

# Uber and Its Peers: A CompanyIQ™ Profile Update #1



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## Introduction

Uber filed its IPO prospectus on April 11, 2019. It is expected to start selling shares valued at up to \$90 billion in the next two weeks. While one of the main stories to be revealed in the prospectus is that the company is losing close to \$2 billion a year, there are also many other hidden data points in the document that paint an interesting picture of a company that has changed retail transportation as we know it.

This report looks at Uber and select peers that it self-identified in its prospectus.

It provides details on Uber and its peers in the following areas:

- Executive compensation
- Director compensation
- Corporate governance practices, and
- Risk factors.

## Executive Compensation

**Table 1: CEO Compensation & Revenues 2018 – Uber and Select Peers as Self-Identified by Uber**

Company Name	Executive	Salary	Bonus	Stock Awards	Stock Options	Non-Equity Incentive	All Other Compensation	Total Compensation	Revenues
UBER TECHNOLOGIES INC	DARA KHOSROVSHAHI*	\$1,000,000	\$2,000,000	\$40,133,692	0	0	\$2,197,010	\$45,330,702	\$11,270,000,000
ADOBE INC.	SHANTANU NARAYEN*	\$1,000,000	0	\$25,539,764	0	\$1,824,313	\$33,451	\$28,397,528	\$9,030,000,000
AMAZON	JEFFREY BEZOS	\$81,840	0	0	0	0	\$1,600,00	\$1,681,840	\$232,887,000,000
APPLE INC	TIMOTHY COOK*	\$3,000,000	0	0	0	\$12,000,000	\$682,219	\$15,682,219	\$265,595,000,000
BOOKING HOLDINGS	GLENN D FOGEL*	\$750,000	0	\$14,000,610	0	\$5,700,000	\$8,574	\$20,459,184	\$14,527,000,000
EBAY	DEVIN N WENIG*	\$1,000,000	0	\$15,500,046	0	\$1,501,500	\$170,620	\$18,172,166	\$10,746,000,000
FACEBOOK	MARK ZUCKERBERG	0	0	0	0	0	\$22,554,542	\$22,554,542	\$55,838,000,000
MICROSOFT CORP	SATYA NADELLA*	\$1,500,000	0	\$16,807,208	0	\$7,425,000	\$111,055	\$25,843,263	\$110,360,000,000
NETFLIX	REED HASTINGS	\$700,000	0	0	\$35,380,417	0	0	\$36,080,417	\$15,943,410,000
PAYPAL	DANIEL SCHULMAN*	\$1,000,000	0	\$35,275,516	0	\$875,000	\$614,072	\$37,764,588	\$15,451,000,000
SALESFORCE COM INC	MARC BENIOFF	\$1,550,000	0	0	0	\$3,100,000	\$3,362	\$4,653,362	\$10,480,000,000
SNAP INC	EVAN SPIEGEL	\$1	0	0	0	0	\$800,846	\$800,847	\$1,180,000,000
TWITTER, INC.	JACK DORSEY	\$1	0	0	0	0	0	\$1	\$3,042,000,000
WORKDAY, INC.	ANEEL BHUSRI	\$65,250	0	\$9,070,098	0	0	\$9,771	\$9,145,119	\$2,822,000,000

\*Non-founder CEO

- The Uber CEO had the highest stock award and highest compensation among select peers in 2018.
- He had 1.5 times the stock award of the Adobe CEO.
- And twice that of the Microsoft and Booking Holdings CEOs.
- And 4 times that of the Workaday CEO.
- And 14% more than the PayPal CEO.

Table 2: CFO Compensation &amp; Revenues 2018 – Uber and Select Peers as Self-Identified by Uber

