

## Sharper Image Files Chapter 11

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A 26% sales drop, dwindling margins and tighter credit terms from suppliers push specialty retailer Sharper Image to seek Chapter 11 protection in U.S. Bankruptcy Court.

TomTom and Garmin are among the company's largest creditors, with unsecured claims of \$2.1 million each.

Caught in a severe liquidity crisis, Sharper Image will shut 90 out of 184 stores. They had \$251.5 million in assets and \$199 million in debts at Jan. 31. The company wants a \$60 million loan from current lender Wells Fargo while Chapter 11 protection allows it to sell off underperforming stores and escape unfavorable leases.

A [Less-Sharper Image](#)