

From the Pittsburgh Business Times

:<http://www.bizjournals.com/pittsburgh/news/2010/12/07/roomful-express-enters-receivership.html>

Dec 7, 2010, 5:50pm EST

Roomful Express enters receivership

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Only a few days after [issuing a public](#) notice that it was struggling to pay down \$18 million in debt, local furniture retailer Roomful Express has been placed into receivership by Judge [Christine Ward](#) and is now preparing to hold going-out-of-business sales at its 13 stores, according to a statement issued by the receiver, Compass Advisory Partners.

The decision today in the Allegheny Court of Common Pleas brings to resolution a previous judgment filed by Roomful Express's senior lenders, led by PNC Financial Services Group Inc., among others.

The court has appointed Compass Advisory Partners, a local management consulting firm, to serve as the receiver and manage the disposition of the retailer's assets and inventory, according to a formal statement announcing the court order. Gordon Brothers Retail Partners Group will be assisting with the sales close-out process.

The statement issued by the receiver said the intention is to honor customer deposits and fulfill their orders for merchandise.

All of the company's stores will remain open and operating as going-out-of-business sales are organized to take place over the next few weeks. Roomful Express operates 10 stores in western Pennsylvania, as well as a store in southeastern Ohio, plus two Ashley Furniture Home Stores in the Johnstown-Altoona area.

In last week's public notice, the company attributed its financial problems to a difficult economic environment nationwide for the furniture industry, a retail niche whose fortunes track closely with the housing market, which has suffered greatly through the recent recession.

The sales process is expected to last several months.



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