

IHS Inc.
Form DEF 14A
February 28, 2012

SCHEDULE 14A

(Rule 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant S

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Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

IHS INC.

(Name of Registrant as Specified in Its Charter)

N/A

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

Payment of Filing Fee (Check the appropriate box):

No fee required.

£ 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:

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£ Fee paid previously with preliminary materials.

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:

IHS INC.

15 Inverness Way East
Englewood, Colorado 80112
www.ihs.com

February 28, 2012

Dear IHS Stockholder:

We are pleased to invite you to attend our 2012 Annual Meeting of Stockholders. The Annual Meeting will be held at 10:00 a.m. Eastern Daylight Time, on Thursday, April 12, 2012, at The Waldorf=Astoria, 301 Park Avenue, New York City, New York.

Whether or not you attend the Annual Meeting, it is important that you participate. We value the vote of every stockholder. Please review the enclosed Proxy Card carefully to understand how you may vote by proxy. If you choose to cast your vote in writing, please sign and return your proxy promptly. For Proxy Cards delivered in hard copy, a return envelope, requiring no postage if mailed in the United States, is enclosed for your convenience in replying. For your convenience, we have also arranged to allow you to submit your proxy electronically.

If you want to attend the Annual Meeting in person, please let us know in advance. Each stockholder of record has the opportunity to mark the Proxy Card in the space provided, or during the electronic voting process. If your shares are not registered in your name (for instance, if you hold shares through a broker, bank, or other institution), please advise the stockholder of record that you wish to attend; that firm will then provide you with evidence of ownership that will be required for admission to the Annual Meeting. Let us know if we can explain any of these matters or otherwise help you with voting or attending our Annual Meeting.

Remember that your shares cannot be voted unless you submit your proxy, in writing or electronically, or attend the Annual Meeting in person. Your participation is important to all of us at IHS, so please review these materials carefully and cast your vote.

We look forward to hearing from you or seeing you at the Annual Meeting.

Sincerely,

Stephen Green
General Counsel and Corporate Secretary

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held Thursday, April 12, 2012

To our Stockholders:

IHS Inc. will hold its Annual Meeting of Stockholders at 10:00 a.m. Eastern Daylight Time, on Thursday, April 12, 2012, at The Waldorf=Astoria, 301 Park Avenue, New York City, New York.

We are holding this Annual Meeting to allow our stockholders to vote on several key topics:

~~to~~ elect three directors to serve until the 2015 Annual Meeting or until their successors are duly elected and qualified;

~~to~~ ratify the appointment of Ernst & Young LLP as our independent registered public accountants;

~~to~~ approve, on an advisory, nonbinding basis, the compensation of our named executive officers; and

to transact such other business as may properly come before the Annual Meeting and any adjournments or postponements of the Annual Meeting.

Only stockholders of record at the close of business on February 23, 2012 (the "Record Date") are entitled to notice of, and to vote, at this Annual Meeting and any adjournments or postponements of the Annual Meeting. For ten days prior to the Annual Meeting, a complete list of stockholders entitled to vote at the Annual Meeting will be available. To obtain that list, write to:

IHS Inc., Attn: Corporate Secretary, 15 Inverness Way East, Englewood, Colorado 80112

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE STOCKHOLDER MEETING TO BE HELD ON APRIL 12, 2012

The Proxy Statement and our Annual Report on Form 10-K, as amended, for the year ended November 30, 2011 are available at investor.ihs.com.

It is important that your shares are represented at this Annual Meeting.

Even if you plan to attend the Annual Meeting in person, we hope that you will promptly vote and submit your proxy by dating, signing, and returning the enclosed Proxy Card by mail, or by voting electronically.

Casting a vote by proxy will not limit your rights to attend or vote at the Annual Meeting.

By Order of the Board of Directors,

Stephen Green

General Counsel and Corporate Secretary

February 28, 2012

TABLE OF CONTENTS

<u>Information Concerning Voting and Solicitation</u>	<u>1</u>
<u>Proposal 1: Election of Directors</u>	<u>3</u>
<u>Proposal 2: Ratification of the Appointment of Independent Registered Public Accountants</u>	<u>4</u>
<u>Proposal 3: Advisory Vote on Executive Compensation</u>	<u>8</u>
<u>Corporate Governance and Board of Directors</u>	<u>8</u>
<u>Security Ownership of Certain Beneficial Owners and Management</u>	<u>21</u>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>24</u>
<u>Report of the Audit Committee</u>	<u>24</u>
<u>Report of the Human Resources Committee</u>	<u>25</u>
<u>Compensation Discussion and Analysis</u>	<u>26</u>
<u>Executive Compensation Tables</u>	<u>37</u>
<u>Potential Payments upon Termination or Change in Control</u>	<u>46</u>
<u>Executive Employment Agreements</u>	<u>53</u>
<u>Certain Relationships and Related Transactions</u>	<u>55</u>
<u>Stockholder Proposals for the 2013 Annual Meeting</u>	<u>56</u>
<u>Other Matters</u>	<u>58</u>

