

RETAIL

JD.com announces share buyback program amid scandal

December 26, 2018



JD.com's online platform

By STAFF REPORTS

Chinese ecommerce site JD.com is launching a stock buyback program after its founder was recently accused of sexual assault.

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A 21-year old student of University of Minnesota's Carlson School of Management accused JD.com founder Richard Liu of rape. Following the accusation, the company's stock dropped significantly and it has announced a \$1 billion share repurchase program.

Stocks and shares

Minneapolis police did not press charges on Mr. Liu. After looking through evidence in regards to the night of Aug. 30, they were unable to determine enough proof.

Mr. Liu maintains the incident was consensual.

"As is the case in many sexual assault incidents, it was a complicated situation," said Mike Freeman, attorney of Hennepin County, in a statement. "It is also similar to other sexual assault cases with the suspect maintaining the sex was consensual.

"As we reviewed surveillance video, text messages, police body camera video and witness statements, it became clear that we could not meet our burden of proof and, therefore, we could not bring charges," he said. "Because we do not want to revictimize the young woman, we will not be going into detail."



JD.com also invested in Vipshop as Chinese ecommerce heats up

JD.com saw its shares drop to \$19.75, which is about \$30 short of its peak this year. However, after the police department announced it would not be pressing charges, its stocks had a short boost of almost 6 percent.

The company will be repurchasing \$1 billion of its shares.

Earlier this year, the ecommerce platform showed it was looking to further position itself as the go-to platform for high-end brands, seeking to attract more premium companies as partners.

In the second quarter of 2018, brands including Carl F. Bucherer and Balenciaga made their debuts on JD.com, adding to the retailer's portfolio of luxury brands. JD.com's \$18.5 billion in second quarter revenues fell short of expectations, but still reflected a growth of 31.2 percent ([see story](#)).

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