



## 2013 ANNUAL COMPENSATION SURVEY

*Venture-Backed Technology & Life Science Companies in the Southeast*

Hutchison PLLC – Driven by Our Clients' Success <sup>SM</sup>  
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Carlyle Conlan – Meeting the Demand for Experienced Professionals <sup>SM</sup>  
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### **Disclaimer**

This survey has been compiled by Hutchison PLLC and Carlyle Conlan solely for use by their clients and other approved parties. This report should not be used for any purpose other than as one factor of many in determining appropriate levels of compensation for certain employee positions.

Please note that all compensation data within this report is subject to statistical bias based on the relatively small number of responses received.

### **Confidentiality**

Hutchison PLLC and Carlyle Conlan recognize the importance of confidentiality regarding compensation data. As a result, only the aggregate results of these surveys have been disclosed, and all individual responses have been kept anonymous and treated as confidential.

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# INTRODUCTION

## Purpose

One of the key issues for emerging growth technology and life science companies is attracting and retaining top-level executives. While a number of compensation surveys are undertaken each year, this survey is intended to specifically address the unique Southeast market for venture-backed technology and life science companies.

Hutchison PLLC and Carlyle Conlan have produced this report as a service to our clients and the entrepreneurial community.

## Participant Profile

The 2013 compensation survey questionnaire was sent to over 300 companies and a total of 54 responded. These emerging growth companies, based in the Southeast (Alabama, Florida, Georgia, Mississippi, Tennessee, South Carolina and North Carolina), have received equity financing from an institutional investor or have received equity financing of at least \$500,000 from angel investors.

Hutchison PLLC and Carlyle Conlan requested information regarding general employee policies, benefits and compensation data for the following executive positions:

- Chief Executive Officer
- Chief Financial Officer
- Chief Operating Officer
- Chief Technology Officer
- Chief Scientific Officer
- Chief Medical Officer
- Vice President of Engineering
- Vice President of Business Development
- Vice President of Sales
- Vice President of Marketing
- Vice President of Human Resources
- Controller

Additionally, we requested information regarding the Board of Directors, Board of Advisors, and salary and workforce changes. The Survey also includes a year-over-year cash compensation comparison for the twelve surveyed positions. Newly added in the 2013 edition is salary data for the four most reported C-level positions as related to total equity financing of participating companies.

It is our intention to compile this report and distribute the results on an annual basis. We encourage comments and questions on the information contained within this survey, in addition to suggestions related to future reports.

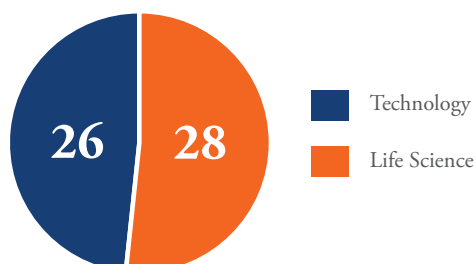
## Questions or Additional Information

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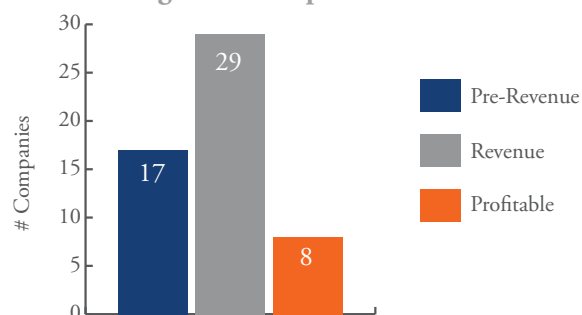
*Please note that all figures are based on data provided from the year 2013, unless otherwise indicated.*

## OVERVIEW OF PARTICIPATING COMPANIES

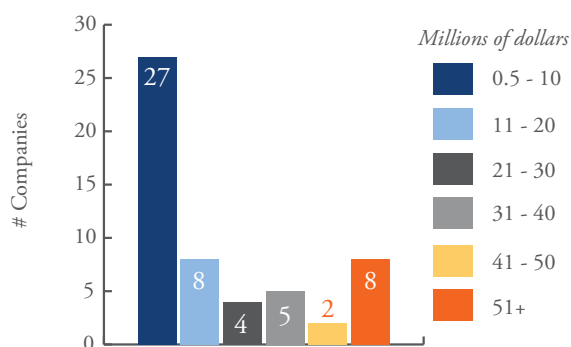
Industry



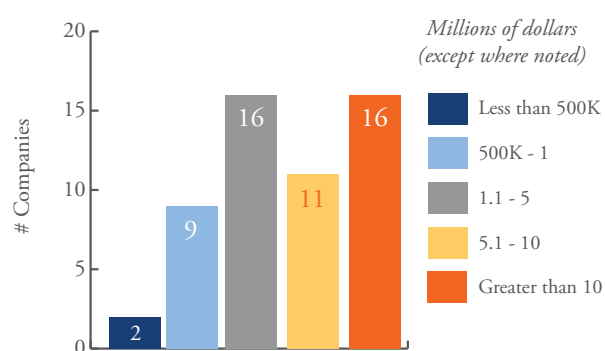
Stage of Development



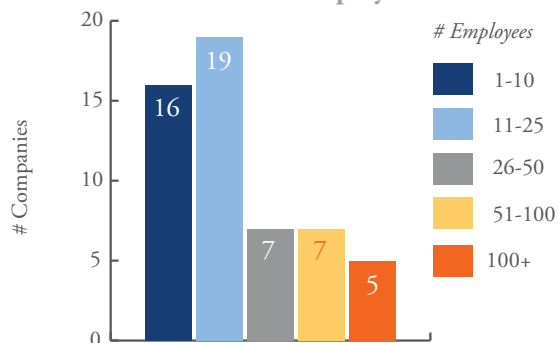
Total Equity Financing



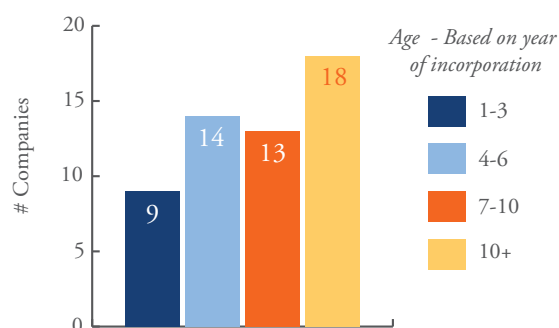
2013 Operating Budget



Number of Employees



Company Age



91

Percentage of respondents offering equity through an incentive plan designed to attract, retain and motivate service providers

76

Percentage of respondents reporting on the fully diluted equity reserved for issuance under the plan

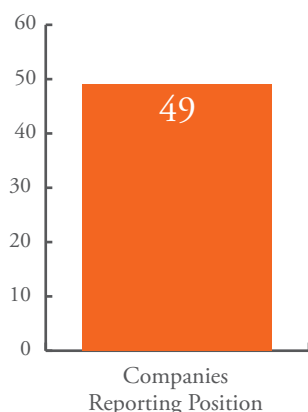
5-50% Fully diluted equity pool size

13% Mean

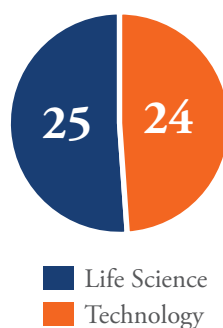
11% Median

## CHIEF EXECUTIVE OFFICER

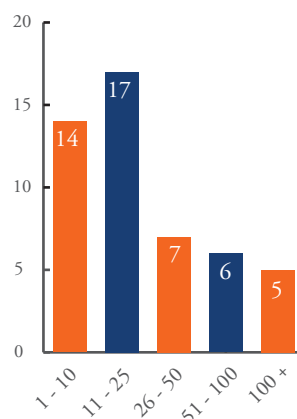
Total Responses



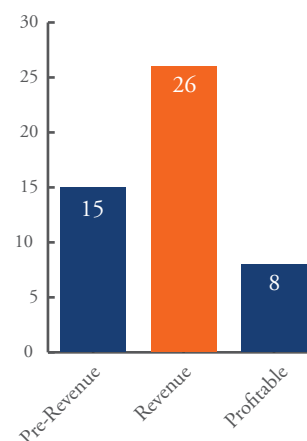
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



**77** Percentage of respondents eligible for an annual bonus

**25** Average annual bonus as a percentage of salary awarded in 2012

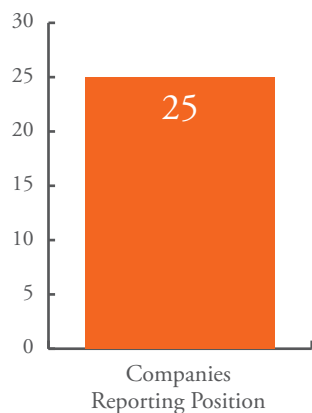
**51** Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	223,858	227,500	0 - 550,000	108,682	94,500	17,990 - 300,000	15.19	8.00	0.00 - 100.00
<b>Founder</b>									
Executive also a Founder	212,173	205,000	0 - 475,000	110,923	99,000	17,990 - 300,000	20.82	14.00	0.00 - 100.00
Executive not a Founder	261,950	250,000	120,000 - 550,000	103,995	85,500	18,900 - 250,000	3.94	3.30	0.00 - 10.00
<b>Industry</b>									
Technology	200,167	215,000	24,000 - 300,000	100,471	100,000	20,000 - 250,000	20.73	9.00	0.20 - 100.00
Life Science	255,556	250,000	0 - 550,000	116,893	90,000	17,990 - 300,000	10.10	5.00	0.00 - 51.00
<b>Number of Employees</b>									
1 to 10	157,964	164,950	0 - 330,000	62,498	63,000	17,990 - 112,500	19.46	18.00	0.00 - 63.00
11 to 25	237,600	250,000	140,000 - 323,000	93,112	70,000	18,900 - 300,000	8.25	5.00	0.10 - 33.34
26 to 50	119,665	95,000	75,000 - 222,987	69,956	90,000	0 - 136,779	20.27	7.00	1.90 - 100.00
51 to 100	260,000	250,000	110,000 - 550,000	119,000	100,000	50,000 - 250,000	24.46	14.23	1.60 - 75.00
100+	302,000	300,000	155,000 - 475,000	171,850	175,000	100,000 - 261,250	9.46	5.80	5.00 - 23.00
<b>Stage of Development</b>									
Pre-Revenue	186,100	189,000	0 - 330,000	63,898	61,250	17,990 - 125,000	12.89	10.00	0.00 - 51.00
Revenue	250,015	240,000	24,000 - 550,000	120,089	106,250	20,000 - 261,250	14.12	7.00	1.60 - 75.00
Profitable	237,625	243,000	140,000 - 350,000	113,750	77,500	50,000 - 300,000	22.85	7.50	2.00 - 100.00

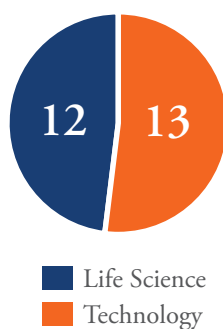
† Maximum possible values for 2013 performance were used for calculations. Mean/median data represents only those eligible. Low/High values not included where only 1 response was available.

