

Motorola Mobility CEO's pay more than triples

SARAH SKIDMORE - AP Business Reporter - Associated Press

Motorola Mobility Holdings Inc. CEO and Chairman Sanjay Jha's compensation more than tripled in 2011 to \$47.2 million, including awards tied to the company's split from Motorola Solutions.

The old Motorola Inc. divided into two companies in January 2011, and Google Inc. is now awaiting final approvals for its purchase of Motorola Mobility for \$12.5 billion.

Documents the company filed Friday with the Securities and Exchange Commission show Jha's compensation rose from \$13 million in 2010. The actual difference is even greater because the \$13 million figure included two bonuses totaling \$704,000 that Jha gave up in 2010.

Jha's base salary in 2011 was \$1.2 million, up from \$900,000 in 2010. He got that raise after he and other top executives agreed to salary cuts for 2009 and 2010.

His biggest gain came from equity awards. He got options worth \$34.2 million when they were granted, up from \$7 million worth in 2010. That increase was part of the deal splitting the old Motorola Inc. in two. He also got \$9.4 million in stock, more than triple the nearly \$3 million he received in 2010.

Jha also received a cash incentive of \$1.8 million, including benefits set up by Motorola Inc. That was 39 percent more than his \$1.3 million incentive in 2010. His 2011 perks, worth \$557,992, included personal use of the company aircraft, temporary housing and a car and driver. In 2010, he received perks worth \$388,623.

Jha's compensation package was among the largest in 2011 at any publicly held company. New Apple Inc. CEO Tim Cook's pay package was worth \$378 million. CBS Corp. gave chief executive Leslie Moonves \$68.4 million, Google Inc. gave outgoing CEO Eric Schmidt \$101 million, and Viacom CEO Philippe Dauman's package was worth \$43 million.

Google has chosen an executive to replace Jha in the event the merger goes through.

The Associated Press formula calculates an executive's total compensation during the last fiscal year by adding salary, bonuses, perks, above-market interest the company pays on deferred compensation and the estimated value of stock and stock options awarded during the year. The AP formula does not count changes in the present value of pension benefits. That makes the AP total slightly different in most cases from the total reported by companies to the Securities and Exchange Commission.

Motorola Mobility CEO's pay more than triples

Published on Electronic Component News (<http://www.ecnmag.com>)

The value that a company assigned to an executive's stock and option awards for 2010 was the present value of what the company expected the awards to be worth to the executive over time. Companies use one of several formulas to calculate that value. However, the number is just an estimate, and what an executive ultimately receives will depend on the performance of the company's stock in the years after the awards are granted. Most stock compensation programs require an executive to wait a specified amount of time to receive shares or exercise options.

Google's \$12.5 billion acquisition of Motorola Mobility is the biggest deal in Google's history. Google's looking for access to Motorola's 17,000-plus patents and more control over the lucrative market for mobile devices. Announced in August, the deal has received U.S. and European regulatory approval but still needs a nod from authorities in China.

Motorola Holdings makes cellphones and cable set-top boxes, while Motorola Solutions makes police radios, bar code scanners and other products for business and government clients.

For 2011, Motorola Mobility posted a loss of \$249 million, or 84 cents per share, much more than its loss of \$86 million, or 29 cents per share, for 2010. Excluding merger costs, reorganization charges and other one-time items, Motorola Mobility earned 33 cents per share in 2011, versus a loss of 28 cents per share in 2010. Its financial performance has been a concern to Google investors who are worried about it being a drag.

Motorola Mobility's annual revenue jumped 14 percent to \$13.1 billion in 2011. The company is based in Libertyville, Ill.

Source URL (retrieved on 03/12/2014 - 7:45am):

http://www.ecnmag.com/news/2012/04/motorola-mobility-ceos-pay-more-triples?qt-most_popular=0