

Who's Gone Bust in UK Retailing 2005-10?

May 2010

Legal Note: this listing of UK retailers who went into receivership between 2005 and 2009 is based on research carried out at the time and our understanding of their business affairs then. Some of these companies recovered and came out of administration; some were bought by other businesses; some were sold as going concerns but changed their name; for some, the name was bought and this is still used, but under different ownership; and others ceased to exist. The presence of any business in this historical listing must not be taken to imply that it no longer exists, its name is not used or that such business, if still trading, is impaired in anyway.



2008-2010

2009 did not *feel* as bad as 2008. But 37 large/medium businesses failed with 6,536 store and 26,688 staff. In 2009, around 54% of employees kept their jobs (14,300). Key retailers that went into administration in 2009 included Borders, Thirst Quench, Stylo, Mosaic, Principles, Sofa Workshop, Allied Carpets, Viyella, and Barratts.

The year before, 2008, 54 large or medium retail chains went into administration, with 5,793 stores, employing a total of 74,539. We estimate that 21,334 (or 29%) kept their jobs. The main driver of job losses was Woolworths. This can be compared to failures of 25 similar companies in 2007, involving 14,083 jobs.

- **LabSport**, the branded sportswear chain, fell into admin in April and closed its 8 stores. 80 staff have gone. One innovative feature of LabSport was co-development of brands; every supplier was allocated a section of the store and could merchandise it as they wished.
- **Faith Shoes**, 1800 jobs, 78 stores and 120 concessions, went into administrations in April after desperately seeking a buyout. Hilco has taken control of the company's £14M debts.
- **Envy!** This fashionwear chain with 23 stores and 20 department store concessions went into administration in April three weeks after being sold. It is likely to continue in a reduced format.
- **Not Only Shops!** In February and March 2010 we have seen the administration of Jarvis Engineering, Highlands Airways, Crystal Palace Football Club, Premier League Portsmouth Football Club, exclusive London restaurant Cipriani, Readers Digest (UK), Snowsport GB (UK governing body) and Landsdowne, the UK's largest driving school (trading as RED).
- **Speciality Retail Group**, owner of **Suits You** and **Racing Green**, made a company voluntary arrangement (CVA) with creditors (including landlords) that will initially save 300 jobs but result in closing 42 out of the current 73 stores over the next 18 months. The stores to close will mainly be High Street. A CVA allows a struggling retailer to get out of rental agreements they can no longer afford - as an alternative to closure. SRG's landlords have agreed a 40% rent reduction in the marginal sites.
- **Ethel Austin**, value clothing retailer with 300 stores, and **Au Naturelle** have appointed administrators. Both companies have found it hard to pay suppliers since before Christmas. It went bust previously in 2008. It is expected that the administrators will close one-half the group's 270 stores affecting around 40% of the 3,100 retail staff; by Feb, there had been 470 redundancies at the now-closed

warehouse and headquarters, and 1000 retail staff have lost their jobs as 114 stores have closed. The Austin family sold it in 2002. The company was originally founded in Liverpool by Mrs Austin in her living room.

- **Adili**, the ethical fashion e-tailer (slogan, 'we're committed to ethical, we're committed to cool') trading as Ascension Online, suspended its shares in early February because it had failed to secure future financing. Adili ran into cash problems at the end of 2009; it had revenues of £299,000 with costs of £886,000 at about this time. The business has now been bought by Luke Heron for £1 has been renamed ASCENSION and will stress higher price point items. Heron also owns Green Baby, the ethical e-nursery provider.
- **Diamonds and Pearls**, the jewellery company, went into pre-pack administration in February for the second time in 12 months. A consortium of suppliers, Renaissance Jewellery, bought it out of admin after a few hours, but 100 people have been made redundant. There are now 50 stores and 200 jobs; 30 stores of the predecessor company were closed.
- **Adams**, the children's clothing store, has fallen into administration for the third time in two years. John Shannon first bought it from the administrators in 2007, rescued it from a second failure in Feb 2009, sold it to Habib Alvi in September 2009, then appointed administrators again in January 2010. There are 125 store and more than 2000 staff.
- **D2**, the 79-store fashion chain once owned by Tom Hunter, went into administration at the end of December. It has closed 2 of its 3 Irish stores, but the 77 remaining UK stores continue to trade. 22 staff at the HQ in Scotland have been made redundant.
- **Head**, the entertainment chain set up by Simon Douglas after the collapse of Zavvi, closed down in December 2009. Several ex-Virgin/Zavvi stores were bought from the administrator, but Liverpool and Sheffield have closed, Leeds and Dundee are closing, and Bristol and Brum are about to.
- **Virgin Cosmetics [renamed Effective Cosmetics]** closed in Jan 2010. Originally launched in 1997 with a characteristic blaze of publicity from Britain's favourite entrepreneur it expected to open 2 stores a month and to have 100 in 5 years. Virgin Cosmetics created losses and half its shops were closed when Branson sold the business and it became Effective Cosmetics a couple of years ago. Under the terms of the announcement, 80 staff will lose their jobs. The business lost £1 M on sales of £1.7 M in the five months to end August.
- **Borders**, the bookshop chain with 1,150 employees, went into administration at the end of November and administrators prepared to close its branches. It has 45 stores (formerly 79), 9 of which trade as Books Etc. After coming to Britain as an American phenomenon in 1998 ('book buying as leisure'), the UK business has been in trouble in the last few years. The UK operation was spun off from its US owners in 2007 and purchased in July 2009 by a management buy-out backed by Valco Capital (an arm of Hilco the distressed retail specialists). In 2008, losses were £13 million-plus as the company faced competition from Amazon, online retailers, and supermarkets. It lost part of its credit insurance last year, publishers Random House and Hachette are believed to have refused to supply it recently and its website was closed to new orders in late November. W H Smith held discussions about buying it before it went pop. It will be reasonably well stocked with books in the run-up to Christmas, which publishers (as creditors) will be desperate to prevent being sold off cheap by the administrators.
- **Thirst Quench**, the drinks retailer with more than 1,300 stores (including Threshers, Wine Rack, The Local and Haddows), went into Administration at the end of October 2009 as a result of long-term poor trading. There were 6,500 employees, mostly part-time. 898 stores are already shut/under notice with the loss of 2,140 jobs, 100 stores are up for sale and the Wine Rack brand+13 stores have been sold to wholesaler Venus W&S Merchants.
- **Birthdays**, the high-street greeting cards chain put into administration by Clintons in June (see below), was repurchased by Clintons one month later losing 750 jobs and 127 stores (originally there were 323) at a lower price allowing the company to make a £13.5 million paper profit. No one wants the law on company administration to be so tough that companies simply disappear, but this sort of case leaves an unpleasant taste.

