



Challenger, Gray & Christmas, Inc.
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148 CEO CHANGES IN SEPTEMBER ADD TO HIGHEST QUARTERLY TOTAL ON RECORD

CHICAGO, October 10, 2018 – A total of 148 Chief Executive Officers left their posts in September, down 3.9 percent from the 154 announced in August, the highest monthly total on record. September departures are the second highest of the year, according to a report released Wednesday by global outplacement consultancy and executive coaching firm Challenger, Gray & Christmas, Inc.

Last month's total is 46.5 percent higher than the 101 CEOs who left their posts in September 2017. With the exception of August, September saw the highest monthly total since May 2006, when the same number of CEOs left their posts.

Third-quarter departures reached 396, the highest quarterly total of CEO changes since the firm began tracking CEO turnover in 2002. CEO changes in the third quarter were 36.5 percent higher than the 290 CEOs tracked in the second quarter and 32.4 percent higher than the 299 CEO changes recorded in the same quarter last year.

"The last time we saw CEO turnover like this was in the lead up to and during the Great Recession. The difference in those years is that CEOs were leaving due to economic conditions during a period of high unemployment, which isn't the case in 2018," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

So far this year, 1,027 CEO changes have been recorded, 18.6 percent more than the 866 CEO departures recorded last year.

The nine-month total is the highest since 2008, when 1,132 CEO changes were recorded through September. By this point that year, 27 CEOs had been terminated from their positions and another 18 departures were blamed on the credit collapse.

Year	January-September	Annual Total
2018	1,027	
2017	866	1,160
2016	944	1,248
2015	927	1,221
2014	1,009	1,341
2013	949	1,246
2012	891	1,214
2011	922	1,178
2010	967	1,234
2009	939	1,227
2008	1,132	1,484
2007	1,043	1,356
2006	1,112	1,478
2005	1,014	1,322
2004	516	663
2003	515	695
2002	562	749
Source: Challenger, Gray & Christmas, Inc. ©		

“Today, CEOs are leaving in the tightest labor market we’ve seen in decades. Their skill sets are increasingly in demand. We saw many long-time CEOs leave while their companies were performing well, with plans to expand, ready to pass the torch to planned successors,” said Challenger.

“That said, some of this churn could be due to companies realigning before a potential downturn occurs, putting leaders in place who can weather a storm,” he added.

The Government/Non-Profit sector leads all industries in CEO turnover this year with 204 departures, followed by the Computer sector with 109. Companies in this sector include software and web developers as well as companies that make hardware for personal computers.

Financial firms follow with 103 CEO changes through September, 33.8 percent more than the 77 announced in this sector during the same period last year. Hospitals have seen 100 CEO changes, while other companies in the Health Care/Products space have announced 96.

The majority of CEOs (287) have retired this year, while another 275 stepped down into other roles in their companies, typically as a Board Member or other C-Level executive. Another 100 found new positions in other companies. Sixteen saw their positions terminated, and 11 left amid scandal, five of which included allegations of sexual impropriety.

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CHALLENGER CEO REPORT
CEO DEPARTURES
By Month

	2018	2017	2016	2015	2014	2013	2012	2011
January	132	128	131	110	131	113	123	96
February	113	72	87	94	112	110	104	92
March	96	101	101	95	123	86	94	99
April	109	91	108	97	94	94	90	103
May	91	80	100	90	98	104	99	103
June	90	95	97	102	103	94	99	113
July	94	102	92	128	105	128	83	104
August	154	96	109	107	119	113	104	104
September	148	101	119	104	124	107	95	108
October		105	99	94	122	104	108	91
November		94	106	86	103	94	112	82
December		95	99	114	107	99	103	83
TOTAL	1,027	1,160	1,248	1,221	1,341	1,246	1,214	1,178

CHIEF EXECUTIVE DEPARTURES
By Company Type

	Public	Private/Gov't/Non-Profit
2018**	172	855
2017	229	931
2016	230	1018
2015	254	967
2014	278	1064
2013	249	997
2012	266	948
2011	296	882
2010	278	956
2009	316	911
2008	483	1001
2007*	245	392

