

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 7, 2005**

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**CMGI, Inc.**

*(Exact name of registrant as specified in its charter)*

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**Delaware**  
*(State or other jurisdiction  
of incorporation)*

**000-23262**  
*(Commission File Number)*

**04-2921333**  
*(IRS Employer  
Identification No.)*

**1100 Winter Street**  
**Waltham, Massachusetts 02451**  
*(Address of principal executive offices) (Zip Code)*

**(781) 663-5001**  
*(Registrant's telephone number, including area code)*

**Not applicable**  
*(Former name or former address if changed since last report)*

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01 Entry into a Material Definitive Agreement.**

On April 7, 2005, W. Kendale Southerland entered into an employment offer letter (the "Employment Letter") with ModusLink Corporation, a subsidiary of CMGI, Inc., to serve as President, Sales and Marketing of ModusLink. Previously, Mr. Southerland served as President of Asia-Pacific Operations of ModusLink until February 2005. In such capacity, Mr. Southerland was deemed an executive officer of CMGI within the meaning of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

In his capacity as President, Sales and Marketing of ModusLink, Mr. Southerland shall continue to be deemed an executive officer of CMGI within the meaning of the Exchange Act. The Employment Letter provides for Mr. Southerland's employment with ModusLink at an annual base salary of \$325,000. Mr. Southerland is also eligible to receive an annual cash bonus pursuant to the terms of the FY 2005 Executive Bonus Plan for ModusLink, based on a target equal to 60% of his annual base salary.

Pursuant to the terms of the Employment Letter, if Mr. Southerland's employment with ModusLink is terminated by ModusLink for reasons other than for cause (as defined therein), ModusLink shall pay Mr. Southerland his base salary for the twelve-month period following the date of termination in accordance with ModusLink's regular pay periods, conditioned on his execution of ModusLink's standard form of general release.

The foregoing description is subject to, and qualified in its entirety by, the Employment Letter filed as Exhibit 10.1 hereto and incorporated herein by reference.

**Item 1.02 Termination of a Material Definitive Agreement.**

In connection with the execution of the Employment Letter, on April 7, 2005 Mr. Southerland's employment letter, dated June 17, 2004, was terminated and shall have no further force or effect. Such terminated employment letter provided for Mr. Southerland's employment as President of Asia-Pacific Operations of ModusLink, based in Singapore, through September 2005 at an annual base salary of \$300,000. Pursuant to the terminated employment letter, Mr. Southerland also received a foreign service premium of \$25,000 per annum, a goods and services allowance of \$25,000 per annum, a housing and utilities differential payment of up to Singapore \$20,000 per annum, a transportation allowance of up to \$2,500 per month, as well as various allowances for expenses related to club memberships, home leave, education, relocation and tax equalization. In addition, Mr. Southerland was eligible for a bonus equal to 60% of his annual base salary.

The terminated employment letter also provided that if Mr. Southerland's employment with ModusLink was terminated by ModusLink for reasons other than for cause (as defined therein), Mr. Southerland was entitled to severance payments equal to twelve months' base salary, with a possible extension of up to six additional months. In addition, Mr. Southerland was entitled to receive such severance benefits in the event he did not extend his employment with ModusLink at the conclusion of the term of the employment letter.

The foregoing description is subject to, and qualified in its entirety by, the employment letter filed as Exhibit 10.2 hereto and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(c) The following exhibits are filed with this report:

<u>Exhibit No.</u>	<u>Description</u>
10.1	Employment Offer Letter from ModusLink Corporation to W. Kendale Southerland, dated April 7, 2005.
10.2	Employment Letter, dated as of June 17, 2004, from Modus Media International, Inc. to W. Kendale Southerland is incorporated by reference to Exhibit 10.29 to the Registrant's Annual Report on Form 10-K for the fiscal year ended July 31, 2004 (File No. 000-23262).

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 13, 2005

CMGI, INC.

/s/ Thomas Oberdorf

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By: Thomas Oberdorf

Title: Chief Financial Officer and Treasurer

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## Exhibit Index

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**ModusLink**  
**The Power of Global Precision**

Corporate Offices  
1100 Winter Street  
Suite 4600  
Waltham, MA 02451  
United States  
Tel: 781.663.5000  
Fax: 781.663.5100

March 22, 2005

Mr. W. Kendale Southerland  
PMB340, 3595 Canton Road, A-9  
Marietta, GA 30066

Dear Ken:

As we've discussed, you are leaving your position as President of Asia-Pacific Operations of ModusLink Corporation ("ModusLink" or the "Company") and returning to the United States. It is a distinct pleasure to offer you the position of President, Sales and Marketing of ModusLink, effective on March 28, 2005. In this capacity you will report to Joseph C. Lawler, President and Chief Executive Officer of ModusLink.

Your starting salary will be \$12,500.00 bi-weekly, which is equivalent to an annualized base salary of \$325,000. You will also be eligible to receive a bonus for fiscal year 2005 based on a target annualized bonus equal to 60% of your actual base salary earnings for fiscal year 2005. The actual bonus payment you receive, if any, will be based on successful satisfaction of fiscal year 2005 business objectives pursuant to the terms and conditions of the FY 2005 Executive Bonus Plan for ModusLink which has previously been provided to you, and your achievement of personal goals and objectives that will be established with Joe Lawler. As you know, Bonus Plan payouts may range from 0% to 200% of target, based on the Company's performance. Salary and bonus payments are subject to normal deductions and withholdings.

In the event that during your employment with the Company, your employment is terminated by the Company, other than for cause, you shall be entitled to continue to receive your base salary, in accordance with the Corporation's regular pay periods, for the 12-month period following your date of termination. Any payment of these severance benefits will be conditioned upon your execution of the Company's standard form of general release.

For purposes of this offer letter, "cause" shall mean a good faith finding by the Company of: (i) gross negligence or willful misconduct by you in connection with your employment duties, (ii) failure by you to perform your duties or responsibilities required pursuant to your employment, after written notice and an opportunity to cure, (iii) misappropriation by you of the assets or business opportunities of the Company or its affiliates, (iv) embezzlement or other financial fraud committed by you, (v) a breach by you of any representations or warranties included in this offer letter, (vi) you knowingly allowing any third party to commit any of the acts described in any of the preceding clauses (iii) or (v), or (vii) your indictment for, conviction of, or entry of a plea of no contest with respect to, any felony.

Mr. W. Kendale Southerland

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March 22, 2005

As an employee of the Company, you shall remain entitled to vacation in accordance with the Company's vacation policies and will remain eligible for any and all benefit programs that the Company establishes and makes generally available to its employees from time to time, provided you are eligible under (and subject to all provisions of) the plan documents governing those programs.

Please confirm your acceptance of this position and your start date by signing one copy of this letter and returning it to me.

This letter does not constitute a guarantee of employment or a contract. **Your employment with the Company will be "at-will"**. This means that your employment with the Company may be terminated by either you or the Company at any time and for any reason or for no reason, with or without notice. This offer letter constitutes the entire agreement between you and the Company regarding your employment status and terms of employment and supersedes all prior offers and agreements, both oral and written, including without limitation, your Letter of Understanding: Extension dated June 17, 2004, which shall no longer have any force or effect.

Sincerely,

/s/ James J. Herb

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James J. Herb  
Senior Vice President, Human Resources

Agreed and accepted:

/s/ W. Kendale Southerland

April 7, 2005

\_\_\_\_\_  
W. Kendale Southerland

\_\_\_\_\_  
Date

Start Date: March 28, 2005