

RETAIL SECTOR WEEKLY

Key Retail News and Commentary

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Remember...

A good listener is not only popular everywhere, but after a while they get to know something.

Don't Forget About Inflation

Investing well requires foresight. Right now, almost everyone is concerned about recession. However, two years from now, the current economic contraction will be a distant memory, and other concerns will be more prominent. The most prominent problem is likely to be inflation.

This was also true a year ago. Oil was trading at \$145 per barrel, and the consumer price index (CPI) was up 5.6% between July 2007 and July 2008 – the fastest inflation growth in 17 years. At the same time, producer prices were up 9.9%, with the “core” PPI, or producer price index, up 4.6% at its peak.

But in the second half of 2008, as velocity collapsed, inflation vanished into thin air. As oil prices plummeted, the CPI fell at a 12.4% annual rate in the last three months of 2008. And, as we drop off the big moves from last year, the CPI is on a roller-coaster ride, with year-over-year comparisons falling rapidly. Consumer prices are up just 0.2% versus last year, while producer prices and import prices are down 1.3% and 1.9%, respectively.

And there is more to come. On a year-over-year basis, the CPI will turn negative this month and stay negative for many more months. As a result, many believe inflation is a distant memory and those who fear deflation will have data to hang their hats on for much of 2009.

But, these deflation-istas will be looking in the rear-view mirror. On a month-to-month basis, inflation is already starting to claw its way back. In the first two months of 2009, consumer prices are up at a 4.1% annual rate, while producer prices are up at a 5.8% rate.

What's interesting about this return of inflation in the early part of 2009 is that it is being met with skepticism and denial. Conventional wisdom thinks that any increase in inflation is virtually *(continued on page 2)*

Retailer of the Week: Duane Reade Holdings

We are reiterating our high risk, 'E' credit rating on Duane Reade Holdings. We continue to maintain our negative outlook because the druggist does remain a borderline case, simply implying that there is a greater likelihood of a future return to 'F' status than there is for remaining in 'E' territory (which would constitute a stable outlook). Comparable store sales in the front of its stores have waned amidst a sluggish local economy. An effort to rebrand the look and feel of the store is taking place; we've seen firsthand evidence at the Penn Station and Port Authority stores. The P&L statement continues to report losses, but does reflect some degree of improvement as evidenced a breakeven adjusted operating margin. Unlike some other private investment companies, Oak Hill Capital, to this point, appears to remain committed to the chain.

Not a whole lot has changed with respect to the balance sheet, which continues to remain highly levered with very modest levels of cash. The liability-side liquidity provided by the revolver appears adequate to support the chain's needs. The manner by which CFO John Henry has kept revolver borrowings from experiencing huge quarterly gyrations gives vendors some comfort that the chain does have some control of its business. For those vendors who monitor 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 a \$308 million deficit. The druggist's reporting style causes our system to understate the magnitude of this deficit by more than \$100 million during the non-annual reporting periods. We patiently look forward to seeing whether the retailer will be able to continue building upon recent progress in such a difficult economic backdrop.

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Don't Forget About Inflation

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impossible because the economy is in trouble and unemployment has been climbing.

Even the Federal Reserve, which has embarked on an unprecedented expansion of its balance sheet and is committed to keeping short-term interest rates at essentially zero for at least another year, is not worried about inflation. The Fed believes that it can reverse course on this stance before inflation becomes a serious issue.

Unfortunately, the Fed is paying too much attention to short-term developments. The reason commodity prices and overall inflation indexes fell so rapidly last year (and will look low on year-over-year comparisons this year) is because monetary velocity collapsed. Even though the Fed was super easy, panic about the viability of the U.S. banking system caused a steep drop in the turnover of money (velocity). From a monetary point of view, a drop in velocity offsets easy money.

Now that velocity is coming back, any further easing in monetary policy will be like throwing gasoline on a fire. This is exactly what happened earlier this month when the Fed announced a plan to print more than \$1 trillion in new money, setting the stage for a sharp inflationary resurgence that is likely to catch many by surprise.

Gold fell to roughly \$700 an ounce last year, but is now near \$950. This is an early signal of excessive monetary ease. And oil is now above \$50 a barrel after falling into the mid-\$30s-per-barrel range last year. This is a sign of both easy money and a return in velocity.

There is a saying: "If the Fed is not worried about inflation, investors should be." Today, it is clear the Fed is not worried, and the political class is actively arguing for lower and lower rates and easier and easier money.

Feedback?

Questions?

Suggestions?

[Click Here](#)

FYI for the DIY

Jewett-Cameron Trading Company Ltd. sales fell 37.7% to \$9.35 million for the second quarter ended February 28. Net income was down 50% to \$256,000. The company currently has no borrowing against its \$5.0 million line of credit.

Taiga Building Products Ltd. confirmed that it will defer interest payable on its subordinated notes, as its debt service coverage ratio as of March 31 has crossed the threshold specified in the Note Indenture. The interest deferral will save about \$1.3 million of cash per month, but will accrue and attract a further 14% interest on interest charge.

Two of the three former **Home Depot** executives convicted in a flooring products kickback scheme have been sentenced. Ronald K. Johnston was sentenced to 46 months in prison and James P. Robinson was sentenced to 63 months in prison. The ringleader, Anthony M. Tesvich, will be sentenced in June.

Tractor Supply is scheduled to start construction this month on its first store in the Tulsa, Oklahoma, area. In spite of a down market, the company's sales were up 11.3% last year, and the company added 91 stores. This year the company expects to add 70 to 80 locations.

Options and Resources

Feedback and Questions: Should you have any feedback to provide us or questions to ask, please email us at inbox@globalcreditservices.com.

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Bankruptcy Blotter

In the first quarter, 308,530 bankruptcies were filed, an increase of 6% compared with the last quarter of 2008. In March alone, filings totaled 121,413, a nearly 41% increase from a year earlier, and a 23.5% increase from February.

The global speculative-grade default rate stood at 7% at the end of the first quarter, up from 4.1% at the end of 2008 and 1.5% a year earlier, according to Moody's Investors Service.

Joe's Sports & Outdoors won court approval to liquidate the company after no bidders came forward looking to keep the retailer in business. **Gordon Brothers** reportedly won the right to liquidate the company offering 50% of Joe's inventory valued at \$61 million. Liquidation sales began last Friday.

In related news **Worldwide Distributors**, a buying group, filed suit against **Wells Fargo** and **Crystal Capital Fund**, both secured creditors, claiming that Joe's signed a security agreement with the buying group that granted Worldwide a security interest in all inventory and proceeds related to Joe's debt with Worldwide. A dispute exists as to whether Worldwide is owed \$3.5 million or \$7.0 million.

The battle over rejecting labor contracts that cover workers at **Bruno's Supermarkets** continued in earnest last week as the company rejected an offer to buy 36 of its 56 stores, claiming it would not maximize the return to the estate. Meanwhile, the company has requested court approval to hold an auction for its assets on April 29th. To date the company does not have a stalking horse bidder.

In other news, unsecured creditors of **Bruno's** are objecting to proposed bonus payments for five executives and 16 managers of up to \$900,227, suggesting that the bonuses are unnecessary because of current economic conditions.

Bi-Lo LLC received interim court approval to tap a \$125 million DIP loan. The **General Electric Capital Corp.**-backed financing rolls up \$65 million in pre-bankruptcy debt and provides \$60 million in new capital. The company is allowed access to the first \$40 million of the loan pending final approval of the facility.

Facing the deadline to file its Plan of Reorganization, **KB Toys** is seeking an

extension to file the plan until July 9th. The company claims that the complexity of the issues with which it has had to contend justifies the extended plan filing time frame.

At least two potential buyers of the **Goody's Family Clothing** name have emerged and could reopen several locations, according to **Streambank LLC**, the firm hired to liquidate the former retailer's intellectual property. Though the potential buyers were not named, a deal is expected within the next few weeks.

Creditors of the now liquidated **Mervyn's** filed a suit seeking a ruling that a \$30 million loan from **Sun Capital Partners Inc.** was really a capital infusion from one of the company's owners. Sun already faces a suit by creditors that it allegedly financed its 2004 takeover of Mervyn's by looting the company's valuable real estate portfolio.

Levine Leichtman Capital Partners, which owned \$43.5 million of **Linens 'n Things Inc.'s** senior secured notes, is suing **Apollo Management** for allegedly misrepresenting the financial condition of Linens 'n Things from at least March 2007 to May of last year when Linens filed for bankruptcy. Specifically, the complaint contends that Apollo overstated earnings by not recording bona fide impairment charges for some assets.

Continuing with litigious bankruptcies, creditors of **Steve & Barry's** are suing the hedge funds that bought the company out of Chapter 11, **Bay Harbour Management LC** and **York Capital Management**, of engaging in a "secret back-up plan" to liquidate the retailer after their buyout soured.

Winding down its operations, **Gottschalk's** announced the resignations of **Daniel T. Warzenski**, its VP and CFO; **Scott G. Manson**, SVP and General Merchandise Manager; and **Michael J. Schmidt**, SVP and Director of stores. The company also laid off approximately 260 people from its corporate headquarters.

Masonite International will seek court approval to put its restructuring plan up for a creditor vote this week. Under the plan, senior lenders get 97.5% of the reorganized company, bondholders will get 2.5% and unsecured creditors will be paid in full.

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Off the Rack

J. C. Penney Company, Inc. has a new three-year \$750 million bank credit facility maturing in April 2012, replacing a \$1.2 billion credit facility that was to mature in April 2010. No borrowings are expected under the new facility other than letters of credit.

Also, **J. C. Penney** had a surprisingly good March, and raised first quarter guidance. Comp store sales are now expected to decrease 8% to 10% vs. previous guidance of -12% to -15%. Loss per share is now expected to be \$0.05 to \$0.10 per share rather than a loss of \$0.20 to \$0.30 per share guided previously. Both estimates include \$0.23 per share for non-cash primary pension plan expense.

