

RETAIL IN DETAIL.

Knight Frank



7TH DECEMBER 2012

WEEKLY RETAIL NEWS HIGHLIGHTS FROM AROUND THE MARKET

KNIGHT FRANK RETAIL NEWS

General Retail News

Mulberry is hunting for another site in London after doubling the size of its Edinburgh outlet, opposite Harvey Nichols. The Somerset-based luxury handbag brand has ditched plans for new outlet shops to focus on opening full-price stores in international markets.

Reiss is set to expand into the Australian market for the first time. The country is responsible for half of the company's overseas website traffic.

H&M the high street fashion retailer is to launch a men's cycling wear collection with bicycle store Brick Lane Bikes. Designed by H&M and tested and approved by Brick Lane Bikes, the 11 piece capsule collection has been made from sustainable materials as part of H&M's Conscious project.

The White Company the design-led lifestyle brand has revealed plans to expand from 43 UK homeware stores to 60.

Microsoft is eyeing up sites in London with a view to emulating the success of Apple's stores in the UK. Rival Samsung is also searching for a London store.

Mothercare is to launch cafés in a further 20 stores after its trial of the format at Edmonton, London saw a sales increase of 30 percent. The format has already been rolled out to its Nottingham and Dudley stores which have experienced a 15 percent sales uplift.

Joe Allen the iconic Covent Garden restaurant has been bought by Carluccio's chairman Stephen Gee and west London restaurateurs Tim Healy and Lawrence Hartley.

Superdry has opened their sixth store in Germany. Located in the largest shopping & leisure centre in Europe the store is also their largest in the country.

House of Fraser is being looked at by Mike Ashley, the owner of Sports Direct, who is hoping to acquire a stake in the company.

Dixons the electrical retailer has rolled out 'Google Zones' to 50 outlets following a successful trial in its flagship Currys and PC World store in London's Tottenham Court Road. The nationwide network of Google shop-in-shops is the first of its kind worldwide, and is staffed by dedicated staff trained in demonstrating the features and benefits of Google Chromebooks to customers.

Flat Iron Steak opened this week on Beak Street, Soho. The restaurant has taken permanent premises following a successful six week pop-up in Shoreditch.

Ermenegildo Zegna the Italian luxury fashion house has submitted a planning application to demolish and redevelop its New Bond Street store.

Harvey Nichols the upmarket department store chain plans to launch its own brand as part of a strategy to double turnover in the next five years.

Tesco is undertaking a strategic review of its US-based food chain 'Fresh & Easy' as the arm's CEO Tim Mason stands down from his role after 30 years with the business.



Thread – Dukes Lane, Brighton

Knight Frank Retail team has completed the letting of 492 sq ft of retail space to a new independent fashion label Thread Retail UK Ltd in Dukes Lane, Brighton on a ten year lease replacing the fashion label Plain Lazy within the two floor unit, located in the renowned historic quarter of Brighton, 'The Lanes'.



Sandwich – McArthurGlen, York

Sandwich, the Dutch contemporary womenswear brand, has signed its first, UK standalone store in McArthurGlen's York Outlet. Knight Frank Retail is retained by Sandwich on all acquisitions.



Tweet of the Week 5th Dec

Knight Frank Retail @KFRetail



Knight Frank has recruited Mark Smith to join the retail investment team. Mark joins as an Associate and will focus on shopping centres.

Retailer Optimism

Zara

Zara, the Spanish Inditex Group's fashion retailer, has opened a flagship store featuring its revamped image at 460-490 Oxford Street in London (right). The fourth Zara location on the capital's busiest shopping street has pride of place in the newly opened Park House building. What's more, the new Oxford Street store is Inditex's 6,000th outlet.

Patty & Bun

The pop-up burger concept has opened on James Street, Marylebone. Promising the 'ultimate comfort food' this will be their first standalone site.

Chicago Rib Shack

A fast casual version of Chicago Rib Shack, which debuted in Westfield Stratford, is reported to have been profitable from day one with sales of more than £20,000 per week.

RETAIL OUTLOOK FOR THIS WEEK:

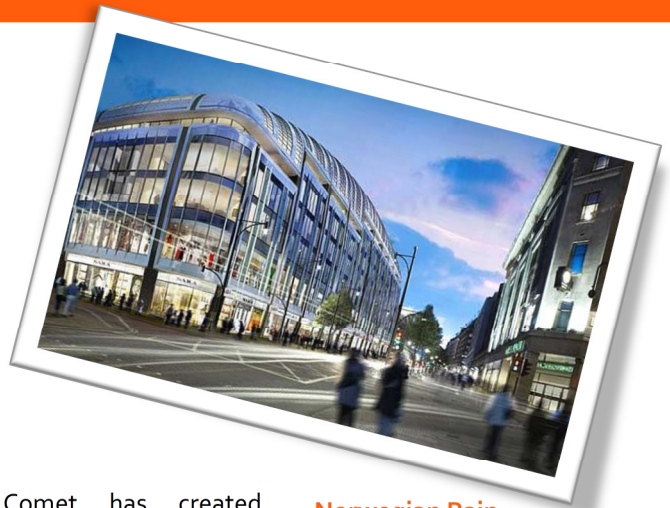


Comet

The demise of Comet has created opportunities for other retailers. TK Maxx is thought to be looking at 25 stores of the beleaguered electrical goods retailer. Comet is to shut all of its stores by December 18 unless a buyer for the business can be found.

Topshop and Topman

Topshop and Topman have been valued at £2 billion after retail tycoon Sir Philip Green sold a 25% stake in the fashion brands. The entrepreneur's Arcadia Group netted £500 million after agreeing to sell the stake to American private equity firm Leonard Green & Partners.



Norwegian Rain

The small designer label from the rainiest city of Europe (Bergen, Norway) will launch in the UK in autumn 2013.

Did You Know?

Chinese shoppers spend five times more in Harrods than their US counterparts, according to the luxury department store's managing director.



Official figures have revealed that UK households are spending more each week than ever before, but there are signs they have cut back on how much they buy to trim costs. On average each home spent £483.60 a week in 2011, the latest period for which data is available, according to ONS figures.

Market Sentiment

Chancellor George Osborne delivered his Autumn Statement this week and failed to announce a long hoped-for business rates freeze in 2013, increasing financial pressures on struggling retailers.

Property and retail bosses are furious that the Coalition has scrapped a planned revaluation of business rates next year because it means that they have to pay rates based on property rents in 2008 – close to the peak of the market – until 2017.

Cyber Monday set a new online retail record as shoppers made 112m visits to retail websites – 32% up on 2011, according to figures from Experian. Three websites alone (Argos, Amazon and eBay) accounted for 30% of all visits to UK sites on Monday December 3. Consumers also set new records for the amount of time spent shopping online in a day, with 15 million hours spent on retail sites. Each visit came to 8 minutes 12 seconds.

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