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## Bonanza from Google stock's rise

By Mark Schwanhausser  
Mercury News

Google insiders apparently understand the difference between paper wealth and real wealth. Since the storied Internet company's initial public offering in August, insiders have steadily turned chunks of their high-flying Google stock into more than \$2.1 billion of cash.

In May, Googlers sold just shy of \$400 million of stock, second nationwide only to the \$515 million in sales by Microsoft insiders, according to Bloomberg News data.

Co-founders Larry Page and Sergey Brin and Chief Executive Eric Schmidt have sold in steady blocks each month this year, but the value of those transactions has rocketed higher as Google's stock rose from \$85 at the IPO to \$297.25 on Friday.

Since the Mountain View company's IPO, Page and Brin have sold stock worth \$619 million and \$589 million, respectively, while Schmidt's sales have totaled about \$191 million. In May, Page and Brin sold 400,000 shares each, fetching \$93 million and \$90 million, respectively. Schmidt sold \$29 million.

Page and Brin have sold similar numbers of shares in June, too. Thanks to the stock's steady rise, the sales totaled nearly \$116 million for Brin and \$111 million for Page.

Plenty of investors appear eager to gobble up this stock. The top 25 U.S. investment companies boosted their Google holdings by more than 18 percent -- or nearly \$3.9 billion worth -- in the first quarter, Bloomberg says.

Citigroup Global Markets analyst Mark Mahaney, whose predictions have earned him StarMine's highest five-star rating for accuracy among analysts, is particularly bullish. This month, he predicted Google stock would hit \$360.

Mahaney warned that Google stock is likely to be quite volatile, however. "EBay Inc.'s shares corrected as much as 50 percent after missing street estimates by a penny," he told Bloomberg. "That's the kind of risk you have with Google as well. The same correction would bring Google down to about \$200."

**BIGGEST SELLERS:** Besides Google, four other Silicon Valley companies ranked among the 25 U.S. companies with the most insider sales in May. No valley company ranked on the list of biggest buyers of their company stock, Bloomberg reported.

Yahoo was No. 4 with nearly \$112 million in sales, followed by Kyphon (\$35 million), Gilead Sciences (\$32 million) and Juniper Networks (\$30 million.)

**ONE SHARE LEFT:** TiVo Chief Financial Officer David H. Courtney exercised 13,250 options and immediately sold the stock for an estimated gain of nearly \$78,000 in late May. Over the past three years, Courtney has pocketed just over \$1 million from options transactions.

While the size of Courtney's gains are not unusual by Silicon Valley standards, the latest sale left him owning mounds of options but just a single share of actual stock in the San Jose digital-video-recorder maker.

That runs counter to the national trend, at least among larger Fortune 100 companies, Equilar reported last week. Seeking to appease investors agitating over corporate governance issues, 75 percent of these companies require executives to own certain amounts of stock, not just options. Nearly 12 percent of the Fortune 100 have implemented or amended such guidelines since January 2004.

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*Data Manager Jack Davis contributed to this report.*

