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Smart home platform Wink for sale after Quirky seeks Chapter 11

CHICAGO, Sept 22 (Reuters) - Invention start-up company Quirky Inc, backed by a string of venture capital funds, has filed for Chapter 11 relief and put its smart home platform Wink up for sale, court filings showed on Tuesday.

New York City-based Quirky, which refers to itself as a "revolutionary online idea factory and marketplace," said the bankruptcy was triggered by its failure to effectively manage and finance costs linked to the roll-out of unusual gadgets such as the "egg minder," which notified smartphones when eggs were going bad.

Other start-ups have also collapsed this year, such as Homejoy which used the web to offer house cleaning, raising concerns among venture capitalists about investing in companies that cater to consumers rather than businesses.

Quirky raised \$175 million in equity from investors including RRE Ventures, Northwest Venture Partners, Andreessen Horowitz and affiliates of General Electric and Kleiner Perkins Caufield Byers. Most recently, it raised \$79 million in late 2013.

Flextronics International , a Wink partner and also its biggest creditor, has committed to pay at least \$15 million for the platform, which also has partnerships with General Electric and Honeywell International . The sale is subject to a better offer.

Quirky, which laid off 159 staff this summer and has 90 employees remaining, is also looking for buyers for its other assets. It has hired Cooley LLP and Klestadt Winters Jureller Southard & Stevens LLP as its attorneys and FTI Consulting as its restructuring advisors.

The bankruptcy is In re Quirky, Inc. U.S. Bankruptcy Court, Southern District of New York, No. 15-12596.

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