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Gentlemen:
Background: I am a 63 year old small investor having made my wealth entirely as an amateur investor since retiring from the Navy in 1986. I grew $40,000.00 in credit union saving into over a $1,000,000.00 stock portfolio over that time with my own self taught acumen. As an avid history reader during countless solitary hours on submarine patrols, I recall histories oligarchies and their downfalls as they became detached from societies at-large. Similarly in also reading countless annual reports, I can't help but contrast the grandiosity of company executives and the corporate boards they rely on to the oligarchies of history.

Discussion: This largesse is conspicuously manufactured to anyone who peruses annual reports. Outsized compensation packages and the reciprocal / interlocking arrangements of sitting on numerous corporate boards become obvious.
I understand the correlation between the body of company employees and executives has been increasing exponentially making the creation of an oligarchic class fact based. This needs to be reined in and maintained consistent. The tide shouldn’t raise one ship at the expense of the others.
The boards’ arguments to create a magnate to attract and retain talented executives are typically wink-wink based ones as I read them. Without regulation, this argument becomes a serial daisy chain from company to company. One boards’ argument reinforces the next and so forth.
A regulatory requirement is not only required to have the corporate report, report total compensation by it doing the math for the reader, but regulation should also require graphic representations of the correlation of executive compensation as it compares and has trended over time / year-over-year to a number of other benchmarks and indexes such as:
1) How it compares as a multiple to the body of company employees.
2) How it compares to the industry universe.
3) Extend these graphics to a number of other universes that provide a meaningful story being told of how executives are linking or distancing themselves from the potential investor so all interested parties can draw their own conclusion from a common set of compensation facts.
As a small investor I use complimentary online investment tools provided by my Fidelity discount broker that provide similar data and graphics by which I can observe one companies pricing and ratios and compare them to other companies in "compare" mode.
A regulation is needed to dry up make bogus the argument of creating a magnate to attract or retain talented executives with outsized compensation.
Not limited to compensation, I am surprised corporate boards are two legged stools and don't have more legs. I.e. neither is a token non-executive rigt-to-work employee represented, nor is a token union representative for those companies that have union employees to add additional legs to corporate boards. Key isn't the size of the board as is the diversity of interests represented.

Recommendation:

1) Idiot-proof the compensation reporting as discussed above with regulation that does away with the sophist arguments against such reporting.
2) A “share the benefits - share pain” regulation more closely tying executive compensation to companywide compensation is required too.
No half measures please!

Thanks,
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