



The Silicon Valley 135: Who is advising the Compensation Committees?

Compensia

1731 TECHNOLOGY DRIVE SUITE 810 SAN JOSE CA 95110
(T) 408 876 4025 (F) 408 876 4027

770 TAMALPAIS DRIVE SUITE 207 CORTE MADERA CA 94925
(T) 415 462 2990 (F) 415 462 2997

COMPENSIA.COM

Our Approach

- ▶ **The Silicon Valley (SV) 135 consists of the largest public technology companies with headquarters in the Silicon Valley.**
- ▶ **To identify the advisors to the SV 135 Compensation Committees, we reviewed the most recent proxy filings for each of the SV 135 companies (as of July, 2008).**
- ▶ **In particular we reviewed the Compensation Discussion and Analysis (CD & A) to identify the Compensation Committee advisor.**
 - ▶ **Some companies mentioned using an advisor but did not identify a particular advisor.**
 - ▶ **Other companies either stated specifically not hiring outside consulting services or provided no information regarding consultation by an outside advisor.**
- ▶ **This report presents our findings.**

Summary of Findings¹

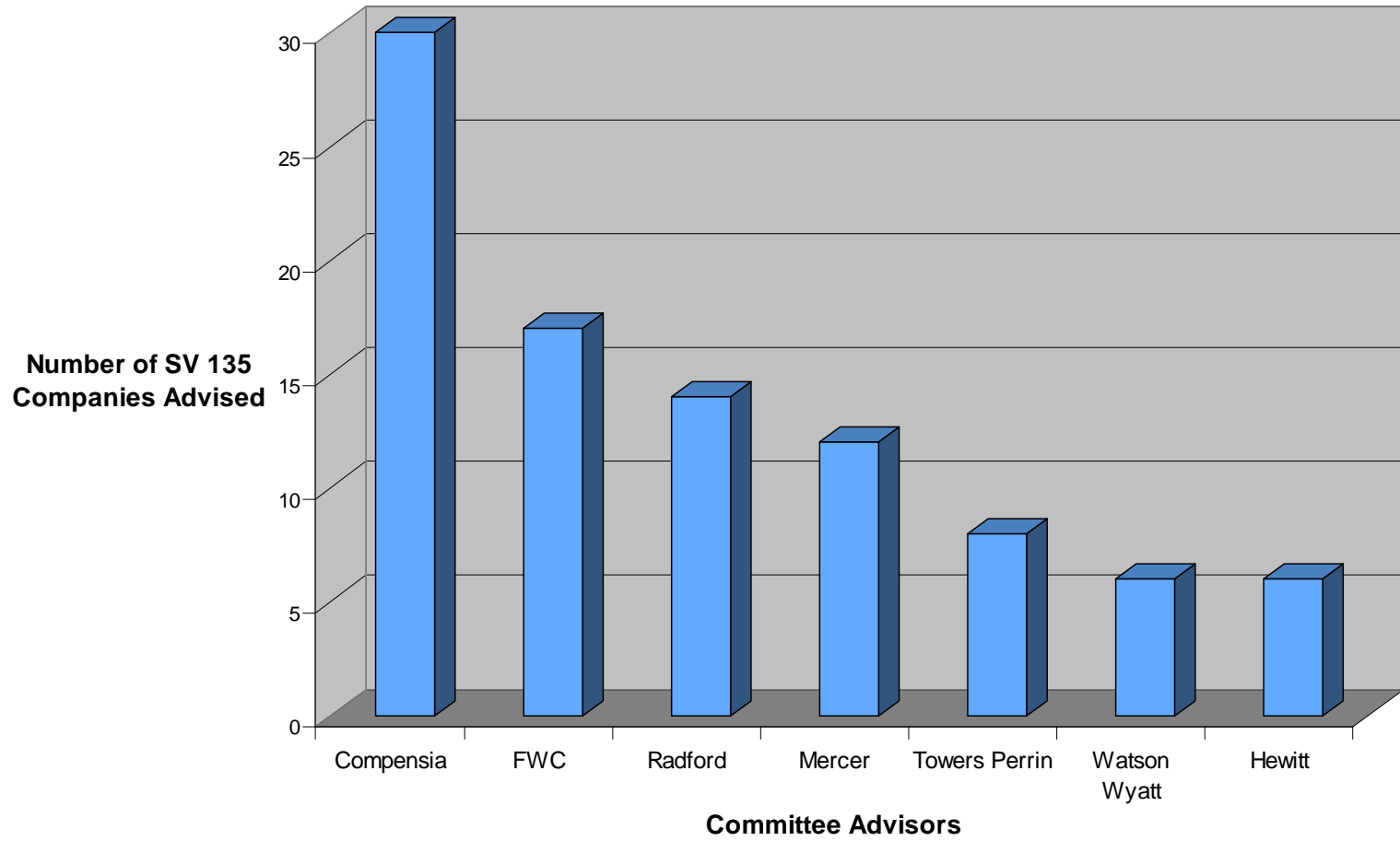
- ▶ Of the 135 companies analyzed:
 - 110 (81%) reported using an outside consultant and identified the advisor(s) by name;
 - 7 (5%) reported using an outside consultant but did not identify the advisor;
 - 18 companies (13%) either stated that they did not use an outside consultant or were silent as to whether they used an outside consultant.

