



QUICK TAKE

Weekly Store Openings and Closures Tracker #22: Perfumania Files for Bankruptcy, to Close 64 Stores; Macy's Names New President

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FGRT tracks store openings and closures for a select group of retailers in the US and, as of last week, in the UK as well.

- 1) We forecast that announced store closures in the US will total 9,452 by the end of 2017, exceeding the 6,164 stores closed in 2008, and representing a year-over-year increase of 361%. The 5,763 store closures announced year to date are tracking at 61% of our full-year forecast.
- 2) This week, **Perfumania** has filed for bankruptcy. It plans to close 64 stores and privatize the company as part of its reorganization.
- 3) **Macy's** named former eBay executive Hal Lawton as President, effective September 8.
- 4) **Ulta** reaffirmed that it is on track to open 100 new locations in 2017.
- 5) Year-to-date 2017, the number of store closure announcements has increased 181% year over year, bringing the total number of stores to be closed to 5,763.
- 6) Starting last week, we added coverage of the UK market. Year to date, there have been 487 store closure announcements from major retailers in the UK, compared to 529 openings, with the number of closures significantly lower on a year-over-year basis, and openings on par with 2016.
- 7) **Pep&Co** closed 20 stores and replaced them with concessions.



2017 Store Openings and Closures

What Is Happening this Week in the US?

Perfumania Files for Bankruptcy and Plans to Close 64 Stores

American specialty retailer Perfumania has filed for bankruptcy. It plans to close 64 of its 226 stores and privatize the company as part of its reorganization. According to the company's announcement, it is reducing the number of retail stores to better align with current consumer shopping patterns, in order to increase investments in its e-commerce business.

Macy's Appoints Former eBay Executive Hal Lawton as President

Macy's has named former eBay North America SVP Hal Lawton as President, effective September 8. Lawton has a strong technology and e-commerce background. Prior to joining eBay, he worked at Home Depot and McKinsey & Co.

Ulta On Track to Open 100 Stores in 2017

During its earnings call, Ulta reaffirmed that it is on track to open 100 new locations in 2017. The company already opened 20 stores in the second quarter, bringing the total to 1,010 stores. Management emphasized that cannibalization of existing store sales is low, which suggests that combining the online experience with the brick-and-mortar shopping experience is important.

