

### **Amazon: president, CEO, and chair**

Amazon was started by Jeff Bezos as an online bookseller from his home in Seattle, Washington State. He had previously been vice-president of a Wall Street firm. In July 1994, Bezos incorporated a company in the US state of Washington called Cadabra (from the conjuring phrase 'abracadabra'). A year later, he incorporated Amazon in the state of Delaware, a state with friendlier companies' legislation and company courts. The Cadabra business was backed into the new company.

Amazon then diversified with CDs, videos, and software, adding the downloading and streaming of film, and Kindles and other e-readers when the technology became available. But Amazon's great strength lay in its mastery of cloud computing, allowing it to offer infrastructure worldwide with merchandising platforms for its own and other companies' products. Amazon provides several websites in the USA, and others in Australia, Brazil, France, Germany, Holland, India, Japan, and elsewhere. Amazon is the largest retailer in the United States, by market capitalization, having over-taken Walmart in 2015.

### **Corporate governance at Amazon**

Amazon's website has a lot of corporate governance information on its investor relations home page including:

- financial reports;
- SEC filings;
- shareholder letters (including the founder's comments on corporate philosophy and policies);
- press releases on investor matters;
- shareholder webcasts and a webcast archive.<sup>25</sup>
- The founder and other owners connected with him maintain their control over the company with a class of shares that have dominant voting rights.
- The board has twelve members and three standing committees:
  - audit committee;
  - nominating and corporate governance committees;
  - leadership development and compensation committee.

### **Directors and their membership of board committees**

Jeffrey P. Bezos

President, Chief Executive Officer, and Chairman of the Board

Tom Alberg

Managing Partner, Madrona Venture Group  
Audit Committee

John Seeley Brown

Visiting Scholar and Adviser to the Provost of the University of Southern  
CaliforniaNominating Committee

Bing Gordon

Partner, Kliener, Pweekins, Caulfield, and Byers

Jamie Groelick

Partner, Wilmer, Cutter, Pickering, Hale, and Dorr LLPChair, Nominating Committee

Dania. P. Huttenlocher

Compensation Committee

Judith A. McGrath

Former CEO, MTV NetworksCompensation Committee

Alain Moni

CEO, Ingram Micro

Jonathan J. Rubenstein

Former Chair and CEO, Palm Inc.Chair, Compensation Committee

Thomas O. Ryder

Former Chair and CEO, Readers' Digest AssociationChair, Audit Committee

Patricia O. (Patty) Stonesifer

President and CEO, Martha's TableNominating Committee

Wendell P. Weeks

Chair, President, and CEO, Corning Inc.

### **Officers of the Company**

Jeffrey P. Bezos

President, Chief Executive Officer, and Chair of the Board

Brian T. Olsavsky

Senior Vice-President and Chief Financial Officer

Jeffrey M. Blackburn

Senior Vice-President, Business Development

Andrew R. Jassy

CEO, Amazon Web Services

Shelley L. Reynolds

Vice-President, Worldwide Controller, and Principal Accounting Officer

Jeffrey A. Wilke

CEO, Worldwide Consumer

David A. Zapolsky

Senior Vice-President, General Counsel, and Secretary

### **Discussion Questions**

1. Does Amazon have a well-balanced board?
2. Jeff Bezos has the title of president, chief executive officer, and chair of the board. Some of the members of his board also carry multiple titles such as chair, president, and CEO. Is such centralization of authority and power in one person a good idea?
3. Should the roles of CEO and chair of the board be separated?
4. Should Jeff Bezos' succession be planned? If so, how?