

Head of famous fashion label Burberry announces shock move

Last week's announcement that the chief executive of Burberry plc, Angela Ahrendts, will leave the famous luxury goods firm next year to join technology giant Apple sent shock waves throughout the city.

Burberry is one of the UK's most famous fashion brands; the Burberry trench coat is iconic.

In her time at the top, Ahrendts re-positioned Burberry as a high fashion brand. In 2012, she became the highest paid CEO in the FTSE 100, with reported earnings of £16.9 million. This was the first time a woman had topped the table.

Among the company milestones under her leadership was the use of ten-year old Romeo Beckham, son of Victoria and David Beckham, in a famous ad from last year. Harry Potter star Emma Watson and the Duchess of Cambridge have been photographed in unmistakable Burberry coats.

Ahrendts is certainly no stranger to technology. Burberry has over 16 million 'likes' on Facebook, making it the most popular luxury brand on the site. Burberry's fashion shows are now live-streamed, and its customers browse the fashion collections on iPads. It seems fitting, therefore, that she is due to move to Apple, to become the senior vice president for retail and online.

What about her successor at Burberry? Some investors are nervous about her replacement-in-waiting, Burberry's chief creative officer Christopher Bailey. Bailey is well-known in the world of fashion as an innovative designer; he's been described as a genius. The question is now whether he will be able to combine his creative role with that of a hard-headed businessman, capable of taking over as CEO.

Are we to believe then, that the company has a clear strategy? It certainly has a powerful brand. It remains to be seen what the future holds.

Useful sites for you and your students to explore

<http://uk.burberry.com/>

<http://en.wikipedia.org/wiki/Burberry>

<http://fashion.telegraph.co.uk/galleries/TMG10379183/13-defining-moments-during-Bailey-and-Ahrendts-Burberry-reign.html>

Questions you might like to ask your students

Do you buy / have you bought any Burberry clothes?

Do CEO's justify their high salary levels?

In your view, can a creative genius also become a CEO?

How easy or difficult is it to be a 'woman at the top' in your local business environment?