FORRESTER RESEARCH INC
Form DEF 14A
March 24, 2011

SCHEDULE 14(A)
(Rule 14a-101)
Information Required in Proxy Statement

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to § 240.14a-12

FORRESTER RESEARCH, 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):

þ 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:

Forrester Research, Inc.
400 Technology Square
Cambridge, Massachusetts 02139

George F. Colony
Chairman of the Board
and Chief Executive Officer

March 24, 2011

To Our Stockholders:

You are cordially invited to attend the 2011 Annual Meeting of Stockholders of Forrester Research, Inc., which will be held on Tuesday, May 10, 2011, at the offices of the Company, 400 Technology Square, Cambridge, Massachusetts at 10:00 a.m. (local time).

On the following pages, you will find the formal notice of the Annual Meeting and our proxy statement. At the Annual Meeting you are being asked to elect three Class I Directors, to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011, to approve by non-binding vote our executive compensation, and to cast a non-binding vote on the frequency of non-binding executive compensation votes.

We hope that many of you will be able to attend in person. I look forward to seeing you there.

Sincerely yours,

George F. Colony
Chairman of the Board
and Chief Executive Officer

Forrester Research, Inc.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
May 10, 2011

Notice is hereby given that the 2011 Annual Meeting of Stockholders of Forrester Research, Inc. will be held at the offices of the Company, 400 Technology Square, Cambridge, Massachusetts at 10:00 a.m. (local time) on Tuesday, May 10, 2011 for the following purposes:

1. To elect the three Class I directors named in the accompanying proxy statement to serve until the 2014 Annual Meeting of Stockholders;

2. To ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm;

3. To approve by non-binding vote our executive compensation; and

4. To cast a non-binding vote on the frequency of non-binding executive compensation votes.

The foregoing items of business are more fully described in the proxy statement accompanying this notice.

Stockholders of record at the close of business on March 22, 2011 are entitled to notice of and to vote at the meeting. A list of stockholders entitled to vote at the meeting will be open to examination by stockholders at the meeting and during normal business hours from April 29, 2011 to the date of the meeting at our offices, located at 400 Technology Square, Cambridge, Massachusetts 02139.

If you are unable to be present personally, please vote your shares as provided in this proxy statement.

By Order of the Board of Directors

Gail S. Mann
Secretary

Cambridge, Massachusetts
March 24, 2011

IT IS IMPORTANT THAT YOUR SHARES BE REPRESENTED AT THE MEETING. PLEASE VOTE YOUR SHARES OVER THE INTERNET OR BY TELEPHONE IN ACCORDANCE WITH THE INSTRUCTIONS SET FORTH ON THE PROXY CARD, OR COMPLETE, SIGN AND RETURN THE ENCLOSED PROXY CARD AS PROMPTLY AS POSSIBLE WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON.

FORRESTER RESEARCH, INC.

Annual Meeting of Stockholders
May 10, 2011
PROXY STATEMENT

The Board of Directors of Forrester Research, Inc., a Delaware corporation, is soliciting proxies from our stockholders. The proxy will be used at our 2011 Annual Meeting of Stockholders and at any adjournments thereof. You are invited to attend the meeting to be held at 10:00 a.m. (local time) on Tuesday, May 10, 2011 at the offices of the Company, 400 Technology Square, Cambridge, Massachusetts. This proxy statement was first made available to stockholders on or about March 24, 2011.

This proxy statement contains important information regarding our annual meeting. Specifically, it identifies the proposals upon which you are being asked to vote, provides information that you may find useful in determining how to vote and describes voting procedures.

We use several abbreviations in this proxy statement. We call our Board of Directors the Board and refer to our fiscal year which began on January 1, 2010 and ended on December 31, 2010 as fiscal 2010 and our fiscal year which began on January 1, 2011 and ends on December 31, 2011 as fiscal 2011. We also refer to ourselves as Forrester or the Company.

Who May Attend and Vote?

Stockholders who owned our common stock at the close of business on March 22, 2011 are entitled to notice of and to vote at the annual meeting. We refer to this date in this proxy statement as the record date. As of the record date, we had 22,636,211 shares of common stock issued and outstanding. Each share of common stock is entitled to one vote on each matter to come before the meeting.

How Do I Vote?

If you are a stockholder of record of our common stock:

1. *You may vote over the internet.* If you have internet access, you may vote your shares from any location in the world by following the Vote by Internet instructions on the enclosed proxy card.

2. *You may vote by telephone.* You may vote your shares by following the Vote by Telephone instructions on the enclosed proxy card.

3. *You may vote by mail.* If you choose to vote by mail, simply mark your proxy card, date and sign it, and return it in the postage-paid envelope provided.

4. *You may vote in person.* If you attend the meeting, you may deliver your completed proxy card in person or fill out and return a ballot that will be supplied to you at the meeting.

By voting over the internet or by telephone, or by signing and returning the proxy card according to the enclosed instructions, you are enabling the individuals named on the proxy card (known as proxies) to vote your shares at the meeting in the manner you indicate. We encourage you to vote in advance even if you plan to attend the meeting. In this way, your shares will be voted even if you are unable to attend the meeting. Your shares will be voted in accordance with your instructions. If a proxy card is signed and received by our Secretary, but no instructions are indicated, then the proxy will be voted FOR the election of the nominees for directors, FOR ratifying the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for fiscal 2011, FOR approval of the non-binding vote on our executive compensation, and for holding a non-binding vote on our executive compensation at the annual meeting of stockholders every year.

How Do I Vote if My Shares are Held in Street Name?

If you hold shares in street name (that is, through a bank, broker, or other nominee), the bank, broker, or other nominee, as the record holder of your shares, is required to vote your shares according to your instructions. In order to vote your shares, you will need to follow the directions your brokerage firm provides you. Many brokers also offer the option of voting over the internet or by telephone, instructions for which would be provided by your brokerage firm on your voting instruction form. Please follow the instructions on that form to make sure your shares are properly voted. If you hold shares in street name and would like to attend the annual meeting and vote in person, you will need to bring an account statement or other acceptable evidence of ownership of our common stock. In addition, if you wish to vote your shares in person, you must contact the person in whose name your shares are registered and obtain a proxy card from that person and bring it to the annual meeting.

What Does the Board of Directors Recommend?

The Board recommends that you vote FOR the election of nominees for Class I directors identified in Proposal One, FOR ratifying the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm as described in Proposal Two, FOR approval by non-binding vote of our executive compensation as provided in Proposal Three, and, on Proposal Four, for holding a non-binding vote on executive compensation every year.

If you are a record holder and submit the proxy card but do not indicate your voting instructions, the persons named as proxies on your proxy card will vote in accordance with the recommendations of the Board of Directors. If you hold your shares in street name , and you do not indicate how you wish to have your shares voted, your nominee has discretion to instruct the proxies to vote on Proposal Two but does not have the authority, without your specific instructions, to vote on the election of directors or on Proposals Three or Four, and those votes will be counted as broker non-votes .

What Vote is Required for Each Proposal?

A majority of the shares entitled to vote on a particular matter, present in person or represented by proxy, constitutes a quorum as to any proposal. The nominees for election of the Class I directors at the meeting (Proposal One) who receive the greatest number of votes properly cast for the election of directors will be elected. As a result, shares that withhold authority as to the nominees recommended by the Board will have no effect on the outcome. The affirmative vote of the holders of a majority of the shares of common stock present in person or represented by proxy and voting is required to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm (Proposal Two) and to approve the non-binding vote on our executive compensation (Proposal Three).

Shares represented by proxies that indicate an abstention or a broker non-vote (that is, shares represented at the annual meeting held by brokers or nominees as to which (i) instructions have not been received from the beneficial owners or persons entitled to vote and (ii) the broker or nominee does not have discretionary voting power on a particular matter) will be counted as shares that are present and entitled to vote on the matter for purposes of determining the presence of a quorum, but are not considered to have been voted, and have the practical effect of reducing the number of affirmative votes required to achieve a majority for those matters requiring the affirmative vote of the holders of a majority of the shares present or represented by proxy and voting (Proposal Two and Proposal Three) by reducing the total number of shares from which the majority is calculated. However, because directors are elected by a plurality vote, abstentions and broker non-votes will have no effect on the outcome on Proposal One.

May I Change or Revoke My Vote After I Return My Proxy Card or After I Have Voted My Shares over the Internet or by Telephone?

Yes. If you are a stockholder of record, you may change or revoke a proxy any time before it is voted by:

returning to us a newly signed proxy bearing a later date;

delivering a written instrument to our Secretary revoking the proxy; or attending the annual meeting and voting in person.

If you hold shares in street name , you should follow the procedure in the instructions that your nominee has provided to you.

Who Will Bear the Cost of Proxy Solicitation?

We will bear the expense of soliciting proxies. Our officers and regular employees (who will receive no compensation in addition to their regular salaries) may solicit proxies. In addition to soliciting proxies through the mail, our officers and regular employees may solicit proxies personally, as well as by mail, telephone, and telegram from brokerage houses and other stockholders. We will reimburse brokers and other persons for reasonable charges and expenses incurred in forwarding soliciting materials to their clients.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting To Be Held on May 10, 2011

This proxy statement and our Annual Report to Stockholders are available on-line at www.edocumentview.com/forr. These materials will be mailed to stockholders who request them.

How Can I Obtain an Annual Report on Form 10-K?

Our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 is available on our website at www.forrester.com. If you would like a copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2010, we will send you one without charge. Please contact Investor Relations, Forrester Research, Inc., 400 Technology Square, Cambridge, MA 02139, Tel: (617) 613-6000.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table and notes provide information about the beneficial ownership of our outstanding common stock as of February 18, 2011 (except as otherwise noted) by:

(i) each person who we know beneficially owns more than 5% of our common stock;

(ii) each of the executive officers named below in the Summary Compensation Table;

(iii) each member of our Board of Directors; and

(iv) our directors and executive officers as a group.

Except as otherwise indicated, each of the stockholders named in the table below has sole voting and investment power with respect to the shares of our common stock beneficially owned. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to the shares. Shares subject to exercisable options include options that are currently exercisable or exercisable within 60 days of February 18, 2011.

	Common Stock Beneficially Owned		
Name of Beneficial Owner	**Shares Beneficially Owned**	**Shares Subject to Exercisable Options**	**Percentage of Outstanding Shares**
George F. Colony, c/o Forrester Research, Inc. 400 Technology Square, Cambridge, MA 02139(1)	7,934,198		35%
BlackRock, Inc. 40 East 52nd Street New York, N.Y. 10022(2)	1,138,831		5.08%
Morgan Stanley 1585 Broadway New York, N.Y. 10036(3)	1,771,953		7.9%
Neuberger Berman Group LLC(4) 605 Third Avenue New York, N.Y. 10158	1,800,534		8.03%
Henk Broeders		31,250	*
Robert Galford(5)	17,319	31,250	*
George Hornig		3,125	*
Gretchen Teichgraeber	9,500	6,250	*
Michael Welles	11,916	56,250	*
Michael Doyle	1,770	35,000	*
Gregory Nelson		26,750	*
Charles Rutstein	760	115,000	*
Dennis Van Lingen		71,250	*

Directors and executive officers as a group (16 persons)(1)(5)	7,977,363	543,185	36.7%

(1) Includes 1,580 shares held by Mr. Colony s wife as to which Mr. Colony disclaims beneficial ownership.

