BROOKS-PRI AUTOMATION INC
Form DEF 14A
January 21, 2003

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SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act OF 1934 (Amendment No.)

Filed by the Registrant x **Filed by a Party other than the Registrant o**

Check the appropriate box:

o Preliminary Proxy Statement

x Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to sec.240.14a-11(c) or sec.240.14a-12

o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Brooks-PRI Automation, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (check the appropriate box):

x No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS OF

BROOKS-PRI AUTOMATION, INC.

To Be Held On February 26, 2003

The Annual Meeting of Stockholders of Brooks-PRI Automation, Inc. will be held on February 26, 2003 at 10:00 a.m., local time, at 15 Elizabeth Drive, Chelmsford, Massachusetts 01824, for the following purposes:

1. To elect six directors to serve for the ensuing year and until their successors are duly elected.

2. To consider and act upon a proposal to approve the Company s stock option exchange program.

3. To consider and act upon a proposal to amend the Company s 1993 Nonemployee Director Stock Option Plan to extend the life of the plan for an additional ten years.

4. To consider and act upon a proposal to amend the Company s certificate of incorporation to change the name of the Company to Brooks Automation, Inc.

5. To consider and vote upon a proposal to grant the Company s management the discretionary authority to adjourn the Annual Meeting to a date or dates not later than March 13, 2003, if necessary to enable the Company s management to solicit additional proxies in favor of any of the foregoing proposals.

6. To transact such other business as may properly come before the Annual Meeting purpose and any other matters which may properly come before the Annual Meeting or any adjourned session thereof.

The Board of Directors has fixed January 14, 2003 as the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting.

All stockholders are cordially invited to attend the Annual Meeting. To ensure your representation at the Annual Meeting, however, you are urged to authorize your proxy by following one of these steps as promptly as possible:

(A) Complete, date, sign and return the enclosed Proxy Card (a postage-prepaid envelope is enclosed for that purpose); or

(B) Vote via the internet (see the instructions on the enclosed Proxy Card); or

(C) Vote via telephone (toll-free) in the United States and Canada (see the instructions on the enclosed Proxy Card).

The internet and telephone voting procedures are designed to authenticate stockholders identities, to allow stockholders to vote their shares and to confirm that their instructions have been properly recorded. Specific instructions to be followed by any registered stockholder interested in voting via the internet or telephone are set forth on the enclosed Proxy Card.

Any stockholder attending the Annual Meeting may vote in person even if that stockholder has previously returned a Proxy Card or voted via the internet or telephone.

By Order of the Board of Directors

LAWRENCE M. LEVY,
Secretary

Chelmsford, Massachusetts
January 29, 2003

YOUR VOTE IS IMPORTANT

YOU ARE URGED TO PROMPTLY AUTHORIZE YOUR PROXY BY FOLLOWING THE VOTING INSTRUCTIONS, SO THAT IF YOU ARE UNABLE TO ATTEND THE MEETING YOUR SHARES MAY NEVERTHELESS BE VOTED. HOWEVER,

YOUR PROXY MAY BE REVOKED AT ANY TIME PRIOR TO EXERCISE BY FILING WITH THE SECRETARY OF THE COMPANY A WRITTEN REVOCATION, BY AUTHORIZING A PROXY (BY EXECUTING A PROXY OR BY MAKING AN AUTHORIZED INTERNET OR TELEPHONE COMMUNICATION) AT A LATER DATE, OR BY ATTENDING AND VOTING AT THE MEETING.

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BROOKS-PRI AUTOMATION, INC.

PROXY STATEMENT

FOR THE ANNUAL MEETING OF STOCKHOLDERS

To Be Held February 26, 2003

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors of Brooks-PRI Automation, Inc., a Delaware corporation (the Company) with its principal executive offices at 15 Elizabeth Drive, Chelmsford, Massachusetts 01824, for use at the Annual Meeting of Stockholders to be held on February 26, 2003, at 10:00 a.m. local time and at any adjournment or adjournments thereof (the Annual Meeting). The enclosed proxy relating to the Annual Meeting is solicited on behalf of the Board of Directors of the Company and the cost of such solicitation will be borne by the Company. It is expected that this proxy statement and the accompanying proxy will first be mailed to stockholders on or about January 29, 2003. The Company has retained the services of Georgeson Shareholder Communications, Inc. to aid in the solicitation of the proxies. Georgeson will receive a fee of approximately $7,500 for its services. Certain of the officers and regular employees of the Company may also solicit proxies by correspondence, telephone or in person, without extra compensation.