- **The Grafton Centre**, Altringham Cheshire, went bust in October 2009. Trading as Grafton Centre Nominee Ltd the 1960s level-III quality shopping mall with 25 retail units and a six-story office block suffered from outdated facilities, competition and the recession.
- **Jessops - not bust**, but the 200-store retail chain has gone through a debt/equity swap with HSBC to eliminate £34 million debt in order to survive Christmas trading. The new company, Snap Equity, will be 47% owned by HSBOS, 33% by pension fund, and remainder by existing shareholders.
- **The troubled Blacks Leisure**, outdoor retail specialist with 400 stores (Blacks Leisure, Milletts, and Free Spirit), is in danger of breaching its banking covenants. It is making a CVA (company voluntary arrangement), involving ditching 89 of its stores and perhaps 400 employees that is intended to protect it from creditors when rationalising the business and paying creditors. It put Sandcity into administration a week previously.
- **Blacks Leisure** placed its loss-making boardwear company, Sandcity, into administration at the end of September. 'Boardwear' is what people wear when surfing. The main company is in danger of breaching its bank covenants. The 11-outlet Sandcity (trading as O'Neil stores) continues to trade. The O'Neil brand/company is 'not affected' by the administration of Sandcity.
- **High and Mighty**, men's outsize retailer, went into administration in September 09. It has 23 stores in the UK, Belgium, Iceland and Saudi.
- **Arcandor**, again not British but German, became insolvent in June 2009. It is now to be broken up. Subsidiaries include the 120 Karstadt department stores (32,000 employees), Primondo e-commerce business (20,000 employees), and 52% of Thomas Cook (now sold off, I think). So, a big bang as that lot hits the floor.
- **Escada**, only-passingly a UK retailer (it's a German Company), became insolvent in August with the failure of a bond-swap agreement. It sells to-kill-for ladies fashion, perfumes, handbags etc and has a stand-alone store in Sloane Street and is stocked by a select number of other stores throughout the UK. Escada London was number 20 in the London.co.uk most popular fashion shops (Zara, Bang Bang, River Island and Viv Westwood were the top 5).
- **Dawson News**, one of the big-three newspaper and magazine distribution groups (the others are WHSmith and Menzies), went into administration in August. Smiths has taken over most of Dawson's responsibilities (20 depots) and Menzies has taken over a smaller number. Dawson's failure was widely expected after they lost several large contracts early in 2009 to Smith and Menzies.
- **Barön John**, the menswear retailer with 38 stores, went through administration in August, losing eight stores, the remainder being bought by Premium Retail Group, which is owned by Wayne and Lewis Selt the founders of the company.
- **Lombok**, the furniture retailer to the middle classes, went into administration in July and 14 stores out of 19 existing were bought out of pre-pack admin by a Consortium led by Privet Capital and Paradigm on the same day. This preserved 126 out of 161 jobs. The former owner Pi Capital is not involved.
- **Hornsea Freeport Village**, the Yorkshire shopping centre with 43 stores, entered administration at the end of July, but is still operating. Trade has been weak and a £6 million planned extension has not been built.
- **Partridge Fine Arts**, the exclusive Bond-Street art dealer established in 1902, went into administration in July. Its eight staff include Princess Michael of Kent. Partridge FA is still trading and expects to go to a good home of the right sort. Who says that the CRR only deals with the grubbier end of commerce?
- **Allied Carpets**, the UK's second largest specialist carpet retailer, went into administration in mid-July. 51 of its stores and the insurance business were sold immediately (400 jobs) to company Allied Carpets Retail (surprise!), leaving 700 jobs in jeopardy. By August 2009, virtually all the remaining 217 stores had been closed.
- **The Big Label**, the £5 million north-west discount chain (formerly QS Discount), closed down in mid-July and went into administration. It had five 'superstores' in Blackburn, Sale, Atherton, Warrington and Chorley and offered up to 75% of fashion brands.
- **Coffee Republic** went into administration in July, involving the main UK business and some of its operations in other countries. Founded in 1995, the business was unable to achieve critical mass or distinctiveness against Starbucks, Costa, Caffè