(2) Beneficial ownership as of December 31, 2010, as reported in a Schedule 13G filed with the Securities and Exchange Commission on February 4, 2011.

(3) Beneficial ownership as of December 31, 2010, as reported in a Schedule 13G/A filed with the Securities and Exchange Commission on February 9, 2011. The shares being reported upon by Morgan Stanley as a parent holding company are owned, or may be deemed to be beneficially owned, by certain operating units of Morgan Stanley and its subsidiaries and affiliates. Morgan Stanley has sole voting power with respect to 1,685,169 shares and sole dispositive power with respect to 1,771,953 shares.

(4) Beneficial ownership as of December 31, 2010, as reported in a Schedule 13G filed with the Securities and Exchange Commission on February 14, 2011. The shares being reported upon may be deemed to be beneficially owned by the reporting person because certain affiliated persons have shared power to retain, dispose of, and vote the securities. The holdings of certain subsidiaries and affiliates of the reporting person are aggregated to comprise the total holdings reported. The reporting person has shared voting power with respect to 1,540,626 shares and shared dispositive power with respect to 1,800,534 shares.

(5) Includes 2,622 shares held in trust for Mr. Galford s adult children, as to which Mr. Galford disclaims beneficial ownership.

* Less than 1%

PROPOSAL ONE:

ELECTION OF DIRECTORS

Our Board of Directors is divided into three classes. The members of each class are elected to serve a three-year term with the term of office of each class ending in successive years. George F. Colony and Michael H. Welles are the Class I directors whose terms expire at this annual meeting. The Board of Directors has nominated them, as well as Charles B. Rutstein, to serve as Class I directors until the 2014 annual meeting. Mr. Rutstein, our chief operating officer, is a nominee for election by the stockholders to the Board of Directors for the first time. Mr. Rutstein was recommended by the Compensation and Nominating Committee of the Board of Directors, as well as by the Chairman and Chief Executive Officer, and his appointment to the Board effective upon election by the stockholders at the annual meeting was approved unanimously by our Board of Directors.

The proxies intend to vote each share for which a proper proxy card has been returned or voting instructions received and not revoked in favor of the Class I directors named above. If you wish to withhold the authority to vote for the election of any of the nominees, your voting instructions must so indicate or your returned proxy card must be marked to that effect.

It is expected that Messrs. Colony, Rutstein and Welles will be able to serve, but if any of them is unable to serve, the proxies reserve discretion to vote, or refrain from voting, for a substitute nominee or nominees.

The following section provides information about each nominee, including information provided by each nominee and sitting director about his or her principal occupation and business experience for the past five years and the names of other publicly-traded companies, if any, for which he or she currently serves as a director or has served as a director during the past five years. In addition to the information presented with respect to each nominee s and each sitting director s experience, qualifications and skills that led our Board to conclude that he or she should serve as a director, we also believe that all of our directors, including the three nominees for election at the 2011 annual meeting of stockholders, has demonstrated business acumen and a significant commitment to our company, and has a reputation for integrity and adherence to high ethical standards.

NOMINEES FOR CLASS I DIRECTORS TERM EXPIRING 2014

George F. Colony, age 57, a Class I director, is the founder of Forrester and since 1983, he has served as Chairman of the Board and Chief Executive Officer. He also has served as Forrester s President since September 2001, and he previously was Forrester s President from 1983 to 2000. We believe Mr. Colony s qualifications to serve on our Board of Directors and as its Chairman include his almost thirty years of experience in the research industry, including 27 years as our chief executive officer, and his significant ownership stake in the Company.

Charles B. Rutstein, age 38, became Forrester s Chief Operating Officer effective January 1, 2007. Mr. Rutstein joined Forrester in 1999. In 2006, Mr. Rutstein served as President, Forrester Americas. In 2005, he served as our Vice President, Community and previously was our Vice President of Consulting from 2003 to 2005. Prior to 2003, Mr. Rutstein held various leadership positions in our research organization. Before joining Forrester, Mr. Rutstein served as a principal consultant with Price Waterhouse Management Consulting Services. We believe Mr. Rutstein s qualifications to serve on our Board include his extensive experience in all aspects of our business and his demonstrated commitment to Forrester.

Michael H. Welles, age 56, a Class I director, became a director of Forrester in November 1996. Mr. Welles is chief operating officer, a founder, and director of S2 Security Corporation, an IP-based facility security systems company. Previously, he served as vice president and general manager of the platforms business with NMS Communications, an

OEM infrastructure supplier to the telecom industry from 2000 to 2002. We believe Mr. Welles qualifications to serve on our Board of Directors include his considerable knowledge of the information technology industry, his experience as the chief operating officer of a company he co-founded, and his many years of general management experience in global technology companies.

OUR BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF THE NOMINEES NAMED ABOVE.

CLASS III DIRECTORS CONTINUING IN OFFICE UNTIL 2012

Robert M. Galford, age 58, a Class III director, became a director of Forrester in November 1996. Since November 2007, Mr. Galford has been the managing partner of the Center for Leading Organizations, an organizational development firm he founded in Concord, Massachusetts. From 2001 to 2007, Mr. Galford was a managing partner of the Center for Executive Development, an executive education provider in Boston, Massachusetts. We believe Mr. Galford s qualifications to serve on our Board of Directors include his many years of organizational development and executive education experience, along with his more recent corporate governance experience as an instructor for the National Association of Corporate Directors.

Gretchen G. Teichgraeber, age 57, a Class III director, became a director of Forrester in December 2005. Ms. Teichgraeber is the chief executive officer of Leadership Directories, Inc., a premier information services company that publishes biographical and contact data on leaders in the private and public sectors. Previously, Ms. Teichgraeber was an independent consultant to digital media companies and various non-profit organizations from 2007 to 2009. From 2000 to 2007, Ms. Teichgraeber was the chief executive officer of Scientific American, Inc., publisher of the science and technology magazine, Scientific American. Prior to joining Scientific American, Ms. Teichgraeber served as general manager, publishing, and vice president, marketing and information services at CMP Media, Inc., a leading provider of technology news and information. We believe Ms. Teichgraeber s qualifications to serve on our Board of Directors include her significant general management and marketing experience in the publishing and information services business, including on-line and print media, as well as the gender diversity she brings to our Board of Directors.

CLASS II DIRECTORS CONTINUING IN OFFICE UNTIL 2013

Henk W. Broeders, age 58, a Class II director, became a director of Forrester in May 1998. Since October 2003, Mr. Broeders has been a member of the Executive Committee of Cap Gemini S.A., a global management consulting firm headquartered in Paris, France operating under the name CapGemini. From 1998 to 2003, Mr. Broeders served as Chairman of the Executive Board of Cap Gemini N.V., a subsidiary of Cap Gemini S.A. located in the Netherlands. We believe Mr. Broeders qualifications to serve on our Board of Directors include his many years of operational and management experience in the management consulting business, along with his experience with and perspective on European business as a Dutch national working for a firm headquartered in France.

George R. Hornig, age 56, a Class II director, became a director of Forrester in November 1996. Mr. Hornig is the Senior Managing Director and Chief Operating Officer of PineBridge Investments, an independent investment advisor. From 2006 until November 2010, Mr. Hornig was Managing Director and Co-Chief Operating Officer of Asset Management and the head of Asset Management Americas at Credit Suisse, a global financial services firm, and from 1999-2006, he was the Managing Director and Chief Operating Officer of Alternative Investments at Credit Suisse. We believe Mr. Hornig s qualifications to serve on our Board of Directors include his three decades of finance and management experience in the investment banking and private equity business.

Corporate Governance

We believe that good corporate governance is important to ensure that Forrester is managed for the long-term benefit of its stockholders. Based on our continuing review of the provisions of the Sarbanes-Oxley Act of 2002, rules of the Securities and Exchange Commission and the listing standards of The NASDAQ Stock Market, our Board of Directors has adopted Corporate Governance Guidelines, an amended and restated charter for the Audit Committee of the Board of Directors, and a charter for the Compensation and Nominating Committee of the Board. In March 2011, the Board amended the Corporate Governance Guidelines to provide that directors, other than the Chairman of the Board, who are also employees of the Company must resign from the Board at the same time their employment with the Company terminates for any reason.

In April 2010, the Board adopted stock retention guidelines applicable to executive officers and directors. The guidelines require executive officers and directors of the Company to retain at least 50% of the net shares of

Forrester common stock delivered to them upon the exercise or vesting of stock-based awards granted on and after January 1, 2010. Net shares are the number of shares remaining after shares are sold or netted to pay the exercise price of stock-based awards and applicable withholding taxes. For directors, the applicable withholding tax is presumed to be the minimum withholding tax applicable to an employee. These guidelines may be waived, at the discretion of the Compensation and Nominating Committee of the Board of Directors, if compliance with the guidelines would create severe hardship or prevent an executive officer or director from complying with a court order.

We also have a written code of business conduct and ethics that applies to all of our officers, directors and employees, including our principal executive officer, principal financial officer, principal accounting officer, and persons performing similar functions. You can access our Code of Business Conduct and Ethics, Corporate Governance Guidelines and our current committee charters on our website, at www.forrester.com/Investor/CorpGov.

Information With Respect to Board of Directors

Board Meetings and Committees

Our Board of Directors has determined that each of the current directors, with the exception of Mr. Colony, our Chairman and Chief Executive Officer, is independent under applicable NASDAQ standards as currently in effect. In reaching this conclusion, the Board considered that Mr. Hornig had been a managing director of Credit Suisse until November 2010, and that the firm provides cash management services to Forrester that were procured on an arm s length, competitive basis. Our Board has also determined that, if elected, Mr. Rutstein will not qualify as independent under applicable NASDAQ standards as currently in effect because he is our Chief Operating Officer.

Our Board of Directors held six meetings during fiscal 2010. Each director attended at least 75 percent of the aggregate of the meetings of the Board of Directors and of each committee of which he or she is a member. Forrester does not require directors to attend the annual meeting of stockholders. Only Mr. Colony, who presided at the meeting, and Robert Galford, the Chairman of our Compensation and Nominating Committee, attended the 2010 annual meeting of stockholders. Historically, very few stockholders have attended our annual meeting and we have not found it to be a particularly useful forum for communicating with our stockholders. The Board of Directors currently has two standing committees, the Audit Committee and the Compensation and Nominating Committee, whose members consist solely of independent directors.