## CHIEF FINANCIAL OFFICER

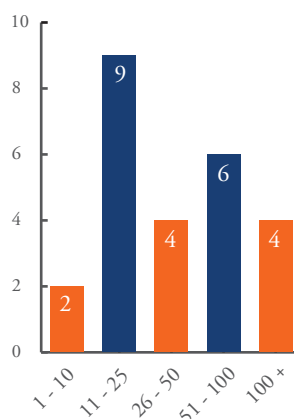
Total Responses



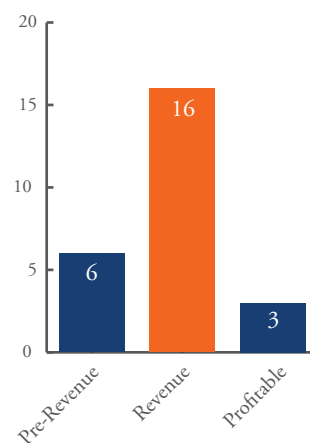
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



**74** Percentage of respondents eligible for an annual bonus

**21** Average annual bonus as a percentage of salary awarded in 2012

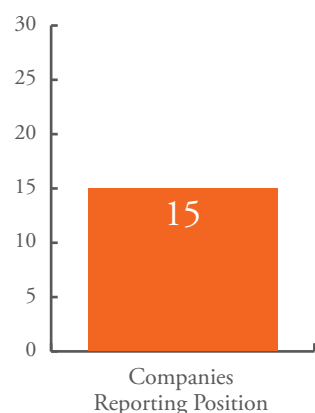
**28** Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	177,561	175,000	50,000 - 312,900	57,820	47,500	10,000 - 125,160	1.28	1.00	0.00 - 8.34
<b>Founder</b>									
Executive also a Founder	80,000	80,000	50,000 - 110,000	N/A	N/A	N/A - N/A	5.67	5.67	3.00 - 8.34
Executive not a Founder	186,852	180,000	70,000 - 312,900	57,820	47,500	10,000 - 125,160	0.82	0.93	0.00 - 2.50
<b>Industry</b>									
Technology	146,000	140,000	70,000 - 260,000	52,083	45,000	10,000 - 112,500	1.62	1.00	0.00 - 8.34
Life Science	211,991	224,000	50,000 - 312,900	61,262	47,500	25,000 - 125,160	0.91	0.38	0.20 - 3.00
<b>Number of Employees</b>									
1 to 10	50,000	N/A	N/A - N/A	N/A	N/A	N/A - N/A	3.00	N/A	N/A - N/A
11 to 25	190,444	180,000	130,000 - 260,000	55,233	46,900	32,600 - 99,000	0.87	0.93	0.11 - 2.50
26 to 50	173,333	150,000	70,000 - 300,000	48,782	48,782	10,000 - 87,564	0.61	0.71	0.00 - 1.00
51 to 100	167,500	167,500	80,000 - 250,000	53,625	38,500	0 - 112,500	2.77	1.24	0.00 - 8.34
100+	198,725	176,000	130,000 - 312,900	70,415	63,250	0 - 125,160	0.83	1.00	0.00 - 1.30
<b>Stage of Development</b>									
Pre-Revenue	156,400	163,000	50,000 - 229,000	38,133	36,000	0 - 45,800	1.16	0.93	0.00 - 3.00
Revenue	190,793	193,000	70,000 - 312,900	64,929	60,000	10,000 - 125,160	1.42	1.00	0.00 - 8.34
Profitable	146,667	150,000	100,000 - 190,000	48,250	48,250	30,000 - 66,500	0.60	0.60	0.20 - 1.00

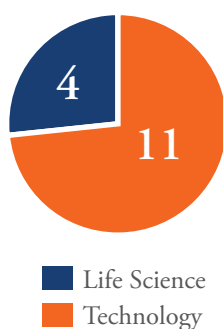
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## CHIEF OPERATING OFFICER

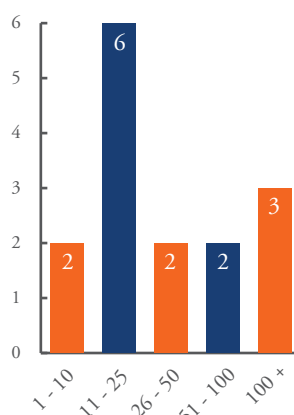
Total Responses



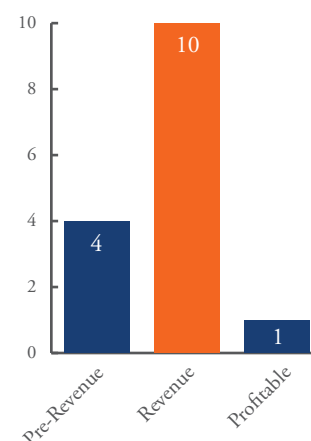
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



**80** Percentage of respondents eligible for an annual bonus

**21** Average annual bonus as a percentage of salary awarded in 2012

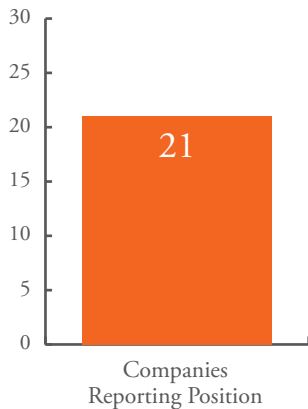
**53** Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	174,600	180,000	120,000 - 231,000	76,000	84,000	20,000 - 120,000	5.37	4.00	0.00 - 23.00
<b>Founder</b>									
Executive also a Founder	171,857	180,000	120,000 - 231,000	51,000	53,000	20,000 - 80,000	8.50	5.00	2.20 - 23.00
Executive not a Founder	177,000	178,000	120,000 - 220,000	91,000	95,000	52,000 - 120,000	2.63	1.50	0.00 - 8.00
<b>Industry</b>									
Technology	169,636	166,000	120,000 - 220,000	76,667	84,000	20,000 - 120,000	3.83	4.00	0.00 - 8.00
Life Science	188,250	201,000	120,000 - 231,000	74,000	74,000	53,000 - 95,000	9.59	7.60	0.16 - 23.00
<b>Number of Employees</b>									
1 to 10	175,500	175,500	120,000 - 231,000	175,500	N/A	N/A - N/A	18.00	18.00	13.00 - 23.00
11 to 25	177,833	190,000	130,000 - 215,000	51,000	53,000	20,000 - 80,000	5.03	5.00	2.20 - 7.30
26 to 50	142,500	142,500	120,000 - 165,000	120,000	N/A	N/A - N/A	5.50	5.50	3.00 - 8.00
51 to 100	170,000	170,000	140,000 - 200,000	100,000	N/A	N/A - N/A	0.10	0.10	0.00 - 0.20
100+	192,000	190,000	166,000 - 220,000	78,333	88,000	52,000 - 95,000	1.05	1.50	0.16 - 1.50
<b>Stage of Development</b>									
Pre-Revenue	170,250	165,000	120,000 - 231,000	80,000	N/A	N/A - N/A	12.08	10.15	5.00 - 23.00
Revenue	174,800	173,000	120,000 - 220,000	72,167	70,500	20,000 - 120,000	3.21	2.60	0.00 - 8.00
Profitable	190,000	N/A	N/A - N/A	95,000	N/A	N/A - N/A	0.16	N/A	N/A - N/A

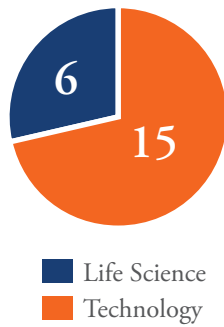
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## CHIEF TECHNOLOGY OFFICER

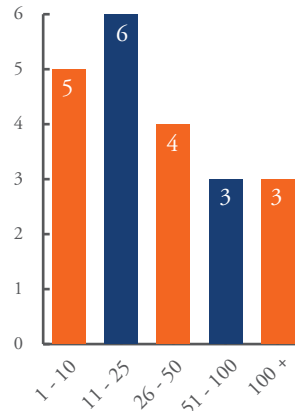
Total Responses



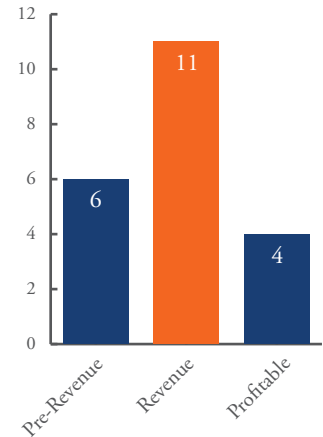
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



**60** Percentage of respondents eligible for an annual bonus

**16** Average annual bonus as a percentage of salary awarded in 2012

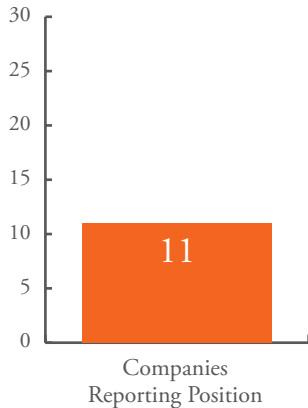
**29** Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	155,590	133,900	20,000 - 257,500	91,636	69,000	16,000 - 400,000	5.56	4.00	0.00 - 25.00
<b>Founder</b>									
Executive also a Founder	163,300	171,500	20,000 - 235,000	122,600	69,000	20,000 - 400,000	8.37	4.90	1.30 - 25.00
Executive not a Founder	148,582	130,000	85,000 - 257,500	65,833	58,000	16,000 - 120,000	2.43	2.00	0.00 - 5.00
<b>Industry</b>									
Technology	161,327	140,000	120,000 - 235,000	92,889	41,000	16,000 - 400,000	5.40	4.00	0.00 - 25.00
Life Science	141,250	127,500	20,000 - 257,500	86,000	86,000	69,000 - 103,000	6.13	3.30	0.00 - 18.00
<b>Number of Employees</b>									
1 to 10	116,000	120,000	20,000 - 230,000	69,000	N/A	N/A - N/A	7.13	4.50	1.50 - 18.00
11 to 25	150,500	130,000	125,000 - 210,000	52,000	52,000	20,000 - 84,000	5.35	4.40	0.00 - 14.00
26 to 50	159,725	149,450	120,000 - 220,000	70,333	75,000	16,000 - 120,000	2.95	3.40	0.00 - 5.00
51 to 100	191,667	200,000	140,000 - 235,000	220,000	220,000	40,000 - 400,000	9.68	2.75	1.30 - 25.00
100+	190,167	183,000	130,000 - 257,500	61,333	41,000	40,000 - 103,000	2.05	2.05	2.00 - 2.10
<b>Stage of Development</b>									
Pre-Revenue	120,000	127,500	20,000 - 230,000	69,000	N/A	N/A - N/A	6.36	5.00	0.00 - 18.00
Revenue	175,318	178,000	120,000 - 257,500	131,333	93,500	40,000 - 400,000	3.30	3.38	1.30 - 5.00
Profitable	154,725	136,950	125,000 - 220,000	37,750	30,000	16,000 - 75,000	10.20	7.90	0.00 - 25.00

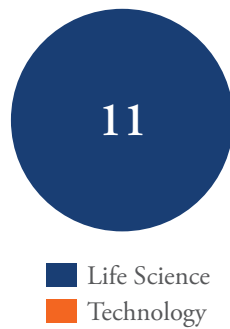
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## CHIEF SCIENTIFIC OFFICER

