

7-The Guardian-Target CEO

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Target CEO Gregg Steinhafel resigns in wake of customer data breach
[Deny]

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Chief executive out after 35 years at retail company Data breach affected 110 million customers Target data breach: [Deny] what you need to know

Gregg Steinhafel spent 35 years with Target. Photograph: Krause, Johansen/AP Photograph: Krause, Johansen/AP

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Target's chairman and chief executive resigned on Monday, in the wake of a massive data breach that compromised personal details of some 110 million shoppers.

Gregg Steinhafel, who had been with the retailer for 35 years, had been chief executive since 2008 . He will be replaced by John Mulligan, chief financial officer. In February, Mulligan apologised to Congress for the breach. [Rebuild]

"The last several months have tested Target in unprecedented ways," Steinhafel said in a letter to the board of directors. "We have already begun taking a number of steps to further enhance data security, putting the right people, processes and systems in place. [Reinforce]"

“With several key milestones behind us, now is the right time for new leadership at Target.” *[Rebuild]*

The breach was first disclosed by a security blogger, Brian Krebs, in December 2013. The company said hackers had gained entry to its system from 27 November to 15 December.

Initially, Target warned that 40 million credit and debit cards had been compromised. In January it disclosed a further 70 million people may have had some of their personal details stolen, bringing the total to 110 million.

Target officials have acknowledged that warning signs of computer hacking had been missed in the weeks before the breach was made public *[Diminish]*. In March, chief information officer Beth Jacob resigned as the company conducted an internal review. *[Deny]* She was replaced by Bob DeRodes, a former technology adviser to the Department of Homeland Security, the Secretary of Defense and the Department of Justice among others.

The data breach has hurt Target’s sales as well as its image. In February the retailer reported that profits had nearly halved from a year earlier to \$520m and its revenue had slid 5% to \$21.5bn *[Anger]*. The company said the hack had so far cost it \$61m, though it expects most of that to be covered by insurance.

The retailer has also announce it plans to introduce the more secure chip-and-pin technology for its cards, in partnership with MasterCard. *[Rebuild]* The technology is widely used in Europe but US retailers have resisted its introduction, citing cost.

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