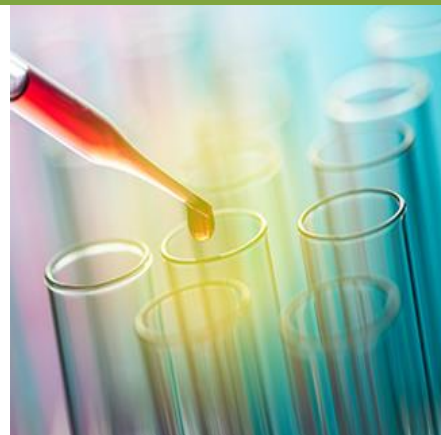


Pearl Meyer

 The Research & Development
Survey

2019 Prospectus



About the Research & Development (R&D) Survey

The R&D Survey has been in existence since 1956 and was administered by its membership through 2002. Since 2003, the survey has been administered by Pearl Meyer to provide third-party confidentiality and independence.

The R&D Survey is the ultimate source of detailed information on cash compensation – base salary and non-base pay – for Scientists and Engineers. Detailed information is provided allowing for in-depth analysis of benchmark compensation, differences in compensation based on fields of practice, fields of degree, and degree level. Additionally, the survey provides maturity curve information for those organizations employing this compensation administration approach.

The membership includes leading, nationally recognized profit and non-profit Research and Development organizations.

The R&D Survey Reports information for:

- Base Salaries
- Non-Base Pay, including annual bonuses, lump sum merit bonuses, special achievement awards, and profit-sharing.

Compensation information in the survey is summarized based on a number of incumbent and position characteristics, including:

- Years Since First Degree/Years of Experience
- Highest Degree
- Benchmark Level
- Supervisory Level
- Field of Degree
- Field of Practice

Definition of Research & Development (R&D)

For purposes of the survey, Research and Development is defined as the search for new or refined knowledge and ideas and for the application or use of such knowledge and ideas for the development of new or improved products and processes with the expectation of maintaining or increasing economic productive capacity or yielding other future benefits.

Research and development includes:

1. **Basic Research** - Systematic study to gain knowledge or understanding of the fundamental aspects of phenomena and of observable facts without specific applications toward processes or products in mind.
2. **Applied Research** - Systematic study to gain knowledge or understanding necessary for determining the means by which a recognized and specific need may be met.
3. **Development** - Systematic use of the knowledge and understanding gained from research for the production of useful materials, devices, systems, or methods, including the design and development of prototypes and processes.

The Results Report Contains:

- Compensation Summary by Benchmark Level*
- Compensation Summary by Experience Level*
- Scatterplots and Percentiles by Experience Level*
- Maturity Curve Analysis*
- Short-Term Incentive Summary*
- Five Year Trend Analysis*
- Constant Incumbent Report
- Policies & Practices
- Participating Companies List

* These reports are available in Excel and PDF Form.

2018 R&D Survey



- 38 Companies
- Highest Quality Compensation Data

Flexible Report Formats

As a member of the R&D Survey, you will be able to easily download detailed total compensation data by survey position in both Excel and PDF formats, as noted above. These survey reports give you the ability to isolate key data points and salary trends.

