

Quirky, Inc. and its Affiliates File for Chapter 11 Bankruptcy Protection

September 24, 2015 by Cindy Lin



Quirky, Inc. (“Quirky”) and its affiliates (together, the “Company”) announced that it filed a voluntarily petition under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York.

The Company has taken this action to facilitate a sale of substantially all of its assets. After carefully examining the various alternatives available, the Company concluded that Chapter 11 provides the most effective and efficient process to facilitate sales of substantially all of its assets and provide potential suitors with certain advantages only available in Chapter 11, which will enhance the value of the Company’s assets.

With respect to assets related to the business of Wink, Inc., the Company has entered into an agreement with Flextronics International USA Inc. for the sale of certain assets at a purchase price of \$15 million. The sale will be subject to higher or otherwise better offers. The Company will look to conduct an auction, if other bids are received, and will be seeking court approval to have the sale close within approximately 60 days. The bankruptcy filing does not impact the Wink experience for users nor how Wink operates day-to-day. Wink's engineers and designers will continue to enhance the Wink platform to provide new, meaningful ways for customers to interact with their smart home. The Wink HUB and Wink Relay will continue to be available at The Home Depot and Amazon. Wink's customer support team will continue to provide the same quality assistance.

With respect to Quirky, the Company is working with potentially interested parties to establish a stalking horse bidder for certain of its assets, including assets related to the Quirky online community and the Quirky name. Such a sale would be subject to higher or otherwise better offers. The Company will look to conduct an auction, if bids are received, and will be seeking court approval to have the sale close within approximately 60 days. While the Company was previously forced to temporarily suspend Quirky product evaluation and development projects, it is hopeful that the ultimate successful purchaser will restart those operations and reestablish a meaningful and productive relationship with the community members.

The Company has engaged Cooley LLP and Klestadt Winters Jureller Southard & Stevens, LLP as counsel, FTI Consulting as its restructuring advisors, Centerview Partners LLC as investment banker with respect to the Wink assets, and Hilco Streambank as investment banker with respect to the Quirky assets.

Established in June 2009, Quirky, Inc. offers its inventors a forum for social product development and its customers an opportunity to acquire the most innovative products on the market. The Company currently operates Powered by Quirky and Wink business units and maintains a website at www.quirky.com.

Source: Quirky

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