



GardenShop

Full Restructuring Process

GardenShop had five stores in the retail industry and was making significant losses. Metis was mandated to review the business and prepare a turnaround plan. Subsequently requested to assume management control. Closed unprofitable locations, replaced the management team, reviewed strategy and ultimately restored business to profitability.

Project Summary

Client	GardenShop Proprietary Limited
Structure & Presence	South Africa – five stores across Gauteng province
Industry	Retail (plant nurseries)
Start Date	July 2017
End Date	June 2021
Transaction Highlights	Restructuring of the company's balance sheet; repayment of short-term loans and overdue creditors; successful preparation and implementation of a strategy to turn the business around which returned the business to profitability

Overview of the entity / business:

- The GardenShop consisted of five stores within Gauteng, South Africa, which supplied gardening products to meet all home and business gardening needs with a focus on up-market clientele. The outlets sought to create a unique environment for families and customers to enjoy the environment, gardens, restaurants and children's play areas.

High-level scope of services:

- Operational business turnaround
- Take over of the management of the business – recruited new management team
- Addressed external bank debt and long overdue creditors through funding
- Raised short-term funding through shareholders (all of which was later repaid through profitable trading)
- Negotiated settlements with outstanding creditors
- Closure of loss-making stores
- Renegotiated leases for the remaining stores

Result:

- Returned the business to profitable trading
- Cleared bank debt and all outstanding creditors
- Reduced head office costs, restructured the management team and saved c.100 jobs