

CEO COMPENSATION IN COPYRIGHT-INTENSIVE
INDUSTRIES

Jonathan Band
Jonathan Gerafi
policybandwidth
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Summary

In June 2013, we produced a study on the profitability of copyright-intensive industries.¹ We compared the performance over the past ten years of five leading firms in three copyright-intensive industries -- motion pictures, publishing, and software -- with the performance of five leading firms in three other industries: construction, transportation, and mining. We found that the firms in the copyright-intensive industries were more profitable than the firms in the other industries in every period examined.

In this study, we compare the compensation of the chief executive officers of these same 30 firms over the past six years.² We found that in each year, the CEOs of the firms in the copyright-intensive industries received significantly higher compensation than the CEOs of the firms in the other industries. For example, in 2012, copyright-intensive industry CEOs received \$22.9 million in compensation on average, while the CEOs in the other industries received \$7.4 million on average. In other words, the 2012 compensation of copyright-intensive industry CEOs was more than triple the compensation of CEOs in the other industries. During the entire six-year period, copyright-intensive industry CEO compensation on average was 2.8 times higher than CEO compensation in the other industries. Moreover, between 2007 and 2012, CEO compensation in the copyright-intensive firms grew by 45%, while it increased by only 8% in the other industries.

Average CEO Compensation, All Industries, 2007-2012

Industry	2007	2008	2009	2010	2011	2012
Motion Pictures	\$23,975,139	\$26,803,775	\$25,388,447	\$27,989,149	\$32,544,700	\$31,742,960
Publishing	\$5,920,337	\$5,496,175	\$5,221,993	\$6,778,343	\$4,931,790	\$8,429,783
Software	\$17,466,210	\$18,434,843	\$24,834,431	\$25,575,436	\$26,959,163	\$28,453,747
Construction	\$6,463,014	\$5,512,075	\$7,154,319	\$7,441,490	\$7,519,525	\$7,050,739
Transportation	\$4,391,586	\$4,727,825	\$4,230,003	\$5,497,773	\$6,519,263	\$6,207,228
Mining	\$9,615,297	\$7,269,110	\$7,116,001	\$8,345,844	\$9,411,128	\$8,935,113
Copyright average	\$15,787,229	\$16,911,598	\$18,481,624	\$20,114,309	\$21,478,551	\$22,875,497
Non-copyright average	\$6,823,299	\$5,836,337	\$6,166,774	\$7,095,035	\$7,816,639	\$7,397,693

¹ Jonathan Band and Jonathan Gerafi, *Profitability of Copyright-Intensive Industries* (June 2013), <http://infojustice.org/archives/29916>.

² In the transportation industry, we used J.B. Hunt in place of Deutsche Bahn because CEO compensation data were not available for Deutsche Bahn. All compensation figures were derived from the Thomson One Banker database.

Additionally, CEO compensation as a percentage of revenue was more than twice as high in the copyright-intensive industries as in the other industries. CEO compensation as a percentage of revenue in the publishing industry was four times higher than in the transportation industry, almost three times higher than the non-copyright average, and twice as high as in the motion picture industry.

Compensation to Revenue Ratio, All Industries, 2007 and 2012

Industry	2007	2012
Motion Pictures	0.10%	0.11%
Publishing	0.20%	0.20%
Software	0.13%	0.13%
Construction	0.08%	0.09%
Transportation	0.04%	0.05%
Mining	0.10%	0.08%
Copyright average	0.14%	0.15%
Non-copyright average	0.07%	0.07%

In the copyright policy debates, the labor unions representing workers in copyright-intensive firms have joined with management in demanding greater intellectual property protection. Indeed, copyright policy is one of the few areas where the AFL-CIO and the U.S. Chamber of Commerce routinely agree with one another. They contend that copyright infringement is causing job loss in the United States.³ Nonetheless, during this period when the copyright-intensive industries purportedly are losing jobs because of attacks by pirates, CEO compensation has increased dramatically, both in absolute terms and relative to CEO compensation in other industries. These generous compensation packages belie the suggestion that the copyright industries confront an existential threat from infringement. Moreover, these upwardly trending compensation levels demonstrate that the copyright-intensive industry CEOs are not sharing the pain infringement allegedly causes their employees.

³ As has been noted in numerous impartial studies, the actual impact of infringement on individual firms, on industry sectors, and on the U.S. economy as a whole, is extremely difficult to quantify. See, e.g., National Research Council, *Copyright in the Digital Era: Building Evidence for Policy* (2013); *Intellectual Property: Insights Gained from Efforts to Quantify the Effects of Counterfeit and Pirated Goods in the U.S. Economy Before the Subcomm. on Oversight and Investigations of the H. Comm. on Energy and Commerce*, 113th Cong. 7-10 (2013) (statement of Susan Offutt, Chief Economist, U.S. Government Accountability Office).

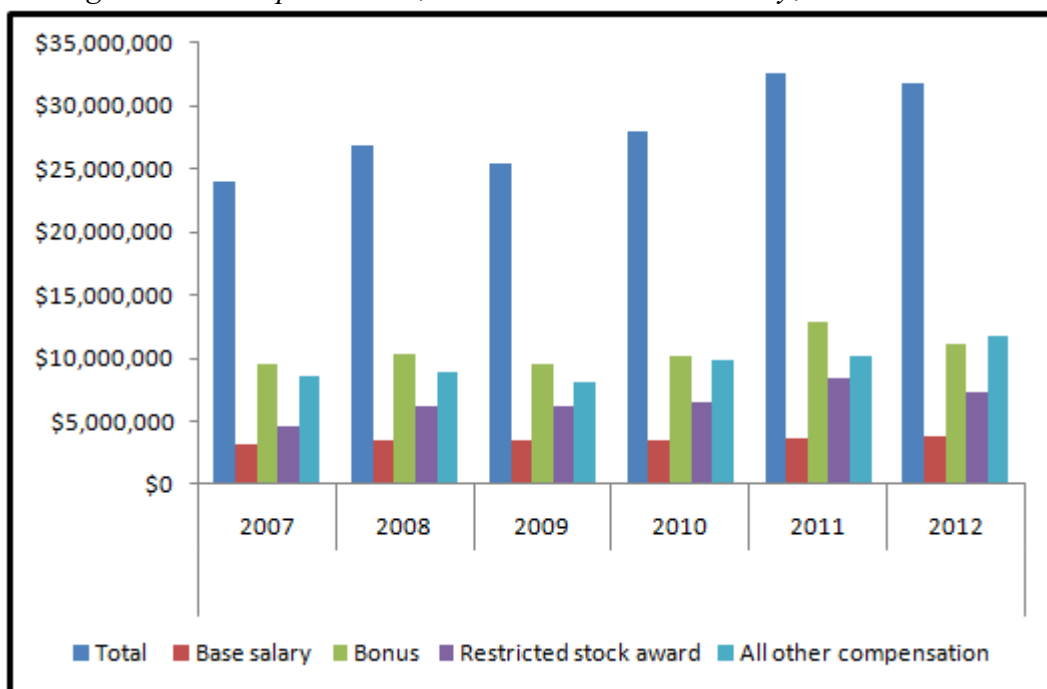
Motion Picture Industry

From 2007 to 2012, average total CEO compensation in the motion picture industry increased 32%. Base salaries increased 16%, and bonuses decreased 5%. Restricted stock awards increased 60% and other compensation increased 37%.⁴ The average annual increase in total compensation was 6%. Base salary increased annually 3% and the bonus increased 4% per year. The average annual increase of restricted stock awards was 14% and of other/long term compensation was 7%.

Average CEO Compensation, Motion Picture Industry, 2007-2012

Year	Total	Base salary	Bonus	Restricted stock award	All other compensation
2007	\$23,975,139	\$3,247,700	\$9,516,267	\$4,614,406	\$8,500,020
2008	\$26,803,775	\$3,423,873	\$10,315,058	\$6,169,955	\$8,957,901
2009	\$25,388,447	\$3,459,389	\$9,577,310	\$6,196,828	\$8,070,383
2010	\$27,989,149	\$3,505,152	\$10,240,442	\$6,483,116	\$9,808,527
2011	\$32,544,700	\$3,680,152	\$12,865,371	\$8,361,776	\$10,210,475
2012	\$31,742,960	\$3,780,152	\$11,139,364	\$7,372,551	\$11,678,766

Average CEO Compensation, Motion Picture Industry, 2007-2012



⁴ Other compensation includes, inter alia, long term and deferred compensation.

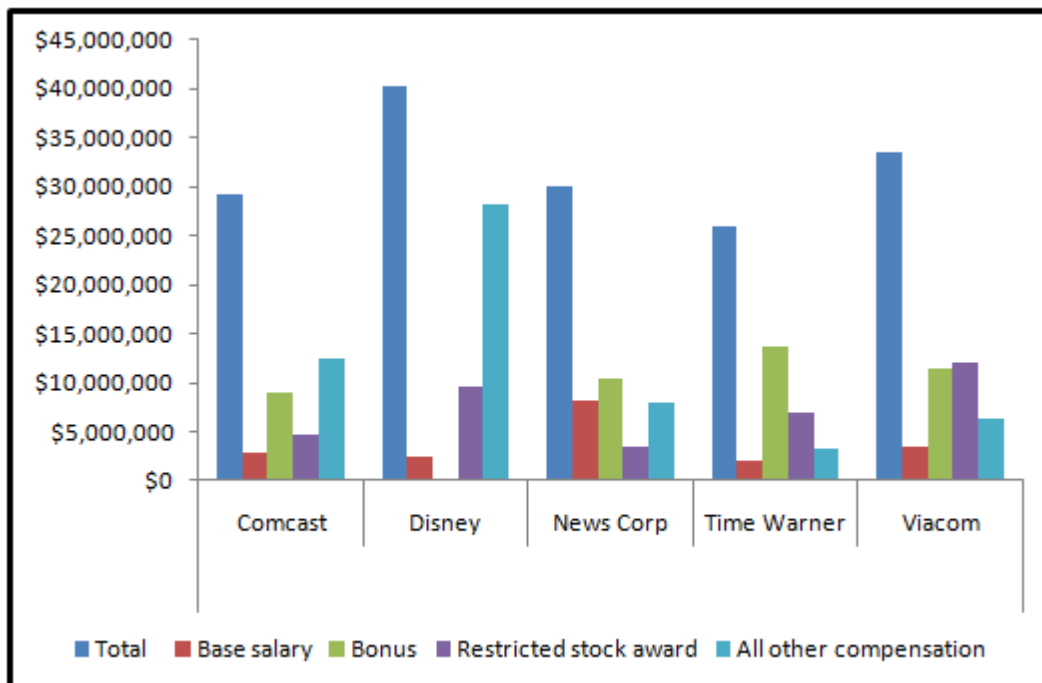
Annual and Company Detail

Comcast acquired 51% of NBCUniversal in 2011. It purchased the remaining 49% in 2013. NBCUniversal includes Universal Studios as well as the NBC television network. Until June 2013, News Corporation owned film studio 20th Century Fox. At the end of June 2013, News Corp. split into two publicly traded companies: News Corp. and 21st Century Fox. News Corp. comprises the publishing side of the former company, including HarperCollins and the *Wall Street Journal*, while 21st Century Fox houses the film studio and the television networks. Viacom owns Paramount Pictures, along with television channels such as MTV, BET, Nickelodeon, Showtime, and Comedy Central. The Walt Disney Company owns the Walt Disney Studios as well as the ABC television network, ESPN, and 14 theme parks around the world. Time Warner owns the Warner Bros. film studio, as well as the HBO cable network, Turner Broadcasting Systems (which includes CNN), and magazine publisher TIME, Inc.

CEO Compensation, Motion Picture Industry, 2012

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Comcast	\$29,124,014	\$2,800,761	\$9,032,455	\$4,753,080	\$12,537,718
Disney	\$40,227,848	\$2,500,000		\$9,532,500	\$28,195,348
News Corp	\$30,022,292	\$8,100,000	\$10,425,000	\$3,508,681	\$7,988,611
Time Warner	\$25,889,823	\$2,000,000	\$13,600,000	\$6,941,751	\$3,348,072
Viacom	\$33,450,824	\$3,500,000	\$11,500,000	\$12,126,745	\$6,324,079

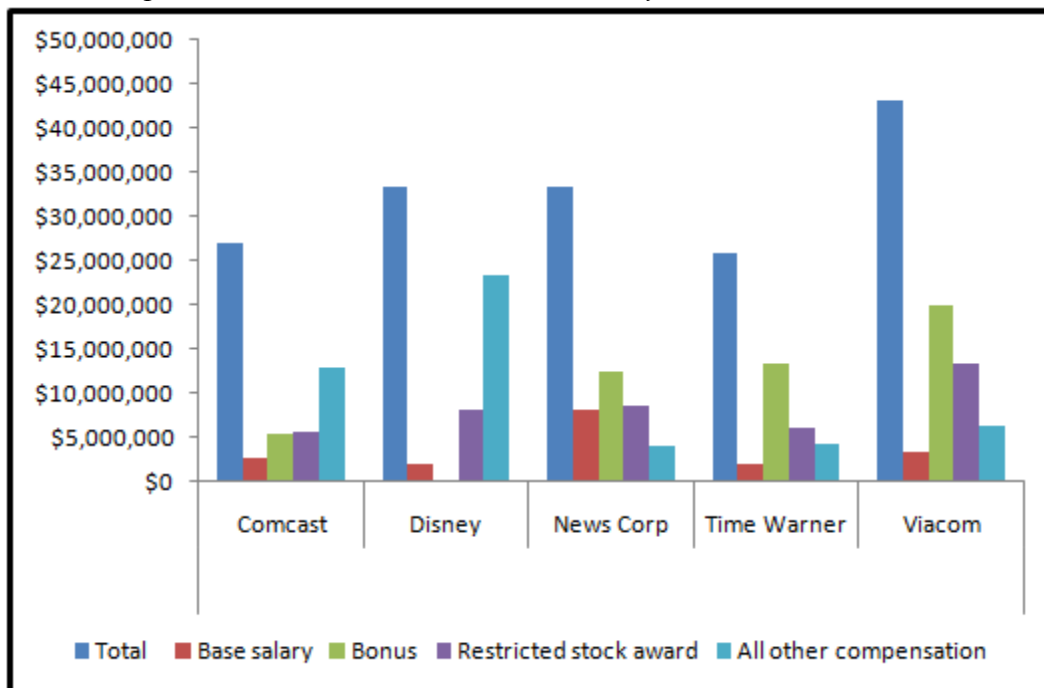
CEO Compensation, Motion Picture Industry, 2012



CEO Compensation, Motion Picture Industry, 2011

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Comcast	\$26,934,077	\$2,800,761	\$5,461,484	\$5,737,095	\$12,934,737
Disney	\$33,434,398	\$2,000,000		\$8,100,073	\$23,334,325
News Corp	\$33,292,753	\$8,100,000	\$12,500,000	\$8,527,321	\$4,165,432
Time Warner	\$25,938,721	\$2,000,000	\$13,500,000	\$6,129,090	\$4,309,631
Viacom	\$43,123,552	\$3,500,000	\$20,000,000	\$13,315,301	\$6,308,251

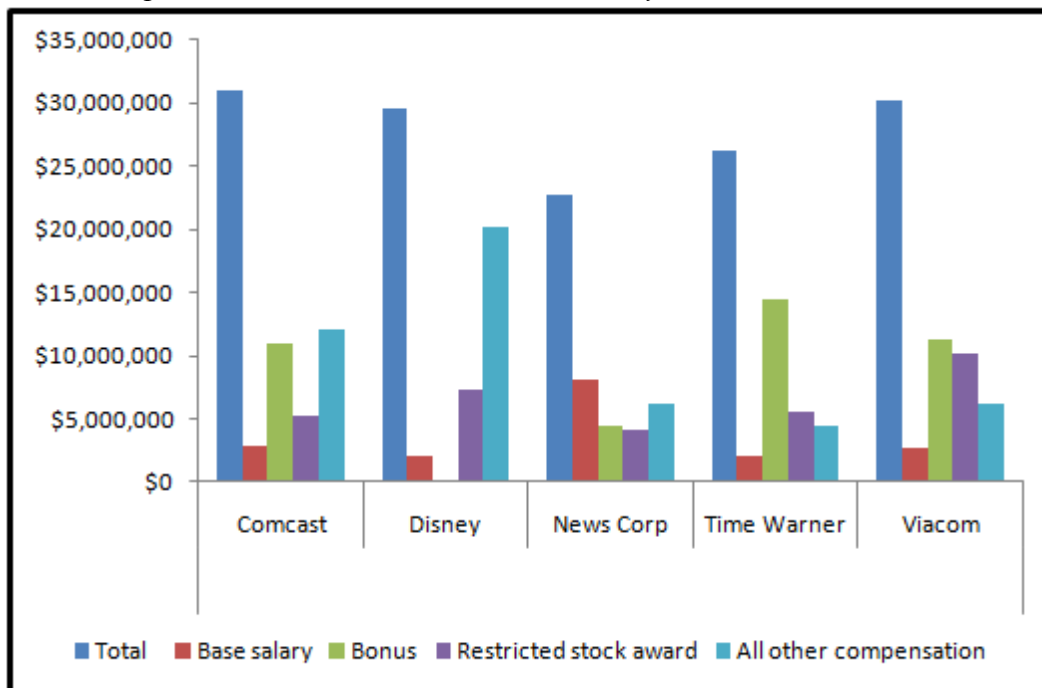
CEO Compensation, Motion Picture Industry, 2011



CEO Compensation, Motion Picture Industry, 2010

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Comcast	\$31,058,959	\$2,800,761	\$10,922,968	\$5,308,989	\$12,026,241
Disney	\$29,617,964	\$2,000,000		\$7,359,060	\$20,258,904
News Corp	\$22,725,275	\$8,100,000	\$4,368,800	\$4,050,000	\$6,206,475
Time Warner	\$26,303,071	\$2,000,000	\$14,420,000	\$5,519,056	\$4,364,015
Viacom	\$30,240,476	\$2,625,000	\$11,250,000	\$10,178,477	\$6,186,999

