

## THE AUSTRALIAN

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# Solomon Lew said Cotton On job was off-limits for Just CFO, court told

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By **BEN BUTLER**, BUSINESS REPORTER

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Retail billionaire Solomon Lew told the chief financial officer he is now suing for taking a job with rival Cotton On she could leave and take a job with almost anyone, except Cotton On, court documents show.

Mr Lew, whose listed vehicle Premier Investments owns Just, also said he was “very sympathetic” to CFO Nicole Peck’s personal circumstances in a May 27 email, sent as she sought to leave the company.

The email exchange followed tension between Ms Peck and Premier’s head of retail, former David Jones chief executive Mark McInnes, according to documents filed with the Victorian Supreme Court.

Just has asked the court to bar Ms Peck from working as CFO of Cotton On, claiming she has intimate knowledge of confidential company information including Just’s debt negotiations and supplier contracts.

At the centre of the stoush is the lucrative market in novelty stationery, a battleground where Just’s Smiggle brand jousts with the Typo chain run by Cotton On, which is privately owned by the wealthy Austin and Hardwick families.

Earlier this month, the court threw out a bid by Just to stop her lawyers, Ashurst, acting for her over allegations the firm also worked for Cotton On.

Court documents detail the lead-up to Ms Peck’s resignation from Just, after just five months in the job.

In an affidavit, Just Group's head of people and culture (human resources), Rosemarie Phillips, slammed the way Ms Peck quit, saying: "In all the years of acting as a senior human resources specialist, I have not experienced such a senior leader acting in such an unprofessional and ill-considered manner."

Ms Phillips said she knew Ms Peck from their time working together at Target a decade ago, where Ms Phillips was head of human resources and Ms Peck was deputy CFO.

In November last year, when Just was looking for a new CFO, Ms Phillips recommended Ms Peck to Mr McInnes. After negotiations, Mr McInnes hired Ms Peck to start on January 6 at \$450,000 a year, plus a \$50,000 sign-on bonus, Ms Phillips said.

Ms Phillips said that between January and April "Ms Peck and I had a number of discussions about how she was settling in".

"I recall one conversation where Ms Peck said to me words to the effect that she had separated from her husband.

"As I had recently been through a similar experience, we discussed how important it was to be organised in order to manage family commitments in changing circumstances.

"Ms Peck explained that she would often hold telephone meetings in her car while she was driving back to Geelong at the end of a work day.

"I said to Ms Peck words to the effect that she had flexible work arrangements and that she should use those to her advantage."

However, she said Ms Peck called her in the last week of April to flag concerns raised by Mr McInnes.

"Mark said I need to create 'more of a presence in the office'," Ms Peck allegedly told Ms Phillips.

"I'm worried he means my flexible hours and the fact I leave early."

According to Ms Phillips, Mr McInnes told her Ms Peck had resigned to go to Cotton On on May 2.

Ms Phillips said she immediately called Ms Peck, telling her: “Please don’t leave.”

After negotiations, Ms Phillips said she would work until September 2 — provided Just agreed not to enforce an “unreasonable” 24-month restraining period. Ms Phillips allegedly emailed Mr Lew on May 26, saying she was “extremely grateful to have worked at the Just Group” and pledging not to breach confidentiality.

Mr Lew responded the following day.

“I am very conscious of your personal circumstances, and am of course very sympathetic to the situation with your children,” he said. “Both Mark and I have always sought to do what we can for employees to assist with family obligations.

“Mark and I have specifically provided you with significant flexibility to assist with your own circumstances.”

Mr Lew said Ms Phillips had access to “deep and wide-ranging” confidential information, “including being present at board meetings where discussions have centred on confidential information on the future growth of the business, both organic and geographical”.

He told her: “You are also free to immediately work for most other organisations in Australia — but not direct competitors like Cotton On.”

The case continues.

#### **BEN BUTLER, BUSINESS REPORTER**

Business reporter Ben Butler has covered everything from tractors to fashion to corporate collapses. He has previously worked for the Herald Sun and as a senior business reporter with The Age and Sydney Morning... [Read more](#)