

This Week's Top Stories in Retail

February 27, 2009

Colorado Statewide Plastic-Bag Ban Sacked

Denver (February 26, 2009) Colorado shoppers will be able to keep using plastic grocery bags after lawmakers balked at what would have been the nation's first statewide ban on the synthetic sacks.

Kohl's Profit Drops 18% in Q4

Menomonee Falls, Wis. (February 26, 2009) Kohl's Corp. said Thursday that its fourth-quarter profit fell 18% to \$336 million from \$412 million. The results beat analysts' expectations.

Borders to Close Michigan Avenue Store

Ann Arbor, Mich. (February 26, 2009) Borders Group Inc. said Thursday that it will close its Michigan Avenue store in 2010 because the Chicago site isn't meeting profit goals.

Carphone Warehouse Plans to Cut 450 Jobs in U.K.

London (February 26, 2009) Carphone Warehouse Group said Thursday that it plans to eliminate 450 head office and support jobs in Britain. It said, however, that its retail outlets will not be affected.

Whole Foods Market Honored by EPA

New York City (February 26, 2009) Whole Foods Market in Lakewood, Texas, is the first store to achieve silver-level certification from the U.S. Environmental Protection Agency's GreenChill Advanced Refrigeration Partnership.

Limited Brands Q4 Profit Falls 96%

Columbus, Ohio (February 26, 2009) Limited Brands Inc. said Thursday that weak sales during the holiday season caused its fourth-quarter profit to fall to \$16.1 million from \$388.6 million a year ago.

Finlay to Exit Department Store Business

New York City (February 26, 2009) Finlay Enterprises announced Thursday that it plans to exit its leased department store business over the near-term and will focus solely on its specialty jewelry store business going forward.

Barnes & Noble Sells Calendar Club Stake

New York City (February 26, 2009) Barnes & Noble Inc. said Thursday it sold its majority stake in Calendar Club back to the company and its chief executive for \$1 million in cash.

Zale Corp. to Close 115 Stores

Dallas (February 26, 2009) Zale Corp. plans to close 115 under-performing stores and cut 245 jobs after posting a net loss for its fiscal second quarter, which ended Jan. 31.

Safeway Q4 Profit Soars on Cost-Cutting Efforts

Pleasanton, Calif. (February 26, 2009) Safeway said its fiscal fourth-quarter profit rose 12%, helped by cost-control efforts and an extra week in the period.

Sears Q4 Profit Falls 55%, Beats Estimates

Hoffman Estates, Ill. (February 26, 2009) Sears Holdings Corp. posted stronger-than-expected results on Thursday as it cut costs during the recession, and said it was closing 24 additional

stores. The company cited charges for store closings, valuation declines and severance for the loss.

Tween Brands Reports \$13M Loss in Q4

New Albany, Ohio (February 25, 2009) Tween Brands reported Wednesday a \$13.9 million loss for the fourth quarter, ended Jan. 31, compared to earnings of \$25.0 million for the same period last year. The teen-apparel retailer blames the decline on a large restructuring change earlier this year.

Zale Reports Q2 Net Loss

Dallas (February 25, 2009) Zale Corp. said Wednesday that it had a net loss of \$23.6 million for the second quarter of fiscal year 2009, ended Jan. 31 a factor it blames on a sluggish economy and deep discounts during the holiday season.

Target Refocuses on Grocery Categories

Minneapolis (February 25, 2009) After reporting a 41% slump in its fourth quarter net income on Tuesday, Target plans to place stronger attention on its food, health care and other personal item categories going forward.

NRF Invites Legislation to Fight ORC

Washington, D.C. (February 25, 2009) The National Retail Federation supports three bills introduced Wednesday that can help law-enforcement agencies fight organized retail crime.

TJX Posts Flat Q4 Sales, Fiscal Year Sales Lift

Framingham, Mass. (February 25, 2009) Cost-sensitive shoppers helped TJX Cos. maintain net sales of \$5.4 billion for fiscal fourth quarter 2009, ended Jan. 31. This result was flat compared to the same time frame last year.

