

CONSUMER ELECTRONICS

Vertu cuts 200 jobs amid manufacturing liquidation

July 13, 2017



Vertu Constellation phone. Image credit: Vertu

By STAFF REPORTS

British mobile phone manufacturer Vertu is liquidating its production arm following the failed attempts of its new owner to turn the company around.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

Earlier this year, the technology company was sold to its fourth owner, Baferton Ltd., in a \$61 million deal. Facing increasing pressure and competition from other companies, Vertu had recently seen financial struggles.

Turn around plan

In March, Vertu was bought by Baferton, an investment company is headed by Turkish businessman Hakan Uzan.

Vertu's owner planned to heighten the brand's global presence, updating its operations without losing sight of its heritage and craftsmanship. Among the slated releases were plans to roll out new concierge services and lifestyle products.

The phone brand also linked with TCL Communication in June, entering its first partnership since Vertu was bought by Mr. Uzan. The partnership with Internet service provider and mobile phone manufacturer TCL Communication, worth \$40 million, was to see Vertu use the Hong Kong-based company's technology in 30,000 phones ([see story](#)).



Consumers pay up to six figures for Vertu's handcrafted phones. Image credit: Vertu

Mr. Uzan had intended to bring Vertu out of administration by paying 1.9 million pounds, or almost \$2.5 million. However, in court, this plan failed due to concerns over the 128 million pound, or \$165 million accounting deficit, according to [The Telegraph](#).

Vertu's manufacturing capabilities are now being liquidated, with the company set to lose almost 200 jobs.

The mobile phone company, which produces multi-thousand-dollar handcrafted devices, had recently struggled as it faced more competition in the space.

For instance, Brikk offered the ability to outfit an iPhone in 24-carat gold or platinum, while By Atelier's iPhone cases made out of precious leathers. Competing for the same consumer as Vertu, By Atelier spurred purchases around the iPhone 6 with an offer for complimentary concierge service ([see story](#)).

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.