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'Wild ride' sends Ford stock to 52-week low All eyes on CEO Hackett amid decline

By Phoebe Wall Howard (excerpt)
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A \$7.89 price tag is a bargain for just about anything these days.

Including Ford Motor Company stock. ...

... T.R. Reid, Ford spokesman, said the company doesn't comment on stock price.

"Our underlying business is strong. We've got exciting series of new products we're introducing this year. And I think we're establishing ourselves as a leader in the emerging era of smart vehicles — including new forms of propulsion and connectivity," he said. "We're optimistic. We're focused, and nobody's got higher expectations for Ford than we do." ...

... Ford's latest stock dip occurs more than two weeks after reporting a grim \$47 million in net profit in 2019 for the global company, down from \$3.7 billion a year earlier. Meanwhile, GM showed a \$2.41 billion net profit in 2019.

'Patience wearing thin'

"The stock has been on a wild ride and investors' patience does seem to be wearing thin," said David Kudla, CEO and chief investment strategist at Mainstay Capital Management, a Grand Blanc investment adviser who manages \$2.7 billion in assets. Many of Mainstay's clients are Ford employees.

He noted, "Hackett's massive restructuring plan was needed to address overhead, however, it remains to be seen whether it went far enough. The pressure is on this year to recover and show meaningful progress." ...

... \$2M pay raise

Meanwhile, all eyes are on the CEO. Hackett turns 65 on April 22. He told reporters Feb. 7 he has no immediate plans to retire from his CEO role, saying he wants to be part of the new "momentum" that takes Ford into the future.

And Ford does not have a CEO age limit, Ford spokesman Reid said.

Alan Mulally, who is widely credited for saving Ford from bankruptcy left the company in 2014 at age 68 after nearly eight years.

Hackett came out of retirement after a career with Steelcase office furniture. He received a \$17.75 million compensation package at Ford in 2018 or more than a third of the net profit the company reported in 2019. The company will reveal his 2019 salary in a regulatory filing in the late spring. ...

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