

BUSINESS & FINANCE

# McKinsey Taps Small Partner Class

By CHIP CUTTER

It isn't getting easier to ascend to the highest ranks of McKinsey.

The elite consulting firm on Wednesday named one of its smallest classes of partners in recent years, elevating 224 people to the much-coveted position, according to an internal note viewed by The Wall Street Journal.

Though an uptick from last year, when about 200 people made partner, the number remains sharply lower from a few years ago. In 2022, the

firm elected nearly 400 people to its partnership class, buoyed by a pandemic-era boom in demand for its services.

McKinsey has since downsized its annual induction of new partners as it looks to tighten its leadership ranks and change how it is managed.

The "bar for distinctiveness this year—and every year—is

**The partner class of 224 is one of the firm's smallest in recent years.**

unapologetically high," Bob Sternfels, McKinsey's global managing partner, wrote in a memo to staff announcing the new partners.

Becoming a partner at McKinsey, like similar promotions at law firms and banks like Goldman Sachs, can transform a career, bringing higher pay and prestige. This year's partnership class includes 66

women, the highest share in the firm's history; in North America, women make up 38% of those elected to partner this year.

The group of new partners reflects the growing importance of artificial intelligence, both in its work with corporate clients and within its own operations.

They include several specialists in McKinsey's fast-growing QuantumBlack unit, which helps companies use AI to speed up processes or make them more efficient. Other new partners have expertise

in specific industries, including insurance and industrial companies.

McKinsey also elected some non-client-facing professionals, elevating the leader of its global financial planning and analysis team, part of a years-long effort to bolster its back-office functions.

McKinsey has more than 2,500 partners around the world. In his memo Wednesday, Sternfels said he felt optimistic about the newest partners and where they might take the firm, which has about 40,000 employees.

# Adobe Strikes Deal for Software Provider

By LAUREN THOMAS

**Adobe** struck a \$1.9 billion deal to acquire **Semrush**, a software platform that helps businesses run better search-engine optimization as reliance on artificial intelligence increases.

A deal was announced Wednesday, confirming an earlier report by The Wall Street Journal. Adobe said it will pay \$12 a share in cash for Semrush, which had a market value of a little over \$1 billion as of Tuesday.

Semrush went public on the New York Stock Exchange in 2021. It designs and develops software that helps companies with online advertising, social-media research and research campaigns, among other things.

The deal is a relatively small bite for Adobe, which has a market value of over \$135 billion.

Adobe is best known by consumers for its software programs—including Adobe Photoshop, Adobe Illustrator and Adobe Analytics—used for graphic design, video editing, document management and more.

Adobe's stock has dropped 28% so far this year, as investors wait to see if the company can grow into the artificial-intelligence powerhouse it wants to be.

Semrush shares also have been beaten down amid a broader selloff of tech stocks. The business has touted its adoption of AI, particularly around search. It recently unveiled a new tool that helps marketers boost and measure their performance with both SEO and AI engines such as ChatGPT, Gemini and Perplexity.

# Lowe's Sees Hope As Sales Improve

By NICHOLAS G. MILLER

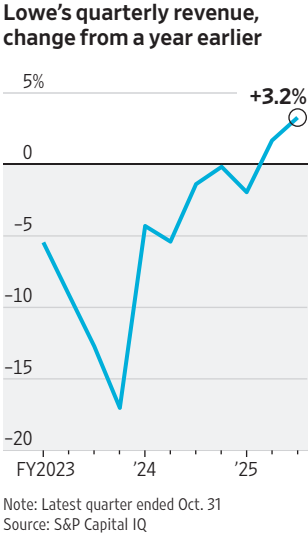
**Lowe's** reported higher third-quarter sales thanks to continuing growth in its business supplying professional builders and expressed optimism that the enduring home improvement downturn might be starting to reverse.

The company is seeing "signs of life in areas that make us cautiously optimistic that maybe there are brighter days ahead," Chief Executive Marvin Ellison said. "We're encouraged to see improvement in DIY [do-it-yourself] customer engagement and discretionary projects across many areas of the home."

Strength in its pro business, as well as price increases, helped grow ticket size in the quarter compared to the previous year, while total transactions fell due to weak DIY demand, Lowe's said.