Only stockholders of record at the close of business on January 14, 2003 will be entitled to receive notice of, and to vote at, the Annual Meeting. As of that date, there were outstanding and entitled to vote 36,579,587 shares of Common Stock, $.01 par value (the Common Stock), of the Company. Each such stockholder is entitled to one vote for each share of Common Stock so held and may vote such shares either in person or by proxy.

The enclosed proxy, if executed and returned or if authorized pursuant to the internet or telephone voting procedure, will be voted as directed on the proxy or, in the absence of such direction, for the election of the nominees as directors, and for Proposals 2-5. If any other matters shall properly come before the Annual Meeting, the authorized proxy will be voted by the proxies in accordance with their best judgment. The proxy may be revoked at any time prior to exercise by filing with the Secretary of the Company a written revocation, by authorizing a proxy (by executing a proxy or by making an authorized internet or telephone communication) on a later date, or by attending and voting at the Annual Meeting.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

At the Annual Meeting, six directors are to be elected to serve until the 2004 Annual Meeting of Stockholders and until their respective successors have been duly elected and qualified. The Board of Directors, upon the recommendation of its Nominating Committee, has nominated the persons listed below for election as directors.

All six nominees are currently directors of the Company. It is the intention of the persons named as proxies to vote for the election of the nominees. In the unanticipated event that any such nominee should be unable to serve, the persons named as proxies will vote the proxy for such substitutes, if any, as the present Board of Directors may designate. None of the nominees has been nominated pursuant to any arrangement or understanding with any person, although Messrs. Giessmann and Thompson were originally elected pursuant to agreements. See Certain Relationships and Related Transactions.

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The following table sets forth certain information with respect to the nominees. When used below, positions held with the Company include positions held with the Company s predecessors and subsidiaries.

Name	Age	Position	Director Since
Robert J. Therrien	68	Director, President and Chief Executive Officer	1989
Roger D. Emerick(1)(2)	63	Director	1993
Amin J. Khoury(1)(2)(3)	63	Director	1994
Juergen Giessmann(3)	56	Director	1999
Joseph R. Martin(1)(2)(3)	55	Director	2001
Kenneth M. Thompson	64	Director	2002

(1) Member of the Company s Compensation Committee.

(2) Member of the Company s Audit Committee.

(3) Member of the Company s Nominating Committee.

Mr. Robert J. Therrien has been the President, Chief Executive Officer and a director of the Company since its incorporation in 1989 when he initiated the acquisition of the Brooks Automation Division of Aeronca Electronics, Inc. From 1983 to 1989, Mr. Therrien served as a consultant to the Company and other firms in the semiconductor industry. From 1972 until its sale to Schlumberger Industries in 1983, Mr. Therrien cofounded and served as Chairman and President of Accutest Corporation, a semiconductor automatic test equipment company. Mr. Therrien is also a director of Accent Optical Technologies, Inc., a leading supplier of optoelectronics and silicon process control systems, and of All Wet Technologies, Inc., a manufacturer of advanced wet processing systems for the wafer fabrication industry.

Mr. Roger D. Emerick has been a director of the Company since October 1993. Mr. Emerick served as a director of Lam Research Corporation (Lam), a semiconductor equipment supplier, from 1982 until January 2001. He served as Chairman of the Board of Directors of Lam from 1984 to 1997, Chief Executive Officer from 1982 to August 1997, and as President from 1982 to 1989. Mr. Emerick is also a director of Electroglas, Inc., a manufacturer of automatic wafer probing equipment.

