

City of Atlanta General Employees' Pension Plan v. Helen of Troy Limited

COURT: United States District Court for the Western District of Texas
CASE NUMBER: 26-cv-01528
CLASS PERIOD: 04/24/2024 - 10/08/2025
CASE LEADERS: Hannah Ross, Scott R. Foglietta

On June 2, 2026, Bernstein Litowitz Berger & Grossmann LLP (“BLB&G”) filed a class action in the U.S. District Court for the Western District of Texas alleging violations of the federal securities laws by Helen of Troy Limited (“Helen of Troy” or the “Company”) and certain of the Company’s current and former senior executives (collectively, “Defendants”). The action is brought on behalf of all investors who purchased or otherwise acquired Helen of Troy common stock between April 24, 2024, and October 8, 2025, inclusive (the “Class Period”).

BLB&G filed this action on behalf of its clients, City of Atlanta General Employees’ Pension Plan, City of Atlanta Police Officers’ Pension Plan, and City of Atlanta Firefighters’ Pension Plan, and the case is captioned *City of Atlanta General Employees’ Pension Plan v. Helen of Troy Limited*, No. 26-cv-01528 (W.D. Tex.). The complaint is based on an extensive investigation and a careful evaluation of the merits of this case. To view the complaint, see the **Case Documents** section of this page.

Helen of Troy’s Alleged Fraud

Based in El Paso, Texas, Helen of Troy markets a variety of consumer goods across several segments. Prior to the Class Period, the Company embarked on an aggressive growth-by-acquisition strategy. By October 2022, investors had become concerned over integration challenges and growing costs caused by these acquisitions, while the Company’s organic revenue growth also stagnated.

Coinciding with investor and analyst concern following a series of guidance reductions, in fiscal year 2023, Helen of Troy’s then COO, and later CEO, Noel Geoffroy initiated Project Pegasus, a “global restructuring program focused on both efficiency and effectiveness.” As a part of this initiative, the Company invested in a new distribution center in Tennessee to support its targeted growth.

The claims against Defendants arise from misrepresentations regarding the success of Project Pegasus. Throughout the Class Period, which begins shortly after Noel Geoffroy became CEO, the Company boasted about the “fuel” it was generating from Project Pegasus. Although Helen of Troy admitted to some speed bumps in Project Pegasus, specifically citing “implementation hiccups” with its new Tennessee distribution center, Defendants assured investors that “despite the delayed savings related to our Tennessee distribution center, Project Pegasus continues to move forward. We have made good progress on the cost of goods sold work streams, implementing multiple projects that reduce costs and simplify our supplier base.”

The truth began to emerge on July 9, 2024, when Helen of Troy announced its results for the first quarter of 2025, reporting earnings per share had declined by a staggering 49% from the prior year, and reducing full-year revenue outlook by over 20%. The Company attributed the poor financial results to an “unusual number of internal and external challenges,” delaying the long-awaited delivery of savings from the Company’s strategic plan. As a result of these disclosures, the price of Helen of Troy shares declined by \$24.68 per share, or 27.7%.

Helen of Troy continued to assure investors that Pegasus was “on track,” and that the Company had continued making “significant investments” into optimizing its productivity. Then, on May 2, 2025, the Company announced the sudden departure of its CEO, Noel Geoffroy, who spearheaded Project Pegasus and was only appointed as CEO 14 months prior.

Months later, on July 10, 2025, Helen of Troy revealed that its net sales for the first quarter of fiscal 2026 had declined 11% year-over-year and its adjusted earnings per share had shrunk by nearly 60% compared to the prior year. The Company also disclosed a \$414.4 million goodwill impairment, which it attributed to its continued decelerating revenue growth. The Company’s interim CEO—CFO Brian Grass—conceded that Helen of Troy had become “too complicated and lost focus,” which “created unnecessary sprawl and [the Company] became scattered in terms of priorities.” As a result of these disclosures, the price of Helen of Troy shares declined by \$7.04 per share, or 22.7%.

Then, on October 9, 2025, during his first earnings call as CEO, G. Scott Uzzell reported Helen of Troy’s second quarter results for fiscal year 2026, announcing that quarterly sales were down 8.9% year-over-year, adjusted earnings per share plummeted by 51%, and that these results were caused by significant business disruptions and cost headwinds which the Company expects to persist for the remainder of the year. Uzzell acknowledged Helen of Troy’s underperformance, stating that Helen of Troy “earned [its] way into a difficult period.” These disclosures caused Helen of Troy’s stock price to decline by \$6.90 per share, or 25%.

If you wish to serve as Lead Plaintiff for the Class, you must file a motion with the Court no later than August 3, 2026, which is the first business day on which the U.S. District Court for the Western District of Texas is open that is 60 days after the publication date of June 2, 2026. Any member of the proposed Class may seek to serve as Lead Plaintiff through counsel of their choice, or may choose to do nothing and remain a member of the proposed Class.

If you wish to discuss this action or have any questions concerning this notice or your rights or interests, please contact Scott R. Foglietta of BLB&G at 212-554-1903, or via e-mail at scott.foglietta@blbglaw.com.

Case Documents

- June 2, 2026 - Initial Complaint
- June 2, 2026 - PSLRA Notice