

Joules and The Garden Trading Company on brink of collapse with 1,600 jobs at risk

The parent firm of fashion retailer Joules and The Garden Trading Company is on the brink of collapse after a failure to secure new investment, it has been announced.

Joules Group, which has around 1,600 staff, revealed it was to file a notice of intention to appoint administrators and had requested the suspension of trading in the company's shares.

"On 7 November 2022, the company announced it was in advanced discussions with a number of strategic investors to provide a cornerstone investment in an equity raise process," its statement said.

"The company also announced it was in discussions regarding a bridge financing proposal in order to enable continued progress to be made with the re-financing plans referred to above.

"The board confirms these discussions with various parties have not been successful and have now terminated."

The Leicestershire-based group said it was taking the action to protect its creditors.

It has been struggling against the backdrop of rising costs and flagging sales as consumer budgets are squeezed by the highest [inflation](#) for 40 years.

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Its imminent demise follows that of [Made.com](https://www.made.com), the online-focused furniture brand, last week with the loss of almost 600 jobs.

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Made.com collapsed last week with the loss of hundreds of jobs. Joules – famous for its wellies – has more than 130 UK stores and a handful of concessions but also operates in Europe and the United States.

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The Garden Trading Company, which sells outdoor goods online mainly but also through stockists, was bought by the group last year.

The company had been racing against time to secure more cash before a deadline to make a loan repayment of £5m at the end of the month.

It had been talking to several investors, including Tom Joule, who founded the business at a country show in 1989, but could ultimately find no agreement on the proposed cash call or bridging loan.

Mr Joule remains chief brand officer at Joules.

Financial analysts said there was likely to be strong interest to snap up the company's two strong brands though it remained

to be seen whether any new owner would want to retain the bulk of the group's workforce in the tough economy.