SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

# FORM 8-K

## CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 16, 1999

VENATOR GROUP, INC.
(Exact name of registrant as specified in its charter)

| New York | No. 1-10299 | 13-3513936 |
| --- | --- | --- |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| 233 Broadway, New York, New York | 10279-0003 |
| --- | --- |
| (Address of principal executive offices) | (Zip Code) |

Registrant's telephone number, including area code: (212) 553-2000

Item 5. Other Events.

1. SUBMISSION OF MATTERS TO VOTE OF SECURITY HOLDERS

On August 6, 1999, the Registrant received the final report of the independent Inspectors of Election for the 1999 Annual Meeting of Shareholders, which was held in Bradenton, Florida, on July 16, 1999. Proxies were solicited by management of the Registrant pursuant to Regulation 14A under the Securities Exchange Act of 1934 (the "Exchange Act"). In addition, proxies were solicited pursuant to Regulation 14A under the Exchange Act by a shareholder of the Registrant, Greenway Partners, L.P. ("Greenway"), in opposition to management's slate of directors and in support of two proposals presented by Greenway. At the close of business on the record date of June 7, 1999, there were issued and outstanding 137,363,467 shares of the Registrant's Common Stock, par value $0.01 per share ("Common Stock"). There were represented at the meeting, in person or by proxy, 111,317,526 shares of Common Stock. Such shares represented 81.04 percent of the total number of shares of Common Stock issued and outstanding on the record date.

Each of J. Carter Bacot, Purdy Crawford, Philip H. Geier Jr. and Dale W. Hilpert was elected as a director in Class II for a three-year term ending at the annual meeting in 2002. All of such individuals previously served as directors of the Registrant. Roger N. Farah, Jarobin Gilbert Jr., Allan Z. Loren, Margaret P. MacKimm, John J. Mackowski, James E. Preston and Christopher A. Sinclair, having previously been elected directors of the Registrant for terms continuing beyond the 1999 annual meeting of shareholders, continue in office as directors.

The matters approved upon and the results of the voting were as follows:

(a) Election of Directors:

| Name | Votes For | Votes Withheld | Broker Non-Votes |
|---|---|---|---|
| J. Carter Bacot | 76,825,393 | 2,344,966 | 0 |
| Purdy Crawford | 76,818,515 | 2,352,189 | 0 |
| Philip H. Geier Jr. | 76,826,042 | 2,344,662 | 0 |
| Dale W. Hilpert | 76,806,110 | 2,364,594 | 0 |
| Gary K. Duberstein | 31,866,922 | 279,900 | 0 |
| Andrew P. Hines | 31,866,922 | 279,900 | 0 |
| Alfred D. Kingsley | 31,867,267 | 279,900 | 0 |
| Howard Stein | 31,866,922 | 279,900 | 0 |

(b) Ratification of the Appointment of KPMG LLP as Independent Accountants:

| Votes For | Votes Against | Abstentions | Broker Non-Votes |
|---|---|---|---|
| 110,190,231 | 623,516 | 503,779 | 0 |

(c) Shareholder Proposal on Change of Name:

| Votes For | Votes Against | Abstentions | Broker Non-Votes |
|---|---|---|---|
| 36,087,128 | 66,259,811 | 2,849,929 | 6,120,658 |

(d) Shareholder Proposal on Rights Plan:

| Votes For | Votes Against | Abstentions | Broker Non-Votes |
|---|---|---|---|
| 82,840,278 | 21,485,534 | 871,058 | 6,120,656 |

2. CHANGE IN THE REGISTRANT'S CHIEF EXECUTIVE OFFICER

On August 16, 1999, the Registrant announced that Dale W. Hilpert had been elected President and Chief Executive Officer of the Registrant effective immediately. Mr. Hilpert was previously President and Chief Operating Officer of the Registrant. He replaces Roger N. Farah, who remains Chairman of the Board. The Registrant also announced that it is exiting eight non-core specialty businesses that operate, in the aggregate, nearly 500 stores. (See Exhibit 99, which, in its entirety, is incorporated herein by reference.)

Item 7. Financial Statements and Exhibits.

(c) Exhibits

In accordance with the provisions of Item 601 of Regulation S-K, an index of exhibits is included in this Form 8-K on page 4.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned being hereunto duly authorized.

VENATOR GROUP, INC.
(Registrant)

Date: August 19, 1999

By: /s/ Gary M. Bahler

Gary M. Bahler
Senior Vice President,
General Counsel and Secretary

VENATOR GROUP, INC.

INDEX OF EXHIBITS
FURNISHED IN ACCORDANCE
WITH THE PROVISIONS OF
ITEM 601 OF REGULATION S-K

| Exhibit No. in Item 601 of Regulation S-K | Description |
|---|---|
| 99 | News Release dated August 16, 1999 |

EXHIBIT 99

NEWS RELEASE

CONTACT: Juris Pagrabs
Vice President, Investor Relations
Venator Group, Inc.
(212) 553-7017

VENATOR GROUP NAMES DALE HILPERT CEO
AS COMPANY'S RESTRUCTURING ENTERS LAST PHASE

- ROGER FARAH TO CONTINUE AS CHAIRMAN -
- COMPANY TO DISPOSE OF EIGHT NON-CORE BUSINESSES TOTALING 500 STORES -

NEW YORK, New York, August 16, 1999 - - Venator Group, Inc. (NYSE: Z) today announced that its Board of Directors has elected Dale W. Hilpert as President and Chief Executive Officer, effective today. Mr. Hilpert was Venator Group's President and Chief Operating Officer, a position that the Company has no present plans to fill. He replaces Roger N. Farah, who remains Chairman of the Board. The Company also announced that it is exiting eight non-core specialty businesses that operate, in the aggregate, nearly 500 stores. The disposition is designed to strategically focus the Company on its most productive specialty retailing operations and represents an important component of the Company's restructuring program that began shortly after Mr. Farah joined the Company.

