

This Week's Top Stories in Retail **May 1st, 2009**

Santa Clara enacts big-box ban

San Jose, Calif. (April 30, 2009) City Council members of Santa Clara, Calif. voted 5-2 to prohibit construction of stores of a minimum of 80,000 sq. ft. that devote at least 5% of their sales floor to grocery items, according a report in the Silicon Valley/San Jose Business Journal.

Cabela's comp-store sales rise 8.2% in Q1, profit drops

Sidney, Neb. (April 30, 2009) Cabela's reported Thursday that the first quarter of fiscal 2009 retail-store revenue increased 8.3% to \$275.5 million.

Target mails letter to shareholders urging vote of support

Minneapolis (April 30, 2009) Target Corp. said Thursday it is mailing a letter to shareholders imploring them to vote for Target's slate of director nominees in connection with its proxy contest vs. activist investor Bill Ackman of Pershing Square Capital Management.

Walgreens to move ahead with store-renovation program

Walgreens said it is moving forward with a program that involves a rejuvenated store format and merchandise presentation.

1-800-FLOWERS drops 21% in total revenues

Carle Place, N.Y. (April 30, 2009) 1-800-FLOWERS.com reported Thursday revenues of \$173 million for its fiscal third quarter ended March 29, compared with revenues of \$219.6 million reported in the prior-year period.

Sally Beauty reports Q2 results

Denton, Texas (April 30, 2009) Sally Beauty Holdings announced financial results on Thursday, which included same-store sales growth of 2.1% in the second quarter ended March 31, but a drop of 0.3% in sales from the year-ago period.

Wal-Mart opens first Hispanic supermarket

Bentonville, Ark. (April 30, 2009) Wal-Mart Stores launched its first Hispanic supermarket concept with the opening Wednesday of the Supermercado de Walmart in the Spring Branch area of Houston.

Staples earns recycling award

Washington, D.C. (April 30, 2009) The National Recycling Coalition announced Thursday that it has awarded Staples with its eleventh annual Recycling Works Award for the retailer's broad-reaching efforts to promote recycling and waste reduction among its customers and throughout its operations.

Macy's downgraded by JPMorgan

New York City (April 30, 2009) JPMorgan cut its rating of Macy's, saying it is not likely to beat sales forecasts and still faces uphill battles from its ongoing merchandising reorganization plan, according to a report in MarketWatch.

Chrysler CEO says he'll leave after bankruptcy

Detroit (April 30, 2009) Former Home Depot chief and current Chrysler CEO Robert Nardelli said he will leave his post after the company emerges from bankruptcy protection, according to an e-mail from Nardelli to Chrysler employees.

Build-A-Bear Workshop swings to Q1 loss

St. Louis (April 30, 2009) Build-A-Bear Workshop announced Thursday a net loss of \$0.8 million for first quarter 2009, compared with a \$6.4 million profit in the year-ago period.

Big Lots secures new credit facility

Columbus, Ohio (April 30, 2009) Big Lots announced Thursday the signing of a new three-year, \$500 million revolving credit facility that replaces the prior \$500 million credit facility set to expire in October.

Cache narrows losses in Q1

New York City (April 30, 2009) Specialty-apparel retailer Cache reported Thursday a first quarter loss of \$1.6 million, compared with a loss of \$2.1 million in the year-ago quarter.

Rite Aid sees small same-store sales increases in April

Camp Hill, Pa. (April 30, 2009) Rite Aid Corp. reported Thursday that the company recorded a 1.8% same-store sales increase for the four-week period ended April 25.

Safeway profit dips 25% in Q1

Pleasanton, Calif. (April 30, 2009) Safeway said Thursday that its first-quarter net income fell to \$144 million from \$193 million in the year-ago period, for a total decline of 25%.

A&F cutting 170 headquarters jobs

New Albany, Ohio (April 30, 2009) Abercrombie & Fitch confirmed Thursday that it is eliminating 170 positions at its corporate headquarters offices.

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OfficeMax Q1 profit drops 79%

Naperville, Ill. (May 30, 2009) OfficeMax announced its first quarter 2009 results on Thursday, which included a steep profit decline of 79%, from \$62.4 million in first quarter 2008 to \$13.1 million in first quarter 2009.

