

Facebook shareholders vent ire over sagging stock

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Facebook CEO Mark Zuckerberg speaks during an event at Facebook headquarters on April 4, 2013 in Menlo Park, California. Facebook shareholders on Tuesday grilled leaders of the social network regarding how they planned to revive the company's stock and protect user privacy from snoops including US spy agencies.

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Facebook's famed co-founder [Mark Zuckerberg](#) and [chief operating officer](#) Sheryl Sandberg fielded a barrage of questions fired by investors who attended the first annual meeting of shareholders since the [stock market debut](#) last year.

"We understand that a lot of people are disappointed in the performance of the stock, and we are too," Zuckerberg said before the start of a question-and-answer session that followed election of the Facebook board.

"It is our job here to build a great company," he continued. "We think that, over time, we are building an asset and a network continually valuable in the world and we will continue to do that."

Zuckerberg, who was elected to the board along with Sandberg and six others, urged stockholders to be patient but declined to predict how long it would take to build up shares that sank in a dismal [initial public offering](#) on the [Nasdaq](#).

The IPO on May 18 last year sparked a series of crises for Facebook, with the shares plunging from \$38 to as low as \$17.73 in September.

Shares closed slightly down Thursday at \$24.03.

"What the hell is your forecast for revenue and income for the next year?" one shareholder asked gruffly.

[Chief financial officer](#) David Ebersman told the investor that Facebook hasn't made [earnings forecasts](#) the way other publicly traded companies typically do because it is young and in "a difficult business to predict right now."

"My family is a big fan of yours, and because of that I invested blindly," another stockholder told Zuckerberg and his team. "And now I am under water."

A woman who said she bought more than 8,000 shares of Facebook at its debut asked the executives whether the stock was a smart buy at \$24 a share only to be told the company wouldn't give individual investment advice.

Another shareholder referred to the IPO as a disaster.

"Our strategy is to build great mobile apps, get more people to be able to connect through them, and build a network people can use and monetize that by building a strong advertising engine," Zuckerberg said.

"Unfortunately, we don't have control over the share price, particularly in the short term."

Facebook priorities for building value over the long term included following its more than 1.1 billion members onto mobile devices; letting other Internet services plug into its social network, and making money with ads.

More people visit Facebook on any given day using mobile applications than do using desktop computers, according to Zuckerberg.

Facebook said its membership continues to grow rapidly and that it is working on a version of the service better suited to use by people in emerging markets where Internet connections be slow or low-capacity.

Zuckerberg dismissed competition from the Google Plus social network, saying the overall market is growing quickly and none of the trends he saw indicated rivals would interfere with the company's success.

Shareholders were also keen to learn whether Facebook was protecting user data against hackers and a US online surveillance program revealed in the past week.

Zuckerberg said [Facebook](#) spends a lot of time making sure "bad hackers" can't get into its computers and repeated assurances he gave on Friday that the social network doesn't work directly with US spies.

"No agency has direct access to our servers and no one has approached us," Zuckerberg said. "The truth is that anyone can go to our website and get access that way, which is why we didn't say no indirect access."

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