



FINAL  
PROGRAM

The 2007

# Executive Compensation Conference:

Everything Directors and Senior Executives  
Need to Know about Effective Pay

Sponsored by:



The Strategic Compensation Program Specialists

*Compensation  
Strategies*

**JAMES F. REDA**  
& ASSOCIATES, LLC

Presented with  
assistance from:



INSTITUTIONAL SHAREHOLDER SERVICES

Accredited Director Education Program

Conference:

April 25 - 26, 2007

Four Seasons

San Francisco, CA

June 6 - 7, 2007

Marriott Marquis

New York, NY

May 8 - 9, 2007

InterContinental Chicago

Chicago, IL

Post-Conference Workshop:

Special Problems of Privately Held Companies

April 26, 2007

May 9, 2007

June 7, 2007

Lessons Learned and Actionable Ideas You Will Discuss  
with Your Peers at This Conference:

- Coping with all the latest technical requirements
- How to implement effective performance incentives
- Reactions to the SEC's new disclosure rules
- How to identify which perquisites should be provided (and disclosed)
- How to determine pay quantities
- How to implement innovative equity and long-term incentives
- How directors should discharge their fiduciary duties and assure good processes and policies

## About The Conference Board

The Conference Board is the world's leading business membership organization, with a global network of close to 2,000 enterprises in nearly 60 countries.

The Conference Board creates and disseminates knowledge about management and the marketplace to help businesses strengthen their performance and better serve society.

Working as a global, independent membership organization in the public interest, we conduct research, convene conferences, make forecasts, assess trends, publish information and analysis, and bring executives together to learn from one another.

The Conference Board is a not-for-profit organization and holds 501(c)(3) tax-exempt status in the United States

## How Our Meetings Are Different

The Conference Board provides executives from around the world with opportunities to share practical business experience. This focus on actual business experience, rather than theory, primarily from senior executives from major organizations, along with a superior level of networking with peers are the distinguishing features of Conference Board meetings.

The Conference Board's meetings are rated as one of America's leading speaking platforms for top management. More than 150 CEOs address the Board's 12,000 meeting participants each year.

The Conference Board  
845 Third Avenue  
New York, NY 10022-6600  
Tel: 212 759 0900  
Fax: 212 980 7014  
[www.conference-board.org](http://www.conference-board.org)

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The Conference Board, Inc.

Dear Colleague:

Please join us at the ***“5th Annual Executive Compensation Conference – Everything Directors and Senior Executives Need to Know about Effective Pay.”*** You will be sure to find it to be a highly significant and timely source of practical advice and actionable ideas on how to harness executive pay to drive profitability, growth and investor value.

### **What You’ll Get**

*An in-depth exploration* of hands-on problem-solving techniques and lessons learned from remarkable people – visionary leaders, innovators, change agents and catalysts – from leading companies, corporate governance policy makers and centers of expertise and excellence.

*Actual case studies* of the executive compensation strategies, models and mindsets being used by top companies to respond to a fast-moving regulatory and governance environment and help innovate their way to profitability, growth, and value.

*Be part of a team* – peers facing similar interests and challenges – coming together to brainstorm, network and share insights on an agenda of executive compensation issues that includes:

- Analyses of the past proxy season data;
- Updates on tax, legislative, regulatory, accounting and shareholder relations developments; and
- Interactive discussions of strategic planning and design implications.

### **Who Should Attend?**

Directors, CEOs and senior executives interested in looking behind the rhetoric to the reality of workable ideas for keeping executive compensation innovative and effective.

I look forward to seeing you at this exciting event.

Sincerely,



**Yale D. Tauber**

Conference Program Director  
The Conference Board

PS – The **post-conference workshop** is a smaller, in-depth look at practical solutions to the special and often complex problems of providing effective compensation to senior executives of for-profit, privately held companies. Be sure to take a look at the description of this session in the program.