Nero, Puccino's etc. Most of its business was franchised/concessions. Coffee Republic UK shut half its company stores early in July, leaving 10 company stores, 70 UK franchise and 97 concessions (cinemas etc). There are 12 international franchises in 10 countries. The franchisor and the company stores have gone into admin, not the franchisees. At the end of July Arab Investments (the investor behind the Pinnacle Tower) purchased the group from the administrator. There are 200 outlets, of which 110 are independent (selling their branded coffee), 57 franchises, whilst 14 are overseas.

- **US-based Crabtree & Evelyn**, the smells and creams store, has applied for Chapter 11 (their version of protection from creditors). As yet there are no signs of anything happening in the UK, but expect further problems in the UK operation.
- **Allied Carpets Properties**, part of Allied Carpets Group, appointed an administrator at the end of June. Its precise implications for the retail operations are unclear, but we suspect that it will lead to wholesale culling of its stores.
- **Mr Shoes**, the Norfolk-based footwear chain with 130 staff and £130 m sales, went into administration in June 2009. It was bought from the administrator by the former directors of Mr Shoes. Of its 23 stores, 14 will close (losing 80 jobs) and seven will continue.
- **Birthdays**, the 2000-employee greeting cards chain owned by Clintons, was put in administration in June along with Thorpalm Greeting Cards by its parent. Half its 332 stores were trading at a loss. Clintons had bought the chain in 2004 for £46 million. Clintons (the previous owner) surprisingly bought 196 stores from the administrator (1450 jobs), but the Birthdays head office and the other 136 stores closed immediately (750 jobs).
- **Bay Trading**, the loss-making fashion chain with 268 stores and 1000 staff (company name= Epcosan), was put into administration by owner, Alexon, following the withdrawal of credit insurance for suppliers. Alexon Brands has not been put into administration (fascias include Ann Harvey, Kaliko, Eastex and Alex & Co).
- **Hurrans Garden Centres**, more than 100 years old with 5 stores in England and Wales and sales of £3m, went into administration. Around 40 jobs have gone but the family is buying two of the centres to continue trading.
- **Treborth Garden Centre, Bangor**, one of the largest in the area has closed with heavy debts.
- **Nevada Bob**, the US golf specialist, saved 30 of its 37 European franchised stores by buying the UK company out of pre-pack administration. No, I had never heard of them either.
- **Quiz Retail's** 48 clothing stores were put into administration and bought on the same day by the family of the original owners using KAST Retail as their vehicle. 407 employees will transfer to the new company. The first Quiz store was opened in 1994 by Tarek Ramzan.
- **Smallbone**, homewares and furniture retailer, has been bought out of administration by Canburg. The company which includes Smallbone Devises and Mark Williamson Furniture employs 400.
- **Apollo 2000**, the Midlands' chain of 12 large gas and electrical stores based in retail parks, went into administration and the stores have closed. 280 jobs have gone. The company was part of the Cranham Group.
- **The name of 'Principles'**, the fashion retailer, has been bought with its stock from administration by Debenhams, the standalone stores have closed and only the concessions (in Debs) remain.
- **Diamonds and Pearls**, the jewellery chain with 300 employees and 91 stores went into administration in March 2009.
- **Clone Zone**, the gay retailer with 10 stores and a large internet operation, has gone into administration with debts of £1/2 million. It was quickly bought out of admin by Libertybelle UK (same directors as Clone Zone) and half of the stores have closed.
- **Greenwoods Menswear**, you know the traditional menswear store, went into administration and 87 of its 92 stores were bought by Harvest Fancy Hong Kong Ltd, with 550 jobs. HFHK is a subsidiary of Bosideng, one of China's largest retailers.
- **EBTM**, the music-oriented fashion e-commerce retailer, has put Mockingbird Distribution and Everything But The Music Limited into administration.