Estée Lauder CEO Denies the Company is in Talks for a Potential Sale or Merger

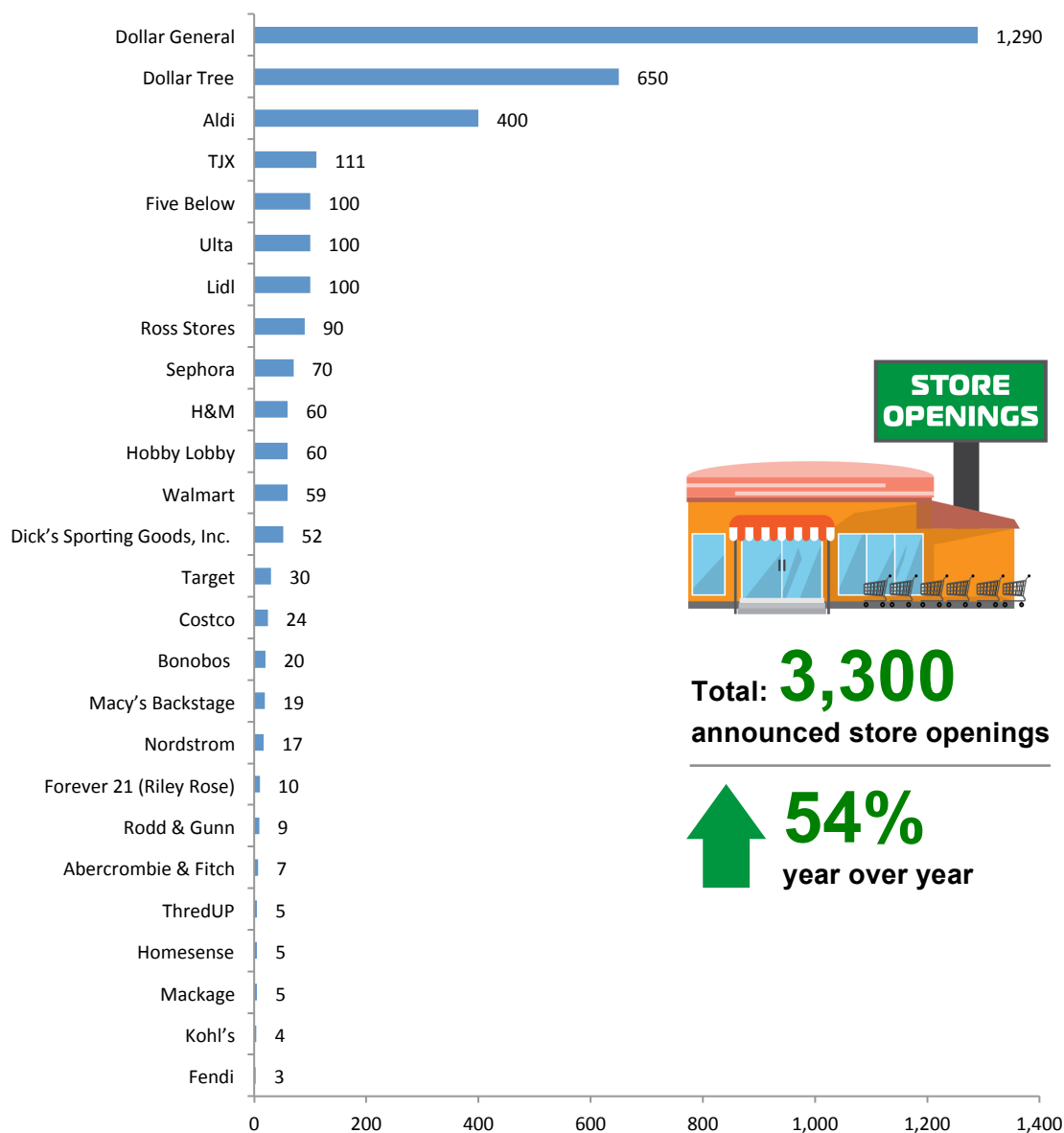
President and CEO Fabrizio Freda said that Estée Lauder Companies is not for sale, according to a Bloomberg article, reiterating that the company is strong and has excellent momentum going forward.

**Year-to-Date 2017 Major US Store Closure Announcements**

Gymboree announced it would be closing 350–450 stores. **Ralph Lauren's** store closing number was part of the 50-store closure plan announced in June 2016. **Ascena** will close between 268 and 667 stores by July 2019, depending on negotiations with landlords.
Source: Company reports/FGRT



