Fenwick family seeks £500m sale of Bond Street store

By Sandra Halliday - 7 February 2022

In what could have a major impact on the central London department stores mix, the Fenwick family is reportedly seeking to sell its Bond Street flagship store for redevelopment.

It's unclear whether that means an end to department store retailing on the site or whether developers would make the most of the existing planning permission the company has. The Bond Street store has permission for four floors of offices above the 131-year-old building.

The Sunday Times reported that the site is on the market for £500 million “after a plan to sell the entire chain was scuppered by the pandemic”. But a source also told it that he believes the family wants to carry on trading from the
scuppered by the pandemic”. But a source also told it that he believes the family wants to carry on trading from the
store, despite the problems of the past few years and the scrapping of VAT-free shopping for foreign customers.

Yet the newspaper also added that former chairman Mark Fenwick is marketing the site as a redevelopment
opportunity.

The store covers a huge site on the corner of New Bond Street, not far from Oxford and Regent Streets. The price
looks to be a fair one given the values of properties in the area and its size.

The newspaper said that potential buyers are believed to include luxury giant LVMH — fresh from its La
Samaitaine redevelopment in Paris — and Sir Stuart Lipton, who was behind the Broadgate development in the
City.

It was also reported that the department stores group was set to be sold as a whole to Central Group just before
the pandemic struck. But the global health crisis derailed that deal. Central has recently acquired Selfridges in a £4
billion joint venture.

Fenwick’s HQ and national flagship is in Newcastle, where the group was founded back in 1882. But the Bond
Street site is its most prestigious location where, pre-pandemic, it was able to reach the lucrative international
tourists who flocked to the street. Its only other London store is a suburban one in the Brent Cross mall.

The decision to sell is perhaps understandable given that those international high-spenders haven’t yet returned
en masse and getting back to normality is still some way off. Fenwick has faced plenty of challenges in recent
periods and suffered badly from being a late adopter of online retail.

Half a billion pounds would certainly go a long way to making up for its recent losses and provide cash for its
pension fund deficit. But the newspaper said that the asking price has put off some potential
buyers. Fashionnetwork.com has contacted the company for comment.

And redevelopment would certainly be interesting as space for department store retailing has dwindled in the West
End recently. We’ve already seen John Lewis gaining planning permission to re-develop its upper floors on Oxford
Street into offices and M&S has development plans for its Marble Arch branch. Oxford Street has lost the House of
Fraser and Debenhams department stores. And around the corner in Regent Street, Liberty downsized several
years ago.

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