- **Mosaic**, the fashion group including Oasis, Principles, and Karen Millen went briefly into administration for re-structuring. Kaupthing (the now-nationalised Icelandic bank) swapped the debt owed it by Mosaic for equity and became the majority owner of the company, now renamed Aurora. 5% to 10% will be owned by the management team. Principles and Shoe Studio (combining several brands) are likely to be sold off, but Oasis, Warehouse, Coast and Karen Millen will remain. Some Mosaic stores will close and a larger proportion of concessions. In the late 80s-early 90s, Principles was the ace upmarket standard-bearer for the Burton Group, but it is now stuck in the middle and recent trading has been patchy. Shoe Studio's 300 concessions (but not its 11 stores) were sold to Dune, saving 1570 jobs.
- **Elvi**, fashion retailer for size 16+ women, has gone into administration for the second time in a year. 340 jobs are at risk.
- **Streetwise Sports**, 30-store chain of sportswear shops, was placed into administration in February 2009 as a result of a creditors' meeting. It had been bought from Sports Direct two months previously by Reiss and Mucklow.
- **Madhouse**, formerly Cromwell's Madhouse, 56 discount clothing stores aimed at the male adolescent, were put into pre-pack admin by owners Reiss and Mucklow and were immediately bought again.
- **Stylo**, owners of Stylo Shoes, Barratts Shoes and Priceless that employs 5,400 staff and more than one thousand stores, went into administration in February. Attempts to reach agreement with landlords that would have allowed all stores to continue trading (albeit at lower rents) failed. The new owner (Ziff etc) has bought 265 stores and concessions from the failed group, preserving 3000 jobs but losing 2000.
- **JJB Sports**, the sportswear company that has suffered a number of financial problems (including forgetting to tell its bankers it was about to breach its banking covenants) has now appointed administrators for its lifestyle division, Qube (13 stores) and Original Shoe Company (64 stores). It also hopes to sell its fitness clubs.
- **Baugur**, the Icelandic Group that controls or owns stakes in UK retailers including House of Fraser, Hamleys, Iceland, Mosaic and Mappin & Webb, filed for protection from its creditors in Reykjavik (version of Chapter 11) on 4 February 2009. Its main source of funds, the national bank Landsbanki (now under Government control), had refused further support. The UK chains continue to trade and are not themselves vulnerable, although new owners will be sought.
- **Blooming Marvellous**, the 14-store chain of maternity wear and accessories outlets owned by the Icelandic investment group Kcaj (managed by Arev), went into administration in January 2009. Kcaj has already pulled the plug on Hardie Amies and Ghost.
- **ProCook**, the kitchenwear chain that went bust last year and was resurrected by new owners, is to close its high street stores to concentrate upon its internet operation.
- **Stylo** subsidiaries trading as **Barratts and Priceless** shoe stores went into administration along with their property company in January, although Stylo PLC continues to function. There are 400 stores and 5,450 employees.
- **Sofa Workshop** with 30 stores, 170 employees and turnover of £30m went into administration on 23 Jan. Sales had plunged on the back of the drop in house sales. 10 stores were bought by a consortium, Erewash Upholstery Ltd, led by the firm's founder. The remaining 20 stores and HO are to close. Sofa Workshop had been sold to MFI in 2002. It was then bought by New Heights, which itself collapsed. MFI has also gone.
- **Empire Direct**, the £150 million electricals retailer went into administration on 19 January. It operated mainly online, but had 14 stores of which one-half closed immediately. Half of the 350 staff have been sacked. 5,800 customers had pre-paid, most by credit card, leaving possibly 1,800 who will not see the return of their money.
- **Land of Leather**, the furniture chain with 109 outlets and 800 employees, went into administration on 12 January 2009. It had looked for a purchaser in December, but pulled out as the offers were too low.
- **Viyella**, the 107-store fashion retailer originally founded in 1784, went into administration on 8 Jan 2008. There were 645 employees working in 41 standalone

stores and 63 concessions in stores such as HoF and Fenwick. Intellectual readers should note that the word 'Viyella' has been used to describe a certain fabric since the nineteenth century and refers to the mill in *Via Gellia* (Derbyshire) where the product was first made. The company's name and 50 stores (250 staff) was bought by Austin Reed to join Country Casuals in February.

- **Nearby Stores**, the convenience chain that ran 33 stores and 17 post offices in the South West under the NISA format, went into administration. Its annual sales were £25.4 million. It started a fire sale immediately and was sold off in sections, 13 stores going to Southern Coop.
- **Passion for Perfume**, the 44-store fragrance chain (t/o around £6m) founded by Brendan Flood (head of Modus), went into administration on 5 January, having made 185 redundant on 31 December. It has ceased trading although a buyer for the business is being sought.
- **Adams Clothing**, the Nuneaton-based childrenswear retailer employing around 3,200 people, went into administration on 31 December. It traded from 271 UK stores, 116 overseas stores (including India), and its Mini Mode clothing (a JV with Boots that is NOT in administration) is sold in 330 Boots' outlets. 111 UK stores were closed at the beginning of Jan 2009, with the loss of 850 jobs. It had been bought up by John Shannon (formerly Stead and Simpson) a couple of years earlier, at the end of several weakish years of trading, who bought it out of administration again in Feb 2009. A total of 147 outlets and 1300 jobs have gone.
- **Olan Mills**, the studio photographer (mainly baby and family portraits) with 34 stores, went into administration on 26 Dec. Half its stores were in Mothercare stores. All staff have lost their jobs. The group was rescued by a management buy-out a couple of years ago.
- **USC**, the 58-store branded casualwear fashion chain (1,400 staff) backed by Sir Tom Hunter, went into pre-pack administration on 29th December. Hunter's investment vehicle, West Coast Capital, immediately bought 43 stores (1,147 employees) out of administration, the remaining 15 stores are to close.
- **Zavvi**, formerly Virgin Megastore selling games, DVDs and music from 125 outlets, went into administration in December, losing 3,500 jobs. Like other high-street traders, its sales had been weak, it was adversely affected by internet downloads, and suffered from the failure of **Woolworths' EUK** (its wholesale supplier of new releases) a few weeks previously. Around 14 stores were bought by HMV, a few by other entertainment retailers, and around 5 by a management buy-out. The company Zaavi has now disappeared.
- **The Officers Club** went into administration in December, 32 of its 150 stores being closed immediately and the remainder being acquired from the administration by TimeC 1215 involving the chief executive. The new group will employ 990 people.
- **Whittard's of Chelsea**, the Centre for Retail Research's exclusive supplier of high-quality tea, went into administration on 23 December to be immediately bought by the Epic Group. There are 130 stores and 950 employees. Trading has been weak recently but the main problem was the fact it was owned by Baugur and backed by Landsbanki, the collapsed Icelandic bank, making it another victim of the credit crisis. Whittard continues to trade, but it is likely that Epic will consolidate Whittards with Past Times, another brand it owns.
- **Envy**, the 55-store menswear retailer, called in the administrators for the second time in 2008.
- **Max Spielmann** and **Klick photo-processing shops** went into administration in late Nov and 187 were bought by the Timpson shoe repair chain, saving 545 jobs. The previous owners of the group, Bowie Castlebank, had closed its dry cleaning operation and another 127 photo-processing outlets will close an overall loss of 1,100 jobs.
- **MFI** ceased trading altogether a few days before Christmas, closing 111 stores and 1400 staff losing their jobs.
- **Strategic Retail** placed three subsidiaries into administration in mid-December and suspended their shares "pending clarification of the company's financial position." The 51-store chain included homeware retailers **Fads, Leveys (Fads)** and **Textstyle World (Fads)**.