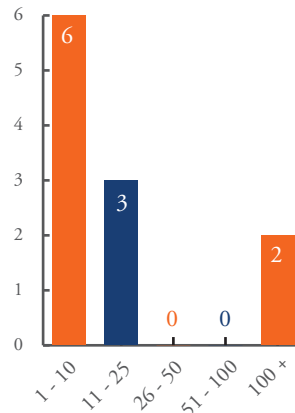
Total Responses



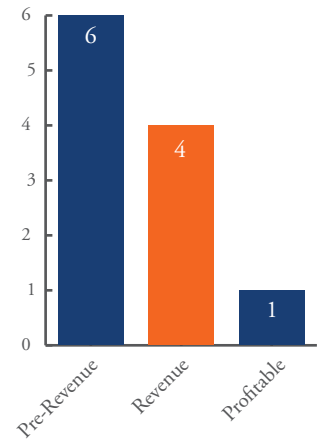
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



60

Percentage of respondents eligible for an annual bonus

21

Average annual bonus as a percentage of salary awarded in 2012

45

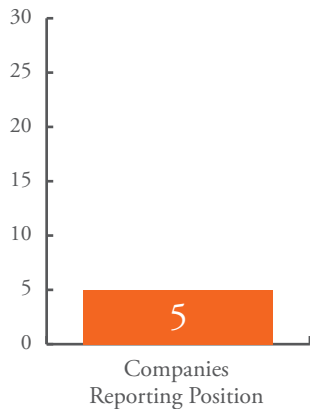
Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	174,309	189,000	0 - 304,600	58,414	54,160	18,900 - 121,840	10.35	6.50	0.25 - 31.00
<b>Founder</b>									
Executive also a Founder	130,571	150,000	0 - 220,000	21,300	20,000	18,900 - 25,000	14.67	18.00	1.70 - 31.00
Executive not a Founder	250,850	249,400	200,000 - 304,600	86,250	84,500	54,160 - 121,840	0.25	0.25	0.25 - 0.25
<b>Industry</b>									
Technology	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
Life Science	174,309	189,000	0 - 304,600	58,414	54,160	18,900 - 121,840	10.35	6.50	0.25 - 31.00
<b>Number of Employees</b>									
1 to 10	120,833	150,000	0 - 220,000	22,500	22,500	20,000 - 25,000	16.45	18.00	1.70 - 31.00
11 to 25	229,267	228,000	189,000 - 270,800	54,020	54,160	18,900 - 89,000	1.50	0.25	0.25 - 4.00
26 to 50	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
51 to 100	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
100+	252,300	252,300	200,000 - 304,600	100,920	100,920	80,000 - 121,840	0.25	N/A	N/A - N/A
<b>Stage of Development</b>									
Pre-Revenue	141,633	169,500	0 - 270,800	36,530	36,530	18,900 - 54,160	13.38	13.50	0.25 - 31.00
Revenue	216,900	206,500	150,000 - 304,600	63,960	57,000	20,000 - 121,840	7.65	1.70	0.25 - 21.00
Profitable	200,000	N/A	N/A - N/A	80,000	N/A	N/A - N/A	0.25	N/A	N/A - N/A

† Maximum possible values for 2013 performance were used for calculations. Mean/median data represents only those eligible. Low/High values not included where only 1 response was available.

## CHIEF MEDICAL OFFICER

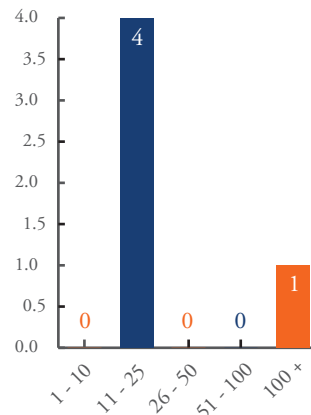
Total Responses



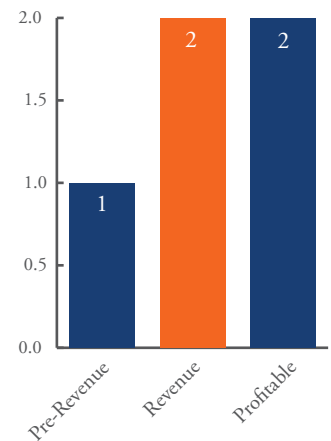
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



80

Percentage of respondents eligible for an annual bonus

21

Average annual bonus as a percentage of salary awarded in 2012

60

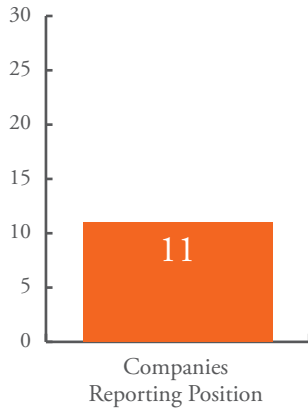
Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)			
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High	
All Respondents	262,330	228,000	190,000 - 346,500	66,365	72,931	38,000 - 81,600	1.25	1.05	0.24 - 2.70	
<b>Founder</b>										
Executive also a Founder	228,000	N/A	N/A - N/A	N/A	N/A	N/A - N/A	2.70	N/A	N/A - N/A	
Executive not a Founder	270,912	273,574	190,000 - 346,500	66,365	72,931	38,000 - 81,600	0.88	0.65	0.24 - 2.00	
<b>Industry</b>										
Technology	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	
Life Science	262,330	228,000	190,000 - 346,500	66,365	72,931	38,000 - 81,600	1.25	1.05	0.24 - 2.70	
<b>Number of Employees</b>										
1 to 10	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	
11 to 25	273,225	278,199	190,000 - 346,500	62,967	69,300	38,000 - 81,600	1.50	1.53	0.24 - 2.70	
26 to 50	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	
51 to 100	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	
100+	218,750	N/A	N/A - N/A	76,562	N/A	N/A - N/A	0.24	N/A	N/A - N/A	
<b>Stage of Development</b>										
Pre-Revenue	346,500	N/A	N/A - N/A	69,300	N/A	N/A - N/A	0.24	N/A	N/A - N/A	
Revenue	278,199	278,199	228,000 - 328,398	81,600	N/A	N/A - N/A	1.88	1.88	1.05 - 2.70	
Profitable	204,375	204,375	190,000 - 218,750	57,281	57,281	38,000 - 76,562	1.12	1.12	0.24 - 2.00	

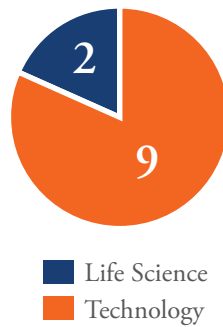
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Low/High values not included where only 1 response was available.

## VICE PRESIDENT OF ENGINEERING

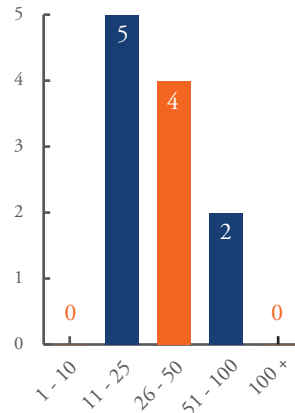
Total Responses



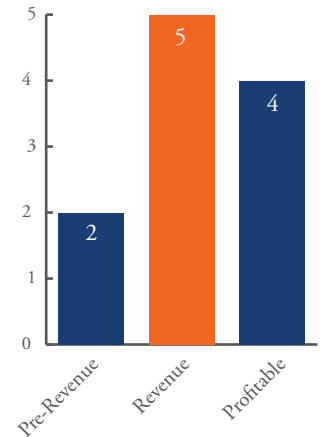
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



82

Percentage of respondents eligible for an annual bonus

14

Average annual bonus as a percentage of salary awarded in 2012

18

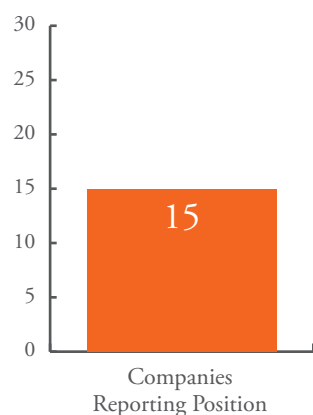
Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	153,364	150,000	100,000 - 220,000	28,614	22,500	10,800 - 60,000	1.89	0.79	0.13 - 7.30
<b>Founder</b>									
Executive also a Founder	175,000	175,000	130,000 - 220,000	40,000	N/A	N/A - N/A	5.15	5.15	3.00 - 7.30
Executive not a Founder	148,556	150,000	100,000 - 200,000	26,717	21,250	10,800 - 60,000	0.80	0.45	0.13 - 2.50
<b>Industry</b>									
Technology	144,111	134,000	100,000 - 200,000	28,660	22,500	10,800 - 60,000	1.96	0.79	0.13 - 7.30
Life Science	195,000	195,000	170,000 - 220,000	28,500	28,500	17,000 - 40,000	1.66	1.66	0.32 - 3.00
<b>Number of Employees</b>									
1 to 10	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
11 to 25	145,400	134,000	108,000 - 185,000	19,267	17,000	10,800 - 30,000	2.30	0.79	0.32 - 7.30
26 to 50	167,500	175,000	100,000 - 220,000	31,250	31,250	22,500 - 40,000	1.92	2.50	0.25 - 3.00
51 to 100	145,000	145,000	130,000 - 160,000	40,000	40,000	20,000 - 60,000	0.13	N/A	N/A - N/A
100+	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
<b>Stage of Development</b>									
Pre-Revenue	150,000	150,000	130,000 - 170,000	17,000	N/A	N/A - N/A	3.81	3.81	0.32 - 7.30
Revenue	153,800	134,000	100,000 - 220,000	43,333	40,000	30,000 - 60,000	0.99	0.42	0.13 - 3.00
Profitable	154,500	155,000	108,000 - 200,000	17,767	20,000	10,800 - 22,500	1.75	1.75	1.00 - 2.50

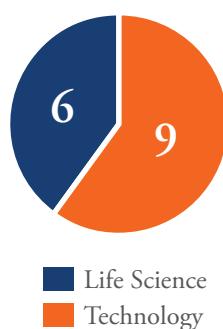
† Maximum possible values for 2013 performance were used for calculations. Mean/median data represents only those eligible. Low/High values not included where only 1 response was available.

