Whitehall Jewelers to Hold Liquidation Sale

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National retail liquidation and asset recovery firms will manage a court-ordered bankruptcy liquidation sale of Whitehall Jewelers Holdings, Inc., which operates 373 specialty jewelry retail stores. The sale, which will begin Wednesday, was ordered by the bankruptcy court as a result of Whitehall's Chapter 11 filing in June.

The firms who will manage the liquidation are: Silverman Jeweler Consultants, Inc.; Hudson Capital Partners, LLC; Great American Group, LLC; and Gordon Brothers Group, LLC. The announcement was made in a joint statement by the liquidation firms Tuesday.

Inventory will be liquidated at below market prices, in a sale that is expected to last approximately four and a half months, according to the statement. Merchandise to be sold will include a selection of diamonds, gold, precious and semi-precious jewelry and watches. The liquidation sale will involve 373 Whitehall store locations in 39 states, including 78 retail locations that were acquired in April 2008 from Friedman's Jewelers.

"The Whitehall liquidation was ordered after exhaustive efforts to sell the specialty retail chain or obtain fresh equity both proved unsuccessful," said Harvey Yellen, chairman of Great American Group. "As Whitehall has been a leading specialty retailer in fine jewelry for more than a century, it is unfortunate that a brand with such strong heritage has to be liquidated."

Great American Group, Hudson Capital Partners, and Silverman Jeweler Consultants also recently managed the successful liquidation of Friedman's Jewelers.

"We're currently experiencing the most active period of liquidation sales in 10 years, due to a combination of consumer cut backs on peripheral spending, tightening of retail lenders and a change in bankruptcy code," said James L. Schaye, president and chief executive officer of Hudson Capital Partners. "Whitehall, which represents the latest jewelry retailer effected by this combination, has long been a landmark for consumers who appreciate high quality fine jewelry. The liquidation sale will provide a final opportunity to take advantage of great product at extraordinary value."

Whitehall Jewelers Holdings, Inc. and its operating subsidiary Whitehall Jewelers, Inc. have been operating under Chapter 11 of the Bankruptcy Code since June 23 (U.S. Bankruptcy Court, District of Delaware, Case #C8-11261 (CSS)).

"Whitehall has a fine reputation, and we will work to make the sale successful for all parties involved," said William Weinstein, principal of Gordon Brothers Group.