

Chairman, CEO of MGM Resorts Jim Murren stepping down

By Bailey Schulz Las Vegas Review-Journal
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After 22 years with the company and 12 years at the helm, MGM Resorts International chairman and CEO Jim Murren will be stepping down from both positions.

Murren said his departure will allow someone to step in and lead MGM through a new period of growth, one that has a greater focus on industries like sports. He will remain active in both roles until a successor is chosen.

“In my 22 years with MGM Resorts, I’ve accomplished a lot and I’m proud of the company it’s become,” Murren said. “This has been the most rewarding and fulfilling experience in my professional career.”

The news broke after markets closed. After-hours trading for MGM initially spiked, with the stock price going up more than 5 percent to \$35.49 per share before dropping. Shares closed up \$33.66 Wednesday.

A new era for MGM

The transition to a new CEO won’t be quick; Murren said he won’t be leaving MGM “anytime soon” and plans to lead the company’s next earnings call.

In the meantime, MGM's board is working with a search firm to find replacement candidates.

“The board will be looking at what MGM is going to look like five years from now when they're evaluating what sort of leader MGM should have,” Murren said. “They're going to find the best possible candidate, internally, externally or otherwise.”

Jefferies gaming analyst David Katz said that Murren has been chairman and CEO “for a long time” and it would be better to split those roles.

“I expect that this is a desirable position and they can get someone to have a positive impact on the company,” Katz said.

Brendan Bussmann, a partner at Global Market Advisors, said the company will have a lot of factors to consider when evaluating candidates.

“Jim Murren has led MGM Resorts through some very challenging times,” he said. “As MGM moves forward, it will be important to select a leader that understands the changing dynamics of the gaming, entertainment, sports and hospitality sectors to maximize the company's future potential while best understanding today's customer.”

Murren's departure could open up an opportunity to split the chairmanship roles of MGM Resorts and MGM Growth Properties, its affiliated gaming real estate investment trust. Katz said that split would also be “positively received” by investors.

“Jim has done some remarkably positive things with the company over his tenure, but I believe change will be viewed positively,” Katz said.

22 years with MGM

Murren joined MGM Grand in 1998 as chief financial officer after spending 14 years on Wall Street as an equity analyst and managing director of Deutsche Bank.

In 1999, Murren was named company president, before the buyout of Mirage Resorts in 2000. In 2007, Murren took on the no. 2 role in MGM Mirage, the predecessor to MGM Resorts International, and became chief operating officer. He became chairman and CEO the following year.

The statement from MGM said he was “instrumental” in establishing professional sports in Las Vegas with the building of T-Mobile Arena and bringing the Vegas Golden Knights, Las Vegas Aces and Las Vegas Raiders to the city.

Murren, who has a degree in urban studies and art history, is credited with coming up with the idea for CityCenter, a green development north of Park MGM that includes the Aria.

He also oversaw MGM’s expansion into Asia, including the opening of two properties in Macao and the company’s current effort to build an integrated resort in Osaka, Japan.

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