

RETAIL SECTOR WEEKLY

Key Retail News and Commentary

Retailers Issue S.O.S.

Consumer financial security is on the decline. The latest Conference Board measure of consumer confidence dropped to 57.2 from 62.3 a month earlier, the worst reading in 28 years. Considering the confluence of several major economic factors that are directly impacting most wallets, this is not all that surprising, even though it is distressing for consumers and retailers.

Consumer spending accounts for more than two-thirds of the U.S. economy. Thus, when analysts discuss the economy, they are talking in large part about the state of the retail industry. Retailing is where all of the economic forces that we read about on the front page converge, as retailers and consumers juggle the effects of these forces simultaneously.

So, what is happening to the average U.S. consumer? Or should we ask, what hasn't happened? Consumers have faced tightening credit and falling home values since last fall. Since then, fuel costs have skyrocketed and food prices have been rising. As recently as February, the average gallon of gas cost just under \$3.00. Since then, we have seen a 25% increase.

While it is unclear how energy prices will change in the next months, the summer months rarely provide relief in the form of lower prices at the gas pump. We expect that supply and demand will cause year-end crude oil prices to retreat by about \$32 per barrel from the recent record high, but in the interim, if consumers are consistently paying more for fuel, they will be less inclined to drive extra miles to the mall or a restaurant.

Rising food costs also have a disproportionate impact. While the market has seen food prices decline slightly during May, these prices remain extremely high compared to historical averages. Retailers have been slow to pass price increases onto consumers, but now that prices have jumped, they will likely remain steady to hedge against past and future increases. Food prices may not rise any further, but they could stay at these levels for the next few years as the global markets take longer to correct themselves.

Finally, consumers are now grappling with growing unemployment numbers. Job security is a tangible concern. The unemployment rate reached 5% in April, with job losses coming in those areas hardest

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REMEMBER - The best things in life aren't things.

Duane Reade Holdings: Retailer of the Week

Duane Reade Holdings remains a distressed 'F' credit with an unclear outlook. If we're splitting hairs, our scoring system actually gives Duane Reade a GCS score of 6.0 on the dot, giving it consideration as an 'E'-F' borderline case. Without the wind (solid economic conditions) at its back, it will be interesting to see how close the company can push towards operating profitability. Profitability on a net basis is more certain to elude the druggist for several more quarters (and potentially years). Also peaking our interest will be watching what momentum new CEO John Lederer brings to NYC-based chain. Balance sheet flexibility remains limited with the firm's current leverage profile. The liability-side liquidity left on the revolver, while lean, appears at a sufficient level but warrants close watching on a quarterly basis. Importantly, CFO John Henry has managed to keep bank borrowings at reasonably consistent levels from quarter to quarter. For those vendors who like to look at tangible net worth, please be aware that due to Duane Reade's reporting style of only releasing intangible assets on an annualized basis, the correct tangible net worth is running closer to a \$269 million deficit. The druggist's reporting style causes our system to understate the magnitude of this deficit by more than \$100 million. While we hope to see further operational improvements in fiscal 2008, this is an account that continues to require your close attention.

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Bankruptcy Blotter

... **Bombay Company** filed its disclosure statement and plan of reorganization. It is estimated that unsecured creditors will receive between \$14 million and \$22 million, or roughly between 18.5% and 31.5% of their claims.

... **Linens Holding Co.** won court approval to close 120 of its more than 500 stores and to use **SB Capital Group, LLC** and **Tiger Capital Group LLC** as exclusive agents to liquidate the inventories. Forty of the affected locations are in Arizona and California and Texas. Linens expects to net approximately \$120 million in cash as a result of the liquidation sales.

... In other news, **Linens Holding** received final approval for its \$700 million DIP facility from **General Electric Capital Corp.** About \$430 million of the facility is earmarked to pay off existing bank debt.

... **Hancock Fabrics** is seeking court approval to extend the time in which it may file a plan of reorganization from May 30, 2008 until June 30, 2008, indicating that negotiations are in final stages with the Unsecured Creditors Committee and the Equity Holders Committee with respect to the plan.

... In addition to the above, **Hancock Fabrics** entered into a commitment letter with **Sopris Capital Partners, LP, Berg & Berg Enterprises, LLC,** and

Trellus Partners, L.P. relating to the company's proposed \$20 million Floating Rate Secured Notes, which the company intends to use as part of its reorganization financing.

