
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): June 4, 2008

CMGI, INC.

(Exact Name of Registrant as Specified in its Charter)

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)

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 (see General Instruction A.2. below):

- 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

(e) On June 4, 2008, ModusLink Corporation (“ModusLink”), a subsidiary of CMGI, Inc. (the “Company”), modified the compensation package of William R. McLennan, President, Global Operations of ModusLink, in recognition of his change in responsibility effective June 1, 2008 from President, International Business Unit of ModusLink to his current position. The modified compensation package provides for an increase in Mr. McLennan’s annualized base salary, from \$400,000 to \$450,000, effective June 1, 2008. Mr. McLennan continues to be eligible to receive a bonus equal to 60% of his earned base salary (the “Bonus”). The payment of the Bonus is subject to ModusLink’s and the Company’s achievement of fiscal year 2008 business objectives pursuant to the CMGI FY2008 Executive Management Incentive Plan. In addition, Mr. McLennan’s target bonus for fiscal 2009 will be set at 80% of his earned base salary and be subject to the CMGI FY2009 Executive Management Incentive Plan, which is expected to be adopted by CMGI for fiscal year 2009. The actual bonus payment Mr. McLennan will receive for fiscal 2009 will be subject to the terms and conditions of the CMGI FY2009 Executive Management Incentive Plan, which is expected to provide for payouts that range from 0% to 200% of target. Mr. McLennan will also receive a car allowance of \$1000 per month.

In addition, on the third business day following the Company’s public release of its financial results for the fiscal quarter ended April 30, 2008, Mr. McLennan will be granted a stock option to purchase 25,000 shares of the Company’s common stock at an exercise price equal to the closing price of the Company’s common stock on the Nasdaq Global Market on the date of grant and will be awarded 25,000 shares of restricted stock. Both the stock option and restricted stock award vest annually over five years.

ModusLink and Mr. McLennan entered into a letter agreement (the “Letter Agreement”) dated June 5, 2008 with respect to the compensation matters described above. In addition, per the Letter Agreement, Mr. McLennan’s expatriate agreement dated March 10, 2005, as modified to date, shall be of no further force or effect, other than the Company’s ongoing obligations with respect to repatriation and tax equalization.

The foregoing description is subject to, and qualified in its entirety by, the Letter Agreement filed as an exhibit hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The exhibit listed in the Exhibit Index immediately preceding such exhibit is filed with this report.

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.

CMGI, Inc.

Date: June 10, 2008

By: /s/ Peter L. Gray

Peter L. Gray

Executive Vice President and General Counsel

EXHIBIT INDEX

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 10.1 | Letter Agreement, dated June 5, 2008, by and between ModusLink Corporation and William R. McLennan. |



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

June 5, 2008

Mr. William R. McLennan
ModusLink Corporation
1100 Winter Street, Suite 4600
Waltham, MA 02451

Dear Bill:

Congratulations on your taking on your new role as President, Global Operations of ModusLink Corporation ("ModusLink" or the "Company"). In this capacity you will continue to report to Joseph C. Lawler, President and Chief Executive Officer of ModusLink.

This letter will serve to memorialize certain changes to your compensation arrangements with the Company.

Effective as of June 1, 2008, your salary will be \$17,307.69 bi-weekly, which is equivalent to an annualized base salary of \$450,000. You will also continue to be eligible to receive a bonus for fiscal year 2008 based on a target bonus equal to 60% of your earned base salary. The actual bonus payment you receive will be based on the Company's and CMGI's successful satisfaction of fiscal year 2008 business objectives pursuant to the terms and conditions of the CMGI FY2008 Executive Management Incentive Plan. For fiscal year 2009, commencing August 1, 2008, you will participate in the Company's FY2009 Executive Management Incentive Plan (which will be established by CMGI's Compensation Committee) with a target bonus of 80% of your earned base salary. The actual bonus payment you receive for fiscal 2009 will be subject to the terms and conditions of the plan, which is expected to provide for payouts that range from 0% to 200% of target. All salary and bonus payments are subject to normal deductions and withholdings.

In addition, on the third business day following the public release of the results of operations of CMGI for the fiscal quarter ended April 30 2008 (provided that you remain employed by ModusLink through such reporting date), you will be granted an option to purchase 25,000 shares of CMGI common stock under CMGI's 2004 Stock Incentive Plan or 2000 Stock Incentive Plan. This option will be priced at the closing price of CMGI's common stock (during normal trading hours) on the date of grant. Provided you remain employed by the Company on each vesting date, this option will vest in five equal annual installments (each relating to 20% of the shares covered by the option), on each of the first five anniversary dates of the date of grant, so that the option becomes fully vested and exercisable on the fifth anniversary of the date of grant. The option shall have a seven (7) year term.

www.moduslink.com

On the third business day following the public release of the results of operations of CMGI for the fiscal quarter ended April 30, 2008 (provided that you remain employed by ModusLink through such reporting date), you will also be awarded 25,000 shares of restricted common stock of CMGI. This award will be made pursuant to CMGI's 2004 Stock Incentive Plan or 2000 Stock Incentive Plan. Provided you remain employed by the Company on each vesting date, the restrictions with respect to the restricted stock award will lapse in five equal annual installments (each with respect to 20% of the award), on each of the first five anniversary dates of your start date. The Company encourages you to promptly speak with your own tax or legal advisor with respect to the tax effect and any filings that you may want to make with the Internal Revenue Service in connection with this restricted stock award.

The option and the restricted stock award described above will each be subject to all terms, limitations, restrictions and termination provisions set forth in the referenced plans and in the separate option and restricted stock agreements (which will be based upon CMGI's standard forms of option and restricted stock agreement) that will be executed to evidence the grant of such option and award of restricted stock. You will also be required to execute the Company's standard form of Non-Competition Agreement as a condition of CMGI granting you an option to purchase CMGI common stock, awarding you shares of CMGI restricted stock and your employment with the Company.

In addition, you will be provided a monthly car allowance in the amount of \$1,000, which will be treated for tax purposes as additional compensation to you.

In connection with your new role, you will be moving back to the U.S. Accordingly, except for the Company's obligations with respect to repatriating you and with respect to the equalization, the Letter of Understanding dated March 10, 2005, as modified to date, shall be of no further force or effect.

Sincerely,

/s/ James J. Herb

James J. Herb
Senior Vice President, Human Resources

Agreed and accepted:

/s/ William R. McLennan

William R. McLennan

6/6/08

Date