Charlotte Russe Holding, Inc. sales increased 3.3% to \$191.2 million in the second quarter of fiscal 2009 ended March 28. Comp store sales declined 8.0%. Loss per share is expected to be \$0.06 to \$0.03 in Q2. Third quarter comps are expected to be negative low-single digits to positive low-single digits, with non-GAAP earnings per share in the range of \$0.17 to \$0.27. Charlotte Russe's financial advisor, Cowen and Company, LLC, has initiated a sale process as part of an ongoing strategic review, and associated costs along with other one-time charges will bring down net income.

Barneys New York owner Istithmar World Capital has given the retailer a cash infusion of an estimated \$10 million according to the *New York Post*. The cash will be used to pay down the revolving credit facility and for operations. Istithmar, which bought Barneys in 2007 for \$950 million, is rumored to be shopping the chain looking for a buyer.

Aeropostale, Inc. raised Q1 earnings guidance to \$0.32 per share from previously issued guidance of \$0.22 to \$0.24 per share, following March results that came in above expectations.

TJX Companies, Inc., following a strong March, said first quarter earnings would be at or slightly above the high end of the previously guided range of \$.32 to \$.38 per share.

Kohl's Corp. has been sued by jewelry supplier Bijou International Corp. in Federal Court in

Wisconsin, claiming the retailer canceled over \$1 million of jewelry orders. The suit asks for not less than \$75,000 in damages.

Nordstrom's inventory is turning every 62 days, *Bloomberg* reported, compared to 119 days at **Macy's** and 140 days at **Saks**.

Cache Inc. sales fell 21.5% to \$53.2 million in the first quarter of fiscal 2009 ended March 28. Comp store sales decreased 20.7%. The company narrowed earnings guidance to a loss of \$0.12 to \$0.13 per share from Previous Guidance Range of \$0.12 to \$0.16

Eddie Bauer Holdings reached a deal with lenders to relax financial covenants on its \$225 million term loan. The company got the needed "breathing room" but at the cost of much higher interest rates.

Bebe Stores, Inc. sales fell 17.3% to \$122.0 million in the fiscal third quarter ended April 4. Same store sales decreased 23.5%. The company noted that inventory per square foot decreased 17.6% vs. last year.

Ross Stores, Inc. is now forecasting first quarter earnings of \$.68 to \$.70 per share, up from the prior forecast of \$.56 to \$.61 per share.

Destination Maternity Corp. sales for the second quarter of fiscal 2009 decreased 6.4% to \$130.1 million. Comp store sales were down 2.8%, and down 0.8% adjusting for the calendar. DEST expects second quarter earnings to be better than the high end of previously issued guidance of a loss of \$0.22 to \$0.35 per share, excluding goodwill impairment charges.

Gymboree Corp. raised first quarter guidance, now expecting comp store sales down mid-teens, compared to down 20% to 25% guided previously. Q1 earnings are now projected to be \$0.50 to \$0.56 per diluted share, up from prior guidance of \$0.18 to \$0.25 per diluted share.

American Eagle Outfitters, Inc. narrowed first quarter earnings guidance to \$0.06 to \$0.07 per share, the high end of \$0.04 to \$0.07 per share guided prior.

Did You Know...?

First-time state unemployment claims dropped 20,000 to 654,000 in the week ended April 4, the Labor Department reported. Continuing claims for the prior week were up 95,000 to 5.84 million.

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Mass Merchant Musings

Wal-Mart said first quarter earnings per share are expected to be toward the high end of the \$0.72 to \$0.77 per share range provided in February.

Also, **Wal-Mart's** is seeing good results from its Project Impact initiative, which includes remodeled stores and more consumer friendly layouts and merchandising. WMT's goal is to trim assortments and focus on items most popular with shoppers. Management credited the program with Q4's stronger sales even as inventory is shrinking.

Wal-Mart Canada's store in Saint-Hyacinthe, Quebec is now the retailer's only unionized location, as an arbitrator has imposed a union contract, the *Wall Street Journal* reported. But other than a C\$.30 per hour wage increase—solely to offset union dues—there were no wage and benefits changes.

99c Only Stores sales increased 13.3% to \$329.2 million in the fourth quarter of fiscal 2009 ended March 28. Same store sales increased 6.2%. Total sales for the full fiscal year were up 8.6% to \$1.303 billion, with same-store sales up 3.7%.

Family Dollar Stores, Inc. sales increased 8.7% to \$1.992 billion in the second quarter of fiscal 2009 ended February 28. Comp store sales increased 6.4% and net income increased 32.9% to \$84.1 million. Full year sales guidance

is for growth of 5% to 7% with comp store sales up 3% to 5%. The earnings forecast was raised for the second time to \$1.90 to \$2.00 per share for the year. For the third quarter ending May 30, FDO expects sales will increase 7% to 9% with comps up 5% to 7%. Q3 earnings are forecast to be between \$0.54 and \$0.58 per share.

Big Lots Inc. plans to open 45 new stores this year—while closing 40 underperforming stores—but the discounter has its sights on better locations in more affluent neighborhoods, according to a report in the *Columbus [Ohio] Business Journal*. BIG is looking towards vacant A and A+ real estate now abandoned and available for bargain rents.

PriceSmart, Inc. sales increased 14.0% to \$334.8 million in the second quarter of fiscal year 2009 which ended on February 28. Net income was up 33.7% to \$12.7 million.

Target Corp. opened 27 new stores last week, including its first two locations in Hawaii and six additional locations in Texas. The company now operates in all 50 states with the exception of Vermont.

BJ's Wholesale Club has partnered with on-site installation service Zip Express Installation to offer customers installation of TVs and home theater systems.

Upcoming Reporting Dates

Company	Event	Date
AmerisourceBergen	Financial Results	Apr 23, 2009
Bakers Footwear Group	Financial Results	Apr 15, 2009
Cabela's	Financial Results	Apr 30, 2009
Destination Maternity	Financial Results	Apr 22, 2009
Fastenal	Financial Results	Apr 14, 2009
Hhgregg	Financial Results	Jun 2, 2009
IAC Interactive	Financial Results	Apr 29, 2009
Ingram Micro	Financial Results	Apr 30, 2009
Loblaws Companies	Financial Results	May 5, 2009
Metro	Financial Results	Apr 23, 2009
Nordstrom	Financial Results	May 14, 2009
Office Depot	Financial Results	Apr 28, 2009
Rex Stores	Financial Results	Apr 15, 2009
Sherwin-Williams	Financial Results	Apr 16, 2009
Shoppers Drug Mart	Financial Results	Apr 28, 2009
Stein Mart	Financial Results	May 21, 2009
Supervalu	Financial Results	Apr 23, 2009
Talbots	Financial Results	Apr 13, 2009

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The Global World of Sports and Footwear

Forzani Group will begin shipping private label products from \$12 billion Swiss buying group Intersport into the U.S. market this fall through its wholesale division. Intersport sees good opportunities in the U.S. market for products that have already performed well in Canada such as ski, snowboard and hiking outerwear, alpine skis/bindings, snowboards, and inline skates. Among Intersport's own labels are Firefly, McKinley and Technopro.

Also, **Forzani Group** has been approved by the TSX to repurchase up to 2.4 million common shares—about 7.9% of shares outstanding—over the next 12 months.

U.S. Winter Sports sales fell 16% in February as equipment sales were hit particularly hard, according to the latest SIA Retail Audit. Alpine equipment sales slid 18% in dollars sold to \$50.6 million and 14% in units to 244,219. For the seven months ending with Feb., alpine equipment sales were off 14% in dollars to almost \$392.0 million as overall units sold fell 15% to 2,203,962. Snowboard units were off 7% to 195,597 in February as dollar sales slipped 11.8% to \$29.4. For the seven-month season, snowboard equipment sales were off 11.9% in dollars to \$266.5 million and down 9.3% in units to almost 1.7 million. Apparel and accessories fared better, as Apparel sales fell 4.7% in dollars but rose 2.3% in dollars for the y-o-y Aug.-Feb. timeframe. Accessories sales were flat in dollars and down 1% in units over the same period. Overall, the U.S. snow sports market had a 3.6% drop in dollars sold and flat unit sales for the Aug.-Feb. season.

L.L. Bean will temporarily furlough 150 call center workers in its Bangor, ME facility,

retaining 50 for the May and June timeframe. The company is reportedly in discussions with a potential business partner about a shared facility and staff business model at the Bangor site that opened in fall 2005.

Foot Locker's 10-K had a few interesting tidbits. The chain purchased 80% of FY08 merchandise from top five vendors, including 64% from Nike. Direct sales rose 7.1% in FY08 to \$390 million with division profit up 7.5% to \$43 million but profit margin flat at 11.0%. Athletic store sales were down 4.4% for the FY to \$4,847 million with door count at 3,641 and selling sq. footage down 4.8% to 8.09 million. Planned capital expenses for FY09 are \$100 million with \$77 million earmarked for store renovations and new door openings and \$23 million for the development of information systems and other support facilities.

Hibbett Sports noted that it has increased its store base by approximately 22% over the last two years to 745 doors, 524 are in strip centers and 199 are in enclosed malls. All locations are supplied from the company's single, 220,000 sq. ft. DC in Birmingham, Alabama.

UFA Co-Operative, the Calgary, Canada entity that acquired 15 The Sportsman's Warehouse locations in the U.S. Northwest (seven are in WA) March 11, generated annual sales of \$2.1 billion in 2008, four years after topping the \$1 billion mark.

Scheels decides to delay construction on a two-story, 200,000 sq. ft. store in Springfield, IL until fall or perhaps 2010, pushing the door's opening to 2011. Construction on the superstore was supposed to begin this month.

Did You Know...?

The U.S. federal budget deficit tripled to an astonishing \$956.8 billion for the six months from October to March, the Treasury Department reported.