Media Assistance Provided by: **BASE AND BONUS**  
THE MOST IMPORTANT NEWS FOR COMP COMMITTEES

# Executive Compensation Conference

**Wednesday, April 25, 2007 – *San Francisco***

**Tuesday, May 8, 2007 – *Chicago***

**Wednesday, June 6, 2007 – *New York***

Registration & Continental Breakfast: 8 – 9 am

Welcome and Introductions: 9 – 9:15 am

**Yale D. Tauber**

Conference Program Director

The Conference Board

## Lessons Learned and Actionable Ideas for Effective Executive Pay that You Will Take Away from this Conference

9:15 – 9:30 am

**Dr. Carolyn Kay Brancato** (*San Francisco*)

Senior Fellow and Director Emeritus

Global Corporate Governance

Research Center and Directors' Institute

The Conference Board

**Michele A. Carlin** (*Chicago and New York*)

Vice President, Global Compensation and Benefits

Campbell Soup Company

## What You Need to Know – A Technical Update

General Session A: 9:30 – 10:30 am

In order to provide effective executive compensation, you need to keep current on the latest legislative, regulatory, judicial and accounting requirements:

- The latest learnings affecting stock option grant and exercise procedures under SEC regulations, FAS 123(R) and Code Sections 162(m), 409A and 422
- Director responsibilities for process and policy
- Archetypal plan features before and after new IRS regulations under Code Section 409A, plus
- Other breaking developments in executive compensation regulation and governance

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During this session, you will receive the most up-to-date information available on these topics from:

**Scott P. Spector** (*San Francisco*)

Partner

Fenwick & West LLP

**Pamela Baker** (*Chicago*)

Partner

Sonnenschein Nath & Rosenthal LLP

**Max J. Schwartz** (*New York*)

Partner

Sullivan & Cromwell LLP

Networking Refreshment Break: 10:30 - 11 am

## What You Need To Have – Effective Performance Incentives

General Session B: 11 am - 12 noon

Companies utilize various business strategies but often “follow the herd and the survey” in implementing their executive compensation strategies. During this session you will hear how and why major corporations have refocused on the “strategic” value of incentive compensation and successfully implemented their innovative programs.

- New rigor in goal setting
- Aligning performance measures and goals with business objectives
- Selecting performance targets that can't be gamed
- Roles that non-HR functions should play in the process

Learn how to utilize your company's incentive programs to reinforce its business strategy from:

Panel Moderator

**E. Webb Bassick IV**

Chief Executive Officer

Compensation Strategies, Inc.

## View on the Outside – Best and Worst Practices

Luncheon Session C: 12:15 - 2 pm

Sponsored by: EQUILAR, INC.

During the luncheon session, you will have the opportunity to interact and network with your peers. There will be separate tables for companies in

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[www.conference-board.org/execcomp.htm](http://www.conference-board.org/execcomp.htm)

# Executive Compensation Conference

similar industries, for privately held companies and for directors. The discussion is sure to add to your learnings from the conference, and you will make valuable new contacts.

You will also hear analyses of reactions (good and bad) to the SEC's new disclosure rules, using specific recent proxy statements as illustrations, by:

**David Chun**  
Chief Executive Officer  
Equilar, Inc.

**Patrick S. McGurn**  
Executive Vice President &  
Special Counsel  
Institutional Shareholder Services

## Nothing Personal, Just Business: Nagging Issues Regarding Perquisites

General Session D: 2:15 - 3:15 pm

A cornucopia of complex new SEC disclosure issues has had an impact on the actual delivery of benefits to executives and directors, and no issues have proven thornier than identifying what constitutes a perquisite and which perquisites should still be provided (and disclosed). Compensation Committees are feeling a new freedom to determine the mix of perquisites, if any, that balances shareholder and executive perspectives.