## VICE PRESIDENT OF BUSINESS DEVELOPMENT

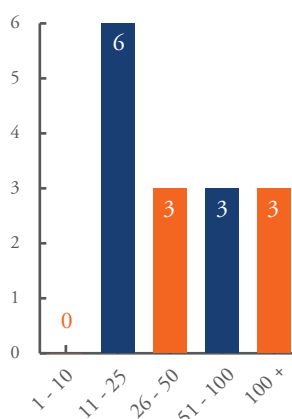
Total Responses



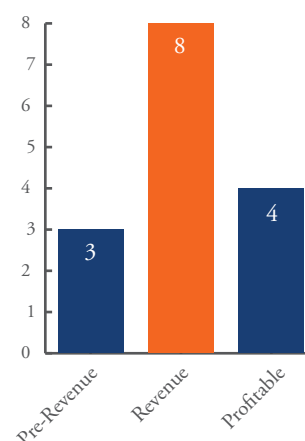
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



100

Percentage of respondents eligible for an annual bonus

22

Average annual bonus as a percentage of salary awarded in 2012

27

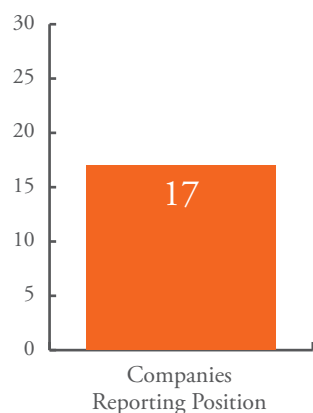
Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	173,143	170,000	125,000 - 225,000	57,397	55,048	20,000 - 100,000	1.29	0.90	0.19 - 5.00
<b>Founder</b>									
Executive also a Founder	180,000	N/A	N/A - N/A	20,000	N/A	N/A - N/A	4.00	N/A	N/A - N/A
Executive not a Founder	172,653	167,500	125,000 - 225,000	60,513	57,524	25,000 - 100,000	1.05	0.90	0.19 - 5.00
<b>Industry</b>									
Technology	147,778	140,000	125,000 - 180,000	57,786	60,000	20,000 - 100,000	1.89	1.00	0.20 - 5.00
Life Science	211,191	215,250	190,000 - 225,000	56,943	52,730	42,000 - 85,000	0.46	0.48	0.19 - 0.90
<b>Number of Employees</b>									
1 to 10	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
11 to 25	175,917	175,000	125,000 - 217,000	42,040	37,500	20,000 - 85,000	2.01	1.06	0.48 - 5.00
26 to 50	175,000	165,000	135,000 - 225,000	63,524	63,524	55,048 - 72,000	0.62	0.62	0.23 - 1.00
51 to 100	166,667	140,000	140,000 - 220,000	67,333	60,000	42,000 - 100,000	0.55	0.55	0.20 - 0.90
100+	172,215	190,000	125,000 - 201,644	68,970	66,500	50,411 - 90,000	0.55	0.55	0.19 - 0.90
<b>Stage of Development</b>									
Pre-Revenue	169,500	170,000	125,000 - 213,500	40,100	40,100	37,500 - 42,700	0.87	1.00	0.48 - 1.12
Revenue	184,206	190,822	125,000 - 225,000	57,494	55,048	20,000 - 90,000	1.10	0.90	0.20 - 4.00
Profitable	153,750	145,000	135,000 - 190,000	65,875	69,250	25,000 - 100,000	2.60	2.60	0.19 - 5.00

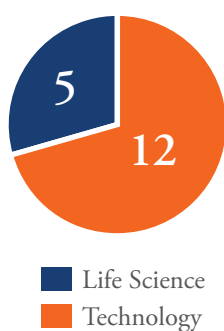
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## VICE PRESIDENT OF SALES

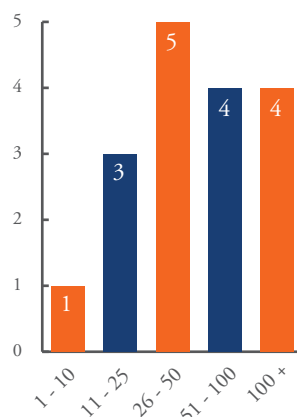
Total Responses



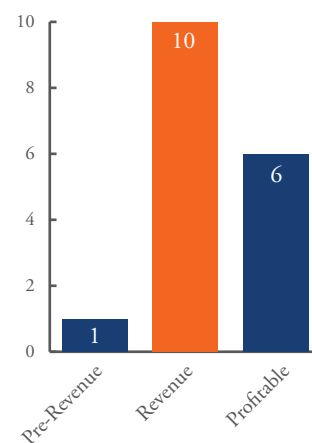
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



**94** Percentage of respondents eligible for an annual bonus

**24** Average annual bonus as a percentage of salary awarded in 2012

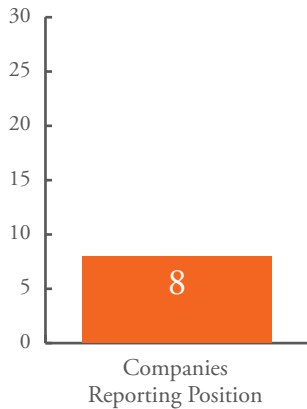
**12** Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	164,206	150,000	60,000 - 300,000	67,000	70,000	10,000 - 150,000	2.00	1.00	0.00 - 16.66
<b>Founder</b>									
Executive also a Founder	125,333	126,000	110,000 - 140,000	94,000	N/A	N/A - N/A	16.66	N/A	N/A - N/A
Executive not a Founder	172,536	160,000	60,000 - 300,000	64,750	60,000	10,000 - 150,000	0.78	0.90	0.00 - 1.90
<b>Industry</b>									
Technology	137,083	137,000	60,000 - 225,000	73,333	71,000	10,000 - 150,000	2.71	1.00	0.00 - 16.66
Life Science	229,300	240,000	155,000 - 300,000	52,750	30,500	30,000 - 120,000	0.42	0.34	0.01 - 1.00
<b>Number of Employees</b>									
1 to 10	60,000	N/A	N/A - N/A	10,000	N/A	N/A - N/A	1.00	N/A	N/A - N/A
11 to 25	129,667	134,000	100,000 - 155,000	51,000	51,000	31,000 - 71,000	0.95	1.00	0.37 - 1.49
26 to 50	192,000	165,000	120,000 - 300,000	75,000	70,000	30,000 - 150,000	0.98	1.00	0.00 - 1.90
51 to 100	154,000	133,000	110,000 - 240,000	62,000	62,000	30,000 - 94,000	8.48	8.48	0.30 - 16.66
100+	191,625	187,500	150,000 - 241,500	86,667	120,000	20,000 - 120,000	0.44	0.50	0.01 - 0.80
<b>Stage of Development</b>									
Pre-Revenue	155,000	N/A	N/A - N/A	31,000	N/A	N/A - N/A	0.37	N/A	N/A - N/A
Revenue	164,650	142,000	60,000 - 300,000	54,143	30,000	10,000 - 120,000	2.84	1.00	0.30 - 16.66
Profitable	165,000	157,500	100,000 - 225,000	92,200	71,000	50,000 - 150,000	0.73	0.51	0.00 - 1.90

† Maximum possible values for 2013 performance were used for calculations. Mean/median data represents only those eligible.  
Low/High values not included where only 1 response was available.

## VICE PRESIDENT OF MARKETING

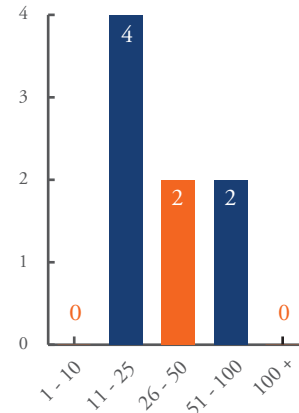
Total Responses



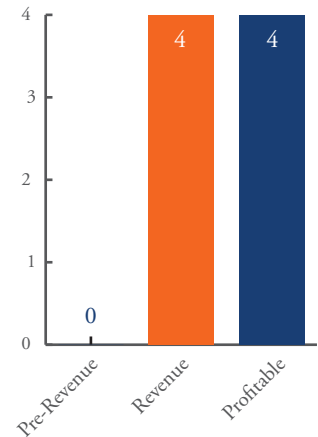
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



**88** Percentage of respondents eligible for an annual bonus

**15** Average annual bonus as a percentage of salary awarded in 2012

**0** Percentage of respondents with a pre-negotiated severance arrangement

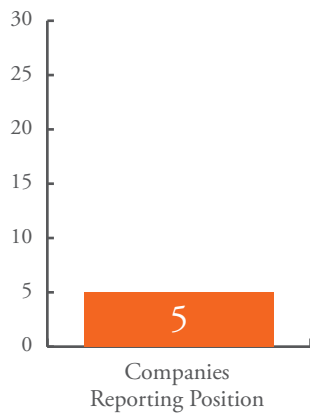
	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	157,500	155,000	140,000 - 180,000	45,357	35,000	20,000 - 82,500	1.86	0.55	0.03 - 6.00
<b>Founder</b>									
Executive also a Founder	180,000	N/A	N/A - N/A	20,000	N/A	N/A - N/A	6.00	N/A	N/A - N/A
Executive not a Founder	154,286	150,000	140,000 - 165,000	49,583	37,500	30,000 - 82,500	1.03	0.10	0.03 - 4.00
<b>Industry</b>									
Technology	156,429	150,000	140,000 - 180,000	39,167	32,500	20,000 - 80,000	2.23	1.00	0.04 - 6.00
Life Science	165,000	N/A	N/A - N/A	82,500	N/A	N/A - N/A	0.03	N/A	N/A - N/A
<b>Number of Employees</b>									
1 to 10	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
11 to 25	158,750	157,500	140,000 - 180,000	43,125	35,000	20,000 - 82,500	2.53	2.05	0.03 - 6.00
26 to 50	157,500	157,500	150,000 - 165,000	35,000	N/A	N/A - N/A	1.00	N/A	N/A - N/A
51 to 100	155,000	155,000	150,000 - 160,000	55,000	55,000	30,000 - 80,000	0.04	N/A	N/A - N/A
100+	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
<b>Stage of Development</b>									
Pre-Revenue	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
Revenue	160,000	155,000	150,000 - 180,000	43,333	30,000	20,000 - 80,000	1.78	0.55	0.04 - 6.00
Profitable	155,000	157,500	140,000 - 165,000	46,875	37,500	30,000 - 82,500	2.01	2.01	0.03 - 4.00

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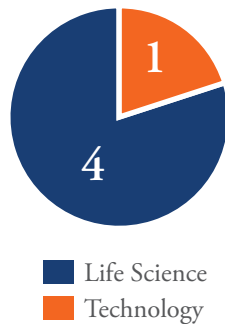
## VICE PRESIDENT OF HUMAN RESOURCES

*Of the 47 responding companies, 25% outsource Human Resources functions.  
Sixty-four percent reported HR functions being performed by another role within the company.  
The below represents the 11% of responding companies employing an in-house HR professional.*

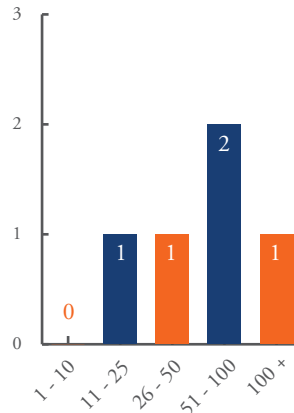
Total Responses



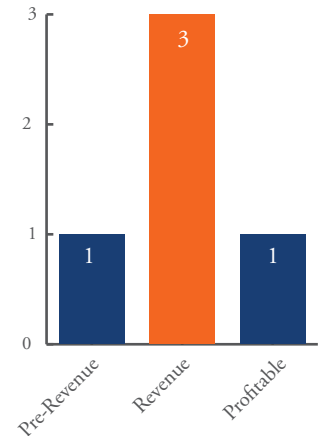
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



