he would then receive an annual consulting fee of \$250,000 in each of 2009 and 2010. For this fee, Mr. Naples would be committed to spend up to 20% of his pre-retirement service time on such matters as Quaker’s Board may direct. Mr. Naples would be treated as if employed through the end of 2008 for purposes of annual and long-term bonus and through 2010 for certain benefits. Accordingly, to the extent earned, he would receive his full annual cash bonus in 2008 and his full long-term cash bonus for the 2006-08 plan period. He would receive, to the extent earned, an amount equal to 67% of the long-term cash bonus for the 2007-09 plan period and 33% of the long-term cash bonus for the 2008-10 plan period. He would also receive a special bonus in 2008 of \$642,326. Vesting would be accelerated as of Mr. Naples’ retirement date on all unvested equity awards, and his options will remain outstanding for up to three years thereafter. Certain benefits extend beyond 2010, such as medical and dental coverage for Mr. and Mrs. Naples and annual installments of \$11,500 (in lieu of life insurance) to be provided during Mr. Naples’ lifetime. In addition, he will have access to an office and secretarial services through 2013. Finally, the Naples Employment Agreement will provide for certain amendments to Mr. Naples’ supplemental retirement plan, namely, the annual bonus used in calculating the retirement benefit would be modified to that earned in 3 of the last 10 calendar years prior to the year of termination (as opposed to 3 of the last 5 calendar years), the 2001 restricted stock grant of 100,000 shares would be taken into account as a bonus payment of \$343,200 (20,000 shares times \$17.16 per share) in five consecutive years beginning with 1997 and ending with 2001 (not when the income was recognized), and Mr. Naples would be granted the right to make an election to receive the net present value of the accumulated benefit in three cash installments of approximately \$3.1 million each commencing six months following his retirement date with the remaining two installments to be paid on the first and second anniversaries of Mr. Naples’ retirement date.

Over the course of the next three years, Quaker anticipates taking a charge to earnings of approximately \$5.8 million dollars of which \$3.5 million would be incurred in 2008, \$1.9 million in 2009, and \$0.4 million in 2010. The charge in 2008 reflects incremental expense above what would have been expensed if Mr. Naples continued in Quaker’s employ through 2008.

The largest components of the charge relate to the accelerated payment of the supplemental retirement plan benefit and accelerated vesting of equity awards of approximately \$3.1 million and \$1.5 million, respectively. In addition, the special bonus of \$0.642 million will be recognized in 2008 and the annual consulting payments of \$0.250 million each in 2009 and 2010.

The anticipated modifications to Mr. Naples' Supplemental Retirement Income Plan and Agreement (as described above) are estimated to increase the net present value of the accumulated benefit by approximately \$0.7 million (from \$8.0 million to \$8.7 million). In addition, the lump sum payments that will be made to Mr. Naples result in an acceleration of the timing of other expenses which the Company would have otherwise recorded. The additional expense associated with the accelerated vesting of the equity awards is due to the higher stock price for Quaker's common stock versus the price of the common stock on the date of grant of such awards.

As previously announced, Michael F. Barry has been appointed by the Board as Mr. Naples' successor as Quaker's Chief Executive Officer, effective October 4, 2008.

In addition, Quaker's Board of Directors established the position of Lead Director and appointed Patricia C. Barron, a current director, to this position, effective May 7, 2008. Quaker's Board intends to adjust Ms. Barron's compensation at a later date.

Mr. Barry (age 50) has held various positions with Quaker over the past five years. He is currently Quaker's Senior Vice President and Managing Director-North America, a position he has held since January 2006. Prior to that time, he was Senior Vice President and Global Industry Leader-Metalworking and Coatings from July 2005 and Vice President and Global Industry Leader-Metalworking and Coatings from January 2004 until July 2005, when he was named a Senior Vice President. Prior to these positions, he was Quaker's Vice President and Chief Financial Officer from 1998 to August 2004.

In connection with Mr. Barry's appointment, Quaker's Board of Directors has agreed to modify Mr. Barry's compensation, effective July 1, 2008. His base salary will be increased from its current rate of \$305,000 to \$450,000, his target annual bonus opportunity will be increased from 30% of base salary to 65% (to be effective in 2008), and his target long-term incentive opportunity will be increased from 55% of base salary to 115% (to be effective for plan periods beginning in 2009). In addition, severance arrangements were modified to provide for 18 months salary and bonus if terminated without cause prior to a change in control transaction and 24 months salary and bonus if a like termination occurs after a change of control. Additional years of service equal to the severance period and the severance to be paid will be credited toward his retirement benefit under the Quaker Chemical Corporation Supplemental Retirement Income Program. Finally, on July 1, Mr. Barry will be issued a one time, time-based restricted stock grant of 15,000 shares of Quaker common stock to vest in equal annual installments over the next five years. Agreements evidencing these arrangements have not been finalized.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibit is included as part of this report.

Exhibit No.

99.1 Press Release of Quaker Chemical Corporation dated May 7, 2008.

SIGNATURE

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

QUAKER CHEMICAL CORPORATION
Registrant

Date: May 13, 2008

By: /s/ D. JEFFRY BENOLIEL

D. Jeffry Benoliel

Vice President, Secretary and General Counsel

**For Release:****NEWS****Contact:****Immediate****Jan Waldauer
Communications Manager
610-832-4140**

**Naples Announces Retirement from Quaker Chemical
Following 13 Years as Chief Executive Officer**

CONSHOHOCKEN, PA (May 7, 2008) - Ronald J. Naples, who, over the past 13 years has led Quaker Chemical Corporation (NYSE:KWR) to become an integrated, global company and almost tripled its market capitalization, has announced plans to step down as CEO in October. Naples will remain chairman and chief executive officer until October, after which he will remain chairman for a limited time.

