

For more information, contact:Fabiola A. Price, +1 (415) 486-7133, fprice@radford.comKelly St. Denis, +1 (408) 321-2584, kstdenis@radford.com*For Immediate Release***Bonus Payout Trends and Continuing Cost Controls Reflect Challenging Business Climate, Says Aon Consulting's Radford**

San Jose, Calif. – June 11, 2009 – As a result of the economic climate, high-technology and life sciences companies anticipate shrinking or eliminating bonus payouts in addition to extending cost controls for their current fiscal year, according to new pay trends surveys by Aon Consulting's Radford, a leading provider of compensation intelligence to the high-technology and life sciences industries.

More than 70 percent of respondents to Radford's *Managing Compensation in a Downturn Economy* flash survey of 160 U.S. high-technology and life sciences companies expect to pay bonuses at lower levels compared to the previous fiscal year, or do not expect to pay any bonuses at all. Many companies are instead considering selective awards, such as project team bonuses or special incentives, to top performers to recognize and reward superior efforts and outcomes that rise above the challenges of today's economy.

"In times of economic turmoil, a properly designed incentive plan acts as an automatic cost stabilizer, paying out when company performance meets expectations, and not paying out when performance and financial ability is lacking," says David Knopping, vice president, Aon Consulting's Radford. "The survey results demonstrate that most incentive plans are doing exactly what they were designed to do. However, this is a difficult message to deliver to employees who are used to earning a bonus as part of their compensation package."

The *Downturn* survey also revealed differences between the high-technology and life sciences sectors. Only 14 percent of participating high-technology companies indicated that they would provide salary increases to eligible employees in 2009, compared to 50 percent of responding life sciences companies. Life sciences companies completing clinical trials or other key product events that require more of a long-term horizon and thus a continuum of talent are providing salary increases, but at slightly scaled back levels compared to 2008 increases, according to Knopping.

To further control costs, many high-technology companies are continuing to require mandatory time-off, or furloughs, in an effort to avoid layoffs, according to the new Q1 2009 *Quarterly Summary of Industry Trends* (QSIT) reports, with insight from 570 high-technology companies and nearly 250 life sciences firms. On average, nearly 85 percent of the high-technology non-executive workforce has been impacted by mandatory time-off in the first six months of 2009, compared to 41 percent for life sciences employees.

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“Many companies have had no choice but to have layoffs, while others have tried to lessen the blow by implementing a wide variety of forced time-off programs,” said John Radford, senior vice president, Aon Consulting’s Radford. “In an effort to drastically reduce human resources costs, some companies have had to do both. Unfortunately, short-term demands for cost controls may be trumping a longer-term perspective to effectively manage the workforce.”

For many companies, cost control measures will continue by way of layoffs, but at a slower pace. Only 17 percent of life sciences respondents are forecasting layoffs in the next six months – down more than 20 percent from the fourth quarter of 2008. High-technology companies also are expecting to ease layoffs, with 36 percent forecasting using this measure in the next six months, down 9 percent from the end of last year. Of those companies who will be implementing layoffs this year, nearly all responded that a cash severance would be offered.

About the Studies

The *Managing Compensation in a Downturn Economy* flash survey included 160 high-technology and life sciences responding companies. The survey gathered information about how companies are modifying their compensation programs, including salary increase budgets, cash incentives, and equity compensation in light of the current economic environment.

The *Quarterly Summary of Industry Trends* (QSIT) report is a quarterly report available to survey participants. The Q1 life sciences edition included 246 participating companies, while the high-technology edition included 570.

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About Radford

For more than 30 years, Radford has provided compensation market intelligence to the technology and life sciences industries. Global survey databases, which include nearly 3.5 million incumbents, offer current, reliable data to 2,000+ clients. Leveraging Radford survey data, our thought-leading global Radford Consulting team creates tailored solutions for the toughest global business and compensation challenges facing companies at all stages of development. In addition to our consulting team, we also offer equity valuation assistance via Radford Valuation Services, and leading-edge market analyses and survey services with Radford Analytic Services. Radford’s suite of global surveys includes the Benchmark, Executive, Sales, Benefits, Global Life Sciences and International Surveys.

About Aon Consulting

Aon Consulting Worldwide is among the top global human capital consulting firms, with 2008 revenues of \$1.358 billion and more than 6,300 professionals in 117 offices worldwide. Aon Consulting works with organizations to improve business performance and shape the workplace of the future through employee benefits, talent management and rewards strategies and solutions. Aon Consulting was named the best employee benefit consulting firm by the readers of Business Insurance magazine in 2006, 2007 and 2008.

About Aon

Aon Corporation (NYSE: AOC) is the leading global provider of risk management services, insurance and reinsurance brokerage, and human capital consulting. Through its more than 37,000 colleagues worldwide, Aon readily delivers distinctive client value via innovative and effective risk management and workforce productivity solutions. Aon’s industry-leading global resources and technical expertise are delivered locally through more than 500 offices in more than 120 countries. Named the world’s best broker by Euromoney magazine’s 2008 and 2009 Insurance Survey, Aon also ranked highest on Business Insurance’s listing of the world’s largest insurance brokers based on commercial retail, wholesale, reinsurance and personal lines brokerage revenues in 2008. A.M. Best deemed Aon the number one insurance broker based on brokerage revenues in 2007 and 2008, and Aon was voted best insurance intermediary, best reinsurance intermediary and best employee benefits consulting firm in 2007 and 2008 by the readers of Business Insurance. For more information on Aon, log onto <http://www.aon.com/>.