

'Hope' for ailing high street chain as union says firms 'interested' in purchase

There are “genuine grounds for hope” for the future of high street retailer Wilko, according to the GMB union, after the company entered administration, endangering 12,500 jobs.

The union met with administrators PwC as part of the formal consultation process and confirmed there had been “expressions of interest” from prospective buyers.

Those potential purchasers are considering taking over “at least some parts” of the discount homewares and household goods business, the GMB national secretary, Andy Prendergast, said.

“These are still at an early stage, but means there are genuine grounds for hope.”

A [deadline of Wednesday](#) this week had been set to put forward offers for the company after its [collapse into insolvency](#) last week.

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What happened to Wilko?

The chain employs around 12,500 staff who have been kept on and continue to be paid as the 400 shops are trading as normal.

GMB said this will continue while the consultation process is ongoing.

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A takeover of the whole business is understood to be unlikely, though a number of discount retailers and financial investors are considering offers.

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The threat of collapse had been hanging over Wilko, and intensified when the company [filed a notice of intention to appoint administrators](#), giving it 10 working days of protection from creditors.

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It had been [hoping to be bought](#) and [took on new investment](#) to avoid administrators coming in.

The family-owned company, established by the Wilkinson family in 1930, had been looking for new investment with PwC for several months.

Like many other high-street retailers, Wilko was struggling with [inflation](#) and supply chain challenges.

It had been seeking to finalise a company voluntary arrangement (CVA) – a system that would have triggered rent cuts at stores and avoided any closures.