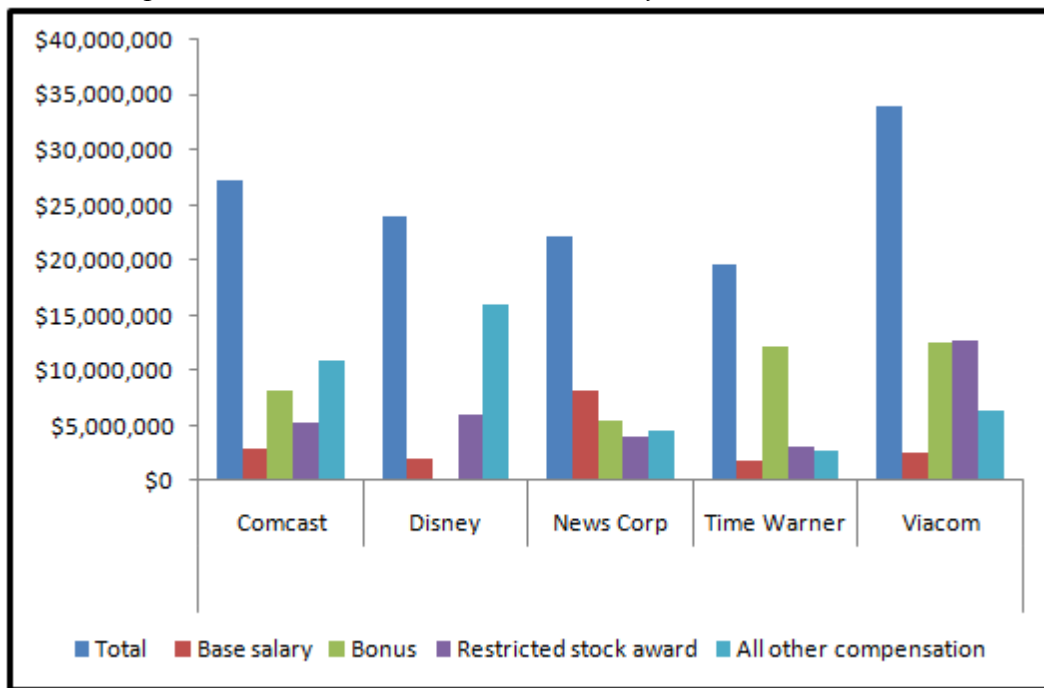
CEO Compensation, Motion Picture Industry, 2010



CEO Compensation, Motion Picture Industry, 2009

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Comcast	\$27,246,367	\$2,908,483	\$8,234,238	\$5,257,200	\$10,846,446
Disney	\$23,921,614	\$2,038,462		\$5,940,006	\$15,943,146
News Corp	\$22,201,981	\$8,100,000	\$5,435,000	\$4,050,000	\$4,616,981
Time Warner	\$19,562,284	\$1,750,000	\$12,100,000	\$3,048,000	\$2,664,284
Viacom	\$34,009,990	\$2,500,000	\$12,540,000	\$12,688,932	\$6,281,058

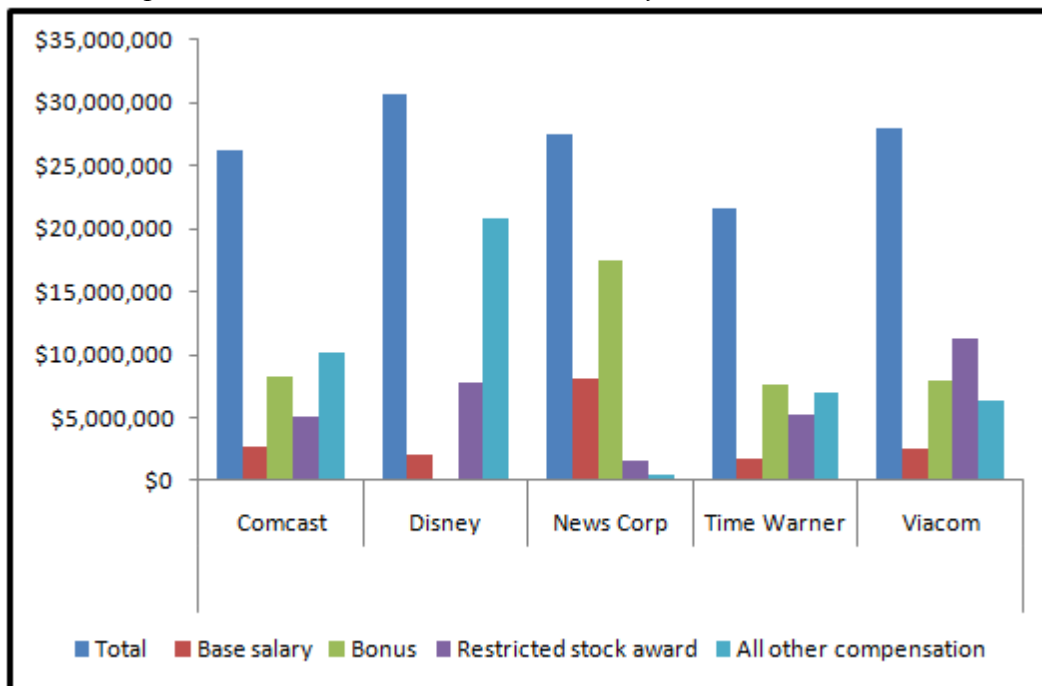
CEO Compensation, Motion Picture Industry, 2009



CEO Compensation, Motion Picture Industry, 2008

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Comcast	\$26,240,363	\$2,769,365	\$8,275,231	\$5,006,640	\$10,189,127
Disney	\$30,617,352	\$2,000,000		\$7,766,676	\$20,850,676
News Corp	\$27,548,461	\$8,100,000	\$17,500,000	\$1,545,292	\$403,169
Time Warner	\$21,617,867	\$1,750,000	\$7,600,000	\$5,292,500	\$6,975,367
Viacom	\$27,994,832	\$2,500,000	\$7,885,000	\$11,238,665	\$6,371,167

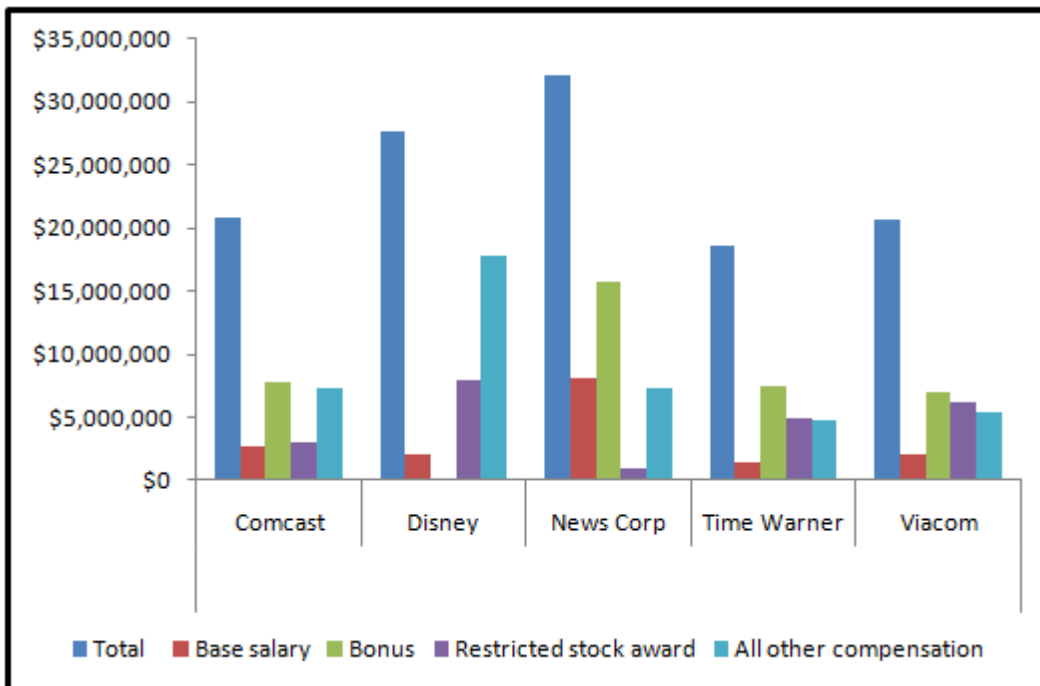
CEO Compensation, Motion Picture Industry, 2008



CEO Compensation, Motion Picture Industry, 2007

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Comcast	\$20,802,728	\$2,638,500	\$7,770,068	\$3,063,084	\$7,331,076
Disney	\$27,699,201	\$2,000,000		\$7,931,660	\$17,767,541
News Corp	\$32,135,675	\$8,100,000	\$15,795,000	\$1,012,500	\$7,228,175
Time Warner	\$18,641,003	\$1,500,000	\$7,500,000	\$4,930,687	\$4,710,316
Viacom	\$20,597,090	\$2,000,000	\$7,000,000	\$6,134,100	\$5,462,990

CEO Compensation, Motion Picture Industry, 2007



Publishing Industry

Between 2007 and 2012, average total CEO compensation increased 42% in the publishing industry. The average base salary decreased 17%, and the bonus increased 34%. The restricted stock awards increased 36% and other/long term compensation increased 113% in the same period. Average total compensation increased 12% per year, while restricted stock awards decreased 6% per year. Average base salary and average bonus decreased 3% and 7%, respectively, per year. All other compensation increased 29% per year.

Average CEO Compensation, Publishing Industry, 2007-2012

Year	Total	Base salary	Bonus	Restricted stock award	All other compensation
2007	\$5,920,337	\$1,422,323	\$2,205,968	\$2,102,351	\$2,333,494
2008	\$5,496,175	\$1,250,177	\$1,378,726	\$1,696,075	\$2,464,587
2009	\$5,221,993	\$1,166,971	\$1,086,201	\$1,413,030	\$2,620,849
2010	\$6,778,343	\$1,264,377	\$1,856,142	\$2,057,803	\$3,205,931
2011	\$4,931,790	\$1,234,501	\$1,413,690	\$1,350,920	\$2,025,968
2012	\$8,429,783	\$1,183,154	\$1,119,212	\$2,860,500	\$4,976,970

Average CEO Compensation, Publishing Industry, 2007-2012



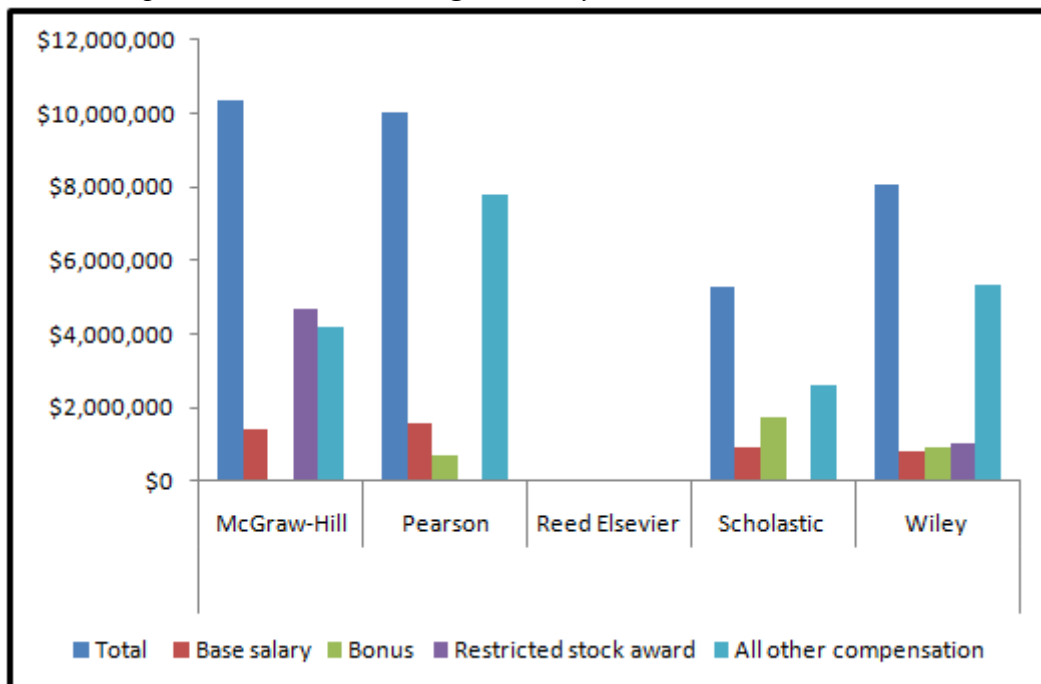
Annual and Company Detail

Until recently, McGraw-Hill was one of the leading education and financial publishers. In 2013, Apollo Global Management purchased the company's education division for \$2.4 billion. British based Pearson is one of the world's largest publishers. It has three divisions: the Penguin Group, which publishes books for the consumer market; Pearson Education; and the Financial Times Group. The Penguin Group and Random House, owned by German-based Bertelsmann, merged in 2013 to form Penguin Random House. Bertelsmann owns 53% of the new company, and Pearson owns the remaining 47%. Reed Elsevier is one of the world's largest publishers in the science, medical, business, and legal sectors. It was formed by the merger of the British-based Reed International and Dutch-based Elsevier. Scholastic is one of the world's largest publishers and distributors of children's books and educational materials. It has the exclusive U.S. publishing rights for the *Harry Potter* and *The Hunger Games* series. John A. Wiley & Sons is a New York based publishing firm with three divisions: Scientific, Technical, Medical and Scholarly (known as Wiley-Blackwell); Professional Development; and Global Education.

CEO Compensation, Publishing Industry, 2012

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
McGraw-Hill	\$10,333,123	\$1,432,200		\$4,710,000	\$4,190,923
Pearson	\$10,020,300	\$1,566,954	\$681,696		\$7,771,650
Reed Elsevier	N.A.				
Scholastic	\$5,290,517	\$933,461	\$1,746,000		\$2,611,056
Wiley	\$8,075,192	\$800,000	\$929,940	\$1,011,000	\$5,334,252

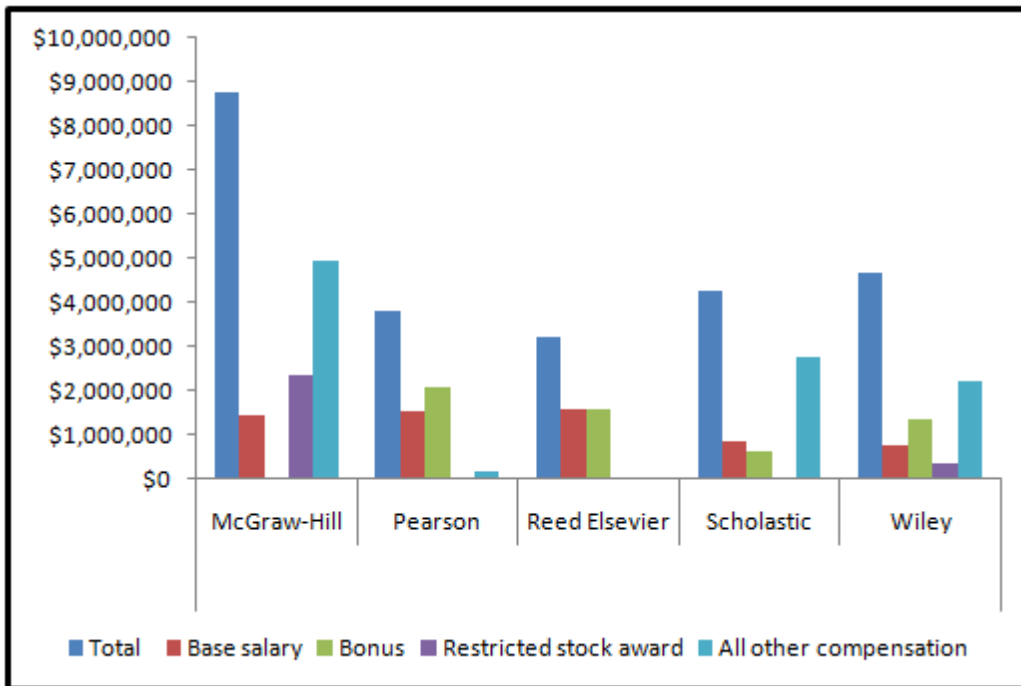
CEO Compensation, Publishing Industry, 2012



CEO Compensation, Publishing Industry, 2011

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
McGraw-Hill	\$8,742,607	\$1,432,200		\$2,355,000	\$4,955,407
Pearson	\$3,795,676	\$1,535,277	\$2,091,873		\$168,525
Reed Elsevier	\$3,208,802	\$1,584,753	\$1,579,998		\$44,051
Scholastic	\$4,258,250	\$870,000	\$633,024		\$2,755,226
Wiley	\$4,653,615	\$750,278	\$1,349,866	\$346,840	\$2,206,631

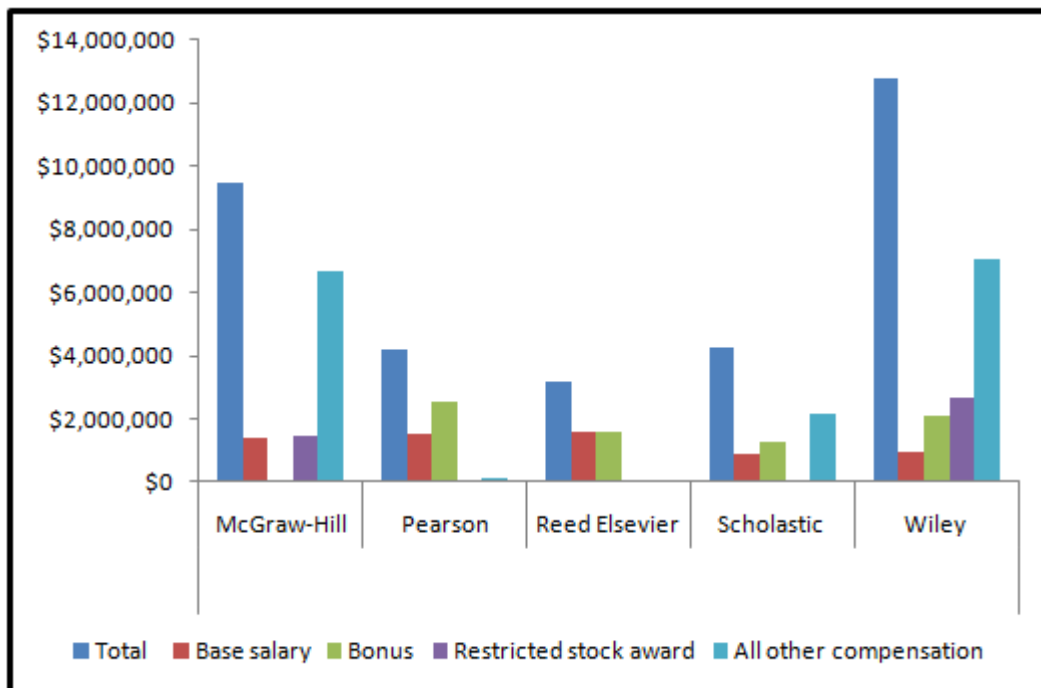
CEO Compensation, Publishing Industry, 2011