Year-to-Date 2017 Major US Store Opening Announcements

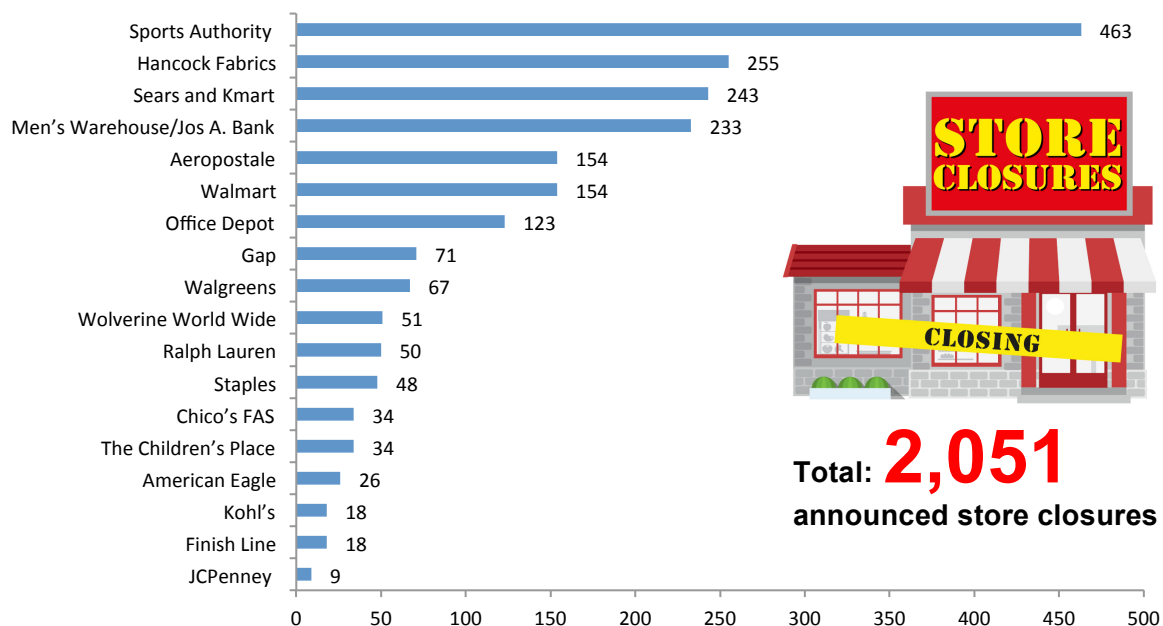


Aldi will complete a 400-store expansion by the end of 2018. **Walmart's** target of 59 stores includes new, expanded and relocated stores. **Target** is only opening stores in small format. **Macy's Backstage** will be opened within existing full-line Macy's stores. **Rodd & Gunn** to open 8–10 stores by the end of 2018. **Mackage** plans to operate 25 stores across North America in the next five years.
Source: Company reports/FGRT



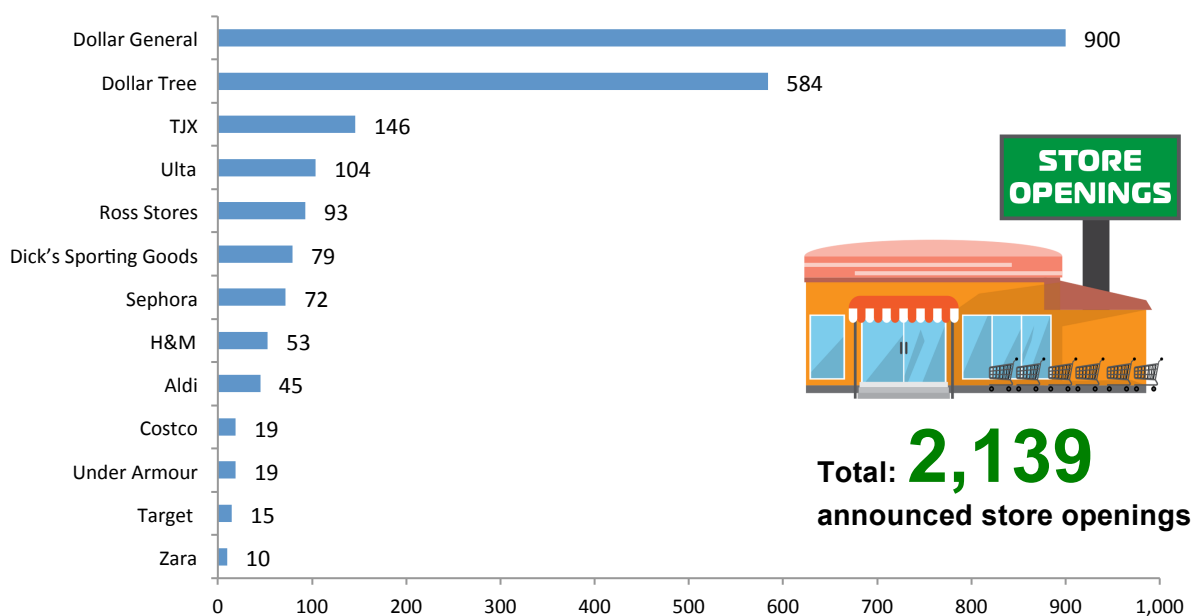
2016 Major US Store Openings and Closures

