

# RETAIL IN DETAIL

29<sup>th</sup> August 2014

WEEKLY RETAIL NEWS HIGHLIGHTS FROM AROUND THE MARKET

KNIGHT FRANK RETAIL NEWS

## GENERAL RETAIL NEWS

**Tiger** the homewares retailer, has opened a new store on London's Oxford Street. The 7,500 sq ft flagship at 105-107 Oxford Street is the retailer's 29<sup>th</sup> store across London and the South East.

**Abercrombie Kids** the US childrenswear retailer, will open its first UK store at 3 Savile Row this weekend.

**Dune** the footwear and accessories retailer, will launch its first US store next month in New York's SoHo. The 2,000 sq ft store marks the start of a "major expansion" in the US, including a new store in the Westfield World Trade Center shopping centre.

**French Connection** the fashion retailer, is to open its first pop-up "convenience store" in Old Street station. The 1,000 sq ft click-and-collect shop, which the retailer has named 'F', will open on the 1st September for four months.

**Joseph Cheaney & Sons** the English shoemaker, has opened a new flagship store at 18-23 Jermyn Street, London. The 1,000 sq ft flagship will be Cheaney's fifth outlet in the capital.

**Hawksmoor** the fish and steak restaurant chain, are to open a new concept at 24 Windmill Street, Soho.

**ITSU** the takeaway sushi chain, plans to launch its first stores on the east coast of America next year, since the founder Julian Metcalfe identified the fast food giants have failed to offer healthy products.

**Gap** the US fashion brand, is to expand in to India by opening franchise operated stores. The retailer will partner with Arvind Lifestyle Brand to launch around 40 stores throughout the country.

**Cambridge Satchel Company** the leather bags retailer, will open its first flagship at 31 James Street. The 3,239 sq ft store will open on the 7<sup>th</sup> October.

**Lindex** the Scandinavian fashion retailer, is due to open its first 8,000 sq ft UK store in Westfield Stratford City Shopping Centre. The store will open in spring of 2015.

**Karen Millen** the fashion retailer, is to open a pop-up atelier at its Brompton Road flagship in Knightsbridge from 1<sup>st</sup> September. The tailoring service is being launched to coincide with London Fashion Week and will run for six weeks.

**Marks & Spencer** the department store, has opened its first standalone back to school store in Manchester's Trafford Centre. The pop-up store will remain open until 7<sup>th</sup> September.

**Furniture Village** the furniture retailer, has unveiled plans to expand across the UK after securing a £6 million investment. With 40 existing stores, the funding will enable it to accelerate a roll-out of new stores across the UK.

**Radley** the handbag and accessories brand, is rolling out its British heritage store concept across all its locations, as it targets international markets. The new concept gives extra space to growing categories and offers click-and-collect points.

**Jones Bootmaker** and **The Body Shop** have both signed for space at the Waterside Shopping Centre in Lincoln. Jones has taken 2,042 sq ft and The Body Shop has secured a 1,600 sq ft store. Meanwhile, **The Fragrance Shop** has renewed its lease and each of the retailers have signed 10-year terms.



### Units 1 & 2, Wilton Road, Pimlico - Nando's.

Acting for our client Sainsbury's, the Retail Lease Advisory team has successfully concluded a rent review on the Nando's at Wilton Road, Pimlico achieving a 15% rental increase.

## TWEET OF THE WEEK



**Knight Frank Retail**  
@KFRetail



26<sup>th</sup> August 2014

Fast food giant **@BurgerKing** is in talks with Canadian **#doughnuts** and **#coffee** chain **@TimHortons** about a **#merger**

<http://ow.ly/AIJ6b>

# RETAILER OPTIMISM

**Lidl** the German value supermarket, has recorded a sales increase of 18.3% in the past 12 weeks, as well as maintaining its record market share of 3.6%. The retailer expects sales to top £4 billion by the end of the 2014 financial year as it plans to expand across the UK in a £220 million investment. The news comes as the discounter unveils its new £20 million advertising campaign targeted at middle class shoppers. **Aldi** also witnessed sales rise by 29.5%, whilst also maintaining its record 4.8% market share. The problems facing new **Tesco** boss Dave Lewis were laid bare by the data released by Kantar, as Tesco's sales fell 4.0% year-on-year in the 12 weeks to 17th August. This caused its market share to fall to 28.8% from 30.2% a year ago.

**McColl's** the convenience store chain, has seen total sales increase 4.3% so far this year, despite a 0.5% fall in the third quarter. The company has opened 26 new stores and modernised its in-store post offices.



Data released this week has shown that consumer confidence has hit the highest level in nearly a decade providing a positive outlook for the UK economy. The GfK consumer confidence index rose back into the positive territory, rising to one – the survey has only risen into positive territory once since 2005. Every part of the index improved from July's reading, with respondents being increasingly positive about their own financial

## RETAIL OUTLOOK FOR THIS WEEK



**TK Maxx** and **HomeSense's** parent company, TJX Europe, has recorded European like-for-like sales increased by 6% during the second quarter, while its adjusted net sales rose 13% year-on-year to \$875 million (£527 million). The company is due to open a 17,747 sq ft store at Westfield Stratford next week, as part of its store expansion plans, and has plans for 309 TK Maxx and 33 HomeSense stores by the end of the financial year. Globally TJX reported a 7% increase of net sales to \$6.9 billion for the second quarter, while consolidated comparable store sales rose 3%. The company also plans to open its first few stores in Austria in the first half of 2015.



## The Fragrance Shop

**The Fragrance Shop**, the independently owned fragrance retailer has increased annual sales by £9.1 million to reach £90.1 million. Like-for-like sales rose by 8% with underlying profit (EBITDA) climbing 9.2% to £12.4 million compared to £11.3 million in the previous year. The company attributed its 11.2% sales growth to a focus on customer service together with an increased store portfolio, a wide range of products and an improved online presence. The business which was founded in 1995 with a single store now employs over 1,000 people and has 160 stores plans to open another 20 stores in the coming year.

### Did You Know?

The rooftop of the new Abercrombie Kids store, at 3 Savile Row, is where the Beatles made their last live performance in January 1969.

# MARKET SENTIMENT

situation and the economy generally. If the score remains positive for a three month run it will be the longest period since 2002, having been in the negative territory for the vast majority of the pre-crisis growth period. Further data released by the Confederation of British Industry this week showed that retailers were at their most optimistic in 12 years about upcoming sales. The survey shows the highest optimism for sales during the next three months than at any time since early 2002. More than half of stores reported sales

volume were up in the year to August, against just 14% that recorded a drop over the period. Despite the strong forecast, the deluge of rain over the bank holiday was less than welcome for retailers as they witnessed footfall fall by a huge 14.5%. The figures released by Springboard show that the unexpected sunshine on Saturday and Sunday also failed to draw in shoppers with high street footfall dropping by 7.3% and shopping centre footfall declining by 6.3% over the two day period.

## KEY CONTACTS

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