



Key Facts

Business address: **Stamford, Connecticut, United States**

Industry: **Other Aircraft Parts and Auxiliary Equipment Manufacturing**
(NAICS 336413)

SEC filer status: **Large Accelerated Filer** as of Sep 2020

Index member: **S&P 400, Russell 1000**

Market Cap: **\$4.15b** as of Jan 14, 2021

Annual revenue: **\$2.36b** as of Dec 31, 2019

Corporate Governance

CEO: **Nick L. Stanage** since 2013

CFO: **Patrick Winterlich** since 2017

1st level

Board Chairman: **Nick L. Stanage** since 2014

Audit Committee Chair: **Jeffrey C. Campbell**

2nd level

Auditor: **Ernst & Young LLP** since 2016

Outside Counsel (most recent): **Morgan Lewis & Bockius LLP**

Reed Smith LLP

Proskauer Rose LLP

Baker & Hostetler LLP

Lathrop GPM LLP

3rd level

SEC Reviewer: **Terence O'Brien**

4th level

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How to analyze this company's Watchdog Report? [Skip to the last page](#)

Information in this report is effective Jan 15, 2021 and is taken from the company's public financial and regulatory filings. Latest filing 10-Q filed 10/19/2020. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from [Audit Analytics](#).

Executive compensation data from [Shore Group and Intrinio](#).

Data from [Sharadar](#).

[Data from Barchart via Quandl](#).

[Data from Exchange Data International via Quandl](#).

Jan 15, 2021

Jan 1, 2020

Jan 1, 2016

RECENT PERIOD

HISTORICAL PERIOD

10-Q filed on Oct 19, 2020 for period ending Sep 2020

Reporting Irregularities

RECENT		HISTORICAL
✓	Financial Restatements	✓
✓	Revisions	✓
✓	Out of Period Adjustments	!
✓	Late Filings	✓
✓	Impairments	✓
✓	Changes in Accounting Estimates	✓
✓	Disclosure Controls	✓
✓	Internal Controls	✓
!	Critical / Key Audit Matters	✓

Anomalies in the Numbers

RECENT		HISTORICAL
✓	Benford's Law	✓
✓	Beneish M-Score	✓
!	Accounting Disclosure Complexity	!

Securities & Exchange Commission Concerns

RECENT		HISTORICAL
✓	SEC Oversight	✓
✓	SEC Letters to Management	!
✓	Revenue Recognition	✓
✓	Non-GAAP Measures	✓

Litigation & External Pressures

RECENT		HISTORICAL
!	Significant Litigation	!
!	Class Actions	✓
!	Securities Law	✓
✓	Shareholder Activism	✓
✓	Cybersecurity	✓

Management Review

RECENT		HISTORICAL
✓	CEO Changes	✓
✓	CFO Changes	!
✓	Insider Sales	!
✓	Mergers & Acquisitions	!
✓	Sales of Assets	✓

Auditor Assessment

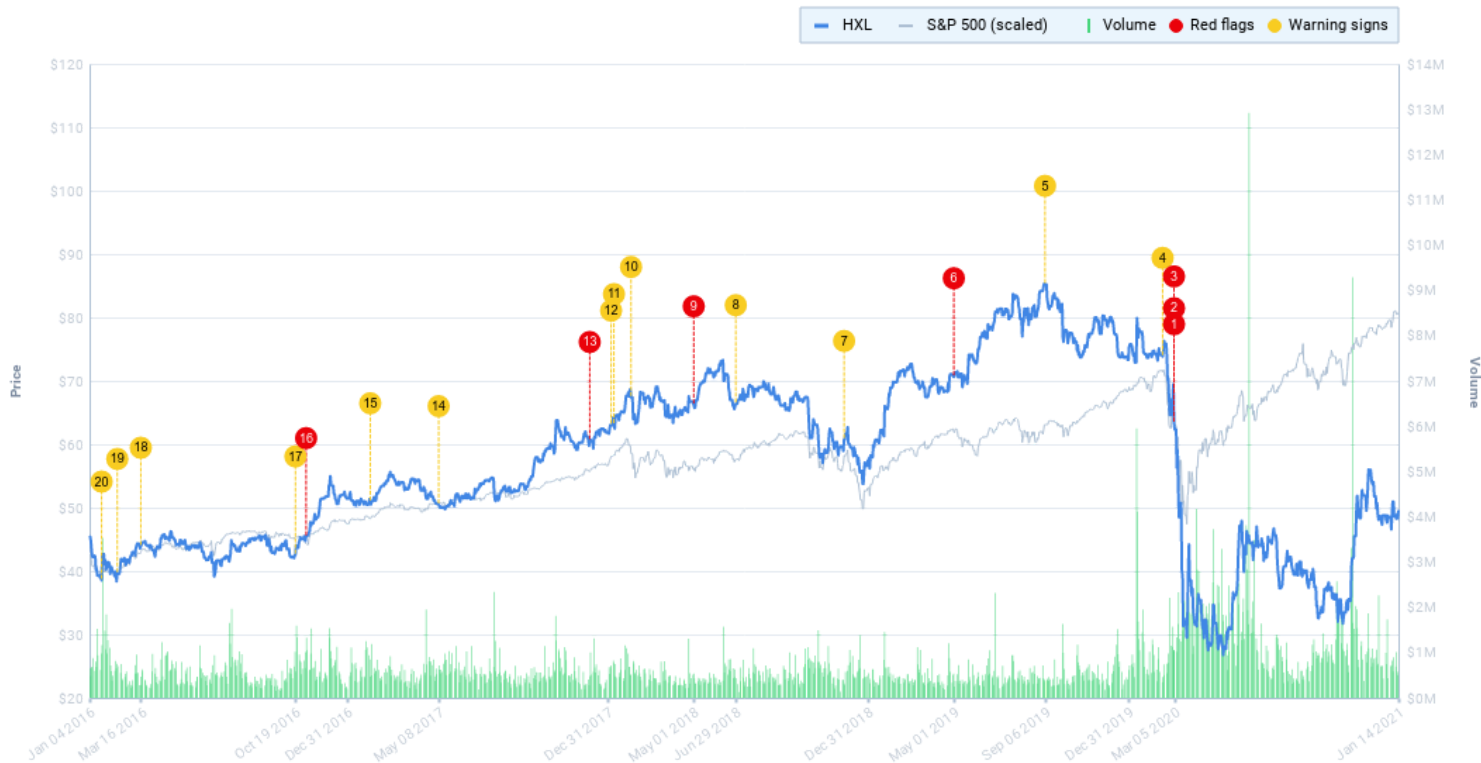
RECENT		HISTORICAL
✓	Auditor Changes	!
✓	Auditor Experience	✓
✓	Auditor Tenure	✓
✓	Audit Fees	✓
✓	Non-Audit Fees	!



