

2009 GC Compensation Survey

By: Vanessa Vidal

Historically, general counsels at the nation's largest companies enjoyed a certain amount of immunity from economic fluctuations. The past decade shows a nearly unbroken string of pay raises. Even through the previous recessions, these general counsels stayed largely untouched. However, according to a recent survey conducted by Corporate Counsel, it appears that this trend is no more. While some indexes of general counsel pay rose, compensation by in large remained nearly flat. Why? Because executive pay has become inextricably bound with corporate performance. If the company doesn't do well, the GC might find a thinner pay packet. How thin? It's all relative. Make no mistake, these top company general counsels are still handsomely compensated for their hard work, but there is a chink in the armor. General counsel at the nation's top companies earned \$1.8 million in pay and bonuses last year, an increase of 2.6%.

Here is a 2009 GC Compensation Survey with a breakdown tallied by Corporate Counsel:

- Average salary was \$596,393, an increase of 5%(↑)
- Average bonus was \$1.16M, an increase of less than 1% (↑)

Bonuses were a combination of bonuses not tied to performance goals and "nonequity incentive compensation" paid for making performance targets. "The world economy may be limping," reported Corporate Counsel. "Economic sectors like banking and manufacturing are still waiting for those green shoots to pop up, while the real estate market continues to search for the bottom. But last year the general counsel of the nation's largest companies still managed to get a modest raise. "Salary increases and generous bonuses generate great headlines. But that's not how most chief legal officers amassed their wealth over the years. One of the big attractions of being an in-house lawyer, in good times, at least, is the chance to own company stock. And that's held true even though the way companies distribute shares has changed dramatically.

At the same time, compensation tied to company shares fell:

- Average stock award was \$1.1M, a decline of 18% (↓)
- Average option award was \$669,719, a decline of 7% (↓)

Still, by the standards of a working population dealing with everything from mass layoffs to unpaid furloughs, top legal officers at Fortune 500 companies continued to earn a very decent living. Usually the top paid corporate lawyer is the chief legal officer of a thriving big conglomerate. In the 2008 survey, however, the best-compensated lawyer was Gregory Doody, a bankruptcy expert hired to lead the Calpine Corp. out of bankruptcy, Corporate Counsel reports in a separate story. He took home \$9.7 million in cash and bonuses last year; he has since left the company. But those figures were tabulated last year. Will the overall picture for general counsels look bleaker in next year's survey? And will a sustained economic downturn in 2009 mean the end of \$9 million bonuses, even for the general counsel of a thriving wireless telecommunications conglomerate? That remains to be seen

Here is the list of the 100 top-paid general counsels (total cash compensation):

1. Gregory Doody, Calpine Corporation, TX, \$9,743,621
2. Donald Rosenberg, Qualcomm Incorporated, CA, \$9,676,940
3. Brackett Denniston III, General Electric, CT, \$7,050,200
4. Charles Wall, Philip Morris International Inc., NY, \$4,194,538
5. Alan Braverman, The Walt Disney Company, CA, \$4,032,885
6. Gary Lynch, Morgan Stanley, NY, \$3,469,000
7. Paul Cappuccio, Time Warner Inc., NY, \$3,050,000
8. Russell Deyo, Johnson & Johnson, NJ, \$2,988,896
9. Carrie Dwyer, The Charles Schwab Corp., CA, \$2,974,399
10. Louis Briskman, CBS Corporation, NY, \$2,905,000
11. Thomas Strickland, UnitedHealth Group, MN, \$2,692,115
12. Jon Walton, Allegheny Technologies Inc., PA, \$2,587,733
13. Peter Beshar, Marsh & McLennan Companies, NY, \$2,563,750
14. Michael Fricklas, Viacom Inc., NY, \$2,440,300
15. Albert Cornelison, Jr., Halliburton Company, TX, \$2,420,000
16. Alan Schnitzer, The Travelers Companies, NY, \$2,350,000
17. Charles Matthews, Jr., Exxon Mobil Corp., TX, \$2,332,305
18. Thomas Sabatino, Jr., Schering-Plough Corp., NJ, \$2,181,343
19. David Horn, AK Steel Holding Corporation, OH, \$2,033,372
20. Alan Crain, Jr., Baker Hughes Incorporated, TX, \$1,976,595
21. Sheldon Cammaker, Emcor Group, Inc., \$1,968,750
22. Marc Manly, Duke Energy Corporation, NC, \$1,865,342
23. David Drummond, Google Inc., CA, \$1,826,251
24. William Barr, Verizon Communications Inc., NY, \$1,787,546
25. Laura Schumacher, Abbott Laboratories, IL, \$1,761,508
26. Robert Armitage, Eli Lilly and Company, IN, \$1,738,208
27. David Smith, Archer Daniels Midland Co., IL, \$1,728,400
28. Julia Lambeth, Reynolds American Inc., NC, \$1,725,850
29. Raymond Bukaty, Western Digital Corp., CA, \$1,675,000
30. Leila Vespoli, FirstEnergy Corp., OH, \$1,635,025
31. Marc Firestone, Kraft Foods Inc., IL, \$1,634,904
32. Carol Ann Petren, Cigna Corporation, PA, \$1,633,269
33. Douglas Sgarro, CVS Caremark Corporation, RI, \$1,593,318
34. Richard Baer, Qwest Communications, CO, \$1,566,209
35. Charles Tanabe, Liberty Media Corporation, CO, \$1,534,752
36. J. Barclay Collins II, Hess Corporation, NY, \$1,525,000
37. David Savner, General Dynamics Corporation, VA, \$1,501,250
38. Arthur Block, Comcast Corporation, PA, \$1,498,669
39. Brian Miller, The AES Corporation, VA, \$1,494,938
40. Denise Keane, Altria Group, Inc., VA, \$1,487,500
41. C. Michael Carter, Dole Food Company, Inc., CA, \$1,485,094
42. John Halvey, NYSE Euronext, Inc., NY, \$1,480,769
43. Jay Stephens, Raytheon Company, MA, \$1,469,146
44. David Sudbury, Commercial Metals Company, TX, \$1,385,810
45. Robert Sharpe, Jr., ConAgra Foods, Inc., NE, \$1,387,019
46. J. Michael Hemmer, Union Pacific Railroad, NE, \$1,353,000
47. W. Burks Terry, Northrop Grumman Corp., CA, \$1,341,320
48. Grier Raclin, Charter Communications, Inc., MO, \$1,339,327
49. Hyun Park, PG&E Corporation, CA, \$1,320,804
50. Robert Osborne, General Motors Corporation, MI, \$1,317,500