... A joint venture led by units of **Hilco Consumer Capital Corp.** and **Gordon Brothers Group** won a bankruptcy court auction to acquire the assets of **Sharper Image Corp.** for \$49 million plus some contingent recovery for assets.

... **Provide Commerce Inc.**, the parent company of online retail sites such as **ProFlowers**, is purchasing the assets of **RedEnvelope Inc.** after competing for the company at auction. While the winning bid was not revealed, Provide Commerce beat the stalking horse bid of \$5.7 million offered by **Creative Catalog Corp.** The sale is expected to close on June 23rd.

... **Gary W. White, Jr.** and **Kassie L. White**, owners and operators of **Sportsman Supplies, LLC** of Hobbs, New Mexico, filed for bankruptcy protection last week. The petition listed \$157,000 in secured and \$210,000 in unsecured debt.

... The unsecured creditors of **Delphi Corp.** are seeking permission from the court to take part in the company's lawsuit against a group of investors led by **Appaloosa Management LP**, which backed out of a deal to invest \$2.55 billion into Delphi.

FYI for the DIY

... **Lowe's Companies, Inc.** elected to redeem all outstanding convertible notes and senior convertible notes issued in February 2001 and October 2001, amounting to approximately \$599 million.

... **Anthony M. Tesvich** was charged with three counts of tax evasion and one count of conspiracy to commit wire fraud against **Home Depot**,

relating to a kickback scheme from vendors. Mr. Tesvich allegedly participated in a conspiracy to defraud Home Depot by taking kickbacks from vendors seeking to do business with Home Depot, paying kickbacks to fellow employees to further that scheme while he worked for Home Depot, and continuing to pay kickbacks to his former colleagues when he left Home Depot to further the interest of those vendors.

Feedback?

Questions?

Suggestions?

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HAVE YOU HEARD...

The following Trade Commentaries on private Home Center accounts are now available on the Global Credit Services website:

True Value Company
Moore Handley
Stock Building Supply Company
Do It Best Corp.
Menard Inc.
Southern States Cooperative
Cimarron Lumber & Supply - owned Sutherland Lumber Company

Retailers Issue S.O.S.

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hit by the economic slowdown, including construction, manufacturing and retail.

The combination of these factors has squeezed consumers considerably, making them less likely to spend their discretionary income on nonessential items. Since most retailers sell "wants" rather than "needs," their profits are plummeting, leading to more Chapter 11 filings for both online and offline retailers. While there is much debate over whether we are in a recession, most would agree that we are experiencing a significant economic downturn.

Compared to the recession of 2000 and 2001, today's market downturn has affected far more consumers, shaken the foundations of their financial well-being and will most likely require a longer turnaround. Even consumers who remain unaffected by these factors have become increasingly cost-conscious and adopted a wait-and-see attitude. These concerns have led some analysts to predict a 15% decline in first quarter retail earnings compared to the same period last year.

Management on the Move

... **Tesco** announced that **Jeff Adams** would become the executive vice president of operations for the firm's U.S. stores.

... **Shelly Broader**, the CEO of **Sweetbay** has announced that she will leave the company on June 15th. The company has declined to name a successor.

... **Patrick Curran** has been named **Tops Markets'** senior vice presidents of sales and merchandising.

... **Jorge Figueredo** has been named **McKesson's** executive vice president of human resources.

... **Big Lots** appointed **Christopher T. Chapin** as SVP of Store Operations, reporting to CEO **Steve Fishman**. Mr. Chapin most recently served as President of **FacilitySource**, a retail facility maintenance and management business.

... **Footstar**, which has begun liquidating and will submit a dissolution plan to shareholders early next year, announced that **Randall Proffitt**, SVP of Store Operations left the company.

... **Tractor Supply Company** accepted the resignation of **Blake A. Fohl**, SVP – Marketing. No reason was given for the resignation.

... **Peter Horvath** was named EVP, Business Integration at **Limited Brands**. Horvath spend 190 years with Limited Brands, ending his first tenure in 2004. Prior to rejoining Limited Brands, Horvath was president of DSW.

... **Stuart G. Moldaw**, founder of **Ross Stores**, passed away this week. Moldow served as Chairman of the Board for nearly 11 years and remained on the board until his passing.

Mass Merchant Musings

... **Wal-Mart** began the global roll-out of a new IT system, created by **SAP**, breaking with its traditional reliance on its home-grown system. Installing SAP has shown to be a problem in some companies, though we do not foresee any issues with Wal-Mart's roll-out.