- **Allegra Hicks**, swish women's fashion brand sold online, in a London store and in Harrods and Harvey Nichols, went into admin in Nov 2008 and was bought one week later by A H Lifestyle and continues to trade.
- **Fabric Warehouse**, curtains and soft furnishings with 31 stores, collapsed in May. 10 stores were bought by Caldeira Retail, the others closed.
- **SPCK**, the 23-branch Church of England Bookshops, had been acquired along with the leases at concessionary rents in 2006 by two Texan millionaires (the Brewer Brothers) who trade as SSG, an Orthodox-Church charity. Since then it has been has been rapidly run down, with complaints of staff ill-treatment (staff sacked by email etc) and an illiberal policy about what could be stocked. The owners attempted to close down the UK chain in 2008 by applying for personal bankruptcy in the US courts. Their bankruptcy motion was *Dismissed With Prejudice* (i.e. it was NGB). It is difficult to know how many stores are still left operating or what is the position regarding liabilities, back pay, legal liabilities, etc. Some SSG stores still trade, but have no connection with SPCK. A poor outcome.
- **247 Electrical (aka Outkey Distribution)** has gone into voluntary receivership following the inability/'unwillingness' of a major supplier to provide merchandise. Much regret.
- **The Pier**, the rather strange and exotic homewares company with 31 stores and 17 concessions, went into Admin in the first days of December. It employs 400 with 57 at the HO, Abingdon. Icelandic owner Langerinn attempted to revamp the business and senior people left earlier this year. The stores closed by the New Year.
- **Woolworths**, the 820-store chain with 30,000 employees and sales exceeding £ 1billion was put into administration on 26 Nov 2008, along with EUK its entertainment business and the warehouse and logistics operations. The DVD publishing business - 2entertain - a joint venture with the BBC, reportedly worth £100m (we don't believe that either) may be bought by the BBC. The first FW Woolworth store was set up in Liverpool 100 years ago. The company's heyday was the period 1930-1956. In the 1930s, its more successful store managers were so prosperous they could drive Rolls Royces. It got into difficulties in the 1970s along with many other long-established retailers such as the Co-op, department stores, Burtons, and Bhs, but was sensible enough in the early 1980s to buy the relatively small DIY chain, B&Q before being bought out by a group of city institutions. They set about improving the Woolworth business and buying new retail chains such as Superdrug and Comet and, as the Kingfisher Group, had become stock-exchange darlings by the late 80s. Management were so successful that Joshua Bamfield (who updates this section) with David Williams were able to win the **European Case of the Year Award**, no less, setting us alongside INSEAD, IMD and ESCP who normally dominate such awards. The new business was split up and Woolworths was unable to find a role for itself. Its attempt to run a mixed economy internet operation failed and the product areas in stores lacked authority - which is to say that whilst you might go into Woolworths to find something, you would not try them first. Its suppliers lost their indemnity insurance cover for Woolworths and the company ran out to cash. But it is still a terrible shock - and terrible for people who work there and their suppliers.
- **MFI**, back in administration again in November, immediately closing 26 of its stores.
- **MK One**, the budget fashion chain, went into administration once more in Nov 2008. Mark Brafman, the original founder who had bought it from Hilco, left the chain in Oct and the new owner, Bali Singh, was attempting to reorganise the business when an unpaid supplier kicked it into touch. A week later, 85 of its stores (800 jobs) were bought by Internacionale Retail. The Head Office will be closed.
- **Ghost**, the 33-store fashion chain (formerly with Icelandic backing), went into administration late in October and was bought by Touker Suleyman, owner of Hawes & Curtis.
- **Celebrations Holdings**, the owner of 288-store chains (1,800 staff), such as Card Warehouse and Cardfair went into administration in October. It continues to trade as normal over Christmas, most stores being closed in January 2009, although 75 stores were bought by Card Factory in December.