CEO Compensation, Publishing Industry, 2010

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
McGraw-Hill	\$9,483,801	\$1,390,500		\$1,430,906	\$6,662,395
Pearson	\$4,165,897	\$1,516,437	\$2,513,310		\$136,151
Reed Elsevier	\$3,173,888	\$1,564,950	\$1,563,385		\$45,553
Scholastic	\$4,282,064	\$870,000	\$1,261,500		\$2,150,564
Wiley	\$12,786,067	\$980,000	\$2,086,372	\$2,684,700	\$7,034,995

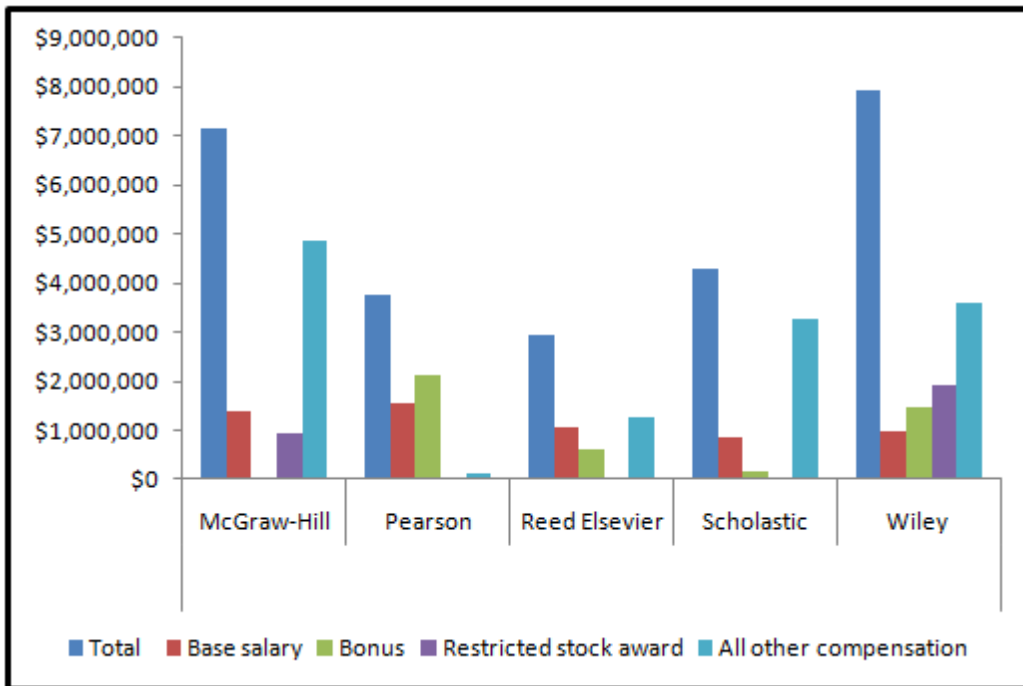
CEO Compensation, Publishing Industry, 2010



CEO Compensation, Publishing Industry, 2009

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
McGraw-Hill	\$7,168,335	\$1,390,500		\$924,060	\$4,853,775
Pearson	\$3,770,196	\$1,538,525	\$2,106,970		\$124,702
Reed Elsevier	\$2,960,876	\$1,063,331	\$628,681		\$1,268,864
Scholastic	\$4,273,879	\$870,000	\$154,182		\$3,249,697
Wiley	\$7,936,677	\$972,500	\$1,454,970	\$1,902,000	\$3,607,207

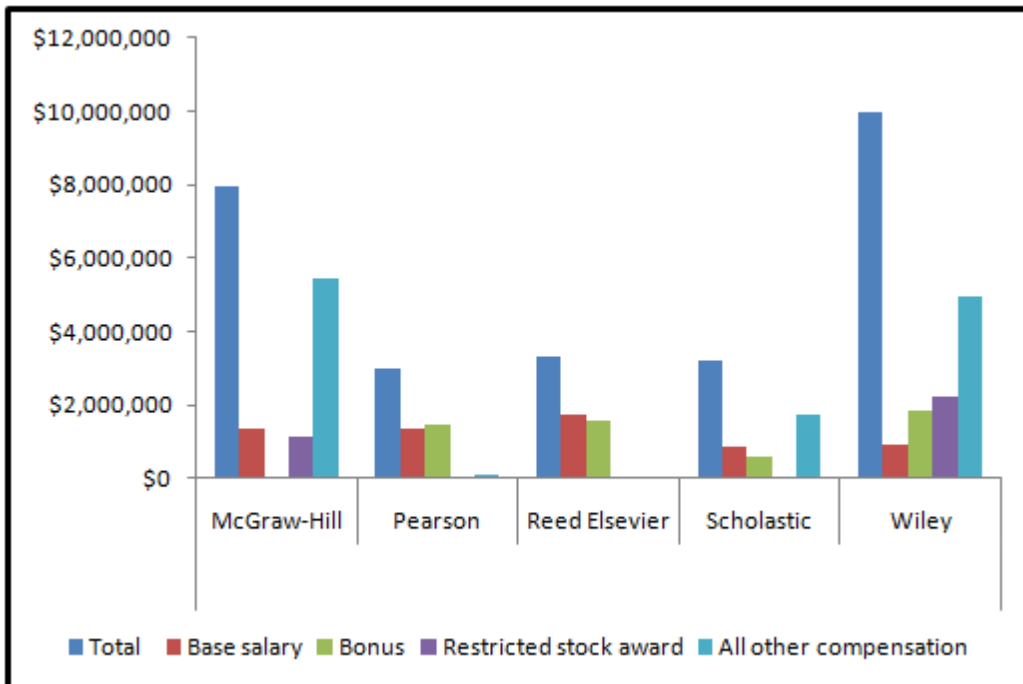
CEO Compensation, Publishing Industry, 2009



CEO Compensation, Publishing Industry, 2008

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
McGraw-Hill	\$7,971,204	\$1,350,000		\$1,165,726	\$5,455,478
Pearson	\$2,998,695	\$1,384,910	\$1,482,583		\$131,202
Reed Elsevier	\$3,331,287	\$1,721,808	\$1,566,845		\$42,635
Scholastic	\$3,215,943	\$870,000	\$610,088		\$1,735,855
Wiley	\$9,963,744	\$924,167	\$1,855,390	\$2,226,424	\$4,957,763

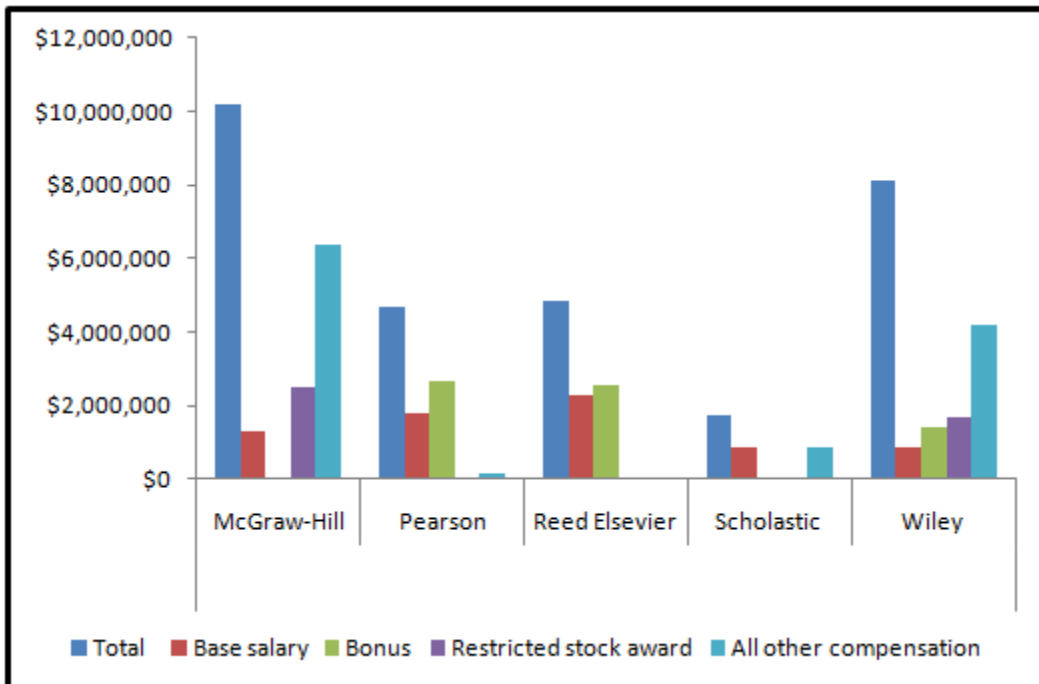
CEO Compensation, Publishing Industry, 2008



CEO Compensation, Publishing Industry, 2007

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
McGraw-Hill	\$10,216,490	\$1,300,000		\$2,518,735	\$6,397,755
Pearson	\$4,671,929	\$1,803,060	\$2,686,559		\$182,309
Reed Elsevier	\$4,870,738	\$2,275,221	\$2,539,147		\$56,370
Scholastic	\$1,730,684	\$870,000			\$860,684
Wiley	\$8,111,846	\$863,333	\$1,392,196	\$1,685,966	\$4,170,351

CEO Compensation, Publishing, 2007



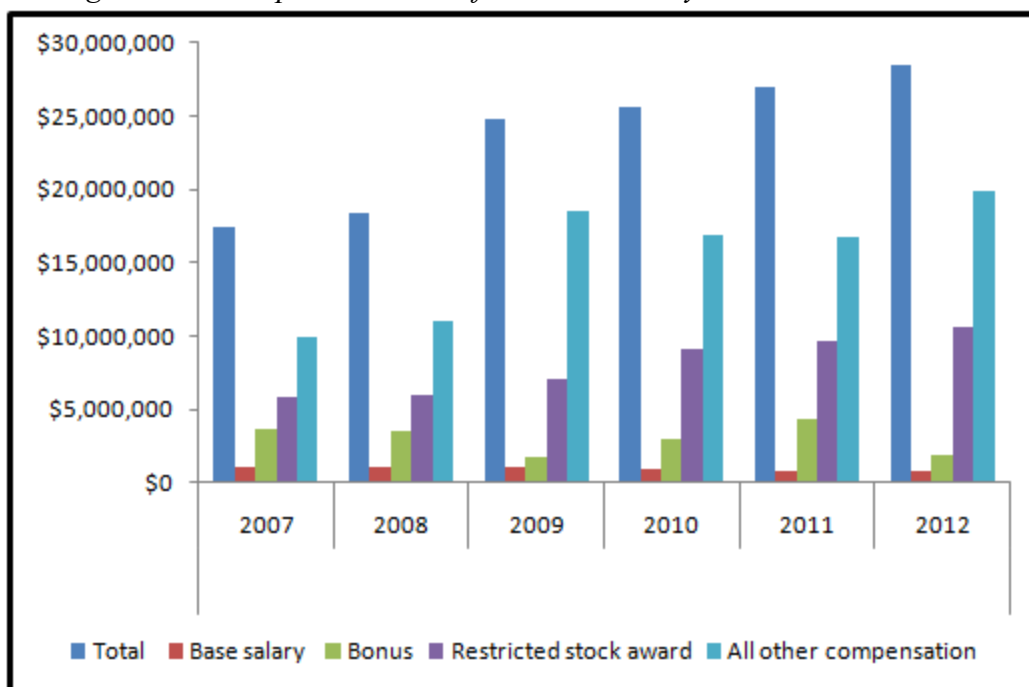
Software Industry

Average total compensation for software industry CEOs increased 63% between 2007 and 2012. Restricted stock awards increased 81%. Base salary decreased 23% while bonuses increased 67% and all other compensation increased 99% in the same period. Average total compensation increased 11% per year and average restricted stock awards increased 10% per year between 2007 and 2012. Average base salary decreased 5% and average bonus increased 1% per year, while all other compensation increased 17% per year, on average.

Average CEO Compensation, Software Industry, 2007-2012

Year	Total compensation	Base salary	Bonus	Restricted stock award	All other compensation
2007	\$17,466,210	\$1,063,583	\$3,692,198	\$5,833,377	\$9,948,842
2008	\$18,434,843	\$1,063,167	\$3,531,360	\$5,926,419	\$10,990,737
2009	\$24,834,431	\$1,042,628	\$1,751,744	\$7,136,181	\$18,459,047
2010	\$25,575,436	\$925,917	\$2,968,878	\$9,055,250	\$16,841,266
2011	\$26,959,163	\$875,787	\$4,341,086	\$9,670,609	\$16,808,142
2012	\$28,453,747	\$815,637	\$1,836,449	\$10,568,640	\$19,827,767

Average CEO Compensation, Software Industry, 2007-2012



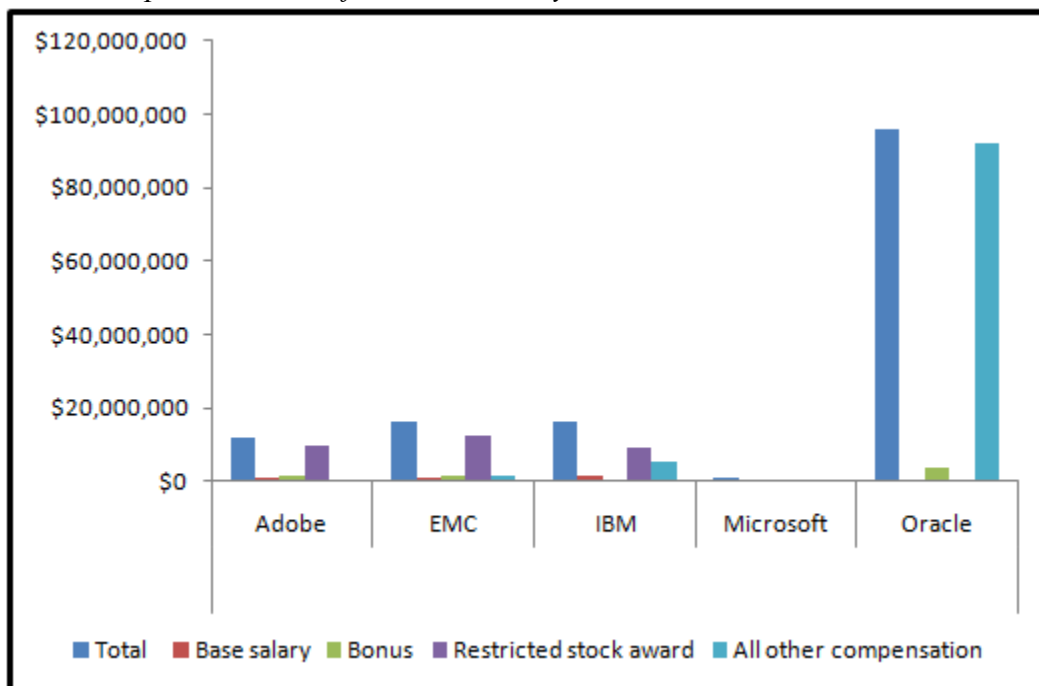
Annual and Company Detail

Adobe develops digital media software. It created the Portable Document Format (PDF), and the Adobe Acrobat and Reader software. It also develops web design programs such as Adobe Dreamweaver, and desktop software such as Adobe Photoshop. EMC develops computer data storage hardware and software, and provides IT consulting services and integrated infrastructure discovery and performance monitoring solutions. IBM develops both software and hardware, and provides infrastructure, hosting, and consulting services. Microsoft dominates the PC operating system and office suite markets. It also operates the second largest Internet search engine, Bing, and develops the Xbox video game system. Oracle develops enterprise software products, particularly database management software. It also develops middle-tier software, enterprise resource planning software, customer relationship management software, and supply chain management software.

