

New owners for Toys R Us and Reggie's

Toy and baby retailer Redwoods (Pty) Limited, owners of Toys R Us and Reggie's stores, has been sold to Durban-based businessmen Christian Larsen and Mohsin Mia. The company was sold as a going concern by Maurice Sacher and Issy Zimmerman who each owned 50% of the business.

The sale, for an undisclosed amount, was concluded after five months of negotiations. The new owners take over a business consisting of 65 stores countrywide as well as Reggie's and Toys R Us online stores.

"We have built a very successful business which is profitable but we feel it is time for us to enter a new phase in our lives and pursue other interests. There are no immediate changes forecast for staff or systems," says Zimmerman.

He said Mia and Larsen are a perfect match for the business with strengths in logistics, sourcing and licensing, having been in the wholesaling of toys and baby products for nearly 13 years. They were the largest local supplier to Redwoods in 2011. They have however on-sold their wholesale toy and baby business to a German toy manufacturer who is seeking a foothold into Africa.

"They will add tremendous value to the supply chain and further enhance profitability of the Toys R Us and Reggie's brands."

Zimmerman said the transaction has been approved by South Africa's competition regulators and brand owners Toys R Us International.

The new owners envisage an aggressive store roll-out into Africa and a revamp of the store formats including the introduction of smaller versions for convenience.

The effective ownership and control was officially passed onto the new owners on 1 December 2012.

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