



Kering Shareholders Approve Appointment of New CEO Luca de Meo

The executive said he would present a detailed strategic plan next spring, but would take steps to "generate a tangible operational rebound" before year-end. PARIS — Kering shareholders on Tuesday approved the appointment of Luca de Meo as chief executive officer, clearing the way for the turnaround specialist to officially join the ailing French luxury group on Sept. 15.

De Meo has been tasked with engineering a speedy turnaround for Kering, which has been dragged down by steep declines at its star brand Gucci and a bulging debt load. The group is closing stores, selling real estate and reducing headcount after a dismal start to the year that saw group net profit plummet 46 percent in the first half.

At a combined general meeting at Kering headquarters, de Meo said he would present a detailed strategic plan next spring, but would waste no time before taking action.

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"We will initially focus our efforts on the most effective levers to improve the quality of our capital allocation and generate a tangible operational rebound," said the former Renault Group CEO, who has a reputation as a "cost killer."

"We will have to continue to reduce our debt, cut our costs and, where necessary, rationalize, reorganize and reposition some of our brands," de Meo added.

"We are going to consolidate the foundations of our houses and build a luxury group that is even more integrated, more agile and driven by a strengthened competitive spirit," he said. "Above all, we will not wait for the strategic plan to be finalized to act."

Shareholders voted by a crushing majority of 98.97 percent in favor of de Meo joining the Kering board.

They also approved his sign-on bonus of 20 million euros, largely to compensate him for long-term variable remuneration elements he relinquished when he exited Renault Group. This will consist of 15 million euros in cash, and 5 million euros in Kering shares.

As CEO of Kering, he is also to receive the relevant portion of a fixed annual salary of 2.2 million euros in 2025, plus annual variable remuneration of 1.21 million euros, contingent on his successful onboarding and progress in defining the strategic plan with the board of directors.

De Meo succeeds François-Henri Pinault, who had held the title since 2005 and navigated the family-controlled conglomerate through multiple transformations. Pinault remains chairman of Kering.

"The group is moving into a new phase of its development. We need a new vision, new perspectives," Pinault told WWD in an exit interview.

"It's not up to the company to adapt to the family that controls it; it's up to the family to adapt to the needs of the company. It's the right time for Kering to have a new CEO, to have a new perspective, a new vision," he added.

The Pinault family owns 42 percent of shares in Kering and retains 59 percent of voting rights.

Shareholders also approved a resolution raising the age limit for the chairman of the board to 80 from 65, and the age limit for the CEO to 70 from 65.

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