... For its first quarter ended May 3, 2008, **Big Lots, Inc.** reported sales of \$1.152 billion, up 2.1% versus sales of \$1.128 billion for the first quarter last year. Net income for the quarter was \$34.5 million, up 20.0% versus net income of \$28.8 million last year.

... As a result of its better than expected results, reported above, **Big Lots** now expects its earnings per share from continuing operations for the year

to be in the range of \$1.80 to \$1.90 per share, an increase of 28% to 35% versus prior year.

... With shoppers flocking to its stores for discounts on food and gasoline, **Costco Wholesale Corporation** reported net income for its third quarter ended May 11, 2008 of \$295.1 million, up 31.7% versus net income of \$224.0 million for the third quarter last year. Sales for the quarter were \$16.263 billion, up 13.4% versus last year.

... Also relevant for the times, **Dollar Tree, Inc.** reported sales for its first quarter ended May 3, 2008 of \$1.051 billion, versus sales of \$975.0 million last year, an increase of 7.8%. Net income for the quarter was \$43.6 million, a 14.4% increase versus prior year.

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"Retail Sector Weekly"

and

Monthly Comps Analysis

Report

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Heard in the Grocery Aisle

... **Kroger** announced that it would begin offering gas discounts at its locations nationwide.

... **Kroger's** unionized workers in the Indianapolis area have agreed to a contract extension.

... **The Little Clinic LLC** and **Kroger** announced a partnership that will put walk-in medical clinics inside the grocery stores across the country. The grocer also made a significant capital investment into the clinic operator.

... On June 23, **Bodega Latina** will switch suppliers from **C&S Wholesale Grocers** to **Unified Grocers**.

... **Bodega Latina** announced that would acquire seven **Gigante USA** stores in southern California. The firm already operates nine ethnic supermarkets under the **EI Super** banner in California and Arizona.

... **Central Grocers** and **Certified Grocers Midwest** have agreed to merge. The new organization will operate under the **Central Grocers** name and use its soon-to-be-opened 920,000-square-foot distribution facility in Joliet, Illinois.

... **Palomar Pomerado Health** announced that it would open two in-store health clinics inside of **Albertsons** stores in southern California.

... Unionized pharmacists at 35 **Waldbaums** locations announced that they have authorized a strike. The two sides are fighting over pension benefits.

... Washington, D.C.-based, **My Organic Market**, a group of independent grocers, has promised to sell only ecologically friendly seafood at its locations.

... **H.E. Butt** announced that it would open 4 stores in northern Mexico during the next 10 months.

... **Vallarta Supermarket** announced plans to open a 37,400 square foot store in Santa Maria, California. The new location will carry a lot of ethnic products and it is aimed at the growing Hispanic population.

... **Wegmans** has announced plans to build a 400,000 square foot office building on Fischer Road in Chili, New York. This proposed facility in suburban Rochester, New York still must receive some local government approval.

... **Wegmans** announced that it is legally permitted to sell beer at six locations across Pennsylvania.

... Despite strong opposition, **Wegmans** has received a liquor license for its store in Westwood, Massachusetts.

... **K-VA-T** has begun offering discounted fuel to its customers.

... On June 1st, **Meijer** will begin offering free prenatal vitamins at 181 of its pharmacies.

Did You Know...?

Inflation erased all the gains in disposable personal income in April, while consumer spending was flat after adjusting for higher prices. The report suggests the economy weakened further in the second quarter of the year even as the first tax-rebate checks began arriving.

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Hi Tech Entertainment

... **Circuit City** CEO Philip Schoonover earned \$2.1 million in 2007, down from the \$17.1 million he had earned the previous year. Schoonover received a base salary of \$900,000 for the year. Schoonover was the captain of a ship that lost \$319.9 million during the year.

... **Sharper Image** went to the auction block. The company was acquired by a group of private investment firms for \$49 million. Hilco Consumer Capital and Gordon Brothers Group led the joint venture. The companies are working to liquidate 96 of the 180 stores. The two have teamed up in the past on retailers such as **Bombay**. Gordon Brothers was also involved in the sale of **CompUSA**.

... **Blockbuster** reportedly is still interested in a possible acquisition of **Circuit City**. Blockbuster CEO Jim Keyes has said that the company is do-

ing its due diligence on the \$1 billion bid.