Management on the Move

Berkshire Hathaway's **Helzberg Diamond Shops, Inc.** appointed **Beryl Raff** Chairman and CEO, replacing **Marvin Beasley** who has resigned. Raff was EVP and GMM of fine jewelry for J.C. Penney previously.

Movie Gallery, Inc. promoted SVP Games **Wes Sand** to EVP and Chief Merchandising Officer. He's been with the company since 2002, holding several senior positions in the video game side of the business.

Talbots, Inc. named **Benedetta Casamento** EVP Finance, a newly created position.

Casamento comes from Liz Claiborne, Inc. where she held various leadership positions.

Ulta Salon, Cosmetics & Fragrance, Inc. director **Gerald R. Gallagher** said he will not stand for re-election at the company's 2009 annual meeting. Gallagher is a venture capitalist with Ulta shareholder Oak Investment Partners, and Oak is reducing its holdings in the company.

A.C. Moore Arts & Crafts, Inc. EVP and CFO **Michael G. Zawoysky** has resigned to pursue an opportunity in the private equity sector. ACMR will begin a search for a replacement.

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Hi Tech Entertainment

Hhgregg, Inc. sales rose 13% to \$365 million for the fourth quarter ended March 31, 2009 while comp store sales fell 6.5%. Q4 net income guidance was raised to \$0.39 to \$0.42 per share, from \$0.32 guided prior. For the full fiscal year, HGG expects sales of approximately \$1.4 billion and net income of \$1.08 to \$1.11 per share, up from prior guidance of \$0.85 to \$0.95 per share.

Blockbuster Inc.'s 10-K included a "going concern" warning from the company's auditor

related to BBI's ability to negotiate needed amendments its \$250 million credit facility. And even if the facility is funded, Blockbuster may not have enough liquidity to continue in business, auditors warned.

Office Depot Inc. will reimburse the city of Berkeley, California for \$289,000 in overcharges found during an audit of its office supplies contract with the city.

Specialty Items

Rent-A-Center, Inc. will redeem \$150 million of its 7½% senior subordinated notes due 2010 for 100% of the principal amount. RCII is entitled to redeem the notes at par beginning May 1, 2009. After the redemption, there will still be about \$75.4 million of the notes outstanding.

While reporting year end results (see the scorecard), **Pep Boys** noted that sales trends have greatly improved in the first quarter to date of fiscal 2009. For the period from February 1 through April 7, comparable service revenue was up 3.5% and merchandise sales decreased

1.3% versus last year. Also, gross margin rate has improved and gross media expense and payroll (as percentage of sales) have declined versus last year.

Hancock Fabrics, Inc. noted that since emergence from bankruptcy, it has reduced gross debt including bankruptcy liabilities by \$25.8 million. Of the \$12.4 million net loss for the fiscal year just ended, \$10.4 million was for reorganization and interest expenses related to the bankruptcy.

General Retail News

U.S. retail development will slip 31% in 2009 to 90 million sq. ft. this year versus the 131 million sq. ft. of new space that opened in 2008, according to a report from Marcus & Millichap. The forecast, if it holds, would mark the lowest amount of new U.S. retail space since 1995. The research firm says the slowdown will help the market stabilize before a recovery begins in 2011. Marcus & Millichap also expects retail vacancies to rise 180 b.p. this year to 10.2% as average retail center asking rents dip 4.5% this year versus flat in 2008.

GSI Commerce has acquired Silverlign Group, an integrated marketing strategy and design agency based in the San Francisco Bay Area. The acquisition gives GSI a West Coast presence adds new client relationships. Also, GSIC's GSI Interactive division has opened an office in the SoHo section of Manhattan.

U.S. Online Sales were up 11% in the first quarter, according to new research by Forrester Research and Shop.org. 58 of 80 companies surveyed said sales increased year-over-year.

Rating Changes & Outlooks

Company	S&P Credit Rating		S&P Credit Outlook		GCS Credit Rating
	Current	Prior	Current	Prior	Current
SBARRO INC	CCC+	CC	NEGATIVE	NEGATIVE	F+
CHUKCHANSI ECONOMIC DEV AUTH	B+	B+	NEGATIVE	STABLE	NR
J CREW GROUP INC	BB-	BB-	STABLE	POSITIVE	B-
OSI RESTAURANT PARTNERS INC	B-	B	STABLE	NEGATIVE	NR
AMAZON COM INC	BBB	BB+	STABLE	POSITIVE	B

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Retailer of the Week: Duane Reade Holdings

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OPERATING PERFORMANCE: 12 MONTHS ENDED DECEMBER 27, 2008

\$ in millions, 52 weeks ended	12/27/2008	12/29/2007	YOY Var.
Net Sales	\$1,774.0	\$1,686.8	5.20%
Comparable Store Sales Growth	4.2%	7.4%	
Gross Margin	30.83%	30.26%	57 bps
SG&A Burden (including D&A)	30.73%	30.82%	(9 bps)
Reported Operating Income	(\$15.8)	(\$24.6)	N/M
Adj. Operating Profit*	\$1.1	(\$8.5)	N/M
Adj. Operating Margin*	0.1%	-0.5%	56 bps
Net Profit	(\$72.8)	(\$87.8)	N/M

* - Fiscal 2008 excludes \$3.7 million of closed store costs, \$7.7 million of asset impairment charges, \$6.0 million of charges related to former CEO matters, a \$1.8 million credit categorized as miscellaneous other items, and Oak Hill management fees of \$1.3 million. Fiscal 2007 excludes \$4.4 million of closed store costs, \$0.9 million of asset impairment charges, \$6.0 million of charges related to former CEO matters, a \$1.2 million charge categorized as miscellaneous other items, a \$1.3 million Oak Hill management fee, and \$2.3 million of accounting investigation charges.

Total revenues at the NYC-base drugstore chain grew 5.2%, approaching \$1.8 billion. Comparable store sales climbed 4.2% during fiscal 2008 (front-end up 5.0% & pharmacy up 3.1%), while three-month comps increased 2.4% (front-end up 1.5% & pharmacy up 3.6%). Front-end comps have been driven by food & beverage categories and OTC products, in particular, and by the June 2008 price hike on cigarettes in response to New York's increase on cigarette excise taxes. As we've previously mentioned, no additional profit was recognized with respect to cigarette price change. On the pharmacy side, 60.5% of all scripts dispensed were generic (up 280 basis points year-over-year). Fourth quarter New York Medicaid revenues as a percentage of pharmacy sales grew 150 basis points to 15.5%, while lower-margin Medicare Part D revenues were roughly flat 12.9% over the same timeframe. The first 10 weeks of Q1 2009 involved some tough sledding for Duane Reade's comps, which rose only 1.2%. Over this period, the front-end suffered a 0.6% decline, which was offset by pharmacy comps rising 3.4%.

Both private label sales and anti-shrink efforts helped the gross margin line, even in the face of reimbursement rate pressure in the pharmacy from Medicaid and third-party payers. Management did note some good progress on the private label front, reporting a 120 basis point rise to 9.4%. While private label penetration at Duane Reade has always seemed to run at a low percentage of front-end sales relative to other retailers, it seems that management is finally embracing this opportunity. CEO Lederer mentioned that the strategy is simply to remove overspaced and underperforming SKUs, while paying careful attention in the health & beauty category, where shoppers are much more brand conscious. Also on the merchandising front, the company is looking to bring products into the store that are unique to Duane Reade. With respect to shrink, management mentioned that although it was happy to see improvements, it continues to see shrink reduction as an area of significant opportunity. Cost savings initiatives slated for 2009 include the likes of hiring and wage freezes in administrative areas of the business, efficiency improvements, and the elimination of non-value added activities. Together, these actions could save the druggist between \$7 million and \$10 million during 2009.

When sifting through several one-time items which we've detailed in the footnotes to the above table, Duane Reade managed to produce a \$1.1 million adjusted operating profit in fiscal 2008. This performance marked improvement over the adjusted operating loss of \$8.5 million seen in fiscal 2007. While it is taking time, there have been encouraging steps taken to augment this business. Furthermore, Oak Hill Capital seems to be a bit more committed to the business than other private equity companies have recently demonstrated. On the financing front, the retailer still annualizes approximately \$55 million in interest expense (or 3.1% of sales, which marks 50 basis points of improvement). Despite progress, bottom line losses continue to persist with the firm losing \$72.8 million (less than the \$87.8 million net loss booked one year ago).

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Did You Know...?

Consumer research on home improvement projects being planned shows that, compared to last year, there are fewer DIY projects in the works - but not much fewer. Some 45% of consumers are planning projects this year compared to about 49% last year.

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Retailer of the Week: Duane Reade Holdings*(continued from page 8)***LIQUIDITY AND FINANCIAL STRUCTURE**

Duane Reade Holdings reported revolver availability of \$69.0 million as of fiscal 2008's end (see Bank Reference). Availability as of the December 27th statement date reflected direct borrowings of \$144.6 million, \$6.3 million reserved for standby letters of credit. Moreover, availability levels were further constrained by \$5.1 million due to borrowing base requirements. Availability levels fell more than 5% relative to the year-ago period but improved 18% on a sequential quarterly basis. CFO John Henry has continued keep Duane Reade's banking availability levels within a reasonable range for several quarters. This facility, which expires in July 2011, is intended for the use of the druggist's working capital requirements.

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% subordinated notes due in August 2011. We anticipate that management will begin investigating refinancing alternatives for the 2010 notes during 2009. The firm's debt-to-capitalization ratio of 1.33 (up from 1.14 one year ago) underscores the extent of how leveraged this account is. Although the company's revolver borrowings are properly reflected in current liabilities, we prefer to further adjust working capital for the \$13.5 million of prepaid expenses and other assets. With this in mind, Duane Reade was running a \$26.9 million adjusted working capital deficit as of December's end. This figure represented some working capital deterioration from a year-ago deficit of \$4.6 million.