Our Audit Committee consists of three members: George R. Hornig, Chairman, Henk W. Broeders, and Michael H. Welles, each of whom, in addition to satisfying the NASDAQ independence standards, also satisfies the Sarbanes-Oxley independence requirements for audit committee membership. In addition, the Board has determined that Mr. Hornig is an audit committee financial expert under applicable rules of the Securities and Exchange Commission, and all of the members of the Audit Committee satisfy the financial literacy standards of NASDAQ. The Audit Committee held seven meetings during fiscal 2010. The responsibilities of our Audit Committee and its activities during fiscal 2010 are described in the committee s amended and restated charter, which is available on our website at www.forrester.com/Investor/CorpGov. The charter will also be made available without charge to any stockholder who requests it by writing to Forrester Research, Inc., Attn: Chief Legal Officer, 400 Technology Square, Cambridge, MA 02139.

Our Compensation and Nominating Committee consists of three members: Robert M. Galford, Chairman, Gretchen G. Teichgraeber, and Michael H. Welles. The Compensation and Nominating Committee held eleven meetings during fiscal 2010. The Compensation and Nominating Committee has authority, as specified in the committee s charter, to, among other things, evaluate and approve the compensation of our Chief Executive Officer, review and approve the compensation of our other executive officers, administer our stock plans, and oversee the development of executive succession plans for the CEO and other executive officers. The committee also has the authority to identify and recommend to the Board qualified candidates for director. The Compensation and Nominating Committee charter is available on our website at www.forrester.com/Investor/CorpGov. The charter will also be made available without charge to any stockholder who requests it by writing to Forrester Research, Inc., Attn: Chief Legal Officer, 400 Technology Square, Cambridge, MA 02139.

Compensation Committee Interlocks and Insider Participation

No person who served during the past fiscal year as a member of our Compensation and Nominating Committee is or was an officer or employee of Forrester, or had any relationship with Forrester requiring disclosure in this proxy statement. During the past fiscal year, none of our executive officers served as a member of the board of directors of another entity, any of whose executive officers served as one of our directors.

Board Leadership Structure

At the present time, Mr. Colony serves as both Chairman of the Board and Chief Executive Officer. Mr. Colony is a significant stakeholder in Forrester, beneficially owning approximately 35% of our outstanding common stock. As such, we believe it is appropriate that he set the agenda for the Board of Directors in addition to serving as the Chief Executive Officer. We also do not believe that the size of the Company warrants the division of these responsibilities. We do not have a single lead director because our Board of Directors is small enough that the independent directors work effectively together as a group and the presiding director at meetings of the independent directors rotates among the chairmen of the committees.

The Board s Role in Risk Oversight; Risk Considerations in our Compensation Programs

The Board s role in the Company s risk oversight process includes receiving regular reports from members of management on areas of material risk to the Company, including financial, strategic, operational, legal and regulatory risks. The full Board (or the appropriate Committee in the case of risks that are under the purview of a particular Committee) receives these reports from the appropriate manager within the Company. When a committee receives such a report, the Chairman of the relevant Committee reports on the discussion to the full Board during the Committee reports portion of the next Board meeting, enabling the full Board to coordinate the risk oversight role, particularly with respect to risk interrelationships.

Our Compensation and Nominating Committee does not believe that our compensation programs encourage excessive or inappropriate risk taking. We structure our pay programs to consist of both fixed and variable compensation, with the fixed base salary portion providing steady income regardless of our stock price performance. The variable components, consisting of cash bonus and stock-based awards, are designed to reward both short and long-term performance. Targets under our bonus plans are a function of bookings and profit (described in greater detail in the Compensation, Discussion and Analysis below), important financial metrics for our business. For long-term performance, we generally award a combination of time-based stock options and performance-based restricted stock units generally vesting over three to four years. We believe that the variable elements of compensation are a sufficient percentage of overall compensation to motivate executives to produce excellent short and long-term results for the Company, while fixed base salary is also sufficiently high such that the executives are not encouraged to take unnecessary or excessive risks. In addition, our bonus plan funding metrics apply company-wide, regardless of function or client group, which we believe encourages relatively consistent behavior across the organization. While sales commissions are not capped, we cap our bonus at 2.4 times target company performance (up to 1.6 times for actual company performance and up to 1.5 times the result to account for extraordinary individual and/or team performance). Therefore, even if Company performance dramatically exceeds target performance, bonus payouts are limited. Conversely, we have a minimum threshold on Company performance under our bonus plan approved by the Compensation and Nominating Committee so that the bonus plan is not funded at performance below a certain level.

Director Candidates

As noted above, the Compensation and Nominating Committee has responsibility for recommending nominees for election as directors of Forrester. Our stockholders may recommend individuals for this committee to consider as potential director candidates by submitting their names and background to the Forrester Research Compensation and Nominating Committee, c/o Chief Legal Officer and Secretary, 400 Technology Square, Cambridge, MA 02139. The Compensation and Nominating Committee will consider a recommended candidate for the next annual meeting of stockholders only if biographical information and background material are provided no later than the date specified below under Stockholder Proposals for receipt of director nominations.

The process that the Compensation and Nominating Committee will follow to identify and evaluate candidates includes requests to Board members and others for recommendations, meetings from time to time to evaluate biographical information and background material relating to potential candidates, and interviews of selected candidates by members of the Compensation and Nominating Committee. Assuming that biographical and background material is provided for candidates recommended by the stockholders, the Compensation and Nominating Committee will evaluate those candidates by following substantially the same process, and applying substantially the same criteria, as for candidates submitted by Board members.

In considering whether to recommend any candidate for inclusion in the Board s slate of recommended director nominees, including candidates recommended by stockholders, the Compensation and Nominating Committee will apply the criteria set forth in the committee s charter and in the Corporate Governance Guidelines. These criteria include, among others, the candidate s integrity, age, experience, commitment, diligence, conflicts of interest and the ability to act in the interests of all stockholders. Although the Compensation and Nominating Committee considers as one of many factors in the director identification and nomination process diversity of race, gender and ethnicity, as well as geography and business experience, it has no specific diversity policy. The Compensation and Nominating Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. We believe that the backgrounds and qualifications of the directors, considered as a group, should provide a composite mix of experience, knowledge and abilities that will allow the Board to fulfill its responsibilities.

In addition, our by-laws permit stockholders to nominate directors for election at an annual meeting of stockholders, other than as part of the Board s slate. To nominate a director, in addition to providing certain information about the nominee and the nominating stockholder, the stockholder must give timely notice to Forrester, which, in general, requires that the notice be received by us no less than 60 nor more than 90 days prior to the applicable annual meeting of stockholders. In accordance with our by-laws, the 2012 Annual Meeting will be held on May 8, 2012.

Communications from Stockholders

The Board will give appropriate attention to communications on issues that are submitted by stockholders, and will respond if and as appropriate. Absent unusual circumstances or as contemplated by committee charters, the Compensation and Nominating Committee, with the assistance of the Chief Legal Officer, will be primarily responsible for monitoring communications from stockholders and will provide copies of summaries of such communications to the other directors as deemed appropriate.

Stockholders who wish to send communications on any topic to the Board should address such communications to the Forrester Research Compensation and Nominating Committee, c/o Chief Legal Officer and Secretary, Forrester Research, Inc., 400 Technology Square, Cambridge, MA 02139.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

We have implemented an executive compensation program that rewards performance. Our executive compensation program is designed to attract, retain and motivate the key individuals who are most capable of contributing to the success of our Company and building long-term value for our stockholders. The elements of our executives total compensation are base salary, cash incentive awards, equity incentive awards and other employee benefits. We have designed a compensation program that makes a substantial portion of executive pay variable, subject to increase when performance targets are achieved, and subject to reduction when performance targets are not achieved.

2010 Business Results

The Company had strong operating results in 2010. Revenue grew by 7.4% percent to $250.7 million, and our pro forma operating margin was 16% percent. In December 2010, the Company paid a $3.00 per share special dividend the Company s first reflecting the strength of our business. These financial results have been achieved while at the same time expanding our sales force, investing in our business infrastructure and enhancing our client-facing technology.

Compensation for Performance

A significant portion of the total compensation of our executive officers is linked to our performance, both through short-term cash incentive compensation and long-term equity incentive compensation. We believe this aligns our executives incentives with our objective of enhancing stockholder value over the longer term.

Cash Compensation. A significant portion of current cash compensation to our executive officers is made through our 2010 Executive Cash Incentive Plan. As described in more detail below, payments under the plan are based on company financial performance metrics (for 2010, booked sales accounts or bookings and adjusted operating profit), subject to adjustment based on performance against pre-established individual and team goals. By design, our plan pays more when we perform well and less, or nothing, when we do not.

Equity Awards. Another key component of compensation for our executive officers consists of long-term equity incentives, both in the form of performance-based restricted stock units (RSUs) and time-based stock options. In 2010, RSUs granted to executive officers included a vesting condition based on year-over-year revenue growth and pro forma operating margin in 2012. Stock options granted to executive officers in 2010 vest over time, with 50% to vest after two years and 25% each year thereafter. Consistent with past years, we did not grant equity awards in 2010 to George Colony, our Chairman and Chief Executive Officer, who is the beneficial owner of approximately 35% of our common stock.

Compensation Program Changes in 2010

Base Salary. Recognizing the continued improvement in our business at the end of 2009 and based on a review of market data and the tenures and experience of our executive officers, the Committee increased the base salaries of our named executive officers in 2010 by an average of 6.7% over 2009. This also reflected that 2009 base salaries and target cash incentive amounts had been frozen during 2009 at 2008 levels.

Short-Term Cash Incentive Compensation. The basic philosophy of the short-term cash incentive plan we used in 2009 (the Matrix Bonus Plan) was applied in the short-term cash incentive plan we used in 2010 (the 2010 Executive Cash Incentive Plan), including funding based on Company financial performance and adjustment to take into account individual and team performance. The 2010 plan, however, provided for annual, rather than quarterly, targets and payment of awards for executives, as the Committee believed that annual performance goals for our executive officers would better focus our senior leadership on strategic issues and the growth of the business.

Equity Incentives. Compared to 2009, no changes were made to the general framework of equity incentive awards for our executive officers in 2010. The Committee again granted RSUs that would vest only upon the satisfaction of predetermined performance targets and stock options that would vest over time and have value only if our stock price increased from the price on the date of grant and if the recipient continued to provide service to the Company as an employee through the vesting date.