Compensation Summary by Benchmark Level

Data Effective 5/1/2017	Field of Degree-Detail								
	CP02 - Comp Sci								
	IC - Level 1 New	IC - Level 2 Growing	IC - Level 3 Career	IC - Level 4 Career / Advanced	IC - Level 5 Expert	IC - Level 6 Visionary	Supv - First Line Supv / Asst GL	Supv - Middle Mgmt / GL	Not Provided
Incumbent Characteristics									
Number of Incumbents	261	347	649	632	183	32	146	53	174
Number of Companies	21	25	29	30	21	10	19	15	1
Years Since Degree	3.5	10.5	19.4	27.4	32.1	33.7	23.8	29.4	.
Pct Requiring Security Clearance	68.7%	51.9%	57.6%	71.7%	61.5%	66.7%	75.2%	70.0%	.
No Degree or Associates	0.8%	0.0%	0.2%	0.5%	0.0%	0.0%	0.0%	0.0%	.
Bachelor Degree	70.1%	42.1%	39.8%	30.3%	16.5%	6.3%	21.9%	34.0%	.
Master Degree / Prof Eng	28.4%	40.9%	38.4%	46.0%	47.3%	43.8%	60.3%	39.6%	.
Doctorate	0.8%	17.0%	21.7%	23.3%	36.3%	50.0%	17.8%	26.4%	.
Base Salary									
Base Salary - Average	\$83,632	\$98,568	\$122,208	\$149,337	\$176,423	\$216,070	\$163,869	\$193,356	.
10th Percentile	\$66,924	\$76,800	\$97,925	\$121,194	\$147,936	\$180,800	\$122,400	\$161,785	.
25th Percentile	\$76,008	\$85,746	\$109,512	\$133,400	\$160,300	\$191,500	\$142,200	\$177,164	.
50th Percentile	\$81,500	\$98,885	\$121,590	\$147,774	\$176,200	\$212,232	\$156,422	\$192,000	.
75th Percentile	\$92,500	\$109,237	\$134,544	\$164,400	\$188,760	\$238,004	\$183,780	\$213,252	.
90th Percentile	\$101,400	\$121,700	\$146,206	\$180,440	\$206,128	\$250,328	\$208,980	\$235,068	.
Cash Incentives									
Percent Eligible for Any STI	83.5%	75.5%	79.8%	79.4%	79.2%	78.1%	93.2%	81.1%	.
% Rcvg Profit Sharing	0.0%	0.0%	0.2%	4.1%	0.0%	0.0%	0.7%	0.0%	.
Avg Profit Sharing (Incl \$0)	\$0	\$0	\$5	\$78	\$0	\$0	\$32	\$0	.
% Rcvg Special Achievement Award	5.7%	8.6%	10.0%	6.0%	14.2%	6.3%	15.1%	11.3%	.
Avg Special Achievement Award (Incl \$0)	\$90	\$197	\$277	\$181	\$592	\$299	\$309	\$265	.
% Rcvg Annual Bonus	6.5%	6.3%	8.9%	4.4%	3.8%	15.6%	13.7%	11.3%	.
Avg Annual Award (Incl \$0)	\$180	\$184	\$307	\$436	\$154	\$1,107	\$905	\$838	.
% Rcvg Lump Sum Merit	1.1%	4.0%	7.2%	16.9%	8.7%	18.8%	8.9%	26.4%	.
Avg Lump Sum Merit (Incl \$0)	\$23	\$56	\$118	\$377	\$378	\$500	\$192	\$673	.
% Rcvg Other Bonus	2.7%	2.0%	3.4%	5.9%	2.7%	0.0%	6.8%	18.9%	.
Avg Other Award (Incl \$0)	\$74	\$48	\$104	\$246	\$89	\$0	\$333	\$1,262	.
Percent Receiving Any STI	16.1%	20.5%	28.2%	33.9%	27.9%	40.6%	40.4%	54.7%	.
Avg Bonus Award (All Types, Incl \$0)	\$368	\$485	\$812	\$1,317	\$1,213	\$1,906	\$1,771	\$3,038	.

Constant Incumbent Report – New in 2018!

At the request of the R&D Survey Group, Pearl Meyer was pleased to add a Constant Incumbent Report to the R&D Survey in 2018. The purpose of this report is to help track year-over-year changes base salary and total cash for each of the job families/levels in the R&D Survey.

The Constant Incumbent Report provides survey participants with the data points listed below. These data points are organized by Benchmark Level, and have 2018 data side-by-side with 2017 data to demonstrate year-over-year changes.

- Number of Firms
- Number of Incumbents
- Base Salary
- Base Salary Percent Change
- Total Cash
- Total Cash Percent Change

We are confident that the Constant Incumbent Report provides survey participants with high quality, year-over-year data that is easily reviewable and not subject to certain changes, such as new companies joining the R&D Group, some firms ‘dropping’ the survey, etc.

Annual Results Meeting

The addition of the Constant Incumbent Report is due in part to questions raised by the R&D Group at the annual results meeting, which takes place in September each year. The R&D Survey annual results meeting provides survey participants with an opportunity to review survey trends, gain insight from peers and industry experts, and network.

Who Participates?

2018 Participating Organizations

Ranged in revenue size from approximately \$75 million to over \$50 billion. In total, thirty-eight (38) organizations participated in the 2018 survey.



Participating Companies

ANSER	IBM Corporation	Pacific Northwest National Laboratory
Applied Physics Laboratory/University of Washington	Idaho National Laboratory	RAND Corporation
Applied Research Laboratories - The University of Texas at Austin	Institute for Defense Analyses	Sandia National Laboratories
Argonne National Laboratory	Jefferson Laboratory	Savannah River National Laboratory
AT&T Inc.	Jet Propulsion Laboratory	Schlumberger Limited
Bechtel Marine Propulsion Corporation	Johns Hopkins University Applied Physics Laboratory	SLAC National Accelerator Laboratory
Brookhaven National Laboratory	Lawrence Berkeley National Laboratory	Southwest Research Institute
Carnegie Mellon Software Engineering Institute	Lawrence Livermore National Laboratory	Space Dynamics Laboratory
CNA	Los Alamos National Laboratory	The Aerospace Corporation
Draper Laboratory	MIT Lincoln Laboratory	The Applied Research Laboratory at PSU
Fermi National Accelerator Laboratory	National Radio Astronomy Observatory	United Technologies Corporation
Georgia Tech Research Institute	National Renewable Energy Lab	University Corporation for Atmospheric Research (UCAR)
HRL Laboratories, LLC	Oak Ridge National Laboratory UT-Battelle, LLC	