CEO Compensation, Software Industry, 2012

Company	Total compensation	Base	Bonus	Restricted stock award	All other compensation
Adobe	\$12,012,951	\$893,182	\$1,339,772	\$9,749,250	\$30,747
EMC	\$16,592,231	\$1,000,000	\$1,467,360	\$12,697,669	\$1,427,202
IBM	\$16,184,727	\$1,500,000		\$9,259,000	\$5,425,727
Microsoft	\$1,318,128	\$685,000	\$620,000		\$13,128
Oracle	\$96,160,696	\$1	\$3,918,663		\$92,242,032

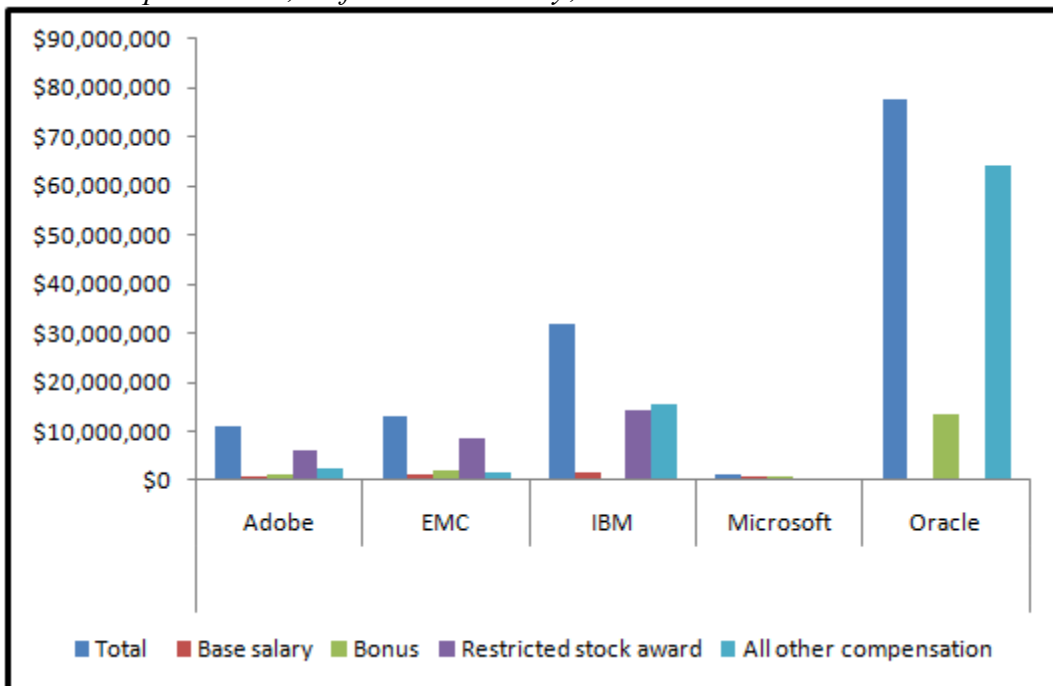
CEO Compensation, Software Industry, 2012



CEO Compensation, Software Industry, 2011

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Adobe	\$10,825,110	\$896,434	\$1,198,980	\$6,295,550	\$2,434,146
EMC	\$13,238,857	\$1,000,000	\$2,140,869	\$8,408,713	\$1,689,275
IBM	\$31,798,918	\$1,800,000		\$14,307,565	\$15,691,353
Microsoft	\$1,376,915	\$682,500	\$682,500		\$11,915
Oracle	\$77,556,015	\$1	\$13,341,994		\$64,214,020

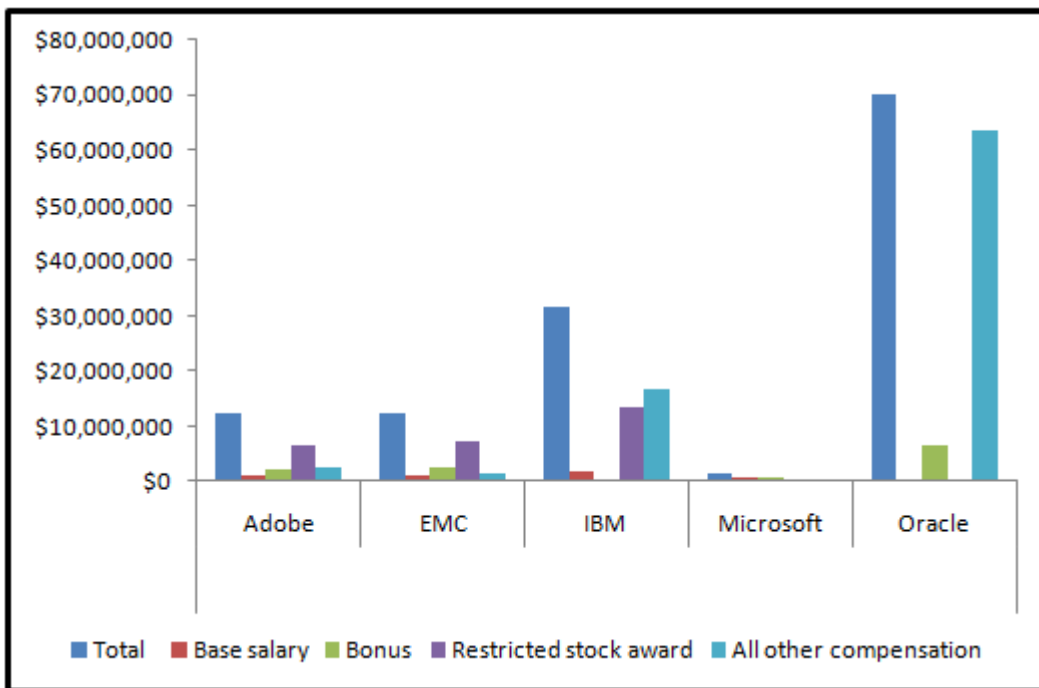
CEO Compensation, Software Industry, 2011



CEO Compensation, Software Industry, 2010

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Adobe	\$12,228,214	\$909,583	\$2,160,259	\$6,490,400	\$2,667,972
EMC	\$12,436,161	\$1,000,000	\$2,592,000	\$7,355,900	\$1,488,261
IBM	\$31,718,608	\$1,800,000		\$13,319,450	\$16,599,158
Microsoft	\$1,351,121	\$670,000	\$670,000		\$11,121
Oracle	\$70,143,075	\$250,001	\$6,453,254		\$63,439,820

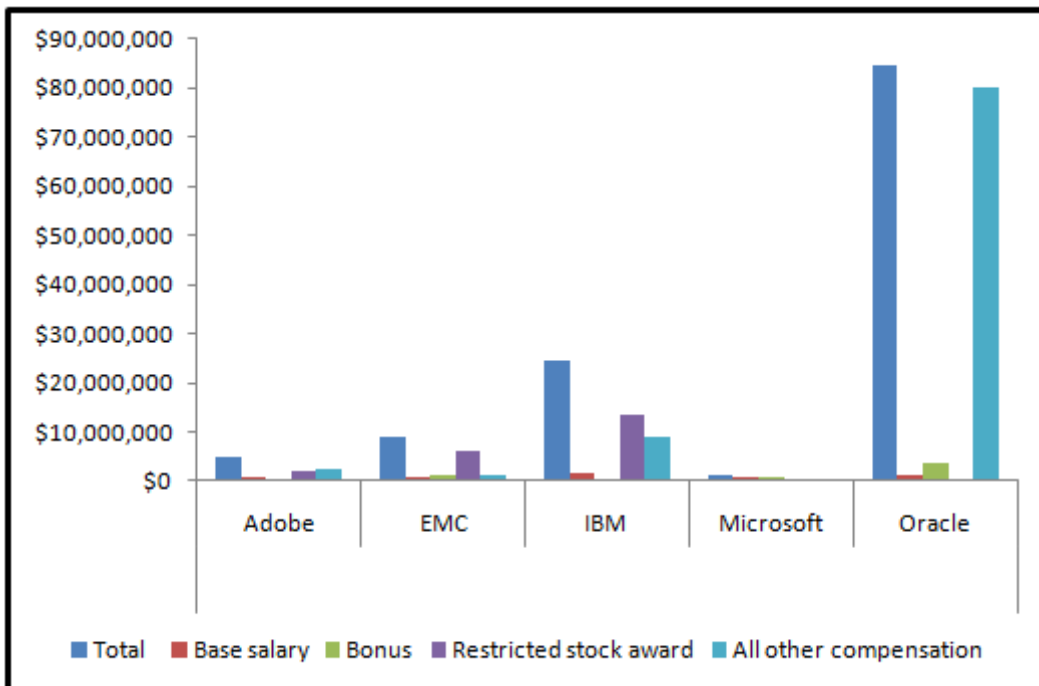
CEO Compensation, Software Industry, 2010



CEO Compensation, Software Industry, 2009

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Adobe	\$5,032,210	\$875,000		\$1,895,343	\$2,261,867
EMC	\$9,047,763	\$872,308	\$1,068,420	\$5,995,800	\$1,111,235
IBM	\$24,313,795	\$1,800,000		\$13,517,401	\$8,996,394
Microsoft	\$1,276,627	\$665,833	\$600,000		\$10,794
Oracle	\$84,501,759	\$1,000,000	\$3,586,813		\$79,914,946

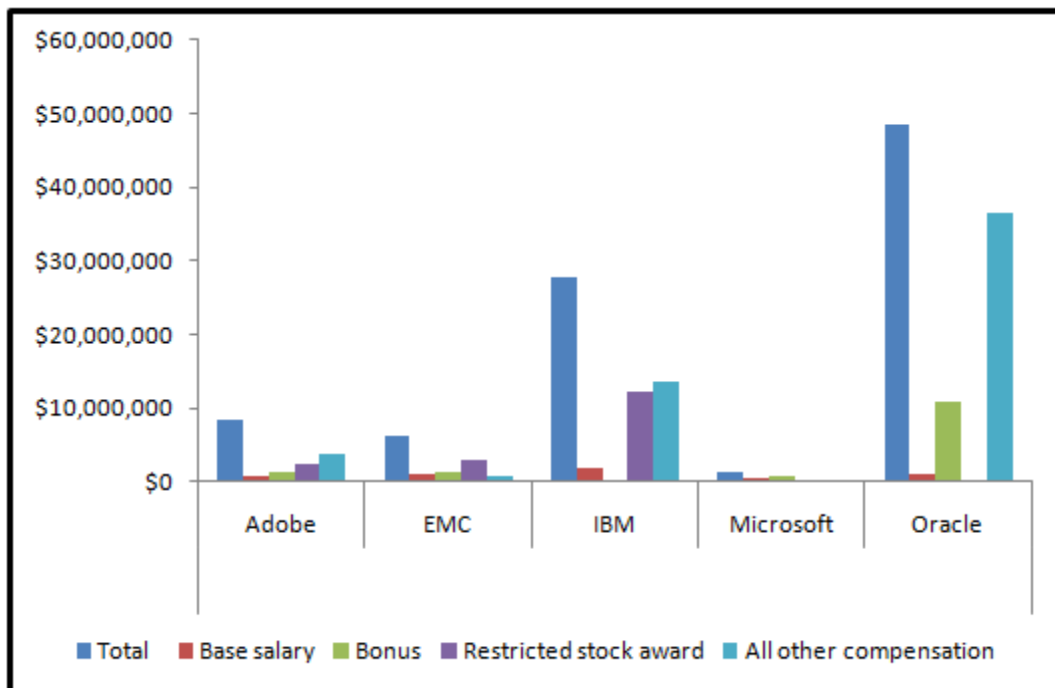
CEO Compensation, Software Industry, 2009



CEO Compensation, Software Industry, 2008

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Adobe	\$8,433,578	\$875,000	\$1,257,812	\$2,522,947	\$3,777,819
EMC	\$6,255,954	\$1,000,000	\$1,388,628	\$3,036,000	\$831,326
IBM	\$27,730,873	\$1,800,000		\$12,220,311	\$13,710,562
Microsoft	\$1,350,834	\$640,833	\$700,000		\$10,001
Oracle	\$48,402,977	\$1,000,000	\$10,779,000		\$36,623,977

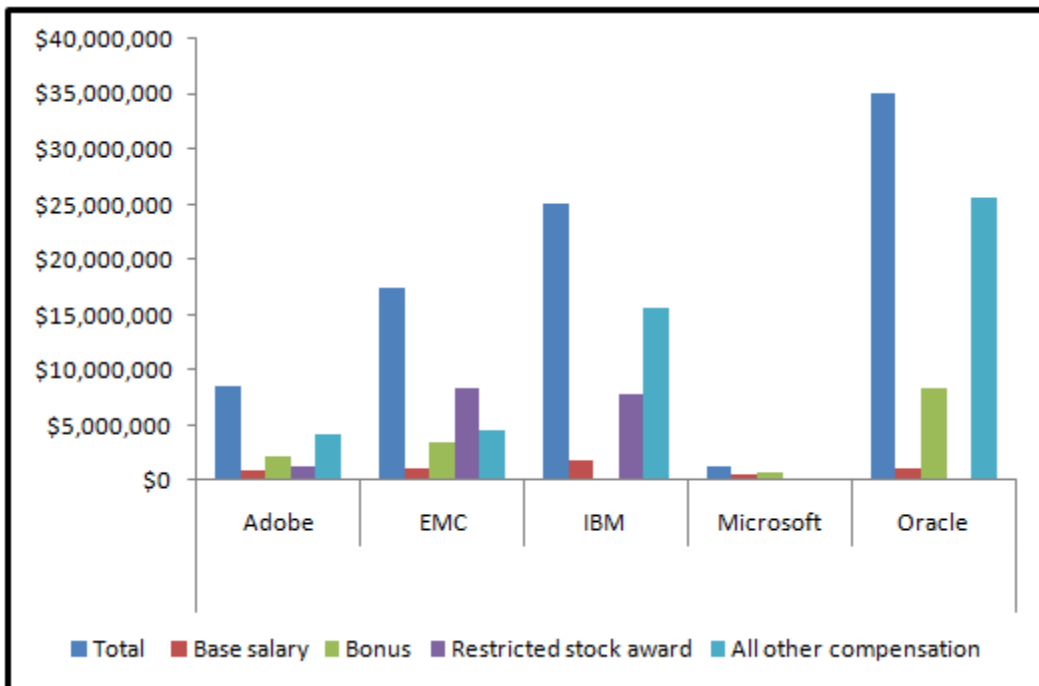
CEO Compensation, Software Industry, 2008



CEO Compensation, Software Industry, 2007

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Adobe	\$8,607,497	\$897,917	\$2,229,792	\$1,323,802	\$4,155,987
EMC	\$17,344,899	\$1,000,000	\$3,520,000	\$8,375,036	\$4,449,863
IBM	\$25,130,728	\$1,800,000		\$7,801,294	\$15,529,434
Microsoft	\$1,279,821	\$620,000	\$650,000		\$9,821
Oracle	\$34,968,104	\$1,000,000	\$8,369,000		\$25,599,104

CEO Compensation, Software Industry, 2007



Construction Industry

Between 2007 and 2012, average total CEO compensation in the construction industry increased by 9%. Restricted stock awards increased 69%, base salaries increased 52% and bonuses increased 5%. All other compensation decreased 38% between 2007 and 2012. On average total CEO compensation increased 3% per year, and restricted stock awards increased 12% per year. Both base salary and bonuses increased, on average, by 9% per year. All other compensation increased on average 10% per year.

Average CEO Compensation, Construction Industry, 2007-2012

Year	Total	Base salary	Bonus	Restricted stock award	All other compensation
2007	\$6,463,014	\$935,355	\$1,220,452	\$2,633,710	\$3,402,233
2008	\$5,512,075	\$1,091,604	\$2,455,740	\$1,994,989	\$1,258,886
2009	\$7,154,319	\$1,211,412	\$1,870,435	\$2,129,529	\$3,168,842
2010	\$7,441,490	\$1,289,219	\$1,745,720	\$3,330,619	\$2,408,179
2011	\$7,519,525	\$1,349,789	\$1,842,357	\$3,790,224	\$2,053,244
2012	\$7,050,739	\$1,418,724	\$1,302,831	\$4,457,415	\$2,100,476

Average CEO Compensation, Construction Industry, 2007-2012



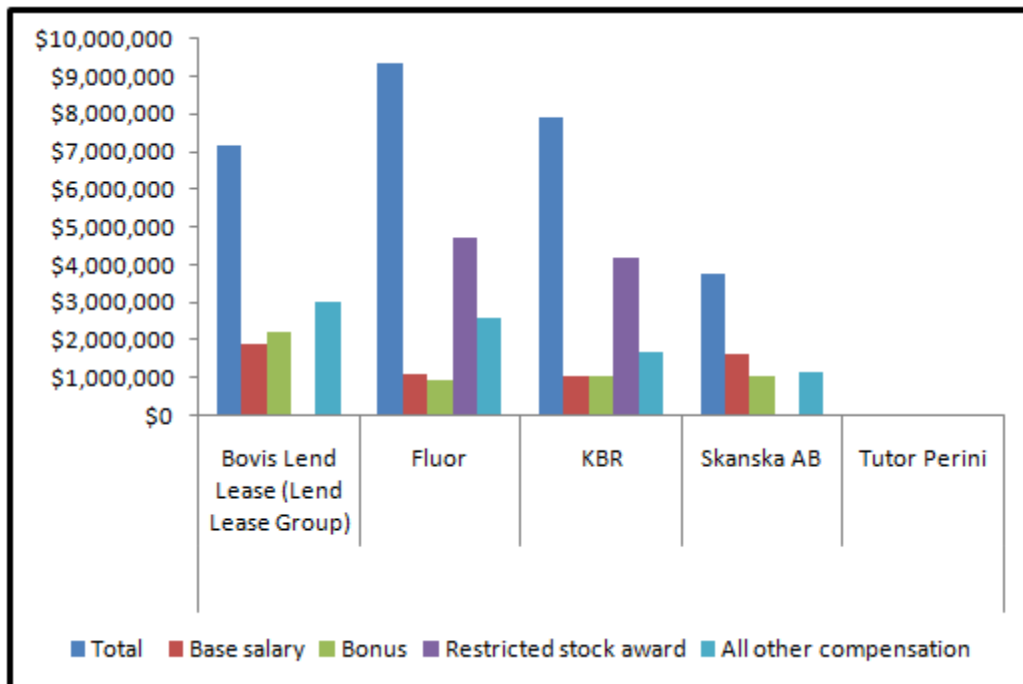
Annual and Company Detail

The British construction firm Bovis was acquired in 1999 by the Australian property and infrastructure firm Lend Lease. It constructed the World Trade Center Memorial and Museum as well as the Trump International Hotel and Tower in New York City. Texas-based Fluor provides engineering, procurement, construction, maintenance, and project management services. Major projects include the Trans-Alaska Pipeline System and the replacement span of the San Francisco Bay Bridge. KBR (formerly Kellogg Brown & Root) is a Texas-based engineering, construction, and private military contracting firm. It was a subsidiary of Halliburton for more than 40 years. Swedish based Skanska is one of the largest construction firms in the United States and the world. It constructed MetLife Stadium in New Jersey, and is building the new World Trade Center Transportation Hub. California-based Tutor Perini is one of the largest general contractors in the United States. In addition to Iraq War reconstruction projects, the company has constructed numerous hotels and casinos in Las Vegas, including CityCenter.

Average CEO Compensation, Construction Industry, 2012

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Bovis Lend Lease	\$7,163,254	\$1,904,698	\$2,226,734		\$3,031,823
Fluor	\$9,346,189	\$1,105,798	\$936,000	\$4,735,813	\$2,568,578
KBR	\$7,934,171	\$1,050,025	\$1,024,000	\$4,179,017	\$1,681,129
Skanska AB	\$3,759,341	\$1,614,375	\$1,024,590		\$1,120,376
Tutor Perini	N.A.				

