

Another Stellar Year For Honchos

Rank-and-file employees are expected to get record low pay increases for 2004 -- an average of 3.3%, says human-resources consultant Hewitt Associates ([HEW](#)). But not so for the nation's chief executives. A study of 68 companies that already have filed proxies found that the median increase was 8.8%, bringing overall pay packages to nearly \$7.3 million. That's up from a 5.2% hike in 2003.

Pay consultant Equilar found that median option grants fell 19%, to \$3.2 million, as companies prepared for option expensing in 2005. But median base salaries rose 4.1%, to \$908,269; bonuses climbed 32.6%, to \$975,000; stock grants grew by 34%, to \$2.7 million; and long-term incentives jumped 72.1%, to \$773,719.

Among the highest paid: H. Lee Scott Jr., CEO of Wal-Mart Stores ([WAL](#)). He took a 20% cut in total pay in fiscal 2004 -- and still walked away with nearly \$23 million, including a \$4.2 million bonus, a \$6.7 million restricted stock award, and options valued at \$10.5 million, according to Wal-Mart's proxy. The company says Scott earned his bonus by meeting goals for pretax profit, but declined additional comment.

For corporate honchos, "it's going to be another good year," says Mercer Human Resource Consulting's Steve Sabow. Some things never change.

By Louis Lavelle