# Gerald Ratner eyes comeback with potential £350 million bid for H Samuel and Ernest Jones



Gerald Ratner is making headlines once again as he explores a potential return to the jewellery industry he famously left over three decades ago. At 75 years of age, Ratner is reportedly in discussions to acquire the H Samuel and Ernest Jones brands, both of which have struggled under their current American owner, Signet. This move could mark a remarkable comeback for Ratner, who remains synonymous with one of the most infamous gaffes in corporate history.

Ratner built his empire, the Ratner Group, into a behemoth during the 1980s, overseeing 2,500 stores, including 1,000 in the United States, and achieving a staggering turnover of nearly £200 million annually at its zenith. However, his downfall began in April 1991 at a conference where he referred to one of his products as “total c\*\*p”. This ill-advised quip not only became a viral sensation but also caused a catastrophic decline in sales, resulting in a £500 million loss in business value almost overnight. The fallout forced Ratner to step down, and his name became a cautionary tale in business circles, with the phrase "doing a Ratner" entering the lexicon to describe corporate blunders.

In the aftermath, Ratner faced a turbulent personal life, grappling with depression that kept him bedridden for several years. Nevertheless, he made a comeback in 1996, shifting his focus to the health and fitness sector, where he established a health club and later sold it for £4 million. Additionally, his career has flourished in after-dinner speaking, with fees reaching up to £6,000 per engagement.

Now, as Ratner seeks to reclaim the brands he once oversaw, his backers, including British banks, are keen to position him as chairman should a deal materialise. However, valuation discussions are ongoing, and it remains uncertain whether a final agreement can be reached. Recently, Signet has experienced significant financial setbacks, reporting a 6.5% decline in revenue for the year ending in February, alongside a dramatic drop in profits from $622 million to $111 million.

This isn't Ratner’s first attempt to return to his roots; in 2006, he made a bold offer of £350 million to regain control of the brands he had founded, significantly outbidding a previous offer of £200 million. At that time, he emphasised that his motivations were strategic rather than nostalgic, expressing confidence in the potential for H Samuel's revival, which boasted 385 prime locations. Ratner believed that, despite having the wrong merchandise, he could return the brand to its former glory, and many observers had been receptive to his vision back then.

As he considers this latest venture, it remains to be seen whether Ratner's rich experience and understanding of the jewellery market will enable him to navigate the challenges posed by the modern retail landscape. His story serves as a reminder that even from the depths of failure, remarkable comebacks are possible, particularly when one’s vision is backed by robust strategic plans and a keen understanding of the market's needs.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/news/article-14768581/jewellery-tycoon-Gerald-Ratner-bid-buy-old-firm-products.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.theguardian.com/business/2006/sep/25/retail)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/news/article-14768581/jewellery-tycoon-Gerald-Ratner-bid-buy-old-firm-products.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[3]](https://www.theguardian.com/business/2006/aug/29/retail.money), [[4]](https://www.theguardian.com/business/2006/sep/25/retail)
* Paragraph 3 – [[5]](https://www.theguardian.com/business/2006/aug/29/retail.money), [[6]](https://www.theguardian.com/business/2006/sep/25/retail)
* Paragraph 4 – [[1]](https://www.dailymail.co.uk/news/article-14768581/jewellery-tycoon-Gerald-Ratner-bid-buy-old-firm-products.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[5]](https://www.theguardian.com/business/2006/aug/29/retail.money), [[6]](https://www.theguardian.com/business/2006/sep/25/retail)

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1. <https://www.dailymail.co.uk/news/article-14768581/jewellery-tycoon-Gerald-Ratner-bid-buy-old-firm-products.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.theguardian.com/business/2006/sep/25/retail> - In 2006, Gerald Ratner, the former CEO of the Ratner Group, offered up to £350 million to buy back H Samuel and Ernest Jones, two retail chains he previously owned. This offer was 75% higher than a previously considered bid of £200 million. Ratner believed that Signet's largest shareholders were receptive to his proposal, aiming to revitalise the brands and sell one of them. He emphasised that his interest was a hard-nosed business decision, not motivated by nostalgia.
3. <https://www.theguardian.com/business/2006/aug/29/retail.money> - In August 2006, Gerald Ratner discussed his plans to return to the jewellery business by bidding for the UK operations of Signet, the world's largest jewellery retailer. He expressed confidence in making H Samuel successful again, highlighting its 385 stores, prime locations, and long-standing brand. Ratner acknowledged that the company had the wrong merchandise but believed in its potential for revival.
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