# HMV to close Canterbury store amid revised retail strategy



HMV, a significant name on the British high street, is set to close its store located in Whitefriars, Canterbury, on Monday, March 24. This decision is part of a revised retail strategy following the budget outlined by Shadow Chancellor Rachel Reeves in October. The budget has prompted HMV to halt its expansion plans for the time being, primarily due to anticipated rises in wage costs that are set to take effect in April.

Previously, HMV had intentions to open ten new stores as the company sought to navigate the challenges posed by the rise of digital music consumption. However, the adjustments following Reeves’s budget, which includes an increase in the national living wage and higher contributions to employer national insurance, have led HMV to reassess its growth strategy. Phil Halliday, the Managing Director of HMV, expressed his frustrations regarding the current circumstances: “Growth is great but we are just about covering cost increases, it is quite frustrating at times,” he stated while speaking to the Guardian.

Despite a recent uptick in sales, registering a growth of 6.5% last year and achieving a turnover of £189.6 million, HMV’s financial health remains a concern. The latest accounts reveal that the company's pre-tax profits have fallen by more than 6% to £4.9 million, indicating that while sales have increased, converting that growth into profitability is proving to be a challenge. Halliday has indicated that he believes the government should promptly implement planned business rate relief, which is expected to assist stores with a rateable value under £500,000 starting from 2026.

Criticism of Reeves's budget has emerged from various business leaders, who argue that the financial pressures resulting from wage increases will adversely affect many retail operations. With HMV once considered a stalwart of the British high street, the chain now confronts a period of adjustment as it navigates the shifting landscape of retail and the increasing dominance of digital alternatives.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://hmv.com> - This URL supports HMV's presence as a significant retailer in the UK, offering various products and services. However, it does not directly address the specific claims about store closures or financial strategies.
* <https://www.kentonline.co.uk/canterbury/news/hmv-closes-flagship-store-260895/> - This article corroborates the closure of HMV's store in Whitefriars, Canterbury, although it does not specifically mention the date March 24 or the reasons related to the budget.
* <https://www.whitefriars.co.uk/shopping/hmv/> - This URL provides information about HMV's presence in Whitefriars Shopping, Canterbury, but does not directly address the closure or financial challenges.
* <https://www.noahwire.com> - This is the source of the original article, but it does not provide additional external corroboration beyond the article itself.
* <https://www.theguardian.com> - This URL is not directly linked to the specific article but could potentially host related news about HMV's financial situation and reactions to budget changes. However, without a specific article link, it does not directly corroborate the claims.