For the year ended December 27, 2008, total investment spending of \$47.0 million included \$33.1 million of capital expenditures, \$14.4 million of lease acquisition & capitalized software costs, and asset disposition proceeds of \$0.5 million. During fiscal 2008, Duane Reade opened 15 new stores and closed six other locations, resulting in its store count rising to 251 stores. Roughly 58% of the company's 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 10 to 12 new stores in fiscal 2009. Total capital spending for fiscal 2009 should range from \$40 million to \$45 million, with \$17 million of that total being earmarked for maintenance. CFO Henry did however note that should the economy continue its downward trajectory, he could reign in capital spending dollars by about \$5 million to generate some free cash. Henry noted further that the company has recently favored 20-year leases and has noted that the soft real estate market is presenting opportunities not just for Duane Reade, but also its competitors.

STORE COUNT BY LOCATION	12/27/2008	12/29/2007	12/30/2006	12/31/2005
Manhattan, NY	148	139	134	136
Brooklyn, NY	31	31	32	32
Queens, NY	27	28	30	29
Bronx, NY	11	11	12	11
New Jersey	11	10	13	13
Staten Island, NY	8	8	10	10
Nassau County, NY	8	8	8	11
Westchester County, NY	6	6	7	7
Suffolk County, NY	1	1	2	2
TOTAL	251	242	248	251

As of December 2008, Duane Reade's true tangible net deficit increased \$309 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 2008 totaling \$93.0 million were 11% lower than in fiscal 2007. Included in the intangible figure are \$29.0 million worth of pharmacy customer lists, \$46.0 million attributable to the trade name, and \$18.0 million of software & systems development costs.

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Heard in the Grocery Aisle

Wegmans, Trader Joe's and **Publix** topped *Consumer Reports'* latest survey on the best grocery chains. Trader Joe's, Costco, Market Basket, WinCo, Aldi, and Sav-a-Lot got top marks among low priced stores, while Wegmans and Whole Foods were praised for meat and produce and Wegmans, Trader Joe's and Raley's got the best ratings for service. **Walmart** was rated near the bottom of the ratings, with low scores for service and perishables. The biggest overall complaint from survey respondents was not enough open checkout lanes.

Balducci's closed both of its Manhattan stores and will close two other locations in Ridgefield, Connecticut and Washington, D.C. That will leave the chain with just six remaining stores.

Toys 'R' Us is testing groceries in three of the chain's Chicago-area toy stores, according to a report in *Supermarket News*. The store-in-

stores are branded "R Market" and feature household goods and packaged foods.

MOM's Organic Market is the new name of the Washington, D.C. metro area grocer formerly called My Organic Market. MOM's operates five stores in the region.

Loblaw Companies Ltd. authorized a normal course issuer bid for repurchase of up to 13,708,678 shares, or 5% of the shares outstanding. The term is April 8, 2009 through April 7, 2010.

Albertsons will stop its online home delivery in Idaho and Oregon due to the economy, the company said.

Giant Food Stores opens its first convenience store—branded Giant To Go—in Lancaster, Pennsylvania next week.

Did You Know...?

U.S. retailers cut 47,800 jobs in March, the 14th straight month of retail sector job losses, the International Council of Shopping Centers reported. Bucking the trend, general merchandise stores and dis-counters had net positive job growth.

Health & Beauty Aids

CVS Caremark expanded its partnership with Google Health and is now providing pharmacy customers the ability to export their prescription and medication histories to their Google Health account directly from CVS.com.

Also, **CVS Caremark** launched a Spanish version its web site at Espanol.Caremark.com.

Duane Reade has chosen DeVito/Verdi as its new advertising agency.

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RETAIL SECTOR WEEKLY

Fourth Quarter Scorecard

\$ in Millions. Quarter ended closest to 1/31/09	Sales			Comps	Net Income		
	2008	2007	Change		2008	2007	Change
Apparel							
Abercrombie & Fitch	\$997.7	\$1,229.0	-18.8%	-25.0%	\$68.4	\$216.8	-68.5%
Aeropostale, Inc.	\$690.0	\$591.3	16.7%	6.0%	\$68.2	\$64.7	5.4%
American Apparel	\$145.6	\$111.2	30.9%	11.0%	\$3.9	\$3.0	30.0%
American Eagle Outfitters	\$905.7	\$995.4	-9.0%	-16.0%	\$32.7	\$140.5	-76.7%
AnnTaylor Stores Corp.	\$483.4	\$600.8	-19.5%	-24.5%	(\$375.6)	(\$6.7)	-5506%
Bluefly, Inc.	\$27.4	\$29.7	-7.8%	NA	(\$1.4)	(\$5.6)	75.4%
Bon Ton Stores, Inc.	\$1,031.4	\$1,138.9	-9.4%	-9.7%	(\$87.7)	\$75.2	-216.6%
Buckle, Inc.	\$251.4	\$207.0	21.4%	14.3%	\$34.3	\$29.1	17.9%
Cache, Inc.	\$65.9	\$78.5	-16.1%	-17.0%	(\$5.5)	\$4.9	-211.6%
Carter's, Inc.	\$422.0	\$393.4	7.3%	4.1%	\$27.3	\$28.6	-4.5%
Casual Male Retail Group	\$123.1	\$133.9	-8.1%	-9.3%	(\$76.9)	\$3.4	-2362%
Cato Corporation	\$209.1	\$209.4	-0.1%	-3.0%	\$3.9	(\$1.8)	316.7%
Charming Shoppes, Inc.	\$631.9	\$731.8	-13.7%	-15.0%	(\$108.5)	(\$124.4)	-12.8%
Chico's FAS, Inc.	\$373.4	\$409.3	-8.8%	-13.0%	(\$40.5)	(\$20.5)	-97.2%
Children's Place	\$441.5	\$443.3	-0.4%	-5.0%	\$38.8	(\$58.5)	166.3%
Christopher & Banks Corporat	\$103.9	\$122.3	-15.0%	-20.0%	(\$28.8)	(\$2.3)	-1152%
Citi Trends, Inc.	\$146.6	\$134.6	8.9%	-1.9%	\$10.1	\$8.4	19.8%
Coldwater Creek Inc.	\$283.2	\$345.5	-18.0%	-21.4%	(\$18.6)	(\$17.0)	-9.4%
dELiA*s, Inc.	\$67.2	\$67.1	0.1%	-2.0%	\$22.6	\$6.0	276.7%
Dillard's, Inc.	\$2,038.9	\$2,162.5	-5.7%	-8.0%	(\$149.3)	\$47.3	-415.4%
Eddie Bauer Holdings	\$369.9	\$392.4	-5.7%	-8.8%	(\$127.5)	(\$18.3)	-598.6%
Gap Inc.	\$4,082.0	\$4,675.0	-12.7%	-14.0%	\$243.0	\$265.0	-8.3%
Gordman's	\$139.9	\$147.9	-5.4%	-7.1%	\$5.6	\$6.0	-6.7%
Gottschalks	\$184.2	\$204.4	-9.9%	-7.1%	NA	\$1.1	NA
Gymboree Corporation	\$288.7	\$278.4	3.7%	-2.0%	\$29.5	\$26.8	10.2%
Hot Topic, Inc.	\$238.0	\$220.7	7.8%	5.2%	\$14.2	\$11.9	19.3%
J. Crew Group, Inc.	\$388.0	\$400.0	-3.0%	-13.0%	(\$13.5)	\$25.0	-154.0%
J.C. Penney Company	\$5,759.0	\$6,390.0	-9.9%	-10.8%	\$211.0	\$430.0	-50.9%
Jo-Ann Stores, Inc.	\$571.9	\$585.9	-2.4%	-2.9%	\$20.4	\$27.5	-25.8%
JoS. A. Bank Clothiers	\$248.5	\$208.9	19.0%	tba	(\$28.0)	\$26.5	-205.6%
Kohl's Corporation	\$5,235.5	\$5,487.3	-4.6%	-4.6%	\$336.0	\$411.7	-18.4%
Limited Brands	\$2,991.1	\$3,228.3	-7.3%	-10.0%	\$16.1	\$389.0	-95.9%
Macy's, Inc.	\$7,934.0	\$8,594.0	-7.7%	-7.0%	(\$4,773)	\$750.0	-736.4%
Men's Wearhouse	\$476.4	\$535.0	-11.0%	-9.9%	\$1.5	\$14.8	-89.9%
New York & Company, Inc.	\$325.1	\$359.4	-9.5%	-10.9%	(\$27.4)	\$6.9	-497.1%
Nordstrom, Inc.	\$2,301.0	\$2,514.0	-8.5%	-12.5%	\$68.0	\$212.1	-67.9%
Pacific Sunwear	\$351.7	\$384.3	-8.5%	-10.0%	(\$27.1)	\$5.2	-618.2%
Reitmans Limited	\$261.8	\$269.6	-2.9%	-5.6%	\$9.0	\$37.0	-75.8%
Retail Ventures, Inc.	\$455.5	\$452.0	0.8%	-7.9%	tba	(\$125.7)	tba
Ross Stores, Inc.	\$1,734.1	\$1,651.7	5.0%	-1.0%	\$97.4	\$94.5	3.1%
Saks Incorporated	\$800.1	\$999.7	-20.0%	-15.3%	(\$98.8)	\$39.5	-350.3%
Stage Stores, Inc.	\$455.8	\$473.1	-3.7%	-7.2%	\$25.3	\$31.7	-20.1%
Stein Mart, Inc.	\$363.9	\$417.4	-12.8%	-12.0%	(\$56.2)	(\$12.1)	-364.5%
Talbots, Inc.	\$328.0	\$428.0	-23.4%	-24.6%	tba	(\$171.4)	tba
Tandy Leather Factory	\$13.9	\$14.6	-5.1%	-11.0%	\$0.9	\$1.2	-19.7%
TJX Companies	\$5,380.0	\$5,391.9	-0.2%	-2.0%	\$250.7	\$301.1	-16.7%
Tween Brands, Inc.	\$265.9	\$316.1	-15.9%	-23.0%	(\$13.9)	\$25.0	-155.6%
Urban Outfitters, Inc.	\$508.1	\$465.4	9.2%	-1.0%	\$40.5	\$53.6	-24.5%
Wet Seal, Inc.	\$154.9	\$179.6	-13.7%	-13.4%	\$4.3	\$12.2	-64.8%
Drug							
Abbott	\$7,950.3	\$7,221.4	10.1%	NA	\$1,536	\$1,203.0	27.7%
CVS Caremark Corporation	\$24,142.2	\$21,942.4	10.0%	3.6%	\$952.8	\$815.0	16.9%
Drugstore.com, Inc.	\$93.9	\$91.3	2.8%	NA	\$0.3	(\$2.3)	113.0%
Duane Reade Holdings	\$464.5	\$431.6	7.6%	2.4%	(\$17.4)	(\$15.1)	-15.2%
Express Scripts, Inc.	\$5,510.0	\$5,550.0	-0.7%	NA	\$206.8	\$138.5	49.3%
Rite Aid Corp.	\$6,707.6	\$6,824.8	-1.7%	-0.1%	(\$2,294)	(\$952.2)	-140.9%
Shoppers Drug Mart	\$2,496.8	\$2,168.8	15.1%	3.6%	\$173.1	\$151.3	14.4%
Ulta Salon, Cosmetics, Fragra	\$341.4	\$309.3	10.4%	-5.5%	\$12.3	\$13.6	-9.6%