... **Corporate Express** is doing its best to fend off the proposed acquisition by **Staples**. The proposed acquisition of French **Lyreco** will be voted on by shareholders on June 18, as the offer from Staples is on the table until June 27.

... **Amazon** announced plans to launch a streaming video service in the next few weeks. CEO Jeff Bezos would not elaborate on the announcement and a company spokesman declined to offer any more information.

... **Borders Group** announced a net loss of \$31.7 million for the first quarter ended May 3, 2008. The loss comes as the storm around Borders swirls. The company has been named in acquisition rumors for the past few months.

The Global World of Sports and Footwear

... According to the **Canadian Sporting Goods Market Report** sales continue to increase for our neighbor to the north as sales in 2007 amounted to \$7.5 billion, growing from \$7.4 billion in 2006. In recent years, the Canadian sports market has been growing at a steady rate - \$6.9 billion in 2004; \$7.0 billion in 2004; and \$7.4 billion in 2006.

... Retail sales of athletic footwear have surpassed the \$17 billion mark for the first time, reaching \$17.4 billion, an increase of 2.7% versus 2006, when sales were \$16.9 billion, according to the **National Sporting Goods Association**.

... **Genesco Inc.** reported earnings for its first quarter ended May 3, 2008 of \$129.8 million, including a pretax gain of \$204.1 million from the settlement of the merger related litigation with **The Finish Line, Inc.** and **UBS Securities**. The gain was partially offset by expenses related to the litigation, the settlement of unrelated litigation, and store closings and fixed asset impairments totaling \$9.5 million. After adjustments, the company's adjusted earnings were \$3.4 million, versus \$2.2 million in the prior year.

... **NexCen** slashed its New York workforce by 25% as it moves to improve its liquidity and hired **N M Rothschild & Sons** to explore strategic alternatives, including the possible sale of one or more of its businesses.

... In other news, a least three class action lawsuits were filed against **NexCen** charging it with violating various securities laws in connection with its failure to disclose provisions of its BTMU loan agreement that require it to repay \$30 million by October 17, 2008.

... **Gander Mountain** will release its first quarter operating results on Tuesday, June 3, 2007. Be

sure to look for **Global's** updated analysis and assessment shortly thereafter.

... **Montana Camo**, a small camouflage apparel company in Victor, Montana, is suing **Cabela's** for unfair competition and copyright infringement in U.S. District Court in Billings, Montana, specifically for the use of the Open Country label.

... **Sport Chalet, Inc.** entered into a joint training and operations agreement with **Ocean Enterprises**, a specialty dive center headquartered in San Diego, California. The companies will work together on employee and dive instructor training and certification as well as joint merchandising and marketing initiatives.

... On a separate note, **Sport Chalet** will release its fourth quarter and fiscal year end results after the market closes on Tuesday, June 3, 2008. Be sure to look for **Global's** updated analysis and assessment shortly thereafter.

... **Shoe Carnival, Inc.** reported that earnings fell 34.2% in its first quarter ended May 3, 2008, to \$4.8 million from \$7.3 million in the first quarter last year. Sales for the quarter slid 2.2% to \$162.1 million from \$165.7 million, comps decreasing 4.9%.

... **DSW Inc.** reported sales for its first quarter ended May 3, 2008 of \$366.3 million, up 2.5% versus sales of \$357.0 million for the comparable period last year. Net income for the quarter was \$10.3 million, down 56.7% versus net income of \$23.7 million last year.

... **Quiksilver, Inc.** will release its second quarter financial results on Thursday, June 5, 2008. Be sure to look for **Global's** updated analysis and assessment shortly thereafter.

Did You Know...?

Sixty percent of respondents to a recent online survey reported they were spending more on groceries than one year ago, with 32% preparing more meals at home and 22% buying more store brands.

Health & Beauty Aids

... **Walgreen** announced that it would open its first three stores in Alaska.

... Connecticut's Attorney General has filed a lawsuit that accuses **McKesson** of inflating the price of drugs.

... **Cardinal Health** placed \$300 million in five-year notes.

... The Ohio State Board of Pharmacy, as a result of some suspicious drug orders, is investigating **Cardinal Health**.

Off the Rack

... **Wet Seal** announced that first quarter profits jumped 18% despite a 7.5% decline to comp store sales. Many analysts are expecting Wet Seal to double its earnings this year.

