

## **This Week's Top Stories in Retail**

### **December 12, 2008**

#### **Report: Online Retailers Opening Stores May See Sales Drop**

**Cambridge, Mass. (December 11, 2008)** Online retailers who open a bricks-and-mortar location during the holiday shopping season could see more than a 15% decrease in online sales, according to research by professors at MIT Sloan School of Management.

#### **Report: Foot Traffic Falls 16.7% in November**

**Chicago (December 11, 2008)** ShopperTrak's Retail Traffic Index reported that total U.S. foot traffic for the month of November fell a dramatic 16.7%, while the company's National Retail Sales Estimate (NRSE) reported that retail sales dipped a slight 0.7% for the same period.

#### **Nordstrom Delays Store Opening**

**Seattle (December 11, 2008)** Nordstrom plans to delay the opening of its store at the St. Louis Galleria from 2010 to 2011, citing the state of the economy and a cutback in consumer spending.

#### **Wal-Mart Exec Joins Duckwall-ALCO**

**Abilene, Kan. (December 11, 2008)** Duckwall-ALCO Stores announced Thursday that Jim Spencer is joining the company on Dec. 15 as senior VP-operations.

#### **BJ's Names CEO**

**Natick, Mass. (December 11, 2008)** BJ's Wholesale Club announced Thursday that the company's board of directors elected Laura Sen CEO, effective Feb. 1.

#### **Home Depot Sticks With Its Longtime Agency**

**(December 11, 2008)** After a three-month agency search, The Home Depot Inc. has decided to keep its advertising agency of record for more than 15 years, The Richards Group.

#### **Cabela's Selects Web-Based Construction-Management Solution**

**Columbus, Ohio (December 11, 2008)** Cabela's Inc. has selected Expesite's Web-based project-management solution for managing its new construction and remodeling programs across the United States and Canada.

#### **Fred's Names New CEO**

**Memphis, Tenn. (December 11, 2008)** Fred's Inc. Thursday announced the promotion of president Bruce A. Efird, 49, to CEO effective at the commencement of the company's next fiscal year, Feb. 1.

#### **Costco Profit Flat in 1Q**

**Issaquah, Wash. (December 11, 2008)** Costco Wholesale Corp. said Thursday fiscal first-quarter profit was nearly flat, as consumers pulled back on spending, except for necessities such as food, while the stronger dollar hurt international sales.

#### **Neiman Marcus Group Downgrades Credit Ratings**

**New York City (December 11, 2008)** Standard & Poor's Ratings Services said it lowered its ratings on The Neiman Marcus Group Inc., including the corporate-credit rating to 'B+' from 'BB-'. The outlook is negative.

### **Talbots to Open Outlet Locations**

**Boston (December 11, 2008)** Talbots is planning to open stores in upscale outlet malls next year, according to Talbots Inc. CEO Trudy Sullivan.

### **KB Toys Files for Bankruptcy Protection**

**Pittsfield, Mass. (December 11, 2008)** KB Toys filed for bankruptcy protection for the second time in four years on Thursday, according to the Associated Press.

### **Duane Reade Names Senior VP, Pharmacy Operations**

**New York City (December 10, 2008)** Duane Reade Holdings has appointed Frank Scorpiniti, as senior VP of pharmacy operations.

### **Retail Ventures Appoints CEO**

**Columbus, Ohio (December 10, 2008)** Retail Ventures has named James A. McGrady to succeed CEO and president Heywood Wilansky, effective Feb. 1.

### **Staples Unveils First-Ever Holiday Window Display**

**New York City (December 10, 2008)** Staples has unveiled its first-ever holiday window display at a Staples store in New York City.

### **Esprit Adds New Execs**

**Hong Kong (December 10, 2008)** Esprit Holdings Ltd., said Wednesday that Chew Fook Aun will be appointed as executive director and group CFO on or before June 1.

### **PacSun's Division President Resigns**

**Anaheim, Calif. (December 10, 2008)** Thomas M. Kennedy, division president of PacSun, is resigning from his position to pursue other interests.

### **Report: Shoppers Feel Return Policies Are Fair**

**Washington D.C. (December 10, 2008)** With an eye on customer service, more retailers plan to be more lenient with their holiday merchandise-returns policies this year.

### **Dunkin' Brands Names New CEO**

**Canton, Mass. (December 10, 2008)** Dunkin Brands said Wednesday that Nigel Travis will replace Jon Luther as chief executive, effective Jan. 6.