Mr. Amin J. Khoury has been a director of the Company since July 1994. Since 1987, Mr. Khoury has served as Chairman of the Board of B/ E Aerospace, Inc., a designer, manufacturer and marketer of airline interior furnishings. Mr. Khoury is also Chairman of the Board of Applied Extrusion Technologies, Inc., a manufacturer of oriented polypropylene films and extruded polymer nets. In addition, Mr. Khoury is a member of the Board of Directors of Synthes-Stratec Inc., the world s leading orthopedic trauma company.

Mr. Juergen Giessmann has been a director of the Company since October 1999. Mr. Giessmann became a director pursuant to a Stockholder Agreement in connection with the Company s acquisition of the Infab division of Jenoptik AG. See Certain Relationships and Related Transactions. Since 1981, Mr. Giessmann has served M+W Zander Holding AG, a company active in the semiconductor and pharmaceutical markets, in a variety of positions. In 1992 he became its Managing Director, in charge of sales and marketing, human resources and purchasing divisions. Mr. Giessmann has also served as a member of the Jenoptik AG Board of Management since M+W s acquisition by Jenoptik AG in October 1994, and in this capacity has been responsible for the Jenoptik Group s semiconductor activities. In January 2000, he was appointed Chief Executive Officer of M+W Zander Holding AG.

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Mr. Joseph R. Martin has been a director of the Company since June 2001. Mr. Martin is Executive Vice President and Chief Financial Officer of Fairchild Semiconductor International, Inc., a global supplier of multi-market products for electronic devices. He began his career at Fairchild in 1979 as Manager of Financial Planning and Analysis for the Logic Division and subsequently held various senior financial positions. Prior to becoming Executive Vice President and Chief Financial Officer of Fairchild, Mr. Martin was Vice President of Finance, Worldwide Operations, for National Semiconductor, with responsibilities for all operating divisions, manufacturing sites, and corporate financial planning. Previously, Mr. Martin was Senior Vice President and Chief Financial Officer of VTC Incorporated. Mr. Martin is also a member of the board of directors of Fairchild Semiconductor International, Inc.

Mr. Kenneth M. Thompson became a director of the Company in May 2002, in connection with the merger with PRI. Mr. Thompson served as a director of PRI from July 1998 until the time of the merger. Mr. Thompson was President, Chief Executive Officer and a director of AvantCom Network, Inc., a supplier of Internet-based diagnostics software, from April 1999 until August 2001. He was employed by Intel Corporation for twenty-five years, most recently as Vice President, Technology Manufacturing Engineering. He retired from Intel in 1998. Mr. Thompson is a director of Lam Research Corporation, a semiconductor equipment supplier, and Baguda Wear, Inc., a private apparel company.

Vote Required and Board of Directors Recommendation

Directors are elected by a plurality of votes cast. Abstentions and broker nonvotes will have no effect on the election of directors.

The Company s Board of Directors recommends that the stockholders vote *FOR* the election of the named nominees.

Meetings of the Board of Directors

The Board of Directors of the Company held six meetings during the fiscal year ended September 30, 2002. The Board of Directors also acted on ten occasions by unanimous written consent in lieu of a special meeting. Each director attended at least 75% of the aggregate number of all meetings of the Board of Directors and committees of which he was a member during such fiscal year.

Committees of the Board of Directors

The Board of Directors currently has three standing committees: the Audit Committee; the Compensation Committee; and the Nominating Committee. All of the members of these committees are independent as defined in both the current and proposed listing standards of the Nasdaq National Market.

The Audit Committee is currently comprised of three of the Company s directors, Messrs. Emerick, Khoury and Martin. All three members of the Company s Audit Committee are independent as defined in both the current and proposed listing standards of the Nasdaq National Market. It is anticipated that Mr. Martin will qualify as a financial expert under proposed SEC and Nasdaq rules. The Audit Committee, which met on three occasions during the fiscal year ended September 30, 2002, operates pursuant to a charter which was approved and adopted by the Board of Directors on June 5, 2000. Under the provisions of the Audit Committee charter, the Audit Committee is responsible for, among other things: recommending the engagement and overseeing the performance of the Company s independent auditors; reviewing the Company s financial disclosure documents; monitoring the Company s financial reporting process and internal control systems; monitoring potential conflicts of interest among the Company and its executive officers and directors; and providing a liaison between the independent auditors and the Board of Directors.

