



**Challenger, Gray & Christmas, Inc.**  
The original outplacement company

## **CONTACTS**

**James K. Pedderson**, Director of Public Relations  
Office: 312-422-5078  
Mobile: 847-567-1463  
[jamespedderson@challengergray.com](mailto:jamespedderson@challengergray.com)

**Colleen Madden**, Media Relations Manager  
Office: 312-422-5074  
[colleenmadden@challengergray.com](mailto:colleenmadden@challengergray.com)

## **FOR IMMEDIATE RELEASE**

### **CEO Turnover Surges in July; Surpasses 2012 Levels**

## **128 JULY CEO CHANGES MOST IN MORE THAN 3 YEARS**

**CHICAGO, August 7, 2013** – Turnover among the nation’s chief executive officers surged to the highest level in more than three years last month as 128 announced their departures. The July total was up 36 percent from the 94 CEO exits recorded in June, according to the latest report on CEO turnover released Wednesday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

July departures increased 54.2 percent from a year ago, when 83 CEO changes were recorded. It was the highest monthly total since February 2010, when 132 CEOs left their posts.

Challenger has now tracked 729 CEO changes so far this year, 5.3 percent more than the 692 recorded in the first seven months of 2012. It is the first time in 2013 that the year-to-date total exceeds the number of departures from the comparable period in 2012.

Health companies, which include medical diagnostic manufacturers, imaging software developers, and hospitals, produced the bulk of July’s total with 34 CEO changes, 17 of which came from hospitals and hospital systems. Health care continues to lead all sectors in CEO turnover with 151, 7.8 percent more than the 140 recorded through July 2012.

Government and non-profit organizations announced 20 CEO changes in July and 98 for the year, virtually equal to the 94 departures recorded through the first seven month of 2012. Financial firms follow with 19 chief executive changes in July and 92 for the year, a whopping 61.4 percent increase from the 57 financial CEO changes tracked through July of 2012.

Companies in the computer industry announced 15 CEO departures in July bringing the year-to-date total to 77, 10 percent more than the 70 announced through July of last year. One of the most notable CEO changes last month came from struggling game developer Zynga, who replaced founder Mark Pincus with former Xbox head Don Mattrick.

“Some companies saw their fiscal year come to an end on June 30. So, it is not unusual to see some volatility as organizations reassess leadership and make changes, based on financial performance over the previous year. Chief executives are particularly vulnerable when the fiscal year-end results are not very positive. There were at least three CEO changes last month amid poor financial performance, including Zynga,” said John Challenger, chief executive officer of Challenger, Gray & Christmas.

Retirement was the most oft-cited reason for leaving in July, as 41 CEOs announced they would retire bringing the year-to-date total to 162. Resignation followed with 30, but is the most used reason so far in 2013 with 202. The number of chief executives stepping down, usually staying with the organization as chairman of the board, a director, or in some executive capacity, totals 130 so far this year, including 19 in July. Another 102 CEOs found new positions in other companies this year, 14 of whom occurred in July.

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**CHIEF EXECUTIVE DEPARTURES**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
January	113	123	96	89	113	134	114
February	110	104	92	132	82	114	127
March	86	94	99	119	114	123	103
April	94	90	103	101	78	112	126
May	104	99	103	125	115	115	144
June	94	99	113	107	105	126	105
July	128	83	104	88	126	124	88
August		104	104	95	101	144	124
September		95	108	111	105	140	112
October		108	91	81	89	125	96
November		112	82	79	94	104	132
December		103	83	107	105	123	85
<b>TOTAL</b>	<b>729</b>	<b>1,214</b>	<b>1,178</b>	<b>1,234</b>	<b>1,227</b>	<b>1,484</b>	<b>1,356</b>

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**CHIEF EXECUTIVE DEPARTURES**

**Public vs. Private**

	<b>13-July</b>	<b>2013 YTD</b>	<b>2012 YTD</b>
Private	101	584	477
Public	27	145	132

**CEO DEPARTURES  
By Industry**

	12-Jul	13-Jun	13-Jul	12-YTD	13-YTD
Aerospace/Defense		1		8	7
Apparel	1		1	1	4
Automotive	1	2	1	6	9
Chemical		1		4	2
Commodities			3	2	3
Computer	9	3	15	70	77
Construction	2	1	1	10	7
Consumer Products	3	1	2	18	14
Electronics	1	2		16	12
Energy	3	4	2	31	25
Entertainment/Leisure	4	2	5	27	29
Financial	9	8	19	57	92
Food	3	2	1	16	24
Government/Non-Profit	11	21	20	94	98
Health Care/Products	13	22	34	140	151
Industrial Goods	2	4	1	17	19
Insurance	3	2		17	10
Legal		1			4
Media	2	3	3	20	18
Pharmaceutical	4		6	29	23
Real Estate	1	1		9	14
Retail	3	2	2	23	23
Services	5	5	3	40	24
Telecommunications	1	1	5	9	17
Transportation	1	3	2	18	15
Utility	1	2	2	10	8
<b>TOTAL</b>	<b>83</b>	<b>94</b>	<b>128</b>	<b>692</b>	<b>729</b>

**CEO DEPARTURES**

**By Reason**

	<b>13-Jul</b>	<b>Y-T-D</b>
Resigned	30	202
Retired	41	162
Step Down	19	130
New position in another company	14	102
Interim Period Ended	11	56
Acquisition/Merger	4	17
Another position within company	2	15
Ousted	2	14
Contract Dispute/Expiration	1	8
Scandal		4
Bankruptcy	1	4
Financial Losses	3	4
Health		3
Died		3
Legal Trouble		2
Family		1
Differences with Board		1
Liquidation		1

**CEO DEPARTURES**

**Average Age, Tenure**

	<b>Age</b>		<b>Tenure</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
January	52	61.3	7.9	6.9
February	56.6	57.9	8.3	9.8
March	54.2	62.1	6.9	8.3
April	57.4	58	10.3	8
May	62.2	62.2	10.1	7.9
June	65.1	57.8	13.9	8.4
July	57.8	52.3	10.1	6.8
August		65.7		8.9
September		60.1		8.2
October		68.5		8.5
November		62.4		7.3
December		66.5		11.9