Compensation Objectives and Strategy

The primary purpose of our executive compensation program is to attract, retain and motivate the key individuals who are most capable of contributing to the success of our Company and building long-term value for our stockholders. Our principal objectives and strategy concerning our executive compensation program are as follows:

- encourage achievement of key Company values including client service, quality, collaboration, and creativity that we believe are critical to our continued growth;

base cash compensation on individual achievement and responsibility, teamwork, and our short-term financial performance;

align employees incentives with our objective of enhancing stockholder value over the longer term through long-term incentives, principally in the form of stock options vesting over time and restricted stock units (RSUs) subject to performance conditions;

design total compensation packages that will attract, retain, and motivate key employees who are critical to the long-term success of our Company; and

emphasize individual excellence and encourage employees at all levels, as well as executive officers, to take initiative and lead individual projects that enhance our performance.

These objectives and strategy are reviewed each year by the Compensation and Nominating Committee of our Board of Directors, which we refer to as the Committee . The Committee oversees our executive compensation program. In furtherance of these objectives, the Committee takes the following actions each year:

reviews the performance of George Colony, our Chairman and Chief Executive Officer, including his demonstration of leadership and his overall contribution to the financial performance of the Company;

reviews the assessment by Mr. Colony and our chief operating officer, Charles Rutstein, of the performance of executive officers reporting to each of them, against their individual and team goals;

reviews the company-wide financial goals that are used in the calculation of the cash incentive compensation for our executives;

reviews all components of compensation for each executive officer: base salary, short-term cash incentive compensation, and long-term equity incentive compensation;

assesses relevant market data; and

holds executive sessions (without our management present) as appropriate to accomplish the above actions.

Mr. Colony and Mr. Rutstein also play a substantial role in the compensation process for the other executive officers, primarily by recommending annual goals for the executives reporting directly to each of them, evaluating their performance against those goals, and providing recommendations on their compensation to the Committee.

The Committee has not historically used formal benchmarking data to establish compensation levels, but has relied instead on relevant market data and surveys to design compensation packages that it believes are competitive with other similarly situated companies or those with whom we compete for talent. In July 2007, to assist the Committee with its strategic, in-depth review of executive compensation, the Committee retained Pearl Meyer & Partners to prepare a peer group analysis of executive compensation and help the Committee evaluate and design executive compensation packages. In December 2007, Pearl Meyer & Partners presented an executive compensation assessment to the Committee comparing the compensation of the Company s executives against those of peer group companies in order to inform and assist the Committee in its decision-making with respect to the compensation of executive officers for 2008 and beyond. This assessment was updated by Pearl Meyer & Partners in late 2008, and further updated by the Company in 2009 and 2010 from publicly available information with respect to the peer group companies.

Pearl Meyer & Partners competitive assessment analysis included 13 publicly-traded firms that were chosen, after consultation with the Committee, based on three principal selection criteria: market segment similarity; annual revenue; and market capitalization. The firms include The Advisory Board Company, Arbitron Inc., The Corporate Executive Board Company, CoStar Group, Inc., CRA International, Inc., Diamond Management & Technology Consultants, Inc., Gartner, Inc., Greenfield Online, Inc., The Hackett Group, Inc. (formerly Answerthink, Inc.), Harris Interactive Inc., Sapient Corporation, TechTarget, Inc. and Visual Sciences, Inc. The Pearl Meyer analysis included the competitive position of Forrester executive officers relative to market percentiles of the peer group with respect to the various elements of executive compensation and for total compensation. While the Committee considered this data, along with other factors, such as the experience and performance of the executive and the fact that 2009 base salaries and target cash incentive amounts were frozen at 2008 levels, in setting compensation levels and equity awards in 2010, the Committee did not specifically target any elements of compensation against the peer group companies.

Elements of Compensation

Compensation for our named executive officers consists of the following principal components:

- base salary;
- short-term cash incentive compensation;
- long-term equity incentive compensation, in the form of stock options and RSUs; and
- other benefits available generally to all full-time employees.

We do not have an express policy for weighting different elements of compensation or for allocating between long-term and short-term compensation, but we do attempt to maintain compensation packages that will advance our overall compensation objectives. In reviewing and setting the compensation of each executive, we consider the individual s position with the Company and his or her ability to contribute to achievement of strategic and financial objectives.

In 2010, as illustrated in our Summary Compensation Table below, base salaries for our named executive officers other than Mr. Colony represented an average of approximately 37.8% of total compensation for these individuals, while the base salary for Mr. Colony represented approximately 59.1% of his total compensation. Because of Mr. Colony s significant ownership of our common stock, the Committee generally does not grant stock options or RSUs to him, resulting in a higher ratio of base salary to total compensation than that of the other named executive officers.

Base Salary. The Committee approves the base salaries of our named executive officers annually by evaluating the responsibilities of their position, the experience and performance of the individual, the referenced peer group analysis, and as necessary or appropriate, survey and market data. The base salary of a named executive officer is also considered together with the other components of his or her compensation to ensure that both the executive s total cash compensation opportunity (or on-target earnings) and the allocation between base salary and variable compensation for the executive are in line with our overall compensation philosophy and business strategy.

Our goal is to pay base salaries to our named executive officers that are competitive with the base salaries of companies that are similarly situated or with which we compete to attract and retain executives, including the referenced peer group, while taking into account total on-target earnings, and remaining consistent with our overall compensation objectives with respect to variable compensation. In 2010, the Committee increased the base salaries of the named executive officers by an average of approximately 6.7% over 2009, reflecting the fact that 2009 base salaries and target cash incentive amounts had been frozen at 2008 levels, as well as the Committee s consideration of market data and the respective tenures and experience of our named executive officers. Messrs. Colony and Rutstein received proportionately greater base salary adjustments than target cash incentive bonus amount adjustments, discussed below, to bring their base salaries and target cash incentive bonus amounts as a percentage of base salary more in line with survey and market data relative to each of their positions.

Short-Term Cash Incentive Compensation. A significant portion of each of our named executive officers total annual cash compensation is dependent on our achievement of financial objectives set forth under our 2010 Executive Cash Incentive Plan. Payouts under the plan are made annually in arrears. Historically, performance goals and payouts under the executive cash incentive plan (formerly referred to as the matrix bonus plan) for all participants, other than Mr. Colony, had been set and paid quarterly to allow us ongoing flexibility to align performance goals with changing business needs and financial performance. Beginning with 2010, while the Committee retained the quarterly matrix bonus plan for non-executive officer employees, the Committee adopted the 2010 Executive Cash Incentive Plan for our executive officers, which provides for an annual performance goal and payout structure. The Committee believed an annual structure would better focus our senior leadership on strategic issues and the growth of our business.

An individual named executive officer s annual bonus payout under the 2010 Executive Cash Incentive Plan is based on the following factors, which are discussed in more detail below:

- the named executive officer s target award;
- the Company s financial performance;
- team performance; and
- the named executive officer s individual performance.

Effective January 1, 2010, as part of its executive compensation reviews, the Committee increased target cash incentive bonus amounts for each of the named executive officers by an average of approximately 10.8%, taking into account the same reasons for the associated increases in base salaries discussed above, while maintaining an appropriate allocation between base salaries and variable compensation. After giving effect to these increases, the annual target cash incentive bonus amounts for our named executive officers, other than Gregory Nelson, ranged from approximately 42.9% to 60% of that person s base salary. Mr. Nelson s target cash incentive bonus amount under our 2010 Executive Cash Incentive Plan was $56,000, or 26.7% of his base salary, because as Chief Sales Officer, a significant portion of his target cash incentive bonus amount was tied to sales commissions. Mr. Nelson s 2010 commission-based target cash incentive bonus amount was set at $84,000, or 40% of his base salary.

For purposes of the 2010 Executive Cash Incentive Plan, the financial performance of our Company for 2010 was measured based on booked sales accounts (referred to as bookings) and adjusted operating profit goals. The Committee selected bookings as one of the metrics because we believe that bookings provide an important measure of our current business activity and estimated future revenues. The Committee selected adjusted operating profit (operating profit), meaning the Company s pro forma operating profit assuming cash incentive compensation payouts under the 2010 Executive Cash Incentive Plan and the employee matrix bonus plan at target levels, as the other key metric because we believe operating profit provides a comprehensive measure of our financial performance that takes into account the importance of both revenue growth and expense management. In addition, by linking payouts under the plan to the Company s profitability, we provide our employees with the opportunity to share in our profits while assuring that payouts are only made if we achieve a satisfactory, pre-approved level of profitability, taking into account the nature of our business, planned investments to support growth of the business, and the economic environment. Our pro forma operating profit excludes amortization of acquisition-related intangible assets, duplicate lease costs, reorganization costs, costs or credits associated with acquisition activities, stock-based compensation and net gains or losses from investments, as well as their related tax effects. The Committee may also adjust the operating profit metric, as it deems appropriate, to include or exclude particular non-recurring items to avoid unanticipated results and to promote, and provide appropriate incentives for, actions and decisions that are in the best interests of the Company and its stockholders.

The 2010 Executive Cash Incentive Plan was structured as follows:

- A matrix for 2010 containing bookings on the x axis and operating profit on the y axis was approved by the Committee under the plan based on the Company s 2010 operating plan approved by the Board of Directors. Minimum bookings and operating profit levels for our Company were set taking into account the Company s historical growth levels for bookings and operating profit, planned investments to support growth of the business, and recognizing the difficult economic environment experienced by the Company in the second half of 2008 and 2009 which impacted our bookings for 2009 and therefore revenue recognized in 2010, since revenue from annual subscriptions to our research services is recognized ratably over a 12-month period. Failure of our Company to meet either of these minimum levels would result in each executive officer being ineligible to receive any bonus payout. The minimum, target and maximum levels of bookings and operating profit under the 2010 Executive Cash Incentive Plan approved by the Committee were as follows (all dollars in thousands):

	Bookings	Operating Profit
Minimum:	$ 201,086	$ 31,268
Target:	$ 264,587	$ 35,532
Maximum:	$ 304,275	$ 41,928

If the Company s target bookings and operating profit were achieved, the 2010 Executive Cash Incentive Plan allowed for the payment of 100% of a named executive officer s target award, subject to adjustment upward or downward for individual and team performance, as described in more detail below. If the bookings and operating profit were above the minimum thresholds but below the target, the bonus payout would be between 10% and 100% of the target award, subject to adjustment upward or downward for individual and team performance.

If the applicable target bookings and operating profit were exceeded, the plan allowed for the payment of up to 160% of a named executive officer s target award, subject to adjustment upward or downward for individual and team performance.

The Company s actual bookings and operating profit for 2010 were $273.7 million and $43.7 million, respectively, resulting in 130% of each named executive officer s target award being payable before adjustment for individual and team performance (such percentage referred to as the Company Modifier).

The 2010 Executive Cash Incentive Plan provided that payouts could be increased by as much as an additional 50% or reduced to as little as zero based on individual and team performance. Team performance goals related to the achievement of a specified dollar amount of the Company s bookings from research (syndicated) products and services and the achievement of a specified average number of roles per client, taking into account only clients on December 31, 2010 that were also clients on December 31, 2009. The Company s primary reason for focusing on syndicated bookings is that the Company s syndicated products and services generally are renewable and more profitable than its non-syndicated advisory services, and the Company s primary reason for focusing on roles per client is to create incentives for and track progress in moving to a role-based sales and service model that focuses appropriate attention on serving leaders in key roles across our client base.

