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## FOR IMMEDIATE RELEASE

### CEO Turnover Up In June, But Down for Year **CEO CHANGES JUMP 13% IN JUNE TO 102; MIDYEAR TOTAL IS 11% LOWER THAN A YEAR AGO**

**CHICAGO, July 8, 2015** – The pace of chief executive officer departures surged in June, with nearly five new announcements each business day. The 102 changes recorded during the month, including notable exits at Boeing, Twitter, and Toys R, Us was the most since January, according to the latest report from global outplacement consultancy Challenger, Gray & Christmas, Inc.

Last month's total was up 13 percent from the 90 CEO exits announced in May. It marks just the second time this year that more than 100 departures were announced.

June turnover was virtually unchanged from a year ago, when 103 departures were recorded.

Despite the June surge, CEO departures in the second quarter were down from both the previous quarter and the same quarter a year ago. A total of 289 CEO departures were announced during the quarter ending June 30, 3.3 percent fewer than the 299 departures tracked in the first quarter. The Q2 total was 2.0 percent lower than the same quarter in 2014, when 295 exits were announced.

Overall, the 588 CEO departures announced through the first half of 2015 is down 11 percent from the 661 changes recorded in the first six months of 2014.

“We are seeing a little more stability in CEO suite this year. Right now, 2015 is on track to have the lowest CEO turnover since 2011. It is difficult to pin the decline to an overriding trend, as there are so many factors that impact a CEO’s decision to leave his or her post. An improved and more stable economy is likely to be one factor helping stem the tide of CEO exits,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

The sector that has seen the most dramatic decline in CEO departures is health care. Last year, health care organizations, including hospitals, announced 154 CEO changes through June. This year, health care organizations have announced 63 departures and hospitals have seen 40 CEO changes, for a total of 103.

Meanwhile, the sector with the heaviest CEO turnover this year -- government and non-profit agencies -- had 87 CEOs announce their departures so far this year. That is 15 percent fewer than the 102 exits recorded in this sector in 2014.

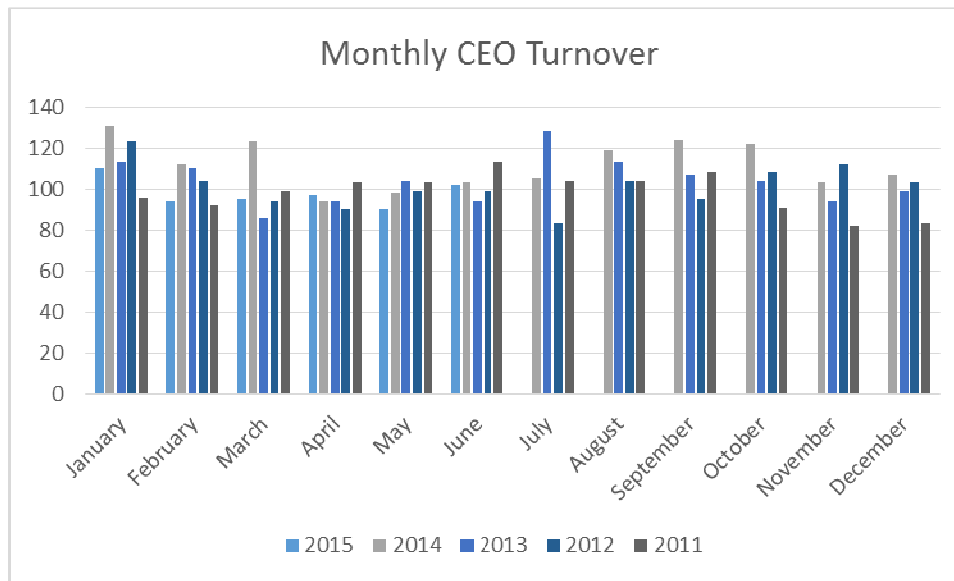
The number of CEOs resigning and retiring has fallen in 2015, but the number of CEOs “stepping down” from their position, but remaining with the company in some capacity, increased from 125 in 2014 to 133 this year. Those represent the most common reasons cited for departures.

Among those stepping down in June was Boeing CEO Jim McNerney, who held the post for 10 years and is credited with guiding the airplane manufacturer through turbulent times. Phil Libin, the 8-year CEO of the cloud-based note management system Evernote also stepped down in June.

Libin was one of 10 computer industry chiefs to exit in June. Twitter CEO Dick Costello was also in this group, though his departure was not as amicable as Libin’s. While Costello is officially stepping down, he did so amid the social networking firm’s poor financial performance and recent stock slide.

While the retail industry is behind most others in terms of CEO turnover, the sector has had some of the most notable departures over the last 12 months, including the CEOs the Home Depot, Target, JC Penney, Gap Inc., American Apparel, Walgreen’s, Abercrombie & Fitch, and Crate & Barrel.

In June, Antonio Urcelay, of Toys R Us, joined the ranks of retail CEOs to leave his post. Urcelay announced his retirement after two years on the job and just over one year after initiating a turnaround strategy that appears to be working. The toy store’s transformation will now be left to one-time Domino’s pizza chain CEO David Brandon.



