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By: Denisa Ilascu, Internet / SEO News Editor



Yahoo!'s officials send letter to the stockholders
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The Future of Yahoo!'s Managers Does Not Look too Bright

Roy Bostock and Jerry Yang write to the stockholders for defending their positions

In an attempt to counterbalance the possible damage made by the proxy fighter Carl Icahn, who sent a letter to the stockholders of Yahoo! asking them to replace the current board of directors, the company's CO and CEO resorted to the same method. Their aim is directed, of course, at their continuing to work at Yahoo! on the same positions. "Carl Icahn bought his stock two months ago for an estimated average cost of less than \$25 per share. He is well-known as a corporate agitator with a short-term approach to his investments. His short-term approach gives Mr. Icahn a strong incentive to strike any deal with Microsoft that enables him to recover his investment and get back his money quickly, even a deal that does not provide full and fair value to you. Is that in the interests of all stockholders? Clearly, it is not", say the two in the open letter, accusing Carl Icahn's eagerness. Bostock and Yang are trying to convince the stockholders that the investor himself was the one to strongly reject Microsoft's proposals of either buying all of Yahoo! or just the search business. Recently, as it is known, Icahn appeared as a messenger of the Redmond company's, railing against Yahoo!'s refusal of being acquired. "In an extraordinary flip flop, Mr. Icahn teamed up with Microsoft and embraced their latest joint search-only proposal--even though it involved significant execution and operational risks and was fraught with flaws that made the 'headline value' asserted by Microsoft and Mr. Icahn more illusion than reality," underscore the two officials the sudden change of attitude that couldn't characterize an honorable man. The letter reveals that Yahoo!'s officials are willing to continue the talks with Microsoft, but only if the company offers a minimum of \$33 per share and if they assure "certainty of value and certainty of closing" in the case of an aggregate purchasing. If Microsoft is only interested in the search business, they must propose some solutions to attenuate the risks implied by the separation of the search and display businesses. If the current board of directors has the chance to negotiate with Microsoft again, it's at the stockholders' disposal. On August 1, they will decide the fate of Bostock, Yang and their affiliates.