Leadership shakeup continues at GameStop, CEO to depart

April 19 2021, by Michelle Chapman

In this Jan. 28, 2021, file photo, a GameStop sign is seen above a store, in Urbandale, Iowa. Video game retailer GameStop says CEO George Sherman will be stepping down from his post by July 31, 2021. Shares of the Grapevine, Texas-based company rose more than 8% before the market open on Monday, April 19. (AP Photo/Charlie Neibergall, File)

The overhaul in the top ranks of GameStop continues with the announced departure of CEO George Sherman at the end of July.

Company shares rose more than 8% before the opening bell Monday.

Less than two weeks ago, the Grapevine, Texas, company announced the nomination of Chewy founder Ryan Cohen as chairman of the board, a major investor in the floundering video game retailer.

Cohen had been buying huge stakes in the company and pushing for a digital transformation. GameStop has suffered as more gamers turn to digital downloads rather than the discs the chain sells on its shelves.

Cohen was joined by two of his former colleagues on the board.

They're arrival coincided with the meteoric January rise of GameStop's shares in a bizarre market phenomenon that pitted smaller investors who banded online against major, institutional investors who had been shorting the stock, or betting it would fall below the $20 price level in January.

Shares of Gamestop Corp. now cost around $170, up 720% this year. At the end of a flurry of trading in January, the shares were close to $500 each.

Last month in a regulatory filing, GameStop said that it had and hired an executive headhunter as it evaluated company leadership and that its directors had spoken to potential candidates from gaming, e-commerce and technology sectors.

Earlier this month, GameStop said that it would sell up to 3.5 million of its shares. The shares will be sold through an "at-the-market" offering, which allows companies to place their stock on the market over a period

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