100

Percentage of respondents eligible for an annual bonus

13

Average annual bonus as a percentage of salary awarded in 2012

60

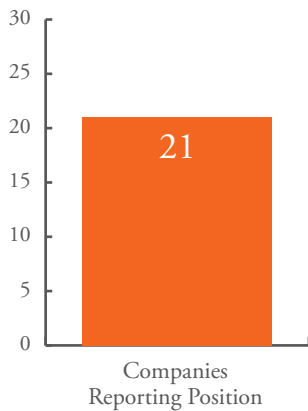
Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	159,560	140,000	110,000 - 239,300	31,758	20,000	14,000 - 71,790	0.63	0.63	0.50 - 0.76
<b>Founder</b>									
Executive also a Founder	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
Executive not a Founder	159,560	140,000	110,000 - 239,300	31,758	20,000	14,000 - 71,790	0.63	0.63	0.50 - 0.76
<b>Industry</b>									
Technology	132,500	N/A	N/A - N/A	20,000	N/A	N/A - N/A	0.50	N/A	N/A - N/A
Life Science	166,325	158,000	110,000 - 239,300	34,698	26,500	14,000 - 71,790	0.70	0.70	0.63 - 0.76
<b>Number of Employees</b>									
1 to 10	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A	N/A	N/A	N/A - N/A
11 to 25	140,000	N/A	N/A - N/A	14,000	N/A	N/A - N/A	0.63	N/A	N/A - N/A
26 to 50	132,500	N/A	N/A - N/A	20,000	N/A	N/A - N/A	0.50	N/A	N/A - N/A
51 to 100	143,000	143,000	110,000 - 176,000	26,500	26,500	20,000 - 33,000	0.76	N/A	N/A - N/A
100+	239,300	N/A	N/A - N/A	71,790	N/A	N/A - N/A	N/A	N/A	N/A - N/A
<b>Stage of Development</b>									
Pre-Revenue	140,000	N/A	N/A - N/A	14,000	N/A	N/A - N/A	0.63	N/A	N/A - N/A
Revenue	175,100	176,000	110,000 - 239,300	41,597	33,000	20,000 - 71,790	0.76	N/A	N/A - N/A
Profitable	132,500	N/A	N/A - N/A	20,000	N/A	N/A - N/A	0.50	N/A	N/A - N/A

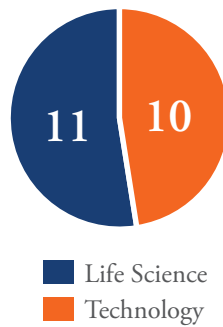
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## CONTROLLER

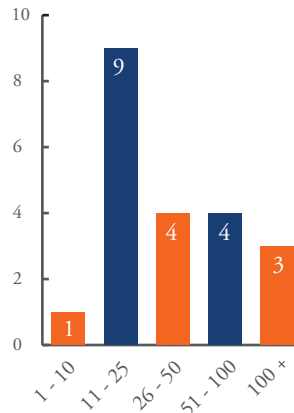
Total Responses



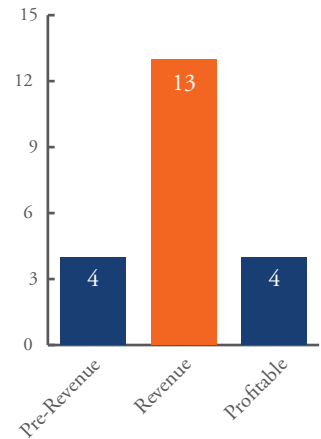
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



**70** Percentage of respondents eligible for an annual bonus

**13** Average annual bonus as a percentage of salary awarded in 2012

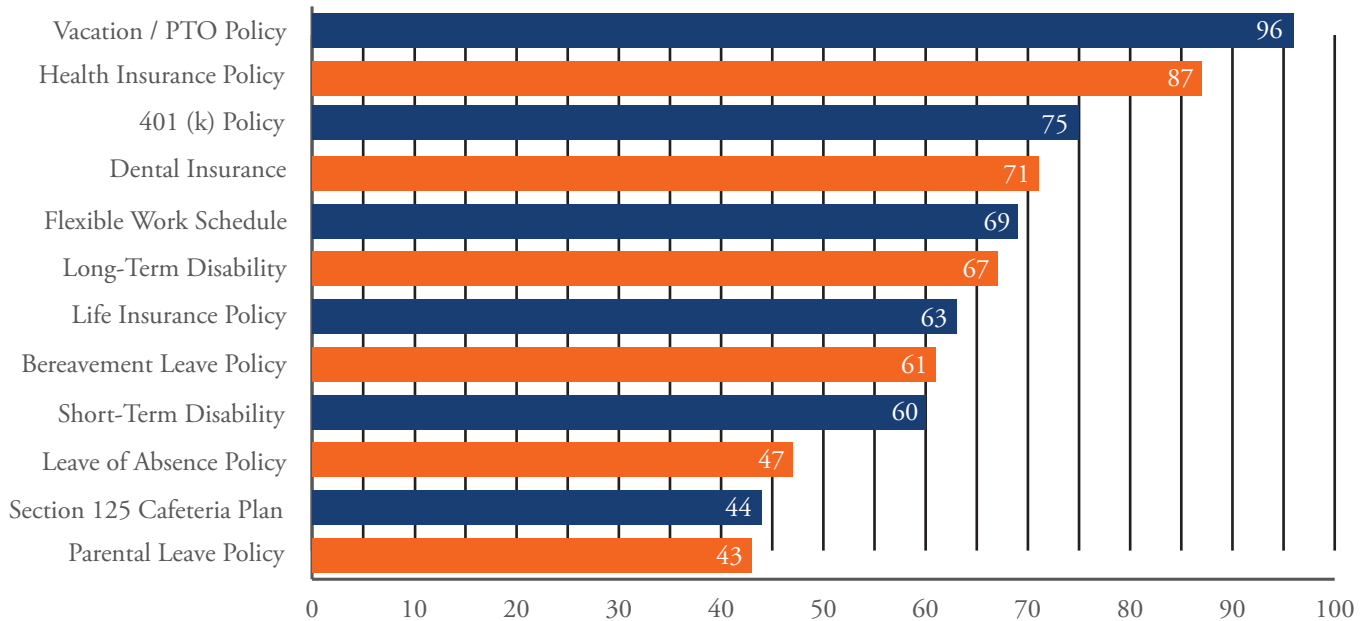
**5** Percentage of respondents with a pre-negotiated severance arrangement

	Salary (\$)			Annual Bonus (\$) †			Equity (% of Company)		
	Mean	Median	Low - High	Mean	Median	Low - High	Mean	Median	Low - High
All Respondents	106,193	100,000	69,000 - 169,000	24,348	20,000	8,787 - 50,000	0.28	0.10	0.00 - 3.00
<b>Founder</b>									
Executive also a Founder	100,000	N/A	N/A - N/A	N/A	N/A	N/A - N/A	0.10	N/A	N/A - N/A
Executive not a Founder	106,502	99,000	69,000 - 169,000	24,348	20,000	8,787 - 50,000	0.29	0.10	0.00 - 3.00
<b>Industry</b>									
Technology	99,450	92,500	70,000 - 155,000	22,208	12,500	10,000 - 50,000	0.50	0.10	0.00 - 3.00
Life Science	112,322	118,000	69,000 - 169,000	25,953	23,567	8,787 - 45,000	0.11	0.10	0.00 - 0.30
<b>Number of Employees</b>									
1 to 10	69,000	N/A	N/A - N/A	N/A	N/A	N/A - N/A	0.10	N/A	N/A - N/A
11 to 25	104,208	98,000	78,000 - 169,000	21,265	15,000	8,787 - 45,000	0.10	0.10	0.00 - 0.30
26 to 50	99,250	93,500	70,000 - 140,000	22,452	22,452	10,000 - 34,904	0.81	0.12	0.00 - 3.00
51 to 100	118,250	119,000	80,000 - 155,000	25,750	19,000	15,000 - 50,000	0.11	0.11	0.10 - 0.12
100+	117,724	127,500	90,000 - 135,671	32,692	32,692	27,134 - 38,250	0.10	N/A	N/A - N/A
<b>Stage of Development</b>									
Pre-Revenue	109,500	100,000	69,000 - 169,000	21,900	21,900	10,000 - 33,800	0.10	0.10	0.10 - 0.10
Revenue	108,619	105,000	70,000 - 155,000	23,708	20,000	8,787 - 50,000	0.44	0.11	0.00 - 3.00
Profitable	95,000	90,000	80,000 - 120,000	30,000	30,000	15,000 - 45,000	0.02	0.00	0.00 - 0.10

† Maximum possible values for 2013 performance were used for calculations. Mean/median data represents only those eligible. Low/High values not included where only 1 response was available.

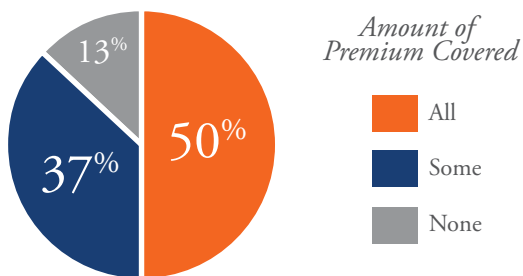
## GENERAL EMPLOYEE POLICIES

### Percentage of Companies Offering

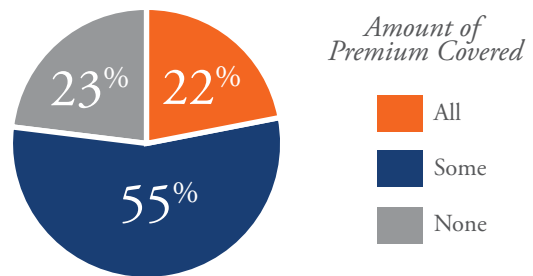


*Of the percentages of companies offering health and dental insurance, further details are listed below.*