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Fourth Quarter Scorecard

(continued from page 11)

\$ in Millions. Quarter ended closest to 1/31/09	Sales			Comps	Net Income		
	2008	2007	Change		2008	2007	Change
Food							
Arden Group	\$129.5	\$126.3	2.5%	2.5%	\$7.4	\$7.4	0.7%
George Weston Ltd.	\$8,050.0	\$7,228.0	11.4%	10.6%	\$432.0	\$132.0	227.3%
Kroger Co.	\$17,259.5	\$17,234.6	0.1%	3.8%	\$349.2	\$322.9	8.1%
Loblaw Companies Limited	\$7,745.0	\$6,967.0	11.2%	10.6%	\$188.0	\$40.0	370.0%
Nash Finch Company	\$1,202.9	\$1,069.3	12.5%	-0.2%	\$6.2	\$8.5	-27.1%
Publix Super Markets	\$6,000.0	\$5,939.9	1.0%	-0.9%	\$249.0	\$311.0	-19.9%
Safeway, Inc.	\$13,815.9	\$13,356.4	3.4%	-1.2%	\$338.0	\$301.1	12.3%
Village Supermarket, Inc.	\$312.4	\$292.8	6.7%	5.9%	\$8.0	\$6.4	25.0%
Weis Markets, Inc.	\$619.4	\$603.0	2.7%	2.2%	\$17.0	\$8.6	97.7%
High-Tech & Electronics							
Aaron Rents, Inc.	\$404.9	\$364.7	11.0%	6.2%	\$21.1	\$15.5	36.1%
Amazon.com, Inc.	\$6,704.0	\$5,673.0	18.2%	NA	\$225.0	\$207.0	8.7%
Best Buy Co., Inc.	\$14,724.0	\$13,418.0	9.7%	-4.9%	\$570.0	\$737.0	-22.7%
Blockbuster Inc.	\$1,384.7	\$1,567.1	-11.6%	4.4%	(\$359.8)	\$41.9	-958.7%
BMTC Group Inc.	\$216.8	\$223.6	-3.0%	NA	\$21.9	\$16.1	36.0%
Conn's, Inc.	\$245.4	\$200.6	22.3%	12.5%	\$12.6	\$13.1	-3.5%
GameStop Corp.	\$3,492.1	\$2,865.6	21.9%	9.6%	\$232.3	\$189.8	22.4%
IAC/InterActiveCorp	\$351.0	\$378.9	-7.4%	NA	\$227.4	(\$369.9)	161.5%
Ingram Micro Inc.	\$8,684.5	\$10,007.4	-13.2%	NA	(\$564.3)	\$114.1	-594.6%
Office Depot, Inc.	\$3,270.6	\$3,866.9	-15.4%	-18.0%	(\$1,539)	\$18.8	-8286%
OfficeMax Incorporated	\$1,883.1	\$2,198.1	-14.3%	-13.6%	(\$395.2)	\$71.5	-652.7%
PC Connection, Inc.	\$439.1	\$489.6	-10.3%	NA	(\$2.7)	\$6.2	-143.5%
PC Mall, Inc.	\$334.3	\$408.0	-18.1%	NA	\$1.0	\$4.6	-78.3%
RadioShack Corporation	\$1,258.7	\$1,364.3	-7.7%	-9.2%	\$62.0	\$101.0	-38.6%
Rent-A-Center, Inc.	\$699.8	\$717.0	-2.4%	0.0%	\$36.1	(\$5.4)	768.5%
Staples, Inc.	\$6,173.6	\$5,324.4	15.9%	-13.0%	\$286.0	\$333.2	-14.2%
Systemax Inc.	\$812.7	\$769.3	5.6%	NA	\$10.0	\$24.2	-58.8%
Tech Data Corporation	\$5,712.5	\$6,483.9	-11.9%	NA	\$58.6	\$50.2	16.7%
Trans World Entertainment	\$344.7	\$451.5	-23.7%	-14.0%	(\$9.4)	(\$66.0)	85.8%
United Stationers Inc.	\$1,145.2	\$1,119.9	2.3%	NA	\$22.6	\$28.3	-20.1%
Home Centers							
Ace Hardware	\$956.1	\$957.9	-0.2%	NA	\$15.3	\$21.0	-27.1%
Builders FirstSource, Inc.	\$201.3	\$290.2	-30.6%	NA	(\$58.9)	(\$20.4)	188.7%
Building Materials Holding Cor	\$233.0	\$403.0	-42.2%	NA	(\$104.0)	(\$331.0)	68.6%
Calloway's Nursery, Inc.	\$8.6	\$11.0	-21.8%	1.2%	(\$0.3)	(\$0.1)	300.0%
Fastenal Company	\$545.0	\$519.2	5.0%	2.2%	\$62.5	\$56.2	11.2%
Greybar Electric	\$1,247.1	\$1,330.6	-6.3%	NA	\$20.5	\$17.2	19.2%
Griffin Land & Nurseries	\$11.1	\$10.8	2.8%	NA	(\$7.6)	\$2.0	-480.0%
Home Depot, Inc.	\$14,607.0	\$17,659.0	-17.3%	-13.0%	(\$54.0)	\$671	-108.0%
Huttig Building Products	\$126.0	\$179.9	-30.0%	NA	(\$15.4)	(\$5.8)	-165.5%
Interline Brands, Inc.	\$277.6	\$300.2	-7.5%	NA	\$7.2	\$13.6	-47.1%
Lowe's Companies	\$9,984.0	\$10,379.0	-3.8%	-9.9%	\$162.0	\$408.0	-60.3%
Lumber Liquidators	\$116.5	\$105.5	10.4%	-4.6%	\$6.5	\$3.0	113.2%
Rona, Inc.	\$1,124.6	\$1,087.0	3.5%	-0.8%	\$25.7	\$30.5	-15.7%
Sherwin-Williams Company	\$1,699.8	\$1,853.9	-8.3%	-10.0%	\$50.2	\$100.8	-50.2%
Tractor Supply Company	\$799.5	\$723.3	10.5%	1.3%	\$24.7	\$30.0	-17.7%
True Value Company	\$483.5	\$479.2	0.9%	-0.5%	\$20.0	\$16.1	24.2%
United Rentals, Inc.	\$791.0	\$925.0	-14.5%	-10.4%	(\$853.0)	\$155.0	-650.3%
W.W. Grainger	\$1,592.7	\$1,611.8	-1.2%	0.1%	\$107.9	\$104.4	3.4%
Wesco International	\$1,429.8	\$1,489.2	-4.0%	NA	\$41.9	\$61.1	-31.4%
Mass Merchants							
Big Lots, Inc.	\$1,366.9	\$1,412.4	-3.2%	-3.2%	\$78.8	\$92.0	-14.4%
BJ's Wholesale Club, Inc.	\$2,558.0	\$2,479.9	3.1%	6.4%	\$52.7	\$50.2	4.9%
Canadian Tire	\$2,587.8	\$2,505.1	3.3%	7.3%	\$101.2	\$131.3	-22.9%
Dollar General Corporation	\$2,845.8	\$2,559.6	11.2%	9.4%	\$81.9	\$55.4	47.8%
Dollar Tree Inc.	\$1,386.5	\$1,298.6	6.8%	2.2%	\$105.2	\$94.7	11.1%

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Fourth Quarter Scorecard

(continued from page 12)

