

Coca-Cola CEO Pay Drops

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In this , Friday, June 21, 2013, file photo, Chairman, CEO of the Coca-Cola Company, Muhtar Kent, attends the Cannes Lions 2013, 60th International Advertising Festival in Cannes, southern France. Coca-Cola CEO Muhtar Kent's pay fell 16 percent in 2013 because his performance-based bonus took a hit. Muhtar Kent's pay package was worth \$18.2 million for 2013, according to a regulatory filing made with the Securities and Exchange Commission on Friday. That's down from the \$21.6 million he earned the previous year. The decline was primarily the result of a lower performance-based bonus, which fell to \$2.2 million, from \$6 million the previous year. That was the result of lower sales volume growth of just 2 percent for the year, compared with 4 percent the previous year. (AP Photo/Lionel Cironneau)

NEW YORK (AP) — [Coca-Cola](#) [1] CEO Muhtar Kent saw his pay drop 16 percent last year as the world's biggest beverage maker failed to meet its own long-term growth targets.

Kent's package was worth \$18.2 million for 2013, according to a filing made with the Securities and Exchange Commission on Friday. That's down from the \$21.6 million he earned in the previous year.

The decline was primarily the result of a lower performance-based bonus, which fell to \$2.2 million, from \$6 million. That portion of his pay is tied to financial metrics such as sales volume, which rose just 2 percent for the year. The previous year, the figure had increased 4 percent, in line with the company's long-term goals.

A new cap for that portion of Kent's pay was also triggered this year because Coca-Cola's total shareholder return fell below the median of the companies in the Standard & Poor's 500.

Executives at the Atlanta-based company, whose products include Sprite, Fanta and Vitaminwater, have cited weak economic conditions around the world for the year's underwhelming results. Back at home, [Coca-Cola Co. is also struggling to boost sales](#) [2] in its flagship soda business as people turn to the growing number of alternatives in the beverage aisle.

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Still, Kent has expressed confidence in the company's ability to "restore momentum" to its business in the year ahead. The 61-year-old has been CEO since the summer of 2008, after working in numerous executive positions around the world for the world's biggest beverage maker. He took on the chairman title in 2009.

The rest of Kent's pay package for 2013 was rounded out by a base salary of \$1.6 million, and stock and options worth \$13.5 million. Other compensation of \$861,912 included services such as use the company plane, a car and driver, and security.

The Associated Press formula includes salary, bonuses, perks, above-market interest the company pays on deferred compensation and the estimated value of stock and stock options awarded.

The AP formula does not count changes in the present value of pension benefits, which makes it slightly different in most cases from the total companies report to the Securities and Exchange Commission.

The value assigned to an executive's stock and option awards was the present value of what the company expected them to be worth over time. But the number is just an estimate, and what an executive ultimately receives depends on the performance of the company's stock.

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[1] <https://twitter.com/CocaCola>

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