

The Scramble to Take Over What Bed Bath & Beyond Left Behind

Couples are racing to find new wedding registries while suppliers seek other customers and competing retailers pledge to accept that big blue coupon.



By Jordyn Holman

May 18, 2023 Updated 10:03 a.m. ET

Engaged couples are struggling to navigate Bed Bath & Beyond's faltering wedding registry system. Suppliers are scrambling to cultivate new business partnerships. Landlords are quickly closing deals on leases for suddenly vacated big-box locations. On TikTok, a shopper's daily trips to a Manhattan store have found a receptive audience.

After Bed Bath & Beyond's recent Chapter 11 bankruptcy filing, the winding down of the 52-year-old home-goods giant has led to frustration, sorrow and a race to capitalize on its demise.

C.C. Manstrom is one person who feels left in the lurch. Since setting up her wedding registry with the retailer in January, she has watched a majority of the 30 items on the list slowly become unavailable. This month, when her great-aunt went to a location in Fargo, N.D., she was told that the retailer could no longer keep track of what had been purchased off the registry. Ms. Manstrom is now concerned she may receive multiple George Foreman grills or baking sets as gifts.

The retailer also stopped honoring credits, which means Ms. Manstrom is out the \$60 that had been put into her account for gifts that were purchased but not available. She hasn't been able to get a customer service representative on the phone, and when she went to her local store, the employees weren't able to help.

"It is frustrating," Ms. Manstrom, 25, said. "It's a new task you have to deal with on the wedding checklist."

As a backup, Ms. Manstrom and her fiancé, whose wedding is scheduled for July 23, decided to set up another registry on Amazon.



C.C. Manstrom and her fiancé started a wedding registry on Amazon after having difficulty with the one they had set up at Bed Bath & Beyond. Dan Koeck for The New York Times

Julie Strider, a spokeswoman for Bed Bath & Beyond, said the retailer was searching for a third-party partner to transfer customers' data so shoppers could complete their registries. She added that customers were still able to view and download the existing registry data.

In the meantime, other companies are swooping in to fill the void for the newly engaged. Etsy unveiled a wedding registry on May 10 and said thousands of couples had signed up. Zola, an online registry business, has received "several hundred emails" from couples asking to transfer over their Bed Bath & Beyond registries, Emily Forrest, a company spokeswoman, said.

Competitors of Buy Buy Baby, which Bed Bath & Beyond owns and is also being liquidated, are seeing benefits, too. Babylist, an online registry business, said the number of registries created on its platform in the last few weeks since Bed Bath & Beyond filed for bankruptcy was 35 percent higher than a year ago. More than 1,200 registry accounts have been transferred to its site, Natalie Gordon, the company's chief executive, said.

Bed Bath & Beyond and Buy Buy Baby suppliers have been revising their strategies in recent months. Many held back inventory and devoted less resources to the retailer as it tried to work through a turnaround plan. Still, because Bed Bath & Beyond is known for its ability to carry a vast array of products, it continued to attract smaller companies trying to raise their profiles.

"I do think that there's going to be some lost opportunities for some brands," said Steve Greenspon, the chairman of the International Housewares Association and chief executive of the home storage brand Honey-Can-Do, which stopped selling with Bed Bath & Beyond last year.

Christina Carbonell and Galyn Bernard, the founders of the gender-neutral clothing brand Primary, are rethinking their strategy to sell within stores as Buy Buy Baby goes out of business. Shortly after their apparel hit shelves in April last year, they felt the impact of the retailer's financial troubles. In August, when Bed Bath & Beyond rolled out its turnaround plan, Buy Buy Baby cut its order with Primary, as it did with several other suppliers. Inside stores, they saw that their merchandise inventory was low.

The experience caused the founders to focus on becoming profitable without relying on the sales from the Buy Buy Baby partnership, which accounted for about 10 percent of their business, they said.

"Going into the next wholesale partnership, I would be more inclined to start small and learn and build on that learning than to go big right away," Ms. Carbonell said.