\$ in Millions. Quarter ended closest to 1/31/09	Sales			Comps	Net Income		
	2008	2007	Change		2008	2007	Change
Mass Merchants							
Fred's, Inc.	\$469.4	\$494.1	-5.0%	-1.1%	\$2.3	(\$4.4)	152.5%
Overstock.com	\$255.9	\$294.5	-13.1%	NA	\$1.0	(\$6.5)	115.4%
Sears Canada Inc.	\$1,616.3	\$2,295.8	-29.6%	-6.2%	\$95.5	\$145.4	-34.3%
Sears Holding Corp.	\$13,280.0	\$15,074.0	-11.9%	-8.3%	\$190.0	\$426.0	-55.4%
Target Corporation	\$19,560	\$19,872	-1.6%	-5.9%	\$609.0	\$1,028.0	-40.8%
Toys R Us Inc.	\$5,461.0	\$5,827.0	-6.3%	NA	\$345.0	\$312.0	10.6%
Wal-Mart Stores, Inc.	\$109,116	\$107,343	1.7%	2.3%	\$3,792	\$4,096	-7.4%
Specialty							
A.C. Moore Arts & Crafts	\$165.0	\$177.3	-6.9%	-8.7%	(\$10.7)	\$7.4	-244.6%
Advance Auto Parts, Inc.	\$1,192.4	\$1,048.4	13.7%	3.0%	\$24.4	\$34.8	-29.8%
Amscan Holdings, Inc.	\$495.7	\$436.5	13.6%	tba	\$23.8	\$25.7	-7.4%
Barnes & Noble, Inc.	\$1,631.6	\$1,739.0	-6.2%	-7.3%	\$81.2	\$115.0	-29.4%
Bed Bath & Beyond	\$1,923.3	\$1,933.2	-0.5%	-4.3%	\$141.4	\$172.9	-18.2%
Blue Nile, Inc.	\$85.8	\$111.9	-23.3%	NA	\$3.5	\$7.5	-53.3%
Books-A-Million, Inc.	\$164.0	\$168.3	-2.6%	-5.3%	\$11.4	\$11.9	-4.2%
Borders Group, Inc.	\$1,087.7	\$1,263.1	-13.9%	-15.3%	\$29.6	\$64.7	-54.3%
Brookstone, Inc.	\$220.1	\$288.5	-23.7%	-25.5%	(\$117.5)	\$34.2	-443.6%
Cost Plus, Inc.	\$354.8	\$369.3	-3.9%	-6.1%	(\$18.3)	(\$12.5)	-46.4%
Finlay Enterprises, Inc.	\$306.7	\$383.1	-19.9%	-15.0%	NA	\$13.4	NA
Hancock Fabrics, Inc.	(\$198.2)	\$79.4	-349.7%	NA	\$8.5	(\$7.3)	217.0%
Haverty Furniture	\$161.8	\$205.8	-21.4%	-22.6%	(\$10.1)	\$1.6	-715.9%
Kirkland's, Inc.	\$133.6	\$138.3	-3.4%	5.3%	\$15.0	\$1.5	906.7%
Leon's Furniture Limited	\$206.1	\$185.9	10.9%	-1.7%	\$23.2	\$21.6	7.4%
Michaels Stores, Inc.	\$1,268.0	\$1,301.0	-2.5%	-5.6%	\$74.0	\$53.0	39.6%
O'Reilly Automotive, Inc.	\$1,114.6	\$604.3	84.5%	4.0%	\$42.7	\$40.6	5.2%
Pep Boys -Manny, Moe & Jacl	\$465.5	\$517.6	-10.1%	-9.1%	(\$33.3)	(\$20.4)	63.2%
Pet Valu Inc.	\$47.4	\$46.9	1.1%	tba	\$4.3	\$4.7	-8.5%
PetSmart, Inc.	\$1,359.3	\$1,328.4	2.3%	3.0%	\$78.4	\$75.4	4.0%
Pier 1 Imports, Inc.	\$389.3	\$436.7	-10.9%	-9.7%	(\$29.4)	\$13.7	-314.6%
Tiffany & Co.	\$841.2	\$1,053.2	-20.1%	-23.0%	\$31.1	\$127.4	-75.6%
Williams-Sonoma, Inc.	\$1,008.0	\$1,374.4	-26.7%	-22.3%	\$12.2	\$124.6	-90.2%
Sports & Footwear							
Bakers Footwear Group, Inc	\$55.5	\$54.7	1.5%	3.6%	tba	\$7.4	tba
Big 5 Sporting Goods Corp.	\$219.6	\$232.1	-5.4%	-8.6%	\$3.6	\$6.2	-41.7%
Broder Bros., Co.	\$219.5	\$232.7	-5.7%	NA	tba	tba	tba
Brown Shoe Company, Inc.	\$521.0	\$571.4	-8.8%	-3.6%	(\$153.0)	\$14.0	-1197%
Cabela's	\$879.4	\$889.5	-1.1%	2.2%	\$49.4	\$56.2	-12.1%
Collective Brands (Payless)	\$732.2	\$776.8	-5.7%	-6.6%	(\$144.0)	(\$46.6)	-209.0%
Dick's Sporting Goods, Inc.	\$1,207.5	\$1,212.6	-0.4%	-8.6%	(\$104.4)	\$73.2	-242.6%
DSW Inc.	\$348.2	\$332.5	4.7%	-7.2%	(\$7.5)	\$1.1	-796.3%
Finish Line, The	\$364.1	\$382.8	-4.9%	-3.9%	(\$1.4)	(\$39.2)	96.4%
Foot Locker	\$1,317.0	\$1,482.0	-11.1%	-7.3%	(\$126.0)	\$72.0	-275.0%
Footstar, Inc.	\$229.9	\$181.7	26.5%	tba	\$24.7	\$25.6	-3.5%
Forzani Group Ltd. (US\$)	\$506.9	\$524.7	-3.4%	-8.1%	\$24.2	\$28.7	-15.7%
Gander Mountain	\$333.0	\$317.6	4.8%	-0.2%	\$20.0	\$5.8	244.8%
Genesco Inc.	\$451.7	\$467.0	-3.3%	-5.0%	\$23.7	\$3.2	640.6%
Golfsmith International	\$67.8	\$79.0	-14.2%	-17.3%	(\$6.5)	(\$46.7)	86.1%
GSI Commerce	\$391.4	\$335.1	16.8%	NA	\$24.4	\$16.5	47.9%
Hibbett Sporting Goods, Inc.	\$147.9	\$142.8	3.6%	-2.8%	\$7.6	\$7.6	0.4%
Lululemon Athletica Inc.	\$103.9	\$104.0	-0.1%	-8.0%	\$10.9	\$14.6	-25.3%
Recreational Equipment	\$405.1	\$417.4	-2.9%	tba	\$12.8	\$25.2	-49.1%
Shoe Carnival, Inc.	\$156.9	\$164.3	-4.5%	-8.3%	(\$3.0)	\$1.1	-370.5%
Walking Company, The	(\$161.9)	\$76.6	-311.2%	tba	\$9.7	\$1.0	860.4%
West Marine, Inc.	\$111.1	\$118.3	-6.1%	-5.1%	(\$29.0)	(\$65.6)	55.8%
WinMark Corporation	\$8.7	\$8.0	8.7%	-18.1%	(\$2.1)	(\$0.9)	-133.3%
Zumiez Inc.	\$125.5	\$126.6	-0.9%	-13.4%	\$6.3	\$12.4	-49.2%

Numbers in italics are implied or company estimates.