Shares rose 4% to \$228.41 on Wednesday. The stock is down 7.5% this year.

The home-improvement market has sagged as a stalled housing market, high interest



Strength in its pro business, as well as price increases, helped offset weak DIY demand.

discretionary purchases."

Home-improvement retailers have said that an aging housing stock and surging home-equity values will eventually lead to a turnaround in home-improvement demand.

"Lower interest rates, including for home-equity loans, could begin to spur demand, even as many homeowners remain reluctant to move and give up their historically low mortgage rates," Ellison said. Rather than moving, people could opt to remain in their home and remodel it, which could "become the next opportunity for us to drive discre-

tionary remodel big ticket projects."

So far, the home-improvement market has shown few signs of picking up even as mortgage rates have crept lower. According to Placer.ai, foot traffic at Lowe's in the third quarter slipped 0.1% from the previous year.

Lowe's and **Home Depot** have both expanded their businesses supplying professional building and repair companies, whose spending is more consistent than that of homeowners, analysts said.

Lowe's raised its full-year sales outlook to \$86 billion

from its previous forecast of \$84.5 billion to \$85.5 billion. It guided for flat comparable sales relative to the prior year, compared with its previous guidance of flat to 1% growth. It also forecast full-year adjusted earnings of \$12.25 a share, compared with its previous guidance of \$12.20 to \$12.45 a share.

For the third quarter, the retailer reported net income of \$1.62 billion, or \$2.88 a share, down from \$1.7 billion, or \$2.99 a share, the year prior.

Sales rose to \$20.81 billion from \$20.17 billion the year before. Wall Street had expected \$20.82 billion.

## Who's Who of Distinguished Leaders: 2025 Honorees

Since 1898, Marquis Who's Who has remained the standard for reliable and comprehensive biographical reference material. We are proud to highlight hand-selected listees who have been recognized as *Distinguished Leaders* in their fields of endeavor.

Of 1.6 million listees, only a small percentage are recognized with the *Distinguished Leaders* honor. We laud these individuals for their ambition, professional fortitude, industry contributions, and career accomplishments.

www.marquiswhoswho.com

**MARQUIS Who's Who**

<p><b>Leif J. Briel, CFP</b> Chief Executive Officer Endeavor Financial Planning</p>	<p><b>Ismael Castillo</b> Dir., Business Development Propper International</p>	<p><b>Donald Chavanel</b> Business Development MEI Industrial Solutions</p>	<p><b>Thomas Cockrum</b> Senior Telecom Engineer Indiana University</p>
<p><b>Meka S. Elmore, MHA, BS</b> Team Lead Intake Clin. Svcs. Riverside Medical Center</p>	<p><b>Laura Falco</b> Real Estate, Land Attorney Western Midstream</p>	<p><b>Janis Hollenbeck</b> Dean (Ret.) MN Community &amp; Tech. College</p>	<p><b>Julie E. Merrill, EdD</b> Owner, Senior Consultant Math Beyond Solutions, LLC</p>
<p><b>Ann M. Mracek</b> Author, Composer, Speaker</p>	<p><b>Gerald J. Pels</b> Partner, Environmental Law Troutman Pepper Locke, LLP</p>	<p><b>John Randolph, CIMA, CPWA</b> Managing Director RBC Wealth Management</p>	<p><b>Raghavendra P. Setty</b> Managing Director Charles Schwab &amp; Co., Inc.</p>
<p><b>La Donna Sewell, MPA</b> Senior Associate Director UT San Antonio - BCFES</p>	<p><b>Sheri Jenell Strong</b> Sr. Leader, Global Purpose Deloitte</p>	<p><b>Kimberly Wilkinson</b> Manag. Part., Prin. Consult. Clin. Research Concepts, LLC</p>	<p><b>Audrey Lé Willis</b> Owner, Head Designer Willis Fine Jewel., Audrey Lé</p>

# MADE TO GET MESSY

## CARGO LINER

Turn big messes into no-big-deals with custom-fit coverage from WeatherTech.

# WeatherTech®.com

Auto. Home. Pet. Find Your Fit. 1-800-441-6287

Made in USA

© 2025 MacNeil IP LLC