



Changes in Equity Compensation for 2006 – 2007

**Prepared by
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Overview:

Due to many changes in regulations (e.g., FAS 123R), shareholder initiatives, governance philosophy, equity markets and employee demographics, many of the assumptions on which current equity compensation programs were developed are no longer appropriate. Consequently corporations are assessing the effectiveness of these programs and making fundamental changes. But what are they doing? We developed and conducted a survey of leading companies based in New England to gain insights on the trends and emerging practices in equity based compensation.

This Report is perhaps one of the most current, comprehensive examinations of what companies are doing to change their equity compensation programs. It describes what companies have implemented in 2006 and their plans for 2006. We don't just deal with the generalities, we identify what, where and how. So, this Report provides you with the most current information on what is changing in equity compensation – *just in time for you to make critical decisions.*

Description of the Report:

The Report contains information from 38 companies, 74% are public companies and 26% are private. They represent key industries such as technology (40%), financial services (24%) and consumer products and manufacturing (15%). The median size company is \$426M in revenues with 1,500 employees. They had a 2005 Return on Equity of 9.7% and 3 year Total Shareholder Return of 23%, and an 3 year average Earnings Per Share growth rate of 47%. These are successful companies who have one thing in common:

Their current equity compensation program no longer meets their needs and they are making fundamental changes.

Some of the Participants Companies are:

Analog Devices	Avid Technologies
Cabot Corporation	Campbell Soup Company
Cytoc Corporation	Digitas, Inc.
Fidelity Investments	Hanover Insurance Group
LoJack	Millennium Pharmaceuticals
Progress Software	TD Banknorth Group
The MathWorks	Varian Semiconductor

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The cost is \$200. You will receive a “pdf” of the full report.
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SURVEY OF CHANGES IN EQUITY COMPENSATION FOR 2006 – 2007

Thank you and we hope you enjoy the Report.

Members of the Wilson Group.