51. James Garraux, United States Steel Corp., PA, \$1,298,340
52. Robert Reeves, Sr., Anadarko Petroleum, TX, \$1,292,869
53. Larry Hunter, The DirecTV Group, Inc., CA, \$1,285,753
54. C. Thomas Harvie, Goodyear Tire & Rubber, OH, \$1,270,000
55. Bruce Kuhlik, Merck & Co., NJ, \$1,246,271
56. Robert Walters, Energy Future Holdings, TX, \$1,230,784
57. Thomas Boudreau, Express Scripts, Inc., MO, \$1,216,292
58. Bryan Hall, Virgin Media Inc., NY, \$1,206,891
59. Noah Hanft, MasterCard Incorporated, NY, \$1,198,250
60. Steven Cossé, Murphy Oil Corporation, AR, \$1,195,833
61. Robert Schoonenberg, Avery Dennison Corp., CA, \$1,192,958
62. Joshua Floum, Visa, Inc., CA, \$1,185,981
63. Frank Steeves, Emerson Electric Co., MO, \$1,160,000
64. Terrence Linnert, Goodrich Corporation, NC, \$1,156,515
65. Donald de Brier, Occidental Petroleum Corp., CA, \$1,151,000
66. Gregory Butler, Northeast Utilities, CT, \$1,142,216
67. Steven Covey, Navistar International Corp., IL, \$1,135,000
68. Ellen Kaden, Campbell Soup Company, NJ, \$1,133,333
69. Joseph Listengart, Knight Inc., TX, \$1,133,077
70. Leonard Kennedy, Sprint Nextel Corporation, KS \$1,132,895
71. Ira Lederman, W.R. Berkley Corporation, CT, \$1,115,435
72. Peter Janzen, Land O'Lakes, Inc., MN, \$1,111,915
73. Vincent Maffeo, ITT Corporation, NY, \$1,105,431
74. Kevin Lilly, SPX Corporation, NC, \$1,105,000
75. Javade Chaudhri, Sempra Energy, CA, \$1,104,687
76. Dwight Rettig, National Oilwell Varco, Inc., TX, \$1,098,696
77. Vernon Baker II, ArvinMeritor, Inc., MI, \$1,096,567
78. Ellen Fitzsimmons, CSX Corporation, \$1,092,500
79. J. Michael Luttig, The Boeing Company, IL \$1,092,418
80. James Benson, ADP, Inc., NJ, \$1,087,314
81. Cheryl Hodges, Omnicare, Inc., KY, \$1,081,689
82. James Hixon, Norfolk Southern Railway Co., VA, \$1,078,750
83. James Breedlove, Praxair, Inc., CT, \$1,061,050
84. Susan Lanigan, Dollar General Corporation, TN, \$1,048,179
85. Bart Colli, ARAMARK Corporation, PA, \$1,037,981
86. Scott Rozzell, CenterPoint Energy, Inc., TX, \$1,035,513
87. Kenneth Siegel, Starwood Hotels & Resorts, NY, \$1,032,303
88. David Leitch, Ford Motor Company, MI, \$1,000,000
89. Joey Loudermilk, Aflac Incorporated, GA, \$983,588
90. Hayward Fisk, Computer Sciences Corporation, VA, \$979,050
91. Mitchell Kosh, Polo Ralph Lauren Corporation, NY, \$972,188
92. Richard Mack, The Mosaic Company, MN, \$964,167
93. Charles Fenton, Black & Decker Corp., MD, \$960,000
94. Roger Cooke, Precision Castparts Corp., OR, \$925,500
95. Gary Bahler, Foot Locker Inc., NY, \$901,421
96. Gary Chadick, Rockwell Collins, Inc., IA, \$897,420
97. William Casazza, Aetna Inc., CT, \$895,491
98. R. Edwin Selover, Public Service Enterprise, NJ, \$888,325
99. James Diggs, PPG Industries, Inc., PA, \$872,500
100. Curtis Shaw, Celanese Corporation, TX, \$872,114

Here is the list of the top paid women general counsels (total cash compensation):

1. Carrie Dwyer, The Charles Schwab Corp., CA, \$2,974,399
2. Laura Schumacher, Abbott Laboratories, IL, \$1,761,508
3. Julia Lambeth, Reynolds American Inc., NC, \$1,725,850
4. Leila Vespoli, FirstEnergy Corp., OH, \$1,635,025
5. Carol Ann Petren, Cigna Corporation, PA, \$1,633,269
6. Denise Keane, Altria Group, Inc., VA, \$1,487,500
7. Ellen Kaden, Campbell Soup Company, NJ, \$1,133,333
8. Ellen Fitzsimmons, CSX Corporation, \$1,092,500
9. Cheryl Hodges, Omnicare, Inc., KY, \$1,081,689
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