

# Michael Lynton to step down as CEO of Sony Entertainment

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Michael Lynton, who led Sony Pictures Entertainment through a massive cyberattack and a period of mounting struggles at the box office, is leaving his job.

Lynton, 57, who has held the top spot at the Culver City movie and television studio for 13 years, will step down as Chief Executive of Sony Entertainment on Feb. 2 in order to focus his energies on social messaging service [Snapchat](#), where he is chairman of the board, the company said Friday. The owner of the Los Angeles-based social media company is preparing for an initial public stock offering.

Sony has not named a replacement.

Lynton's exit is the latest corporate upheaval at Sony, which has spent the last two years recovering from a weak film slate and the massive 2014 cyberattack that exposed countless executive emails that contributed to the departure of leaders, including then-studio chief Amy Pascal.

Sony film group business affairs executive Andrew Gumpert left the studio in November to become chief operating officer at rival Paramount Pictures. Last year, Sony underwent a big shakeup with the sudden departure of its longtime TV boss, Steve Mosko, and Columbia Pictures head Doug Belgrad.

Lynton's departure was driven by the growing dissatisfaction of parent company Sony Corp. with the studio's weak box-office returns, a person close to the studio said. "They are increasingly impatient with the poor performance of the studio," said the person, who was not authorized to comment publicly on the matter. "I think they just had it."

Sony executives also had repeatedly heard complaints from Sony executives about the sharp-elbowed management style of Tom Rothman, whom Lynton tapped in February 2015 to run the studio after the departure of Amy Pascal.

Sony's recent release, "Billy Lynn's Long Halftime Walk," used advanced technology and cost \$40 million to make, but grossed less than \$2 million in the U.S. and Canada. Last year, Sony ranked fifth out of the six major studios in terms of domestic box-office market share.

"Sony as a company has been troubled during the last couple of years," said Jeffrey Cole, director of the Center for the Digital Future at USC Annenberg School for Communication and Journalism. "With the exception of their television unit, they just can't seem to get their footing."

Lynton and Rothman were unavailable for comment.

Once he leaves his post, Lynton will stay on as co-CEO for six months to work with Tokyo-based Sony Corp. CEO Kazuo Hirai to find a successor.

Hirai, in a memo to employees obtained by The Times, praised Lynton's leadership of the company, but acknowledged the struggles that have hobbled the movie business.

"We recognize current challenges in the motion pictures business and its turnaround will take some time," Hirai said. "As we look to the future, we feel strongly that our entertainment businesses are essential parts of Sony."

Lynton has also had oversight of the Japanese company's record label Sony Music Entertainment for the last several years. Sony Music has also gone through big recent management changes. Longtime Sony Music CEO

Doug Morris will transition to a chairman role this year, making way for new chief Rob Stringer.

Lynton's focus on Snapchat maker Snap Inc. could be increasing because the company is in a pivotal year. It has signaled an intention to hold an initial public offering of stock in the coming weeks. Showing investors the company can produce significant profit is no easy feat though. Snap now relies on advertising in a disappearing video-sharing app for revenue, with about \$1 billion expected this year.

Lynton could be playing a role in shaping Snap's ambitions and crafting its message to investors. For instance, the company is working with major TV production studios on shows exclusively streaming on Snapchat.

Lynton has been on Snap's board for nearly four years and has long been an intermediary between the start-up and the worlds of finance and entertainment. Snap CEO Evan Spiegel, 26, and Lynton became confidants after Lynton's wife, Jamie, was amazed by the addiction to Snapchat displayed by kids at a family wedding. She invited Spiegel to dinner one day in 2012 and subsequently invested in Snapchat.

"I have been involved with Evan and Snapchat since its early days, and given its growth since then, decided the time was right to transition and focus on my role as chairman of the board of Snap Inc.," Lynton said in a statement. "I leave Sony with great pride in all we have accomplished together."

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