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## National Legal and Policy Center



### After Layoffs, Execs Get Big Raises at Taxpayer-Funded A123

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A taxpayer-funded [Printer-friendly](#) (<http://nlpc.org/print/3838>) [Email to friend](#) (<http://nlpc.org/printmail/3838>)

electric vehicle

battery company, that is [considered in great](#)

[danger](#) (<http://nlpc.org/stories/2012/02/09/will-doe%E2%80%99s-fisker-doubts-take-down-its-battery-supplier-too>)

due to its dependency on [troubled](#) (<http://nlpc.org/stories/2012/02/08/many-unanswered-questions-surround-fisker-layoffs>)

EV company [Fisker Automotive](#)

<http://nlpc.org/category/keywords/fisker>), has [awarded](#)

[its top executives big salary increases](#)

<http://boston.citybizlist.com/7/2012/2/14/A123-Boosts-Compensation-as-Stock-Bottoms-Out--cbl.aspx>

[despite a steep downward trajectory in its stock price.](#)



Massachusetts-based [A123 Systems](#) (<http://nlpc.org/category/keywords/a123-systems>) -- which [received \\$279.1 million](#) (<http://nlpc.org/stories/2011/12/02/taxpayer-funded-green-job-losses-easy-a123>) [in stimulus money](#) (<http://nlpc.org/category/keywords/stimulus>) [from the Department of Energy](#) (<http://nlpc.org/category/keywords/department-energy>), and up to \$135 million in incentives from the State of Michigan -- boosted the base salaries of two vice presidents and its chief financial officer on February 8.

Chief Financial Officer David Prystash was bumped 27 percent to \$380,000; VP of Energy Solutions Robert Johnson's base salary increased 51 percent from his 2010 level to \$400,000; and VP of Automotive Systems Jason Forcier saw his pay rise 32 percent from 2010, to \$350,000. The news was first [reported by](#) (<http://boston.citybizlist.com/7/2012/2/14/A123-Boosts-Compensation-as-Stock-Bottoms-Out--cbl.aspx>) the Boston Web site of [Citybizlist.com](#), which obtained the information from an [A123 SEC filing](#) ([http://sec.gov/Archives/edgar/data/1167178/000110465912009687/a12-5013\\_18k.htm](http://sec.gov/Archives/edgar/data/1167178/000110465912009687/a12-5013_18k.htm)).

A123 had [laid off 125 employees](#) ([http://www.mlive.com/business/detroit/index.ssf/2011/11/a123\\_systems\\_pink\\_slips\\_125\\_mi.html](http://www.mlive.com/business/detroit/index.ssf/2011/11/a123_systems_pink_slips_125_mi.html)) in November at its two plants in Livonia and Romulus, Mich. Company officials said diminished production by Fisker led to the cutbacks. A123 had expected to deliver batteries for 7,000 plug-in hybrid Karma models, but faulty wire harnesses in the vehicles reduced Fisker's production to 1,500 for 2011, [according to Crain's Detroit Business](#) (<http://www.crainsdetroit.com/article/20111128/FREE/111129946/a123-systems-lays-off-125-workers-at-livonia-romulus-plants>). Also, in December A123 [had to repair dozens of its batteries](#) (<http://online.wsj.com/article/SB10001424052970204464404577117303687907464.html>) that had been installed in Karmas due to the potential for coolant leaks.

A [previous SEC filing](#) ([http://www.sec.gov/Archives/edgar/data/1167178/000110465911025751/a11-11590\\_18k.htm](http://www.sec.gov/Archives/edgar/data/1167178/000110465911025751/a11-11590_18k.htm)) explained that A123 CFO Prystash was just hired in May at a base salary of \$300,000 plus a \$50,000 signing bonus, additional performance bonuses that could reach 150 percent of company "financial performance targets," and stock considerations. Prystash's predecessor Michael Rubino was listed with a base salary of

