

<http://www.couriermail.com.au/business/collapsed-retailer-bubs-baby-shops-owes-creditors-32-million-and-customers-are-paying-a-high-price-for-layby-items/news-story/00fc1828c774c3a0c385e5c89aca9a14>

Collapsed retailer Bubs Baby Shops owes creditors \$3.2 million and customers are paying a high price for layby items

Stephanie Bennett, The Courier-Mail

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TRADE creditors are owed approximately \$3.2 million from Bubs Baby Shops Group as investigations into the demise of the Queensland-based retail group continue.

Administrators Chris Cook and Simon Cathro from Worrells Solvency have already closed five of the retailer's eight stores.

The Maroochydore store on the Sunshine Coast will close its doors on Sunday while the Fortitude Valley and Aspley stores in Brisbane remain open and selling stock at reduced prices.

The first meeting of creditors was held on Tuesday and Mr Cook said the administrators were still trying to determine how much each creditor was owed and calculate employee entitlements.

Bubs Baby Shops, owned by businessman Guy Hinze – the brother of supermodel Kristy Hinze and grandson of former Queensland politician Russ Hinze – had been operating for 17 years before entering voluntary administration on August 17.

Since then customers, including many expectant parents, have flooded the group's Facebook page which is still operating, though the company's website and phone lines have been shutdown.

Last week many customers were contacted by Worrells regarding their laybys, with most given the option of paying more than was outstanding or forfeit their deposits.



Rachael Williams with her seven month-old daughter Edith outside collapsed retailer Bubs Baby Shops. Picture: AAP/Claudia Baxter

One customer told The Courier-Mail she was given the option of paying \$600 extra on top of the remaining amount of her layby, or forfeit her \$1000 deposit.

Mr Cook said the majority of layby customers had chosen to complete their purchases for the revised amount.

“Our offices have received over 1000 customer inquiries about laybys, many of which are (from) expectant families,” he said.

“The Bubs’ staff have been instrumental in ensuring that store operations have continued. We’re incredibly grateful to the staff for their ongoing courtesy and compassion for customers in the face of some highly emotional and stressful situations.”

Worrells said the legal position on customer laybys was a complex area, and each transaction was required to be assessed under different conditions and provisions.

Customers with unfulfilled layby purchases could lodge a proof of debt.

Worrells said there had been some interested parties which had expressed interest in the Bubs Baby Shops Group’s assets, and that these parties would be provided with an information memorandum.

The second meeting of creditors will be held on September 21.