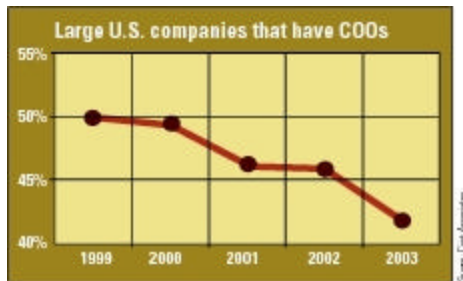


COO Ranks Dwindle

With the increased attention on internal operations of regulatory bodies and investors, job responsibilities are shifting among the C-level executives at the largest publicly traded companies.

Fewer supply chain, distribution and logistics professionals today ultimately report to a chief executive officer (CEO). A recent study by executive search firm **Crist Associates** (Hinsdale, Ill.) found that just over 40 percent of the companies in the Fortune 500 and S&P500 had COOs in 2004, down from 50 percent in 1999. Only 14 of the top 50 market cap companies in the United States have a COO.

Many companies use the COO position as part of a CEO succession plan. Still, there's been a dramatic decrease in the percentage of companies that filled the COO position after promoting the COO, from around 47 percent to just over 20 percent in 2004, according to **Crist Associates**. Of the 659 companies studied, only 15 currently employ the same COO that they employed in 1995. By contrast 165 of 659 CEOs have held the same position since 1995.



Based on 1999-2003 proxy statements of the 2004 Fortune 500 and S&P 500, there has been a noticeable decline in the number of companies that have a chief operating officer.