



Performance Sports' Ex-Chairman Said to Call for CEO Ouster

Scott Deveau

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- Roustan sent a letter to the board asking to replace CEO
- Move could be a precursor to proxy battle or takeover bid

W. Graeme Roustan, the ex-chairman of Performance Sports Group Ltd., has sent a letter to the board of his former company telling them to replace its chief executive officer Kevin Davis, people familiar with the matter said.

Roustan, who left the company's board in 2012, is arguing the company's current retail strategy is misguided, according to the people, who asked not to be identified as the matter is private.

This could shape up as a proxy battle or potentially a takeover bid for the sports equipment company that manufactures the Bauer and Easton brands, said the people. Roustan holds roughly 2 percent of the company's shares, according to the people.

Roustan has been [critical](#) of Performance Sports' efforts to launch a group of standalone retail stores under the Bauer name, arguing it would put the company in competition with its customers at major retailers that sell its products. So far, the company has opened two of the eight-to-10 Bauer "Own the Moment" stores it said it had planned.

Last year, Roustan sought a seat on the company's board before abandoning those efforts.

Shares in the Exeter, New Hampshire-based company have fallen nearly 50 percent over the past 12 months after the new retail strategy was announced. The company's sales have been hurt by the declining Canadian dollar with sales in the country accounting for roughly a third of its overall revenue in 2014, and 24 percent in 2015, according to data compiled by Bloomberg.

Nine of the 14 analysts covering the stock rate it a 'buy' with a consensus price target of \$15.65, the data show.

A spokesman for Performance Sports declined to comment.