Date:
2008-09-09

Summary:
A phone survey of 20 of the largest 25 institutional investors in the U.S. revealed that only one quarter support say-on-pay proposals and over half oppose them.

Say-on-pay proposals allow shareholders to make non-binding votes indicating support or opposition for the company's executive compensation.
Advisory firms RiskMetrics and Glass Lewis both support say on pay, and in March 2007 the Council of Institutional Investors (CII) approved a policy supporting say on pay.

Commissioned by the Center on Executive Compensation, the study polled Vanguard, Fidelity Investments, T. Rowe Price and other large institutional investors. One surveyed executive said, "I think [say on pay] is ridiculous. I don't get it. If you don't like [the executive's pay package], then don't invest in the company. Go somewhere else."

Some, however, fault the recent study, which did not reach one fifth of the largest institutional investors, including the California Public Employees' Retirement System (CALPERS).

Link to Original:
ttp://www.financialweek.com/apps/pbcs.dll/article?AID=/20080909/REG/809099981/0/FWIssueAlert01

Financial Week is edited for the "C-Suite" with circulation of approximately 55,000.