

Borders might have a bidder

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Borders Group, slimming down its store base and ditching debt in bankruptcy court, may have a bidder interested in scooping up what's left of the Ann Arbor-based bookseller.

According to a report Thursday by trade publication Publishers Weekly citing unnamed sources, Borders had received at least one bid as of last Friday. The report came after a routine hearing in U.S. Bankruptcy Court in Manhattan was adjourned Wednesday.

Borders spokeswoman Mary Davis said in a statement: "We are focused on moving forward with the execution of our business plan. We are continuing to evaluate interest in the company as expressed through the ongoing Chapter 11 process."

Borders filed for bankruptcy protection three months ago. It has closed nearly 230 stores and reported a \$52.6-million loss through March 26. Meanwhile, it has asked the court to pay millions to executives and firms helping it through Chapter 11.

Ken Dalto, a Farmington Hills-based turnaround expert, said it is unusual for a company to lose money in bankruptcy particularly one such as Borders that is getting millions in rent concessions, trimming debt and employees.

"It is not looking great for Borders," Dalto said. "They are looking for investors because they are not exactly sure they will make it on their own."

While he doesn't think it is "out of the question that someone will bid on the assets," it isn't likely.

There is a chance that Barnes & Noble or even Amazon.com could want parts of Borders or even access to its 41 million Borders Rewards loyalty program members, he said.

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