- **Hardy Amies**, couturier high fashion and once dressmaker to the Queen with 6 stores, went into receivership in October. It had asked its major backer, Arev (linked to Icelandic private equity fund Kcaj) for extra cash.
- **Miss Sixty** (business name, Sixty UK), the youth-oriented fashion trade with 12 stores and other concessions, went into administration in October.
- **Joy**, a medium-sized fashion and homewares chain (company name, Maureen O'Brien), with 28 stores and 370 employees called in the receivers on the last day of September 2008. 12 stores (150 jobs) bought from administrators by Louche London.
- The management of **MFI**, the bathroom and home furnishings group with 2,500 staff and 192 stores, arranged a buy-out in September, did some reorganisation and put the retail and property divisions into administration at the beginning of October. Its previous owners MEP had bought the group in 2006 for £1. In the 80s, MFI was important enough to set ASDA-MFI - a new type of company covering both food and non-food.
- **Motor World**, the 237-store chain of car-parts and accessories, fell into administration following a "significant" downturn in retail sales.
- **Rosebys**, the home furnishings group and haberdasher, which has 2000 staff and 280 stores, went into administration in September. Rosebys' outlets at Glasgow Sauchiehall Street, Glasgow Forge, Dunstable, Basildon, Swindon, Brighton, Wood Green London, Sutton Coldfield, Oldham and Leicester were closed on October 2 and staff made redundant the next day.
- **Faith Shoes**, the shoe stores with 2000 jobs, went into receivership before being sold to a new group (men's clothing retailer Envy, owned by Kinnaird, and teenage fashion business Chilli Pepper, owned by Agilo). Kinnaird and the management own a majority of shares.
- **Jumpers**, the 40-store fashion chain (with 40 Irish concessions), went into administration in August.
- **Wrapit**, the online wedding gifts firm, went into administration in August after the collapse of talks to save the firm, which employs 100 people and has 15 showrooms dealing with 3,000 wedding lists a year.
- **Beds Direct**, with 42 stores went into administration in July and has been bought by its management. One-half of stores have been closed, but will continue to trade from the remaining stores and online.
- **Floors-2-go**, the wood and laminate flooring company with 137 branches, went into administration in July. The sliding housing market and a slump in do-it-yourself home improvements was blamed. 41 stores are to close immediately with 97 redundancies. The company was bought from the administrators by the Hodges family, the previous owners of the firm.
- **General Trading Company**, the famous Chelsea (London) department store with three royal warrants, went into administration in July 2008. The company was founded in 1920 and has an exclusive clientele. The company is trading as usual and it is hoped that a quick sale can be made.
- **ScS Upholstery Plc** lost part of its supplier insurance cover in June, suspended trading in its shares towards the end of the month, failed to find a buyer, went into administration in the first week of July and was bought by PPH Ltd, linked to Sun European Partners LLP. The company continues to trade from its 96 stores (1300 staff).
- **ProCook**, the kitchen equipment and cookware retailer with 39 stores went into administration in July. It was set up in 1993 and employs 261 staff. By the end of July, a management buy-in (backed by Ensco 688) had purchased the group, intending to keep all staff and stores.
- **Ilva**, the Icelandic-owned furniture retailer with three stores, which aspired to rival John Lewis by 2010, collapsed in June. It made a loss of £62 million on £26 million sales during 2006/7. The company had been sold in August 2007 to



Lagerinn (also operates The Pier). There were 400 employees. The stores were all closed in July when no buyer could be found.

