

\$5 Million Dollar Difference

Using information from Certent DisclosureNet, Damian Yu, Principal of Hugessen Consulting Inc. made an executive bonus recommendation that will dramatically reduce his client's costs.

Damian Yu is no stranger to advising on critical decisions for high-profile clients. As Principal of Hugessen Consulting Inc., an independent firm dedicated to meeting the executive compensation consulting requirements of public companies, Yu's work necessitates a specialized tool to determine market precedents and trends. After a labor-intensive period using databases that lacked scope and efficiency, the company opted for a Certent DisclosureNet account. Now Yu has immediate and precise access to an entire universe of disclosure filings which help him make defensible, fact-based recommendations that have resulted in significant cost savings for clients.

SITUATION

When Yu is asked to make recommendations on competitive executive pay levels, bonuses, incentive programs and stock options, he typically analyzes several peer companies to obtain a thorough understanding of comparable market cases.

To find such information in the past, Yu and his colleagues would search disclosure documents accessible on various public sources. Unfortunately, he wasn't quite getting what he needed, saying that "it was difficult to find instances of certain

HUGESSEN
CONSULTING

Disclosure Research Customer Profile

Company Name:

Hugessen Consulting Inc.

Industry:

Executive compensation consulting

Client Position:

Damian Yu, Principal

Certent User For:

6 Years

Key Result:

Sourcing information in Certent DisclosureNet, Hugessen Inc. saved a client as much as \$5 million in potential bonuses, once the deal is successfully completed.

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pay practices, and when we did find them, we couldn't be confident that we exhausted the search and found all relevant examples."

The team knew they needed an alternative solution; something that had a larger database with more filters and full-text search capabilities.

That something was Certent DisclosureNet.

TRANSFORMATION

Now, six years later, Yu remains an avid Certent DisclosureNet user. He mentions a few reasons for his continued loyalty, but most important is the benefit to his clients. "Ultimately the information we find in Certent DisclosureNet helps us make recommendations that have been more thoroughly researched and are strongly supported by market precedence. In some cases, that results in saving our clients money they might otherwise have spent."

Yu recalls one recent case where a company was working on a lucrative deal, and management had proposed to the Board special bonuses for the executives to be paid when the deal was finalized. Before proceeding, the Board approached Hugessen.

After conducting some research in Certent DisclosureNet, Yu found that market practice among companies in similar circumstances was to offer more modest bonuses. The board heeded Yu's advice, and the proposed bonuses were reconfigured to a new formula ranging between one to five million dollars less than the original bonus proposal.



"[T]he information we find in Certent DisclosureNet helps us make fact-based analyses that saves our clients money they might otherwise have spent."

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With Certent DisclosureNet we can efficiently do the research that's most relevant to our clients, and come up with really rich results," Yu says. He credits this efficiency to key features like hit-highlighting, keywords in context and numerous filters that let him search by industry, asset range or location. These tools produce highly specific results that save 5-10 hours of research per project, and help ensure Yu can provide advice based on the best available information.

THE RESULTS

Using Certent DisclosureNet for project research helps the firm make recommendations confidently because the information used is defensible and easily validated in accessible data.

- Determining market practice and making a recommendation that, once the deal is successfully completed, will save one client between \$1-5 million dollars in potential bonuses
- Saving approximately 5-10 hours of research time per project
- Offering these cost-savings generates high client satisfaction

Damian Yu and his colleagues at Hugessen Consulting Inc. have one chief aim: to help their clients make compensation decisions that are informed by facts, based on market practice and aligned with the company's performance. Yu calls Certent DisclosureNet a "very important source of market information," for the firm - and that's something they can always bank on.

ABOUT CERTENT

Certent, Inc. is a leading provider of software and services for equity compensation and financial disclosure management and reporting. Founded in 2002, Certent serves more than 2,400 public, private, and pre-IPO companies with innovative stock plan management, regulatory compliance and reporting technology. With five global offices, Certent delivers confidence across mission-critical finance and HR processes.



4683 Chabot Drive
Pleasanton, California 94588 USA
Tel: +1 866.336.3274

www.certent.com

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