Yahoo adds 1 director as 2 board members exit

MICHAEL LIEDTKE - AP Technology Writer - Associated Press

Yahoo is adding a new director and parting ways with two other board members in the latest shake-up of the Internet company's hierarchy.

PayPal co-founder Max Levchin joins Yahoo's board while Intuit Inc. CEO Brad Smith and Weather Channel CEO David Kenny step down.

The changes announced Thursday pare Yahoo's board to 11 directors. All but one of them, former accounting executive Sue James, have joined Yahoo's board this year.

The overhaul is part of an effort to bring in new ideas as Yahoo Inc. tries to revive revenue growth and snap itself out of a malaise that has left its stock price well below where it stood five years ago.

Yahoo hired former Google Inc. executive Marissa Mayer five months ago to orchestrate the turnaround effort. She joined Yahoo's board when she was named the company's CEO in July.

Levchin, 37, is the first new director to be named since Mayer's arrival.

After getting rich from PayPal's $1.5 billion sale to eBay Inc. a decade ago, Levchin started a photo-sharing service called Slide. He added to his wealth by selling Slide to Google for $179 million two years ago.

Levchin stayed at Google briefly before leaving the Internet search leader to start a data-mining company called HVF.

"Max is someone I've admired throughout my career for his phenomenal sense for great products and keen focus on user experiences," Mayer, also 37, said in a statement.

Levchin is the fourth director recruited by Daniel Loeb, who manages a hedge fund that ranks among Yahoo's largest shareholders. Loeb uncovered a misstatement on the official biography of Yahoo's then-CEO, Scott Thompson, that led to Thompson's departure earlier this year after just four months on the job.

After Thompson had rejected Loeb's attempts to gain a seat on Yahoo's board, the company relented and agreed to allow him to nominate up to four people. Besides himself, Loeb picked turnaround specialist Harry Wilson and former MTV executive Michael Wolf before adding Levchin to the list.

Yahoo, which is based in Sunnyvale, California, said Smith and Kenny are stepping down to focus on running their own companies.

Smith joined Yahoo's board in 2010 and Kenney followed in 2011. Both men participated in the complicated negotiations that culminated three months ago in Yahoo selling half its stake in rapidly growing Chinese Internet company Alibaba Group Holdings, generating a windfall of $7.6 billion, before taxes.

Kenny also was once considered to be a candidate to be Yahoo's CEO after the company fired Carol Bartz as its leader in September 2011.

Source URL (retrieved on *03/15/2014 - 9:49pm*):
http://www.ecnmag.com/news/2012/12/yahoo-adds-1-director-2-board-members-exit?qt-recent_content=0&qt-video_of_the_day=0