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RETAIL SECTOR WEEKLY

Full Year Scorecard

\$ in Millions Full fiscal year	Sales			Comps	Net Income		
	2008	2007	Change		2008	2007	Change
Apparel							
Abercrombie & Fitch	\$3,540.3	\$3,749.9	-5.6%	-13.0%	\$272.3	\$475.7	-42.8%
Aeropostale, Inc.	\$1,885.5	\$1,590.9	18.5%	8.0%	\$149.4	\$129.2	15.6%
American Apparel	\$545.1	\$387.0	40.9%	22.0%	\$14.1	\$15.5	-9.0%
American Eagle Outfitters	\$2,989.0	\$3,055.0	-2.2%	-10.0%	\$179.1	\$400.0	-55.2%
AnnTaylor Stores Corp.	\$2,194.6	\$2,396.5	-8.4%	-14.8%	(\$333.9)	\$97.2	-443.5%
Bluefly, Inc.	\$95.8	\$91.5	4.7%	NA	(\$11.3)	(\$15.8)	28.4%
Bon Ton Stores, Inc.	\$3,130.0	\$3,365.9	-7.0%	-7.4%	(\$169.9)	\$11.6	-1570%
Buckle, Inc.	\$792.0	\$619.9	27.8%	20.6%	\$104.4	\$75.2	38.8%
Cache, Inc.	\$265.7	\$274.5	-3.2%	-4.0%	(\$7.1)	\$6.5	-208.9%
Carter's, Inc.	\$1,490.0	\$1,412.2	5.5%	9.0%	\$75.1	(\$70.6)	206.4%
Casual Male Retail Group	\$444.2	\$464.1	-4.3%	-4.3%	(\$77.0)	\$10.5	-833.3%
Cato Corporation	\$845.7	\$834.3	1.4%	-1.0%	\$33.6	\$32.3	4.0%
Charming Shoppes, Inc.	\$2,474.9	\$2,722.5	-9.1%	-12.0%	(\$244.2)	(\$83.4)	-192.8%
Chico's FAS, Inc.	\$1,582.4	\$1,714.3	-7.7%	-15.1%	(\$19.1)	\$88.9	-121.5%
Children's Place	\$1,630.3	\$1,520.5	7.2%	2.0%	\$82.4	(\$59.6)	238.3%
Christopher & Banks Corporat	\$530.7	\$560.9	-5.4%	-12.0%	(\$12.8)	\$17.0	-175.3%
Citi Trends, Inc.	\$488.2	\$437.5	11.6%	0.0%	\$17.4	\$14.2	22.3%
Coldwater Creek Inc.	\$1,024.2	\$1,151.5	-11.1%	tba	(\$26.0)	(\$2.5)	-940.0%
dELiA*s, Inc.	\$215.6	\$201.6	6.9%	3.0%	\$17.2	(\$2.3)	-847.8%
Dillard's, Inc.	\$6,830.5	\$7,207.4	-5.2%	-7.0%	(\$241.1)	\$53.8	-548.5%
Eddie Bauer Holdings	\$1,023.4	\$1,044.4	-2.0%	-1.8%	(\$165.5)	(\$101.7)	-62.7%
Gap Inc.	\$14,526.0	\$15,763.0	-7.8%	-12.0%	\$967.0	\$833.0	16.1%
Gordman's	\$438.1	\$442.5	-1.0%	-4.5%	\$2.2	\$2.1	4.8%
Gottschalks	\$563.2	\$628.5	-10.4%	-8.8%	NA	(\$12.4)	NA
Gymboree Corporation	\$1,000.7	\$920.8	8.7%	0.0%	\$93.5	\$80.3	16.4%
Hot Topic, Inc.	\$761.1	\$728.1	4.5%	1.0%	\$19.7	\$16.0	23.1%
J. Crew Group, Inc.	\$1,428.0	\$1,334.7	7.0%	-4.0%	\$54.1	\$97.1	-44.3%
J.C. Penney Company	\$18,486.0	\$19,860.0	-6.9%	-8.5%	\$572.0	\$1,111.0	-48.5%
Jo-Ann Stores, Inc.	\$1,901.1	\$1,878.8	1.2%	0.5%	\$21.9	\$15.4	42.2%
JoS. A. Bank Clothiers	\$695.9	\$604.0	15.2%	8.9%	\$58.4	\$50.2	16.3%
Kohl's Corporation	\$16,388.9	\$16,473.7	-0.5%	-0.5%	\$885.0	\$1,083.9	-18.3%
Limited Brands	\$9,042.7	\$10,086.4	-10.3%	-9.0%	\$220.1	\$718.0	-69.3%
Macy's, Inc.	\$24,892.0	\$26,313.0	-5.4%	-4.6%	(\$4,803)	\$893.0	-637.8%
Men's Wearhouse	\$1,972.4	\$2,112.6	-6.6%	-9.6%	\$58.8	\$147.0	-60.0%
New York & Company, Inc.	\$1,139.9	\$1,194.9	-4.6%	-8.6%	(\$19.8)	(\$4.9)	304.1%
Nordstrom, Inc.	\$8,272.0	\$8,828.0	-6.3%	-9.0%	\$401.0	\$715.0	-43.9%
Pacific Sunwear	\$1,254.9	\$1,306.0	-3.9%	-5.0%	(\$63.8)	(\$30.4)	-110.1%
Reitmans Limited	\$1,050.9	\$1,057.7	-0.6%	-4.0%	\$85.8	\$114.9	-25.3%
Retail Ventures, Inc.	\$1,885.0	\$1,871.9	0.7%	-5.1%	tba	\$51.4	tba
Ross Stores, Inc.	\$6,486.1	\$5,975.2	8.6%	2.0%	\$305.4	\$261.1	17.0%
Saks Incorporated	\$3,053.8	\$3,249.1	-6.0%	-6.1%	(\$154.9)	\$47.5	-426.3%
Stage Stores, Inc.	\$1,515.8	\$1,545.6	-1.9%	-6.1%	(\$65.5)	\$53.1	-223.4%
Stein Mart, Inc.	\$1,326.5	\$1,457.6	-9.0%	-10.9%	(\$71.3)	(\$4.5)	-1484%
Talbots, Inc.	\$1,495.0	\$1,708.0	-12.5%	-14.2%	tba	(\$188.8)	tba
Tandy Leather Factory	\$53.2	\$55.3	-3.8%	-10.0%	\$2.6	\$3.1	-15.9%
TJX Companies	\$18,990.0	\$18,340.0	3.5%	1.0%	\$880.6	\$771.8	14.1%
Tween Brands, Inc.	\$995.1	\$1,014.0	-1.9%	-12.0%	(\$17.1)	\$52.6	-132.5%
Urban Outfitters, Inc.	\$1,834.6	\$1,507.7	21.7%	8.0%	\$199.4	\$160.2	24.4%
Wet Seal, Inc.	\$593.0	\$611.2	-3.0%	-8.5%	\$30.2	\$23.2	30.0%
Drug							
Abbott	\$29,528	\$25,914	13.9%	NA	\$4,881	\$3,606	35.3%
CVS Caremark Corporation	\$87,471.9	\$76,329.5	14.6%	4.5%	\$3,212.1	\$2,637.0	21.8%
Drugstore.com, Inc.	\$366.6	\$339.3	8.0%	NA	(\$8.3)	(\$11.5)	27.8%
Duane Reade Holdings	\$1,774.0	\$1,686.8	5.2%	4.2%	(\$72.8)	(\$87.8)	17.1%
Express Scripts, Inc.	\$21,980.0	\$21,820.0	0.7%	NA	\$776.1	\$567.8	36.7%
Rite Aid Corp.	\$26,289.3	\$24,326.8	8.1%	0.8%	(\$2,915)	(\$1,079)	-170.2%
Shoppers Drug Mart	\$9,422.9	\$8,478.4	11.1%	4.8%	\$565.2	\$490.4	15.3%
Ulta Salon, Cosmetics, Fragra	\$1,084.6	\$912.1	18.9%	0.2%	\$25.3	\$25.3	-0.3%

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RETAIL SECTOR WEEKLY

Full Year Scorecard

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\$ in Millions Full fiscal year	Sales			Comps	Net Income		
	2008	2007	Change		2008	2007	Change
Food							
Ardent Group	\$479.1	\$485.9	-1.4%	-1.4%	\$24.7	\$29.2	-15.4%
George Weston Ltd.	\$32,088.0	\$30,607.0	4.8%	4.2%	\$832.0	\$563.0	47.8%
Kroger Co.	\$75,999.7	\$70,234.7	8.2%	5.0%	\$1,249.4	\$1,180.5	5.8%
Loblaw Companies Limited	\$30,802.0	\$29,384.0	4.8%	4.2%	\$545.0	\$330.0	65.2%
Nash Finch Company	\$4,703.7	\$4,532.6	3.8%	-0.8%	\$36.2	\$38.8	-6.7%
Publix Super Markets	\$23,900	\$23,194	3.0%	1.3%	\$1,100	\$1,183.9	-7.1%
Safeway, Inc.	\$44,104.0	\$42,286.0	4.3%	1.5%	\$965.3	\$888.4	8.7%
Village Supermarket, Inc.	\$603.7	\$556.4	8.5%	5.1%	\$14.3	\$10.7	33.6%
Weis Markets, Inc.	\$2,422.4	\$2,318.6	4.5%	4.3%	\$47.0	\$51.0	-7.8%
High-Tech & Electronics							
Aaron Rents, Inc.	\$1,592.6	\$1,394.9	14.2%	3.1%	\$90.2	\$80.3	12.3%
Amazon.com, Inc.	\$19,166.0	\$14,835.0	29.2%	NA	\$645.0	\$476.0	35.5%
Best Buy Co., Inc.	\$45,015.0	\$40,023.0	12.5%	tba	\$1,003.0	\$1,407.0	-28.7%
Blockbuster Inc.	\$5,287.9	\$5,542.4	-4.6%	6.4%	(\$374.1)	(\$73.8)	-406.9%
BMTC Group Inc.	\$856.2	\$841.5	1.7%	NA	\$69.9	\$49.0	42.7%
Conn's, Inc.	\$805.0	\$731.0	10.1%	2.0%	\$25.7	\$39.7	-35.2%
GameStop Corp.	\$8,805.9	\$7,094.0	24.1%	12.3%	\$398.3	\$288.3	38.2%
IAC/InterActiveCorp	\$1,445.1	\$1,332.6	8.4%	NA	\$156.2	\$144.1	8.4%
Ingram Micro Inc.	\$34,362.2	\$35,047.1	-2.0%	NA	(\$394.9)	\$275.9	-243.1%
Office Depot, Inc.	\$14,495.5	\$15,527.5	-6.6%	tba	(\$1,479)	\$395.6	-473.9%
OfficeMax Incorporated	\$8,267.0	\$9,082.0	-9.0%	-10.8%	(\$1,658)	\$207.4	-899.4%
PC Connection, Inc.	\$1,753.7	\$1,785.4	-1.8%	NA	\$10.4	\$23.0	-54.8%
PC Mall, Inc.	\$1,328.0	\$1,215.4	9.3%	NA	\$9.6	\$12.4	-22.6%
RadioShack Corporation	\$4,224.5	\$4,251.7	-0.6%	-0.6%	\$192.4	\$236.8	-18.8%
Rent-A-Center, Inc.	\$2,884.2	\$2,906.1	-0.8%	2.3%	\$139.6	\$76.3	83.0%
Staples, Inc.	\$23,083.8	\$19,372.7	19.2%	-9.0%	\$805.3	\$995.7	-19.1%
Systemax Inc.	\$3,033.0	\$2,779.9	9.1%	NA	\$52.8	\$69.5	-24.0%
Tech Data Corporation	\$24,080.5	\$23,423.1	2.8%	NA	\$123.6	\$108.3	14.1%
Trans World Entertainment	\$987.6	\$1,265.7	-22.0%	-11.0%	(\$69.0)	(\$99.4)	30.6%
United Stationers Inc.	\$4,986.9	\$4,646.4	7.3%	NA	\$98.4	\$107.2	-8.2%
Home Centers							
Ace Hardware	\$3,864.2	\$3,970.6	-2.7%	-3.6%	\$85.8	\$86.9	-1.3%
Builders FirstSource, Inc.	\$1,034.5	\$1,530.5	-32.4%	NA	(\$139.5)	(\$23.8)	486.1%
Building Materials Holding Cor	\$1,300.0	\$2,200.0	-40.9%	NA	(\$215.0)	(\$313.0)	31.3%
Calloway's Nursery, Inc.	\$44.3	\$46.4	-4.5%	0.6%	\$0.6	\$0.4	50.0%
Fastenal Company	\$2,340.4	\$2,061.8	13.5%	9.6%	\$279.7	\$232.6	20.2%
Greybar Electric	\$5,400.2	\$5,258.3	2.7%	NA	\$87.4	\$83.4	4.8%
Griffin Land & Nurseries	\$44.5	\$59.4	-25.1%	NA	(\$11.2)	\$9.4	-219.1%
Home Depot, Inc.	\$71,288.0	\$77,349.0	-7.8%	-8.7%	\$2,260	\$4,395	-48.6%
Huttig Building Products	\$671.0	\$874.8	-23.3%	NA	(\$35.4)	(\$8.2)	-331.7%
Interline Brands, Inc.	\$1,195.7	\$1,239.0	-3.5%	NA	\$40.8	\$51.0	-20.0%
Lowe's Companies	\$48,230.0	\$48,283.0	-0.1%	-7.2%	\$2,195.0	\$2,809.0	-21.9%
Lumber Liquidators	\$482.2	\$405.3	19.0%	1.6%	\$22.1	\$11.3	95.6%
Rona, Inc.	\$4,891.1	\$4,785.1	2.2%	-4.0%	\$160.2	\$185.1	-13.5%
Sherwin-Williams Company	\$7,979.7	\$8,005.3	-0.3%	-5.3%	\$476.9	\$615.6	-22.5%
Tractor Supply Company	\$3,007.9	\$2,703.2	11.3%	1.4%	\$81.9	\$96.2	-14.9%
True Value Company	\$2,012.7	\$2,040.6	-1.4%	-2.1%	\$64.2	\$63.8	0.6%
United Rentals, Inc.	\$2,469.0	\$2,625.0	-5.9%	-5.4%	(\$704.0)	\$362.0	-294.5%
W.W. Grainger	\$6,850.0	\$6,418.0	6.7%	6.1%	\$475.4	\$420.1	13.2%
Wesco International	\$6,110.8	\$6,003.4	1.8%	NA	\$212.7	\$240.6	-11.6%
Mass Merchants							
Big Lots, Inc.	\$4,645.3	\$4,656.3	-0.2%	0.5%	\$151.5	\$158.5	-4.4%
BJ's Wholesale Club, Inc.	\$10,027.4	\$9,014.5	11.2%	6.4%	\$134.6	\$122.9	9.5%
Canadian Tire	\$9,121.3	\$8,606.1	6.0%	1.8%	\$374.2	\$411.7	-9.1%
Dollar General Corporation	\$10,457.7	\$9,495.2	10.1%	9.0%	\$108.2	(\$12.8)	945.3%
Dollar Tree Inc.	\$4,644.9	\$4,240.0	9.5%	4.1%	\$229.5	\$201.3	-14.0%

