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High Court approves survival plan for Zumo smoothie chain

By Tim Healy

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THE High Court has approved a survival plan for the Zumo juice and smoothie bars chain.

Mediterranean Food and Wine Ltd, the company which operates the bars at various locations around the country, was granted the protection of the court from its creditors last October because it had become insolvent and was unable to pay its debts.

The firm, which specialises in making fruit drinks and yogurt, had debts of almost €5m, including €2.8m owed to Anglo Irish Bank, and the Revenue Commissioner, which were owed more than €300,000 by the firm.

It is the largest fruit juice and smoothie bar chain in Europe and has a presence in 12 countries. At the time of entering examinership the firm had 60 employees here.

Yesterday, Mr Justice Brian McGovern made orders approving a survival scheme, proposed by the examiner Neil Hughes, allowing the firm to exit examinership and continue to trade as a going concern.

The judge said he was satisfied to approve the scheme, and noted that all of the firm's creditors were either supporting or neutral toward the survival scheme.

Counsel for Mr Hughes, Ross Gorman, told the court that Mr Hughes's proposals had been put to Zumo's various classes of creditors.

The response to those proposals was mainly positive and there were no formal objections to the scheme being approved.

- Tim Healy

Source: Irish Independent