- What advantages and disadvantages do corporate aircraft, chauffeured limousines, residential security systems and other perquisites have and for what situations are they best suited?
- How do you balance the need to get executive compensation expense under explicit control with the need to enable critical executive talent to perform efficiently?
- How do you identify, account for and document personal usage and benefit and who should have to do it?

During this session, you will hear practical advice and actionable ideas from:

Panel Moderator

**Frank B. Glassner**  
Chief Executive Officer  
Compensation Design Group, Inc.

Panelists

**David E. Anderson** (*San Francisco and Chicago*)  
Vice President  
Simat Helliesen & Eichner, Inc

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**Donald E. Lange** (*New York*)  
Director & Chairman of the  
Compensation Committee  
New Century Financial Corporation

**Brad Morrice** (*Chicago*)  
Chief Executive Officer and  
Vice Chairman  
New Century Financial Corporation

**David H. Treitel** (*New York*)  
Chairman & Chief Executive Officer  
Simat Helliesen & Eichner, Inc.

Networking Refreshment Break: 3:15 – 3:45 pm

## Pay Levels: Determining How Much Is Enough?

General Session E: 3:45 – 4:45 pm

In a period of economic uncertainty, the factors that compensation committees use to determine pay quantities are critically important to the motivation and morale of both employees and investors. Corporate governance commentators attack traditional market pricing assiduously, and one of the key areas about which the SEC has required more disclosure is the quality of committee decisions and the basis and process for making them.

This session will examine:

- What to consider besides competitive market data and how
- The role of internal equity
- Finding true peers and using multiple peer groups for better benchmarking
- Cost control and shareholder-management wealth sharing vs. competitive market positioning
- Market positioning the total reward package instead of individual components

Learn the most up-to-date and innovative practical approaches from:

Panel Moderators

**Bruce R. Ellig** (*Chicago and New York*)  
Retired Corporate Vice President, Human Resources  
Pfizer Inc.

**Ron T. Miller** (*San Francisco*)  
Corporate Vice President  
Team Global Rewards  
Motorola, Inc.

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## Panelists

**Earnest W. Deavenport, Jr.** (*New York*)

Compensation Committee Chair

King Pharmaceuticals, Inc.,

Milliken Companies and Theragenics, Inc.

**Jeffrey N. Gordon** (*New York*)

Alfred W. Bressler

Professor of Law

Columbia University School of Law

**Charles Tharp** (*New York*)

Retired Executive Vice President

Human Resources

Bristol-Myers Squibb Company

**Robert R. Womack** (*San Francisco*)

Director

Commercial Metals Company

and Jacuzzi Brands, Inc.

**Balaji Krishnamurthy**

(*San Francisco and Chicago*)

Founder and Principal

LogiStyle

Compensation Committee Member

Lattice Semiconductor Corporation

**Raul Fernandez**

(*Chicago*)

Chief Executive Officer

ObjectVideo, Inc.

Compensation Committee Chair

Liz Claiborne Inc.

## Taking Stock: Equity and Other Long-Term Incentives

General Session F: 4:45 - 6 pm

With fuller disclosure adding momentum to the movement that began with mandatory option expensing, compensation committees continue to wrestle with their companies' equity or other long-term incentives. Some are reexamining their program design, studying still evolving market trends for guidance. Others have already shifted their long-term incentive mix and are now seeking to strengthen the alignment of their program with their business strategy. Looming questions include:

- What is the purpose of each vehicle from shareholder and executive perspectives?
- What tax, accounting and securities law considerations most affect selection of the right vehicles, mix and designs?
- How do you get share usage and compensation expense under control by reigning in eligibility and grant frequency?
- What is the right mix of expense management vs. retention?
- How do you select the right performance conditions?
- When and how can you take back or modify existing grants?
- And other implementation, administration and financial concerns

During this session you will hear how some leading companies have successfully implemented their innovative long-term incentive programs and how best to utilize your company's programs from:

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# Executive Compensation Conference

## Panel Moderators

**John K. Gayley** (*Chicago*)  
Managing Director  
James F. Reda & Associates, LLC

**John F. Moran, Jr.** (*San Francisco*)  
Managing Director  
James F. Reda & Associates, LLC

**James F. Reda** (*New York*)  
Managing Director  
James F. Reda & Associates, LLC

## Panelists

**Jerome N. Carter** (*New York*)  
Senior Vice President, Human  
Resources and Communications  
International Paper Company, Inc.