*July-December

**January-September

CHALLENGER CEO REPORT

By Industry

	17-Sep	18-Aug	18-Sep	Year to Date 2017	Year to Date 2018
Aerospace/Defense	1	2		7	6
Apparel				0	1
Automotive		3	5	5	15
Chemical		2		4	5
Commodities	1		2	11	3
Computer	12	8	10	74	109
Construction		1	4	6	15
Consumer Products	4	5	2	23	27
Electronics	1	4	2	8	15
Energy	2	5	4	29	22
Entertainment/Leisure	5	8	3	43	46
Financial	5	16	17	77	103
Food	4	6	2	27	29
Government/Non-Profit	17	25	34	134	204
Health Care/Products	16	12	11	77	96
Hospitals	6	24	19	81	100
Industrial Goods	2	4	5	28	24
Insurance	4	1	3	18	10
Legal				2	1
Media	2	3	1	13	16
Pharmaceutical	3	8	2	35	27
Real Estate	1	3	6	8	17
Retail	4	2	2	36	27
Services	10	6	4	91	71
Telecommunications		1	1	7	7
Transportation	1	5	5	18	18
Utility			4	4	13
TOTAL	101	154	148	866	1,027

CHALLENGER CEO REPORT
By State

EAST	SEPTEMBER	YTD
New York	9	55
Pennsylvania	6	52
Massachusetts	5	41
Maryland	9	28
Dist. of Columbia	4	16
New Jersey	2	13
Connecticut	1	10
Vermont	2	6
Maine	1	4
Rhode Island		2
New Hampshire		1
Delaware		1
TOTAL	39	229

MIDWEST	SEPTEMBER	YTD
Illinois	4	43
Missouri	6	35
Michigan	5	33
Ohio	3	30
Minnesota	4	27
Wisconsin	2	16
Iowa	3	15
Indiana	3	13
Kansas		12
Nebraska		4
TOTAL	30	228

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CHALLENGER CEO REPORT

By State

WEST	SEPTEMBER	YTD
California	8	108
Texas	13	96
Colorado	6	37
Washington	4	28
Arizona	2	16
Oregon	1	14
Utah	2	11
Nevada	2	6
Oklahoma		6
Hawaii	1	5
Idaho		4
New Mexico	3	3
Alaska	2	3
South Dakota		2
Wyoming		1
North Dakota		0
Montana		0
TOTAL	44	340

SOUTH	SEPTEMBER	YTD
Florida	6	55
Virginia	1	34
Georgia	6	33
Tennessee	5	30
N. Carolina	7	28
Alabama	1	14
Louisiana	3	11
Kentucky	2	9
S. Carolina	1	7
Mississippi	1	5
Arkansas	2	3
West Virginia		1
TOTAL	35	230

CEO DEPARTURES

By Reason

	Sep-18	YTD
Retirement	38	287
Stepped Down	25	275
Resigned	39	170
New Position in Another Company	16	100
Interim Period Ended	12	66
No Reason Given		48
Terminated	3	16
Acquisition/Merger	4	12
Pursuing Other Opportunities		11
Scandal	1	11
Another Position Within Company	2	9
Legal Trouble	4	6
Health	1	5
Contract Expired	1	4
Deceased	1	3
Bankruptcy	1	3
Financial Trouble		1

CEO DEPARTURES

Average Age, Tenure

	Age		Tenure	
	2018	2017	2018	2017
January	60.3	60.4	17.2	11.5
February	64.0	59.5	14.5	12.5
March	62.5	65	13.4	12.1
April	63.6	67.8	10.4	14.8
May	60.4	66	9.5	11.7
June	65.3	63.3	10	12.9
July	63.0	64.5	10.1	10
August	61.4	63	9.5	13.5
September		58.8		13
October		66.5		14.5
November		60		16.4
December		67		16.3