IHS INC.
PROXY STATEMENT

INFORMATION CONCERNING VOTING AND SOLICITATION

This Proxy Statement is being furnished to you in connection with the solicitation by the Board of Directors of IHS Inc., a Delaware corporation, of proxies to be used at the 2012 Annual Meeting of Stockholders and any adjournments or postponements thereof. The Annual Meeting will be held at 10:00 a.m. Eastern Daylight Time, on Thursday, April 12, 2012, at The Waldorf=Astoria, 301 Park Avenue, New York City, New York.

This Proxy Statement and the accompanying form of Proxy Card are being first sent to stockholders on or about March 1, 2012. References in this Proxy Statement to “we,” “us,” “our,” “the Company,” and “IHS” refer to IHS Inc. and our consolidated subsidiaries.

Appointment of Proxy Holders

The Board of Directors of IHS (the “Board”) asks you to appoint the following individuals as your proxy holders to vote your shares at the 2012 Annual Meeting of Stockholders:

Jerre L. Stead, Chairman and Chief Executive Officer;

Richard G. Walker, Executive Vice President and Chief Financial Officer; and

Stephen Green, Senior Vice President, General Counsel and Corporate Secretary

You may make this appointment by voting the enclosed Proxy Card using one of the voting methods described below.

If appointed by you, the proxy holders will vote your shares as you direct on the matters described in this Proxy Statement. In the absence of your direction, they will vote your shares as recommended by the Board.

Unless you otherwise indicate on the Proxy Card, you also authorize your proxy holders to vote your shares on any matters not known by the Board at the time this Proxy Statement was printed and that, under our Bylaws, may be properly presented for action at the Annual Meeting.

Who Can Vote

Only stockholders who owned shares of our common stock at the close of business on February 23, 2012—the “Record Date” for the Annual Meeting—can vote at the Annual Meeting.

Each holder of our Class A common stock is entitled to one vote for each share held as of the Record Date. As of the close of business on the Record Date, we had 65,733,717 shares of Class A common stock outstanding and entitled to vote.

There is no cumulative voting in the election of directors.

How You Can Vote

You may vote your shares at the Annual Meeting either in person, by mail, or electronically, as described below.

Stockholders holding shares through a bank or broker should follow the voting instructions on the form of Proxy Card received.

Voting by Mail or Internet. You may vote by proxy by dating, signing and returning your Proxy Card in the enclosed postage-prepaid return envelope. You may also use the Internet to transmit your voting instructions. If you vote by proxy, carefully review and follow the instructions on the enclosed Proxy Card. Giving a proxy will not affect your right to vote your shares if you attend the Annual Meeting and want to vote in person.

Voting at the Annual Meeting. Voting by proxy will not limit your right to vote at the Annual Meeting, if you decide to attend in person. The Board recommends that you vote by proxy, as it is not practical for most stockholders to attend the Annual Meeting. If you hold shares through a bank or broker, you must obtain a proxy, executed in your favor, from the bank or broker to be able to attend and vote in person at the Annual Meeting.

Revocation of Proxies

Stockholders can revoke their proxies at any time before they are exercised in any of three ways:

- by voting in person at the Annual Meeting;
- by submitting written notice of revocation to the Corporate Secretary prior to the Annual Meeting; or
- by submitting another proxy--properly executed and delivered--of a later date, but prior to the Annual Meeting.

Quorum

A quorum, which is a majority of the outstanding shares entitled to vote as of the Record Date, must be present to hold the Annual Meeting. A quorum is calculated based on the number of shares represented by the stockholders attending in person and by their proxy holders. If you indicate an abstention as your voting preference, your shares will be counted toward a quorum but they will not be voted on any given proposal. "Broker non-votes" (see below) will be counted as shares of stock that are present for the purpose of determining the presence of a quorum but will have no effect with respect to any matter for which a broker does not have authority to vote.

Required Vote

With respect to Proposal 1, our directors are elected by a majority of the votes cast in favor of their election. A majority of the votes cast means that the number of votes cast "for" a director's election exceeds the number of votes cast "against" that director's election, with abstentions and "broker non-votes" not counted as a vote cast either for or against that director. However, in the event of a contested election, our directors will be elected by a plurality vote, which means that the three nominees receiving the most affirmative votes will be elected.

Each of the following proposals will be approved if it receives the affirmative vote of the majority of shares present in person or represented by proxy and entitled to vote:

Proposal 2, the ratification of our independent auditors; and

Proposal 3, the advisory vote on executive compensation.