With respect to each named executive officer other than Mr. Colony, 15% of the annual payout was subject to modification based on performance against the syndicated bookings team goal, 15% of the annual payout was subject to modification based on performance against the roles per client team goal, and the remaining 70% of the payout was subject to modification based on performance against individual goals. With respect to Mr. Colony, 25% of his annual payout was subject to modification based on performance against the syndicated bookings team goal, 25% of the annual payout was subject to modification based on performance against the roles per client team goal, and the remaining 50% of his payout was subject to modification based on performance against individual goals. In the event that our Company s total 2010 bookings were more than 5% lower than the target level of Company-wide bookings under our 2010 Executive Cash Incentive Plan, the named executive officers would receive none of the portion of their annual payout subject to modification based on syndicated bookings performance, irrespective of our actual syndicated bookings. In addition, in the event that our Company s total 2010 bookings were lower than the target level of Company-wide bookings under our 2010 Executive Cash Incentive Plan, the portion of the named executive officers annual payout subject to modification based on syndicated bookings performance could not be adjusted upward, irrespective of our actual syndicated bookings. The minimum, target, and maximum amounts of syndicated bookings and roles per client, the actual syndicated bookings and roles per client, and the associated team goal modifiers for the named executive officers in 2010, were as follows:

Minimum Syndicated Bookings:	$172.4 million	Minimum Roles Per Client:	3.7
Target Syndicated Bookings:	$181.4 million	Target Roles Per Client:	4.0
Maximum Syndicated Bookings:	$199.6 million	Maximum Roles Per Client:	5.0
Actual Syndicated Bookings:	$184.2 million	Actual Roles Per Client:	3.7
Syndicated Team Modifier:	105%	Roles Per Client Team Modifier:	50%

Individual goals under the 2010 Executive Cash Incentive Plan were designed to promote achievement of annual performance targets approved by the Committee. These individual goals for the named executive officers other than Mr. Colony included goals with respect to particular financial or customer satisfaction metrics, which were company-wide in the case of Messrs. Doyle, Nelson and Rutstein, and focused on the client group for which he served as managing director, in the case of Dennis van Lingen, as well as more subjective items such as succession planning, management style and strategic direction. The individual goals for Mr. Colony included various strategic and organizational goals. Based upon the Committee s evaluation of Mr. Colony s performance, and Mr. Colony s and Mr. Rutstein s evaluation of their direct reports performance, against those goals, the average individual goal modifier for the named executive officers for 2010 was determined to be approximately 107%.

Actual payouts under the 2010 Executive Cash Incentive Plan are set forth in the Summary Compensation Table under the heading Non-Equity Incentive Plan Compensation and reflect that, in the aggregate, actual awards paid to our named executive officers other than Mr. Nelson for 2010 were on average equal to approximately 123% of the target cash incentive bonus amount that the Committee established for 2010, based on Company, individual and team performance relative to the applicable goals for each executive. The actual awards paid to Mr. Nelson for 2010 were equal to approximately 212% of his total target cash incentive bonus amount, consisting of a payout under our 2010 Executive Cash Incentive Plan of $69,160, or 124% of his target under that plan, and commissions of $228,148, or 272% of his targeted commissions for 2010.

Long-term Equity Incentive Compensation. The principal equity component of our executive compensation historically has been in the form of stock options and, since 2009, RSUs granted under our equity incentive plans. All stock-based compensation awards granted to our executive officers are granted by the Committee. Stock-based awards generally have been granted when an executive joins Forrester or in connection with a promotion, with additional stock-based awards granted from time to time, typically as part of an annual grant to a larger group of key employees. We believe that stock-based awards help to motivate and retain executives and also align management s incentives with long-term stock price appreciation. Grants to new executives and grants made in connection with promotions are typically time-based, with vesting occurring with the passage of time. The most recent grants to our executives, including those made in April 2010, have included a combination of performance-based RSUs, with vesting keyed to achievement of specified financial goals, and time-based stock options, with vesting occurring with the passage of time. We believe that the combination of time-based and performance-based awards serves to encourage retention while further aligning the interests of executives and stockholders, as the awards have value only if performance metrics are met or if stock price increases from that at grant date and the recipient continues to provide service to the Company through the vesting date. In addition, in structuring the awards, the Committee considered that if and when an RSU award vests, it provides immediate compensatory value to the executive. Neither the Company nor our board of directors, including the Committee, has any plan, program or practice of timing equity incentive awards in coordination with the release or withholding of material non-public information.

In determining the size and nature of stock-based awards for 2010, the Committee considered the aggregate number of stock-based awards outstanding relative to the Company s total shares outstanding, the average aggregate size of stock-based awards made to executive officers of companies that are similarly situated or with which we compete to attract and retain executives, including the referenced peer group, and the individuals that they believed were most likely to contribute to or influence the continued implementation of the Company s role-based strategy, a return to the Company s historical growth levels and continued improvement in the Company s operating margin. On March 29, 2010, the Committee reviewed and approved the grant of performance-based RSUs and time-based stock options to each of Messrs. Doyle, Nelson, Rutstein and van Lingen, effective April 1, 2010 as part of a grant of equity-based compensation to key employees across the Company. With respect to the stock options, the Committee determined that a vesting schedule providing that none of the grant would vest until 24 months after award date was appropriate to promote a longer-term outlook. So long as the named executive officer holding one of the options remains employed by the Company, 50% of the shares subject to the option will vest on April 1, 2012, an additional 25% will vest April 1, 2013, and the balance of the shares subject to the option will vest on April 1, 2014. The stock options were granted at an exercise price of $29.86, which was equal to the closing market price of our common stock on the grant date.

Each RSU granted to the named executive officers in 2010 entitles the applicable officer to receive on or after April 1, 2013, prior to deducting the applicable number of shares necessary to satisfy withholding tax obligations, one share of the Company s common stock, if each of the performance levels described below are met and the officer remains employed by the Company. The applicable performance metrics are the percentage growth in the Company s total consolidated revenues for the year ending December 31, 2012 as compared to the Company s total consolidated revenues for the year ending December 31, 2011, or year-over-year revenue growth, and consolidated pro forma operating margin for the year ending December 31, 2012. If both target performance levels are met, the RSUs will vest at 100%; if both target performance levels are not achieved, but year-over-year revenue growth and pro forma operating margin equal or exceed prescribed minimum levels, then the RSUs will vest at 40%. Failure to achieve the minimum performance levels for either year-over-year revenue growth or pro forma operating margin will result in forfeiture of the RSUs. The Committee decided that using scaled metrics was appropriate to achieve the objectives of longer-term strategic thinking and retention of key talent, taking into account planned investments to support growth in the business and the overall business environment. The applicable minimum and target levels for each of the performance metrics are as follows:

	Minimum	Target
Year-Over-Year Revenue Growth:	14%	17%
Pro Forma Operating Margin:	16%	18%

Given Mr. Colony s significant ownership of our common stock, the Committee did not grant stock options or RSUs to Mr. Colony in 2010.

Other Benefits

As employees of our Company, our executive officers are eligible to participate in all Company-sponsored benefit programs on the same basis as other full-time employees, including health and dental insurance and life and disability insurance. In addition, our executive officers are eligible to receive the same employer match under our 401(k) plan (or applicable foreign plan) as is applicable for all participating employees. We do not offer any supplemental executive health and welfare or retirement programs, or provide any other supplemental benefits or perquisites, to our executives.

We have a cash bonus plan adopted in 2000 to pay bonuses measured by a portion of the share of our net profits from two technology related private equity investment funds. Certain of our key employees, including certain of our executive officers who were employees of the Company at the time of the adoption of this plan, participate in this plan. The principal purpose of this cash bonus plan was to retain key employees by allowing them to participate in a portion of the potential return from our technology-related investments if they remained employed by the Company. The plan was established at a time when technology and internet companies were growing significantly, and providing incentives to retain key employees during that time was important. To date, although we have invested $19.6 million of a $20 million commitment in these funds, we have not paid any bonuses under this plan. In June 2010, the Committee approved an extension of this cash bonus plan until June 30, 2013.

Stock Retention Guidelines

In April 2010, we introduced stock retention guidelines to further align the interests of our directors and executive officers with those of our stockholders. Members of our executive team and Board of Directors are subject to these stock retention guidelines for so long as they remain an executive officer, or serve as a director, of the Company. The guidelines require executive officers and directors of the Company to retain at least 50% of the net shares of Forrester common stock delivered to them upon the exercise or vesting of stock awards granted on and after January 1, 2010. Net shares are the number of shares remaining after shares are sold or netted to pay the exercise price of equity awards and applicable withholding taxes. For directors, the applicable withholding tax is presumed to be the minimum withholding tax applicable to an employee. These guidelines may be waived, at the discretion of the Committee, if compliance with the guidelines would create severe hardship or prevent an executive officer or director from complying with a court order. Our directors and executive officers have complied in full with these guidelines since their initial adoption.

Impact of Tax and Accounting on Compensation Decisions

Section 162(m) of the Internal Revenue Code limits the deductibility of compensation paid to certain executive officers in excess of $1 million per year unless the compensation is performance-based. Because the compensation amounts paid to our executive officers are substantially below this threshold, to date we have not needed to structure compensation arrangements with our executive officers to preserve the deductibility of that compensation in light of Section 162(m).

When determining amounts of equity awards to executives and employees under our equity incentive program, the Committee considers the compensation charges associated with the awards. We recognize compensation expense for stock-based awards based upon the fair value of the award. Grants of stock options result in compensation expense equal to the fair value of the options, which is calculated using a Black-Scholes option pricing model. Restricted stock unit awards result in compensation expense equal to the fair value of the award on the award date, which is calculated using the closing stock price of the underlying shares on the date of the award. Stock-based compensation is recognized as an expense over the vesting period of the award.

Compensation Committee Report

The Compensation and Nominating Committee of the Board of Directors has reviewed and discussed the Compensation Discussion and Analysis included in this proxy statement with management and, based on this review and discussion, recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

Compensation and Nominating Committee

Robert M. Galford, Chair
Gretchen G. Teichgraeber
Michael H. Welles

The information contained in the report above shall not be deemed to be soliciting material or to be filed with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that we specifically incorporate it by reference in any such filing.

SUMMARY COMPENSATION TABLE

The following table shows the compensation earned during 2010 by our Chief Executive Officer, our Chief Financial Officer and each of our three other most highly compensated executive officers as of December 31, 2010. We refer to these officers as the named executive officers. The table also shows the compensation earned during 2008 and 2009 by Messrs. Colony, Doyle, Rutstein and van Lingen, who were named executive officers as of December 31, 2008 and December 31, 2009.

