

Yahoo's Yang gets \$1 in rocky final year as CEO

April 30 2009, By MICHAEL LIEDTKE , AP Technology Writer

(AP) -- Yahoo Inc. limited co-founder Jerry Yang's 2008 compensation package to his customary \$1 salary during his final year as chief executive, a tumultuous reign that unraveled after he rebuffed Microsoft Corp.'s \$47.5 billion bid to buy the Internet company.

The Sunnyvale, Calif.-based company disclosed the pay of Yang and its other top executives in its proxy statement filed Wednesday.

The breakdown of Yahoo's top-paid executives in 2008 served as a reminder of the current shake-up at the company as its new leader, Carol Bartz, tries to end a three-year slump that has devastated Yahoo's stock price.

When Yang stepped down as CEO in January, Yahoo President Susan Decker left the company rather than work for the woman who beat her out for the top job. Blake Jorgensen, Yahoo's chief financial officer, also plans to leave as soon as Bartz can find his successor.

Even more employees will be leaving in the next few weeks as Bartz carries out her plan to lay off nearly 700 people, or about 5 percent Yahoo's work force.

Yang, 40, has settled for a token salary for years because he has gotten rich off of Yahoo's stock since he started the Web site with fellow Stanford University graduate student David Filo in 1994.

But like his fellow shareholders, Yang has suffered huge losses on paper as Yahoo shares lost nearly half their value last year. The plunge left Yang's 3.9 percent stake worth about \$600 million less at the end of 2008.

The Associated Press calculates executive pay based on salary, bonuses, incentives, perquisites, above-market returns on deferred compensation and the value of [stock options](#) and other awards granted during the year.

Yahoo didn't pay Yang anything beyond the \$1 salary last year. He wasn't the only [Silicon Valley](#) leader to settle for a buck last year. Apple Inc. CEO Steve Jobs and [Google](#) Inc. co-founders [Larry Page](#) and [Sergey Brin](#) also worked for \$1 in 2008.

Bartz, 60, is getting paid more like CEOs at other high-profile companies. She is starting off with a \$1 million salary and already has been guaranteed another \$10 million in cash and stock this year to make up for the benefits and other awards she gave up at her former employer, Autodesk Inc.

On top of that, Bartz is eligible to receive several more million dollars in bonuses and stands to benefit from 5 million stock options granted to her when she was hired. Yahoo will value those stock options in next year's proxy statement.

The June 25 annual meeting covered in Yahoo's proxy statement this year is expected to be less fractious than last year's affair when Yang and the company's other board meetings were facing a shareholder uprising led by activist investor Carl Icahn.

Like many other shareholders, Icahn was outraged with the way Yang responded to Microsoft's offer to buy Yahoo for \$33 per share last May.

Yang brokered the peace by giving a board seat to Icahn, who is one of 12 directors up for election in June. But some bitterness over the squandered opportunity to sell Yahoo to Microsoft may still linger, given that [Yahoo](#) shares ended Wednesday at \$14.02.

©2009 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Yahoo's Yang gets \$1 in rocky final year as CEO (2009, April 30) retrieved 25 April 2024 from <https://phys.org/news/2009-04-yahoo-yang-rocky-year-ceo.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--