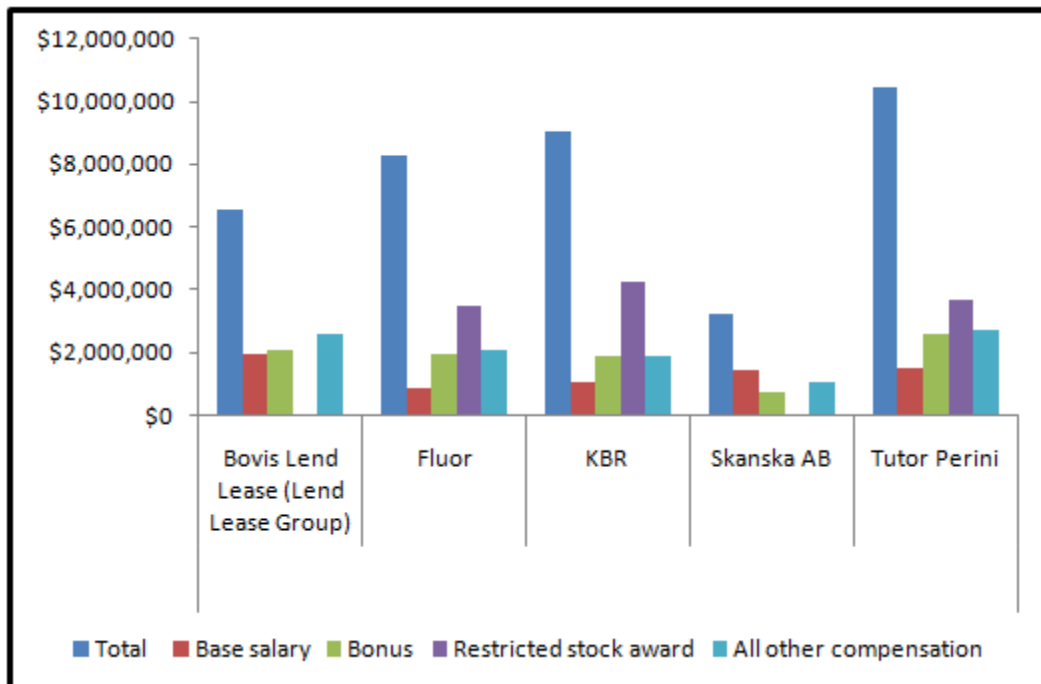
Average CEO Compensation, Construction Industry, 2012



CEO Compensation, Construction Industry, 2011

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Bovis Lend Lease	\$6,572,268	\$1,917,985	\$2,069,405		\$2,584,877
Fluor	\$8,304,939	\$846,105	\$1,921,667	\$3,489,647	\$2,047,521
KBR	\$9,015,717	\$1,050,380	\$1,856,608	\$4,227,025	\$1,881,704
Skanska AB	\$3,232,801	\$751,503		\$1,046,820	\$1,434,477
Tutor Perini	\$10,471,900	\$1,500,000	\$2,612,600	\$3,654,000	\$2,705,300

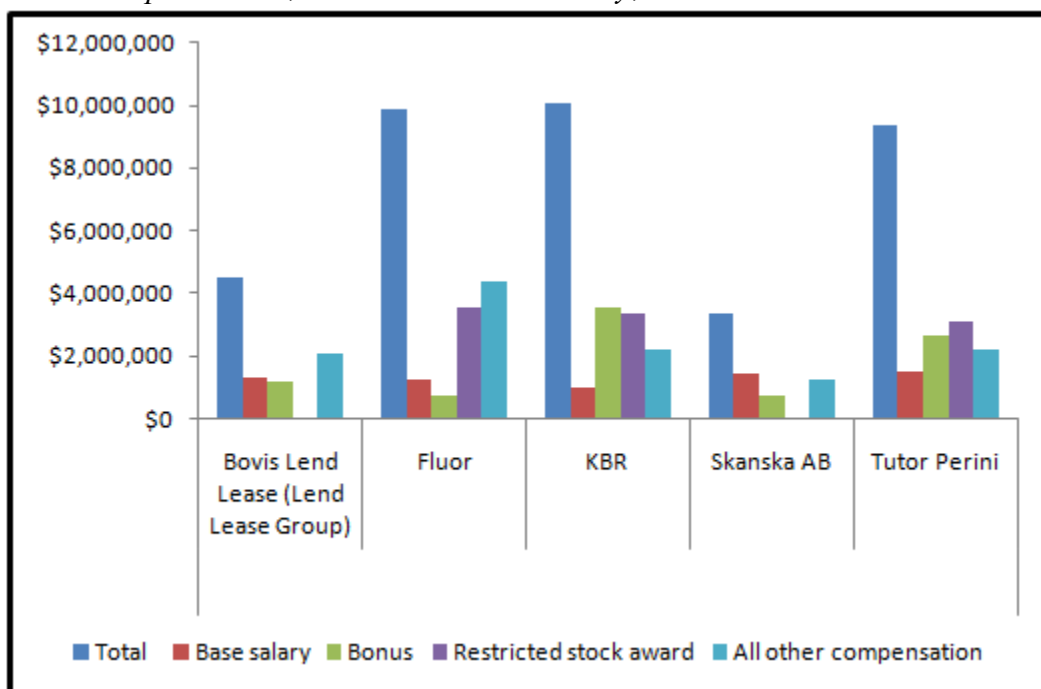
CEO Compensation, Construction Industry, 2011



CEO Compensation, Construction Industry, 2010

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Bovis Lend Lease	\$4,529,975	\$1,293,791	\$1,165,946		\$2,070,237
Fluor	\$9,870,571	\$1,248,042	\$704,760	\$3,550,088	\$4,367,681
KBR	\$10,086,813	\$988,476	\$3,525,000	\$3,375,770	\$2,197,567
Skanska AB	\$3,335,589	\$707,893		\$1,211,912	\$1,415,785
Tutor Perini	\$9,384,500	\$1,500,000	\$2,625,000	\$3,066,000	\$2,193,500

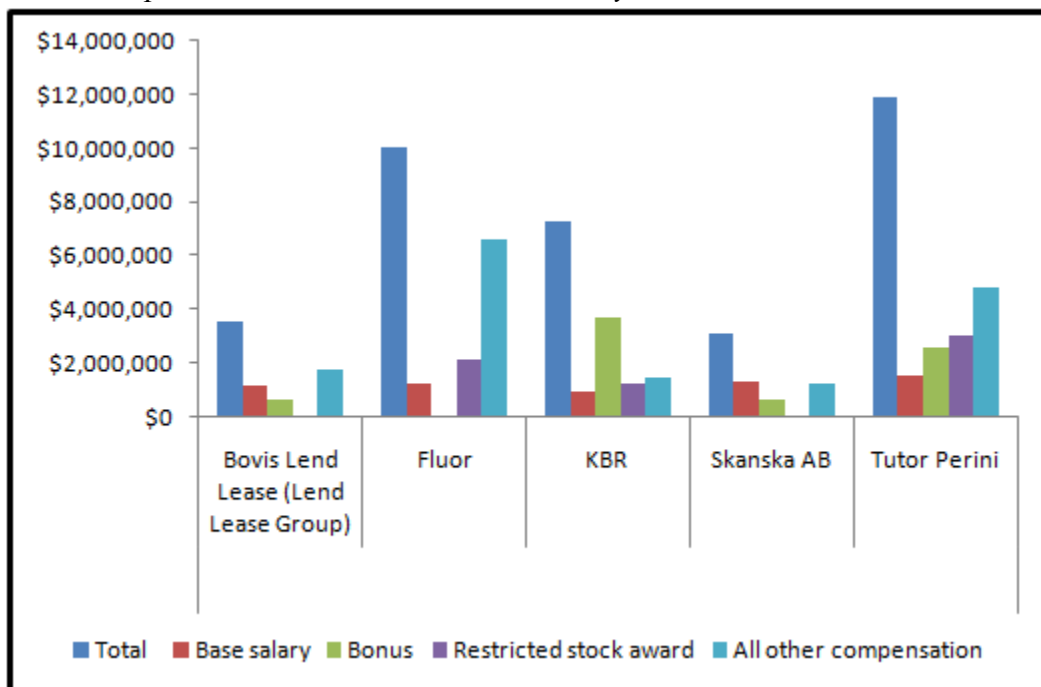
CEO Compensation, Construction Industry, 2010



CEO Compensation, Construction Industry, 2009

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Bovis Lend Lease	\$3,512,956	\$1,115,405	\$654,529		\$1,743,022
Fluor	\$10,006,619	\$1,248,042		\$2,133,083	\$6,625,494
KBR	\$7,258,896	\$928,932	\$3,650,000	\$1,206,003	\$1,473,961
Skanska AB	\$3,095,234	\$632,340		\$1,198,214	\$1,264,680
Tutor Perini	\$11,897,890	\$1,500,000	\$2,544,870	\$3,049,500	\$4,803,520

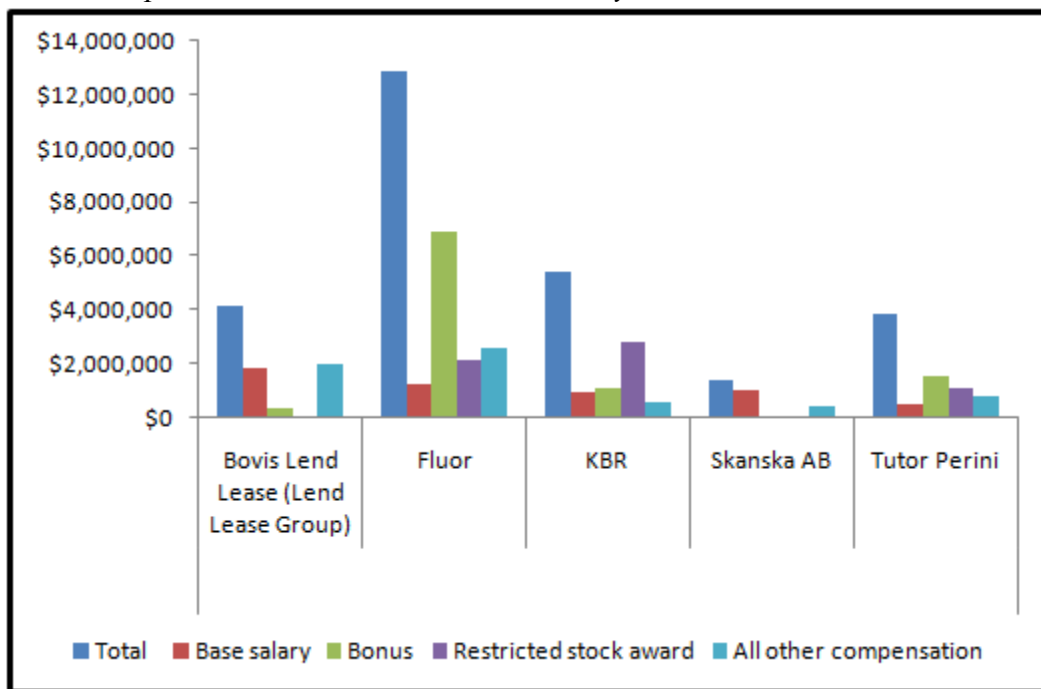
CEO Compensation, Construction Industry, 2009



CEO Compensation, Construction Industry, 2008

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Bovis Lend Lease	\$4,139,180	\$1,856,855	\$336,910		\$1,945,415
Fluor	\$12,838,104	\$1,232,270	\$6,873,200	\$2,133,242	\$2,599,392
KBR	\$5,374,841	\$900,010	\$1,100,000	\$2,800,024	\$574,807
Skanska AB	\$1,359,551			\$384,218	\$975,333
Tutor Perini	\$3,848,700	\$493,550	\$1,512,850	\$1,051,700	\$790,600

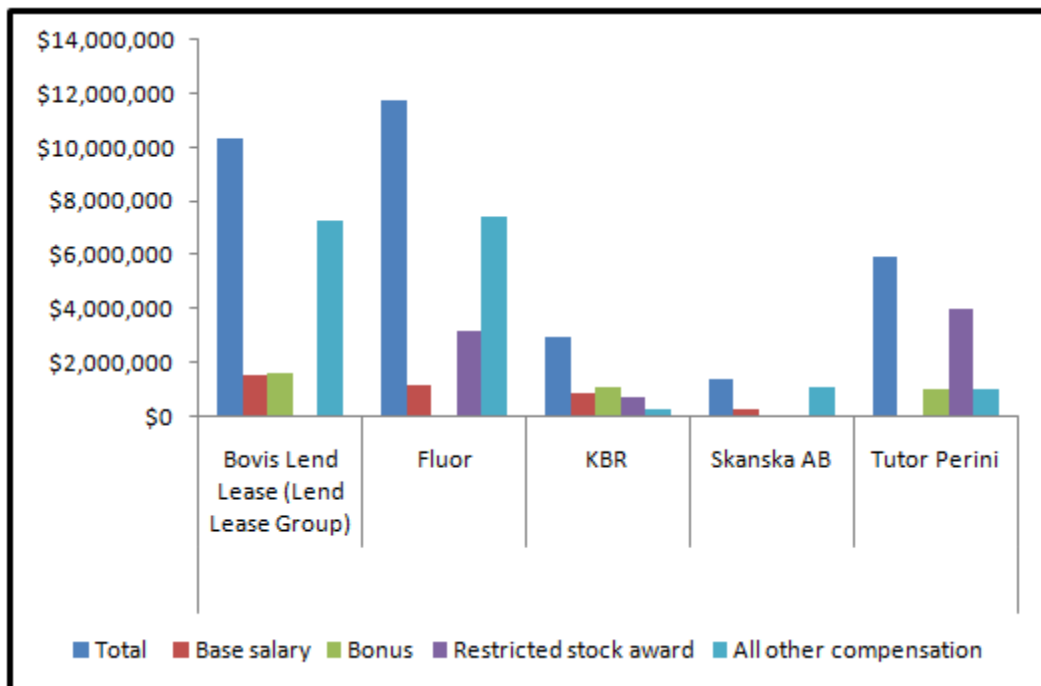
CEO Compensation, Construction Industry, 2008



CEO Compensation, Construction Industry, 2007

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Bovis Lend Lease	\$10,338,532	\$1,513,736	\$1,584,456		\$7,240,340
Fluor	\$11,756,220	\$1,153,335		\$3,189,832	\$7,413,053
KBR	\$2,906,231	\$817,704	\$1,100,000	\$714,998	\$273,529
Skanska AB	\$1,363,988	\$256,644			\$1,107,344
Tutor Perini	\$5,950,100		\$976,900	\$3,996,300	\$976,900

CEO Compensation, Construction Industry, 2007



Transportation Industry

Between 2007 and 2012, average total compensation increased 41% for CEOs in the transportation industry. Restricted stock awards and all other compensation increased 155% and 8%, respectively. On average, total CEO compensation increased 8% per year. Restricted stock awards increased 36% on average per year. Base salary and bonus increased 8% and 21% per year on average. All other compensation increased 4% annually.

Average CEO Compensation, Transportation Industry, 2007-2012

Year	Total	Base salary	Bonus	Restricted stock award	All other compensation
2007	\$4,391,586	\$732,894	\$540,686	\$1,346,376	\$1,422,191
2008	\$4,727,825	\$988,190	\$458,197	\$3,195,682	\$908,171
2009	\$4,230,003	\$1,055,045	\$917,788	\$2,038,238	\$993,695
2010	\$5,497,773	\$1,043,378	\$931,895	\$3,133,747	\$1,201,881
2011	\$6,519,263	\$1,029,619	\$1,249,501	\$3,868,406	\$1,395,319
2012	\$6,207,228	\$1,057,616	\$1,084,961	\$3,427,757	\$1,539,438

Average CEO Compensation, Transportation Industry, 2007-2012



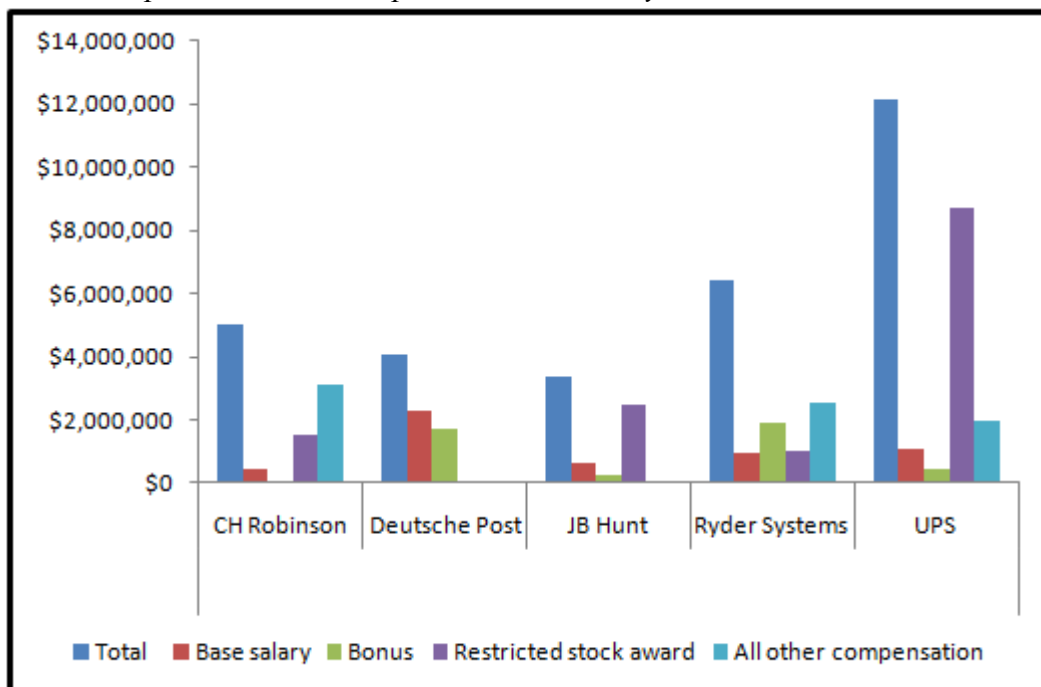
Annual and Company Detail

CH Robinson is a Minnesota-based provider of multimodal transportation services and logistics solutions. It works with a network of transportation providers, mainly contracted motor carriers. Deutsche Post DHL is the world's largest logistics group. Deutsche Post DHL is the parent of DHL, a leading firm in international express, overland transport, and air freight. Ryder Systems is a Florida-based provider of transportation and supply chain management products. UPS (United Parcel Service) provides time-definite delivery of packages and documents worldwide. UPS expanded into the heavy freight business with the acquisition of Menlo Worldwide Forwarding, which it rebranded as UPS Supply Chain Solutions. This division now includes UPS's forwarding and contract logistics operations, UPS Freight, and other related units. J.B. Hunt is one of the largest transportation companies in the United States. It primarily operates large semi-trailer trucks, and provides transportation services throughout the continental United States, Canada and Mexico.