The Board of Directors has selected Michael F. Barry, senior vice president and managing director – North America, Quaker’s largest operation, to assume the CEO role in October. Barry joined Quaker in 1998 as chief financial officer, where he served for six years, and has also served in key global and regional operating roles, most recently leading the company’s North American operations to record levels of performance. Barry, 50, has been a member of the company’s management executive committee, which oversees the company’s worldwide business, since joining Quaker. He has an MBA with distinction from the Wharton School of the University of Pennsylvania, and a bachelor’s degree in chemical engineering from Drexel University.

The Board has also appointed Patricia C. Barron, a long-time company director, as lead director.

“In Mike, we have a very well-prepared successor ready from within our management team. He’s been a partner to me in many ways and has made an enormous difference in our business, most recently through the remarkable turnaround in North America. He’ll be a great CEO,” said Naples.

“Quaker is strong, uniquely positioned in its markets, and growing,” Naples added. “I’m in my 27th year as a public-company CEO. It feels a good time to move on, while at only 62, I’ve still got the energy, appetite, and time to write another chapter. I’ve got a broad range of interests I’d like to engage further, from civic and public policy involvement to even possibly another slant on business.”

In his career, Naples has had two successful leadership terms at two very different businesses. In addition to Quaker, a technology and service driven industrial business, Naples was chairman and CEO for over 13 years at Hunt Manufacturing, a consumer and commercial products business with retail distribution. Both businesses grew substantially in size, global reach, and market value under Naples’ guidance.

During his time at Quaker, Naples led the creation of the company’s unique competitive position as a worldwide, globally integrated company built around alignment with global customers, borderless service and value delivery to these customers, and the capture of worldwide knowledge and learning to create competitive advantage. This is reflected in Quaker’s approach to the world that gets the best out of the balance between global reach and strategy, and local performance accountability.

- more -

Quaker Chemical Corporation

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“Whatever progress we’ve realized over the years is a tribute to Quaker’s talented management team and fine people. They’ve been at the heart of making our global organization work and have built the worldwide leadership positions we enjoy,” Naples said.

Quaker has achieved impressive results since 1995, including:

- Quaker’s market capitalization has grown almost 300%, and sales about 230%.
- In 2007, profits grew 32%, with sales and EBITDA at all-time highs by considerable amounts. Recently announced first quarter, 2008, profits were up 44%, with record quarterly sales.
- Quaker’s global-integration repositioning and acquisitions led the way to worldwide market leadership positions, including China, Brazil, India, and increasingly, Russia; consolidated market positions in the U.S. and Europe; and new business entries, such as coatings. Today, about 60% of Quaker’s revenues and people are outside the U.S., and the company does business in virtually every developed country and most developing countries around the globe.
- The company pioneered and built a leading position in chemical management services (CMS), a new approach to providing customized service to customers linked directly to delivering value. The company’s differentiated approach to this effort has made a significant incremental contribution to Quaker’s financial performance in the past few years, having built the company’s market share in the automotive business and establishing itself as a productivity partner to customers.
- Quaker has received special recognition, including selection by *Forbes Magazine* in 2003 as one of the “Hot Shot Growth Stocks,” and selection by *Philadelphia Magazine* in 2007 as one of the “Twenty Best Places to Work.”

When Naples left Hunt Manufacturing in 1995, the company’s sales and earnings were four times greater than when he became CEO, and the company’s market capitalization was 4.5 times higher. Hunt’s earnings grew almost 19 percent annually during the 1980s - the same time period when Naples was named CEO of the Decade in Business Equipment by *Financial World* magazine.

Naples is a former White House fellow, serving on the White House staff in the Ford Administration. He holds an MBA with distinction from Harvard Business School, and a master’s degree focused on international economic relations from the Fletcher School of Law and Diplomacy. Naples received a bachelor’s degree from the U.S. Military Academy at West Point, and is a decorated veteran, having served as an Army captain in Vietnam.

A respected business leader and active regional civic leader, Naples has served in a broad range of roles in public policy and community matters. Currently, he is chairman of the board of the University of the Arts and serves as a director on a number of boards including, P.H. Glatfelter Company and Glenmede Trust Company, as well as the Philadelphia Museum of Art, the American Red Cross (Southeastern Pennsylvania Chapter), the Foreign Policy Research Institute, and the USO, among others. He recently served as chairman of the Federal Reserve Bank of Philadelphia and has also been chairman of the prestigious Philadelphia Award, We the People 2000 (Liberty Medal), Greater Philadelphia First Corp., and the Free Library of Philadelphia Foundation.

Over the years, Naples and his wife, Suzanne, have opened their home to 15 foster children through the Montgomery County Office of Children and Youth. The couple lives in Wynnewood, Pennsylvania, and has three adult children.

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Quaker Chemical Corporation is a leading global provider of process chemicals, chemical specialties, services, and technical expertise to a wide range of industries – including steel, automotive, mining, aerospace, tube and pipe, coatings and construction materials. Our products, technical solutions, and chemical management services enhance our customers’ processes, improve their product quality, and lower their costs. Quaker’s headquarters is located near Philadelphia in Conshohocken, Pennsylvania.

Quaker Chemical Corporation

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