Sample of Compensation Summary Report and Policies and Practices Data

The image displays two overlapping sample reports from a compensation survey. The top report, titled "Compensation Summary by Experience Level", is a detailed table with columns for "Field of Degree", "Specific Degree", "Number", "Base Salary", "Total Cash", and "Total Compensation". It lists various degrees from 1 Year to 42 Years, along with "All Degrees Combined" and "Individual Contributor" categories. The bottom report, titled "Short Term Incentives Policies and Practices", is a table showing "Annual Incentives" for various roles (R001 to R010) and "Annual Bonus Practices" for different roles (R001 to R010). It includes columns for "Total Cash Incentive", "Total Cash Bonus", and "Total Cash Bonus as a % of Base Salary".

Custom Peer Group Report

Looking for customized data? Do you need a better understanding of how you compare to your peers? Our custom peer group reports allow you to select survey data on a subset of participating organizations to gain a more targeted perspective on compensation data and trends for organizations of similar size, industry, revenue, or geographic location.

Key Survey Dates

The following dates are important to know for the 2019 survey.

- Data Effective Date: May 1st, 2019
- Submission Due Date: Week of June 3rd, 2019
- Publication Date: Week of July 29th, 2019

Management Addendum

In addition to the R&D Survey itself, participating companies have the option to participate in/purchase the Management Addendum each year. The Management Addendum provides R&D Survey participants with compensation data for the following four positions:

- President (*analogous to Unit-Level CEO at for-profit firm*)
- Vice President Research & Technology / Technical Vice President
- Technical Director
- Deputy Laboratory Director

The Management Addendum serves to easily organize data for these positions, which are of more interest to the R&D Survey group. In the Management Addendum, data is organized into four categories, which are listed below. The data points provided are as follows:

- Job Matching
 - # of Companies Matched
 - # of Incumbents Matched
- Base Salary
 - Avg. Base Salary
 - 25th, 50th, 75th Percentiles
- Job / Individual Contributions
 - Avg. Financial Scope
 - Avg. Headcount Managed
 - LTI Eligibility
- Cash Incentives
 - Avg. Actual Incentive
 - Avg. Incentive Target (%)

The Management Addendum also provides a Participant Matching Summary, which outlines which R&D Survey firms could match to each of the four positions above.

The total cost of the R&D Survey is **\$3,600** for participating firms. This price includes data for individual contributors, all the way up to the top-level positions contained in the Management Addendum.

How Can I Participate?

Work with a Dedicated Survey Account Manager

You will be assigned a dedicated account manager who will be available to walk you through the survey process and answer any questions you may have. Our account managers have several years of survey experience, ensuring you the highest level of data quality and integrity.

Your survey account manager will email you a link to the submission materials, your log-in credentials, and instructions on how to complete the survey.

- To contact us by email: survey@pearlmeyer.com or daniel.besser@pearlmeyer.com
- To contact us by phone: ask for the survey group from our general number 508-460-9600 or call Daniel Besser, Survey Manager, at 508-630-1517



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About Pearl Meyer

(www.pearlmeyer.com)

Pearl Meyer is the leading advisor to boards and senior management on the alignment of compensation with organizational and leadership strategies, making pay programs a powerful catalyst for value creation and competitive advantage. Our survey team provides organizations with accurate, on-point information supporting effective business decisions. Pearl Meyer's global clients stand at the forefront of their industries and range from emerging high-growth, not-for-profit, and private companies to the Fortune 500 and FTSE 350. The firm has offices in New York, Atlanta, Boston, Charlotte, Chicago, Houston, London, and Los Angeles.

About Pearl Meyer's Survey Suite

(www.pearlmeyer.com/salary-surveys)

At Pearl Meyer we specialize in salary surveys in a wide range of industries including high technology, engineering and construction, banking and many more. Each survey provides the most comprehensive perspective on total compensation for the broadest groups of positions available. Combined, the surveys paint a complete picture of total compensation, giving you the only data resource you need to establish and manage your employee pay and reward strategy.



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