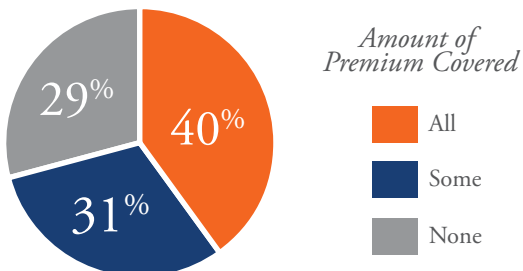
#### Employee Health Insurance



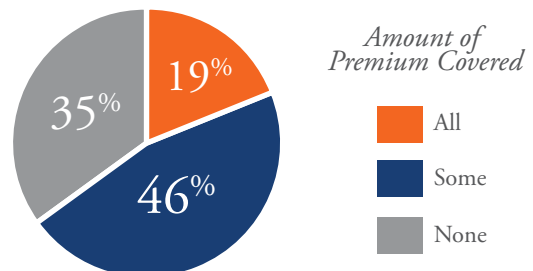
#### Family Health Insurance



#### Employee Dental Insurance



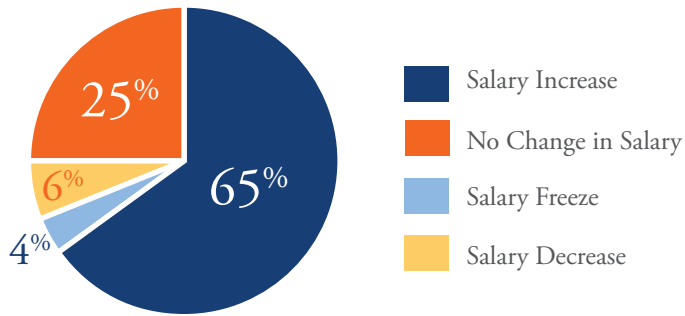
#### Family Dental Insurance



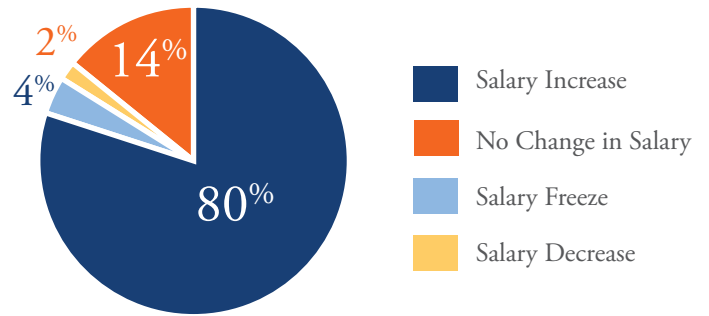
## TRENDS AND FORECASTS

### *Salary*

2013 Salary Trend:

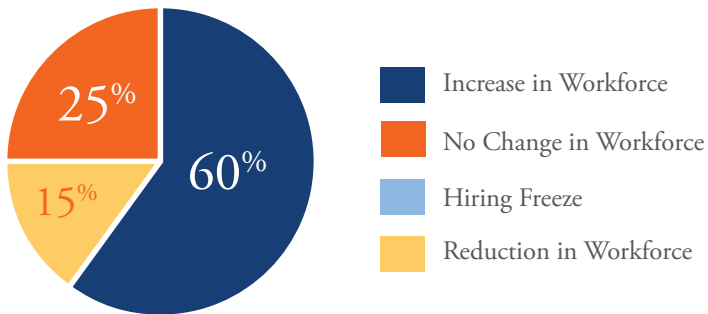


2014 Salary Forecast:

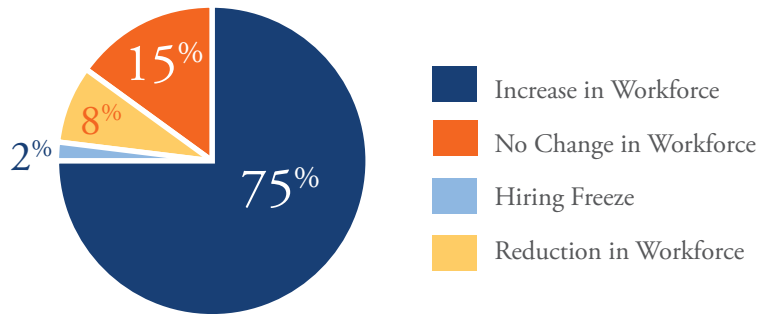


### *Workforce*

2013 Workforce Trend:

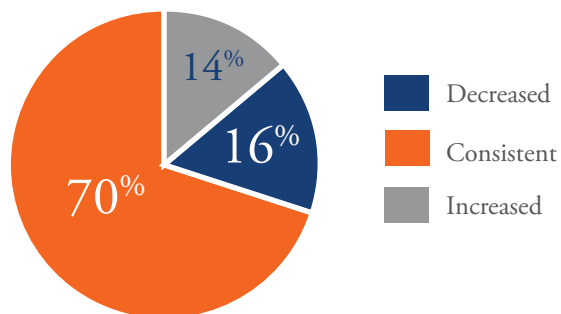


2014 Workforce Forecast:



### *Employee-Initiated Exits*

Employee-Initiated Exits in 2013  
as Compared to 2012:



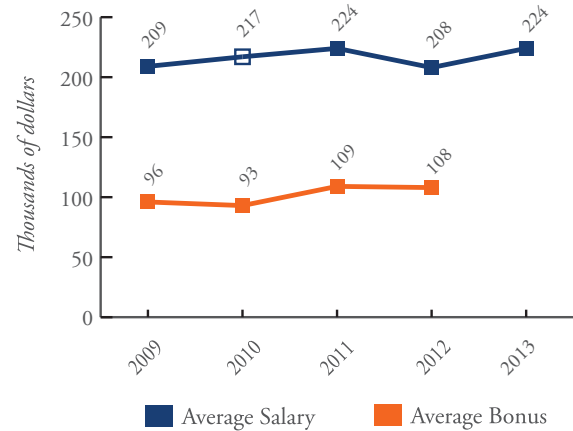
## YEAR-OVER-YEAR CASH COMPENSATION COMPARISON

□ 2010 salary data not available. Reference point reflects an average of salaries earned in 2009 and 2011.

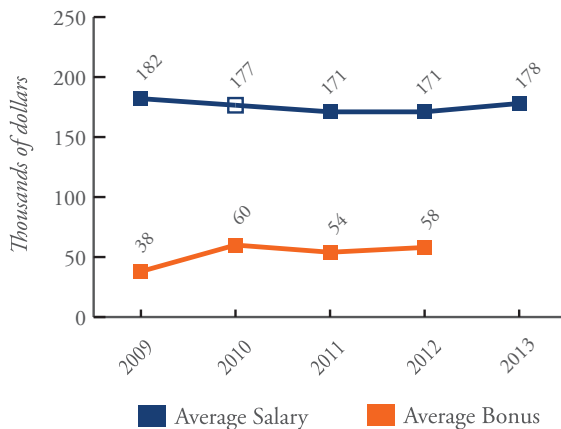
■ Average salary earned per year

■ Bonus data in 2010, 2011 and 2012 represents average bonus actually awarded. Bonus data in 2009 represents average maximum possible bonus for those eligible.

