

Google CEO's compensation for 2009 falls 52 pct

March 29 2010, By MICHAEL LIEDTKE , AP Technology Writer

(AP) -- The total compensation of Google Inc. CEO Eric Schmidt fell 52 percent last year as the Internet search leader cut back on its employee perquisites to help lift its profits during the recession.

Schmidt's 2009 package totaled \$245,322, down from 508,764 in 2008, according to documents filed Monday with the [Securities and Exchange Commission](#).

The sharp decrease reflected lower bills for protecting Schmidt and flying his personal guests on jets chartered by [Google](#).

Schmidt's personal security cost Google \$233,542 last year compared to \$474,662 the previous year. Google spent \$10,119 flying Schmidt's friends and family in 2009 after shelling out \$106,201 on air fare for his entourage in 2008.

By Schmidt's request, Google limited his salary to just \$1 for the fifth consecutive year. Google co-founders [Larry Page](#) and [Sergey Brin](#) also have insisted on keeping their salaries at \$1 apiece during the same period, despite the company's repeated offers to pay them more.

The sacrifice hasn't been a financial hardship for Schmidt, Page and Brin. As Google's controlling stockholders, the men have parlayed the company's success to become multibillionaires.

Google's shares have soared from an initial offering price of \$85 in

August 2004 to as high as \$747.24 in late 2007. The shares dipped 24 cents Monday to close at \$562.45.

At that price, Schmidt's 9.4 million Google shares are worth about \$5.3 billion. He has whittled his holdings from 14.8 million shares when Google went public.

The stakes held by Page and Brin are each worth more than \$16 billion. The founders each plan to sell about 5 million Google shares during the next five years to diversify their investment portfolios.

None of Google's ruling triumvirate received [stock options](#) last year.

Unlike 2008, Schmidt, Brin and Page each received an after-tax holiday bonus of \$1,000 last year along with the company's other 20,000 employees. Google also paid \$660 to cover the withholding taxes on Schmidt's bonus.

Google had been renowned for splurging on its employees until the recession caused the company's revenue growth to fall below 10 percent for the first time as a public company. The slowdown prompted Google to lay off several hundred employees last year and pamper its remaining workers a little less extravagantly. For example, Google closed some of the cafeterias that serve workers free food.

The penny pinching helped Google increase its profit 28 percent last year to \$6.5 billion, while its revenue edged up 9 percent to \$23.7 billion. Its stock price more than doubled, surging from \$307.65 at the end of 2008 to close out 2009 just below \$620.

Last year's austerity campaign was orchestrated by Patrick Pichette, who Google hired as its chief financial officer in August 2008.

Google rewarded Pichette with a 2009 compensation package valued at \$24.7 million, based on a formula used by The Associated Press.

The AP's calculations includes salary, bonus, incentives, perks and the estimated value of stock options and awards.

Pichette's 2009 package included stock options and other equity incentives valued at \$21.7 million. Earlier this year, Google's board raise Pichette's annual salary from \$450,000 to \$500,000, along with several other top executives.

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