Company Name	Executive	Salary	Bonus	Stock Awards	Stock Options	Short Term Incentives	Non-Equity Incentive	All Other Compensation	Total Compensation	Revenues
UBER TECHNOLOGIES INC	NELSON CHAI	\$250,000	\$429,589	\$17,763,517	\$9,225,000	0	0	\$285,824	\$27,953,930	\$11,270,000,000
ADOBE INC	JOHN F. MURPHY	\$532,115	0	\$6,620,002	0	0	\$469,415	\$200,011	\$7,821,543	\$9,030,000,000
AMAZON	BRIAN T OLSAVSKY	\$160,000	\$	\$6,770,149	0	0	0	\$3,200	\$6,933,349	\$232,887,000,000
APPLE INC	LUCA MAESTRI	\$1,000,000	0	\$21,491,888	0	0	\$4,000,000	\$17,804	\$26,509,692	\$265,595,000,000
BOOKING HOLDINGS	DAVID GOULDEN	\$500,000	\$500,000	\$10,801,458	0	0	\$2,500,000	\$13,522	\$14,314,980	\$14,527,000,000
EBAY	SCOTT F SCHENKEL	\$736,538	0	\$7,251,530	0	\$574,500	0	\$11,000	\$8,573,568	\$10,746,000,000
FACEBOOK	DAVID M WEHNER	\$753,846	\$499,494	\$18,423,523	0	0	0	\$9,250	\$19,686,113	\$55,838,000,000
MICROSOFT CORP	AMY E HOOD	\$875,000	0	\$10,232,265	0	0	\$3,718,750	\$98,442	\$14,924,457	\$110,360,000,000
NETFLIX	DAVID B WELLS	\$2,800,000	0	0	\$3,030,461	0	0	\$8,250	\$5,838,711	\$15,943,410,000
PAYPAL	JOHN RAINEY	\$721,154	0	\$8,463,911	0	\$328,125	0	\$11,000	\$9,524,190	\$15,451,000,000
SALESFORCE COM INC	MARK HAWKINS	\$750,000	0	0	0	0	\$750,000	\$10,909	\$1,510,909	\$10,480,000,000
SNAP INC	TIM STONE	\$303,846	0	\$23,930,230	0	0	0	\$764,815	\$24,998,891	\$1,180,000,000
TWITTER	NED SEGAL	\$500,000	0	\$4,460,054	0	0	0	\$3,000	\$4,963.054	\$3,042,000,000
WORKDAY, INC.	ROBYNNE D SISCO	\$295,769	\$171,000	\$4,535,049	0	0	0	\$30,808	\$5,032,626	\$3,042,000,000

- At almost \$28 million, the Uber CFO had the highest total compensation in 2018.
- He and the Netflix CFO were the only ones to get stock options in 2018.

**Table 3: Director Pay & Revenues 2018 – Uber and Select Peers as Self-Identified by Uber**

Company Name	Number of Board Members 2018	Number of Board Members Who Received Compensation	Average Cost per Director Who Received Compensation	Total Board Compensation	Revenues
UBER TECHNOLOGIES INC	12	5	\$518,000	\$2,590,000	\$11,270,000,000
ADOBE INC <sup>1</sup>	11	10	\$346,426	\$3,464,264	\$9,030,000,000
AMAZON+	10	9	\$105,860	\$952,741	\$232,887,000,000
APPLE INC <sup>2</sup>	8	7	\$404,575	\$2,832,025	\$265,595,000,000
BOOKING HOLDINGS	13	13	\$328,200	\$4,266,695	\$14,527,000,000
EBAY	13	13	\$336,717	\$4,377,318	\$10,746,000,000
FACEBOOK	9	7	\$401,147	\$2,808,026	\$55,838,000,000
MICROSOFT CORP <sup>3</sup>	14	12	\$353,505	\$4,242,055	\$110,360,000,000
PAYPAL	11	10	\$411,943	\$4,119,428	\$15,451,000,000
SALESFORCE COM INC <sup>4</sup>	12	11	\$540,568	\$5,946,246	\$10,480,000,000
SNAP INC <sup>5</sup>	10	9	\$240,967	\$2,168,705	\$1,180,000,000
TWITTER, INC. <sup>6</sup>	10	9	\$244,770	\$2,202,930	\$3,042,000,000
WORKDAY, INC. <sup>7</sup>	10	8	\$300,492	\$2,403,935	\$2,822,000,000

<sup>1</sup>Compensation applies only to the 10 directors who are non-employees

<sup>2</sup>Compensation only applies to the 7 directors who are non-employees

<sup>3</sup>Compensation only applies to 12 of the 14 directors. The founder, Bill Gates, and the current CEO, Satya Nadella, do not receive director pay.

<sup>4</sup>Compensation only applies to the 11 directors who are non-employees.

