<u>Superstar CEOs</u>

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Some Chief Executive Officers have—or investors believe they have— the vision, superior leadership, or other qualities that make then uniquely valuable to their corporations. In this paper, we analyze the phenomenon of these *superstar CEOs* and consider its implications for corporate law and scholarship. Their unique contribution to company value provide these CEOs—who are often founders with a significant equity stake—with considerable power over boards of directors. This power, however, is likely to persist only as long as markets continue to believe that superstar CEOs can produce superior returns for shareholders. We discuss two principal implications for corporate law. First, we consider whether corporate law should contain the power of superstar CEOs. Second, we consider the effect that CEOs' unique contribution to company value should have on the regulation of M&A transactions. We also use our analysis to explain recent developments in Delaware law.