

CASE STUDY



Under NDA

Background

Hilco Capital has acted as the store closure partner to a prominent multinational fashion retailer for over three years, planning and managing all aspects of the company's closure events. To date, Hilco has operated 27 store closing processes across the UK and France.

Once a closure has been announced, Hilco guarantees the minimum recovery from liquidating all store inventory and advises on any additional parcels of inventory which can be sold through the closure programme. In each case, Hilco's retail team quickly deploys resources at store level and head office, coupled with bespoke signage and marketing collateral.

Hilco Capital's role

- Manage all aspects of the store closure process on behalf of the retailer
- Guarantee the minimum recovery achieved from selling the inventory
- Design and supply bespoke POS using the retailer's brand guidelines to emphasise urgency and maximise recoveries while preserving brand equity
- Honour any existing promotions that are running concurrently in the core estate
- Sell through all inventory in situ, controlling discounting cadence to maximise recoveries
- Sell any unwanted fixtures, fittings and equipment
- Leave stores in 'broom clean' condition

Results

- All closure events operated exactly to pre-agreed schedules
- All minimum guarantees met and sales and margin targets consistently exceeded
- All unwanted FF&E sold through the closure events
- Store void period at the end of the sale reduced from five working days down to two, reducing occupancy costs
- All stores handed back to landlords on time and in the agreed condition
- Successfully removed the distraction of operating profitable store closures from the retailer's management team, allowing them to focus on operating their core business

Key facts

27
stores closed
to date

2
countries and
languages

100%
MGs exceeded

3 days
removed from post-
closure void period

5 year
successful
partnership