

APPAREL AND ACCESSORIES

Burberry plans executive changes as Christopher Bailey exits CEO role

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Burberry's iconic trench coat

By STAFF REPORTS

British fashion label Burberry has announced Marco Gobbetti as its next CEO, with the executive slated to take over the role next year.

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Current CEO Christopher Bailey, who has been criticized for his inability to keep Burberry profitable, will retain his position as chief creative officer and take on the title of president when Mr. Gobbetti takes on the role of CEO. As Burberry looks to turn its sales around, the company has unveiled other changes at the top.

Changing of the guard

Mr. Bailey took over from Angela Ahrendts in 2014, when the former CEO left to take a job at tech giant Apple. Many had said that Mr. Bailey was struggling to juggle his creative and business responsibilities.



Burberry's headquarters in London

Burberry's revenues dipped 1 percent for the 2016 fiscal year, leading the public company to unveil a three-year plan aimed at improving profitability.

The brand's 2.5 billion pounds, or \$3.655 billion, in revenue for the year was slightly behind 2015's figures, but the brand remains optimistic about the future. The label is establishing a three-year strategy that will cut costs by 100 million pounds, or about \$146 million per year by 2019, enhance productivity and spur revenue growth ([see story](#)).

During fiscal 2016, when Burberry's profits fell 8 percent, Mr. Bailey took a 75 percent pay cut.



Burberry's Christopher Bailey

Succeeding Mr. Bailey will be Mr. Gobbetti, who has a lengthy resume in luxury, having worked at Givenchy, Moschino and Bottega Veneta. He is currently the CEO and chairman of Cline, and will be joining Burberry in 2017 after his current contract expires.

Burberry's chief financial officer Carol Fairweather is also out, with Julie Brown, currently CFO of medical tech company Smith and Nephew, taking over.

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