

# Apple shareholders nix CEO succession disclosure

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An Apple employee brings computers into headquarters during the Apple shareholders meeting in Cupertino, Calif., Wednesday, Feb. 23, 2011.(AP Photo/Paul Sakuma)

(AP) -- Apple shareholders rejected a proposal Wednesday that called for the company to disclose a succession plan for its chief executive.

The rejection came a month after Apple CEO Steve Jobs went on an indefinite medical leave for unspecified problems - an absence that could be related to his previous bout with pancreatic cancer or his 2009 liver transplant. Jobs did not attend the meeting, which was led by Chief Operating Officer Tim Cook and general counsel Bruce Sewell.

Apple Inc. announced the preliminary vote on the non-binding proposal at its annual shareholders meeting at the company's Cupertino

headquarters. The company did not provide the voting breakdown.

The Central Laborers' Pension Fund, which owns 11,484 shares of Apple stock, called for a succession plan to ensure "a smooth transition" in case Jobs leaves as CEO.

The proposal didn't ask Apple to name whom it planned to appoint, but it wanted the company to come up with a three-year plan for changing leadership and an emergency plan. The plan would be reviewed annually by Apple, and a report on it would be shared with stockholders.

Like many shareholder proposals, even if this one passed, it would only have served as a formal request that Apple share its succession plan, not a requirement.

Apple, which advised shareholders to vote against the proposal, said it already conducts such planning internally, but warned that its disclosure would reveal confidential information and hurt the company's ability to recruit and retain executives.

Jennifer O'Dell, spokeswoman for the Laborers' International Union of North America, spoke in favor of the proposal, saying Apple has a responsibility to its shareholders to have a clear CEO succession plan in place, whether a transition is "planned in advance or a sudden decision."

After the proposal was defeated, O'Dell said it was likely something that would be presented again in future years.

But shareholders may feel the same then as they do now. Chris Kuhlman, a shareholder from Los Angeles, voted against the proposal. He said Jobs has laid the foundation for Apple, and he trusted that the company would make the right decision about a successor when the time comes.

"Apple will be just fine," he said.

The meeting was also an opportunity for shareholders to ask questions about Apple and its ailing CEO. But while the audience peppered management with questions about the health of its supply chain and competition between the iPhone and smart phones using Google Inc.'s Android operating software, there was little talk of Jobs.

Shareholder Kirk DeBernardi said shareholders had respect for the CEO and didn't come to the meeting to "badger management with questions" about his health.

Also on Wednesday, Apple e-mailed invitations to a media event in San Francisco. The company was expected to unveil the second generation of its wildly successful media tablet, widening its head start against competitors just starting to sell their first tablet computers. The invite shows a calendar page with the corner peeling away to reveal an iPad underneath.

Apple shares rose \$4.01, or 1.2 percent, to close Wednesday at \$342.62.

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