Marissa Mayer’s $23-Million Severance From Yahoo May Look Obscene. But It’s Even Worse.



Image by Magnus Höij

Before she was fired as CEO of Yahoo, Marissa Mayer’s golden parachute was estimated to be as high as $55 million. So the figure recently announced – $23 million – may not seem so outrageous.

“But looks can be deceiving,” writes reporter **Michael Hiltzik** for ***The Los Angeles Times***. “One reason Mayer’s severance package appears to have shrunk is that the company’s latest disclosure leaves off tens of millions of dollars in stock options held by Mayer as of March 8, but already vested. So they aren’t subject to the accelerated vesting of $20 million in stock incentives that would result from the sale and Mayer’s departure from the company. That acceleration would provide the bulk of her severance.”

Because $56.8 million in options evidently have vested since the sale of the company to Verizon deal was announced in July, it’s reasonable to add them to the invoice, Hiltzik explains. “That puts Mayer’s out-the-door price nearer to $80 million.”

He said the situation raises some questions, including: Do America’s boards have any ability to distinguish good performance from bad, and pay their executives accordingly?

Read the *LA Times* article.

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