Overstock.com, the online retailer known for selling larger furniture like sofas and beds, is using this moment to court Bed Bath & Beyond's former suppliers. In the second half of 2022, Overstock steadily expanded its offerings of pots and pans and coffee makers from Keurig and Mr. Coffee.

"Today, Bed Bath & Beyond suppliers continue to look for alternative distribution channels and are expanding their footprint with us," Jonathan Johnson, the chief executive of Overstock, said in an interview. "As others struggle, more people are willing to sell products to us because they need the distribution."

Other retailers are using Bed Bath & Beyond's own tools to win over the shoppers they are leaving behind. The Container Store, Big Lots and the regional department store Boscov's have said they will honor the big blue coupons even after Bed Bath & Beyond stopped accepting them. (Big Lots has since stopped accepting the coupons.) It is likely that these once-ubiquitous calling cards will remain in circulation for some time.

While the strategy of accepting the coupons distributed by a now-failing competitor is an intriguing one, it probably creates more buzz than sales, said Kelly Goldsmith, a professor of marketing at Vanderbilt University.

"Will it necessarily juice your revenue directly? Probably not," Ms. Goldsmith said. "But it's a good way to remind people that you are out there and should they need a substitute for Bed Bath & Beyond, you are available."



“If we all collectively wait it out together, hopefully the sales will get a little better,” said Ellie Maeda, 27, who details Bed Bath & Beyond’s liquidation deals on TikTok. *Andres Kudacki for The New York Times*

For the moment, a number of Bed Bath & Beyond locations remain open, and shoppers are keeping a close eye on liquidation sales. Since the bankruptcy announcement, Ellie Maeda has made a habit of going to Bed Bath & Beyond’s last Manhattan location as soon as the doors open each day to monitor the latest discounts and share them with her 5,400 followers on TikTok.

In her posts, she gives updates on what’s still well stocked (coffee pods and dining sets) and the new stacks of products that pop up (purifying systems and Breville blenders). She laments the merchandise that hasn’t been marked down enough yet for her to buy (KitchenAid mixers and bedsheets).

“I’m just a gal with a dream, manifesting 40 percent,” Ms. Maeda, 27, said. “I want everyone to get what they want so badly. If we all collectively wait it out together, hopefully the sales will get a little better.”

Amazon, Walmart, Target and Kohl’s are expected to be the retailers that benefit most once Bed Bath & Beyond closes its doors permanently. While they may see a sales lift, some analysts caution that not all of the bankrupt retailer’s sales will be absorbed by competitors. The market for home goods could just shrink.

“People who really, really shopped them won’t shop anywhere else,” said Dave Marcotte, a senior vice president of Kantar Consulting. “Along the way, a lot of money disappears.”

That was the case when Circuit City filed for bankruptcy in 2009, he said.

One notable difference between the Bed Bath & Beyond bankruptcy and those of retailers during the 2008 downturn is that it probably won’t leave scores of empty storefronts in its wake.

In the weeks since Bed Bath & Beyond said it would close its 480 stores by the end of June, Brandon Svec, who studies retail analytics at the real estate firm CoStar, has seen how potential tenants have swooped in to sign leases for locations the retailer is exiting. The demand is so great that some of the locations will never hit the open market, as landlords and tenants negotiate directly, he said.

Grocers like Natural Grocers, off-price retailers like Burlington, T.J. Maxx and Five Below and gyms like Crunch Fitness and Urban Air are among the tenants that have moved in after Bed Bath & Beyond vacated. Canadian Tire paid \$1.6 million this month to acquire 10 former Bed Bath & Beyond locations.

In some cases, the locations that housed Americans' fading obsession with brick-and-mortar retail are making room for a new favorite pastime: Landlords are moving pickleball gyms into old Bed Bath & Beyond stores.

"There's a lot of good real estate," Mr. Svec said. "It's going to be some locations that are going to take a little bit longer to sell. But for the most part, this seems to be a good time for this to happen from a perspective of the market."