

Business

## **Acxiom to meet amid harsher realities**

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Shareholders gathering on Friday in downtown Little Rock at Acxiom Corp.'s annual meeting will find themselves in very different circumstances than at last year's meeting, which took place in New York City.

At the time of last year's meeting, the Little Rock-based data broker's stock was trading near \$25 per share. On Monday, the stock sank to another 52-week low during trading and closed at \$11.10 on the Nasdaq stock exchange, down 19 cents.

The company last year remained firmly under the direction of Charles Morgan, its chairman and chief executive since 1975.

Today, Acxiom continues searching for a successor for Morgan, who resigned last month but serves as interim chief executive. Morgan said in mid-November that he expected a decision before the end of the year.

Attendees at last year's meeting couldn't have foreseen the collapse this October of a \$3 billion buyout by a private equity firm and hedge fund that sent shares plunging, or the subprime mortgage crisis that's disrupting the financial sector, which contains Acxiom's biggest clients.

Turmoil from the buyout even delayed the shareholders meeting, which took place three months earlier last year.

Last week, a "negative outlook" was added by Moody's Investors Service to Acxiom's corporate debt rating in part because a downturn in the financial services industry, where 25 percent of its business comes from, Moody's said in a release.

At this year's meeting, shareholders are scheduled to vote on an amendment to help retain and recruit executives by strengthening Acxiom's 2005 equity compensation plan. The compensation plan helps "align long-term incentive compensation with the Company's business strategies and with stockholder and investor interests," Acxiom said in a regulatory filing.

The amendment would raise shares of common stock available for grant to 20.3 million from 13.3 million.

Scott Simmons, vice president at Crist Associates, an executive recruiting firm based in Hinsdale, Ill., said such awards are especially valuable at companies such as Acxiom, whose executives face the risk - and the reward - of turning the company around.

Executives considering taking a job at such a company would want to ensure there's a potential reward for the risk they're taking.

"The equity provides the leverage," he said, because just moving the stock price up a few dollars can result in a big payoff.

In addition, the awards help retain current executives wondering, "Is this worth the risk that I'm taking right now, or should I be looking for something more stable?" Simmons said.

Holders of Acxiom stock also are asked to elect three directors, whose terms would expire in 2010.

Kevin M. Twomey, president of The St. Joe Co., a real estate operating company based in Jacksonville, Fla., from 1999 until 2006, has been nominated by the board of directors. Twomey would fill Rodger Kline's board seat. Kline has been a director for 32 years and will remain Acxiom's chief administrative leader.

Mary Good and Stephen Patterson, whose terms on the board expire this year, are the Acxiom's board's other nominees for election.

In other events, Stamford, Conn.-based Pitney Bowes Inc. said in a release Monday that it has bought Acxiom's software distribution unit in France. The price paid for the unit by Pitney Bowes, a company whose software and service helps other firms create, distribute and manage mail, was not disclosed. Acxiom had been the exclusive distributor of certain Pitney Bowes products in France since 1989.

The Acxiom shareholder meeting is scheduled for 10 a.m. Friday at the company's River Market Building.

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