Saks Posts Steep Net Loss in Q4

New York City (February 25, 2009) Saks reported Wednesday that it blames consumer cutbacks and the recent discontinuation of its Libby Liu operations for a net loss of \$98.8 million for the fiscal fourth quarter, ended Jan. 31. This is compared to a net profit of \$39.5 million for the same quarter in 2008.

H&M Plans First Store in S. Korea

Stockholm, Sweden (February 25, 2009) H&M Co. reported Wednesday that it plans to open its first store in South Korea by spring 2010.

Staples Store Achieves LEED Gold Certification

Framingham, Mass. (February 25, 2009) One of Staples' Miami-based stores has been awarded gold certification by the U.S. Green Building Council's Leadership in Energy and Environmental Design. This is the first store in Miami-Dade County, and in the Staples chain, to earn gold certification.

Amazon.com to Redeem Remaining Convertible Notes

Seattle (February 25, 2009) Amazon.com said Tuesday that it will redeem the remaining principal amount of its outstanding 6.875% of convertible subordinated notes due in 2010. The transaction is set for March 27.

Report: Retail Sales Fall for Week of Feb. 21

Chicago (February 25, 2009) The National Retail Sales Estimate Report conducted by ShopperTrak, revealed that retail sales for the week ending Feb. 21 declined 0.5%, compared to

the same period in 2008. Meanwhile, week-over-week sales decreased 4.5%, compared to the week ending Feb. 14.

Consumer Confidence Plummets Further in Feb.

New York City (February 24, 2009) The Conference Board Consumer Confidence Index reported another decline for February.

Report: Fortunoff Liquidation Could Begin this Week

New York City (February 24, 2009) A consortium of six liquidators, which acquired luxury retailer Fortunoff Holdings LLC in a bankruptcy auction, is planning to launch the chain's going-out-of-business sales on Wednesday, according to a report on Forbes.com.

Macy's Posts Q4 Loss

Cincinnati (February 24, 2009) Macy's reported Tuesday that its sales for fiscal fourth quarter 2008, ended Jan. 31, were \$7.934 billion, a decrease of 7.7%, compared with sales of \$8.594 billion in the same period last year. Macy's fourth quarter same-store sales were down 7.0%.

Home Depot Reports \$54M Q4 Loss

Atlanta (February 24, 2009) Home Depot reported a fourth-quarter loss of \$54 million on Tuesday, compared to net earnings of \$671 million for the same period in fiscal 2007. The company blames the deficit on its plan to shut its four smaller home-improvement brands, EXPO, THD Design Center, YardBIRDS and HD Bath, and the reduction of support-staff functions.

Target Profits Drop Drastically

Minneapolis (February 24, 2009) Target said Tuesday that its net income for the fiscal fourth quarter ended Jan. 31 was \$609.0 million, a steep drop from \$1.028 billion for the same period a year ago.

Aeropostale to Close Jimmy'Z Banner

New York City (February 24, 2009) Aeropostale said Monday that it is shuttering its Jimmy'Z concept, a move that will allow the chain to focus on growing its core Aeropostale concept.

Brookstone Announces Succession of CEO, Chairman

Merrimack, N.H. (February 24, 2009) Brookstone announced Tuesday that it has entered into a succession agreement with Louis Mancini, the company's president and CEO, and a member of Brookstone's board of directors.

Radio Shack Reports Lower Q4 Earnings

Fort Worth, Texas (February 24, 2009) Radio Shack reported Tuesday that a decrease in consumer purchases impacted its total net sales for the fourth quarter of fiscal 2008, ended Dec. 31, 2008. For the quarter, net sales declined 7.7% to \$1.3 billion, compared to \$1.4 billion for the same time frame last year.

Nordstrom Reports Q4 Fiscal Earnings Loss

Seattle (February 23, 2009) Nordstrom reported Monday that total sales for the fiscal fourth quarter ended Jan. 31 were \$2.30 billion, a decrease of 8.5% compared to \$2.51 billion for the same period in fiscal 2007. Same-store sales also slipped 12.5%, compared to the same period in fiscal 2007.

