

John Lewis 'may end 100% staff ownership' after 70 years

The [John Lewis Partnership](#) is exploring a plan to change its staff-owned model as a way of attracting investment, it has been reported.

The retail giant – which runs the department store chain and the [Waitrose](#) supermarket arm – last week cautioned over potential job cuts as it told staff it will not hand out a bonus for only the second time since 1953 after a hefty loss.

[The Sunday Times](#) said it understands chairwoman Dame Sharon White is in the early stages of exploring a plan to change its mutual structure in an attempt to raise between £1-2 billion of new investment.

The sale of a minority stake could require a change to the John Lewis constitution, which would have to be voted on by its partnership council, a group of about 60 staff, the newspaper reported.

Any money raised through selling shares would go into the business, rather than the pockets of staff, the Sunday Times said.

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The business was born when John Lewis opened a small draper's shop on [Oxford Street](#), [London](#), in 1864.

His son, John Spedan Lewis, created the partnership more than 70 years ago as an experiment into a better way of doing business by including staff in decision making, the firm's website says.

The John Lewis Partnership is the UK's largest employee-owned business with its retail brands – John Lewis and Waitrose – owned in trust by its 80,000 partners.

It has 34 John Lewis shops plus one outlet and 332 Waitrose shops across the UK, along with its retail websites.

In a letter sent to staff last week, Dame Sharon warned of job cuts as part of efforts “to become more efficient and productive”.

The group recorded a £78 million loss before exceptional items for the year to January 28.

It represented a slump from a £181 million profit in the previous year, with John Lewis blaming “inflationary pressures”.

JLP recorded a £234 million pre-tax loss once additional costs such as significant writedowns on retail properties were taken into account.

The update came a day after the group appointed turnaround specialist Nish Kankiwala as its first chief executive, in a shake-up of the leadership structure.

Mr Kankiwala will take up the role on March 27 and will report to chair Dame Sharon.