**Neil M. Davis** (*Chicago*)  
Director, Compensation & Benefits  
Build-A-Bear Workshop, Inc.

**Earnest W. Deavenport, Jr.** (*New York*)  
Compensation Committee Chair  
King Pharmaceuticals, Inc.  
Milliken Companies and Theragenics, Inc.

**Chet Kuchinad** (*San Francisco*)  
Senior Vice President, Total Pay  
Starbucks Corporation

**Allison McBride** (*San Francisco*)  
Manager, Executive Compensation  
International Paper Company, Inc.

**Nancy Mesereau**  
Vice President  
Fidelity Investments

**Steven A. Nord** (*Chicago and New York*)  
Manager  
Worldwide Compensation and Benefits  
United Parcel Service, Inc.

Networking Cocktail Reception: 6 - 7 pm

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DESIGN GROUP**  
  
The Strategic Compensation Program Specialists

*Compensation  
Strategies*

**JAMES F. REDA**  
& ASSOCIATES, LLC

 **Fidelity**  
INVESTMENTS

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[www.conference-board.org/execcomp.htm](http://www.conference-board.org/execcomp.htm)

# Executive Compensation Conference

Thursday, April 26, 2007 – *San Francisco*

Wednesday, May 9, 2007 – *Chicago*

Thursday, June 7, 2007 – *New York*

## What's on Your Mind?

Continental Breakfast Session G: 8 – 9 am

During this session, you will have the opportunity to sit at self-selected, professionally facilitated discussion tables to brainstorm over breakfast on the topic of your choice. Topics will be decided upon based on an attendee poll on the first day of the conference.

## Report Out

General Session H: 9 – 9:30 am

Facilitators will report out summaries of each table's discussion at the end of the morning breakfast discussion.

## Heeding Shareholder Interests

General Session I: 9:30 – 10:30 am

Following the breakfast roundtable discussion and report out, you will hear a dialogue on how institutional investors, mutual funds and unions hold directors of their portfolio companies accountable for discharging their fiduciary duties to oversee executive compensation.

- Risk/reward and cost considerations in evaluating management-proposed new equity compensation plans or amendments of existing plans
- Do proxy rating services unduly influence plan design?
- How do you know if pay-for-performance is working?
- Potential conflicts between directors' responsibilities to exercise best business judgment and an enhanced shareholder role in corporate decision-making
- Other current "hot button" issues

Learn the pertinent considerations from:

Panel Moderator

**Cynthia L. Richson**

Executive Director

IRRC Institute

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# Executive Compensation Conference

## Panelists

**Janice Hester Amey** (*New York*)

Principal Investment Officer

California State Teachers Retirement System

**Abe M. Friedman** (*San Francisco*)

Director of Corporate Governance & Proxy Voting

Barclays Global Investors

**Michael P. McCauley** (*San Francisco*)

Director of Investment Services & Communications

Office of Corporate Governance & Investment Communications

State Board of Administration of Florida

**Meredith A. Miller** (*Chicago*)

Assistant Treasurer of Policy

Office of Connecticut State Treasurer

**Eric D. Roiter** (*New York*)

Senior Vice President & General Counsel

Fidelity Management & Research Company

**Ted White** (*San Francisco and Chicago*)

Consultant

Council of Institutional Investors

**Beth M. Young** (*New York*)

Senior Research Associate

The Corporate Library

Networking Refreshment Break: 10:30 - 11 am

## Compensation Committee Responsibilities and Processes

General Session J: 11 am - 12 noon

During the conference's final session you will hear a highly important dialogue on the appropriate roles of the compensation committee, the full board and management and when and how to obtain independent advice.