- ▶ 24 different advisors were identified, although 5 firms account for 74% of the Committee engagements in which a consultant was identified.

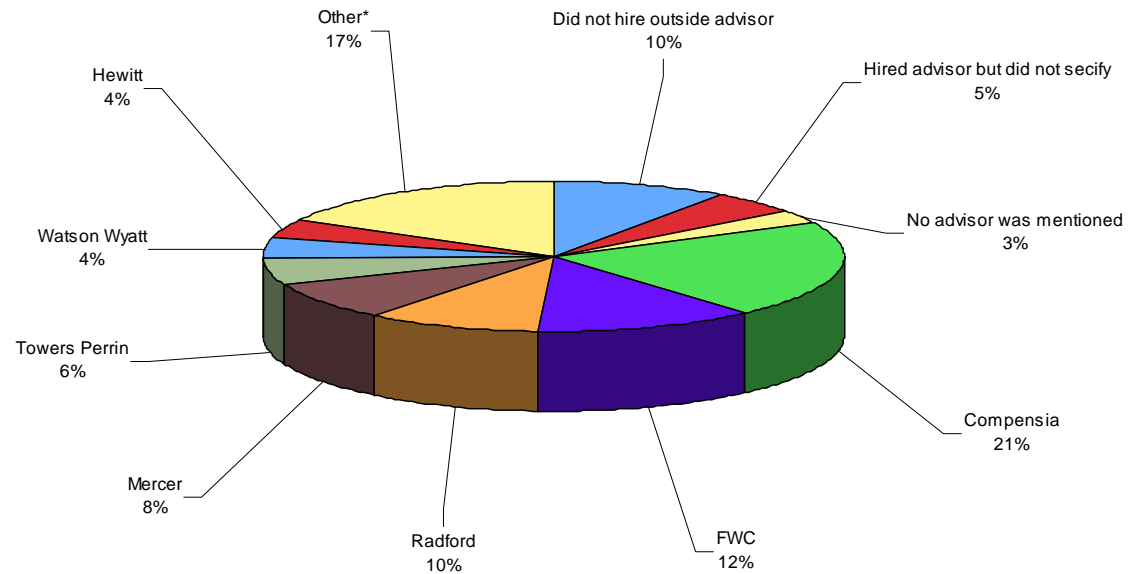
- ▶ For companies identifying a consultant in support of the Committee, Compensia was the advisor most frequently identified – 30 times (27%).

1. Seven companies identified using two consultants in support of the Compensation Committee. As a result, the 110 companies account for 117 consulting relationships.

Top Committee Advisors to the SV 135



Who is advising the Compensation Committees of the SV 135 (Market Share)?¹



*** 14 other consultants advised a total of 24 companies**

1. For purposes of calculating market share, we added the seven companies that reported using two different consultants, bringing the total "market" to 142 company data points

Appendix – Advisor Detail

Appendix A

Advisor	# of Clients	% of total SV 135 ¹
Compensia	30	27.2%
F. W. Cook & Co.	17	15.4%
Radford	14	12.7%
Mercer	12	10.9%
Towers Perrin	8	7.2%
Hewitt	6	5.4%
Watson Wyatt	6	5.4%
Meyercord & Associates	3	2.7%
Semler Brossy	3	2.7%
Farient	3	2.7%
J. Richard & Co.	2	1.8%
Professor Hall	2	1.8%

1. Percentage calculations determined with reference to the 110 companies that identified using one or more consultants in support of the Compensation Committee.

Appendix A

Advisor	# of Clients	% of total SV 135
Assets Unlimited	1	0.9%
Compensation Strategies	1	0.9%
Deloitte	1	0.9%
ICR Limited	1	0.9%
Korn/Ferry International	1	0.9%
Navigant	1	0.9%
Olivieri & Associates	1	0.9%
Otieno & Associates	1	0.9%
Pearl Meyer & Partners	1	0.9%
Presidio Pay Advisors	1	0.9%
Ross Consulting	1	0.9%
Top Five Data Services	1	0.9%
Total: 24	Total: 117¹	

1. Of the 110 companies that identified a consultant, seven identified two consultants in support of the Compensation Committee. As a result, the 110 companies account for 117 consulting relationships; percentage calculations were determined with reference to the 110 companies.