

Sent: 11 February 2020 14:53

Dear Sir/Madam

I am writing regarding the potential difficulties faced by JD Sports in the purchase of Footasylum and the subsequent involvement of the CMA.

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I write without any knowledge of JD and in my personal capacity in the hope that it gives a certain, and maybe different, perspective of JD Sports and Peter Cowgill in particular.

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Over the past 10 years business has changed a great deal. Whereas 10 years ago there were many independent retailers in our sector, slowly they have disappeared with the advent of E-commerce and large multiples.

We were living in a bygone era, old school, old habits and a business built on trust and personal relationships.

Like many businesses we were suffering from the difficulties of finance and cash flow, and I was faced with a very difficult dilemma in 2018 to sell a majority of my shares or risk going bankrupt.

I have known Peter Cowgill for a long time and he (and JD Sports) were the only retailer offering an opportunity to continue the business as an independent family business rather than being swallowed up by a corporate opportunist. It was a leap of faith but my personal knowledge of Peter helped form my decision. I was also concerned that JD had made other investments in similar businesses and was not sure how we fitted into the jigsaw.

The philosophy of JD was to support the businesses through various initiatives to improve performance rather than swallow them up, to give the businesses an opportunity to maintain their full independence and yet benefit from the good business practices available. I felt that this offered me the best opportunity for success and guaranteed the employment of my dedicated team of 70 full time members of staff.

They have been 100% good to their word and we are in the process of transforming our independent business with their help.

This help can be broken down into various ways.

1. Finance - allowing us to buy the right stock and the right time. Very few companies now have insurance cover.
2. Financial disciplines - we have incorporated their sophisticated reporting structure which gives me a visibility that never existed before.
3. Profit protection - their large in house security team is at our disposal as we face an ever increasing problem of theft and fraud.
4. Online marketing expertise - as online becomes a key area of growth, they have offered any support and advice I request to help navigate the world of e-commerce.

At no time have they ever attempted to force anything on us, and even though there are similar businesses in their portfolio we are all considered completely independent and ran accordingly.

This support alone has seen a positive improvement in performance and I am now hopeful they we are finally on the road to profitability with their help.

I felt that this insight might be relevant in light of the publicity currently going around.

I would be more than happy to discuss in more detail in person if you felt it appropriate.

Our relationship with JD has been transforming - the other scenario doesn't bare thinking about.

Sincerely