- Should more meaningful "cause" provisions and "claw backs" be added to employment agreements?
- Are severance and change in control benefits redundant with current equity and long-term incentives, retirement and deferred compensation benefits?
- How can you use tally sheet information and take appropriate preventative actions?

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# Executive Compensation Conference

Hear the experiences and learn the thinking of:

Panel Moderator

**Dr. Carolyn Kay Brancato** (*San Francisco*)

Senior Fellow and Director Emeritus, Global Corporate Governance  
Research Center and Directors' Institute  
The Conference Board

**Jill Kanin-Lovers** (*Chicago and New York*)

Compensation Committee Chair of Dot Foods, Inc.  
and Heidrick & Struggles International, Inc.  
Director, First Advantage Corporation

Panelists

**Warren L. Batts** (*Chicago*)

Chairman  
Methode Electronics, Inc.

**Dale W. Hilpert** (*San Francisco*)

Director  
Ann Taylor, Inc. and Signet Group, Plc.

**Cynthia T. Jamison** (*Chicago*)

Area Managing Partner  
Tatum, LLC  
Compensation Committee Member  
B&G Foods  
Audit Committee Chair  
Tractor Supply Company

**Donald E. Lange** (*New York*)

Director & Chairman of the  
Compensation Committee  
New Century Financial Corporation

**Gerald E. Wedren**

Compensation Committee Chair  
American Eagle Outfitters Inc.

**Janet M. Clarke** (*New York*)

President and Founder  
Clarke Littlefield LLC  
Audit Committee Chair  
Express Holdings, Inc.  
eFunds Corporation  
Asbury Automotive Group

**Richard H. Koppes** (*San Francisco*)

Of Counsel  
Jones Day  
Director, Apria Healthcare Group Inc.  
and Valeant Pharmaceuticals  
International

**Philip R. Lochner, Jr.** (*Chicago*)

Former SEC Commissioner  
Compensation Committee Chair  
Apria Healthcare Group Inc.  
Compensation Committee Member  
Adelphia Communications  
Clarcor Inc.  
CMS Energy and Solutia Inc.

**Melvin A. Yellin**

(*San Francisco and New York*)  
President, Stone Point Corporation  
Compensation Committee Chair  
Symbol Technologies, Inc.

Conference Adjourns: 12 noon

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## Post-Conference Workshop

Thursday, April 26, 2007 – *San Francisco*

Wednesday, May 9, 2007 – *Chicago*

Thursday, June 7, 2007 – *New York*

Registration and Luncheon: 12 noon – 1:30 pm

### Special Problems of Privately Held Companies

Workshop: 1:30 – 5 pm

During this 3 ½ hour interactive session you will have the opportunity to participate in a free exchange of ideas and best practices with seasoned professional advisers as well as with your peers. Learn practical solutions to the special and often complex problems of providing senior executives of for-profit privately held companies the type of meaningful compensation discussed during the conference (including domestic subsidiaries of foreign parents):

Topics for discussion will include:

- Appropriate “sharing percentage” for management
- Dealing with dilutive financings
- The entrepreneurial subsidiary
- Phantom stock plans
- Junior preferred options
- Early exercise techniques
- The impact of FAS 123(R) on privately held companies

By attending this workshop, you will take away actionable ideas for strategies, plan design alternatives and techniques that have proven to be most effective.