### **Casual Male Creates Takeover Protection Plan**

**Canton, Mass. (December 10, 2008)** Retail stock prices continue to drop and more companies are up for sale or closing their doors for good.

### **Neiman Marcus 1Q Earnings Dip**

**Dallas (December 10, 2008)** Neiman Marcus reported a lower quarterly profit Wednesday, blaming a cutback of spending among its affluent shoppers.

### **Office Depot Updates Review**

**Boca Raton, Fla. (December 10, 2008)** To free up capital and more successfully manage the chain as it operates in the challenging economy, Office Depot said Wednesday that it has updated its strategic review by significantly reducing its planned and existing store fleet moving forward.

### **Sears Canada Offers Customized Gift Cards**

**Toronto (December 9, 2008)** Sears Canada on Tuesday introduced its personalized Sears Gift Card, which enables shoppers to personalize gift cards purchased online with personal photos and messages.

### **Report: Crime Increases Tied to Economy**

**Arlington, Va. (December 9, 2008)** Besides having a negative impact on consumers' spending confidence, the economic downturn is now being blamed for an upward trend of crimes against retailers, according to a new report from The Retail Industry Leaders Association (RILA).

### **EZ Lube Files for Chapter 11**

**Santa Ana, Calif. (December 9, 2008)** EZ Lube is the latest retailer to fall victim to the economic downturn. The company said Tuesday that it filed for bankruptcy protection in U.S. Bankruptcy Court for the District of Delaware, along with its Xpress Lube-Tech affiliate, and put the company up for sale.

### **Aldi to Enter Dallas**

**Chicago (December 9, 2008)** Making good on its expansion promise, Aldi announced Monday that it will open approximately 25 locations in the Dallas-Fort Worth area by spring 2010, according to the Dallas Morning News.

### **Wal-Mart Suspends Stock-Repurchase Program**

**New York City (December 9, 2008)** Wal-Mart Stores Inc. is temporarily suspending its stock-repurchase program, the Associated Press reported.

### **Report: Online-Shopper Satisfaction Remains Steady**

**Ann Arbor, Mich. (December 9, 2008)** Online-shopper satisfaction on Cyber Monday may be experiencing a decline each year, but overall customer satisfaction with retail Web site experiences has remained steady, according to ForeSee Results' weekly holiday benchmark.

### **J.C. Penney Announces Green Truck-Fleet Initiative**

**Plano, Texas (December 9, 2008)** J. C. Penney Co. and PDS Trucking, Inc., a subsidiary of Pacer Distribution Services, Inc., have taken a major step toward achieving their goal to convert 100% of the truck fleet handling J.C. Penney imports at the ports of Los Angeles and Long Beach, Calif., to low-emissions, clean-diesel technology.

### **Hurricane Impacts Kroger 3Q Profit**

**Cincinnati (December 9, 2008)** Kroger Co. reported Tuesday that its third-quarter profit fell 6%, mainly because of damages and disruption from Hurricane Ike, and indicated that it expects slow holiday spending to hurt fourth-quarter results.

### **Mothers Work Changes Name to Destination Maternity**

**New York City (December 9, 2008)** Mothers Work Inc., effective at the end of trading Monday, changed its corporate name to Destination Maternity Corp.

### **Report: Tesco to be No. 2 Retailer by 2012**

**New York City (December 9, 2008)** Britain's Tesco PLC will overtake France's Carrefour SA to become the world's second-largest retailer by turnover behind U.S.-based Wal-Mart Stores Inc. by 2012, according to an industry report released on Tuesday.

### **Whole Foods Files Suit Against FTC**

**Washington, D.C. (December 9, 2008)** Whole Foods Market filed a federal lawsuit Monday

against the Federal Trade Commission (FTC), claiming the regulator violated its due process rights in a dispute over its acquisition of rival Wild Oats.

### **Wal-Mart to Pay \$54 Million Settlement**

**New York City (December 9, 2008)** Wal-Mart Stores Inc. said on Tuesday that it will pay up to \$54.25 million to settle a class-action lawsuit that accused the retailer of failing to grant workers their full rest breaks and requiring hourly employees to work off-the-clock in Minnesota, Reuters reported.

### **Survey: Retailers Cut Holiday Advertising, Marketing Budgets**

**Chicago (December 8, 2008)** Nearly one-third (32%) of chief marketing officers at leading U.S. retailers said that their holiday marketing and advertising budgets have been reduced this season, according to a new study conducted by BDO Seidman, LLP.

