

This Week's Top Stories in Retail **February 13, 2009**

Report: Hannaford Ends Bag-Payment Plan

Scarborough, Maine (February 12, 2009) Hannaford Bros. Co. plans to stop giving shoppers a 5 cent credit each time they use a reusable tote, according to a report in Albany's Time Union.

Report: Starbucks to Test Instant Coffee

(February 12, 2009) Starbucks Corp. is poised to launch an instant, "soluble" coffee product called Via, *Advertising Age* reported on Thursday.

Netflix Crosses 10 Million Subscriber Mark

Los Gatos, Calif. (February 12, 2009) Netflix Inc. said Thursday that it passed a milestone of 10 million subscribers.

Office Depot to Shut Down Orlando Warehouse

Orlando, Fla. (February 12, 2009) Office Depot plans to shut down its Orlando transportation and warehousing facility. The move will lay off 125 employees.

Wal-Mart Gets Bitten by Vampire Craze

Bentonville, Ark. (February 12, 2009) Wal-Mart Stores is jumping on the "Twilight" bandwagon. In conjunction with Summit Entertainment's DVD release next month of the popular movie, all Walmart stores and www.Walmart.com will open dedicated "Twilight" in-store areas.

Staples Closing DC in Canton, Ga.

Framingham, Mass. (February 12, 2009) Staples is closing its distribution center in Canton, Ga., eliminating 89 jobs.

H&M Names Next Chief Executive

Stockholm, Sweden (February 12, 2009) Hennes & Maritz said Wednesday that the 33-year-old son of the company's majority owner and grandson of the founder will take over as chief executive in July. Karl-Johan Persson, the grandson of Erling Persson, who founded H&M in 1947, will succeed Rolf Eriksen, who is retiring this year, as previously announced.

Weis Markets Q4 Earnings Nearly Double

Sunbury, Pa. (February 12, 2009) Weis Markets Inc., which operates supermarkets in five mid-Atlantic states, said Wednesday its fourth-quarter earnings nearly doubled as the company helped increase sales through promotions and improved efficiency.

Starbucks Begins Announced Layoffs

New York City (February 12, 2009) Starbucks Corp. on Wednesday told about 1,370 employees that their jobs will be cut as the chain sheds costs by closing stores and laying off employees.

Report: U.S. Foot Traffic Falls 12.9% in January

Chicago (February 12, 2009) ShopperTrak RCT Corp's Retail Traffic Index reported that total U.S. foot traffic for the month of January fell 12.9%, while the company's National Retail Sales Estimate reported that retail sales posted a 3.8% decline for the same period.

Circuit City Seeks Incentives to Retain Employees

Richmond, Va. (February 12, 2009) Circuit City Stores Inc. is asking a U.S. Bankruptcy Court

judge to allow it to give incentives to executives and other workers to stay with the company during the wind-down process, according to court filings.

Retail Sales Rebound in January

Washington, D.C. (February 12, 2009) Post-holiday bargains and deals may have been too good for shoppers to pass up as January retail sales defied analysts' predictions and increased slightly over the previous month, reversing six consecutive months of decline.

Report: Founding Family Eyes Return of Mervyn's

Hayward, Calif. (February 11, 2009) The founding family of Mervyn's LLC has agreed to purchase the defunct retailer's name and all of its Internet-related intellectual properties, according to the Wall Street Journal.

Ingles Market to Slow Store Expansion Plans

Ashville, N.C. (February 11, 2009) Regional grocery chain Ingles Markets plans to cut back on its store expansion plans for this year, according to a report on Ashville's.

Banana Republic Ad Campaign to Feature Musicians

San Francisco (February 11, 2009) Gap Inc. has signed nine alternative musicians to appear in Banana Republic's upcoming print, outdoor, online and direct mail campaign, which starts Feb. 18.

NRF: Stimulus Bill Not Enough to Boost Consumer Spending

Washington, D.C. (February 11, 2009) The National Retail Federation told Congress that the economic stimulus legislation being negotiated between the House and Senate on Thursday would provide assistance to consumer spending but still doesn't do enough to provide the jumpstart that would bring shoppers back into stores.

Survey: Hard Times Make Consumers Feel More Comfortable Using Coupons

Toronto (February 11, 2009) More than one in five U.S. consumers admit they are self-conscious about redeeming coupons at the grocery store, according to research released by ICOM Information Communications L.P.

