

CASE STUDY: ROBINSON & CO Jeweler

CASE STUDY: Robinson & Co Jewelers-Implementing Retirement Sale as a Profitable Exit Strategy

The Client

Robinson & Co, founded in 1888, was an 117 year old Boston jeweler that had substantial shareholder value in the company's fine jewelry, watch, and gift inventory. This value was, in part, the consequence of retained earnings that had been continuously reinvested in the business over decades of operations and partly because of asset appreciation in the face of escalating precious metal and diamond prices. In addition, shareholders had undervalued real estate on the books, such as the company's prime, street location in the Jeweler's Building situated in downtown Boston, MA.

Now, Robinson & Co family owners were anxious to execute an exit strategy that would unlock the potential value in the company's inventory, while facilitating the pending sale of the company's real estate to an outside investor.

The Gordon Company Assignment

- Liquidate the Robinson & Co inventory, maximizing shareholder value
- Complete the retirement sale during the summer to meet the schedule sale of the company's real estate closing transaction in the fall

The scope of The Gordon Company's assignment included:

- Developing a retirement sales and marketing plan tailored to the downtown Boston consumer market
- Preparing an integrated business plan, including sales budget, media plan, and resource plans for the retirement sale that targeted local consumers as well as summer tourist traffic to maximize store traffic
- Recommending an optimum pricing strategy to maximize the liquidation of the company's inventory taking into account, Boston's highly competitive downtown retail market
- Designing custom creative material targeting street traffic in downtown Boston, with specific focus on tourists
- Assisting Robinson & Co owners with staffing, implementation, and control of the liquidation sale in order to optimize results

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Considerations:

- Downtown Boston is a highly competitive market
- Summer was not an optimum time to execute a retirement/liquidation sale in the highly urbane Boston market
- Time was of the essence. The retirement event had to be completed before fall so the real estate deal could close
- Preservation of the Robinson & Co reputation for value and integrity was paramount to owners and shareholders

The Gordon Company Solution and Accomplishments:

- The Gordon Company designed and developed an innovative, “street theatre” marketing plan to communicate the retirement event to local downtown consumers and tourists that consisted of unique communications tools like passing out handbills and distributing bottled water with the sale message, all tied to Boston historic themes
- The Gordon Company media-advertising plan used “out of the box” thinking, targeting print advertising to the local financial district, rather than using traditional, more expensive and less productive daily newspapers
- The Gordon Company’s solution maximized the return for the Robinson & Co family, while preserving the company’s reputation for value and integrity in the Boston community. According to Mark Robinson, “My biggest concern going into this project was that the business had been in my family for over 100 years and the reputation of our family business means everything to me. The Gordon Company team made sure that everything was done properly and above board”
- The retirement event was completed on time and within budget