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The Compensation Committee is currently comprised of Messrs. Emerick, Khoury and Martin. The Compensation Committee, which met on two occasions and acted by written consent twice during the fiscal year ended September 30, 2002, operates pursuant to a charter which was approved and adopted by the Board of Directors on September 13, 2002. Under the terms of the Compensation Committee charter, it is responsible for reviewing the Company s philosophy of executive compensation, reviewing the recommendations of the Chief Executive Officer regarding the compensation of senior officers, and evaluating the performance of the Chief Executive Officer.

The Nominating Committee is currently comprised of Messrs. Giessmann, Khoury and Martin. The Nominating Committee, which did not meet during the fiscal year ended September 30, 2002, operates pursuant to a charter which was approved and adopted by the Board of Directors on September 13, 2002. Under the terms of the Nominating Committee charter, it is responsible for identifying and recommending to the Board persons to be nominated for election as directors of the Company.

Audit Committee Report

The Audit Committee has reviewed and discussed with management the audited consolidated financial statements for the fiscal year ended September 30, 2002. The Audit Committee has also discussed with PricewaterhouseCoopers LLP, the Company s independent auditors, the matters required to be discussed by the Auditing Standards Board Statement on Auditing Standards No. 61, as amended. As required by Independence Standards Board Standard No. 1, as amended, Independence Discussion with Audit Committees, the Audit Committee has received and reviewed the required written disclosures and a confirming letter from PricewaterhouseCoopers regarding their independence, and has discussed the matter with the auditors. The Audit Committee also considered whether the independent auditors provision of certain other, non-audit related services to the Company is compatible with maintaining such auditors independence.

Based on its review, the Audit Committee has recommended to the Board of Directors that the Company s audited consolidated financial statements for the fiscal year 2002 be included in the Company s annual report on Form 10-K for the fiscal year ended September 30, 2002. Further, the Audit Committee has recommended that the Board of Directors engage PricewaterhouseCoopers as the Company s independent auditors for the fiscal year ending September 30, 2003.

Audit Committee

Roger D. Emerick
Amin J. Khoury
Joseph R. Martin

Compensation of Auditors

Audit Fees. PricewaterhouseCoopers LLP billed the Company an aggregate of $1,100,750 in fees and expenses for professional services rendered in connection with the audit of the Company s financial statements for the fiscal year ended September 30, 2002 and the reviews of the financial statements included in each of the Company s Quarterly Reports on Form 10-Q during the fiscal year ended September 30, 2002.

Financial Information Systems Design and Implementation Fees. PricewaterhouseCoopers LLP did not provide the Company any professional services for financial information systems design or implementation for the fiscal year ended September 30, 2002.

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All Other Fees. PricewaterhouseCoopers LLP billed the Company an aggregate of $2,187,420 in other fees and expenses during the year ended September 30, 2002, primarily for the following professional services:

Audit related services	$ 1,492,761(1)
Taxes	$ 223,244
Other	$ 471,415(2)

(1) Audit related services include due diligence investigations related to the Company s acquisitions, registration statements and related offerings, accounting advice and other audits, including benefit plans.

(2) Other fees are comprised of expatriate tax services, acquisition-related tax services and other services.

Compensation of Directors

For service on the Board, nonemployee directors of the Company receive $20,000 cash compensation annually, in addition to reimbursement of expenses reasonably incurred. Nonemployee directors who are members of the audit, compensation or nominating committees receive an additional $5,000 per year for their services on each committee. Pursuant to the Company s 1993 Nonemployee Director Stock Option Plan, each nonemployee director is granted options to purchase 25,000 shares of the Company s Common Stock on the date he is first elected a director and options to purchase 10,000 shares of Common Stock on July 1 of each year thereafter. Employee directors may elect to participate in the Company s 1995 Employee Stock Purchase Plan and may be granted options under the Company s 2000 Combination Stock Option Plan.

Indemnification Agreements

The Company has entered into indemnification agreements with each of its directors and anticipates that it will enter into similar agreements with any future directors. Generally, the indemnification agreements attempt to provide the maximum protection permitted by Delaware law with respect to indemnification of the director.