Speakers include:

**Darrell A. Karolyi**  
Senior Vice President  
Compensation Strategies, Inc.

**Anna-Maria B. Tapling**  
Executive Vice President  
Compensation Strategies, Inc.

**Shekhar Purohit**  
Principal  
James F. Reda & Associates, LLC

**Jason L. Taylor**  
Senior Principal  
Compensation Design Group, Inc.

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## Advisory Board

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Retired Vice President  
Global Compensation & Benefits  
Campbell Soup Company

**Elizabeth Bastoni**  
Group Director, Compensation and Benefits  
The Coca-Cola Company

**Marc Buchsbaum**  
Vice President, Compensation and Benefits  
CR Corporation

**William Cahill**  
Corporate Vice President, Human Resources  
FedEx Corporation

**Robert J. Centonze**  
Director, Compensation & Benefits Planning  
Campbell Soup Company

**Melanie Filas**  
Senior Director  
Global Compensation and Relocation  
Anheuser-Busch Companies, Inc.

**Harriet K. Harty**  
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Divisional Vice President, Compensation  
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**Miles W. Meyer**  
Vice President, Global Compensation  
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Corporate Vice President  
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Vice President, Total Rewards  
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Executive Compensation & HR Services  
Purdue Pharma, LP

**R. Scott Webster**  
Vice President, Compensation and Benefits  
Armstrong World Industries, Inc.

**Britt Wittman**  
Senior Manager, Executive Compensation  
Dell, Inc.

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# Registration Information

## Executive Compensation Conference

- Online** [www.conference-board.org/execcomp.htm](http://www.conference-board.org/execcomp.htm)
- By Phone** Call Customer Service at 212 339 0345  
8:30 am to 6 pm ET Monday through Friday
- By Fax** Complete the registration form on the back and fax to:  
212 836 9740
- By Mail** Complete the registration form on the back and mail to:  
The Conference Board, Inc.  
P.O. Box 4026, Church Street Station  
New York, NY 10261-4026

### Cancellation Policy

Full refund until three weeks before the meeting. \$500 administration fee thereafter.  
**Confirmed registrants who fail to attend and do not cancel prior to the meeting will be charged the entire registration fee.**

### Team Discounts per person

For a team of two or more registering *from the same company at the same time*, take another \$100 off each person's registration.

### Hotel Accommodations

Fees do not include hotel accommodations. For reservations, contact the hotel directly no later than the cut-off date and mention The Conference Board's Executive Compensation Conference.

Four Seasons  
757 Market Street  
San Francisco, CA 94103  
Tel: 415 633 3000  
Fax: 415 633 3001

InterContinental Chicago  
505 North Michigan Avenue  
Chicago, IL 60611  
Tel: 312 944 4100  
Fax: 312 944 1320

Hotel Reservation  
Cut-off Date: April 3, 2007

Hotel Reservation  
Cut-off Date: April 16, 2007

Marriott Marquis  
1535 Broadway  
New York, NY 10036  
Tel: 212 398 1900  
Fax: 212 704 8930

Hotel Reservation Cut-off Date: May 15, 2007

## Unconditional Guarantee

For 90 years, The Conference Board has been providing senior executives worldwide with opportunities to share practical business experience. If for any reason you are not satisfied with this conference, please let us know. We will immediately credit your attendance to another conference of your choice, or, if you prefer, promptly refund 100% of your registration fee.

# Registration Form

## Executive Compensation Conference

- ☐ April 25 - 26, 2007 (999007-4) - Four Seasons; San Francisco, CA  
☐ May 8 - 9, 2007 (969007-4) - InterContinental Chicago; Chicago, IL  
☐ June 6 - 7, 2007 (914007-4) - Marriott Marquis, New York, NY

## Post-Conference Workshop

- ☐ April 26, 2007 (B08007-4) - San Francisco, CA  
☐ May 9, 2007 (B35007-4) - Chicago, IL  
☐ June 7, 2007 (B34007-4) - New York, NY

Please print or attach a business card; for additional registrants, duplicate this form.

Name \_\_\_\_\_

Title \_\_\_\_\_

Functional Area \_\_\_\_\_

Company \_\_\_\_\_

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## Conference

Conference Board Associates .....\$2,095

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## Post-Conference Workshop

Conference Board Associates .....\$595

Non-Associates .....\$695

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