Overview

Price and Volume History

This graph shows the price and trading history for Hexcel. Warning signs and red flags are marked on the graph according to their disclosure dates.



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|--|--|
| <ul style="list-style-type: none"> 1 Mar 5, 2020 - Lawsuit: Schwartz v. Hexcel Corporation et al 2 Mar 5, 2020 - Class Actions Lawsuit: Schwartz v. Hexcel Corporation et al 3 Mar 5, 2020 - Securities Law Lawsuit: Schwartz v. Hexcel Corporation et al 4 Feb 18, 2020 - Critical / Key Audit Matters 5 Sep 6, 2019 - Insider Sale 6 May 1, 2019 - Insider Sale 7 Nov 28, 2018 - Mergers & Acquisitions 8 Jun 29, 2018 - Lawsuit: Occidental Chemical Corporation v. 21st Century Fox America I... 9 May 1, 2018 - Insider Sale 10 Feb 2, 2018 - SEC letters to management | <ul style="list-style-type: none"> 11 Jan 9, 2018 - Insider Sale 12 Jan 5, 2018 - Insider Sale 13 Dec 6, 2017 - Insider Sale 14 May 8, 2017 - Change in CFO 15 Feb 1, 2017 - SEC letters to management 16 Nov 3, 2016 - Insider Sale 17 Oct 19, 2016 - Out of Period Adjustments 18 Mar 16, 2016 - Auditor change 19 Feb 12, 2016 - SEC letters to management 20 Jan 21, 2016 - Insider Sale |
|--|--|

Notifications

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

There are no notifications for Hexcel at least since 2016.



Peer Group

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

Peer Group

Company	Ticker	Market Cap
Ametek Inc.	AME	\$27.8b
Albemarle Corp.	ALB	\$19.4b
Teledyne Technologies Inc.	TDY	\$14b
Woodward, Inc.	WWD	\$7.9b
ITT Inc.	ITT	\$7.04b
Curtiss Wright Corp.	CW	\$4.88b
Crane Co.	CR	\$4.77b
Hexcel Corp.	HXL	\$4.15b
Cabot Corp.	CBT	\$2.85b
Moog Inc.	MOGA	\$2.65b

Companies Who Named Hexcel as a Peer

Company	Ticker	Market Cap
TE Connectivity Ltd.	TEL	\$43.1b
Kansas City Southern	KSU	\$20.4b
HEICO Corp.	HEI	\$18.4b
Cree Inc.	CREE	\$13.6b
Woodward, Inc.	WWD	\$7.9b
BWX Technologies, Inc.	BWXT	\$5.84b
Curtiss Wright Corp.	CW	\$4.88b
RBC Bearings Inc.	ROLL	\$4.71b
Hexcel Corp.	HXL	\$4.15b
Avient Corp	AVNT	\$3.97b



Peer Flag Comparison

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does Hexcel's accounting quality compare to its peer group?

	HXL	PEERGROUP FLAGS		
Reporting Irregularities				
Financial Restatements	✓	9		
Revisions	✓	9		
Out of Period Adjustments	!	7	2	
Impairments	✓	3	6	
Changes in Accounting Estimates	✓	4	5	
Disclosure Controls	✓	2	6	1
Internal Controls	✓	9		
Critical / Key Audit Matters	!		7	2
Anomalies in the Numbers				
Benford's Law	✓	5		4
Beneish M-Score	✓	7	1	
Accounting Disclosure Complexity	!	3	6	
Securities & Exchange Commission Concerns				
SEC Oversight	✓	9		
SEC Letters to Management	!	3	3	3
Revenue Recognition	✓	8	1	
Non-GAAP Measures	✓	9		

	HXL	PEERGROUP FLAGS		
Litigation & External Pressures				
Significant Litigation	!	5	4	
Class Actions	!	9		
Securities Law	!	9		
Shareholder Activism	✓	9		
Cybersecurity	✓	9		
Management Review				
CEO Changes	✓	2	4	3
CFO Changes	!	2	4	3
Insider Sales	!		3	6
Mergers & Acquisitions	!	3	5	1
Sales of Assets	✓	9		
Auditor Assessment				
Auditor Changes	!	9		
Auditor Experience	✓	9		
Auditor Tenure	✓	7	2	
Audit Fees	✓		9	
Non-Audit Fees	!	8	1	



About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

Our management team is:

CEO: Brian Lawe. Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

CTO: Radu Cugut. Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

Chief Content Officer: Joseph Burke, Ph.D. is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

Director of Research: John Cheffers. John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



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