

Viacom slashes exec pay amid lawsuit over Redstone's health

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Viacom Inc. on Wednesday pre-released details about executive pay that show an 85 percent drop in compensation for its ailing 92-year-old executive chairman, Sumner Redstone, amid legal battles questioning his health and competence.

It's the latest twist in two parallel courtroom battles over Redstone's personal care and whether company executives and board members were upfront with shareholders about his ability to lead the multibillion-dollar companies he controls, Viacom and CBS Corp.

Viacom said Redstone's [compensation](#) in fiscal 2015 declined 85 percent to \$2 million from \$13 million in fiscal 2014. It said CEO Philippe Dauman's compensation fell about 16 percent to \$36.9 million.

The pay was for the 12-month period that ended Sept. 30, a fiscal year that saw Viacom's stock fall more than 40 percent.

The pre-release of the compensation details was an unusual move. Public companies provide full rundowns of executive compensation in their proxy statements ahead of their annual shareholder meetings. Viacom's proxy is coming out later this week.

Richard Greenfield, the lead attorney who filed a shareholder [lawsuit](#) in Delaware on Tuesday, said Redstone's pay cut wasn't enough and that his pay ought to be zero.

Greenfield said he suspected the companies were preparing the move for some time.

"It seems to me both companies were probably anticipating shareholder litigation because what's happened has been so unusual—to [pay](#) somebody who is near death anything," Greenfield said.

A Viacom spokesman declined to comment beyond the statement.

The shareholder lawsuit accuses company directors of breaching their fiduciary duties to shareholders by allowing millions of dollars to be paid to Redstone while he was physically and mentally incapacitated and unable to carry out his duties as chairman.

The lawsuit comes after a former companion and caretaker of Redstone claimed in a California lawsuit that he is no longer mentally competent and that his signature on a document appears to be forged.

Viacom has said that the Delaware lawsuit is without merit and the [company](#) intends to fight it vigorously.

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