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## FOR IMMEDIATE RELEASE

# **Why Are So Many Companies Changing CEOs? HIGHEST MONTHLY TOTAL ON RECORD AS 157 CEOs LEAVE THEIR POSTS IN JANUARY**

**CHICAGO, February 6, 2019** – U.S.-based companies announced 157 chief executive officer changes to start the year, the highest monthly total on record, according to a report released Wednesday from global outplacement and executive coaching firm Challenger, Gray & Christmas, Inc.

January's total was 21.7 percent higher than the 129 CEO exits announced in December and 18.9 percent higher than the 132 CEOs who left their posts in January of last year. It is the highest monthly total since Challenger began tracking in 2002.

"The last two quarters have seen record-setting totals for CEO turnover. Companies are responding to the strong, but uncertain, economic conditions by engaging new leadership who can both set companies on a path for growth while also gearing up for a potential downturn," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

"Meanwhile, concurrently, the strong economy over the last several months has led to a number of new start-ups, which are now turning to more seasoned leaders, adding to high turnover numbers in the CEO spot," he added.

Challenger tracks CEO changes at companies that have been in business for at least two years, with a minimum of ten employees.

"We're also seeing a number of companies in Retail, Finance, Automotive, Health Care, and Manufacturing, among others, that are responding to new technologies by installing leaders whose job is to pivot long-standing businesses to keep up with demand," said Challenger.

Companies in the Government/Non-Profit sector lead all industries in CEO changes with 29 in January, followed by Health Care/Products companies, including medical device manufacturers, with 17.

Financial and Services firms follow with 13 CEO exits apiece. Pharmaceutical and Technology companies each had ten CEO changes in January.

Beginning in January, Challenger began breaking out CEO exits at Cannabis and Financial Tech companies. Two CEO changes were announced by Cannabis companies in January, while one CEO exit was announced by FinTech.

The majority of CEOs (73) stepped down into other positions within the company, usually as a Chairperson or other member of the C-Suite. Another 41 CEOs retired, while 17 found new positions in other companies. One CEO reportedly left due to scandal, another due to professional misconduct allegations, and one other due to an internal investigation.

California companies reported the highest number of CEO changes with 18, followed by New York and Texas, which each had 11. Missouri and Florida each reported nine CEO changes.

**# # #**

**CHALLENGER CEO REPORT**  
**CEO DEPARTURES**  
**By Month**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>January</b>	<b>157</b>	132	128	131	110	131	113	123	96	89
<b>February</b>		113	72	87	94	112	110	104	92	132
<b>March</b>		96	101	101	95	123	86	94	99	119
<b>April</b>		109	91	108	97	94	94	90	103	101
<b>May</b>		91	80	100	90	98	104	99	103	125
<b>June</b>		90	95	97	102	103	94	99	113	107
<b>July</b>		94	102	92	128	105	128	83	104	88
<b>August</b>		154	96	109	107	119	113	104	104	95
<b>September</b>		148	101	119	104	124	107	95	108	111
<b>October</b>		149	105	99	94	122	104	108	91	81
<b>November</b>		147	94	106	86	103	94	112	82	79
<b>December</b>		129	95	99	114	107	99	103	83	107
<b>TOTAL</b>	<b>1,452</b>	<b>1,160</b>	<b>1,248</b>	<b>1,221</b>	<b>1,341</b>	<b>1,246</b>	<b>1,214</b>	<b>1,178</b>	<b>1,234</b>	

## CHALLENGER CEO REPORT

### By Industry

	18-Jan	18-Dec	19-Jan
Aerospace/Defense	3	1	2
Apparel	0	1	1
Automotive	3	2	5
Cannabis	N/A	N/A	2
Chemical	1	1	
Commodities/Mining	0		
Construction	3	2	2
Consumer Products	4	3	2
Electronics	2	2	
Energy	2	2	5
Entertainment/Leisure	2	6	4
Financial	17	19	13
FinTech	N/A	N/A	1
Food	4	6	4
Government/Non-Profit	20	18	29
Health Care/Products	11	12	17
Hospitals	10	15	5
Industrial Goods	5	3	9
Insurance	2	2	3
Legal			
Media	2	2	1
Pharmaceutical	2	5	10
Real Estate	3	1	8
Retail	3	2	6
Services	8	1	13
Technology	19	14	10
Telecommunications	1	1	1
Transportation	4	5	2
Utility	1	3	2
<b>TOTAL</b>	<b>132</b>	<b>129</b>	<b>157</b>

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## CHALLENGER CEO REPORT

### By State

<b>EAST</b>	<b>JANUARY</b>
New York	11
Massachusetts	9
Pennsylvania	7
Connecticut	6
Maryland	3
New Jersey	1
Delaware	
Dist. of Columbia	
Maine	
New Hampshire	
Puerto Rico	
Rhode Island	
Vermont	
	<b>37</b>

<b>MIDWEST</b>	<b>JANUARY</b>
Missouri	9
Ohio	6
Minnesota	5
Indiana	4
Illinois	3
Kansas	2
Michigan	2
Wisconsin	1
Iowa	
Nebraska	
<b>TOTAL</b>	<b>32</b>

## CHALLENGER CEO REPORT

### By State

WEST	JANUARY
California	18
Texas	11
Arizona	6
Colorado	6
Washington	4
Idaho	2
Oklahoma	2
Oregon	2
South Dakota	2
Hawaii	1
Nevada	1
Utah	1
Alaska	
Montana	
New Mexico	
North Dakota	
Wyoming	
<b>TOTAL</b>	<b>56</b>

SOUTH	JANUARY
Florida	9
Louisiana	4
S. Carolina	4
Alabama	3
Georgia	3
Tennessee	3
N. Carolina	2
Virginia	2
Kentucky	1
Mississippi	1
Arkansas	
West Virginia	
<b>TOTAL</b>	<b>32</b>

## CEO DEPARTURES

### By Reason

	19-Jan
Stepped Down	73
Retirement	41
New Position in Another Company	17
Resigned	13
No Reason Given	5
Acquisition/Merger	2
Another Position Within Company	1
Personal Reasons	1
Scandal	1
Amid Investigation	1
Allegations of Professional Misconduct	1
California Wildfire	1

### Average Age, Tenure

	Age		Tenure	
	2019	2018	2019	2018
January	60.7	60.3	11.6	17.2
February		64		14.5
March		62.5		13.4
April		63.6		10.4
May		60.4		9.5
June		65.3		10
July		63		10.1
August		61.4		9.5
September		60.4		10.2
October		60.6		9.1
November		60.1		9.6
December		56.5		10.8