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Ex-Performance Sports chairman sues accounting firm in Canada

TORONTO | BY JOHN TILAK



The former chairman of Performance Sports Group Ltd, Graeme Rouston, has sued accounting firm Grant Thornton for breach of contract and defamation in connection with a battle over the retailer's strategy, according to a claim filed in a Canadian court on Monday.

Following his unhappiness with the decision of Performance Sports to open its own retail stores, Rouston hired Grant Thornton last year to conduct a survey of some of the retailer's major customers, according to the lawsuit filed in the Ontario Superior Court of Justice.

After Grant Thornton conducted the survey, Performance Sports wrote to Grant Thornton asking to "cease this survey immediately," the lawsuit says.

The lawsuit says that Grant Thornton completed the survey but later terminated the engagement, citing reputational harm.

Grant Thornton and Performance Sports did not immediately respond to a request for comment. Rouston declined to comment beyond the lawsuit.

Rouston, who owns a small stake in Performance Sports, has said he is looking to take the company private if he does not see a reversal in its retail strategy and its chief executive replaced. He could also launch a proxy battle to get a seat on the company's board.

(Reporting by John Tilak; Editing by Paul Simao)