

# Roomba's last run? iRobot faces shutdown within a year

Article

**The news:** Roomba robot vacuum maker **iRobot** could be a year away from shutting down, per its 2024 year-end financial results, as cited by The Register. In its earnings report, the company said its survival will depend on the success of new products launched this week.

**Amazon's plan to acquire iRobot** for \$1.4 billion was quashed by EU regulators, and it appears that iRobot had no contingency plans in place.

- **iRobot responded to Amazon's failed acquisition by cutting over 50% of its staff**, reducing inventory and R&D expenses, and merging its sales and marketing departments.
- We said last year that while Amazon had the resources to create its own competing robot vacuum line, **iRobot would have a harder time recovering while it faced restructuring costs and debt.**

**Competition gained ground:** iRobot faces competition from players like **Samsung, LG, Roborock, Eufy, Neato, Panasonic, and Dyson.** Most of them have larger appliances and smart home ecosystems, guaranteeing seamless integration with existing devices.

Recent robot vacuum reviews from Wired and Vacuum Wars gave **Roborock's Qrevo S** model top marks, indicating Roomba's segment leadership is slipping.

**Marketing challenge:** iRobot's product launch this week of half a dozen new models risks being overshadowed by concerns over its future. Its diminished marketing staff has the Sisyphean task of reinforcing trust and continuity to maintain interest in a potentially dying brand.

**Our take:** iRobot could still pursue a sale to a third-party, license its IP and technology, or seek to merge with other companies. But the longer it waits, the more its value could erode.

iRobot's plight is a cautionary tale that could make companies seeking acquisition more reluctant to engage buyers, especially if they lack contingencies if the sale fails.