

HMV owner finalising deal to save majority of Wilko stores

Thousands of jobs could be saved at collapsed retailer Wilko as the owner of HMV finalises a deal to buy hundreds of stores.

A bid to buy the entirety of the business fell through on Thursday, leading to the first wave of redundancies affecting support centre and warehouse staff.

But administrator PwC said that discussions have continued with parties interesting in buying parts of the business.

It is understood that Doug Putman, a 39-year-old Canadian businessman who owns music retailer HMV in the UK and Toys R Us in Canada, has emerged as the front-runner for a last-minute rescue deal.

He is understood to be considering acquiring around 300 of Wilko's 400 stores, which would mean that 8,000 to 9,000 of the current 12,500 staff could have their jobs protected if the deal goes through.

Mr Putman's retail group Sunrise Records swooped in to buy HMV in 2019, safeguarding nearly 1,500 staff after acquiring 100 stores across the UK.

However, many jobs are still at risk as the future of Wilko hangs in the balance.

PwC confirmed that 269 support centre workers and warehouse workers in Worksop – where it has its head office – and Newport will have their last day with the business on Monday.

And there will be further redundancies across the two sites from early next week.

Exact numbers have yet to be confirmed but it is thought that around 1,600 people work across the warehouses and support centres.

The GMB union, which has about 3,000 members who work for Wilko, said that a bidder, reported to be M2 Capital, had not submitted the evidence needed by a Wednesday evening deadline to show it could viably buy the business.

It meant there were no remaining suitable offers to buy the group in its entirety.

The trade union said it was "leaving no stone unturned" when it comes to saving jobs, but that it "simply could not reverse the years of mismanagement under the recent regime".

Wilko collapsed into administration earlier in August after managers failed to revive the business through cost savings and a turnaround plan over the past year.

Stores have remained open while the retailer searches for a buyer.

PA News said Mr Putman could not be reached for comment, and PwC declined to comment.