Name and Principal Position	Year	Salary ($)	Bonus ($)(1)	Stock Awards ($)(2)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)(3)	Total ($)
George F. Colony	2010	350,000				232,050	10,394	592,444
Chairman of the Board and	2009	320,000				145,500	10,394	475,894
Chief Executive Officer	2008	310,000				142,500	6,135	458,635
Michael A. Doyle	2010	315,000		139,357	136,709	170,235	8,948	770,249
Chief Financial Officer and								
Treasurer	2009	308,000		84,184	86,023	78,759	8,912	565,878
	2008	304,000	37,500			83,326	8,440	433,266
Gregory Nelson(4)	2010	210,000		109,497	107,414	297,308	12,922	737,141
Chief Sales Officer								
Charles Rutstein	2010	336,000		139,357	136,709	175,968	11,304	799,338

Chief Operating Officer	2009	290,000		126,250	129,034	97,268	11,092	653,644
	2008	290,000			232,490	111,173	8,420	642,083
Dennis van Lingen(5)	2010	249,960		99,553	97,649	159,643	23,085	629,890
Managing Director, Marketing &	2009	253,753		105,217	107,528	97,311	26,194	590,003
Strategy Client Group; Chief Europe,	2008	267,620			154,994	94,310	28,690	545,614
Middle East, & Africa Officer								

(1) Amount represents the second installment of a sign-on bonus paid to Mr. Doyle.

(2) These amounts represent the aggregate grant date fair value of restricted stock unit and option awards. Assumptions used in the calculation of grant date fair value of stock options are included in footnote 1 to the Company s consolidated financial statements included in our 2010 Annual Report on Form 10-K. The grant

date fair value of restricted stock units is based upon the closing price of the Company s common stock on the date of grant. For purposes of calculating the grant date fair value of performance awards, we assume that the performance criteria will be fully achieved and 100% of each award will vest. The amounts set forth may be more or less than the value ultimately realized by the named executive officer based upon, among other things, the value of the Company s common stock at the time of exercise of the options or vesting of the restricted stock units and whether such options or restricted stock units actually vest.

(3) 2010 amounts include the following amounts of Company matching contributions under our 401(k) plan or, for Mr. van Lingen, our Netherlands-based defined contribution pension plan: Mr. Colony, $7,350; Mr. Doyle, $7,350; Mr. Nelson, $7,350; Mr. Rutstein, $7,350; and Mr. van Lingen, $14,834. Other amounts consist of group term life insurance premiums and miscellaneous other items.

(4) In August 2009, Mr. Nelson, formerly our Vice President of Sales for our Information Technology Client Group EMEA region, became our Chief Sales Officer.

(5) All elements of Mr. van Lingen s 2010 compensation, other than stock compensation-related expenses, reflect a translation from euros into U.S. dollars based on an exchange rate of 0.75488 euros per dollar, which was the average exchange rate during 2010. Elements of Mr. van Lingen s compensation for 2009 and 2008 reflect the average exchange rates for each of those years.

GRANTS OF PLAN-BASED AWARDS FOR 2010

The following table sets forth information with respect to plan-based awards granted to named executive officers in 2010.

			Estimated Possible Payouts Under Non-Equity Incentive Plan Awards(1)			**Estimated Future Payouts Under Equity Incentive Plan Awards(3)**			**All Other Option Awards: Number of Securities Underlying Options (#)**	**Exercise or Base Price of Option Awards ($/Sh)**	**Gr Da Fa Valu Opt Awa**
	Grant Date	**Committee Approval Date**	**Threshold ($)(2)**	**Target ($)**	**Maximum ($)(2)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**			**($)**
e F. y			0	210,000	504,000						
el A.			0	135,000	324,000						
	04/01/10	03/29/10							14,000	29.86	13
	04/01/10	03/29/10				1,867	4,667	4,667			13
ry Nelson			0	140,000	N/A						

	04/01/10	03/29/10							11,000	29.86	10
	04/01/10	03/29/10				1,467	3,667	3,667			10
s Rutstein			0	144,000	345,600						
		03/29/10									
	04/01/10	03/29/10							14,000	29.86	13
	04/01/10					1,867	4,667	4,667			13
s van (5)			0	112,854	270,850						
	04/01/10	03/29/10							10,000	29.86	9
	04/01/10	03/29/10				1,334	3,334	3,334			9

(1) Except with respect to Mr. Nelson, consists of awards under our 2010 Executive Cash Incentive Plan, a non-equity incentive plan, with payouts thereunder made annually in arrears. Our 2010 Executive Cash Incentive Plan is described in detail, including calculation of threshold, target and maximum awards under the plan, in the Compensation Discussion and Analysis above. Actual amounts awarded are set forth in the Summary Compensation Table above. Mr. Nelson s Target amount includes the target amount he was eligible to receive under our 2010 Executive Cash Incentive Plan of $56,000 and target sales commissions of $84,000. There is no cap on Mr. Nelson s Maximum amount because there is no cap on possible commission payments.

(2) The threshold and maximum amounts reflect the fact that a named executive officer s payout, as determined by the Company s matrix performance, can be increased by as much as 50% or reduced to as little as zero, depending on achievement of specific individual and team goals. Without giving effect to any upward or downward adjustment for individual or team performance, the threshold (10% of target), target and maximum

(160% of target) possible payouts under the 2010 Executive Cash Incentive Plan for the named executive officers were as follows:

Name	Threshold ($)	Target ($)	Maximum ($)
George F. Colony	21,000	210,000	336,000
Michael A. Doyle	13,500	135,000	216,000
Gregory Nelson	5,600	56,000	89,600
Charles Rutstein	14,400	144,000	230,400
Dennis van Lingen	11,285	112,854	180,566

(3) Consists of performance-based restricted stock units granted pursuant to our 2006 Equity Incentive Plan (2006 Plan). The vesting of such restricted stock units is conditioned upon achievement of defined performance objectives relating to year-over-year revenue growth and pro forma operating margin in 2012. The restricted stock units can vest as to either 40% or 100% of the total number of shares subject to the award, depending on performance, or the restricted stock units can be forfeited if the defined performance objectives are not met. Pursuant to the terms of the 2006 Plan, the restricted stock units become vested in full upon a change of control, unless there is an assumption, substitution or cash-out of such restricted stock units in connection with the change of control.

(4) Assumptions used in the calculation of option awards are included in footnote 1 to the Company s consolidated financial statements included in our 2010 Annual Report on Form 10-K. The grant date fair value of restricted stock units is based upon the closing price of the Company s common stock on the date of grant.

(5) Threshold, target and maximum awards under our 2010 Executive Cash Incentive Plan for Mr. van Lingen reflect a translation from euros into U.S. dollars based on an exchange rate of 0.71429 dollars per euro, which was the exchange rate that the Company used for all financial planning purposes for 2010. The applicable amounts expressed in euro would be: target, 80,610; and maximum, 193,464. Applying the average exchange rate during 2010, which was used to calculate the actual amounts paid in the Summary Compensation Table, the same amounts expressed in U.S. dollars would be: target, $106,785; and maximum, $256,284.

OUTSTANDING EQUITY AWARDS AT 2010 FISCAL YEAR-END

The following table sets forth information for the named executive officers regarding outstanding option awards and stock awards held as of December 31, 2010.

	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(1)
George F. Colony						
Michael A. Doyle					3,334(2)	117,657
					4,667(3)	164,698
	30,000	12,500(4)	25.20	09/30/2017		
		10,000(5)	25.25	06/30/2019		
		14,000(6)	29.86	03/31/2020		
Gregory Nelson					2,500(2)	88,225
					3,667(3)	129,408
	3,000		16.21	06/30/2013		
	1,000		15.92	06/20/2013		
	3,000		18.42	03/30/2014		
	2,500		14.06	03/30/2015		
	7,000		22.19	04/02/2016		
	5,000		28.62	04/01/2017		
	1,000	1,000(7)	24.14	01/31/2018		
		3,000(8)	25.25	06/30/2019		
		4,500(9)	22.68	08/02/2019		
		11,000(10)	29.86	03/31/2020		
Charles Rutstein					5,000(2)	176,450
					4,667(3)	164,698
	7,500		14.06	03/30/2015		
	40,000		21.87	02/14/2016		
	30,000		28.62	04/01/2017		
	30,000		27.11	03/31/2018		

		15,000(11)	25.25	06/30/2019		
		14,000(12)	29.86	03/31/2020		
Dennis van Lingen					4,167(2)	147,053
					3,334(3)	117,657
	15,000		26.08	05/14/2016		
	15,000		27.35	09/06/2016		
	15,000		26.93	04/01/2017		
	20,000		27.11	03/31/2018		
		12,500(13)	25.25	06/30/2019		
		10,000(14)	29.86	03/31/2020		

(1) The market value was calculated based on $35.29, the closing price per share of our common stock on December 31, 2010.

(2) Consists of performance-based restricted stock units granted pursuant to our 2006 Equity Incentive Plan. The vesting of these restricted stock units is conditioned upon achievement of defined performance objectives relating to year-over-year revenue growth and pro forma operating margin in 2011. The restricted stock units can vest on April 1, 2012 as to either 40% or 100% of the total number of shares subject to the award, depending on performance, or the restricted stock units can be forfeited if the defined performance objectives are not met.

(3) Consists of performance-based restricted stock units granted pursuant to our 2006 Equity Incentive Plan. The vesting of these restricted stock units is conditioned upon achievement of defined performance objectives relating to year-over-year revenue growth and pro forma operating margin in 2012. The restricted stock units

can vest on April 1, 2013 as to either 40% or 100% of the total number of shares subject to the award, depending on performance, or the restricted stock units can be forfeited if the defined performance objectives are not met.

(4) Stock options become exercisable on October 1, 2011.

(5) Stock options become exercisable as to 5,000 shares on April 1, 2011, 2,500 shares on April 1, 2012 and 2,500 shares on April 1, 2013.

(6) Stock options become exercisable as to 7,000 shares on April 1, 2012, 3,500 shares on April 1, 2013 and 3,500 shares on April 1, 2014.

(7) Stock options became exercisable as to 500 shares on February 1, 2011 and become exercisable as to the remaining 500 shares on February 1, 2012.

(8) Stock options become exercisable as to 1,500 shares on April 1, 2011, 750 shares on April 1, 2012 and 750 shares on April 1, 2013

(9) Stock options become exercisable as to 2,250 shares on April 1, 2011, 1,125 shares on April 1, 2012 and 1,125 shares on April 1, 2013.

(10) Stock options become exercisable as to 5,500 shares on April 1, 2012, 2,750 shares on April 1, 2013 and 2,750 shares on April 1, 2014.

(11) Stock options become exercisable as to 7,500 shares on April 1, 2011, 3,750 shares on April 1, 2012 and 3,750 shares on April 1, 2013.

