

A GAP AT GAP

GAP CEO MILLARD S. "Mickey" Drexler is calling it quits. On May 21, Drexler, who has faced two years of sharp sales declines, sliding profits, and rapid management turnover, said he will retire once the retailer finds a successor.

Long known as a savvy merchandiser, the 57-year-old Drexler pulled Gap out of a slump in the mid-1990s. But this time around, he hasn't had much luck as the company has stumbled on everything from fashion trends to marketing and distribution. He also expanded far too aggressively at the chain, which includes Ba-



nana Republic and Old Navy in addition to the flagship Gap stores.

"This company is so large today that it needs a different style of management than the company is getting, and Mickey recognized that," says Gap Chairman Donald G.

Fisher. Wall Street sent Gap shares down 15%, to \$13.55, on May 22 in response. Gap is seeking a successor with plenty of operational expertise—though retail experience isn't necessarily required. Still, he or she had better like hawking T-shirts and khaki pants.

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