<sup>5</sup>Compensation only applies to the 9 directors who are non-employees.

<sup>6</sup>Compensation only applies to the 9 directors who are non-employees.

<sup>7</sup>Compensation only applies to the 8 directors who are non-employees.

+Only one director received compensation.

- Only five of Uber’s 12 directors received compensation in 2018. It will be interesting to see what changes post IPO for Uber’s board.

## Corporate Governance 2018

**Table 4: Select Corporate Governance Measures – Uber and Select Peers as Self-Identified by Uber \*+**

	Director Age Limit 75 or Under	Regular Executive Sessions of Non-Management Directors	Director Performance Review	Director Removed Only for Cause	Executive Directors Resign Upon Departing Company	Shareholders Allowed to Call Special Meetings	Poison Pill or Rights Plan
UBER	X	✓	✓	X	X	N/A	X
UBER’S PEERS - AVG	23%	100%	100%	92%	92%	100%	100%
S&P 500	64%	95%	93%	15%	33%	14%	1%
ADOBE INC.	X	✓	✓	✓	✓	✓	X
AMAZON	X	✓	✓	✓	✓	✓	X
APPLE INC	✓	✓	✓	✓	✓	✓	X
BOOKING HOLDINGS	X	✓	✓	✓	✓	✓	X
EBAY	X	✓	✓	X	✓	✓	X
FACEBOOK	✓	✓	✓	✓	✓	✓	X
MICROSOFT CORP	✓	✓	✓	✓	✓	✓	X
NETFLIX	X	✓	✓	✓	X	✓	X
ORACLE CORP	X	✓	✓	✓	✓	✓	X
PAYPAL	X	✓	✓	✓	✓	✓	X
SALESFORCE COM INC	X	✓	✓	✓	✓	✓	X
TWITTER, INC.	X	✓	✓	✓	✓	✓	X
WORKDAY, INC.	X	✓	✓	✓	✓	✓	X

\*Based on publicly disclosed data. X can mean the company affirmatively does not have this practice, or it can signify the absence of disclosure in generally available public documents.

+Most current year available.

N/A= Not applicable until Uber becomes a public company.



- Uber appears to be in the middle of the pack in terms of the corporate governance practices in Table 4.
- It appears that Uber may have some work to do when it comes to corporate governance practices for its board of directors.

**Table 5: Select Corporate Governance Measures – Uber and Select Peers as Self-Identified by Uber \*\***

	Proxy Access Policy	Disclosed Clawback Provision	Policy Prohibiting Pledging or Hedging of Stock by Directors and Employees	Disclosed Board Attendance Exceeds 95%	Current Board Gender Diversity <sup>#</sup>	Classified Board	Supermajority to Amend Charter	Lack Cumulative Voting for Board Seats	Allow Shareholders to Act by Written Consent
UBER	N/A	✓	✓	X	X	X	X	N/A	N/A
UBER'S PEERS - AVG	62%	69%	85%	0%	46%	15%	0%	0%	23%
S&P 500	64%	95%	93%	15%	33%	14%	1%	3%	21%
ADOBE INC.	✓	✓	✓	X	X	X	X	X	X
AMAZON	✓	✓	X	X	✓	X	X	X	X
APPLE INC	✓	✓	✓	X	X	X	X	X	✓
BOOKING HOLDINGS	X	X	✓	X	✓	X	X	X	X
EBAY	X	X	✓	X	X	X	X	X	X
FACEBOOK	X	X	✓	X	✓	X	X	X	✓
MICROSOFT CORP	✓	✓	✓	X	X	X	X	X	X
NETFLIX	✓	X	X	X	✓	X	X	X	X
ORACLE CORP	✓	✓	✓	X	X	X	X	X	X
PAYPAL	✓	✓	✓	X	✓	X	X	X	X
SALESFORCE COM INC	✓	✓	✓	X	X	X	X	X	X
TWITTER, INC.	X	✓	✓	X	✓	✓	X	X	X
WORKDAY, INC.	X	✓	✓	X	X	✓	X	X	✓

\*Based on publicly disclosed data. X can mean the company affirmatively does not have this practice, or it can signify the absence of disclosure in generally available public documents.

+Most current year available.

N/A until Uber becomes a public company.

