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Al Gore a lightning rod at Apple shareholder meeting

by [Erica Ogg](#)



(Credit: Josh Lowensohn/CNET)

CUPERTINO, Calif.--The presence of one of the world's pre-eminent environmentalists at Apple's shareholder meeting Thursday was the subject of much of the morning's pointed discussion.

As expected, Apple's attitude on environmental and sustainability issues was one of the main concerns of the stockholders present Thursday, followed closely by the company's immense pile of cash.

But early harsh comments about former Vice President Al Gore's record set the tone.

Al Gore speaks about the smart grid last November at a VentureBeat green-tech conference.

Gore was seated in the first row, along with his six fellow board members, in Apple's Town Hall auditorium as several stockholders took turns either bashing or praising his high-profile views on climate change.

At the first opportunity for audience participation just several minutes into the proceeding, a longtime and well-known Apple shareholder--some would say gadfly--who introduced himself as Shelton Ehrlich, stood at the microphone and urged against Gore's re-election to the board. Gore "has become a laughingstock. The glaciers have not melted," Ehrlich said, referring to Gore's views on global warming. "If his advice he gives to Apple is as faulty as his views on the environment then he doesn't need to be re-elected."

Another shareholder immediately got up to defend Gore and endorse his presence as an Apple director. And that wasn't the end of it. Two different proposals from shareholders were presented in regard to Apple's environmental impact. One [was from the nonprofit As You Sow](#), which for the second straight year asked Apple to publicly commit to specific greenhouse gas reduction goals and publish a formal sustainability

report; the second came from Herrington Investments, which proposed that Apple's board establish a sustainability committee, just like a compensation or personnel committee.

As You Sow's representative, Conrad MacKerron, praised Gore, but also challenged him on not doing more to encourage the company to set specific public commitments.

Forest Hill, Herrington Investment's senior portfolio manager also addressed some of his comments directly to Gore, saying making board members responsible for Apple's environmental impact "would make Apple a corporate leader."

Neither Gore nor anyone else on Apple's board of directors responded directly. Both proposals were ultimately rejected by shareholders.

Despite his apparently polarizing nature, Gore was re-elected with the rest of the slate in preliminary results. Proposals regarding changes to an employee stock plan, directors' stock options, an advisory vote on executive compensation, and selection of Ernst & Young as Apple's public accounting firm were all passed to complete the official business portion of the event.

The security of cash on hand

During the following Q&A session led by CEO Steve Jobs, COO Tim Cook, and CFO Peter Oppenheimer, shareholders were given the chance to speak their mind on, well, practically anything. Besides the environment, many homed in on the theme of just what Apple plans on doing with all that cash it has sitting around--approximately \$40 billion in reserve, Apple reported last quarter. One shareholder asked if Apple might consider investing in electric-car maker Tesla. To that, Jobs replied he was planning on throwing "a toga party" with the money instead.

"Cash gives us tremendous security and flexibility. When you take risks, it's like jumping up in the air, and it's nice to know the ground will be there when you land."

--Apple CEO Steve Jobs

He was obviously joking, but he did rebut more than one shareholder on the suggestions that Apple, among other ideas tossed out there, buy more companies, offer cash dividends, or create an Apple video game development studio.

Jobs took time to clearly lay out Apple's attitude on being conservative with its savings.

"Cash gives us tremendous security and flexibility. When you take risks, it's like jumping up in the air, and it's nice to know the ground will be there when you land," he told the group. "We run our company conservatively from a financial point of view because you never know what opportunity is around the corner...We're very fortunate that if we needed to acquire something we could write a check for it and not have to borrow money."

Jobs also rejected the idea of giving stockowners more of that cash through dividends because, he said, he believed the stock price, currently at \$201.60 a share, would be unaffected either way. He asked one shareholder, "Would you rather be a company with our same stock price and \$40 billion in cash, or a company with the same stock price and no cash?"

Other topics raised by stockholders included the following:

- The suggestion that Google CEO's Eric Schmidt's presence on Apple's board until last summer was damaging to Apple in terms of future competition between Apple's iPhone OS and Google's rival Android mobile operating system. Jobs gave Apple's standard respond on Schmidt's controversial presence on both boards: "Eric conducted himself appropriately. He recused himself when we were discussing matters that might be a conflict."
- The notion that Apple return to Macworld Expo. Jobs: "No. Sorry."
- Asked when Verizon customers would be able to buy the iPhone, Jobs said Apple would not be discussing its exclusive arrangement with AT&T or Verizon.
- Could a strategic alliance with Nintendo and iTunes help ensure that Netflix doesn't gain more ground in the digital video business? Jobs seemed to dismiss that. "Strategic alliances take an awful lot of work, and there'd have to be a really big payoff. But I suppose anything's possible."
- And displaying a sense of humor, when asked what he considered his biggest challenges in the future, Jobs deadpanned, "Shareholder meetings."