

THE AUSTRALIAN

Business

Myer names John King as new chief executive

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568 words

23 April 2018

The Australian - Online

AUSTOL

English

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Myer appoints new CEO. Myer has appointed the former boss of iconic British retailer House of Fraser, John King, as its new chief executive, handing the UK retailer one of the hardest jobs in Australian retail as he tries to stem the losses at Australia's biggest department store and return it to profitable growth after decades of drifting.

Mr King will be paid a fixed salary of \$1.2 million and receive \$900,000 equity in the form of share rights granted upon his commencement. There will also be a mix of short and long term incentives.

House of Fraser, the 165 year-old retailer which once owned the prestigious and world famous Harrods department store in London, was sold to Chinese group Sanpower for more than \$US745m in 2014.

Mr King stepped down as the boss of House of Fraser soon after the sale to Chinese owners was completed.

Myer [ejected](#) its former CEO, another UK retailer, Richard Umbers, in February after he presided over three profit downgrades and his \$600m strategic plan to transform Myer, called 'New Myer', failed to get any traction with losses growing and revenues sinking further.

It will now fall to Mr King to repair the damage done over many years at Myer, which culminated recently in the department store unveiling [more than \\$500m in writedowns](#) to produce the biggest loss in its 100 year-plus history, as well as fend off [a relentless attack](#) from Myer's biggest shareholder and supplier, Solomon Lew's Premier Investments.

Following Mr Umbers shock departure in February, Myer had been run by its chairman, former accountant Garry Hounsell, with his decision to act as executive chairman drawing heavy criticism from investors including Mr Lew.

This afternoon Mr Hounsell, announcing the appointment of Mr King, said he brings over 30 years of "highly relevant retail experience" across department stores, speciality retailing, premium global brands, wholesale apparel and discount retail.

"John will bring a new perspective to Myer and has been given a full mandate by the board to deliver an improvement in financial performance," Mr Hounsell said.

"I'm excited to lead this iconic Australian company, which like all global retailers, is facing significant change in both the retail environment and consumer shopping habits," Mr King said.

"I'm looking forward to the challenges and opportunities of this role."

Mr King began his retail career in the 1980s at British chain Sainsbury's.

Most recently Mr King led the successful turnaround of House of Fraser from 2006 — 2015, a retailer with 60 stores across the UK. During his tenure he improved the product differentiation, decreased debt, improved EBITDA and repositioned the business as the leading premium department store in the UK, Myer said.

At the same, Mr King refurbished more than 70 per cent of the real estate and launched a vision and values culture program to over 10,000 employees.

He also successfully led Matalan from 2003 to 2006, an apparel and housewares retailer based in London with 200 stores and 20,000 employees.

Since departing from House of Fraser, Mr King has been actively involved in a number of consulting roles. He will start at Myer subject to obtaining appropriate visa approval.

At 3.07pm (AEST), Myer shares were 1.75 cents, or 4.93 per cent, higher at 37.25 cents.

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