"In 1995, the Board and I agreed that my primary job was to reshape the Company, put it on a strong financial footing, build a strong management team and have a succession plan in place," said Roger Farah, Chairman of the Board. "Today, we have a highly focused company with a competitive group of businesses, an improved financial position, a strong and modern infrastructure and a highly qualified and energized management team, including having my successor in place."

"We have made tremendous progress since 1995 and, while that work is essentially complete, we are now very well positioned to take advantage of an improving athletic business," continued Mr. Farah. "Dale has played a critical role as we have reshaped the Company and created a clearly focused specialty retailer that is the leading player in the athletic footwear and apparel industry. The Board of Directors is very pleased that an executive of Dale's caliber and experience, who has been my partner for the past four years, will be taking over as Chief Executive Officer."

"First, on behalf of the entire management team, I want to say that we have the utmost regard and respect for Roger and the job that he has done for Venator Group," said Dale Hilpert, Chief Executive Officer. "Under his leadership, the Company has enjoyed a tremendous transformation from a disparate group of underperforming businesses to a focused, global athletic/lifestyle retailer. I have been proud to play a part in the Company's development and, working off the strong foundation we now have in place, I look forward to building shareholder value through the implementation of the plans Roger and I have developed. I am also pleased that Roger will continue to be available to provide advice and counsel."

Mr. Hilpert has been the President and Chief Operating Officer and a board member of Venator Group since April 1995. Prior to joining Venator Group, he served for 10 years as the Chairman and Chief Executive Officer of the Payless Shoe Source division of The May Department Stores Company.

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Mr. Farah has been the Chairman of the Board and Chief Executive Officer of Venator Group since December 1994. Prior to joining Venator Group, he was the President and Chief Operating Officer of R. H. Macy & Co., Inc. Mr. Farah is a director of Liz Claiborne, Inc.

DISPOSITION OF EIGHT NON-CORE BUSINESSES

The business units that will be exited are San Francisco Music Box, Randy River, Foot Locker Outlets, Colorado U.S., Team Edition, Going to the Game, Weekend Edition and the Burger King franchises. These businesses had total sales of $97 million and incurred an operating loss of approximately $26 million (pre-tax), or $0.12 per share, for the six months ended July 31, 1999. For the full year these businesses were projected to incur a loss of $22 million (pre-tax), or $0.10 per share. "By providing more focused operations, this asset redeployment is designed to enhance our profitability for the second half of 1999 and, more importantly, over the next several years," said Mr. Hilpert.

The Company has signed a definitive agreement with regard to one of the eight businesses, Weekend Edition; its 87-store Canada based women's apparel chain. The agreement provides for the sale of up to 51 of the stores to YM Inc. (Sales), a Toronto-based retailer. Details of the transaction were not disclosed.

The restructuring charge and operating losses are expected to total approximately $48 million, or $0.35 per diluted share, of which $39 million, or $0.28 per share, will be recorded in the second quarter of 1999. The remaining $9 million, or $0.07 per share, is expected to be recognized over the next two quarters. This charge, in the aggregate, relates primarily to leasehold and real estate disposition expenses, inventory liquidation, severance and related benefit costs and other related expenses. Through real estate conversions and dispositions, the Company expects the restructuring to be cash flow positive.

EARNINGS OUTLOOK
The Company said that it expects to report income from its remaining operations (excluding the restructuring charge and the cumulative loss of these disposed operations) for both the three and six months periods ending July 31, 1999 of between $0.03 and $0.05 per diluted share, including the gain associated with the sale of certain real estate. Additionally, as a result of these disposals, the Company said that full year income (excluding the restructuring charge and the cumulative loss of these disposed operations) from its remaining operations is now expected to be above current analyst expectations for full-year 1999 and 2000.

Venator Group is a diversified global retailer that currently operates 6,000 retail stores in 14 countries in North America, Europe, Australia and Asia. Through its athletic group of specialty retail stores, including Foot Locker, Lady Foot Locker, Kids Foot Locker and Champs Sports, as well as its Internet/direct marketer eVenator/Eastbay, the Company is the leading provider of athletic footwear and apparel. Other specialty retail chains include the Northern Group of apparel stores and afterthoughts jewelry stores.

Disclosure Regarding Forward-Looking Statements

This press release contains forward-looking statements, which reflect management's current views of future events and financial performance. These forward-looking statements are based on many assumptions and factors including the effects of currency fluctuations, consumer preferences, economic conditions world-wide and other factors detailed in the Company's filings with the Securities and Exchange Commission. Any changes in such assumptions or factors could produce significantly different results.