Drugstore.com reports highest net revenues in co. history

Bellevue, Wash. (April 29, 2009) Drugstore.com reported net income of \$1.3 million for its fiscal first quarter ended March 29, compared with a net loss of \$2.7 million for the same period a year ago.

Starbucks revenues fall more than 7%

Seattle (April 29, 2009) Starbucks Corp. reported Wednesday that net revenues dropped 7.6% to \$2.3 billion for the fiscal second quarter, ended March 29, compared with \$2.5 billion for the same period a year ago.

Toys 'R' Us expands 'R' Market to more locations

Wayne, N.J. (April 29, 2009) Based on the success of its new "R" Market destination section, Toys "R" Us is expanding the concept to more locations nationwide.

H-E-B joins fight against swine flu

San Antonio (April 29, 2009) With several reported cases of swine flu in the Schertz, and Cibolo, Texas regions, H.E. Butt Grocery Co. said Monday that its stores operating in these areas are stocking up on supplies to help residents protect themselves against swine flu, according to an article in Progressive Grocer.

Regis posts Q3 profit, beats Wall St. expectations

Minneapolis (April 29, 2009) Hair salon chain Regis Corp. said Wednesday that profits rose to \$21.0 million for the fiscal third quarter ended March 31, compared with \$19.1 million for the same period a year ago.

Burger King reports positive Q3 results

Miami (April 29, 2009) Burger King Holdings reported that it earned \$47 million for the third quarter ended March 31, compared with \$41 million for the same period last year.

Brookstone's earnings drop for Q3, stays ahead of operating plan

Merrimack, N.H. (April 29, 2009) Specialty retailer Brookstone reported a loss on Wednesday of \$20.8 million for the fiscal third quarter ended April 4, compared with a loss of \$13 million for the same 13-week period a year ago.

Carter's Q1 sales increase, will cut jobs by 10%

Atlanta (April 29, 2009) Children's retailer Carter's reported late Tuesday that higher demand among wholesale and mass-channel customers helped boost its profits by 41.6% for the first fiscal quarter ended April 4 to \$16.4 million, compared with \$11.6 million for the same time frame last year.

Office Depot recycles nearly 1.5M lbs. of tech waste

Boca Raton, Fla. (April 29, 2009) Office Depot said Wednesday that its Tech Recycling Service has recycled almost 1.5 million lbs. of technology in 2008.

Kohl's hits two energy milestones

Menomonee Falls, Wis. (April 29, 2009) Kohl's Department Stores said Wednesday that 110 of its stores have earned the ENERGY STAR label, a symbol from the U.S. Environmental Protection Agency that recognizes high levels of commitment to energy efficiency and environmental protection.

Weis Markets to up CapEx 25%

Sunbury, Pa. (April 29, 2009) Weis Markets will increase its capital-expenditure budget to \$80 million this year, the company's vice chairman Jonathan Weis said at the company's annual shareholders meeting on Tuesday.

Jones Apparel reports higher-than-expected quarterly profits

New York City (April 29, 2009) Cost cuts and increased sales in its wholesale jeans business helped Jones Apparel report revenue of \$891 million for the first fiscal quarter ended April 4.

Report: Retail sales drop 5.7% in latest week

Chicago (April 28, 2009) ShopperTrak's National Retail Sales Estimate reported that year-over-year retail sales for the week ending April 25 declined 5.7%, while weekly sales increased 4.7% vs. the previous week ending April 18.

J.C. Penney trims perks over use of corporate jet

New York City (April 28, 2009) J.C. Penney Co. said in a regulatory filing Tuesday that it will no longer offer tax reimbursements to its executives for their personal use of the company's corporate jet.

Report: Abercrombie & Fitch evaluating Ruehl

New York City (April 28, 2009) Abercrombie & Fitch Co. is evaluating cost-cutting opportunities, according to a MarketWatch report.

Target to open pop-up in Chicago

Chicago (April 28, 2009) Target Corp. is opening a pop-up store in Chicago. The temporary store, called Bullseye Bazaar, will be open from May 7 to May 9.

