

Yahoo: Icahn 'Misunderstood' Microsoft Proposal

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Yahoo Thursday responded to billionaire investor Carl Icahn's push to nominate his own slate of directors for the Internet company. In a statement, Yahoo board chairman Roy Bostock said Icahn's effort "reflects a significant misunderstanding of the facts about the Microsoft proposal and the diligence with which our board evaluated and responded to that proposal."

Thursday, Icahn named a slate of 10 people he wants to stand for election at the July 3 Yahoo annual meeting. Along with himself, candidates include former Viacom CEO Frank Biondi, Dallas Mavericks owner Mark Cuban and Harvard Law School Professor Lucian Bebchuk.

Icahn previously has used his stock portfolio to push for changes in management or strategy, including troubled cell phone maker Motorola and video rental chain Blockbuster. With 50 million shares, Icahn is one of Yahoo's largest shareholders.

In announcing his slate of Yahoo candidates, Icahn said the Internet company behaved "irrationally" by walking away from Microsoft. Bostock said Yahoo is still willing "to consider any proposal from any party including Microsoft if it offers our stockholders full and certain value."