Gap Inc. Names Head of Corporate Real Estate

San Francisco (February 11, 2009) Gap Inc. announced that David Zoba has joined the company as senior VP, corporate real estate.

Wholesale Inventories Plunge the Most in 17 Years

Washington, D.C. (February 11, 2009) The Commerce Department said Tuesday that wholesale inventories plunged by 1.4%, nearly double analysts' expectations of 0.8% and the steepest since records began in Jan.1992. It also was the fourth straight monthly decline.

Jones Posts Wider 4Q Loss

New York City (February 11, 2009) Jones Apparel Group Inc. said Wednesday it posted a wider fourth-quarter loss due to hefty charges, higher promotions and a weak holiday season.

Raley's Names Former Ikea Exec as CFO

West Sacramento, Calif. (February 11, 2009) Raley's said yesterday it has named Don Ball as senior VP and CFO.

Shares of Several Grocers Fall on Price War Concerns

New York City (February 11, 2009) Shares of several major grocers fell on Tuesday as concerns grew of possible "price wars" among stores grew.

Survey: Shoppers Prefer Wal-Mart for Health, Beauty Products

Columbus, Ohio (February 11, 2009) The majority of shoppers shop at Wal-Mart most often for their health-and-beauty-aid purchases, according to the January Retail Ratings Report from BIGresearch.

Wal-Mart Foundation to Fund Program for Free Tax Preparation

Bentonville, Ark. (February 11, 2009) The Wal-Mart Foundation said Tuesday it will make a \$3.6 million grant to fund a program to provide free tax preparation and filing services to individuals who earn less than \$56,000 per year.

Stater Bros. 1Q Same-Store Sales Rise

San Bernardino, Calif. (February 11, 2009) Stater Bros. announced that sales for the first quarter of fiscal 2009 increased 1.72% to \$959.3 million compared to \$943 million for the first quarter of fiscal 2008.

Blockbuster to Launch Online Video Game, Movie Rentals

Dallas (February 11, 2009) In an upcoming pilot program, Blockbuster Inc. will offer consumers one-stop shopping for their online video game and movie rental needs.

Wegmans Expanding in Washington, D.C. Area

Rochester, N.Y. (February 10, 2009) Wegmans is stepping up its expansion in the Washington, D.C. area with plans to open a 140,000-sq.-ft. store in Springfield, Md. It is also eyeing Germantown, Md., for the locale of its first store in the state's Montgomery County.

Wal-Mart to Cut at Least 700 HQ Jobs, Add Store Level Positions

Bentonville, Ark. (February 10, 2009) Wal-Mart Stores is the latest chain to jump into the wave of job cuts washing over retail America. The retail behemoth announced Tuesday that it will cut between 700 and 800 jobs across its Wal-Mart and Sam's Club home offices.

Report: Customer Satisfaction Improves

Washington, D.C. (February 10, 2009) As retailers continue to feel the fallout from a dismal holiday season and try to navigate through a turbulent economy, they seem to be stepping up their game, according to consumers who reported higher customer satisfaction during the fourth quarter.

Giant Food Stores Enhances Fuel Rewards Program

Carlisle, Pa. (February 10, 2009) In other supermarket news, Giant Food Stores has enhanced its Gas Extra Rewards program by enabling shoppers to redeem gas rewards during an eight-week promotional campaign.

Report: Luxury Brands Fail to Deliver Customer Service

New York City (February 10, 2009) The Luxury Institute revealed Tuesday that luxury brands are failing to satisfy shoppers at this critical time in the industry, according to the association's latest WealthSurvey.

Carl's Jr. to Open Green Flagship

Carpinteria, Calif. (February 10, 2009) Carl's Jr. said Tuesday that it will open an environmentally friendly flagship location where sustainability, conservation and energy efficiency will be measured and evaluated. Successful results will push the chain to expand similar green initiatives company-wide at both Carl's Jr. and Hardee's restaurants.

Dollar General Store Sales Jump in 4Q

Goodlettsville, Tenn. (February 10, 2009) Dollar General reported Tuesday that total sales for the fourth quarter, ended Jan. 30, hit \$2.85 billion, an 11.2% increase from \$2.56 billion in 2007. The chain's same-store sales also jumped 9.4% during the quarter.

Staples Appoints New HR, Marketing Execs

Framingham, Mass. (February 10, 2009) Staples said Tuesday that Shira Goodman will become executive VP, human resources, effective May 1.

