
Posted on Wed, Oct. 12, 2005

Newest Google director joins company's wealth parade

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SAN FRANCISCO - When Princeton University President Shirley Tilghman joined Google Inc.'s board of directors this month, she also joined the company's seemingly endless parade of wealth.

Instead of cash, the online search engine leader is paying Tilghman like all its other directors - with a bushel of prized stock that eventually could turn her Google duties into a better-paying gig than her job running an Ivy League university.

Tilghman's compensation package includes an award that can be gradually converted into 6,000 Google shares during the next five years.

That bundle is currently worth about \$1.8 million but it will become far more valuable if Google's shares continue to appreciate like they have during their first 14 months on the Nasdaq Stock Market. The shares have recently been trading around \$300, more than tripling from their initial public offering price of \$85. The stock's performance already has turned hundreds of Google's employees into millionaires.

Google also granted Tilghman 12,000 stock options with an exercise price of \$318.68.

Tilghman, a molecular biologist, received a \$485,000 salary during Princeton's 2002-03 school year, according to the most recent available information from Guidestar.org, which tracks tax returns filed by nonprofits such as the university.

The median compensation package for directors at companies in the Standard & Poor's 500 was \$139,060 during the fiscal year ending in May 2005, according to Equilar Inc., a San Mateo firm specializing in compensation issues. The figure includes cash retainers, stock awards, stock options, but excludes fees for committee meetings.

If Tilghman gets lucky, she may get as rich as another Google director from academia, Stanford University President John Hennessey. When Google appointed Hennessey to the board 18 months ago, he received 65,000 stock options with an exercise price of \$20 per share. Those options are currently worth about \$18 million.

The director job requires attendance at most of Google's board meetings. The company held 15 meetings last year and each director attended at least three-fourths of them, according to documents filed with the Securities and Exchange Commission.

Tilghman is the first woman on Google's board, joining Hennessey and eight other wealthy men.

The other board members include three multibillionaires - Google co-founders Larry Page and Sergey Brin, as well as CEO Eric Schmidt - and three of the company's early investors, venture capitalists John Doerr, Michael Moritz and K. Ram Shriram. The board is rounded out by two other high-paid CEOs, Intel Corp.'s Paul Otellini and Genentech Inc.'s Arthur Levinson.

"Google is very lucky to have world-class board members who each bring their own unique expertise to our growing company," company spokeswoman Lynn Fox said. "We try to offer our directors a competitive compensation package."

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