

matt
taylorBrum boasts a
diverse culture

I've always known that Birmingham isn't s**t (as the well known website 'Birmingham: it's not s**t' states), but on Monday I was convinced of this fact by one of the city's biggest advocates – Helga Henry from Fierce Earth.

Helga, who is also chairman of creative industries lobbying group Creative Republic, was speaking at a Birmingham Future lunch, and listening to her wax lyrical about city's creative and cultural offer really cemented my view that Birmingham is a city with plenty to shout about and be proud of.

Now, I would consider my knowledge of the city to be fairly good, but I was somewhat surprised – and slightly embarrassed – to discover that actually there was quite a lot that I didn't know about Brum.

For example, I didn't know that St Paul's Gallery currently has one of the largest exhibits of album cover artwork in the world or that the first user generated movie, *Faint Heart*, supported by Screen West Midlands, was produced in the region. Nor was I aware of other award-winning projects, such as theatre group Stan's Café, or the Flatpack film festival, which will be staged in Birmingham in March. And then there's the imaginatively titled 'Stitches and Hos' knitting club at the Hare & Hounds pub in King's Heath.

I admit that knitting or album artwork may not be everyone's cup of tea, but neither is ballet at the Hippodrome or a classical music concert at Symphony Hall. And that's the point. Birmingham has something for everyone.

The city's creative and cultural offer is as rich and diverse as its population; you just have to be prepared to delve a little deeper, and in most cases venture outside the confines of the city centre.

For those that do, there is a whole new world of weird and wonderful things to see and do right on your doorstep.

My eyes have certainly been opened and I hope that after reading this many others will be too. But if my words can't convince you, go and discover Birmingham's alternative creative and cultural scene for yourself.

To return to my opening statement, Birmingham is definitely not s**t. The challenge is making sure that everyone knows this.

Matt Taylor is an account director at Headline Communications and chairman of Birmingham Future

Icelandic group could
trigger retailer fire sale

RETAIL

RUSSELL LYNCH

A major shake-up on the UK high street is looming as doubts grew over the future of Icelandic retail investor Baugur.

Baugur, which owns stakes in a raft of UK retailers such as Hamleys and House of Fraser, is to seek protection from creditors after talks failed with Icelandic bank Landsbanki over restructuring its £1 billion debt burden.

The woes of the firm are likely to trigger a fire-sale of its UK retail assets as it desperately attempts to raise cash.

It is exposed to a weakening UK high street and its problems were compounded by the crisis which saw the nationalisation of Iceland's major banks last October.

“The difficulties that Baugur faces do not affect House of Fraser's trading or banking position

DON MCCARTHY

Private equity firms such as Alchemy are said to be interested in parts of Baugur's empire assets, while Bhs and Top-Shop billionaire Sir Philip Green could also enter the fray.

Retail expert Nick Bubbs, an analyst at Pali International, said large swathes of the high street may change hands as Baugur is forced to stump up cash to repay its debts.

“Baugur has no choice – it has to repay the banks and they are driving it,” he said.

“There should be enough interest in most of its chains to attract buyers, perhaps from private equity firms,” he added.

Baugur has applied to enter the “moratorium” process in Reykjavik – which offers protection in a similar fashion to Chapter 11 bankruptcy procedures in the US.

Landsbanki also yesterday filed a petition to place BG Holding – which owns its UK assets – into administration under PriceWaterhouseCoopers.

Baugur has majority stakes in fashion



It's business as usual for the House of Fraser

chain Whistles and toy store Hamleys as well as minority shares in a host of others. It owns 34 per cent of House of Fraser, 14 per cent of Iceland and 36 per cent of fashion label All Saints.

The firm's interests also include other names including Coast, Karen Millen, Oasis, Principles, Warehouse and Shoe Studio through a 49 per cent stake in operating company Mosaic Fashions.

It also holds equity stakes in listed retailers including French Connection, Moss Bros and department store chain Debenhams.

Baugur said it had taken the action “in order to protect the group's assets as well as the interests of all creditors”.

A Landsbanki spokesman said: “Our discussions with the Baugur Group did not produce any acceptable proposals, so we have taken steps to protect these valuable assets.”

“We intend to work with management of the companies to maximise the long-term value for all stakeholders.”

Baugur invests in companies which employ around 50,000 UK staff but many firms in which it invests were quick to stress that day-to-day business would be unaffected despite possible stake sales.

House of Fraser said the board sympathised with Baugur's plight, but added that the firm was a minority shareholder

“with no impact on the strength of the business, or its day-to-day operations”.

Don McCarthy, chairman of House of Fraser, said: “This is sad news. However, we can only continue to emphasise that the difficulties that Baugur faces do not affect House of Fraser's trading or banking position. It is business as usual.”

A spokeswoman for Mosaic Fashions said Baugur's move “will in no way affect the future strength of the group or the operations of the business”.

Mosaic Fashions is funded by fellow Icelandic bank Kaupthing. Discussions over long-term funding from Kaupthing are “progressing satisfactorily”, the company added.

Why did Woolworths directors not stop trading earlier, creditors ask administrators

RETAIL

Creditors to Woolworths have called for an inquiry into why its directors did not stop trading the retailer earlier.

Administrators Deloitte agreed at a meeting of creditors yesterday to look into whether the high street chain should have stopped trading sooner before its collapse.

A spokesman for Deloitte said that the move came as a response to the credi-

tors' request, rather than because the administrators had any reason to suspect that something was amiss. Joint administrator Neville Kahn said: “Creditors could see it was making a loss and some asked why wasn't it stopped earlier. We're going to investigate that.”

“More than one creditor asked us to make sure we looked at that position.”

About 50 creditors of the high street retail business attended the meeting while 40 attended another for creditors

to Woolworths' distribution arm Entertainment UK. Of all the creditors, Deloitte said six primary lenders – including banks such as GMAC and Burdale – were expected to be repaid the full £335 million owed to them. But it is unclear how much the next-in-line secured creditors – two hedge funds owed £36 million and pension fund trustees due about £63 million – would receive.

Meanwhile, unsecured creditors such as trade suppliers and staff claiming

redundancy payments are unlikely to be paid any of the £1.1 billion owed them.

Staff can apply for statutory redundancy pay from the government but this leaves them with a shortfall compared to what they would have received from Woolworths before its collapse. They will, however, be paid the £5 million owed them in holiday pay, Deloitte said.

Woolworths went into administration late last year after plunging sales and mounting debts, costing 27,000 jobs.

Deloitte were appointed as administrators in November after efforts to rescue the business failed. Deloitte failed to find a buyer and launched a closing-down sale in December, with the last of the 807 stores closing in January.

On Monday it was announced that the Woolworths brand would be relaunched as an online store after the name was bought by Shop Direct, the UK's biggest internet and home shopping retailer which also owns Littlewoods catalogue.