

Ford Ex-CEO Walks Away With About \$57.5 Million

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Former Ford Motor Co. Chief Executive Officer Mark Fields, who led the company as it lost almost \$25 billion in market value, could walk away with payouts worth about \$57.5 million.

The largest portion of the ex-CEO's compensation will be in unvested stock awards valued at \$29.4 million as of Wednesday's close, according to data compiled by Bloomberg. Those will vest through 2020, with the majority tied to performance goals. Fields also is entitled to about \$17.5 million in retirement benefits, plus stock options worth \$8.1 million and an estimated prorated incentive bonus of about \$2.1 million.

Fields agreed to resign May 19 after the board lost confidence in his ability to embrace the rapidly changing nature of transportation while managing through a declining U.S. auto market. He was replaced by Jim Hackett, the former CEO of office-furniture maker Steelcase Inc., who was leading Ford's foray into self-driving cars and ride sharing. While Ford's stock slid during Fields's nearly three years as CEO, the automaker did earn record profits.

"I'm very thankful to Mark and he had a really terrific career here, but this is a time of unprecedented change," Executive Chairman Bill Ford said Monday at a press conference introducing Hackett as the new CEO. "A time of great change, in my mind, requires a transformational leader and thankfully we have that in Jim."

Executive Shakeup

Ford on Thursday announced a series of moves within the senior leadership ranks below Hackett, 62. Raj Nair will become president of North America, leaving his role as head of product development and chief technical officer. Nair will be succeeded by Hau Thai-Tang, who will also retain his role as Ford's purchasing chief.

Dave Schoch, president of Ford's Asia Pacific operations, will retire and be replaced by Peter Fleet, who had been overseeing marketing, sales and service for the region. Ford Europe Chief Operating Officer Steven Armstrong will be promoted to president of Europe, Middle East and Africa.

Ford will fill the newly created position of vice president of autonomous vehicles and electrification with Sherif Marakby, who's returning to the company after leaving Uber Technologies Inc. last month.

Fields's Future

Fields, 56, will retain "reasonable use" of Ford's corporate aircraft until Aug. 1, the Dearborn, Michigan-based company said in a filing Wednesday. He is also eligible for an annual bonus, pro-rated from January to August, and will retain the equity awards granted under this year's long-term incentive plan.

Fields will get monthly benefits from retirement programs valued at \$17.5 million and had \$532,715 in deferred compensation as of Dec. 31, according to Ford's most recent proxy filing. Bloomberg's calculations estimate Fields's 2017 incentive based on 2016 bonus levels and only include options exercisable at Wednesday's closing share price of \$10.96.

Hackett's promotion to CEO will be accompanied with compensation valued at \$13.4 million, according to the filing.

The pay package includes a \$1.8 million base salary, more than double the \$716,000 he was earning previously. Hackett also received an annual incentive plan target of up to \$3.6 million, restricted stock grants worth \$7 million and a \$1 million accession bonus.

Last year, Fields's total compensation rose 19 percent to \$22.1 million.

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