

## AMD & The Ride of the Headless Horseman

Written by Bob Snyder  
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AMD posts Q2 profits that beat Wall Street's expectations and sent its shares soaring more than 16%

That was despite a drop in revenue.

So what's the lesson here?

AMD has been without a CEO since January, when Dirk Meyer was forced out on January 10th. Maybe AMD is pioneering a new management model, much in the same way Belgium is leading the new political model by showing countries really can do just as well without a government (and those highly-paid heads).

Meyer had been making an annual salary of \$950,000, plus a "target" annual bonus of \$1.9 million (says Veritas Executive Compensation Consultants LLC). Now that drops to the bottom line. And the effective AMD managers keep Fusion going without interference from the top.

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Imagine how much less politics when no egos to stroke, no political agenda at play.

Perhaps there are other companies that should pursue this configuration. Only one suggestion though: maybe next time we can manage to get this headless organization *without* those golden parachute payments.

Meyer's parachute was weighted down with \$8.55M USD in cash. He's gone and profits went up. That challenges the perception that you pay the top exec real well (look at what percent of overall salary the CEO gets!) because he/she makes a difference.

AMD's Board is under pressure...rumor has it this drawn-out search for CEO is because the Board fired Meyer over disagreements, not performance. Now the AMD Board seems to be looking for a high-profile executive.

Wait until you hear the names thrown around in the press...Mark Hurd (c'mon, he just got a new job!), Michael Capellas (former chief of Compaq), Carly Fiorina (spotted recently on the AMD campus in Sunnyvale), Pat Gelsinger (former Intel Corp. now chief operating officer at EMC), Kevin Rollins (former chief of Dell who was often quoted saying iPod was a fad), and Todd Bradley (Exec VP of H-P's personal-systems group).

Does AMD need a star CEO? Fighting against Intel is often a media battle...Does AMD need an industry manager? Less flash, but more hands-on...

And what CEO will join AMD without looking nervously at a Board that appears set on its ways?

The more you think about it, the more you think the headless horseman should just ride on...

Go [AMD and The Search for a New Head](#)