CEO Compensation, Transportation Industry, 2012

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
CH Robinson	\$5,021,329	\$410,000		\$1,500,038	\$3,111,291
Deutsche Post	\$4,073,255	\$2,301,922	\$1,726,496		\$44,838
JB Hunt	\$3,389,866	\$601,954	\$267,750	\$2,505,420	\$14,742
Ryder Systems	\$6,404,342	\$924,500	\$1,919,564	\$990,952	\$2,569,326
UPS	\$12,147,349	\$1,049,703	\$426,034	\$8,714,617	\$1,956,995

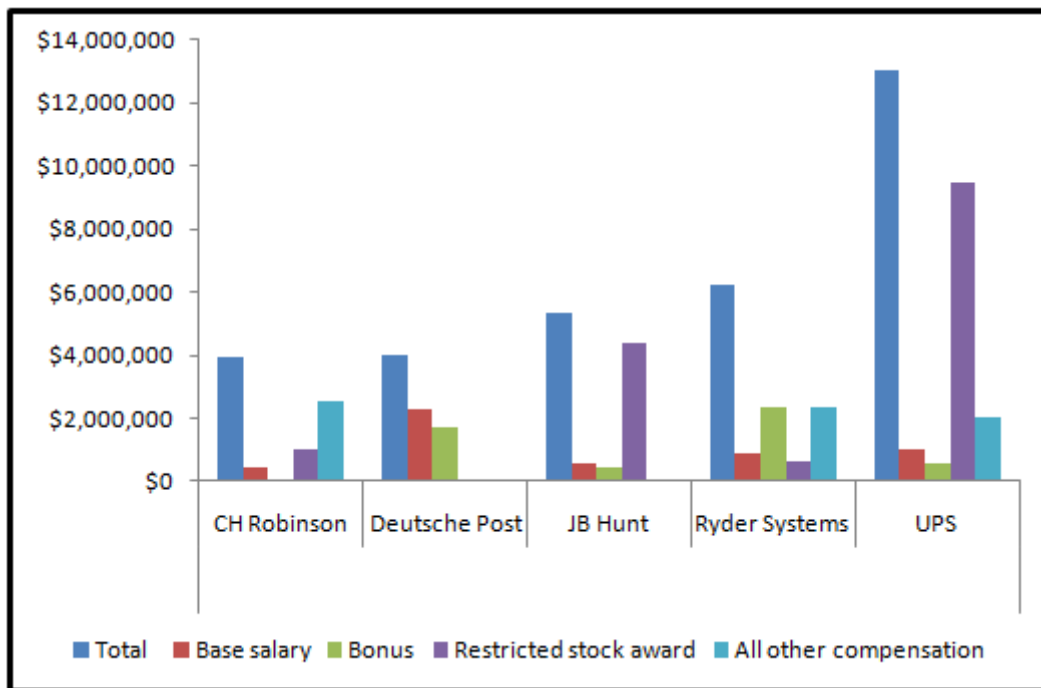
CEO Compensation, Transportation Industry, 2012



CEO Compensation, Transportation Industry, 2011

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
CH Robinson	\$3,966,071	\$410,000		\$1,000,494	\$2,555,577
Deutsche Post	\$3,995,319	\$1,693,461		\$43,980	\$2,257,877
JB Hunt	\$5,348,736	\$549,019	\$412,500	\$4,374,300	\$12,917
Ryder Systems	\$6,233,093	\$908,333	\$2,325,047	\$643,818	\$2,355,895
UPS	\$13,053,098	\$1,022,865	\$566,996	\$9,455,012	\$2,008,225

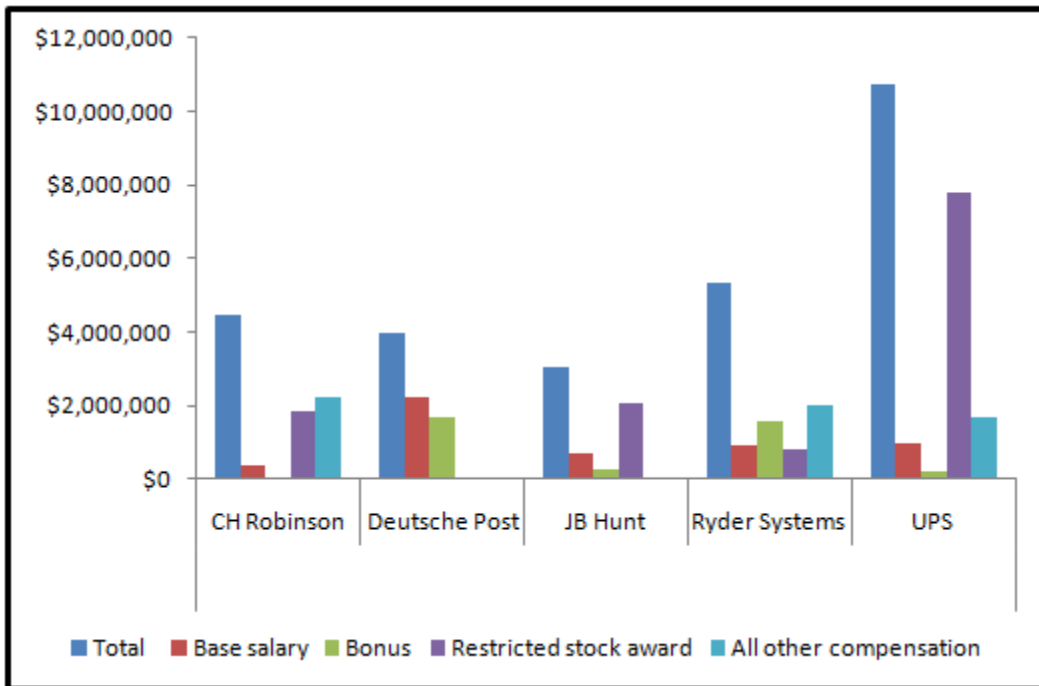
CEO Compensation, Transportation Industry, 2011



CEO Compensation, Transportation Industry, 2010

Company	Total	Base salary	Bonus	Restricted stock award	All oher compensation
CH Robinson	\$4,458,435	\$400,000		\$1,847,628	\$2,210,807
Deutsche Post	\$3,953,086	\$1,666,419		\$64,775	\$2,221,892
JB Hunt	\$3,038,445	\$695,000	\$243,246	\$2,089,200	\$10,999
Ryder Systems	\$5,312,879	\$900,000	\$1,585,914	\$799,188	\$2,027,777
UPS	\$10,726,019	\$1,000,000	\$232,000	\$7,798,973	\$1,695,046

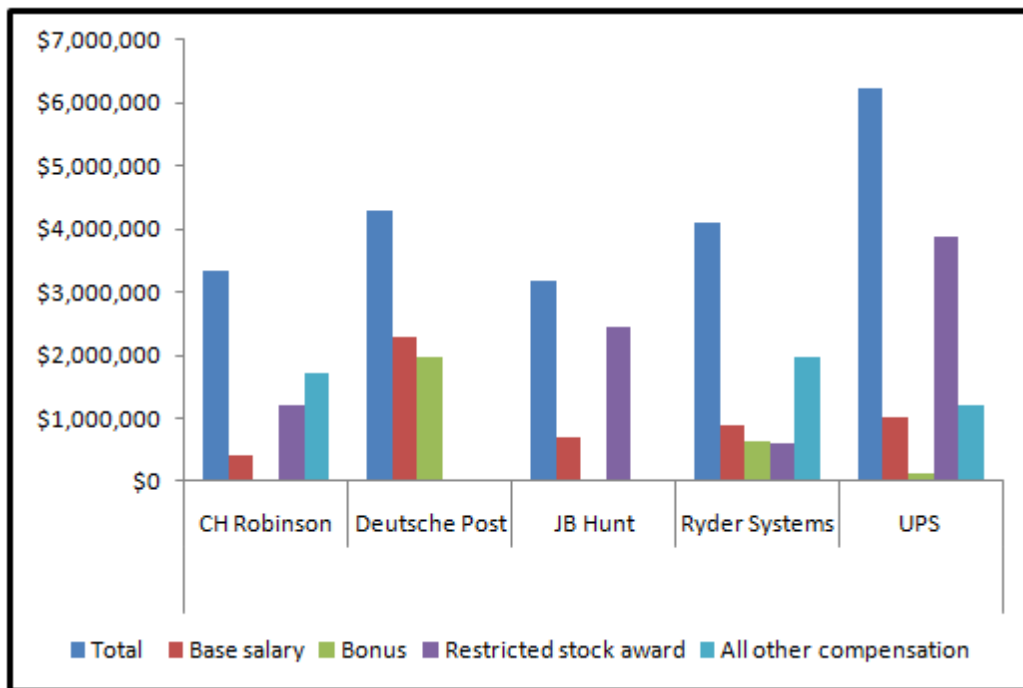
CEO Compensation, Transportation Industry, 2010



CEO Compensation, Transportation Industry, 2009

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
CH Robinson	\$3,321,677	\$400,000		\$1,210,054	\$1,711,623
Deutsche Post	\$4,303,404	\$1,982,885		\$40,292	\$2,280,226
JB Hunt	\$3,166,995	\$695,000		\$2,459,392	\$12,603
Ryder Systems	\$4,115,885	\$900,000	\$639,956	\$593,068	\$1,982,861
UPS	\$6,242,055	\$1,000,000	\$130,523	\$3,890,437	\$1,221,095

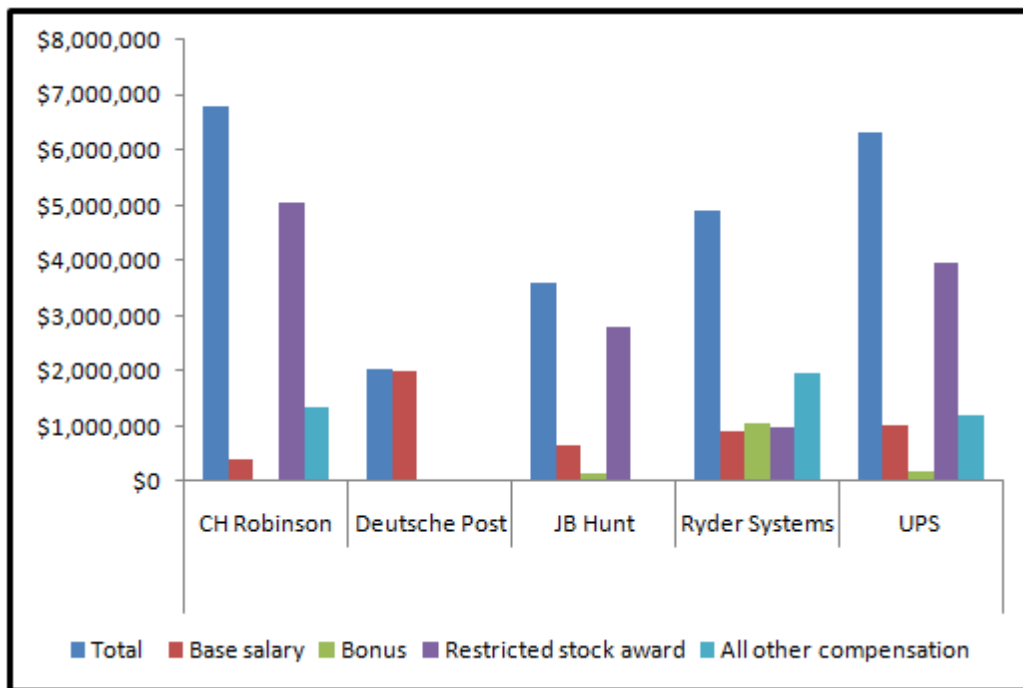
CEO Compensation, Transportation Industry, 2009



CEO Compensation, Transportation Industry, 2008

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
CH Robinson	\$6,806,219	\$400,000		\$5,052,636	\$1,353,583
Deutsche Post	\$2,028,531			\$39,506	\$1,989,025
JB Hunt	\$3,588,155	\$656,923	\$130,000	\$2,786,160	\$15,072
Ryder Systems	\$4,893,767	\$895,000	\$1,067,648	\$978,097	\$1,953,022
UPS	\$6,322,454	\$1,000,000	\$176,944	\$3,965,836	\$1,179,674

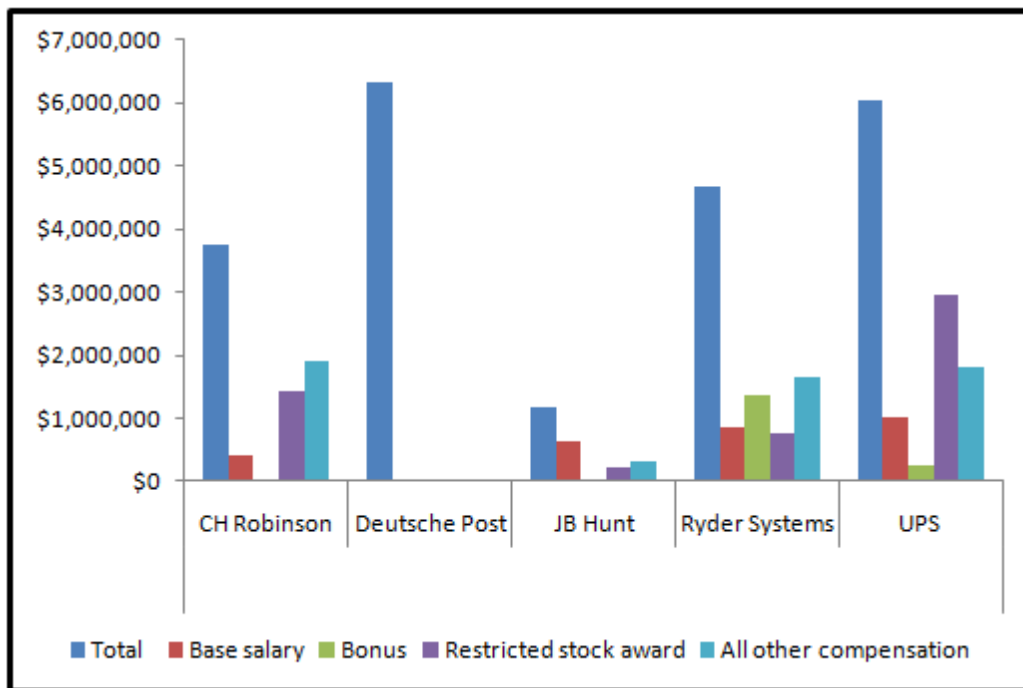
CEO Compensation, Transportation Industry, 2008



CEO Compensation, Transportation Industry, 2007

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
CH Robinson	\$3,750,223	\$400,000		\$1,441,090	\$1,909,133
Deutsche Post	\$6,330,030				
JB Hunt	\$1,182,325	\$633,077	\$17,325	\$222,749	\$309,174
Ryder Systems	\$4,660,417	\$872,500	\$1,363,932	\$771,080	\$1,652,905
UPS	\$6,034,934	\$1,026,000	\$240,800	\$2,950,584	\$1,817,550

CEO Compensation, Transportation Industry, 2007



Mining and Metals Industry

In the mining and metals industry, average total CEO compensation decreased by 7% between 2007 and 2012. Base salary increased 22%, but bonus decreased 3%, restricted stock award decreased 10%, and all other compensation decreased 26% in the same period. Base salary and bonus increased on average 4% and 1% on per year in this period. All other/long term compensation decreased 3% per year on average.

Average CEO Compensation, Mining and Metals Industry, 2007-2012

Year	Total	Base salary	Bonus.	Restricted stock award	All other compensation.
2007	\$9,615,297	\$900,700	\$1,825,179	\$4,280,147	\$3,830,336
2008	\$7,269,110	\$949,042	\$1,938,147	\$2,919,923	\$2,433,613
2009	\$7,116,001	\$945,100	\$1,852,040	\$3,453,594	\$2,617,112
2010	\$8,345,844	\$969,850	\$1,725,970	\$2,553,472	\$3,441,746
2011	\$9,411,128	\$1,043,216	\$1,804,301	\$3,467,545	\$3,456,927
2012	\$8,935,113	\$1,099,632	\$1,898,896	\$3,847,517	\$2,848,626

Average CEO Compensation, Mining and Metals Industry, 2007-2012



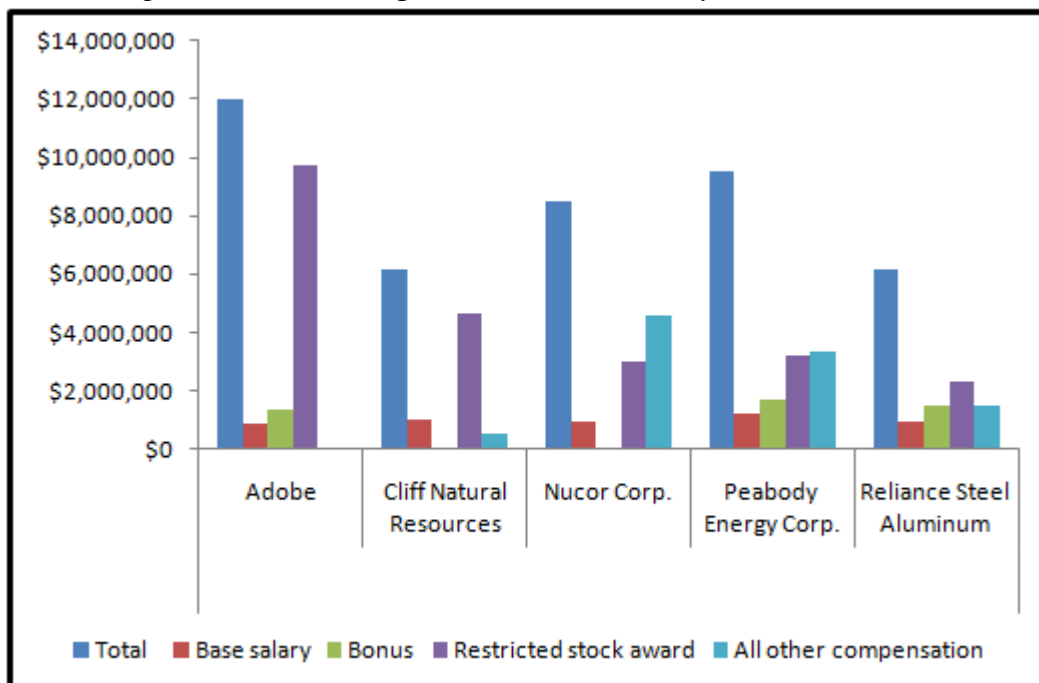
Annual and Company Detail

Alcoa is the world's third largest producer of aluminum. It participates in all aspects of the industry: mining of bauxite, refining, smelting, fabricating, and recycling. Ohio-based Cliffs Natural Resources specializes in the mining of coal and iron ore. The company owns mines in the United States, Brazil, and Australia. North Carolina-based Nucor is the largest steel producer in the United States. It is also the largest recycler in North America of any material. Peabody Energy Company is the largest private-sector coal company in the world. It owns mines in the United States and Australia. Reliance Steel and Aluminum Co. is the largest metals service center company in the North America. It provides metal processing services and distributes 50,000 metal products.