The indemnification agreements provide that the Company will pay certain amounts incurred by a director in connection with any civil or criminal action or proceeding, specifically including actions by or in the name of the Company (derivative suits) where the individual s involvement is by reason of the fact that he is or was a director or officer. Such amounts include, to the maximum extent permitted by law, attorney s fees, judgments, civil or criminal fines, settlement amounts, and other expenses customarily incurred in connection with legal proceedings. Under the indemnification agreements, a director will receive indemnification unless he is found not to have acted in good faith and in a manner he reasonably believed to be in the best interests of the Company.

Security Ownership Of Directors, Officers And Certain Beneficial Owners

The following table sets forth certain information as of December 31, 2002 with respect to the beneficial ownership of the Common Stock by each nominee for director and each executive officer named in the Summary Compensation Table under Executive Compensation below (the Named Executive Officers), all executive officers and directors as a group, and each person known by the Company to be the beneficial owner of 5% or more of the Common Stock. This information is based upon information received from or on behalf of the named individuals.

Name	Shares of Common Stock Beneficially Owned(1)(2)	Percentage of Class
Robert J. Therrien(3)	1,271,192	3.5%
Charles M. McKenna(4)	49,584	*
Michael W. Pippins(5)	76,234	*
Ellen B. Richstone(6)	163,427	*
Jeffrey A. Cassis(7)	68,091	*
Roger D. Emerick(8)	50,000	*
Amin J. Khoury(9)	20,000	*
Juergen Giessmann(10)	800,072	2.2%
Joseph R. Martin(11)	3,000	*
Kenneth M. Thompson(12)	13,000	*
Mitchell G. Tyson(13)	270,535	*
Pioneer Global Asset Management S. p. A.(14) Galleria San Carlo 6 20122 Milan, Italy	1,763,245	4.8%
Putnam, LLC d/b/a Putnam Investments(15) One Post Office Square Boston, Massachusetts 02109	3,533,189	9.7%
All directors and executive officers as a group (15 persons)(16)	2,881,177	7.7%

(1) To the Company s knowledge, the persons named in this table have sole voting and investment power with respect to all shares of Common Stock shown as beneficially owned by them, subject to community property laws where applicable and except as indicated in the other footnotes to this table.

(2) In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of the Company s Common Stock subject to options or warrants held by that person that are currently exercisable or exercisable within 60 days after December 31, 2002 are deemed outstanding. Such shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person.

(3) Includes 263,219 shares issuable pursuant to stock options.

(4) Includes 48,210 shares issuable pursuant to stock options.

(5) Includes 39,360 shares issuable pursuant to stock options, and 700 shares held by Mr. Pippins minor children.

(6) Includes 154,370 shares issuable pursuant to stock options.

(7) Includes 67,643 shares issuable pursuant to stock options.

(8) Includes 41,000 shares issuable pursuant to stock options.

(9) Includes 20,000 shares issuable pursuant to stock options.

(10) Includes 9,000 shares issuable pursuant to stock options. Includes 791,072 shares held by Jenoptik AG, as to which Mr. Giessmann disclaims beneficial ownership. Mr. Giessmann is the chief executive officer of M+W Zander Holding GmbH, a subsidiary of Jenoptik.

(11) Includes 3,000 shares issuable pursuant to stock options.

(12) Includes 13,000 shares issuable pursuant to stock options.

(13) Includes 178,359 shares issuable pursuant to stock options.

(14) Pioneer Global Asset Management S. p. A. filed a Schedule 13G with the SEC on October 22, 2002 indicating beneficial ownership of this amount. Pioneer Global Asset Management S. p. A. has sole voting and dispositive power with respect to all such shares.

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(15) Putnam, LLC d/b/a Putnam Investments filed a Schedule 13G with the SEC on November 12, 2002 on behalf of itself, Marsh & McLennan Companies, Inc., Putnam Investment Management, LLC and The Putnam Advisory Company, LLC, indicating beneficial ownership of this amount. Putnam, LLC shares voting power with respect to 155,623 and 409, 252 of such shares with Putman Investment Management, LLC and The Putnam Advisory Company, LLC, respectively. March & McClennan Companies Inc. is the parent corporation of Putnam, LLC. Putnam Investment Management, LLC and The Putnam Advisory Company, LLC are each wholly owned subsidiaries of Putnam, LLC.

