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CEO of Rockwell Collins highest paid among Iowa corporations

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By The Associated Press

DES MOINES, Iowa (AP) -- The head of Rockwell Collins Inc. was the highest paid executive of the 20 largest Iowa-based corporations last year.

Clayton J. Jones, the chairman, president and chief executive officer of the Cedar Rapids-based company, made \$3.8 million last year in total compensation.

That's 117 times more than the average Iowan's annual salary, according to the Des Moines Sunday Register, which reviewed documents companies filed with the U.S. Securities and Exchange Commission.

The pay of Jones, 55, increased 238 percent from fiscal 2002 to 2003, boosted by \$3 million in cash and stock bonuses.

The dramatic rise was due, in part, to the fact that Rockwell Collins froze the pay of many managers in 2002, when the aviation industry struggled after the Sept. 11, 2001, terrorist attacks.

The company's profits rose 9.3 percent and its share price rose 15.1 percent in its last fiscal year.

Rockwell Collins said Jones' pay package was reasonable, considering the company's \$2.5 billion in annual sales.

"We're an international company in the aviation and defense industry," said spokesman Jeff Moder. Jones' pay, he said, "is comparable" to that of his peers.

Overall, total compensation for the 20 CEOs reviewed rose almost 26 percent from 2002 to 2003. Factoring out Jones' raise, their pay rose about 14 percent.

That compares with the average pay increase for Iowa private employees, 4.9 percent, which includes overtime pay.

The increase in Iowa also came as average CEO pay dropped slightly at major national companies.

Still, Iowa CEO salaries are relatively conservative, said Jim Sillery, a Chicago compensation consultant.

"The dollar amounts don't seem to be jumping off the page and waving any red flags," he said.

In most cases, pay increases for CEOs were in line with company performance. But at a few companies - including Rockwell Collins and Moline, Ill.-based Deere & Co. - CEO raises outstripped percentage

gains in profit and share price.

At Lee Enterprises, for example, CEO pay was up 38.7 percent while profits fell nearly 5 percent. The share price rose 17.7 percent, however. Davenport-based Lee owns a number of Iowa papers, including the Courier.

The median direct compensation for CEOs at 223 Standard & Poor's companies was \$7.33 million, according to Equilar, a compensation consulting firm.

The 5 highest paid CEOs at Iowa-based companies are:

- Clayton Jones, the chairman, president and CEO of Rockwell Collins, \$3.8 million
- Mary Junck, chairman, president and CEO of Lee Enterprises, \$3.58 million
- Barry Griswell, chairman, president and CEO of Principal Financial Group, \$3.35 million
- Mark Oman, executive vice president, Wells Fargo & Co.'s Home and Consumer Finance Group, \$3.17 million
- Roger Brooks, chairman and CEO of AmerUs Group, \$2.13 million