... **Sears Holdings** shocked many analysts this week when it announced it had slipped to a loss for the first quarter. The company reported a loss of \$56 million for the first quarter. Revenues for the firm fell 6%, as comps were down 9.8% at Sears Domestic and down 7.1% at Kmart.

... **Fred's** reported a 5% increase in revenues to \$464.3 million. Net income for the quarter fell slightly to \$7.3 million, however. Comps were up 2.1%

... **Gottschalks** reported a loss of \$5.1 million for the three months ended May 3, 2008. The loss comes at a crucial point in time for the company. The balance sheet remains extremely fragile. Revenues for the quarter were down 11.8% to \$125.1 million, as comps fell 10.3%.

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Options and Resources

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Duane Reade Holdings: Retailer of the Week

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OPERATING PERFORMANCE: 3 MONTHS ENDED MARCH 29, 2008

<i>\$ in millions, 52 weeks ended</i>	3/29/2008	3/31/2007	YOY Var.
Net Sales	\$427.10	\$414.40	3.10%
Comparable Store Sales Growth	4.50%	8.20%	
Gross Margin	31.10%	29.40%	168 bps
SG&A Burden (including D&A)	32.00%	33.00%	(97 bps)
Adj. Operating Profit*	(\$3.20)	(\$9.80)	N/M
Adj. Operating Margin*	-0.80%	-2.40%	161 bps
Net Profit	(\$21.00)	(\$30.50)	N/M

*-excludes transaction expenses, labor contingency items, severance costs, and other unusual one-time items.

Duane Reade kicked off its first quarter of fiscal 2008 with same store sales rising at a 4.5% pace. This performance, which we believe is certainly respectable, comes on the heels a blistering 8.2% pace set during the first quarter of last year. More specifically, front-end comps soared 7.0% while pharmacy comps increased 1.5% during the latest thirteen-week period ended (see Comparable Store Sales). It is important to note that the Easter shift provided an estimated half-point of growth to front-end comps. Total revenues rose at a more moderate, 3.1% rate to \$427.1 million, and included \$12.2 million of pharmacy resale activity. Generic drug scripts represented 59.1% of total prescriptions dispensed by the retailer in Q1 2008, up from 54.3% in Q1 2007.

Gross margin improved 168 basis points to 31.1%, demonstrating the impact of improved assortments of higher-margin products and pharmacy margins due to higher rates of generic utilization. During Q1 2008, New York Medicaid sales represented 14.0% of retail pharmacy sales, while Medicare Part D sales comprised 12.7% of pharmacy sales.

The 168 basis point improvement in Duane Reade's SG&A burden to 32.0% of sales was owed to the fewer one-time items and the impact of Duane Reade Full Potential, which combined to offset increased pharmacists' labor costs and additional staffing needs in the firm's corporate headquarters. Eliminating one-time items revealed an adjusted operating loss of \$3.2 million. Narrower losses mark a nice improvement from the prior year results, but they are in fact still losses. Interest expense of \$15.9 million crept upward slightly to 3.7% of total revenues.

LIQUIDITY AND FINANCIAL STRUCTURE

Duane Reade Holdings reported revolver availability of \$63.0 million as of the first quarter of fiscal 2008 ended March 29, 2008. Availability reflected direct borrowings of \$150.7 million under this facility, and was also net of \$6.3 million reserved for standby letters of credit. Availability levels were up 19% relative to the year-ago period but down 13% on a sequential quarterly basis. This facility, which expires in July 2011, is intended for the use of the druggist's working capital requirements. The firm's cash stash of \$1.4 million remained very much in line with what we've seen over the past several quarters.

Outside of revolver borrowings, Duane Reade has \$210 million of senior secured floating rate notes due in December 2010 and another \$195 million of 9.75% senior subordinated notes due in August 2011. A total liabilities-to-assets ratio of 1.1:1 highlights the extent of the balance sheet's leverage.

For the thirteen weeks ended March 29, 2008, total investment spending of \$8.4 million included \$7.2 million of capital expenditures and \$1.7 million of lease acquisition costs, partially offset by \$0.5 million in proceeds derived from the sale of assets and lease assignments. During Q1 2008, Duane Reade opened one new store and closed one other location, leaving its store count intact from the year-end level of 242. Roughly 58% of the company's 242 stores are located in Manhattan while 32% are positioned in the outer boroughs of New York City, with the remaining 10% being located outside of New York City. Management intends to open 15 and 12 new stores in 2008 and 2009, respectively.

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Did You Know...?

