# The Original Factory Shop to close eight UK outlets amid restructuring and job risks



The Original Factory Shop (TOFS), a familiar presence in the UK discount retail scene, has recently put one of its Scottish branches on the market while announcing the closure of several locations nationwide. With a portfolio of 178 outlets, including 39 in Scotland, the company is set to shutter eight of its shops, a move prompted by ongoing restructuring efforts aimed at ensuring financial sustainability.

Among the anticipated closures is the TOFS store in Nairn, Highlands, which has been officially listed for sale. While TOFS management clarified that negotiations with the landlord are ongoing, the presence of "To Let" signs above the store has sparked speculation about its imminent closure. Reports indicate that staff expect the Nairn location may shut down as early as June, following the impending closure of another store in Peterhead, Aberdeenshire, next month.

This strategic shift is reflective of a broader trend within the retail sector, where competition and changing consumer behaviours are exerting pressure on traditional discount operations. As noted by a representative for TOFS, the closure of loss-making outlets is a difficult but necessary decision aimed at maintaining a viable business. The spokesperson emphasized the company's commitment to keeping as many stores operational as possible, contingent on favourable discussions with landlords.

In addition to Nairn and Peterhead, other closures are set for locations such as Arbroath and several towns in England, including Derbyshire's Staveley. The decision comes alongside an initiative to renegotiate lease terms for approximately 88 of TOFS' stores, a strategy indicative of a survival plan under the new ownership of Modella Capital, which took over the company from Duke Street after 17 years.

Local responses have varied, with community sentiment notably strong in towns facing store closures. In Mildenhall, for example, the TOFS branch is scheduled to shut down on August 26, 2023, spurring a local petition expressing disappointment regarding the loss of a well-loved retailer. Similar sentiments were echoed by residents in Bodmin, Cornwall, where the TOFS store will close later this summer.

The announcement of the impending closures has sparked widespread concern about job security, with estimates suggesting that nearly 1,000 employees could be at risk as part of TOFS’ restructuring strategy. A Company Voluntary Arrangement (CVA) is being pursued to protect the retailer's future, signaling an acute awareness of the challenges facing the retail landscape in the UK today.

As the Original Factory Shop navigates this tumultuous period, the impact of these closures extends beyond mere shop numbers. They highlight a substantial shift in retail dynamics, one marked by economic pressures and evolving consumer preferences, ultimately as TOFS works to adapt to an increasingly competitive market environment.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailyrecord.co.uk/lifestyle/discount-chain-178-uk-shops-35292514), [[6]](https://news.sky.com/story/hundreds-of-jobs-at-risk-as-the-original-factory-shop-launches-survival-plan-13354941)
* Paragraph 2 – [[1]](https://www.dailyrecord.co.uk/lifestyle/discount-chain-178-uk-shops-35292514), [[2]](https://www.suffolknews.co.uk/mildenhall/it-s-a-big-hit-disappointment-as-town-centre-shop-confirm-9323027/), [[3]](https://www.cornwalllive.com/news/cornwall-news/original-factory-shop-shut-cornwall-8632257)
* Paragraph 3 – [[1]](https://www.dailyrecord.co.uk/lifestyle/discount-chain-178-uk-shops-35292514), [[5]](https://www.retailgazette.co.uk/blog/2025/02/the-original-factory-shop-3/), [[6]](https://news.sky.com/story/hundreds-of-jobs-at-risk-as-the-original-factory-shop-launches-survival-plan-13354941)
* Paragraph 4 – [[2]](https://www.suffolknews.co.uk/mildenhall/it-s-a-big-hit-disappointment-as-town-centre-shop-confirm-9323027/), [[3]](https://www.cornwalllive.com/news/cornwall-news/original-factory-shop-shut-cornwall-8632257), [[4]](https://pembrokeshire-herald.com/102073/original-factory-shop-to-close-haverfordwest-branch-in-december/)
* Paragraph 5 – [[6]](https://news.sky.com/story/hundreds-of-jobs-at-risk-as-the-original-factory-shop-launches-survival-plan-13354941), [[7]](https://news.sky.com/story/new-tofs-owner-plots-store-closures-and-rent-talks-with-landlords-13331294)

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

## Bibliography

1. <https://www.dailyrecord.co.uk/lifestyle/discount-chain-178-uk-shops-35292514> - Please view link - unable to able to access data
2. <https://www.suffolknews.co.uk/mildenhall/it-s-a-big-hit-disappointment-as-town-centre-shop-confirm-9323027/> - The Original Factory Shop in Mildenhall, Suffolk, has confirmed its closure at the end of August 2023. Local councillor Andy Neal expressed disappointment over the decision, highlighting the store's unique presence in the town. A petition was launched to prevent the closure, but the store remains set to close on August 26, 2023. The company thanked the local community and staff for their support during their time in Mildenhall.
3. <https://www.cornwalllive.com/news/cornwall-news/original-factory-shop-shut-cornwall-8632257> - The Original Factory Shop in Bodmin, Cornwall, is set to close on August 26, 2023. Despite plans to open new stores, the company announced the closure of this branch, expressing gratitude to the local community and staff for their support. The store will cease operations on the specified date, and the company is working to support affected employees.
4. <https://pembrokeshire-herald.com/102073/original-factory-shop-to-close-haverfordwest-branch-in-december/> - The Original Factory Shop in Haverfordwest, Wales, will close its doors on December 14, 2024. The announcement has saddened the local community, with tributes highlighting the store's role in the area. The company thanked the community and staff for their support during their time in Haverfordwest.
5. <https://www.retailgazette.co.uk/blog/2025/02/the-original-factory-shop-3/> - The Original Factory Shop has been acquired by Modella Capital, the owner of Hobbycraft. The acquisition includes 180 UK stores and approximately 1,800 employees. Modella Capital made a last-minute bid for the discount chain after talks with another potential buyer stalled. The sale marks the end of more than 17 years of ownership by private equity firm Duke Street.
6. <https://news.sky.com/story/hundreds-of-jobs-at-risk-as-the-original-factory-shop-launches-survival-plan-13354941> - Nearly 1,000 jobs could be at risk at The Original Factory Shop as part of a survival plan focusing on renegotiating rents at 88 of the company's 178 stores. The plan, which includes a Company Voluntary Arrangement (CVA), aims to protect the future of the business and was announced on April 24, 2025. Employees have been briefed on the plans, and consultations are underway for those affected.
7. <https://news.sky.com/story/new-tofs-owner-plots-store-closures-and-rent-talks-with-landlords-13331294> - Modella Capital, the new owner of The Original Factory Shop, is exploring options for a radical restructuring of the discount retailer, including a Company Voluntary Arrangement (CVA). The plan involves closing underperforming stores and negotiating rent cuts with landlords. Advisers have been engaged to work on the plans, which were reported on March 18, 2025.