Starbucks Names New Exec VP, Division President

Seattle (February 10, 2009) Starbucks Corp. said Monday that John Culver will become executive VP, and president, global consumer products, foodservice and Seattle's Best Coffee, effective Feb. 20.

Harris Teeter Launches Drug Discounts

Mathews, N.C. (February 9, 2009) Harris Teeter is now offering customers a 90-day supply of more than 300 generic prescription drugs for \$9.99.

Retail Association Weighs in on Stimulus

Arlington, Va. (February 9, 2009) The Retail Industry Leaders Association has expressed support for an economic stimulus that directs broad-based relief to low- and middle-income American workers and their families.

Charming Shoppes Announces Exec Appointments

Bensalem, Pa. (February 9, 2009) Charming Shoppes announced the appointment of Anthony M. Romano as executive VP, business transformation, effective immediately.

Report: Job Losses Continue to Mount

New York City (February 9, 2009) The Conference Board Employment Trends Index fell further in January. The index now stands at 96.6, down 1.0% from the December revised figure of 97.5, and down 18.6% from a year ago.

Wal-Mart Stores Looks to Expand in Chicago

New York City (February 9, 2009) Wal-Mart Stores Inc. is looking to expand its presence in Chicago.

According to a Dow Jones report, Wal-Mart is talking with Chicago community leaders about opening approximately 12 stores within the city.

Lowe's Announces Corporate Governance Initiative

Mooresville, N.C. (February 9, 2009) Lowe's Cos. announced a new initiative to enhance its corporate governance practices.

Tim Hortons, Cold Stone to Open Co-Branded Stores

Scottsdale, Ariz. (February 9, 2009) Tim Hortons Inc. and the parent of Cold Stone Creamery said Friday they will team up to create up to 100 co-branded stores that will offer customers both ice cream and coffee shop fare.

Starbucks to Offer Value Meals

Seattle (February 9, 2009) Starbucks Corp. will introduce a selection of value-priced pairings that combine a beverage with a food item for \$3.95, beginning March 3.

American Eagle Outfitters Sues Citigroup for Fraud

Pittsburgh (February 9, 2009) American Eagle Outfitters Inc. sued Citigroup Global Markets

Inc. and accused it of fraudulently inducing it to buy \$258 million worth of auction rate securities that it now can sell only at a significant loss, if at all.

Urban Outfitters Reports Record-Breaking 4Q

Philadelphia (February 6, 2009) Urban Outfitters said Thursday that its direct-to-consumer unit helped fuel record sales of \$508 million in the fourth quarter.

Bruno's Supermarkets Files for Bankruptcy

Birmingham, Ala. (February 6, 2009) Bruno's Supermarkets is filing for Chapter 11 bankruptcy. The chain plans to continue operating without interruption.

Zara to Expand in India

La Coruna, Spain (February 6, 2009) Inditex, the Spanish company that owns Zara, plans to bring the fast-fashion retailer to India.

Consumer Credit Falls More than Expected in Dec.

Washington, D.C. (February 6, 2009) Consumer borrowing fell for a third straight month in December, the longest stretch in 17 years, as U.S. households continued to cut spending.

U.S. Lost 598,000 Jobs in January

Washington, D.C. (February 6, 2009) The nation lost 598,000 jobs in January, according to the Bureau of Labor Statistics, and the unemployment rate jumped to 7.6%.

Home Depot Spent \$225,750 Lobbying in 4Q

Washington, D.C. (February 6, 2009) The Home Depot Inc. spent \$225,750 in the fourth quarter to lobby on legislation aimed at stabilizing the economy and housing market.

Smith's, Food 4 Less Associates Ratify New Labor Agreement

Las Vegas (February 6, 2009) The Kroger Co. said that associates who are members of United Food & Commercial Workers Union Local 711 in Las Vegas have ratified a new labor agreement with the company's Smith's and Food 4 Less divisions.

S&P Places Six Department Stores on CreditWatch

New York City (February 6, 2009) Standard & Poor's Ratings Services said Thursday it placed ratings of six department store companies on CreditWatch negative, citing pessimism over the impact of the U.S. recession on the troubled sector.

FBI Says Insider Gave Friends Tips on 2006 Sale of Albertson's

New York City (February 6, 2009) A former employee for UBS investment bank gave his friends inside tips about the 2006 sale of Albertson's Inc. grocery-store chain and other deals, allowing them to gain more than \$7 million from illicit stock trades, authorities said Thursday.