Consumers plan to spend an average of \$94.54 on Father's Day gifts this year versus \$98.34 in 2007. Dad is taking it in the shorts. . . again.

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Duane Reade Holdings: Retailer of the Week

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As of March 2008, Global Credit estimated Duane Reade's true tangible net deficit to approximate \$269 million. Duane Reade has made a habit of only releasing non-goodwill intangible assets in its annual filing; during the other three quarters of its year, the druggist buries its intangibles in its other long-term assets. This reporting manner causes our system to understate the firm's tangible net deficit by the value of non-goodwill intangibles. Intangibles reported as of December 2007 were approximately \$104.0 million.

Specialty Items

... Reflecting strong merchandising execution and the benefits of aggressive financial initiatives, **Kirkland's, Inc.** reported sales for its first quarter ended May 3, 2008 of \$84.0 million, up 2.1% versus sales of \$82.3 million in the first quarter last year. The net loss for the quarter was \$2.6 million, down from a net loss in the prior year of \$7.5 million.

... Meanwhile, **Michael's Stores, Inc.** reported sales for its first quarter ended May 3, 2008 of \$847 million, up 1.0% versus sales of \$839 million for the comparable period last year. For the quarter the company reported a loss of \$20 million, down from a loss of \$23 million in the prior year.

... Reflecting improved performance from its Strategic Plan initiatives, **Jo-Ann Stores** reported sales for its first quarter ended May 3, 2008 of \$446.1 million, up 5.1% versus sales for the first quarter last year of \$424.2 million. Net income for the quarter was \$3.0 million, reversing a loss for the prior year of \$1.7 million.

... **Williams-Sonoma, Inc.** will release its first quarter operating results on Wednesday, June 4, 2008, prior to the market opening. Be sure to look for **Global's** updated analysis and assessment shortly thereafter.

... Hurt by store closing costs, severance costs and fees related to strategic alternatives, **Borders Group** reported a loss of \$31.7 million for its first quarter ended May 3, 2008, compared with a

loss of \$35.9 million for the comparable period last year.

... Separately, **Borders** is jumping back into online retailing with a Web site after seven years paired with **Amazon.com**. Analysts, however, say it will be a challenge for the new Borders.com to step out of the shadow of the Web retailing giant.

... **Finlay Enterprises, Inc.** reported sales for the first quarter ended May 3, 2008 of \$205.1 million, which included sales from the recently acquired Carlyle, Congress, and Bailey Banks & Biddle stores, up 25.9% versus sales of \$162.9 million for the comparable period last year. Unfortunately, expected synergies have not as yet materialized and the company reported a loss for the quarter of \$11.0 million, up versus a loss of \$7.6 million last year.

... For its first quarter ended April 30, 2008, and historically its seasonally smallest quarter, **Movado Group** reported sales of \$101.4 million, virtually flat with sales in the first quarter last year. For the quarter the company reported net income of \$1.2 million, down 48% versus net income of \$2.4 million last year.

... Proving that the wealthy are not impacted by the economic slump, **Tiffany & Co.** reported sales for its first quarter of \$668.1 million, up 12.2% versus sales of \$595.7 million for the comparable period last year. Net income for the quarter was up 20.9% to \$64.4 million versus net income of \$54.1 million last year.

Did You Know...?

Americans drove less in March 2009 for the first time in 29 years, according to estimates from the Federal Highway Administration. Estimated vehicle miles traveled on all public roads from March 2008 fell 4.3% as compared with March 2007, the first drop since 1979.

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Rating Changes and Outlooks

Company	S&P Credit Rating		S&P Credit Outlook		GCS Credit Rating
	Current	Prior	Current	Prior	Current
SEARS HOLDING CO. F/K/A KMART HOLDING CORP	BB	BB	NEG	STA	D+
SEARS HOLDINGS CORP	BB	BB	NEG	STA	NR
FINLAY ENTERPRISES INC	CCC	B-	NEG	NEG	E
FINLAY FINE JEWELRY CORP	CCC	B-	NEG	NEG	E+
NPC INTERNATIONAL INC	B	B+	STA	NEG	NR
COX ENTERPRISES INC	BBB-	BBB-	POS	STA	NR
GROUP 1 AUTOMOTIVE INC	BB-	BB	STA	NEG	E+
COX ENTERPRISES INC	BBB-	BBB-	POS	STA	NR
VISTAR CORP	NR	B	NR	STA	NR