(16) Includes 837,161 shares issuable pursuant to options to the directors and Named Executive Officers listed above and 92,972 shares issuable to other executive officers.

Management

The names of the Company s executive officers who are not directors of the Company, and certain biographical information furnished by them, are set forth below.

Name	Age	Position with the Company
Charles M. McKenna	57	Executive Vice President, Chief Technology Officer
Jeffrey A. Cassis	49	Senior Vice President, Global Sales and Customer Service
Michael W. Pippins	42	Senior Vice President, Corporate Marketing
Thomas S. Grilk	55	Senior Vice President and General Counsel
Steven P. Wentzell	56	Senior Vice President of Human Resources
Steven E. Hebert	49	Vice President and Controller (Acting Chief Financial Officer)
Lynda M. Avallone	47	Vice President and Corporate Treasurer

Mr. Charles M. McKenna, Ph.D., has served as the Company s Executive Vice President, Chief Technology Officer since December 2002. He joined the Company in July 2000 as Executive Vice President, Automation Systems Division. From April 1999 until January 2000, Mr. McKenna was chief operating officer and chief technology officer for Varian Semiconductor Equipment Associates, a spin-off of Varian Associates, a manufacturer of semiconductor production equipment. Prior to this, Mr. McKenna served in a variety of positions at Varian Associates Ion Implant Systems business, including general manager from April 1989 to March 1999. From March 1981 to January 1984, Mr. McKenna held various positions at Hughes Research Laboratory. Prior to 1981, Mr. McKenna held various positions at IBM Corporation, Aitken Industries and Commonwealth Scientific Corporation.

Mr. Jeffrey A. Cassis has served as Senior Vice President, Global Sales and Customer Service since December 2002. He served as Vice President of Factory Automation Solutions from July 2001 until December 2002. From the time the Company acquired FASTech Integration, Inc. in September 1998 until July 2001, he was Senior Vice President of the Fab Systems Group. Prior to its acquisition by the Company, he served as vice president of worldwide sales and marketing for FASTech. Before joining FASTech, Mr. Cassis was director of sales and marketing for Intellution, Inc., an industrial automation software company. From 1987 to 1989, Mr. Cassis had marketing responsibility for the industrial automation division at Analog Devices, and prior to that, product marketing management responsibility at The Foxboro Company.

Mr. Michael W. Pippins has served as the Company s Senior Vice President, Corporate Marketing since May 2002. From June 2000 to May 2002, he was the senior vice president, factory interface division. From October 1998 to June 2000, Mr. Pippins served as the Company s vice president, global operations and business development. Mr. Pippins joined the Company in March 1992 as its director of sales and marketing and in June 1993 was promoted to vice president, sales and marketing. From 1989 to 1992, Mr. Pippins served as strategic marketing manager for Varian Associates.

Mr. Thomas S. Grilk joined the Company in November 2002 as Senior Vice President and General Counsel. From July 2000 until joining the Company, he was Vice President and General Counsel of Teradyne, Inc., a manufacturer of automated test equipment and electrical connection systems. Prior to that, he was Vice President for Government Affairs and Associate General Counsel of Compaq Computer Corporation following Compaq s acquisition of Digital Equipment Corporation. Mr. Grilk was Vice President and Assistant General Counsel of Digital Equipment Corporation prior to its acquisition by Compaq.

Mr. Steven P. Wentzell has served as the Company s Senior Vice President of Human Resources since the merger with PRI in May 2002. From October 1997 until the merger, Mr. Wentzell was PRI s Corporate Vice President of Human Resources. Prior to joining PRI, Mr. Wentzell spent four years at Dialogic Corporation as Corporate Vice President of Human Resources, and nineteen years at Digital Equipment Corporation in a number of senior level human resources positions.