(12) Stock options become exercisable as to 7,000 shares on April 1, 2012, 3,500 shares on April 1, 2013 and 3,500 shares on April 1, 2014.

(13) Stock options become exercisable as to 6,250 shares on April 1, 2011, 3,125 shares on April 1, 2012 and 3,125 shares on April 1, 2013.

(14) Stock options become exercisable as to 5,000 shares on April 1, 2012, 2,500 shares on April 1, 2013 and 2,500 shares on April 1, 2014.

OPTION EXERCISES AND STOCK VESTED TABLE FOR 2010

The following table sets forth information for the named executive officers regarding the value realized during 2010 by such executives pursuant to option exercises. None of the named executive officers acquired shares upon the vesting of RSUs during 2010.

	Option Awards	
	Number of Shares Acquired	**Value Realized on Exercise**

Name	on Exercise (#)	($)
George F. Colony		
Michael A. Doyle	7,500	77,645
Gregory Nelson		
Charles Rutstein	20,500	259,422
Dennis van Lingen	12,750	199,583

Pension Benefits

We have no defined benefit pension plans or long-term incentive plans applicable to the named executive officers.

Nonqualified Deferred Compensation

We have no nonqualified defined contribution or deferred compensation plans.

Severance and Change-of-Control Benefits

We entered into an employment offer letter on July 24, 2007 with Mr. Doyle that provides for severance benefits following a termination of his employment by the Company without Cause (as defined in the offer letter). In the event of such a termination, we must continue to pay Mr. Doyle his base salary for the 6 months following his termination, subject to his signing a separation agreement in a form acceptable to us that includes a general release of all claims. We have not entered into agreements providing for severance benefits with any of the other named executive officers. Each of our named executive officers other than Mr. Colony has entered into stock option and restricted stock unit grant agreements that provide for full acceleration of vesting upon a change of control of the Company, unless there is an assumption, substitution or cash-out of such options or restricted stock units in connection with the change of control. The following table shows what the benefit of such acceleration would have been assuming a change of control had occurred on December 31, 2010, and also shows the severance amounts that would have been payable to Mr. Doyle if we had terminated his employment without Cause on December 31, 2010.

Name	Early Vesting of Stock Options Upon a Change of Control($)(1)	Early Vesting of Stock Awards Upon a Change of Control($)(2)	Severance Amount Upon Termination Without Cause ($)
George F. Colony			
Michael A. Doyle	302,545	282,355	157,500
Gregory Nelson	157,745	217,633	
Charles Rutstein	226,620	341,148	
Dennis van Lingen	179,800	264,710	

(1) This amount equals the difference between the exercise price of each option and $35.29, the closing price of our common stock on NASDAQ on December 31, 2010, multiplied by the number of unvested shares of our common stock underlying stock options on December 31, 2010, the assumed date of the change of control.

(2) This amount equals $35.29, the closing price per share of our common stock on December 31, 2010, multiplied by the number of unvested shares of our common stock underlying restricted stock units on December 31, 2010, the assumed date of the change of control.

Director Compensation

DIRECTOR COMPENSATION TABLE FOR 2010

The following table shows the compensation that we paid during the year ended December 31, 2010 to each of our directors, other than Mr. Colony, whose compensation is reflected in Executive Compensation above.

	Fees Earned or Paid in Cash	Option Awards	Total

Name	($)	($)(1)(2)(3)	($)
Henk W. Broeders	22,750	120,151	142,901
Robert M. Galford	25,000	120,151	145,151
George R. Hornig	27,750	120,151	147,901
Gretchen G. Teichgraeber	21,250	120,151	141,401
Michael H. Welles	26,500	120,151	146,651

(1) The amounts in this column reflect the aggregate grant date fair value of option awards for 2010. Assumptions used in the calculation of these amounts are included in footnote 1 to the Company s consolidated financial statements included in our 2010 Annual Report on Form 10-K. The amounts set forth may be more or less than the value ultimately realized by the named director based upon, among other things, the value of the Company s Common Stock at the time of vesting or exercise of the options and whether such options actually vest.

(2) On May 11, 2010, each of the directors other than Mr. Colony received an option to purchase 12,000 shares with an exercise price of $31.96.

(3) At December 31, 2010, the directors held options to purchase the number of shares listed next to their name below:

Director	**Number of Shares**
Henk W. Broeders	62,000
Robert M. Galford	62,000
George R. Hornig	33,875
Gretchen G. Teichgraeber	37,000
Michael H. Welles	87,000

In April 2010, upon the recommendation of our Compensation and Nominating Committee, our Board of Directors approved an increase in the cash compensation payable to our non-employee directors and a decrease in the number of stock options granted to our non-employee directors each year. These changes were recommended taking into account a 2008 peer group analysis conducted by Pearl Meyer & Partners, which indicated that the cash compensation of our directors was comparatively low, and that the equity compensation was comparatively high. Effective April 1, 2010, our non-employee directors receive an annual retainer of $20,000 and members of each Board committee receive an additional annual retainer of $5,000 for each committee on which they serve, with the Chairman of each committee receiving an additional $5,000 per year. Each of these annual fees is payable in arrears. Members of our Board of Directors are reimbursed for their expenses incurred in connection with attending any meeting.

Under the 2006 Stock Option Plan for Directors, following each annual meeting of stockholders, each non-employee director receives an option to purchase 12,000 shares of our common stock at an exercise price equal to the fair market value on that date. These options vest in four equal annual installments. After last year s annual meeting, our five non-employee directors at that time each received an option to purchase 12,000 shares of our common stock at an exercise price of $31.96 per share. Any non-employee director who is newly elected between annual meetings will receive an option to purchase 6,000 shares of our common stock at an exercise price equal to the fair market value on the date he or she is first elected as a director. These options also vest in four equal annual installments, with the first installment vested on the date of grant. Options granted under the 2006 Stock Option Plan for Directors become exercisable in full upon a change of control of the Company, unless there is an assumption, substitution or cash-out of such options in connection with the change of control.

Options granted to our non-employee directors prior to our 2006 annual meeting were made pursuant to our Amended and Restated 1996 Stock Option Plan for Non-Employee Directors.

The Compensation and Nominating Committee of the Board of Directors also has the authority under the 2006 Stock Option Plan to grant stock options to non-employee directors in such amounts and on such terms as it shall determine at the time of grant. No such awards have been made.

REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The Board of Directors has appointed an Audit Committee composed of three non-employee directors: Messrs. Hornig (Chairman), Broeders, and Welles. Each of the members of the Audit Committee is independent as defined under the NASDAQ Stock Market listing standards. The Board has determined that Mr. Hornig is an audit committee financial expert under applicable rules of the Securities and Exchange Commission, and the members of the Audit Committee satisfy the NASDAQ financial literacy standards.

The Audit Committee is responsible for providing independent oversight of Forrester s accounting functions and internal controls. The Audit Committee oversees Forrester s financial reporting process on behalf of the Board of Directors, reviews financial disclosures, and meets privately, outside of the presence of management, with Forrester s internal auditor and with representatives of the independent registered public accounting firm. The Audit Committee also selects and appoints the independent registered public accounting firm, reviews the performance of the independent registered public accounting firm, and reviews the independent registered public accounting firm s fees. The Audit Committee operates under a written charter adopted by the Board of Directors.

In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed Forrester s audited financial statements for the fiscal year ended December 31, 2010 with Forrester s management and with PricewaterhouseCoopers LLP, Forrester s independent registered public accounting firm. The Audit Committee also discussed with PricewaterhouseCoopers LLP the matters required by Statement of Auditing Standards No. 114, as amended, as adopted by the Public Company Accounting Oversight Board (United States) in Rule 3200T. This included a discussion of the independent registered public accounting firm s judgments as to the quality, not just the acceptability, of Forrester s accounting principles, and such other matters as are required under the standards of the Public Company Accounting Oversight Board (United States). The Audit Committee also received the written disclosures and letter from PricewaterhouseCoopers LLP required by the Public Company Accounting Oversight Board (United States) Rule 3526, and the Audit Committee discussed the independence of PricewaterhouseCoopers LLP with that firm.

Based on the Audit Committee s review and discussions noted above, the Audit Committee recommended to the Board of Directors, and the Board of Directors approved, the inclusion of the audited financial statements in our Annual Report on Form 10-K for the fiscal year ended December 31, 2010 for filing with the Securities and Exchange Commission.

AUDIT COMMITTEE OF THE BOARD OF
DIRECTORS

George R. Hornig, Chairman
Henk W. Broeders
Michael H. Welles

The information contained in the report above shall not be deemed to be soliciting material or to be filed with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that we specifically incorporate it by reference in any such filing.

OTHER INFORMATION

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act requires our officers and directors, and persons who own more than 10% of our common stock to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the Securities and Exchange Commission (SEC). Officers, directors and greater than 10% beneficial stockholders are required by SEC regulation to furnish to us copies of all Forms 3, 4 and 5 they file. Based solely on our review of copies of such forms which we received, we believe that all of our officers, directors, and greater than 10% beneficial owners complied on a timely basis with all filing requirements with respect to transactions during 2010, except for one report filed late for Robert Galford, a member of our Board of Directors, with respect to the acquisition of shares pursuant to a dividend reinvestment plan, which shares are held in trust for the benefit of Mr. Galford s adult children.

Certain Relationships and Related Transactions

Registration Rights and Non-Competition Agreement. At the time of our initial public offering, we entered into a registration rights and non-competition agreement with Mr. Colony which provides that if Mr. Colony s employment with us is terminated he will not compete with us for the one year period after the date of such termination. The agreement also provides that in the event we propose to file a registration statement under the Securities Act of 1933, as amended, with respect to an offering by us for our own account or the account of another person, or both, Mr. Colony shall be entitled to include shares held by him in such a registration, subject to the right of the managing underwriter of any such offering to exclude some or all of such shares from such registration if and to the extent the inclusion of the shares would adversely affect the marketing of the shares to be sold by us. The agreement also provides that Mr. Colony may require us to register shares under the Securities Act with a fair market value of at least $5 million, except that we are not required to effect such registration more than twice or at certain times described in the agreement. The agreement also provides that we will pay all expenses incurred in connection with such registration.

Related Person Transactions

Pursuant to its amended and restated charter, our Audit Committee has responsibility for the review and approval of all transactions between the Company and any related parties or affiliates of the Company, its officers, and directors.

Related persons can include any of our directors or executive officers, certain of our stockholders, and any of their immediate family members. In evaluating related person transactions, the committee members apply the same standards they apply to their general responsibilities as members of a committee of the board of directors and as individual directors. The committee will approve a related person transaction when, in its good faith judgment, the transaction is in the best interest of the Company. To identify related person transactions, each year we require our directors and officers to complete a questionnaire identifying any transactions with the Company in which the officer or director or their family members have an interest. In addition, our Code of Business Conduct and Ethics includes our expectation that all directors, officers and employees who may have a potential or apparent conflict of interest will notify our legal department.