CEO Compensation, Mining and Metals Industry, 2012

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Alcoa	\$14,326,901	\$1,440,000	\$2,484,000	\$6,080,033	\$4,322,868
Cliff Natural Resources	\$6,167,613	\$1,000,000		\$4,640,070	\$527,543
Nucor Corp.	\$8,507,443	\$925,000		\$2,998,221	\$4,584,222
Peabody Energy Corp.	\$9,491,405	\$1,208,160	\$1,712,689	\$3,222,463	\$3,348,093
Reliance Steel Aluminum	\$6,182,203	\$925,000	\$1,500,000	\$2,296,800	\$1,460,403

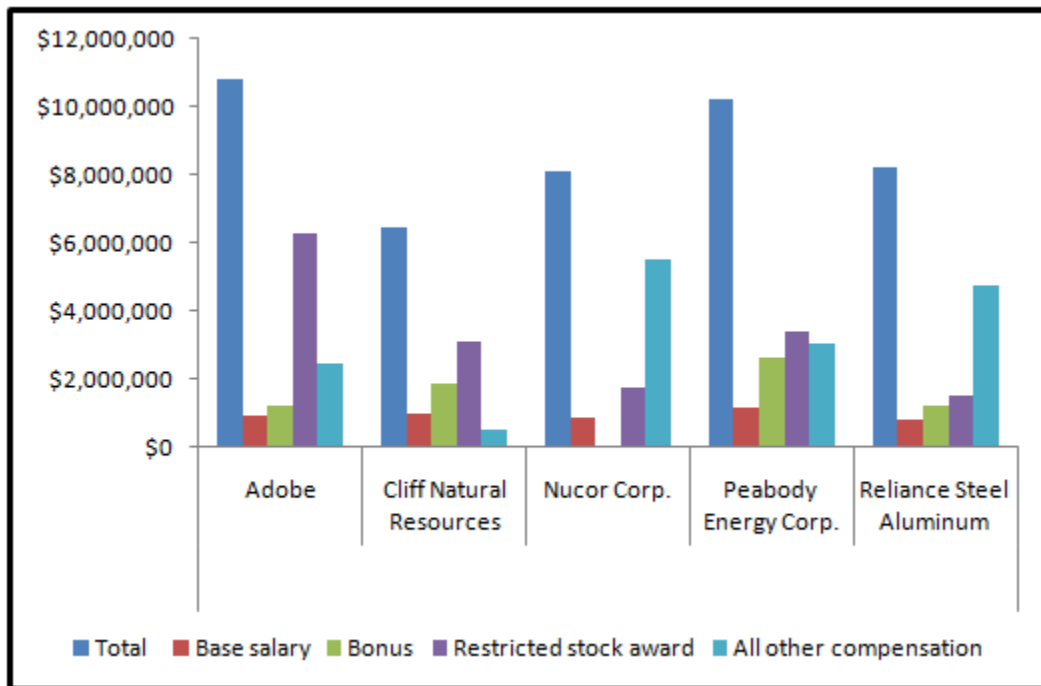
CEO Compensation, Mining and Metals Industry, 2012



CEO Compensation, Mining and Metals Industry, 2011

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Alcoa	\$14,043,692	\$1,433,333	\$1,505,000	\$7,600,158	\$3,505,201
Cliff Natural Resources	\$6,437,179	\$955,500	\$1,880,410	\$3,104,793	\$496,476
Nucor Corp.	\$8,130,890	\$880,000		\$1,747,993	\$5,502,897
Peabody Energy Corp.	\$10,217,593	\$1,147,245	\$2,624,793	\$3,393,179	\$3,052,376
Reliance Steel Aluminum	\$8,226,287	\$800,000	\$1,207,000	\$1,491,600	\$4,727,687

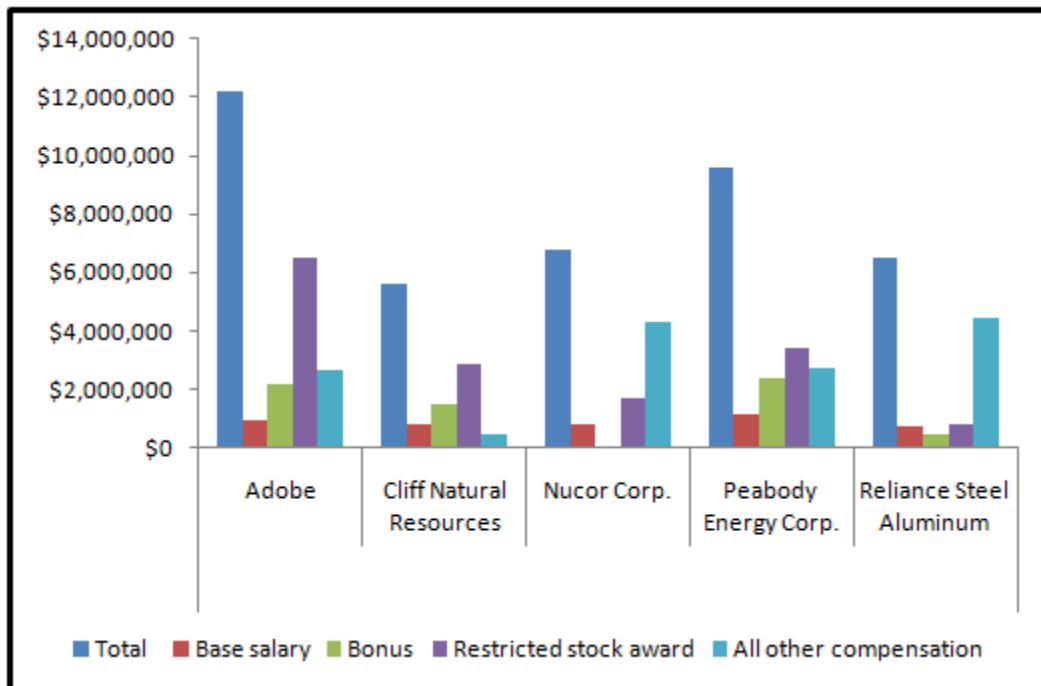
CEO Compensation, Mining and Metals Industry, 2011



CEO Compensation, Mining and Metals Industry, 2010

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Alcoa	\$13,292,362	\$1,400,000	\$2,604,000	\$4,000,258	\$5,288,104
Cliff Natural Resources	\$5,595,592	\$814,000	\$1,483,074	\$2,859,784	\$438,734
Nucor Corp.	\$6,770,807	\$800,000		\$1,679,982	\$4,290,825
Peabody Energy Corp.	\$9,591,003	\$1,110,250	\$2,359,306	\$3,402,538	\$2,718,909
Reliance Steel Aluminum	\$6,479,456	\$725,000	\$457,500	\$824,800	\$4,472,156

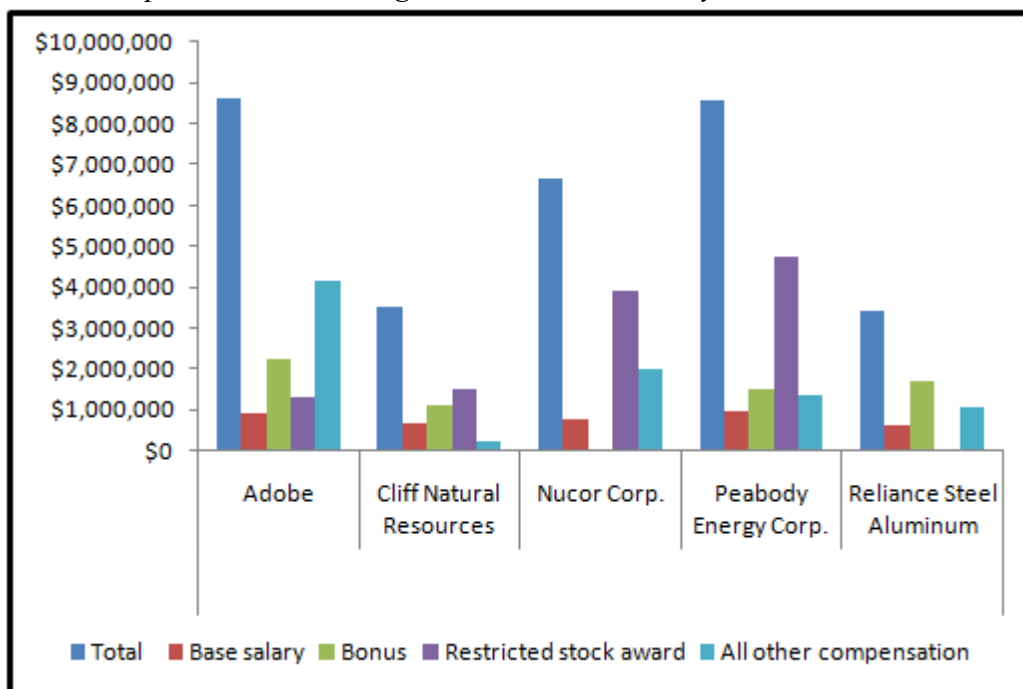
CEO Compensation, Mining and Metals Industry, 2010



CEO Compensation, Mining and Metals Industry, 2009

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Alcoa	\$11,897,153	\$1,400,000	\$3,754,800		\$6,742,353
Cliff Natural Resources	\$5,350,668	\$750,500	\$1,328,306	\$2,728,150	\$543,712
Nucor Corp.	\$2,884,064	\$800,000		\$2,079,939	\$4,125
Peabody Energy Corp.	\$11,391,872	\$1,075,000	\$2,227,052	\$5,552,694	\$2,537,126
Reliance Steel Aluminum	\$4,056,246	\$700,000	\$98,000		\$3,258,246

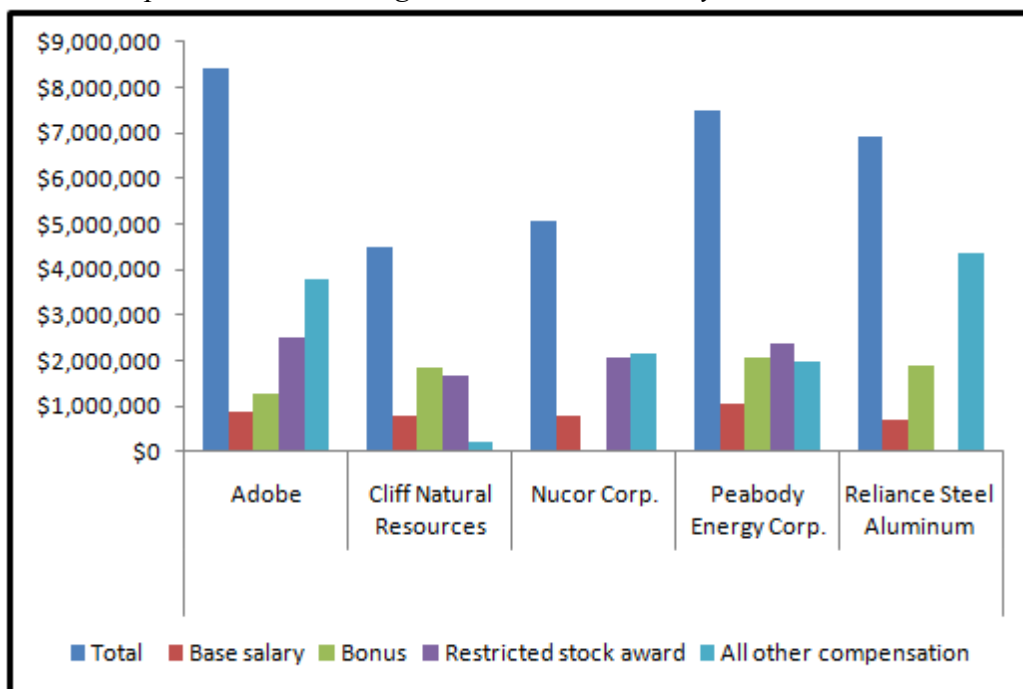
CEO Compensation, Mining and Metals Industry, 2009



CEO Compensation, Mining and Metals Industry, 2008

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Alcoa	\$12,416,666	\$1,423,958	\$1,958,167	\$5,570,542	\$3,463,998
Cliff Natural Resources	\$4,476,284	\$767,500	\$1,842,045	\$1,661,175	\$205,564
Nucor Corp.	\$5,043,757	\$800,000		\$2,079,882	\$2,163,875
Peabody Energy Corp.	\$7,479,721	\$1,053,750	\$2,069,375	\$2,368,091	\$1,988,505
Reliance Steel Aluminum	\$6,929,124	\$700,000	\$1,883,000		\$4,346,124

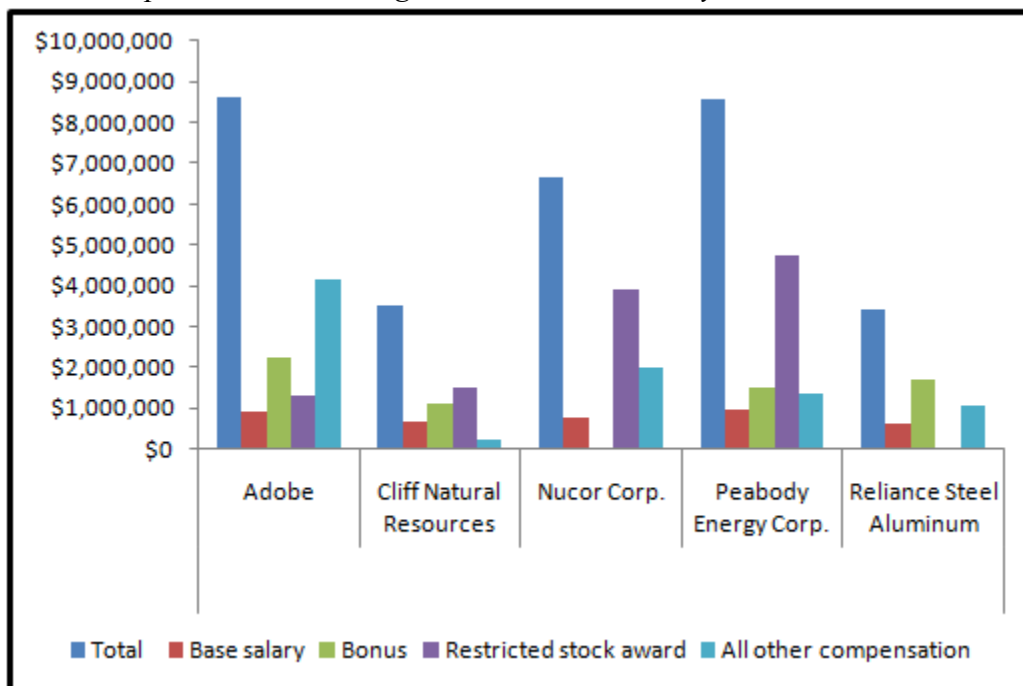
CEO Compensation, Mining and Metals Industry, 2008



CEO Compensation, Mining and Metals Industry, 2007

Company	Total	Base salary	Bonus	Restricted stock award	All other compensation
Alcoa	\$25,931,201	\$1,457,500	\$3,000,000	\$6,978,791	\$14,494,910
Cliff Natural Resources	\$3,503,172	\$675,000	\$1,089,206	\$1,515,748	\$223,218
Nucor Corp.	\$6,672,865	\$755,000		\$3,904,891	\$2,012,974
Peabody Energy Corp.	\$8,575,086	\$980,000	\$1,500,671	\$4,721,158	\$1,373,257
Reliance Steel Aluminum	\$3,394,163	\$636,000	\$1,710,840		\$1,047,323

CEO Compensation, Mining and Metals Industry, 2007



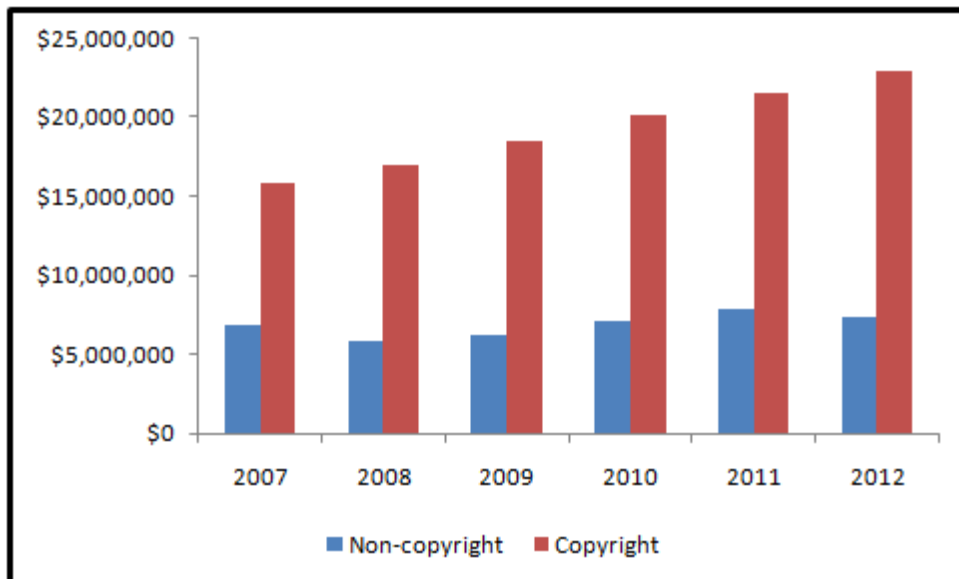
Cross-Industry Comparison

Between 2007 and 2012, average total compensation for CEOs in the copyright industries increased by 45%, with an annual average growth rate of 8%. In contrast, total CEO compensation in other industries increased by 8% in this period. Total compensation increased 2% per year.

