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PAY BREAKDOWN

50 CEOs equal 6,200 workers

Pay for the Carolinas 50 varied hugely in 2005, according to an analysis of corporate reports by the Observer and California compensation research firm Equilar. The group includes some of the nation's largest companies and smaller firms not listed on national pay reports.

Robert Ingle of Ingles Markets is once again the lowest paid, at less than \$101,000. At more than \$19 million, Bank of America chieftain Ken Lewis is No. 1, a spot he's held before.

Total pay for the 50 was more than \$213 million. That's enough to pay 6,200 people the average Carolinas yearly wage.

Here's how CEO pay breaks down:

Restricted stock grants totaled \$56 million. That was a big increase from \$36 million the previous year, but the average amount was down because there were 25 recipients, nearly double the previous year.

Charlotte snackmaker Lance gave its new CEO, David Singer, \$5.3 million in stock as part of his hiring package. The grant landed him in the No. 10 pay spot.

Stock grants have been increasing, nationwide, as critics have blasted stock options. Still, options continue fattening paychecks at the top.

Twenty CEOs cashed in options last year, netting a total of \$58 million. That's one more than the previous year when option gains were about 30 percent lower. Directors awarded new options to 28 top executives, two less than the year before.

CEOs also got \$9.6 million in payouts from long-term incentive plans and \$6.8 million in perks such as extra payments to retirement plans, use of deluxe corporate planes, home security systems and financial advice.

Short-term pay -- salary and bonus -- is the type of CEO pay most similar to that of regular workers. Here's a look at the biggest movers:

- The biggest percentage jump came at Charlotte shipper Horizon Lines, which went public last year. CEO Charles Raymond's salary and bonus leapt more than 70 percent, an \$800,000 increase that also was the largest dollar gain. But cashing in stock options accounted for more than two-thirds of his total \$9.65 million that landed him in the No. 6 spot.
- Family Dollar's Howard Levine saw the biggest percentage drop in short-term pay because the Matthews retailer didn't meet an earnings goal during the year ended August 2005. The company has delayed reports for this fiscal year because of a lawsuit alleging option backdating. This year, the stock is rebounding from a sharp drop, with shareholder return up nearly 14 percent as of Friday.
- Wachovia CEO Ken Thompson's bonus took a \$2 million hit after the Charlotte bank missed an internal profit goal. That drop gave him the biggest dollar decline in short-term pay. Still, Thompson collected a \$5 million bonus and more than that in restricted stock. His \$12.5 million total placed him at No. 4.

Thompson's pay is more than triple what it was in 2001, his first full year as head of what is now the nation's fourth-largest bank.

Pay Breakdown

A Look Back at Carolinas CEO pay

The top paycheck in the Observer's 1987 report was \$2.72 million, for F. Ross Johnson, president of RJR Nabisco, then owner of R.J. Reynolds Tobacco in Winston-Salem. Pay topped \$1 million for 10 executives. By 2001, 36 Carolinas CEOs made the million-dollar-plus mark. The top paycheck was a little over \$20 million, for veteran Lowe's Cos. executive Bob Tillman, now retired.

And in this year's report, all but seven CEOs topped \$1 million.

How Did Investors Fare?

Like pay, stock performance varied widely in the companies led by the Carolinas 50.

The average increase was nearly 10 percent, much better than the Dow and the broader S&P 500, but down from the previous year.

Six of the Top 10 highest paid CEOs led companies to double-digit returns. Charlotte steelmaker Nucor also got kudos as a national leader in "Pay for Success," an analysis of the relation between pay and stock performance by a well-known corporate governance group.

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