

# Spotify announces CFO to leave, days after he cashed in \$9.3m in shares

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Spotify has announced that the chief financial officer, Paul Vogel, is to leave, days after cashing in \$9.3m (£7.4m) in shares in the wake of the music streaming service announcing it is to cut almost a fifth of its global workforce. Vogel, who cashed in \$9.3m in shares as Spotify's shares soared after the announcement that 1,500 jobs would be cut, will leave in March, ending an eight-year stint at the company. Since his promotion to finance chief three years ago, Spotify has continued to show strong subscriber gains, from 124 million to 226 million, while quarterly revenue has grown from €1.86bn (£1.6bn) to €3.36bn. However, despite cementing its position as the world's biggest streaming service, Spotify has struggled to achieve sustainable profitability and has a high cost base, paying music licence fees to the big record labels. "Over time, we've come to the conclusion that Spotify is entering a new phase and needs a new chief financial officer with a different mix of experiences," said Daniel Ek, a co-founder and the chief executive of Spotify. "As a result, we've decided to part ways, but I am very appreciative of the steady hand Paul has provided in supporting the expansion of our business through a global pandemic and unprecedented economic uncertainty." Vogel was promoted to chief financial officer in 2020 after the departure of Barry McCarthy, who went on to become the chief executive of Peloton last year. Ben Kung, Spotify's vice-president of financial planning and analysis, will take on expanded responsibilities to support "the company's realignment of its financial leadership team". Last year, Ek told investors that Spotify was aiming to achieve a 40% gross margin and 20% operating margin. "We are on track to deliver against the goals we outlined," Ek said. "We look forward to tapping a strong financial leader as our next chief financial officer."