PROPOSAL TWO:

RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2011

PricewaterhouseCoopers LLP audited our financial statements for the fiscal year ended December 31, 2010. Our Audit Committee has selected PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011. Although stockholder approval of the selection of

PricewaterhouseCoopers LLP is not required by law, our Board of Directors believes that it is advisable to give stockholders an opportunity to ratify this selection.

If stockholders do not approve this proposal at the 2011 annual meeting, our Audit Committee will reconsider its selection of PricewaterhouseCoopers LLP. If stockholders do ratify this appointment, the Audit Committee, which has direct authority to engage our independent registered public accounting firm, may appoint a different independent registered public accounting firm at any time during the year if it determines that the change would be in the best interests of Forrester and our stockholders.

The Audit Committee has approved all services provided to Forrester by PricewaterhouseCoopers LLP and BDO USA, LLP during 2010. Representatives of PricewaterhouseCoopers LLP are expected to be present at the 2011 annual meeting. They will have the opportunity to make a statement if they desire to do so and will also be available to respond to appropriate questions from stockholders.

Independent Auditors Fees and Other Matters

On June 1, 2010, our Audit Committee approved the dismissal of BDO USA, LLP (BDO) and engaged PricewaterhouseCoopers LLP (PwC) as our independent registered public accounting firm for the fiscal year ended December 31, 2010. The reports of BDO on our financial statements for the fiscal years ended December 31, 2009 and 2008 did not contain an adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles.

During our fiscal years ended December 31, 2009 and 2008, and through June 1, 2010, there have been no disagreements with BDO on any matter of accounting principles or practices, financial statement disclosure, or auditing scope and procedure, which disagreements, if not resolved to the satisfaction of BDO, would have caused BDO to make reference thereto in its reports on the financial statements. During our fiscal years ended December 31, 2009 and 2008, and through June 1, 2010, there were no reportable events as defined in Item 304(a)(1)(v) of Regulation S-K.

We requested that BDO furnish the Company with a letter addressed to the U.S. Securities and Exchange Commission stating whether BDO agreed with the foregoing disclosures. A copy of such letter is filed as Exhibit 16.1 to our Current Report on Form 8-K filed with the SEC on June 7, 2010.

During the years ended December 31, 2009 and 2008, and through June 1, 2010, the Company did not consult with PwC with respect to any of the matters described in Item 304(a)(2)(i) and (ii) of Regulation S-K.

The following table presents the aggregate fees billed by PwC and its affiliates for fiscal 2010, and by BDO and its affiliates for fiscal 2009 and the period from January 1-June 1, 2010.

	Fiscal 2010	Fiscal 2009
Audit Fees(1)	$ 599,208	$ 603,760
Audit-Related Fees(2)	$ 66,500	$ 25,155
Tax Fees(3)	$ 118,919	$ 37,512
Total Fees	$ 784,627	$ 666,427

(1) Audit fees are fees related to professional services rendered by PwC and BDO and their respective affiliates in connection with the audit of our financial statements and our internal controls over financial reporting, the reviews of our interim financial statements included in each of our quarterly reports on Form 10-Q, international statutory audits, and review of other SEC filings. Fiscal 2010 audit fees include $27,000 paid to BDO.

(2) Audit-related fees are for assurance and related services by PwC and BDO and their respective affiliates that are reasonably related to the performance of the audit or review of our financial statements, primarily for accounting consultations relating to acquisitions and audits of our defined contribution plans.

(3) Tax fees are fees billed for professional services related to tax compliance and tax consulting services.

Audit Committee s Pre-Approval Policy and Procedures

The Audit Committee approves the engagement of our independent registered public accounting firm to render any audit or non-audit services. At a regularly scheduled Audit Committee meeting, management or a representative of the Company s independent registered public accounting firm summarizes the services to be provided by the firm and the fees that will be charged for the services. Thereafter, if new services or dollar amounts in excess of those pre-approved at the meeting are proposed, they are either presented for pre-approval at the next meeting of the Audit Committee or approved by the Chairman of the Audit Committee pursuant to delegated authority. At subsequent meetings, the Audit Committee is provided a listing of any newly pre-approved services since the last meeting, and an updated projection for the current year of the estimated annual fees to be paid to the firm for all pre-approved audit and permissible non-audit services.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2011.

PROPOSAL THREE:

NON-BINDING VOTE ON EXECUTIVE COMPENSATION

The recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act) requires that we include in this proxy statement a non-binding stockholder vote on our executive compensation as described in this proxy statement (commonly referred to as Say-on-Pay). This vote is not intended to address any specific item of compensation, but rather overall compensation of our named executive officers and the policies and practices described in this proxy statement.

We believe our executive compensation program strikes the appropriate balance between utilizing responsible, measured pay practices and providing incentives to our executives to create value for our stockholders. We believe this is evidenced by the following:

- The mix of compensation among base salary and cash incentives.
- Generally our compensation policies and practices are uniform across each of our business units and geographic regions.
- Our bonus plan for executive officers provides for multiple payout levels based on targets established and approved by our Compensation and Nominating Committee during the first quarter of the applicable plan year.
- We require that minimum threshold performance targets be achieved before any bonuses are paid, and bonus payouts under our executive cash incentive plan are capped.
- We use multiple performance measures under our executive cash incentive plan, including bookings and operating profit.
- Equity-based awards granted to executives under our equity incentive plan are subject to multi-year or performance-based vesting criteria, and require that the executive remain employed through the vesting date or when performance criteria are measured to realize the value of these awards.

The Board endorses the Company s executive compensation program and recommends that stockholders vote in favor of the following resolution:

RESOLVED, that the stockholders approve the compensation of the Company s named executive officers as described in this proxy statement under Executive Compensation , including the Compensation Discussion and Analysis and the tabular and narrative disclosure contained in this proxy statement.

Because the vote is non-binding, neither the Board of Directors nor the Compensation and Nominating Committee of the Board will be required to take any action as a result of the outcome of the vote on this proposal.

The Compensation and Nominating Committee will carefully consider the outcome of the vote when evaluating future executive compensation arrangements.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE APPROVAL OF THE COMPANY S EXECUTIVE COMPENSATION.

PROPOSAL FOUR:

NON-BINDING VOTE ON FREQUENCY OF NON-BINDING VOTES ON EXECUTIVE COMPENSATION

The Dodd-Frank Act also requires that we include in this proxy statement a separate non-binding stockholder vote to advise on whether the Say-on-Pay vote should occur every one, two or three years. You have the option to vote for any of the three options, or to abstain on the matter.

Although the vote is non-binding, our Board of Directors will take into account the outcome of the vote when making future decisions about the frequency of Say-on-Pay votes.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE TO CONDUCT A NON-BINDING VOTE ON EXECUTIVE COMPENSATION EVERY YEAR.

STOCKHOLDER PROPOSALS

Stockholder proposals to be considered at the Annual Meeting of Stockholders in 2012 must be received by November 25, 2011 to be considered for inclusion in our proxy materials for that meeting.

Stockholders who wish to make a proposal at the 2012 annual meeting, other than proposals included in our proxy materials, or who wish to nominate individuals for election as directors, must notify us between February 8, 2012 and March 9, 2012. If the stockholder does not notify us by March 9, 2012, the proxies will have discretionary authority to vote on a stockholder s proposal brought before the meeting.

OTHER BUSINESS

The Board of Directors has no knowledge of any other matter that may come before the annual meeting and does not, itself, currently intend to present any other such matter.

FORM 10-K

A copy of our annual report on Form 10-K for the fiscal year ended December 31, 2010 filed with the Securities and Exchange Commission will be sent to stockholders without charge by writing to Forrester Research, Inc., Investor Relations, 400 Technology Square, Cambridge, Massachusetts 02139.

IMPORTANT ANNUAL MEETING INFORMATION 000004

ENDORSEMENT_LINE______________ SACKPACK_____________

MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4
ADD 5
ADD 6

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas. x

C123456789

000000000.000000 ext 000000000.000000 ext
000000000.000000 ext 000000000.000000 ext
000000000.000000 ext 000000000.000000 ext

Electronic Voting Instructions

You can vote by Internet or telephone!

Available 24 hours a day, 7 days a week!

Instead of mailing your proxy, you may choose one of the two voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 12:00 a.m., Eastern time, on May 10, 2011.

Vote by Internet

Log on to the Internet and go to
www.envisionreports.com/forr
Follow the steps outlined on the secured website.

Vote by telephone

Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada any time on a touch tone telephone. There is **NO CHARGE** to you for the call.
Follow the instructions provided by the recorded message.

6 **PLEASE FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.** 6

A Proposals The Board of Directors recommends a vote FOR all the nominees listed, FOR Proposals 2 and 3, and FOR a one-year frequency on Proposal 4.

1. Election of Directors: +

For Withhold **For Withhold** **For Withhold**

01 - George F. Colony o o 02 - Michael H. Welles o o 03 - Charles B. Rutstein o o

*To elect three Class I directors to serve until the 2014 Annual Meeting of Stockholders.

	For	Against	Abstain
2. To ratify the selection of PricewaterhouseCoopers LLP as the Company s independent registered public accounting firm for fiscal 2011.	o	o	o
3. To approve, by non-binding vote, Forrester Research, Inc. executive compensation.	o	o	o

	3 Yrs	2 Yrs	1 Yr	Abstain
4. To recommend, by non-binding vote, the frequency of executive compensation non-binding votes.	o	o	o	o

B Non-Voting Items

Change of Address Please print your new address below.

Meeting Attendance

Mark box to the right if you plan to attend the Annual Meeting. o

C Authorized Signatures This section must be completed for your vote to be counted. Date and Sign Below

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) Please print date below.	Signature 1 Please keep signature within the box.	Signature 2 Please keep signature within the box.
/ /		

n +

01AQQD

6 **IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.** 6

Proxy Forrester Research, Inc.

Proxy Solicited on Behalf of the Board of Directors of the Company for an Annual Meeting, May 10, 2011

The undersigned appoints George F. Colony and Gail S. Mann, and each of them, as proxies, each with the power of substitution, and authorizes them to represent and vote all shares of common stock of Forrester Research, Inc. held by the undersigned at the Annual Meeting of Stockholders to be held at the offices of Forrester Research, Inc., 400 Technology Square, Cambridge, MA 02139 at 10:00 a.m. on Tuesday, May 10, 2011, or any adjournments thereof, for the purposes set forth on the reverse side.

This proxy when properly executed will be voted in the manner directed by the undersigned stockholder(s). If no contrary direction is made, the proxy will be voted FOR proposals 1, 2 and 3, and for a one-year frequency on Proposal 4.

(Continued and to be voted on reverse side.)