### CHIEF EXECUTIVE DEPARTURES

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
January	110	131	113	123	96	89	113	134
February	94	112	110	104	92	132	82	114
March	95	123	86	94	99	119	114	123
April	97	94	94	90	103	101	78	112
May	90	98	104	99	103	125	115	115
June	102	103	94	99	113	107	105	126
July		105	128	83	104	88	126	124
August		119	113	104	104	95	101	144
September		124	107	95	108	111	105	140
October		122	104	108	91	81	89	125
November		103	94	112	82	79	94	104
December		107	99	103	83	107	105	123
<b>TOTAL</b>	<b>588</b>	<b>1,341</b>	<b>1,246</b>	<b>1,214</b>	<b>1,178</b>	<b>1,234</b>	<b>1,227</b>	<b>1,484</b>

## CEO DEPARTURES By Industry

	14-Jun	15-May	15-Jun	YTD 2014	YTD 2015
Aerospace/Defense	1	1	3	10	5
Apparel	2	1	1	5	6
Automotive			1	4	10
Chemical		2	1	2	6
Commodities				1	1
Computer	1	8	10	68	50
Construction	1	1	2	9	7
Consumer Products	3	6	3	13	18
Electronics	1	1	1	12	5
Energy	1	4	5	16	19
Entertainment/Leisure	5	1	6	31	28
Financial	11	6	7	68	63
Food	3	1	4	13	21
Government/Non-Profit	19	25	16	102	87
Health Care/Products	29	6	6	154	40
Hospitals		7	4		63
Industrial Goods	2	8	2	26	16
Insurance	3		3	8	10
Legal		1		1	5
Media	5	1	5	15	14
Pharmaceutical	4	1	4	21	25
Real Estate		2	3	7	19
Retail	7	2	3	26	15
Services	4	2	7	24	22
Telecommunications	1	1	1	5	7
Transportation		2	4	9	19
Utility				11	7
<b>TOTAL</b>	<b>103</b>	<b>90</b>	<b>102</b>	<b>661</b>	<b>588</b>

*\*Challenger began tracking hospitals separately in January 2015.*

**CEO DEPARTURES**  
**By State**

<b>EAST</b>	<b>JUNE</b>	<b>Y-T-D</b>
New York	7	36
Massachusetts	6	33
Pennsylvania	3	28
New Jersey	1	14
Connecticut	3	13
Dist. of Columbia	1	11
Maryland		5
Vermont	2	4
Maine	3	4
Rhode Island		2
New Hampshire		1
Delaware	1	1
<b>TOTAL</b>	<b>27</b>	<b>152</b>

<b>MIDWEST</b>	<b>JUNE</b>	<b>Y-T-D</b>
Illinois	5	21
Wisconsin	2	20
Missouri	2	17
Ohio	4	17
Minnesota	6	16
Michigan	4	12
Nebraska	1	9
Indiana	1	7
Kansas		7
Iowa		5
<b>TOTAL</b>	<b>25</b>	<b>131</b>

**CEO DEPARTURES  
By State**

<b>WEST</b>	<b>JUNE</b>	<b>Y-T-D</b>
California	18	66
Texas	5	41
Colorado	1	21
Washington	4	13
Arizona	2	8
Nevada	1	6
Oklahoma	2	6
Oregon		5
New Mexico	1	5
Idaho	1	5
Utah	1	3
North Dakota		2
Montana		2
Alaska		1
Hawaii		1
South Dakota		1
Wyoming		0
<b>TOTAL</b>	<b>36</b>	<b>186</b>

<b>SOUTH</b>	<b>JUNE</b>	<b>Y-T-D</b>
Florida		28
N. Carolina	4	22
Tennessee	1	15
Georgia	3	13
Virginia	1	11
Alabama		7
Louisiana	1	6
S. Carolina	1	6
West Virginia	2	5
Kentucky		4
Arkansas		1
Mississippi	1	1
<b>TOTAL</b>	<b>14</b>	<b>119</b>

## CEO DEPARTURES

### By Reason

	15-Jun	YTD 2015	YTD 2014
Resigned	28	147	185
Retired	20	143	163
Step Down	31	133	125
New position in another company	6	66	72
Interim Period Ended	5	32	43
Ousted	1	13	19
Financial Losses	3	10	2
Acquisition/Merger	3	9	14
Another position within company	1	8	11
Legal Trouble		7	2
Died	1	7	3
Health	2	7	4
Differences with Board		2	1
Bankruptcy		1	5
Scandal		1	5
Relocation		1	
Amid Labor Disputes	1	1	

## CEO DEPARTURES

### Average Age, Tenure

	Age		Tenure	
	2015	2014	2015	2014
January	63.4	64	9.9	14.8
February	61.0	63.9	7.9	10
March	63.7	61.7	11.3	11.4
April	62.3	57.5	12.5	9.1
May	61.7	61.1	7.9	8.2
June	61.4	62.4	11.7	8.6
July		63.8		8.3
August		61.7		9.7
September		61.2		8.4
October		62.5		10.1
November		62.6		7.5
December		65.0		10.5