

JD Sports highlights “regulatory issues” under ousted chair Peter Cowgill

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[D SPORTS](#) today issued a scathing assessment of how the business was run under former executive chairman Peter Cowgill, who was ousted last month after two decades of building one of the most successful [retailers](#) in Britain.

Investors had become increasingly concerned about the power Cowgill wielded, although they enjoyed a stunning surge in the [shares](#) under his tenure that took the business from an also-ran into a FTSE 100 company worth nearly £6 billion.

Today, interim chair Helen Ashton, leading an almost entirely new board, highlighted “a number of regulatory issues” and said she has “engaged external advisors to carry out a number of independent investigations into certain matters”.

The company needs to rebase its “governance, risk and control environment”, she said.

JD was hit with a £5 million fine from the Competition and Markets Authority after Cowgill met with the CEO of Footasylum, Barry Brown, in a car park to discuss a takeover deal.

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The CMA is also looking into allegations that JD colluded to fix prices on football shirts for Leicester City and Glasgow Rangers.

Cowgill is in talks about a pay-off deal and is likely to be furious about how he was treated. Today the company reported, in long delayed results, that profits for the year to January more than doubled to £655 million. Revenue at the self-styled "King of Trainers" rose from £6.1 billion to £8.6 billion.

JD is searching for a new CEO and a permanent chair. The company said it had a "number of high calibre candidates" at different stages of consideration .

The interim CEO is Kath Smith.

Shares in JD Sports today rose 4p to 111p. They have more than halved in the last year, but were just 7p ten years ago as Cowgill began to shake-up the company.

Cowgill, a brusque Northerner with a distate for the City, won plaudits as one of the finest retailers in the UK.

In particular, he built partnerships with leading global brands such as Adidas and Nike and led JD Sports into America, where UK retailers have traditionally failed.

Ashton said in today's statement: "We are particularly encouraged by the strong performance from the Group's banners in North America. It is increasingly evident that the Group's progress in North America, and the United States in particular, is having a long-term positive impact both on the Group's overall performance and its relationships with the international brands."

She did raise a word of caution on the economy. "Whilst we are encouraged by the resilient nature of the consumer demand in the current year to date, we remain conscious of the headwinds that prevail at this time including the general global macro-economic and geopolitical situation," she said.