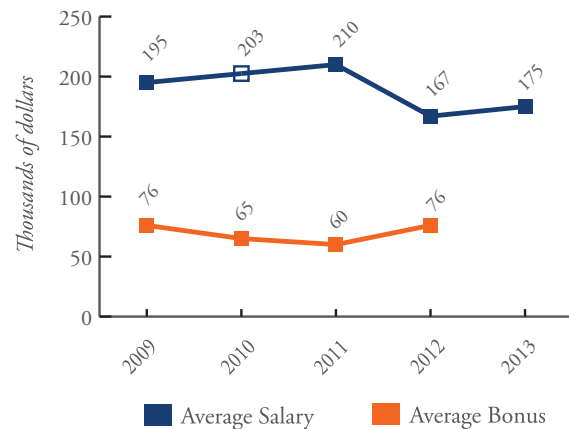
### Chief Executive Officer



### Chief Financial Officer



### Chief Operating Officer



### Chief Technology/Scientific Officer

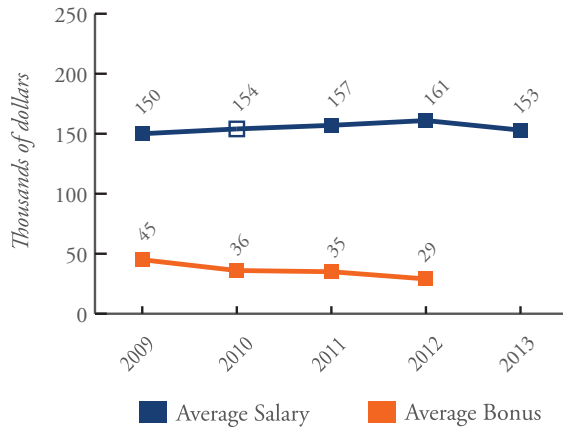


### Chief Medical Officer

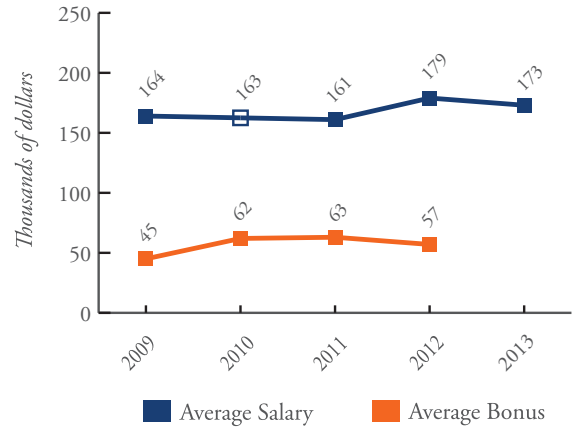


## YEAR-OVER-YEAR CASH COMPENSATION COMPARISON

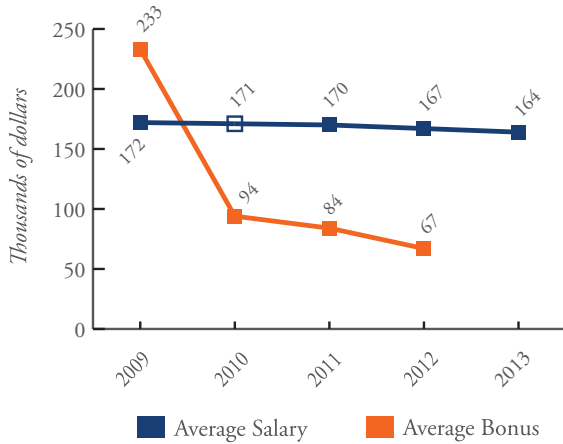
### Vice President Engineering



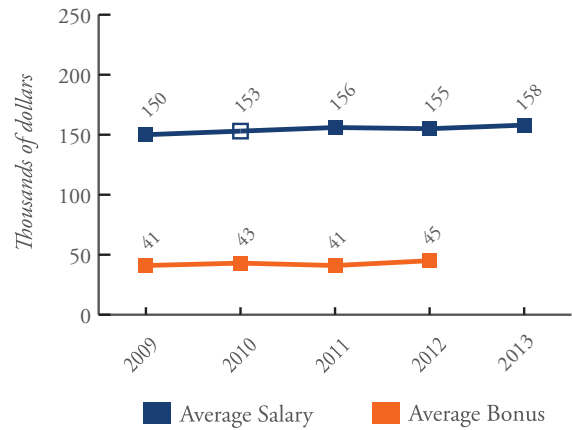
### Vice President Business Development



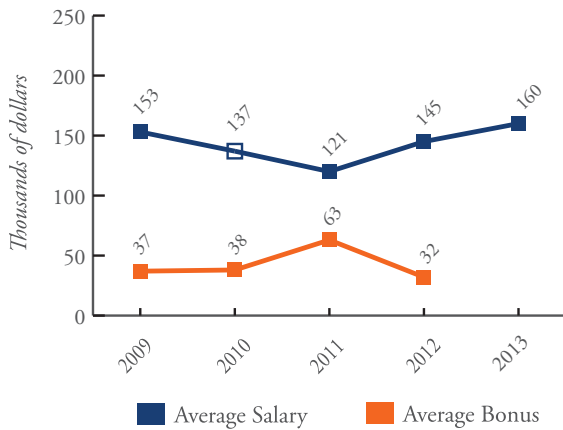
### Vice President Sales



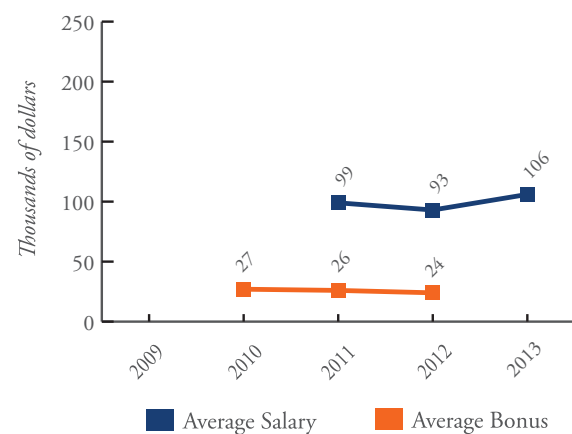
### Vice President Marketing



### Vice President Human Resources

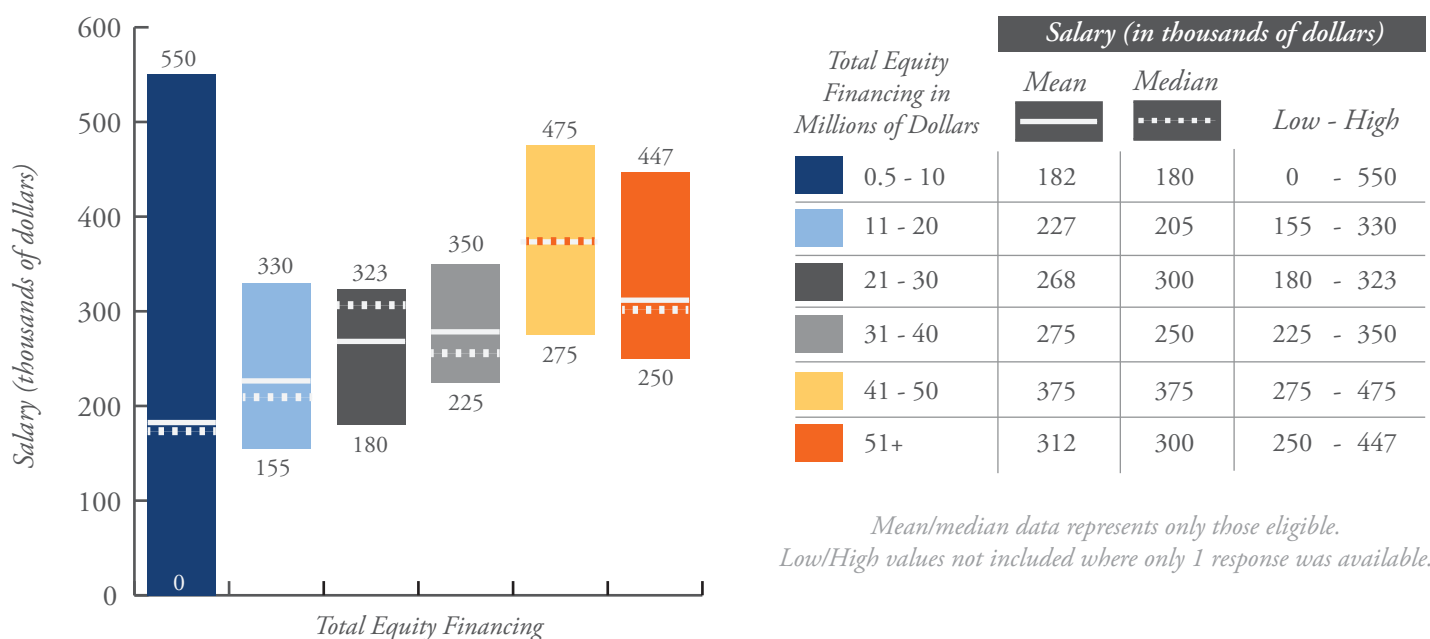


### Controller

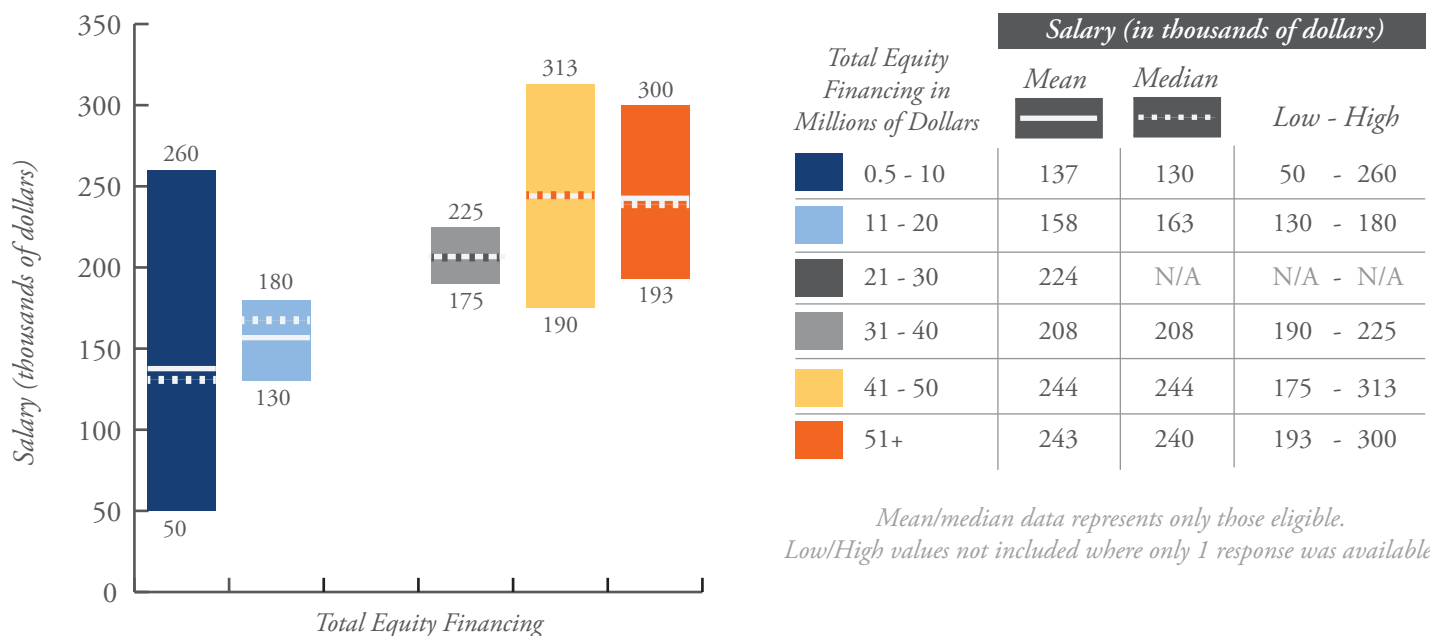


## SALARY IN RELATION TO TOTAL EQUITY FINANCING FOR SELECT C-LEVEL POSITIONS

### Chief Executive Officer

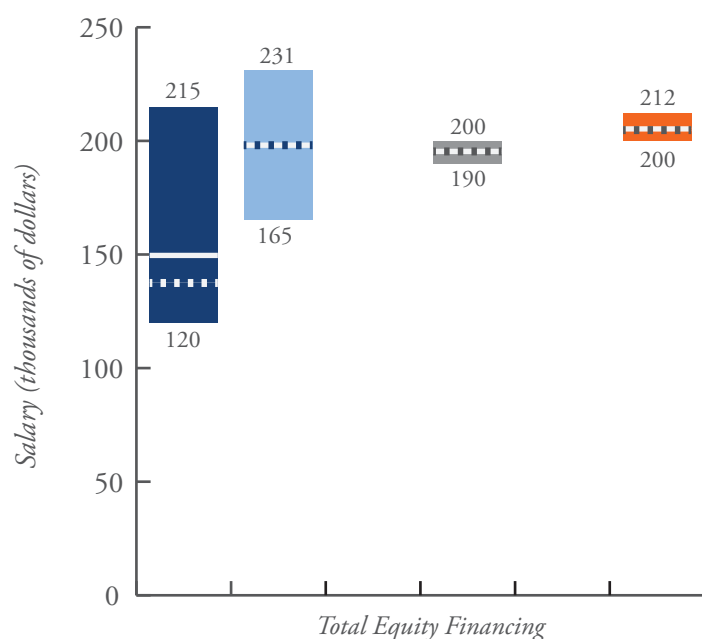


### Chief Financial Officer



## SALARY IN RELATION TO TOTAL EQUITY FINANCING FOR SELECT C-LEVEL POSITIONS

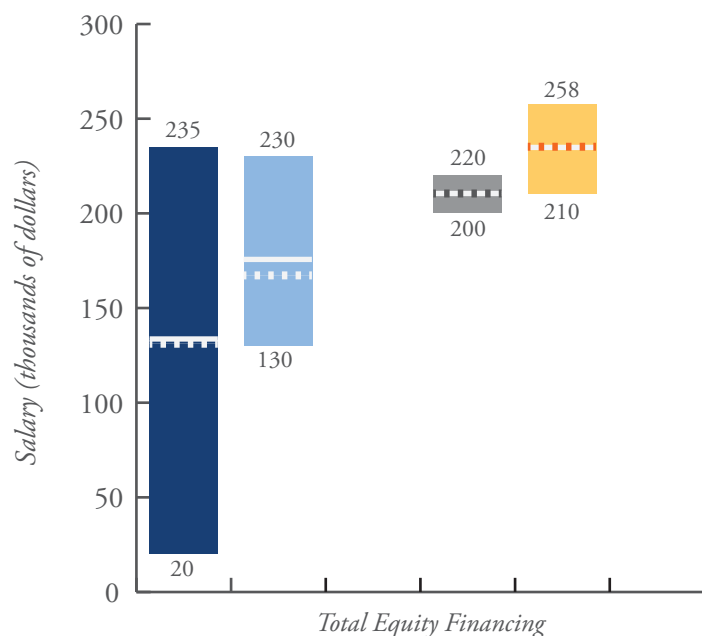
### Chief Operating Officer



Total Equity Financing in Millions of Dollars	Salary (in thousands of dollars)		
	Mean	Median	Low - High
0.5 - 10	150	135	120 - 215
11 - 20	198	198	165 - 231
21 - 30	220	N/A	N/A - N/A
31 - 40	195	195	190 - 200
41 - 50	N/A	N/A	N/A - N/A
51+	206	206	200 - 212

Mean/median data represents only those eligible.  
Low/High values not included where only 1 response was available.