- **MK One**, the value fashion retailer with 170 stores and 2,500 employees, was acquired by the turnaround specialist Hilco from Bauger in April 2008. Many of its invoices were unpaid and cheques sent to cover the Christmas period had been cancelled. The Company was put into administration three weeks later. MK One is likely to survive as a 80+ or 110-store company meaning that one third or more of stores will close. 100 of its stores were sold to Jet Star Ltd for £7.1m after a few days. Jet Star is connected to Mark Brafman, a director and shareholder in MK One before it collapsed in the mid-1990s.
- **New Heights**, the furniture chain started in 1999, ceased trading in May. It had 20 stores in locations such as Bath, Bristol, Cambridge, Reading and Nottingham. The owners bought Sofa Workshop (34 stores) in 2006, but their stores were unaffected by the news. Existing shareholders bought Sofa Workshop and five of the 'New Heights' stores which will be rebranded as Sofa Workshop.
- **Sound Control Group**, the largest UK musical-instrument retailer with 26 stores and sales of £60 million and 338 staff went into administration in May. It trades as Sound Control, Media Tools, Turnkey and Soho Sound House. Ten stores have already been closed with 163 employees made redundant.
- **Ethel Austin**, the Liverpool-based value fashion retailer with 2,800 staff and 300 stores, went into admin in mid-April. This retailer with around £150 million sales pa had been suffering for at least two years and for the last eight months has been very shaky indeed. Only a few days before, a refinancing deal for the business seemed in prospect. 33 stores closed immediately (265 jobs) and 180 head office jobs were also lost.
- **Ossian Retail Group**, owner of fashion group Internacionale and the Au Naturele homeware outlets, went into admin in April as part of a deal by new investor Agilo to break it up. There are 120 outlets, likely to be purchased by Edinburgh Woollen Mill, Poundstretcher and Bon Marché. B&M Bargains has already bought 30 Ossian stores
- **Farmers Hypermarket**, parent company of 'Farmers' City Market', went into administration in April owing £831,000.
- **FreshXpress**, the grocery retailer that emerged from the ruins of **KwikSave** last year, has gone into administration. What a surprise.
- **Toyzone Ltd**, the operator of 20 toyshops in the South East, South West/Wales, Yorks/Humber and NI, went into administration in April but was rescued by J A Magson (toys/stationery distributor). It has 200 employees. Its parent company, Youngsters, which also acts as a buying group for independent toy retailers, also went into administration.
- **Sleep Depot**, 100 units, 71 of which are concessions Land of Leather, went into administration in April.
- **Richleys Stewarts**, the Swansea-based value clothing chain of 29 stores, collapsed in March. Administrators have sold 15 stores that will continue to trade (132 jobs) although 137 jobs will disappear in the remaining stores.
- **Mexx**, the US-owned fashion retailer, is to close all its 61 stores by July, costing 300 jobs. This only affects the UK operation (leaving 6000 employees in 64 other countries). Mexx is a subsidiary of Liz Claiborne, but failed to perform against Zara and H&M. Its UK factory outlets will remain.
- **Select Retail**, the 250-store value chain selling women's fashion and jewellery, went into administration in February but an immediate management buy-out saved one-half the stores and 1,000 jobs.
- **Elvi**, the plus-size ladies' fashion chain with 28 stores and 63 concessions in Debs and HoF etc, went into administration in early February, and most of it was rescued a week later by mystery buyers.
- **Base Menswear**, boy's and men's clothing, put its 18 stores into administration in February. It is hoped that some debt reform and structural change may preserve the 100-year old business.
- **Sports Café**, the operator of sports themed bars in the UK, went into administration in Feb and its sites in Manchester and Liverpool have been sold. The rest of the chain will be sold as a going concern.
- **The Works**, the much-loved remaindered bookseller trading as The Works, Book Depot, Banana Bookshop and Art Depot, went into administration in February

2008. The company had 300 stores (1600 staff) and suffered from poor trading, partly caused by supermarket bookselling. In May, a management buy-in via Endless costing £17-£25 million bought the company.

- **Empire Stores**, the oldest UK mail-order company, has been bought by Littlewoods, which took over its order book and current assets in January 2008, closing down all its operations, 850 workers losing their jobs.
- **Stead and Simpson**, owners of Shoe Express, Lilley & Skinner, and Peter Briggs, did a quick shuffle in Jan 2008 to survive - thanks to Shoe Zone. Stead and Simpson went into administration, Shoe Zone immediately took over 300 stores from the 375 chain and Clinkards took over 25, meaning that perhaps only 500 out of 3000 jobs have been lost. The 25 factory outlets trading as Famous Footwear had been sold off to H Jacobson, the famous novelist, author of Coming From Behind and that one about table tennis as well as owning Gola, Ravel, Lotus and Frank Wright.
- **Dolcis**, the high-street footwear retailer with 1,200 employees and 185 stores and concessions went into administration in January 2008, 600 staff losing their jobs and 89 stores being closed immediately. It was bought from Alexon in 2006, but over Christmas its major backer, Epic Private Equity, pulled out. In Feb 2008, the brand-name, stock and trading rights for 24 stores were bought by Stylo and 42 stores were put on the market for disposal.
- **Card World**, the 27 strong card chain, went into administration in January.

In Administration 2007

- **Ponden Mill**, the home furnishings chain with more than 135 stores, went into administration in December 2007 one month after being bought for £6m by recovery specialist Hilco and hedge fund Agilo. Thirty-three stores have been sold to Instore, the owner of Poundstretcher, and six stores to Belfast-based retailer Bedeck.
- **Newsport**, a Scottish supplier of outdoor and snow sports equipment with 12 stores, went into administration in October. It is now owned by billionaire Mike Ashley.
- **ePlay**, the 123-store games chain, went into administration in Sept 2007.
- **RONIT ZILKHA**, the designer fashion retailer with five standalone stores and eight concessions, went into administration in September.
- **ChoicesUK**, the DVD retailer with retail, local and direct operations went bust in August. Its local and direct arms were sold to Findtel and Blockbuster bought 59 of its shops in September.
- **Kwik-Save**, the downmarket grocery chain, collapsed in July 2007. 90 stores were immediately closed and 1,100 people lost their jobs. The other 56 stores may be saved and rebranded as **FreshXpress**. In May/June 2007 it was in and out of court, fighting administration. It succumbed finally on 6th July.
- **Hawkeshead**, the clothing retailer rescued from bankruptcy in 2006, is to be broken up and sold off. It employed 400 staff, had 20 stores and T/O was around £25 million.
- **Fopp**, the 3rd largest UK music store, closed half its stores on Friday 22 June 2007 to carry out an urgent stocktake, announced a strategic review of the business, but went into administration a week later, blaming internet and supermarket sales of CDs and intense price competition. All 105 stores closed on 29 June 2007 and 700 staff lost their jobs. Fopp was a private company that had bought one-half of **Music Zone** a few months previously, which cannot have helped. **HMV** bought the name and some of its best stores over summer.