### **Report: Safeway Looks to Real Estate Ventures**

**Pleasanton, Calif. (December 8, 2008)** Safeway has created a new real estate development business, and is already working on some of the projects, the Wall Street Journal reported.

### **Wet Seal Launches In-Store Music Initiative**

**Foothill Ranch, Calif. (December 8, 2008)** The Wet Seal has launched a new in-store music program focusing on driving licensed merchandise within the music category.

### **Best Buy Expands in Mexico**

**Mexico City (December 8, 2008)** Best Buy Co. opened its first store in Mexico, outside of Mexico City, on Friday.

### **McDonald's Same-Store Sales Jump 7.7%**

**Oakbrook, Ill. (December 8, 2008)** Same-store sales at McDonald's Corp. rose 7.7% in November, the fast-food leader said Monday.

### **Report: Wal-Mart to Sell iPhones**

**New York City (December 8, 2008)** Rumors are circulating that Wal-Mart Stores will start selling \$99 iPhones in the near future.

### **The Conference Board Index Forecasts More Job Losses**

**New York City (December 8, 2008)** The Conference Board Employment Trends Index (ETI) declined further in November.

### **Whole Foods to Launch New Legal Challenge in Merger**

**New York City (December 8, 2008)** Whole Foods Market Monday said it is initiating a new legal challenge to what is described as "due process violations" by the Federal Trade Commission (FTC) in its action against the chain's merger with rival Wild Oats.

### **Citi Trends Names President, COO**

**Savannah, Ga. (December 8, 2008)** Citi Trends Inc. on Monday named David Alexander president and COO, effective immediately.

### **Talbots Names COO**

**Hingham, Mass. (December 8, 2008)** The Talbots Inc. said Monday it named Michael Scarpa as COO, effective immediately.

### **BJ's Reports Same-Store Sales Up in Nov.**

**Natick, Mass. (December 5, 2008)** BJ's Wholesale Club Inc. said Thursday its November same-store sales rose 4.1% on higher demand for food and other consumable products.

### **Judge Allows Circuit City to Pay Former Employees**

**Richmond, Va. (December 5, 2008)** A U.S. Bankruptcy judge on Friday allowed Circuit City Stores Inc. to continue paying nearly 600 employees laid off at its headquarters before it filed for bankruptcy protection.

### **Retail Container Traffic Falls**

**Washington D.C. (December 5, 2008)** Year-over-year cargo volume at the nation's major retail container ports fell for the 16th consecutive month in November, leaving 2008 on track to be the slowest year since 2004, according to the monthly Port Tracker report released by the National Retail Federation (NRF) and IHS Global Insight.

### **Kohl's Nov. Same-Store Sales Fell 17.5%**

**Menomonee Falls, Wis. (December 5, 2008)** Kohl's Corp. reported its November same-store sales dropped 17.5% as shoppers continued to cut back on spending due to the economy.

### **Retail Industry Cut 91,300 Jobs in Nov.**

**New York City (December 5, 2008)** The U.S. retail industry cut 91,300 jobs in November, marking the biggest employee-loss in 34 years.

### **Supermarket Veteran Joins Rite Aid**

**Camp Hill, Pa. (December 5, 2008)** Rite Aid Corp. announced Thursday that it has appointed Ken Martindale, a retail veteran with more than 35 years of diverse marketing, merchandising and operations experience, as senior executive VP of merchandising, marketing and logistics.

### **Big Lots 3Q Income Down**

**Columbus, Ohio (December 5, 2008)** Closeout retailer Big Lots said third-quarter net income fell 15% to \$12.2 million from \$14.3 million earned in the year-earlier quarter.

### **Court Rules Against Coldwater Creek**

**Los Angeles (December 5, 2008)** A California court has awarded accessories retailer Brighton Collectibles a \$6.7 million verdict against women's-apparel retailer Coldwater Creek Inc. for infringing intellectual-property rights, Brighton said Friday.

### **Safeway Will Cut Prices and Costs in 2009**

**New York City (December 5, 2008)** Safeway Inc. told investors Thursday that it will aggressively cut costs, lower prices and focus on improving its financial position in 2009, the Associated Press reported.

### **Guess 3Q Profit Up 9%**

**Los Angeles (December 5, 2008)** Guess?, Inc. said Thursday that its profit rose 9% in the third quarter on an increase in sales worldwide.