

Most local Whitehall Jewellers stores sold



August 23, 2008

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Most Whitehall Jewellers stores in the Chicago area, including a store at Water Tower Place, are being sold to Michael Hill International, an Australian specialty jewelry retailer, according to media statements and reports Friday.

Michael Hill International's \$5 million purchase of 17 Whitehall Jewellers stores marks Michael Hill's entry into the U.S. market. The purchase price reflects 80 cents on the dollar for Whitehall's inventory, according to a report by National Jeweler Network.

Chicago is a good market for a newly arrived retailer, partly because of the geographic time overlaps between Chicago and Australia and because Chicago is a "non-coastal, dense, sophisticated metropolitan hub that a lot of retailers consider a good mix," said Chris Ellis, a partner with Boston-based investment banking firm Consensus Advisors, which is representing Michael Hill in the United States.

The Michael Hill jewelry company operates 210 stores in New Zealand, Australia and Canada.

Whitehall filed for bankruptcy protection June 23 and was slated to start liquidation sales. Any Whitehall stores that remain unsold are expected to complete their liquidation sales shortly after Christmas.

Of the 17 Whitehall stores, 15 are in and around Chicago (see list below). The other two are in Missouri.

Whitehall's bankruptcy petition listed assets of \$207.1 million against debt of \$185.4 million. Whitehall's 373 stores in 39 states include 78 purchased in April in the Chapter 11 liquidation of Friedman's jewelers.