- **The Natural World**, the eco-gift retailer, has been unable to find a buyer since it went into administration in January.
- **Klaussner**, the furniture retailer with 29 stores and turnover of £27 million, went into administration for the second time in May 2007. 250 staff have lost their jobs. The sites are up for sale.
- **Only2**, the store chain set up by former Poundland boss that sold everything for £2, went into liquidation in April 2007. The six shops in Brierley Hill, Keightley, Swansea etc closed before Easter.
- **Elle**, the ladies fashionwear chain rescued from administration (as Actif) in 2006 and now operating as L Wear, went into administration again in March 2007, blaming cash-flow problems. 32 of its 40 outlets have been closed by the administrator and concessions in HoF have all closed. The business is likely to be sold by the Administrators in May in some form.
- **Ravel**: Goodbye Ravel. After five years of losses, Clarkes announced in May that it is finally closing the 50-store shoe chain that trades as Ravel.
- **Goodbye Robbs Department Store, Hexham**. Closing after 189 years of trading, its owners (Owen Owen) notified employees they had lost their jobs by sounding the fire alarm and holding an al fresco staff meeting in the car park.
- **Toyworld**, with 22 stores and 223 staff, went into administration in March 2007, blaming poor trading. The Company's parent is Youngsters.
- **Owen Owen**, which runs Lewis's in Liverpool, Esslemont & MacIntosh in Aberdeen, Robbs in Hexham (Northumberland), and Jopling's in Sunderland went into administration at the end of February. By May there was hope of reconstituting it as 'son of Allders'.
- **Filmnight**, the DvD rental business with 60 stores, was placed in administration. 14 stores have been purchased by Christopher Simpson.
- **David Flatman**, the discount book retailer that trades as Bookworld, Bargain Books and bw! went into administration in mid-February 2007. There were 50 stores (turnover £30 million) with 397 staff. Eight stores closed immediately with four more due to shut at the end of February.
- **Stationery Box**, the Warrington-based chain of 140 stationery stores, went into administration on 31 January 2007 blaming stiff competition from supermarkets and the internet. Theo Paphitis (*Dragons' Den*) had bought the company name and 61 stores only a few days beforehand.
- **Right Price Tiles**, the Swansea-based company with 53 stores, went into administration at the end of January. An earlier version of this company called Tiles-R-Us had done the same last year until being bought by the Irish concern, *Railway Tile Store* (note: imaginative company names in this sector of retailing).
- **The Peak Store**, a small walking/adventure clothing business with shops in Bakewell, Derby and Nottingham went out of business losing 30 jobs blaming mild weather, high costs and competition from multiples.
- **H Plumb & Son**, the Wigan-based electrical chain with 10 stores and 100 staff, is also in administration. It has closed 8 shops and dismissed three-quarters of the existing employees.
- **Greeting Card Group**, the second-largest UK greeting card store, went pop on 2 January 2007. It has 470 stores trading mainly as 'Cardfair' or 'Card Warehouse' and 2,500 employees. The turnover was £70 million.
- **Music Zone**, the independent music store chain, which sold itself as a cut-price alternative to Virgin and HMV, went into administration in early January affecting 1,100 staff and 103 stores. Fopp bought the company name, 67 stores, 3 warehouses before going bust themselves a few months later.
- **Little Chef**, the ubiquitous roadside restaurant chain with several previous owners, went into administration at the beginning of January 2007, having failed to obtain new funds over Christmas. 196 of the chain's 236 restaurants were later sold to a new owner in January, saving most of the 3200 jobs. The company is to be sold in July for £20 million the Benetton family (who own Autogrill in Italy).

Who Went Down in 2006?

- **Olan Mills Photography**
- **Glyn Webb**
- **Aftershock**
- **Ilkeston Consumer Coop**
- **MFI sold off** (see 2008)
- **Mikey Contemporary Jewellery**
- **PowerHouse electricals retailing**
- **Toymaster Kingdom**
- **Actif owner of the Elle brand in the UK**
- **Morgan UK Fashion Icon**
- **Miller Brothers electrical business**
- **Baron Jon menswear retailers**
- **Dewhurst Master Butcher**
- **Silverscreen**
- **Bewise and QS value fashion chains**
- **Sock Shop**
- **Capo Man & Woman**
- **Kookai**
- **MVC and DVD**

NEWS OF 2005

During 2005, the retailers that collapsed or went into administration included:

- Past Times
- Alders Department Store (Croydon store rescued by Jaeger and still bears the name)
- Unwins Wine group
- All:Sports
- Furnitureland
- The Sofa Company
- Ciro Citterio
- the Gadget Shop
- Index
- Etam
- Pilot Clothing