VIVIENT CONSULTING

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April 3, 2006

Via email

Ms. Nancy M. Morris
Secretary
Securities Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Proposed Amendments to Requirements for Executive Compensation and Related Disclosure

Dear Ms. Norris:

This letter outlines Vivient Consulting's comments regarding the proposed rules applicable to the disclosure of executive and director compensation under Item 402 of Regulation S-K.

Vivient Consulting is a consulting firm that advises public and private companies on compensation issues and incentive plan design. Our partners have advised the Boards and Compensation Committees of growth and middle-market public companies for the last ten years.

Disclosure of Wealth Accumulated From Equity Compensation

We believe that the proposed rules will provide additional clarity and transparency to the disclosure of annual compensation levels made to key executives. However, investors also need to understand the total equity that has been awarded to each individual executive during the executive's tenure with the company - i.e., the accumulated wealth granted to the Named Executive Officers (NEO) from long-term incentives. We focus on long-term incentives because this compensation element has been the most significant part of total compensation to date.

The existing rules require companies to report compensation levels for the current and prior two fiscal years. However, this requirement does not provide a complete picture of equity compensation. For example, some companies make "lumpy" equity grants (i.e., mega grants followed by several years of no grants). Such grants would not be disclosed if they were made before the two years prior to the reporting period. We recommend a requirement for all companies (irrespective of their particular grant practices) to report the cumulative number and value of total equity grants made during the executive's tenure. Currently, investors need to review the historical annual proxies and tabulate the equity grants made over an executive's tenure to obtain this information.

We recommend that all companies provide the following information, which will provide shareholders with a clear understanding of the wealth accumulated from long-term incentive awards through the reporting date:

A. Item 403(b) "Beneficial Ownership Table" – This table currently captures the number of shares (as well as the percentage of shares outstanding). We recommend that the value of such shares also be disclosed as of the reporting date. Further, we recommend that a distinction be made between shares granted to the executive during his/her tenure vs. those that the executive has purchased. This distinction could be made as a footnote or additional column to the table.

B. Item 402(g) "Outstanding Equity Awards at Fiscal Year-End" tracks outstanding unexercised options and unvested shares or units of stock – this represents the reporting date value and shares of the equity/options that are outstanding. However, this table will need to be adjusted to avoid double counting options that vest within 90 days of the reporting period, disclosed in A above.

C. New Category - Aggregate Dollar Value of "Realized" Gains from equity awards (e.g., shares sold that are not included in A) during the executive's tenure. This would include options that were exercised for cash during the executive's tenure.

Item 402B – Compensation Discussion and Analyses

Stock Performance Graph – We recommend continuing the use of the stock performance graph. The graph is a useful tool that enables investors to understand and assess the relative performance of the reporting company, as well as the peers to which the company compares itself.

Item 402F – Narrative Disclosure to Summary Compensation Table

Non-Executive Officers - We recommend against disclosing the total compensation of up to three non-executive officers, if such compensation exceeds that of any Named Executive Officer (NEO). Typically, these individuals include investment banking professionals and entertainment/music talent, etc. Compensation practices for such select individuals are typically strategic decisions made by companies, yet may not be under the purview of the Compensation Committee. Further, such disclosure would impair companies' ability to retain these individuals.

Please let us know if you would like to discuss these comments further.

Best regards,

Bertha Masuda

Bertha Masuda
Partner, Vivient Consulting LLC