TJX Cos.' CEO compensation up 15%

New York City (April 28, 2009) TJX Cos. chief executive and president Carol Meyrowitz received compensation valued at \$6.85 million last year, up 15% compared with the previous year, according to an Associated Press calculation of figures disclosed in a regulatory filing Monday.

Maryland passes law to prohibit minimum-pricing agreements

New York City (April 28, 2009) In a move that could lead to lower prices for consumers across the country, Maryland has passed a law barring manufacturers from requiring retailers to charge minimum prices for their goods, The Wall Street Journal reported. The new law takes effect Oct. 1.

Wal-Mart China revises job cuts after union talks

Beijing (April 24, 2009) Wal-Mart has agreed to revise a plan on a payroll cut involving 2,000 mid-level managers across its outlets in China after a trade union stepped in to mediate, state media reported on Friday.

Zumiez announces litigation dismissal

Everett, Wash. (April 27, 2009) Zumiez announced that shareholder litigation involving the company and its officers and directors has been dismissed.

Kohl's tops EPA green power list

Menomonee Falls, Wis. (April 27, 2009) Kohl's Department Stores announced Monday that according to the U.S. Environmental Protection Agency's quarterly listings, it is the number one purchaser of green power among retailers, third overall and third among Fortune 500 companies.

Barnes & Noble launches audiobook store

New York City (April 27, 2009) Barnes & Noble said Monday it would sell audiobooks on its Web site for an average price per download of \$10 to \$20 each.

Report: L.L. Bean to lay off 200 to 240 workers

New York City (April 27, 2009) L.L. Bean notified employees Friday that it plans to lay off 200 to 240 workers in Maine because of sluggish sales, the Associated Press reported.

Report: Best Buy expanding private-label electronics

New York City (April 27, 2009) Best Buy is expanding its private-label electronics business as it seeks to gain a competitive advantage over Wal-Mart and other rivals, according to the Wall Street Journal.

Survey: Frugality making more shoppers turn to Wal-Mart

New York City (April 27, 2009) Consumers are growing increasingly frugal and are becoming more likely to base their retail purchase decisions on price, according to a study from The Goldman Group.

Former Children's Place CEO may seek board seats

New York City (April 27, 2009) The former chief executive of The Children's Place Retail Stores, Ezra Dabah, said Friday that he decided not to make a formal, binding offer for the retailer because of the weak debt markets, but may seek board seats or take other action.

LEED '09 to include credits for regional environmental priorities

Washington, D.C. (April 24, 2009) The U.S. Green Building Council has released the Leadership in Energy and Environmental Design regional credits as part of LEED 2009, the new version of the LEED Green Building Rating System.

Netflix Q1 profit soars 68%

San Jose, Calif. (April 24, 2009) Netflix's first-quarter profit soared as more consumers signed up for its DVD-by-mail service than in any other three-month period in its history.

Amazon revenue jumps 18% amid global recession

San Francisco (April 24, 2009) Amazon.com reported that revenue increased 18% despite the sluggish global economy.

Ikea names new CEO

Stockholm, Sweden (April 24, 2009) Ikea announced Friday it has promoted company veteran Mikael Ohlsson to become its new chief executive.

Home Depot opens DC in Ga.

Atlanta (April 24, 2009) The Home Depot opened a 657,000-sq.-ft. rapid deployment center in Lowndes County, Ga.

Schnuck to open green stores in St. Louis area

St. Louis (April 24, 2009) Schnuck Markets announced that two of its new stores in the St. Louis area will include green-building features.

Stater Bros. rolls out new recycling initiative

San Bernardino, Calif. (April 24, 2009) Stater Bros. Markets plans to roll out a composting program to its 166 stores that will turn organic waste into compost that can be sold to area farmers.

Costco to change how it sells gas

Issaquah, Wash. (April 24, 2009) Costco Wholesale has agreed to install new pumps at some stores to adjust gasoline prices when fuel temperatures rise above 60 degrees.

Wal-Mart China revises job cuts after union talks

Beijing (April 24, 2009) Wal-Mart has agreed to revise a plan on a payroll cut involving 2,000 mid-level managers across its outlets in China after a trade union stepped in to mediate, state media reported on Friday.