

# DISTRESSED RETAIL VALUATION & DISPOSAL STRATEGY ADVICE

Upon instruction from Philip Watkins and Philip Armstrong of FRP Advisory Trading Limited, the Joint Administrators of Diane Von Furstenberg Studio UK Limited who were appointed in May 2020 during 'lockdown', Hilco Valuation Services Europe provided valuation and disposal strategy advice for the stock and assets for the UK entity.

A full stock take was undertaken with stock being located at the Mayfair, London store, third party storage facilities and at a designer outlet. As a result, we proposed different sale strategies which respected each site and its challenges.

Once all non-essential retail outlets opened again in England, we agreed new, more favourable trading terms with the designer outlet and repatriated the stock from storage to the Mayfair store.

Due to the low Mayfair area footfall conventional retail trading was problematic under these circumstances so our team proposed working with a known pop-up store operator. As a result, the stock was relocated to Covent Garden which had increased levels of retail activity. We had an existing relationship with the pop-up operator who had conducted previous sales of luxury ladieswear on our behalf with great success.



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This context aligned with our sales and discount experience ensured the sale of all stock hitting our valuation milestones within a four-week period.

Stock also sold successfully through the Designer Outlet with constant monitoring to maximise values.

"This case demonstrated how using our experience of distressed stock sales ensured we were able to manage multiple disposal streams and maximise the value of the stock in one of the most challenging retail environments for generations."

Peter Atkinson, Managing Director,  
Hilco Valuation Services Europe

"Due to Covid restrictions we were unable to attend the sites and relied on the Hilco team to manage in store issues and assist with the stock at the remote sites. They provided multiple disposal options with recommendations that were robust and executed expediently, resulting in recovery values as per their proposals".

Simon Baggs, Director,  
FRP Advisory Trading Limited