

RETAIL

US department store chain Lord & Taylor and its Le Tote parent file for Chapter 11 bankruptcy

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Lord & Taylor's flagship building was sold to shared-space WeWork. Image credit: GlobeSt

By LUXURY DAILY NEWS SERVICE

Lord & Taylor, the oldest U.S. department store chain, and its Le Tote parent became the latest victims of the pandemic lockdowns by filing for Chapter 11 bankruptcy.

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The retailers join a list of U.S. retailers that includes department store chain Neiman Marcus, along with a host of other non-luxury merchants such as J. Crew, Brooks Brothers and J.C. Penney that have gone bankrupt.

Two Englishmen in 1826 founded Lord & Taylor in New York.

Retail detail

Lord & Taylor has \$137.9 million in debt at the time of the Chapter 11 filing in Richmond, VA. The company had 38 stores and 651 employees at the time of the filing.

For many, the fallout from the COVID-19 lockdowns was the straw that broke the camel's back.

Lord & Taylor's stores had to close temporarily due to national lockdowns that ordered residents to stay at home.

Le Tote bought the rights to the company's stores, brand and ecommerce site from Hudson's Bay Company, which owns department store chain Saks Fifth Avenue.

Per the deal, Hudson's Bay Co. agreed to cover Lord & Taylor's rent for three years. This saved Le Tote \$58 million a year.

Based in San Francisco, Le Tote is a fashion rental service.

The company planned to trim the number of Lord & Taylor stores, targeting younger women with beauty subscriptions, rental drop-off points and try-on studios.

Le Tote's court filing showed that its companies last year recorded sales of roughly \$253.5 million.

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