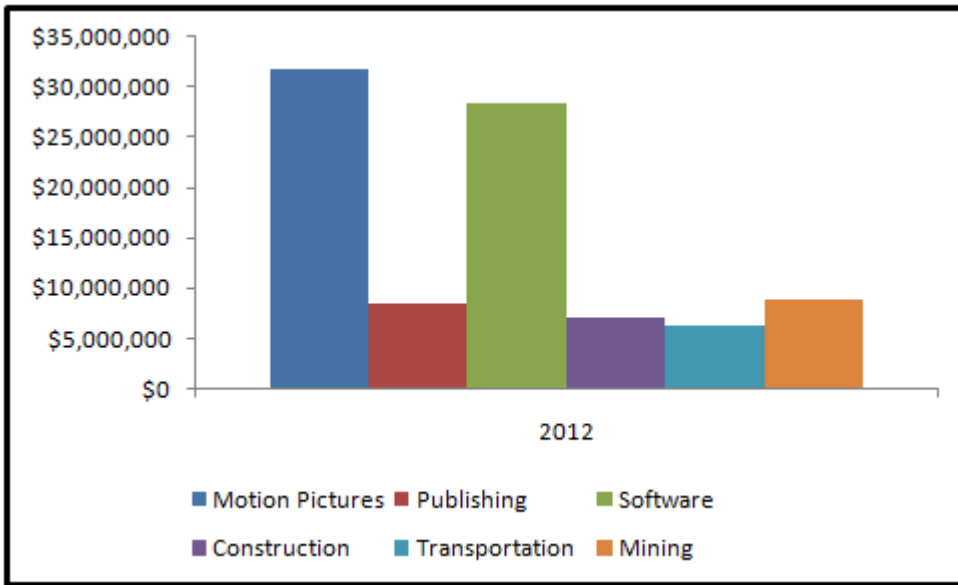
Average Total Compensation, All Industries, 2007-2012

Year	Construction	Mining	Transportation	Motion Pictures	Publishing	Software
2007	\$6,463,014	\$9,615,297	\$4,391,586	\$23,975,139	\$5,920,337	\$17,466,210
2008	\$5,512,075	\$7,269,110	\$4,727,825	\$26,803,775	\$5,496,175	\$18,434,843
2009	\$7,154,319	\$7,116,001	\$4,230,003	\$25,388,447	\$5,221,993	\$24,834,431
2010	\$7,441,490	\$8,345,844	\$5,497,773	\$27,989,149	\$6,778,343	\$25,575,436
2011	\$7,519,525	\$9,411,128	\$6,519,263	\$32,544,700	\$4,931,790	\$26,959,163
2012	\$7,050,739	\$8,935,113	\$6,207,228	\$31,742,960	\$8,429,783	\$28,453,747

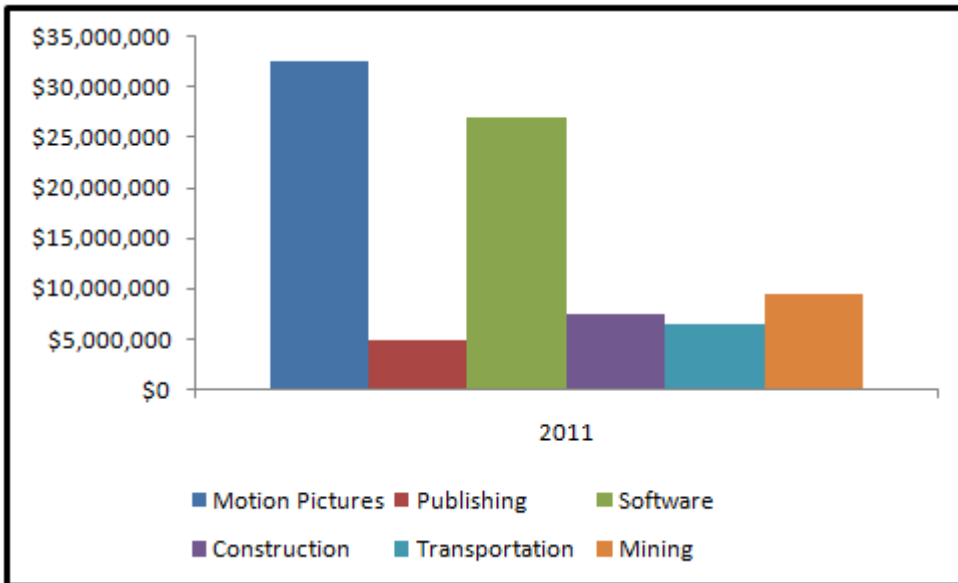
Average Total Compensation, Copyright vs. Non-Copyright Industries, 2007-2012



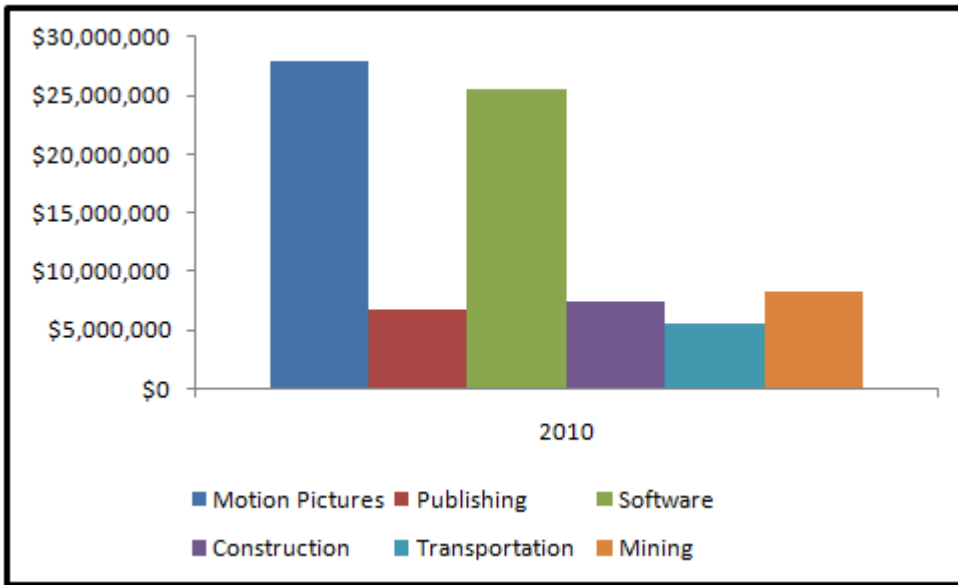
Average Total Compensation, All Industries, 2012



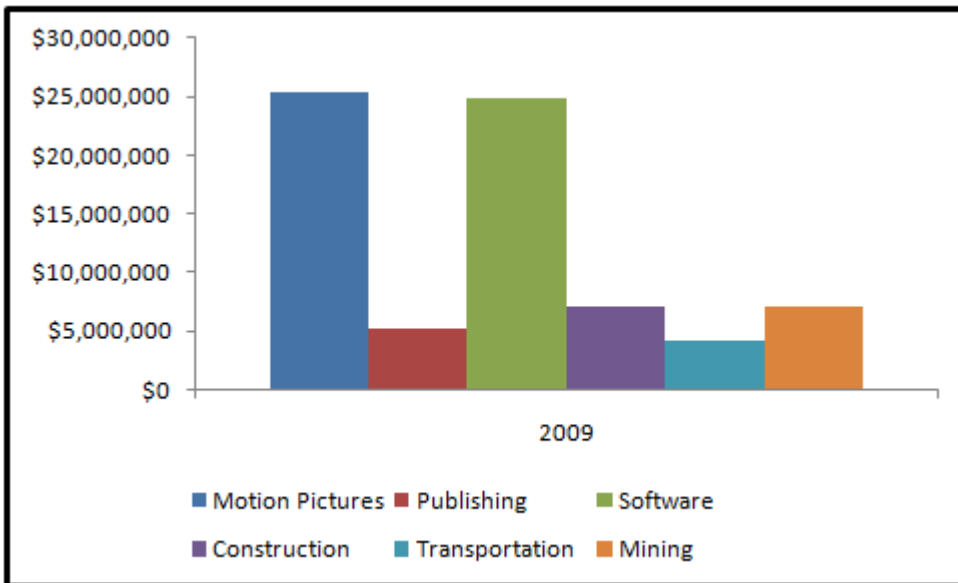
Average Total Compensation, All Industries, 2011



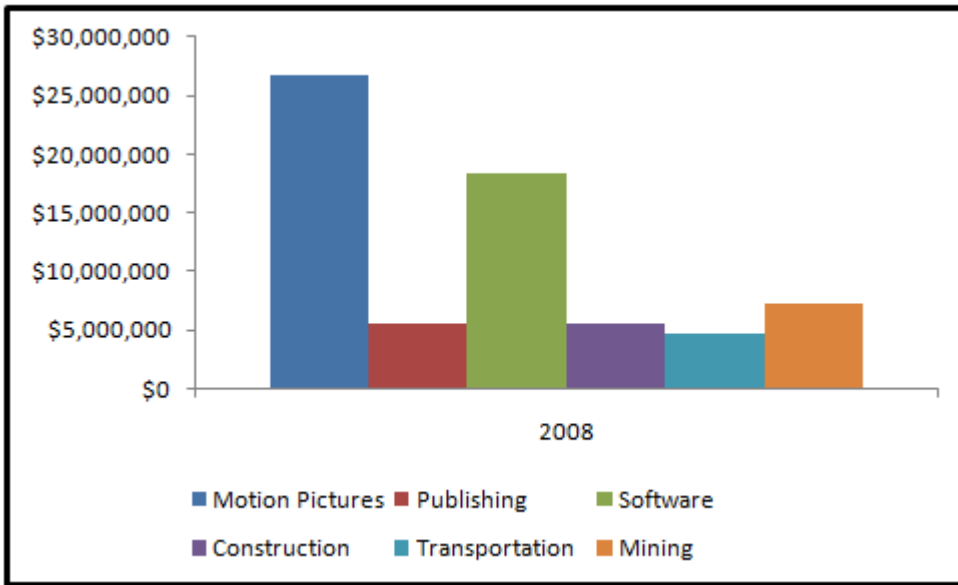
Average Total Compensation, All Industries, 2010



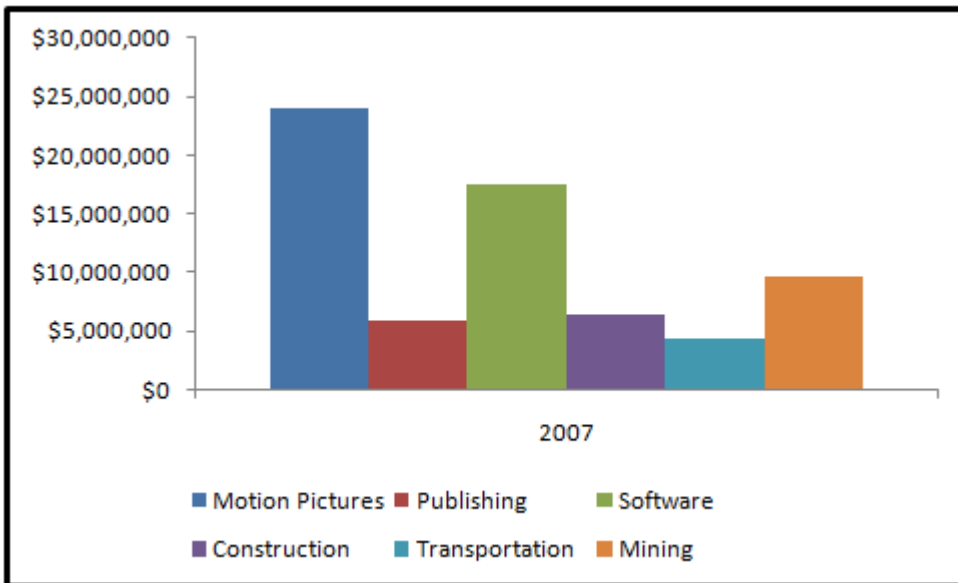
Average Total Compensation, All Industries, 2009



Average Total Compensation, All Industries, 2008



Average Total Compensation, All Industries, 2007



Compensation Ratios

CEO compensation as a percentage of revenue is more than twice as high in the copyright-intensive industries as in the other industries. In both 2007 and 2012, the compensation ratio for the copyright industries was 0.14 % and 0.15%, respectively, and for the other industries was 0.07%.

Compensation Ratios, All Industries, 2007 and 2012

Industry	2007	2012
Motion Pictures	0.10%	0.11%
Publishing	0.20%	0.20%
Software	0.13%	0.13%
Construction	0.08%	0.09%
Transportation	0.04%	0.05%
Mining	0.10%	0.08%
Copyright average	0.14%	0.15%
Non-copyright average	0.07%	0.07%

Compensation Ratios, Motion Picture Industry, 2007 and 2012

Company	2007			2012		
	Revenue \$B	Compensation \$M	Compensation Ratio	Revenue \$B	Compensation \$M	Compensation Ratio
Comcast	\$31,060	\$20,803	0.07%	\$62,570	\$29,214	0.05%
News Corp	\$28,655	\$32,136	0.11%	\$33,706	\$30,022	0.09%
Time Warner	\$26,211	\$18,641	0.07%	\$28,729	\$25,890	0.09%
Viacom	\$13,423	\$20,597	0.15%	\$13,887	\$33,451	0.24%
Disney	\$35,510	\$27,669	0.08%	\$42,278	\$40,228	0.10%

Compensation Ratios, Publishing Industry, 2007 and 2012

Company	2007			2012		
	Revenue \$B	Compensation \$M	Compensation Ratio	Revenue \$B	Compensation \$M	Compensation Ratio
McGraw Hill	5,772	10,216	0.18%	4,450	10,333	0.23%
Pearson	17,081	4,672	0.03%	12,799	10,020	0.08%
Reed Elsevier	18,432	4,871	0.03%	15,309	N.A.	N.A.
Scholastic	1,871	1,731	0.09%	2,149	5,291	0.25%
Wiley	1,224	8,112	0.66%	1,783	8,075	0.45%

Compensation Ratios, Software Industry, 2007 and 2012

Company	2007			2012		
	Revenue \$B	Compensation \$M	Compensation Ratio	Revenue \$B	Compensation \$M	Compensation Ratio
Adobe	3,158	8,607	0.27%	4,404	12,013	0.27%
EMC	13,230	17,345	0.13%	21,714	16,592	0.08%
IBM	98,786	25,131	0.03%	104,507	16,185	0.02%
Microsoft	51,122	1,280	0.002%	73,723	1,318	0.002%
Oracle	17,996	34,968	0.19%	37,121	96,161	0.26%

Compensation Ratios, Construction Industry, 2007 and 2012

Company	2007			2012		
	Revenue \$B	Compensation \$M	Compensation Ratio	Revenue \$B	Compensation \$M	Compensation Ratio
Bovis Lend Lease	9,996	10,339	0.10%	11,951	7,163	0.06%
Skanska	3,376	1,364	0.04%	7,921	3,759	0.05%
Fluor	16,691	11,756	0.07%	3,062	9,346	0.31%
KBR	8,745	2,906	0.03%	27,577	7,934	0.03%
Tutor Perini	4,628	5,950	0.13%	4,111		0.00%

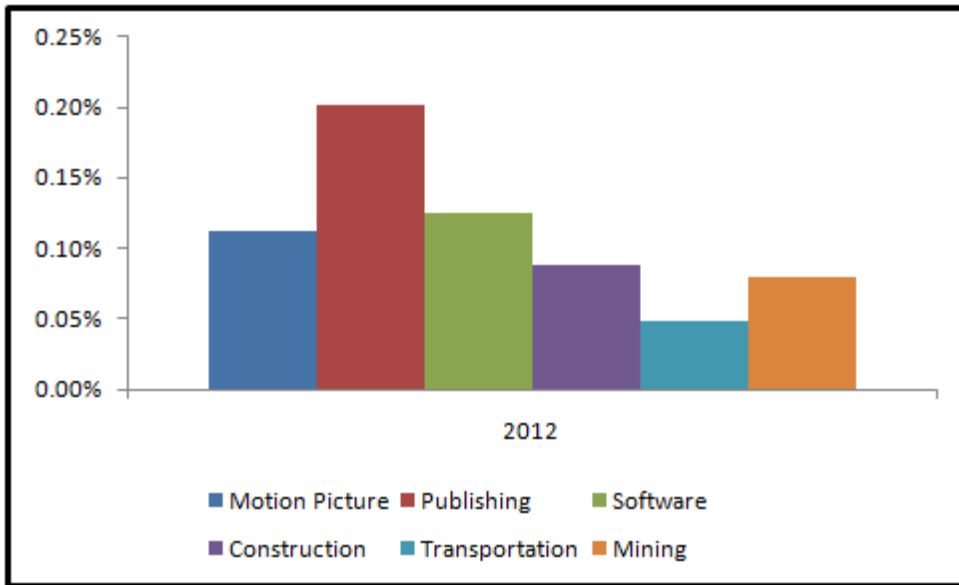
Compensation Ratios, Transportation Industry, 2007 and 2012

Company	2007			2012		
	Revenue \$B	Compensation \$M	Compensation Ratio	Revenue \$B	Compensation \$M	Compensation Ratio
CH Robinson	7,316	3,750	0.05%	11,359	5,021	0.04%
JB Hunt	3,490	1,182	0.03%	5,055	3,390	0.07%
Deutsche Post	140,873	6,330	0.00%	99,052	4,073	0.00%
Ryder Systems	6,363	4,660	0.07%	6,257	6,404	0.10%
UPS	49,692	6,035	0.01%	54,127	12,147	0.02%

Compensation Ratios, Mining and Metals Industry, 2007 and 2012

Company	2007			2012		
	Revenue \$B	Compensation \$M	Compensation Ratio	Revenue \$B	Compensation \$M	Compensation Ratio
Alcoa	29,280	25,931	0.09%	23,700	14,327	0.06%
Cliff	2,275	3,503	0.15%	5,872	6,168	0.11%
Nucor	16,593	6,673	0.04%	19,429	8,507	0.04%
Peabody	4,524	8,575	0.19%	8,078	9,491	0.12%
Reliance Steel	7,256	3,394	0.05%	8,442	6,182	0.07%

Compensation Ratios, 2012



Compensation Ratios, 2007