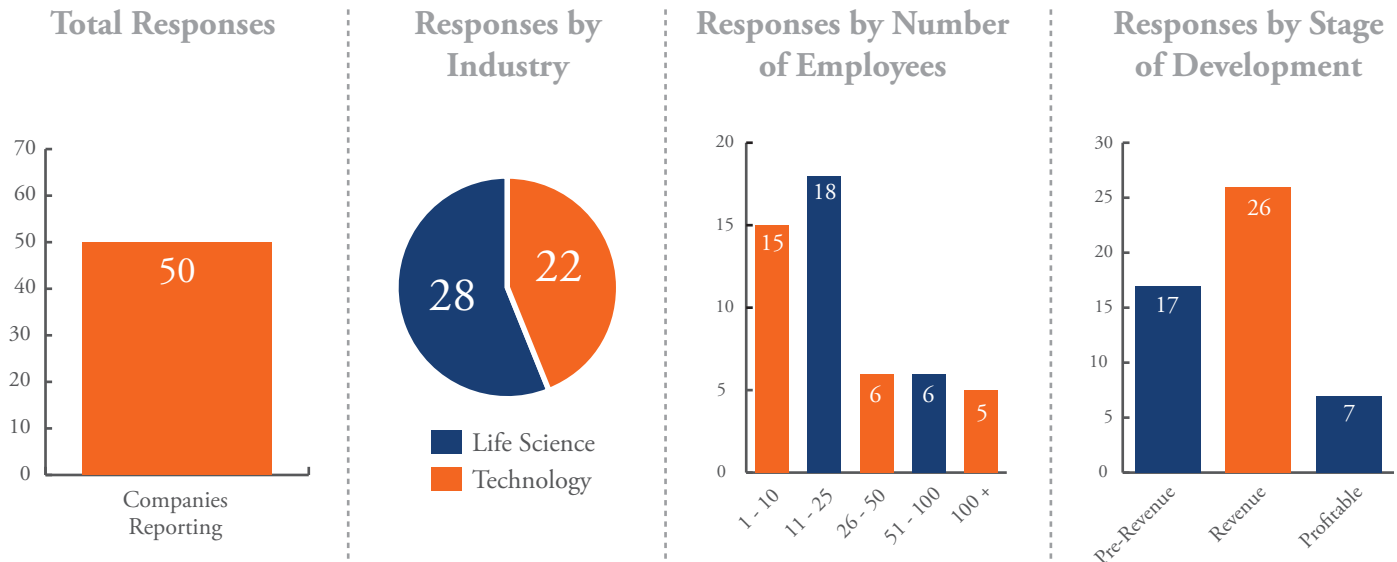
### Chief Technology Officer



Total Equity Financing in Millions of Dollars	Salary (in thousands of dollars)		
	Mean	Median	Low - High
0.5 - 10	132	130	20 - 235
11 - 20	175	165	130 - 230
21 - 30	N/A	N/A	N/A - N/A
31 - 40	210	210	200 - 220
41 - 50	234	234	210 - 258
51+	N/A	N/A	N/A - N/A

Mean/median data represents only those eligible.  
Low/High values not included where only 1 response was available.

## BOARD OF DIRECTORS



Information graphed above represents the Board of Directors generally. 32 of the 50 (64%) respondents also reported having Independent Directors. See the chart below for further information regarding Independent Directors.

**64**

Percentage of companies with independent directors serving on the Board

**83**

Percentage of companies with Board members that are reimbursed for their travel expenses

Percentage of companies with the following Board committees:

Audit: **58**

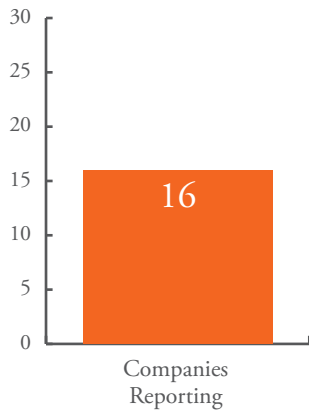
Compensation: **60**

Nominating & Corporate Governance: **20**

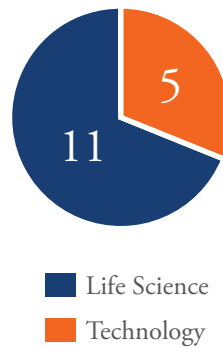
	Directors (#)			Independent Directors (#)		
	Responses	Mean	Low - High	Responses	Mean	Low - High
All Respondents	50	N/A	N/A - N/A	32	N/A	N/A - N/A
<b>Industry</b>						
Technology	22	4.4	2.0 - 7.0	12	2.0	1.0 - 6.0
Life Science	28	5.4	1.0 - 9.0	20	2.1	1.0 - 7.0
<b>Number of Employees</b>						
1 to 10	15	4.1	1.0 - 7.0	8	1.5	1.0 - 3.0
11 to 25	18	5.1	2.0 - 7.0	11	2.0	1.0 - 4.0
26 to 50	6	5.5	3.0 - 8.0	5	2.4	1.0 - 7.0
51 to 100	6	5.2	4.0 - 9.0	3	2.0	1.0 - 3.0
100+	5	6.4	5.0 - 9.0	5	2.6	1.0 - 6.0
<b>Stage of Development</b>						
Pre-Revenue	17	4.4	1.0 - 7.0	10	1.9	1.0 - 4.0
Revenue	26	5.3	2.0 - 9.0	16	2.3	1.0 - 7.0
Profitable	7	5.1	4.0 - 6.0	6	1.7	1.0 - 3.0

## BOARD OF ADVISORS

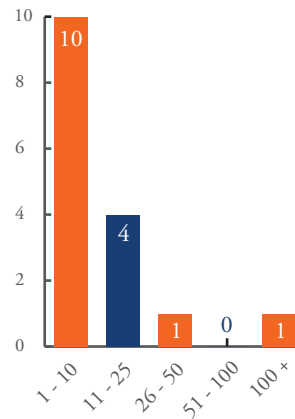
Total Responses



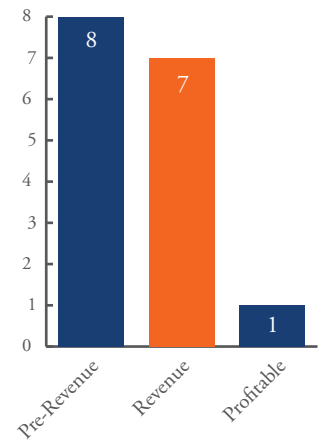
Responses by Industry



Responses by Number of Employees



Responses by Stage of Development



44

Percentage of companies that award cash compensation to independent advisors for their annual service

44

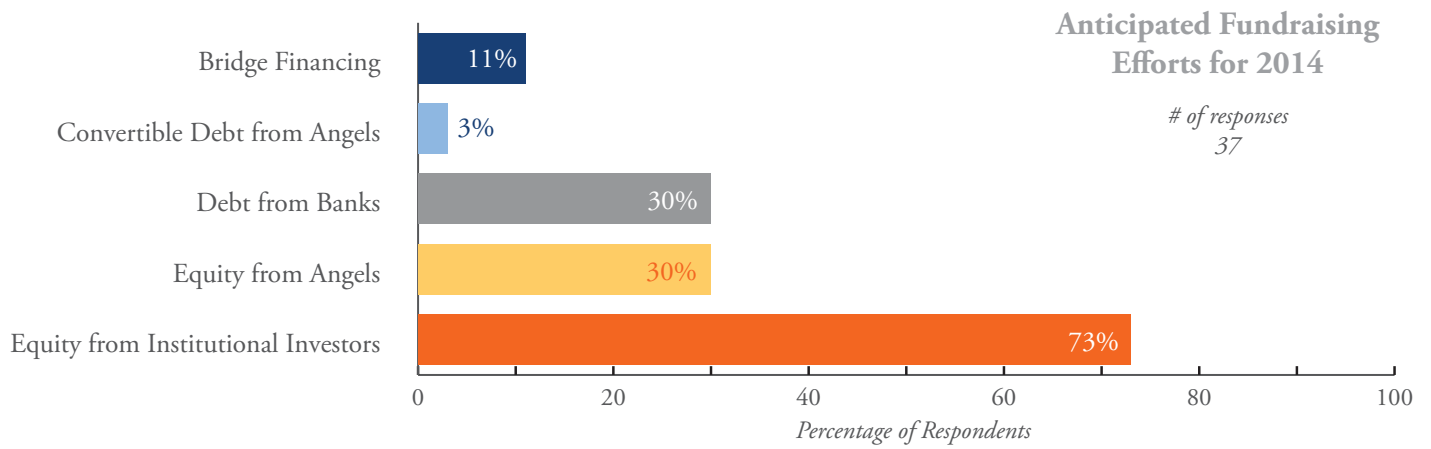
Percentage of companies that award fully-diluted equity to independent advisors for their annual service

86

Percentage of companies with advisors that are reimbursed for their travel expenses

	Advisors (#)				
	Responses	Mean	Low - High		
All Respondents	16	4.4	0.0	-	10.0
<b>Industry</b>					
Technology	5	4.4	0.0	-	9.0
Life Science	11	4.5	0.0	-	10.0
<b>Number of Employees</b>					
1 to 10	10	3.7	0.0	-	7.0
11 to 25	4	5.8	0.0	-	10.0
26 to 50	1	4.0	N/A	-	N/A
51 to 100	0	N/A	N/A	-	N/A
100+	1	7.0	N/A	-	N/A
<b>Stage of Development</b>					
Pre-Revenue	8	3.0	0.0	-	7.0
Revenue	7	6.1	4.0	-	10.0
Profitable	1	4.0	N/A	-	N/A

## FUNDRAISING



*Average total dollars anticipated from 2014 Fundraising Efforts*

**\$8,763,158**

*Range of total dollars anticipated from 2014 Fundraising Efforts*

**\$500,000 - \$25,000,000**

*Median total dollars anticipated from 2014 Fundraising Efforts*

**\$5,000,000**

## ABOUT HUTCHISON PLLC

*Tier 1 Ranking for Biotechnology Law, Corporate Law, and Technology Law  
U.S. News - Best Lawyers® 2014 “Best Law Firms”*

Hutchison PLLC provides business and intellectual property counsel to established and emerging companies throughout the Southeast.

### Practice Areas

- Entity Formation
- Corporate Governance
- Venture Capital
- Intellectual Property Protection
- Mergers & Acquisitions
- Licensing & Corporate Partnering
- Securities
- Employment Law, Benefits & Compensation

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Hutchison PLLC provides business and legal counsel to our clients on a host of workplace matters including structuring executive employment agreements and equity-based incentives and providing advice and counsel on personnel matters, performance improvement, separations and discipline, FMLA/ADA compliance, workplace discrimination laws, wage laws, and Section 409A.

We help prepare employee handbooks and craft and implement policies designed to avoid employment related claims. Hutchison emphasizes proactive employment advice, well in advance of any proposed action or likely disagreement. We understand the critical relationship between the employer and its most valuable asset, employees.

*For more information, visit [hutchlaw.com](http://hutchlaw.com)*

### BY THE NUMBERS

1

Hutchison PLLC's ranking among all law firms in issuer-side, venture-backed IPOs in North Carolina from 1996-2008

*Source: VentureSource*

95

Number of M&A transactions closed by Hutchison PLLC from 2003-2013

150+

Number of venture capital transactions closed by Hutchison PLLC from 2008-2013

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Carlyle Conlan is a nationally-recognized, boutique search firm headquartered in the Research Triangle Park. We have specialized expertise in placing exceptionally talented mid- to executive-level professionals in the following industries:

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At Carlyle Conlan, we combine our industry expertise, exceptional training, and cutting-edge search technology with our following values to ensure that we bring the greatest value possible to our clients and candidates every day.

- Optimism
- Respect
- Excellence
- Passion
- Integrity
- Finesse
- Perspicuity
- Maturity
- Seriousness
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- Moderation
- Conservative Approach

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