With respect to Proposals 2 and 3, abstentions will not be counted as votes cast on these proposals and will have the effect of a vote against such proposals.

Please note that under current New York Stock Exchange rules brokers may no longer vote your shares on certain "non-routine" matters without your voting instructions. Accordingly, if you do not provide your broker or other nominee with instructions on how to vote your shares, it will be considered a "broker non-vote" and your broker or nominee will not be permitted to vote those shares on the election of directors (Proposal 1) or the advisory vote on executive compensation (Proposal 3). Your broker or nominee will be entitled to cast broker non-votes on the ratification of independent auditors (Proposal 2).

We encourage you to provide instructions to your broker regarding the voting of your shares.

Solicitation of Proxies

We pay the cost of printing and mailing the Notice of Annual Meeting, the Annual Report, and all proxy and voting materials. Our directors, officers, and other employees may participate in the solicitation of proxies by personal interview, telephone, or e-mail. No additional compensation will be paid to these persons for solicitation. We will reimburse brokerage firms and others for their reasonable expenses in forwarding solicitation materials to beneficial owners of our common stock.

Other Matters

Multiple IHS stockholders who share an address may receive only one copy of this Proxy Statement and the 2012 Annual Meeting from their bank, broker, or other nominee, unless the stockholder gives instructions to the contrary. We will deliver promptly a separate copy of this Proxy Statement and the 2011 Annual Report to any IHS stockholder who resides at a shared address and to which a single copy of the documents was delivered, if the stockholder makes a request by contacting:

Corporate Secretary, IHS, 15 Inverness Way East, Englewood, Colorado 80112

by telephone: 303-790-0600

Multiple stockholders who share a single address and who receive multiple copies of the Proxy Statement and the 2011 Annual Report and who wish to receive a single copy of each at that address in the future will need to contact their bank, broker, or other nominee.

Important Reminder

Please promptly vote and submit your proxy in writing or electronically.

To submit a written vote, you may sign, date, and return the enclosed Proxy Card in the postage-prepaid return envelope. To vote electronically, follow the instructions provided on the Proxy Card.

Voting by proxy will not limit your rights to attend or vote at the Annual Meeting.

Proposal 1: Election of Directors

Directors and Nominees

Pursuant to the authority granted to the Company's Board of Directors (the "Board") by the Company's Amended and Restated By-Laws, the Board has determined that it be composed of nine directors, divided into three classes.

Directors are elected for three-year terms and one class is elected at each Annual Meeting.

Three directors are to be elected at the 2012 Annual Meeting. These directors will hold office until the Annual Meeting in 2015, or until their respective successors have been elected and qualified. Each director nominee set forth below has consented to being named in this Proxy Statement as a nominee for election as director and has agreed to serve as a director if elected. In the event that any of the nominees should become unavailable prior to the Annual Meeting, proxies in the enclosed form will be voted for a substitute nominee or nominees designated by the Board, or the Board may reduce the number of directors to constitute the entire Board, in its discretion.

If an incumbent director nominee fails to receive a majority of the votes cast in an election that is not a contested election, such director is required to immediately tender his or her resignation and such resignation will be effective only if and when accepted by the Board, in the Board's discretion. If the Board accepts such a resignation, the remaining members of the Board may fill the resulting vacancy or decrease the size of the Board.

2012 NOMINEES FOR DIRECTOR

For more information about each director nominee, our continuing directors, and the operation of our Board see below under Business Experience and Qualification of Directors.

Name	Age	Director Since	Position with Company
Ruann F. Ernst	65	2006	Director
Christoph v. Grolman	52	2007	Director
Richard W. Roedel	62	2004	Director

Vote Required and Recommendation

In an uncontested election, directors are elected by a majority of the votes cast in favor of their election. A majority of the votes cast means that the number of votes cast "for" a director's election exceeds the number of votes cast "against" that director's election, with abstentions and "broker non-votes" not counted as a vote cast either for or against that director. However, in the event of a contested election, our directors would be elected by a plurality vote, which means that the three nominees receiving the most affirmative votes would be elected.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" THE ELECTION OF THESE NOMINEES

Proposal 2: Ratification of the Appointment of Independent Registered Public Accountants

Proposed Ratification

The Audit Committee of the Board (the “Audit Committee”), which is composed entirely of non-employee independent directors, has selected Ernst & Young LLP as the independent registered public accountants to audit our books, records, and accounts and those of our subsidiaries for the fiscal year 2012. The Board has endorsed this appointment. Ratification of the selection of Ernst & Young LLP by stockholders is not required by law. However, as a matter of good corporate practice, such selection is being submitted to the stockholders for ratification at the Annual Meeting. If the stockholders do not ratify the selection, the Board and the Audit Committee will reconsider whether or not to retain Ernst & Young LLP, but may, in their discretion, retain Ernst & Young LLP. Even if the selection is ratified, the Audit Committee, in its discretion, may change the appointment at any time during the year if it determines that such change would be in the best interests of IHS and its stockholders.