Quiznos Names Investor as CEO

Denver (February 23, 2009) Quiznos announced Monday that Rick Schaden, the company's founder, will become CEO. He is replacing Dave Deno, who resigned for personal reasons. Schaden will work alongside executive chairman Greg Brenneman.

Report: Tesco Revamps Fresh & Easy Advertising Model

El Segundo, Calif. (February 23, 2009) Recent market research proves that Fresh & Easy shoppers are driven by price more than the chain anticipated. As a result, the chain is revamping its advertising model, according to a report in the Los Angeles Times.

Wal-Mart Commences Bid for Remaining D&S Shares

Bentonville, Ark. (February 23, 2009) Wal-Mart is commencing its previously disclosed follow-on tender offer that seeks to acquire the outstanding American Depository Shares that it doesn't already own in Chilean retailer Distribucion y Servicio D&S S.A.

Wal-Mart Settles Transportation Worker Lawsuit

Bentonville, Ark. (February 23, 2009) Wal-Mart Stores reported Friday that it settled a class-action lawsuit that claimed the chain discriminated against African Americans seeking positions as truck drivers in Wal-Mart's private fleet.

Save-A-Lot Campaign Provided Free Groceries

Earth City, Mo. (February 23, 2009) Nine Save-A-Lot stores across the Pacific Northwest provided free groceries to residents on Saturday, and made contributions to regional Feeding America food banks.

Ritz Camera Files for Bankruptcy Protection

Beltsville, Md. (February 23, 2009) Hurt by a soft economy and consumers' shift to digital photography, Ritz Camera Centers is the latest company to file for Chapter 11 bankruptcy protection.

Forever 21 Set to Open First Wave of New Stores

Santa Monica, Calif. (February 23, 2009) As many over-stored retailers continue to purge locations, Forever 21 plans to open 11 stores in former Mervyns locations owned by Macerich by the end of March.

J.C. Penney Launches Interactive Runway Show

Plano, Texas (February 23, 2009) J.C. Penney launched an interactive virtual runway show to give shoppers a personal look at new spring styles.

Giant Eagle to Unveil New Store Design

Pittsburgh (February 20, 2009) A report in the Pittsburgh Tribune said that Giant Eagle Inc. is introducing its newest store design to Western Pennsylvania shoppers on Friday with the opening of an 87,500-sq.-ft. supermarket.

S&P Lowers Outlook on Whole Foods

New York City (February 20, 2009) On Thursday, Standard & Poor's Rating Services lowered its outlook on Whole Foods Market Inc. to "negative" from "stable." S&P cited concerns about the grocer's sales as the rationale behind the lowered outlook.

Kin of Wal-Mart Stampede Victim to Sue N.Y. County

Garden City, N.Y. (February 20, 2009) Relatives of a worker trampled to death in a crush of post-Thanksgiving bargain-hunters at a Long, Island, New York Wal-Mart have filed court papers indicating they intend to sue Nassau County and its police department.

Walmex to Invest \$805 million, Open 252 Stores

Mexico City (February 20, 2009) Wal-Mart de Mexico SA on Thursday said it plans to boost spending on new stores and staff in 2009 and open 252 new outlets despite Mexico's slowing economy.

J.C. Penney Profit Sinks 51% in Q4

New York City (February 20, 2009) J.C. Penney Co. reported a 51% drop in fourth-quarter profit on Friday as customers continued to cut spending on clothing and other more discretionary items.

Lowe's Profit Falls 60% in Q4

Chicago (February 20, 2009) Lowe's Cos., Inc. said Friday its fourth-quarter profit dropped 60%.

Earnings declined to \$162 million in the three months ending Jan. 30, from \$408 million during the same period last year.

Westfield to Cut U.S. Mall Hours

Sydney, Australia (February 20, 2009) Westfield Group, which has its U.S. headquarters in Los Angeles, said Friday it will cut operating hours at most of its 55 U.S. malls to help retailers trim expenses as the recession deepens.

Fortunoff No Longer Honors Gift Cards

New York City (February 20, 2009) Fortunoff Holdings has stopped accepting gift cards as it prepares to auction its assets next week, according to a Bloomberg report.