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FOR IMMEDIATE RELEASE

**MAY CEO TURNOVER UP 18% OVER APRIL;
YTD UP 16% OVER 2018**

CHICAGO, June 12, 2019 – Turnover in the top position accelerated in May, as employers at U.S.-based companies announced 114 chief executive officer changes, 18% higher than the 97 CEO changes announced in April, according to a report released Wednesday by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

May’s total was 25.3% higher than the 91 CEO exits announced in the same month last year. In total, 627 chief executives have left their roles this year, up 16% from the 541 CEOs who announced their departures in the first five months of 2018. In fact, this is the highest five-month total since Challenger began tracking in 2002.

	Through May	Annual Total
2018	541	1,452
2017	472	1,160
2016	527	1,248
2015	486	1,221
2014	558	1,341
2013	507	1,246
2012	510	1,214
2011	493	1,178
2010	566	1,234
2009	502	1,227
2008	598	1,484
2007	614	1,356
2006	601	1,478
2005	561	1,322
2004	292	663
2003	288	695
2002	315	749

Source: Challenger, Gray & Christmas, Inc. ©

“Last month saw a lot of economic uncertainty, with escalating tariffs with China and the threat of additional tariffs with Mexico,” said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

“Though the tariff threat with Mexico seems to have subsided, companies appear to be preparing for a contraction in the market after so many months of expansion. Further evidence of this is in our report on announced job cuts, which saw a 46% increase in layoff announcements in May,” he added.

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

Companies in the Government/Non-Profit sector announced the highest number of CEO changes in May with 27, for a year-to-date total of 141. That is 29.4% higher than the 109 CEO changes in this sector through May last year.

The Technology sector announced the second-highest number of CEO changes in May with 20, the highest number of CEO changes in this sector this year. Technology companies are grappling with shifting consumer behavior and advances in technology, causing many firms to pivot.

“We saw a high number of job cut announcements at Tech companies last month as well. While almost all companies are facing a fluctuating business environment due to technological advancements, Tech companies appear to be dealing with a skills gap and a bottleneck in their talent pipelines, as older workers stay in their jobs longer. These issues require a leader who can advance the company while developing and utilizing existing talent,” said Challenger.

Financial companies announced 13 CEO changes in May and 58 for the year. Companies in the Health Care/Products sector announced 11 CEO changes last month.

Through May, 253 chief executives, or 40.4%, stepped down into other positions within the company, usually as a Chairperson or other member of the C-Suite. That is compared to 28.3% of CEOs who stepped down into other positions at their company through May last year. This indicates an increasing number of companies are keeping the institutional knowledge of their previous CEO within the company.

Another 178 CEOs retired, while 54 found new positions in other companies. Eight CEOs reportedly left amid scandal this year.

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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>
January	157	132	128	131	110	131	113	123	96	89
February	124	113	72	87	94	112	110	104	92	132
March	135	96	101	101	95	123	86	94	99	119
April	97	109	91	108	97	94	94	90	103	101
May	114	91	80	100	90	98	104	99	103	125
June		90	95	97	102	103	94	99	113	107
July		94	102	92	128	105	128	83	104	88
August		154	96	109	107	119	113	104	104	95
September		148	101	119	104	124	107	95	108	111
October		149	105	99	94	122	104	108	91	81
November		147	94	106	86	103	94	112	82	79
December		129	95	99	114	107	99	103	83	107
TOTAL	627	1,452	1,160	1,248	1,221	1,341	1,246	1,214	1,178	1,234

CHALLENGER CEO REPORT

By Industry

	18-May	19-Apr	19-May	Year to Date 2018	Year to Date 2019
Aerospace/Defense			2	4	8
Apparel				0	1
Automotive	1	1		6	6
Cannabis	N/A		1	N/A	3
Chemical				1	0
Commodities				1	0
Construction		1	1	9	5
Consumer Products	3	1	1	15	9
Electronics	1		1	4	1
Energy	3	7	4	11	25
Entertainment/Leisure	5	3	3	24	21
Financial	5	8	13	48	58
FinTech	N/A	1	1	N/A	3
Food	5	5	4	18	23
Government/Non-Profit	22	19	27	109	141
Health Care/Products	6	14	11	51	66
Hospitals	11	5	5	46	31
Industrial Goods	1	4	4	12	33
Insurance		1	1	5	7
Legal				1	2
Media		4	3	9	10
Pharmaceutical	3	2	5	11	27
Real Estate	1			7	11
Retail	3	4	2	20	20
Services	6	4	4	43	39
Technology	11	11	20	69	65
Telecommunications	1			3	1
Transportation	1	2	1	7	9
Utility	2			7	2
TOTAL	91	97	114	541	627

CHALLENGER CEO REPORT
By State

EAST	MAY	2019
New York	5	33
Massachusetts	4	28
Pennsylvania	5	25
Connecticut		10
Maryland	4	10
Dist. of Columbia	3	9
New Jersey	6	9
Delaware		2
Maine		1
Rhode Island		1
New Hampshire		0
Puerto Rico		0
Vermont		0
	27	128

MIDWEST	MAY	2019
Illinois	11	31
Ohio	7	30
Minnesota	4	21
Missouri	1	17
Indiana	3	13
Wisconsin	3	12
Kansas		6
Michigan	2	6
Iowa		2
Nebraska		2
TOTAL	31	140

CHALLENGER CEO REPORT

By State

WEST	MAY	2019
California	19	81
Texas	7	52
Colorado	3	21
Arizona	3	19
Washington	3	17
Oregon	1	8
Idaho	1	5
Oklahoma	1	5
Nevada		4
South Dakota		2
Montana		2
Hawaii	1	2
Utah		1
Wyoming		1
New Mexico		1
North Dakota		1
Alaska		0
TOTAL	39	222

SOUTH	MAY	2019
Florida	4	38
Virginia	4	25
Tennessee	1	24
N. Carolina	1	12
Louisiana	2	8
Georgia		7
Alabama	2	7
S. Carolina	1	6
Kentucky	2	6
Mississippi		2
West Virginia		2
Arkansas		0
TOTAL	17	137

CEO DEPARTURES

By Reason

	19-May	YTD
Stepped Down	51	253
Retirement	28	178
Resigned	8	56
New Position in Another Company	9	54
No Reason Given	9	36
Scandal	2	8
Personal Reasons	1	7
Interim Period Ended		6
Another Position Within Company	1	6
Financial Trouble	2	5
Terminated		3
Acquisition/Merger	1	3
Allegations of Professional Misconduct		3
Allegations of Sexual Misconduct		3
Deceased	1	2
Amid Investigation		1
California Wildfire		1
Health		1
Restructuring	1	1

Average Age, Tenure

	Age		Tenure	
	2019	2018	2019	2018
January	60.7	60.3	11.6	17.2
February	57.1	64	11.4	14.5
March	57.6	62.5	11.2	13.4
April	60.0	63.6	8.8	10.4
May	61.4	60.4	11.1	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