<sup>#</sup>1/3 or more of board members are female.

- Here too, Uber seems to be fairly consistent with its peers on the corporate governance practices in Table 5.
- It appears that all of these companies could do a better job on board attendance and board gender diversity.

**Table 6: Select Corporate Governance Measures – Uber and Select Peers as Self-Identified by Uber \*\***

	Limit Overboarding for Audit Committee	Limit Overboarding for CEO	Limit Overboarding for All Directors	Current Board Size	Current Number of Female Directors	Resignation Policy for Directors in Failed Elections	CEO Succession Plan	Double Trigger
UBER	X	✓	✓	12	3	✓	✓	X
UBER'S PEERS - AVG	38%	38%	62%	12	3	69%	100%	38%
S&P 500	41%	36%	77%	11	N/A	93%	62%	41%
ADOBE INC.	X	X	✓	11	3	✓	✓	X
AMAZON	X	X	X	10	5	✓	✓	X
APPLE INC	X	✓	✓	8	2	✓	✓	X
BOOKING HOLDINGS	✓	✓	✓	13	3	✓	✓	✓
EBAY	X	X	X	15	4	✓	✓	X
FACEBOOK	X	X	X	9	2	X	✓	X
MICROSOFT CORP	✓	✓	✓	14	4	X	✓	X
NETFLIX	X	X	X	11	4	X	✓	X
ORACLE CORP	✓	X	✓	14	3	✓	✓	✓
PAYPAL	✓	✓	✓	12	4	✓	✓	X
SALESFORCE COM INC	✓	✓	✓	13	3	✓	✓	✓
TWITTER, INC.	X	X	✓	9	3	✓	✓	✓
WORKDAY, INC.	X	X	✓	11	2	X	✓	✓

\*Based on publicly disclosed data. X can mean the company affirmatively does not have this practice, or it can signify the absence of disclosure in generally available public documents.

+Most current year available.

- Limiting overboarding of its Audit Committee members and ensuring that there is more than a single trigger for a change in control vesting of stock awards may be two corporate governance measures that Uber wants to look at adopting.

## Risk Factors 2019

**Table 7: Risk Factors 2019 – Uber and Select Peers as Self-Identified by Uber**

	Number of Risk Factors
UBER TECHNOLOGIES INC	71
ADOBE INC.	31
ALPHABET INC.	30
AMAZON COM INC	23
BOOKING HOLDINGS INC.	26
EBAY INC	36
EXPEDIA GROUP, INC.	28
FACEBOOK INC	45
NETFLIX INC	30
PAYPAL HOLDINGS, INC.	41
SALESFORCE COM INC	35
SNAP INC	58
SQUARE INC	44
TESLA, INC.	46
TWITTER, INC.	47
WORKDAY, INC.	50

- As could be expected for a company in the IPO stage, Uber identifies a significant number of risk factors.

**Table 8: 2019 Disclosed Risk Factors – Uber and Select Peers as Self-Identified by Uber**

	Corporate Finance and Operations	Cybersecurity	Government and Regulation	Innovation and Competitiveness	Litigation and Legal Liabilities	Retain/Hire Qualified Personnel	Supply Chain and Third Party
UBER TECHNOLOGIES INC	52	3	22	15	16	7	8
ADOBE INC.	25	2	12	7	5	2	6
ALPHABET INC.	22	2	5	9	8	2	5
AMAZON COM INC	17	1	9	5	3	2	2
BOOKING HOLDINGS INC.	15	1	5	4	5	1	2
EBAY INC	22	2	14	7	7	1	5
EXPEDIA GROUP, INC.	21	1	10	4	4	2	1
FACEBOOK INC	31	3	11	12	7	1	3
NETFLIX INC	21	1	6	4	4	1	4
PAYPAL HOLDINGS, INC.	23	1	13	9	8	2	3
SALESFORCE COM INC	26	2	10	7	9	2	5
SNAP INC	47	2	16	15	9	4	6
SQUARE INC	37	2	14	10	6	4	3
TESLA, INC.	31	1	7	20	7	3	1
TWITTER, INC.	41	1	10	16	5	1	6
WORKDAY, INC.	40	1	14	7	7	4	8

- The biggest area of self-identified risk for Uber is in the corporate finance and operations area.