

Peloton's co-founder and former CEO rides into the sunset

Peloton co-founder and former CEO John Foley has resigned as executive chairman of the board, marking the latest big shakeup at the connected fitness company (via *The Wall Street Journal*).

Things have been quite turbulent as of late for Peloton. Despite selling products and classes that are widely beloved, the company has had to cut jobs and adjust prices (both decreases and, months later, increases) this year after overextending to meet increased demand during the early part of the pandemic. In its Q4 2022 earnings report in August, the company reported a \$1.2 billion operating loss, though current CEO Barry McCarthy positioned its earnings as a sign of "substantial progress."

Foley, who was Peloton's CEO for almost 10 years, stepped down from the post in February, but he'll now be moving on from the company entirely. "Now it is time for me to start a new professional chapter," Foley said in a press release. "I have passion for building companies and creating great teams, and I am excited to do that again in a new space." Karen Boone, the board's lead independent director, will become the chairperson of the board.

Foley's resignation isn't the only executive departure announced by Peloton on Monday. Hisao Kushi, the chief legal officer and another Peloton co-founder, has resigned and is being replaced by Tammy Albarrán, Uber's chief deputy general counsel. Chief commercial officer Kevin Cornils is also

leaving.

Current CEO Barry McCarthy thanked the executives who are leaving in a memo to staff: “Today’s changes are a reflection of personal decisions by leaders who paved the way for our future success, and we owe them our gratitude.” You can read McCarthy’s full memo below.

Team,

I would like to update you on several leadership changes at the company.

The changes include:

Co-founder and Executive Chair John Foley has decided to step down from Peloton’s Board of Directors and Karen Boone, our lead independent director, has been elected to the role of Chairperson of the Board (press release will be shared with you in a separate email).

Chief Legal Officer Hisao Kushi, who helped co-found the company, will depart and Tammy Albarrán will become our new CLO. Tammy joins us from Uber.

Chief Commercial Officer Kevin Cornils will be departing, and we will not backfill his role. Dion Sanders will add to his portfolio and assume many of Kevin’s responsibilities, becoming our new Chief Emerging Business Officer.

Jen Cotter, Chief Content Officer, will assume oversight of our apparel and accessories strategy and operations.

Dara Treseder, SVP Marketing, Communications, and Membership, will report directly to me.

First, let me say, there wouldn’t be a Peloton without John Foley or Hisao Kushi (or co-founders Tom Cortese, Graham Stanton, and Yony Feng). They established the mission and values that guide us to this day. Through their hard work,

they have given the world the connected fitness industry and created a platform that empowers each of us to be the best version of ourselves.

We've all heard the stories of John's relentless pursuit of this vision. Founders get to be founders because they see things the rest of us don't and have the courage to go for it. Without John's unwavering commitment to his dream, there wouldn't be a passionate and devoted community of nearly 7 million Peloton Members. I want to thank John for paving the way.

The same should be said of Hisao, who has guided Peloton's intellectual property and legal strategy from day one. After deciding to step back and embark on a next chapter, Hisao partnered with me on the process of vetting CLO candidates and recruiting his successor. I want to thank him for all he has done and his help during this transition.

We will share today's press release with you in a subsequent email. Our external announcement commemorates two of our co-founders and their many contributions.

I also would like to thank Kevin Cornils, who joined Peloton in 2018 as MD, International and became Chief Commercial Officer in 2021. Kevin has worked tirelessly to grow Peloton into the international brand it is today, recently helping to innovate the company's go-to-market strategy and operationalizing new initiatives like selling through 3rd party retail and our Peloton Rental offering. Kevin has decided the time is right to look for another opportunity that will require him to travel less (he's been living on airplanes) and allow him to bring his energy, once again, to an early stage business looking to scale.

Today's changes are a reflection of personal decisions by leaders who paved the way for our future success, and we owe them our gratitude.

I'm excited to work with Karen, Dion and Tammy in their new or expanded roles – as well as each of you – as we pivot into the growth phase of our transformation.

Me to you. You to me. You to each other. And all of us to our Members.

-Barry

<https://www.theverge.com/2022/9/12/23349809/peloton-john-foley-co-founder-former-ceo-leaving-company-resign>