SAN FRANCISCO (AP) -- With buyout vultures circling the Internet company, Yahoo Inc. CEO Carol Bartz may have to accelerate her timetable for engineering a turnaround if she wants to save her job.Bartz has said it could take a couple more years to revive Yahoo after a long period of listlessness, but it appears the company could become a takeover target if its financial performance doesn't improve within the next few months.That urgency was underscored late Wednesday as The Wall Street Journal reported that another falling Internet icon, AOL Inc., is in preliminary discussions with a group of leveraged buyout firms, including Silver LakePartne rs and Blackstone Group LP, about making a joint bid for Yahoo because its stock has been slumping for so long. The Journal story cited unnamed people familiar with the talks and said two or three other firms could also be interested in the deal, which could bring AOL's charismatic CEO, Tim Armstrong, to Yahoo.It's likely an opportunistic suitor would emerge if Yahoo's revenue keeps growing at a turtle's pace while rivals such as Google Inc. and Facebook sprint further ahead as advertisers shift more of their spending to the Internet.

Although Yahoo's market value has fallen dramatically in the past few years, buying the company would still be expensive and quite complicated. That's the main reason most analysts believe it would take a while to put together a deal, even if Yahoo disappoints investors yet again next Tuesday when it reports its third-quarter earnings.

With no bid on the immediate horizon, Yahoo shares cooled from the heated reaction to the Journal's initial report. The stock rose 68 cents, or 4.5 percent, to $15.93 on Thursday. It had soared by nearly 13 percent in extended trading Wednesday following the Journal's report.

Yahoo hired Bartz, a tough-talking Silicon Valley veteran, in January 2009, convinced that she would prove the company is worth more than the $47.5 billion that Microsoft Corp. was offering to take over the company, a bid that Yahoo snubbed in May 2008. Microsoft has since forged an Internet search partnership with Yahoo in a joint challenge to Google's dominance of the Web's most lucrative ad market.

Although Bartz has won praise for negotiating the Microsoft alliance and cutting costs to boost Yahoo's profits, the company's revenue through the first half of the year edged up by less than 2 percent. By comparison, Google's rose 23 percent during the same period. That letdown has left Yahoo's stock far below Microsoft's final offer of $33 per share, turning that bid into a millstone.

"Given everything that Yahoo shareholders have been through since then, there is a limited amount of patience left," said Ryan Jacob, portfolio manager of the Jacob Internet Fund, which owns more than 100,000 shares. "It's not necessarily Bartz's fault, but she had to know what she was getting into coming in."

The recent defections of several top Yahoo executives have stirred speculation that Bartz is wearing out her welcome as she approaches the midway point of her four-year contract.

If that's true, it could open the door for Armstrong, 39, who could be seen as a more media-friendly, suave leader than the sometimes-cranky, profanity-spewing Bartz, 62. What's more, Armstrong's Internet background could be seen as a better fit, given that he built up Google's highly prosperous North American advertising business before leaving to become AOL's CEO last year. Bartz is more of a technologist, having previously been CEO of software maker Autodesk Inc. and a top executive at Sun Microsystems Inc.

But Armstrong's reign at AOL so far has largely mirrored Bartz's time at Yahoo. Like his counterpart, Armstrong has spent much of his time weeding out the company's unprofitable operations while focusing on bringing in more unique content in an effort to lure more Web surfers and bring in more advertisers.

Those changes haven't been enough to lift AOL's yet, making it look like a "mini-Yahoo," Jacob said.

AOL's market value is just $2.7 billion, about 13 percent of Yahoo's $21.5 billion. That gap means AOL would need plenty of help to buy Yahoo.

Yahoo declined a request to interview Bartz Thursday. The company, which is based in Sunnyvale, Calif., also declined to comment on the reports of a possible takeover bid. The

Journal said Yahoo hasn't been involved in the talks yet.

But the board appears to be taking the talk seriously enough to have hired Goldman Sachs Group Inc. to advise directors on a possible defense, according to Bloomberg News, which also cited unnamed people. Goldman Sachs declined to comment.

AOL and Blackstone also declined to comment Thursday. Silver Lake didn't return calls.

Despite Yahoo's struggles, there are several reasons why the company remains a takeover target.

For starters, Yahoo still boasts one of the world's best-known brands. Its website remains alluring enough to attract an audience of nearly 600 million, although people have been spending less time there as they hang out more frequently at trendier spots such as Facebook.

Yahoo also owns a 39 percent stake in one of China's fastest growing companies, the Alibaba Group. That stake presumably would be sold if leveraged buyout firms were to attempt a takeover to make the bid easier to finance. Analysts have estimated that selling Yahoo's Alibaba holdings and other Asian assets could fetch anywhere from $8 billion to $13 billion, depending on market conditions. That's a large chunk of Yahoo's current market value of $21.5 billion.

Bartz has argued that selling the Alibaba stake right now doesn't make sense because it will likely be worth even more in the years ahead as China's Internet market continues to grow. That's a notion some shareholders support.

If AOL and the buyout firms decide to pursue Yahoo, a successful bid would first hinge on whether the offer was high enough. Analysts seem to believe Yahoo's board would be hard pressed to turn down an offer ranging from $21 to $23 per share after spurning Microsoft two years ago. That would still be 32 percent to 44 percent above Thursday's closing price, though far less than Microsoft's final offer of $33.

Analysts aren't convinced a combination between AOL and Yahoo even makes sense. "I don't believe putting together two weak, stumbling companies would make the sum greater than its parts," Wedge Partners analyst Martin Pyykkonen said.

He believes another possible scenario might make more sense: Microsoft pouncing on Yahoo with another takeover bid at a price far below its offer of 2 1/2 years ago.