# Dr Martens Announces £25 Million Cost-Cutting Initiative Amidst US Sales Decline



**Dr Martens to Cut £25 Million in Costs Amidst US Sales Decline**

On May 30, 2024, Dr Martens announced a significant cost-cutting initiative aimed at saving up to £25 million annually. This decision comes in response to a sharp 42.9% drop in pre-tax profits to £97.2 million for the year ending March 31, alongside a 12.3% decline in overall revenue.

The British bootmaker attributed the downturn to weak consumer demand in the United States, its largest market, which saw a notable decline in both wholesale and consumer sales. Consequently, the company is focusing on "organisational efficiency and design, better procurement, and operational streamlining" to achieve the savings, with a possibility of job cuts among its 3,600 global staff.

Dr Martens has recently installed new directors in the Americas and plans to increase marketing investment in the US. Despite these efforts, the firm anticipates that the benefits of the cost-cutting measures will not be realized until the 2026 financial year.

Current CEO Kenny Wilson, who will step down later this year, will be succeeded by Ije Nwokorie, the company's Chief Brand Officer. The firm also expects further revenue drops in the US wholesale market until late 2025 or early 2026.

Dr Martens, founded in 1945 by German army doctor Klaus Märtens, initially gained popularity among postal workers and factory staff before becoming a fashion staple among various subcultures.