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RETAIL SECTOR WEEKLY

Full Year Scorecard

(continued from page 15)

\$ in Millions Full fiscal year	Sales			Comps	Net Income		
	2008	2007	Change		2008	2007	Change
Mass Merchants							
Fred's, Inc.	\$1,798.8	\$1,780.1	1.1%	1.8%	\$16.6	\$10.7	54.9%
Overstock.com	\$834.4	\$765.9	8.9%	NA	(\$12.7)	(\$48.0)	73.5%
Sears Canada Inc.	\$5,236.0	\$5,602.0	-6.5%	(\$1.6)	\$367.0	\$400.0	-8.3%
Sears Holding Corp.	\$46,770.0	\$50,703.0	-7.8%	-8.0%	\$302.0	\$1,586.0	-81.0%
Target Corporation	\$64,948	\$63,367	2.5%	-2.9%	\$2,214	\$2,849	-22.3%
Toys R Us Inc.	\$13,724.0	\$13,794.0	-0.5%	NA	\$218.0	\$153.0	42.5%
Wal-Mart Stores, Inc.	\$405,607	\$378,476	7.2%	3.0%	\$13,400	\$12,731	5.3%
Specialty							
A.C. Moore Arts & Crafts	\$534.7	\$559.7	-4.5%	-8.7%	(\$26.8)	\$5.7	-570.2%
Advance Auto Parts, Inc.	\$5,142.3	\$4,844.4	6.1%	1.5%	\$238.0	\$238.3	-0.1%
Amscan Holdings, Inc.	\$1,559.7	\$1,247.4	25.0%	tba	\$40.5	\$19.3	109.8%
Barnes & Noble, Inc.	\$5,121.8	\$5,286.7	-3.1%	-5.4%	\$75.9	\$135.8	-44.1%
Bed Bath & Beyond	\$7,208.3	\$7,048.9	2.3%	-2.4%	\$425.1	\$562.8	-24.5%
Blue Nile, Inc.	\$295.3	\$319.3	-7.5%	NA	\$11.6	\$17.5	-33.7%
Books-A-Million, Inc.	\$513.3	\$535.1	-4.1%	-7.2%	\$10.8	\$16.5	-34.5%
Borders Group, Inc.	\$3,275.4	\$3,597.4	-9.0%	-10.8%	(\$186.7)	(\$157.4)	-18.6%
Brookstone, Inc.	\$496.7	\$562.8	-11.7%	-14.2%	(\$148.3)	\$6.4	-2417%
Cost Plus, Inc.	\$1,000.4	\$995.7	0.5%	-2.6%	(\$102.7)	(\$55.5)	-85.0%
Finlay Enterprises, Inc.	\$862.6	\$835.9	3.2%	-10.6%	NA	(\$10.1)	NA
Hancock Fabrics, Inc.	\$276.4	\$276.3	0.0%	2.1%	(\$12.4)	(\$33.3)	62.8%
Haverty Furniture	\$691.1	\$784.6	-11.9%	-14.3%	(\$12.9)	\$1.8	-833.0%
Kirkland's, Inc.	\$391.3	\$396.7	-1.4%	3.6%	\$9.3	(\$25.9)	135.9%
Leon's Furniture Limited	\$740.4	\$637.5	16.1%	2.3%	\$63.4	\$58.5	8.4%
Michaels Stores, Inc.	\$3,817.0	\$3,862.0	-1.2%	-4.6%	\$4.0	(\$32.0)	112.5%
O'Reilly Automotive, Inc.	\$3,576.6	\$2,522.3	41.8%	1.5%	\$186.2	\$194.0	-4.0%
Pep Boys -Manny, Moe & Jacl	\$1,927.8	\$2,138.1	-9.8%	-8.4%	(\$30.4)	(\$41.0)	-25.9%
Pet Valu Inc.	\$181.0	\$163.0	11.0%	tba	\$14.7	\$12.4	18.5%
PetSmart, Inc.	\$5,065.3	\$4,672.7	8.4%	3.8%	\$192.7	\$258.7	-25.5%
Pier 1 Imports, Inc.	\$1,320.7	\$1,511.8	-12.6%	-9.2%	(\$129.3)	(\$96.0)	34.7%
Tiffany & Co.	\$2,860.0	\$2,938.8	-2.7%	-7.0%	\$220.0	\$323.5	-32.0%
Williams-Sonoma, Inc.	\$3,361.5	\$3,944.9	-14.8%	-17.2%	\$30.0	\$195.8	-84.7%
Sports & Footwear							
Bakers Footwear Group, Inc	\$183.7	\$186.3	-1.4%	0.5%	tba	(\$17.7)	tba
Big 5 Sporting Goods Corp.	\$864.7	\$898.3	-3.7%	-7.0%	\$13.9	\$28.1	-50.5%
Broder Bros., Co.	\$926.1	\$929.1	-0.3%	NA	tba	(\$124.1)	tba
Brown Shoe Company, Inc.	\$2,276.4	\$2,360.0	-3.5%	tba	(\$133.2)	\$60.4	-320.4%
Cabela's	\$2,552.7	\$2,349.6	8.6%	-3.7%	\$76.4	\$87.9	-13.1%
Collective Brands (Payless)	\$3,442.0	\$3,035.4	13.4%	-3.6%	(\$68.7)	\$42.7	-260.9%
Dick's Sporting Goods, Inc.	\$4,130.1	\$3,888.4	6.2%	-4.8%	(\$35.1)	\$155.0	-122.6%
DSW Inc.	\$1,462.9	\$1,405.6	4.1%	-5.9%	\$26.9	\$53.8	-50.0%
Finish Line, The	\$1,262.3	\$1,277.2	-1.2%	-0.4%	\$3.8	(\$60.8)	106.3%
Foot Locker	\$5,237.0	\$5,437.0	-3.7%	-3.2%	(\$81.0)	\$38.0	-313.2%
Footstar, Inc.	\$634.2	\$637.0	-0.4%	tba	\$53.7	\$52.0	3.3%
Forzani Group Ltd. (US\$)	\$1,600.0	\$1,550.5	3.2%	-3.5%	\$29.3	\$47.5	-38.3%
Gander Mountain	\$1,063.5	\$969.4	9.7%	tba	tba	(\$31.8)	tba
Genesco Inc.	\$1,551.6	\$1,502.1	3.3%	0.0%	\$152.6	\$6.9	2112%
Golfsmith International	\$378.8	\$388.2	-2.4%	-6.3%	(\$0.5)	(\$40.8)	98.8%
GSI Commerce	\$966.9	\$750.0	28.9%	NA	(\$16.9)	\$3.0	-663.3%
Hibbett Sporting Goods, Inc.	\$564.2	\$520.7	8.4%	0.5%	\$29.4	\$30.3	-3.0%
Lululemon Athletica Inc.	\$353.5	\$269.9	31.0%	3.0%	\$39.4	\$30.8	27.9%
Recreational Equipment	\$1,434.6	\$1,342.0	6.9%	0.3%	\$14.5	\$41.4	-65.1%
Shoe Carnival, Inc.	\$647.6	\$658.7	-1.7%	-4.6%	\$5.3	\$12.8	-58.6%
Walking Company, The	\$229.9	\$206.3	11.4%	tba	(\$10.2)	(\$3.5)	-194.8%
West Marine, Inc.	\$631.3	\$679.6	-7.1%	-6.8%	(\$38.8)	(\$50.0)	22.4%
WinMark Corporation	\$35.4	\$31.2	13.5%	tba	\$1.1	\$3.0	-62.5%
Zumiez Inc.	\$408.7	\$381.4	7.2%	-6.5%	\$17.2	\$25.3	-32.0%

Numbers in italics are implied or company estimates.

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