Stec CEO, founder cut annual salaries to $1 each

The Associated Press

Stec Inc. said Monday that it accepted offers from its CEO and its founder to reduce their annual salaries to $1.

The Santa Ana, Calif.-based data storage device maker said the decisions by President and CEO Mark Moshayedi and founder Manouch Moshayedi are in keeping with its ongoing efforts to lower costs and improve its overall financial performance.

The salary reduction was accepted by Stec's board and took effect on Dec. 1, the company said.

In 2011, Manouch Moshayedi, who was serving as chairman and CEO at the time, received cash, stock and other compensation totaling about $2.2 million, while Mark Moshayedi, the company's president, chief operating officer and chief technical officer, received compensation totaling about $1.4 million, according to regulatory filings.

In addition, the pair late last month bought on the open market about 275,000 shares of Stec common stock, the company said.

In a statement released by the company, the brothers said they strongly believe in Stec's ability to be a leader in the data storage device market and the ability of its management to improve the company's finances.

Last month, Stec announced third-quarter results that were in line with Wall Street predictions, but its guidance for the current quarter fell short. The company's shares have also taken a beating in recent months, losing 43 percent of their value since the start of this year.

Stec shares rose 9 cents to $5 in afternoon trading.

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