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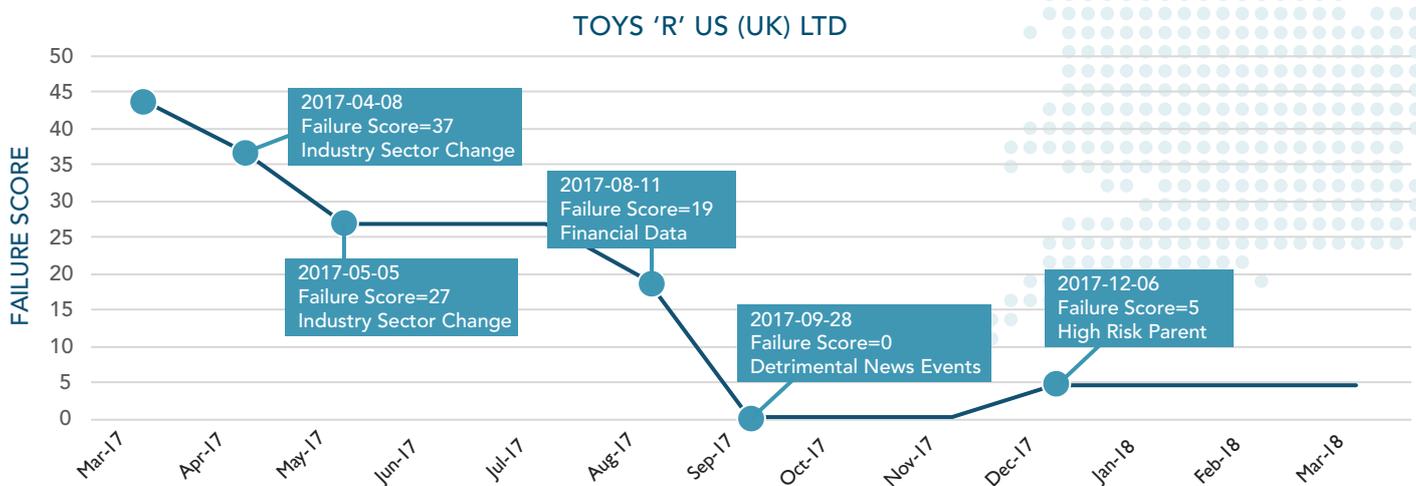
Predictive Analytics Case Study

TOYS 'R' US (UK) LTD

Registered in April 2005, Toys 'R' Us (UK) Ltd is a well-known games and toys retailer. The company is part of a group of Toys 'R' Us companies in the UK, with a parent company based out of the US. The company went into administration during February 2018, with Dun & Bradstreet's predictive indicators, ratings and monitoring service providing early warning signs that the business was experiencing difficulties, more than one year in advance of its eventual demise.

TOYS 'R' US (UK) LTD

Chart: FAILURE SCORE (y-axis 0–50) vs. months Mar-17 to Mar-18.

- 2017-04-08 Failure Score=37 Industry Sector Change
- 2017-05-05 Failure Score=27 Industry Sector Change
- 2017-08-11 Failure Score=19 Financial Data
- 2017-09-28 Failure Score=0 Detrimental News Events
- 2017-12-06 Failure Score=5 High Risk Parent

WHAT WE FOUND:

- At the beginning of 2017, Toys 'R' Us (UK) Ltd had a failure score of 44 (above average risk) reflecting issues in the business.
- In May 2017, we reduced the failure score to 27 due to an industry sector change.
- In August 2017, there was another decrease of the failure score, this time as a result of deterioration in the company's financial results.
- In September 2017, we removed the score for the company as a result of severe detrimental news and unclear future direction.
- In December 2017, amidst continuing concerns, and with the parent company being marked as high risk, a failure score of 5 (high risk) was assigned to the company.
- On 21st December 2017, a Corporate Voluntary Arrangement (CVA) was agreed.
- On 28th February 2018 an Administration Order was made.

HOW WE CAN HELP YOU:

Dun & Bradstreet aggregates more than 30,000 sources of data to provide the insight needed to determine appropriate credit terms today – and tomorrow. Our data includes sources from trade payments, suits, legal filings, private company financial statements, and even news and social media activity.

Our Failure Score specifically helps predict the likelihood that a company will seek legal relief from creditors in the next year, or cease operations and leave creditors on the hook. Helping you to make the smart credit decisions needed to protect your business. Our score is based on a company's business history, payment habits, and industry norms, and reflected on a clear to read scale of 1 to 100 (with higher scores indicating a lower probability of failure).

To learn more about D&B's Predictive Analytics and how you can make better credit decisions for your business, call 0800 001234 or visit dnb.co.uk

ABOUT DUN & BRADSTREET

Dun & Bradstreet (NYSE: DNB) grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect customers with the prospects, suppliers, clients and partners that matter most, and have since 1841. Nearly ninety percent of the Fortune 500, and companies of every size around the world, rely on our data, insights and analytics. For more about Dun & Bradstreet, visit DNB.co.uk.

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