

Dow Jones Institutional News

Management CV: Ralph Lauren CEO Pay Package 'Extravagant' -- Market Talk May 22, 2017

1820 ET - The pay package of **Ralph Lauren's** (RL) new CEO is "extravagant," **Management CV** says. The research firm estimates Patrice Louvet, who will join **Ralph Lauren** as CEO in July from Procter & Gamble (PG), has a total pay package worth \$25M. **Management CV** says the package is "overly generous" for someone who has no apparel experience, and may signal "desperation" on the part of founder and chief creative officer **Ralph Lauren** to find a new leader after former CEO Stefan Larsson parted ways with the company after less than two years. "We think the hire has the traits of an expensive mistake for shareholders as CEO-elect Louvet has no prior clothing retail experience, is receiving an outlier large signing and pay package, and the combination of big pay and lack of experience surely sets the stage for another founder versus CEO clash if immediate positive results are not at hand," the firm says.

suzanne.kapner@wsj.com

This ran with **Management CV** in the *Dow Jones Headline. Market Talk* runs all day and is updated throughout.