

# Yahoo confirms misleading info on new CEO's resume

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(AP) -- A disgruntled Yahoo shareholder questioned the qualifications and integrity of recently hired CEO Scott Thompson after exposing a misrepresentation about the executive's education.

The fabrication confirmed Thursday by [Yahoo](#) Inc. gives New York hedge fund manager Daniel Loeb more artillery as he tries to topple a board of directors favored by Thompson, who became CEO of the troubled Internet company four months ago.

Loeb, whose fund Third Point owns a 5.8 percent stake in Yahoo, gained more leverage when he discovered Thompson doesn't have a bachelor's degree in computer science from a small college in Easton, Massachusetts, as Yahoo stated in a regulatory filing last week.

Thompson only has an accounting degree from Stonehill College, an accomplishment that Yahoo also listed in the filing. The accounting degree was the only one listed in Thompson's resume last year by [eBay](#) Inc. when he was still running that company's PayPal payment service. He graduated in 1979, according to Stonehill's website.

Yahoo confirmed Thompson's credentials had been exaggerated in the recent filing with the Securities and Exchange Commission. The company, which is based in Sunnyvale, California, brushed off the distortion as an "inadvertent error."

But Loeb pounced on the misinformation as a violation of Yahoo's code

of ethics and called for an independent investigation to determine whether Thompson had misled the company's board about his technology credentials. He also cited the mix-up as an example of Yahoo's poor corporate governance.

"If Mr. Thompson embellished his academic credentials we think that it 1) undermines his credibility as a technology expert and 2) reflects poorly on the character of the CEO who has been tasked with leading Yahoo at this critical juncture," Loeb wrote in a letter to Yahoo's board on Thursday. "Now more than ever Yahoo investors need a trustworthy CEO."

In the past, other companies have suspended or fired executives who were caught lying on their resumes.

Yahoo hired Thompson to reverse years of financial lethargy that set in at the company even as more advertising shifted to the Internet. The funk has weighed on Yahoo's stock, which has been hovering between \$10 and \$20 for most of the last three years. Yahoo shares fell 27 cents to close at \$15.40 on Thursday. That's well below the \$33 per share that stockholders could have gotten in May 2008 if the board had accepted a takeover offer from Microsoft Corp.

The company stood behind Thompson in its statement. "This in no way alters that fact that Mr. Thompson is a highly qualified executive with a successful track record leading large consumer technology companies," Yahoo said. "Under Mr. Thompson's leadership, Yahoo is moving forward to grow the company and drive shareholder value."

Tensions between Loeb and Thompson escalated since late March when Yahoo appointed three new directors to its board. In doing so, Yahoo snubbed Loeb, who had been lobbying for a board seat along with three allies who he believes have the skills necessary to help Yahoo rebound

from its long-running struggles. At the time, Thompson made it clear that he and the Yahoo committee overseeing the search for new directors had concluded Loeb wasn't the best candidate.

Loeb is waging a campaign to persuade Yahoo's shareholders to elect him and his allies to the board at the company's annual meeting. The date of that meeting still hasn't been set.

Besides ripping Thompson, Loeb also sought to discredit Patti Hart, one of the Yahoo directors he wants bounced from the board. Hart led the committee that recommended Yahoo's new appointments to the board.

In his letter, Loeb noted that Yahoo's recent SEC filing says Hart holds a bachelor's degree in marketing and economics from Illinois State University. In its response, Yahoo clarified Hart received a bachelor's degree in business administration with specialties in marketing and economics.

Thompson, 54, has mostly cut costs to boost profits since taking over as Yahoo's CEO. Last month, he laid off about 2,000 employees, or 14 percent of the workforce, in the biggest payroll purge in Yahoo's 17-year history. He also disclosed plans to close about 50 Yahoo services that haven't been attracting enough users or generating enough revenue.

He has made modest progress on other financial fronts. Yahoo registered its first year-over-year increase in quarterly net revenue since 2008 during the three months ending in March.

Even though he doesn't have a computer science degree, Thompson has a background in technology. He served as PayPal's chief technology officer for three years before being promoted to the payment service's president in 2008. He also previously worked as chief technology officer at credit- and debit-card processor Visa USA.

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