Ernst & Young LLP previously audited our consolidated financial statements during the eleven fiscal years ended November 30, 2011. Representatives of Ernst & Young LLP will be present at the Annual Meeting. They will have an opportunity to make a statement, if they desire to do so, and will be available to respond to appropriate stockholder questions.

Audit, Audit-Related, and Tax Fees

In connection with the audit of the 2011 financial statements, IHS entered into an engagement agreement with Ernst & Young LLP that set forth the terms by which Ernst & Young LLP performed audit services for IHS. That agreement subjects IHS to alternative dispute resolution procedures and excludes the award of punitive damages in the event of a dispute between IHS and Ernst & Young LLP.

Aggregate fees for professional services rendered for us by Ernst & Young LLP for the years ended November 30, 2011 and 2010 respectively, were as follows:

	2011 (in thousands)	2010
Audit Fees	\$ 2,177	\$ 2,159
Audit-Related Fees	625	74
Tax Fees	390	129
All Other Fees	—	—
Total	\$ 3,192	\$ 2,362

Audit Fees. Audit fees consist of fees billed for professional services rendered for the audit of our consolidated financial statements, the statutory audit of our subsidiaries, the review of our interim consolidated financial statements, and other services provided in connection with statutory and regulatory filings.

Audit-Related Fees. Audit-related fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under “Audit Fees.” These services may include employee benefit plan audits, auditing work on proposed transactions, attestation services that are not required by regulation or statute, and consultations regarding financial accounting or reporting standards. For 2011, audit-related fees also included approximately \$394,000 for professional services rendered related to acquisitions.

Tax Fees. Tax fees consist of tax compliance consultations, preparation of tax reports, and other tax services.

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee has implemented pre-approval policies and procedures related to the provision of audit and non-audit services by Ernst & Young LLP. Under these procedures, the Audit Committee pre-approves both the type of services to be provided by Ernst & Young LLP and the estimated fees related to these services.

During the approval process, the Audit Committee considers the impact of the types of services and the related fees

on the independence of the registered public accountant. The services and fees must be deemed compatible with the maintenance of such accountants' independence, including compliance with rules and regulations of the U.S. Securities and Exchange Commission (the "SEC" or the "Commission") and the New York Stock Exchange (the "NYSE"). The Audit Committee does not delegate its responsibilities to pre-approve services performed by Ernst & Young LLP to management or to any individual member of the Audit Committee. Throughout the year, the Audit Committee will review any revisions to the estimates of audit and non-audit fees initially approved.

Vote Required and Recommendation

Ratification of the appointment of Ernst & Young LLP requires the affirmative vote of a majority of the shares present and voting at the Annual Meeting in person or by proxy. Unless marked to the contrary, proxies received will be voted "FOR" this Proposal 2 regarding the ratification of Ernst & Young LLP as our independent registered public accountants. In the event ratification is not obtained, the Audit Committee will review its future selection of our independent registered public accountants.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE "FOR"
THE RATIFICATION OF ERNST & YOUNG LLP AS OUR
INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS**

Proposal 3: Advisory Vote to Approve Executive Compensation

With this proposal, we are providing stockholders an opportunity to vote to approve, on an advisory, nonbinding basis, the compensation of our named executive officers as disclosed in this Proxy Statement. As required by Section 14A of the Exchange Act, as voted upon by our stockholders at the 2011 Annual Meeting, and as approved by our Board of Directors, we are holding this advisory vote on an annual basis.

As described in detail under the heading "Executive Compensation—Compensation Discussion and Analysis," our executive compensation programs are designed to (i) align executive compensation with key stakeholder interests; (ii) attract, retain, and motivate highly qualified executive talent; and (iii) provide appropriate rewards for the achievement of business objectives and growth in stockholder value. Under these programs, our named executive officers are rewarded for the achievement of specific individual and corporate goals, with an emphasis on creating overall stockholder value. As indicated by the performance charts below, our compensation programs have continued to be a key driver of stockholder value creation versus a selection of peer companies and market indices.

Company	Annualized Total Stockholder Return*			
	1-Year	3-Year	5-Year	
CORPORATE EXECUTIVE BOARD CO	3.1	% 21.8	% (13.2)%
DUN & BRADSTREET CORP	(7.1)% 0.8	% (0.4)%
EQUIFAX INC	10.6	% 14.5	% (0.2)%
FACTSET RESEARCH SYSTEMS INC	(5.8)% 26.7	% 10.0	%
GARTNER INC	4.7	% 24.9	% 11.9	%
MCGRAW-HILL COMPANIES INC	26.3	% 27.3	% (6.2)%
MOODYS CORP	28.9			