Mr. Steven E. Hebert has served the Company as Vice President and Corporate Controller since May 2002. Mr. Hebert joined the Company in December 1998 as Corporate Controller. From April 1998 until joining the Company, he was Vice President of Finance & Controller for Whistler Corporation, a manufacturer of consumer after-market products and garage door products. From June 1997 to April 1998, he was Controller of the Intelligent/ Automation Business Unit of the Foxboro Company. Prior to that, he was Division Controller for the Interconnect Product Division of Augat Inc.

Ms. Lynda M. Avallone joined the Company in December 1998 as Vice President & Corporate Treasurer. From May 1997 until joining the Company, she was Treasurer of Stream International, Inc., a provider of outsource technical support. Prior to that, she was Treasurer of Augat Inc.

Executive Compensation

The following Summary Compensation Table sets forth the compensation during the last three fiscal years of each of the Chief Executive Officer and the four other most highly compensated executive officers of the Company.

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Summary Compensation Table

		Annual Compensation			Long Term Compensation Awards	
Name and Principal Position	Year Ended	Salary($)	Bonus($)	Other Annual Compensation ($)(1)	Securities Underlying Option(#)(2)	All Other Compensation ($)(3)
Robert J. Therrien,	9/30/02	428,422		19,157	90,850	68,336
Chief Executive	9/30/01	467,662		42,722	100,000	81,863
Officer and President	9/30/00	421,108	218,000	40,309	270,000	47,750
Charles M. McKenna,	9/30/02	250,827		9,000	60,430	28,805
Executive Vice President,	9/30/01	271,095		9,000	15,000	17,580
Chief Technology Officer(4)	9/30/00	56,058	27,500	2,063	60,000	1,843
Ellen B. Richstone,	9/30/02	244,566		15,000	40,370	19,256
Senior Vice President,	9/30/01	263,967		15,000	30,000	22,720
Finance and Administration and Chief Financial Officer(5)	9/30/00	246,298	114,000	26,182	41,000	19,673
Jeffrey A. Cassis,	9/30/02	225,957		6,650	58,890	14,215
Senior Vice President, Global	9/30/01	210,077		8,850	30,000	16,838
Sales and Customer Service(6)	9/30/00					
Michael W. Pippins,	9/30/02	200,378		6,035	22,510	4,891
Senior Vice President,	9/30/01	216,253		11,663	20,000	10,420
Corporate Marketing	9/30/00	204,615	63,000	12,309	27,800	9,857

(1) Represents lease and insurance payments made for automobiles used by Messrs. Therrien and Pippins, and automobile allowances for Messrs. Cassis and McKenna and Ms. Richstone, as well as reimbursement of interest and associated tax costs related to security transactions for Ms. Richstone, and tax return preparation fees paid on behalf of Mr. Therrien and Ms. Richstone in fiscal 2000 and Messrs. Therrien, Cassis, and Pippins in fiscal 2001.

(2) The Company did not make any restricted stock awards, grant any stock appreciation rights or make any long-term incentive payments to the executive officers named in the table above during fiscal 2000, 2001 or 2002.

(3) In addition, All Other Compensation above consists of the following:

	Year Ended September 30,		
	2002	2001	2000
Robert J. Therrien			
401(k) matching contributions		$ 5,063	$ 2,196
Life insurance premiums	$68,336	76,800	45,554
	$68,336	$81,863	$47,750
Charles M. McKenna			
401(k) matching contributions		$ 3,250	
Life insurance premiums	$28,805	14,330	$ 43
Consulting fees			1,800
	$28,805	$17,580	$ 1,843

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	Year Ended September 30,		
	2002	2001	2000
Ellen B. Richstone			
401(k) matching contributions		$ 5,028	$ 3,489
Life insurance premiums	$19,256	17,692	16,184
Signing bonus (see Employment Contracts)			
	$19,256	$22,720	$19,673
Jeffrey A. Cassis			
401(k) matching contributions		$ 5,702	
Life insurance premiums	$14,215	11,136	
	$14,215	$16,838	
Michael W. Pippins			
401(k) matching contributions		$ 5,518	$ 4,926
Life insurance premiums	$ 4,891	4,902	4,931
	$ 4,891	$10,420	