

HP stock hits 6-year low after Whitman named CEO

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(AP) -- Hewlett-Packard Co.'s stock sank Friday to its lowest level in six years, as investors worried that new CEO Meg Whitman isn't the right person to turn the company's fortunes around.

The [stock](#) was down 90 cents, or 4 percent, at \$21.90 in midday trading. In the morning, the stock hit \$21.50, its lowest level since May 2005. Broader market gauges were up slightly after a week of volatile trading.

HP announced late Thursday that former [eBay](#) CEO [Meg Whitman](#) was taking over from [Leo Apotheker](#), who spent just 11 months on the job. Among other things, the company's board of directors was dissatisfied with the way he announced that HP is looking to get rid of its PC division.

Investors are now looking for clarity about the company's direction. Chairman Ray Lane said in a CNBC interview Friday that the company isn't looking at "getting out of the [PC business](#)." But he followed that up by saying the company is still evaluating its options for the division, which is the world's largest maker of PCs.

Uncertainty about the company's strategy is coupled with doubts about Whitman. She led eBay for ten years, taking it from a startup to one of the dominant e-commerce companies. But analysts point out that she has no experience in enterprise technology and, indeed, no expertise outside the consumer sphere. They also note that eBay is a fraction of HP's size.

"While we believe the decision to replace Leo Apotheker was a good one, we are disappointed with the naming of Meg Whitman as HP's permanent CEO, and believe that this sentiment is shared by most investors and large HP shareholders," Sanford Bernstein analyst Toni Sacconaghi said Friday. "We believe the company was remiss in not conducting a comprehensive CEO search."

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