2016 Major US Store Closures



Source: Company reports/FGRT

2016 Major US Store Openings



Source: Company reports/FGRT

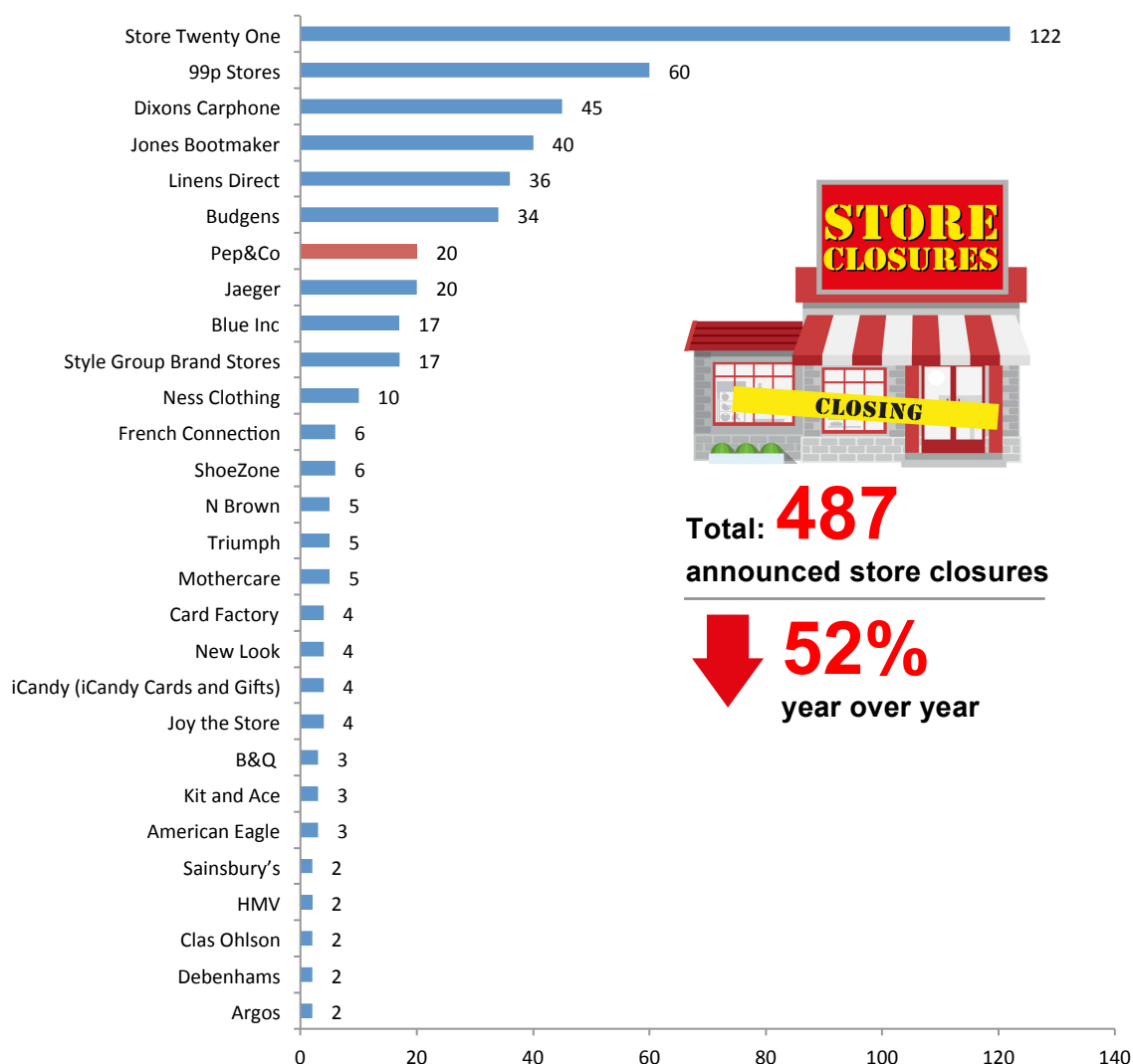
What Is Happening this Week in the UK?

As of last week, we have expanded our coverage of store openings and closures to include the UK market.

Pep&Co Closed 20 Stores and Replaced them with Consessions

Fashion retailer Pep&Co closed 20 stores, or about one-third of its standalone stores, and replaced them with concessions. According to the Chief Executive Adrian Mountford, store-in-stores have been driving incremental revenue growth. The company will open 50 shop-in-shops by October, and is on track to open a total of 100 concessions in Poundland outlets this year.

Year-to-Date 2017 Major UK Store Closure Announcements*

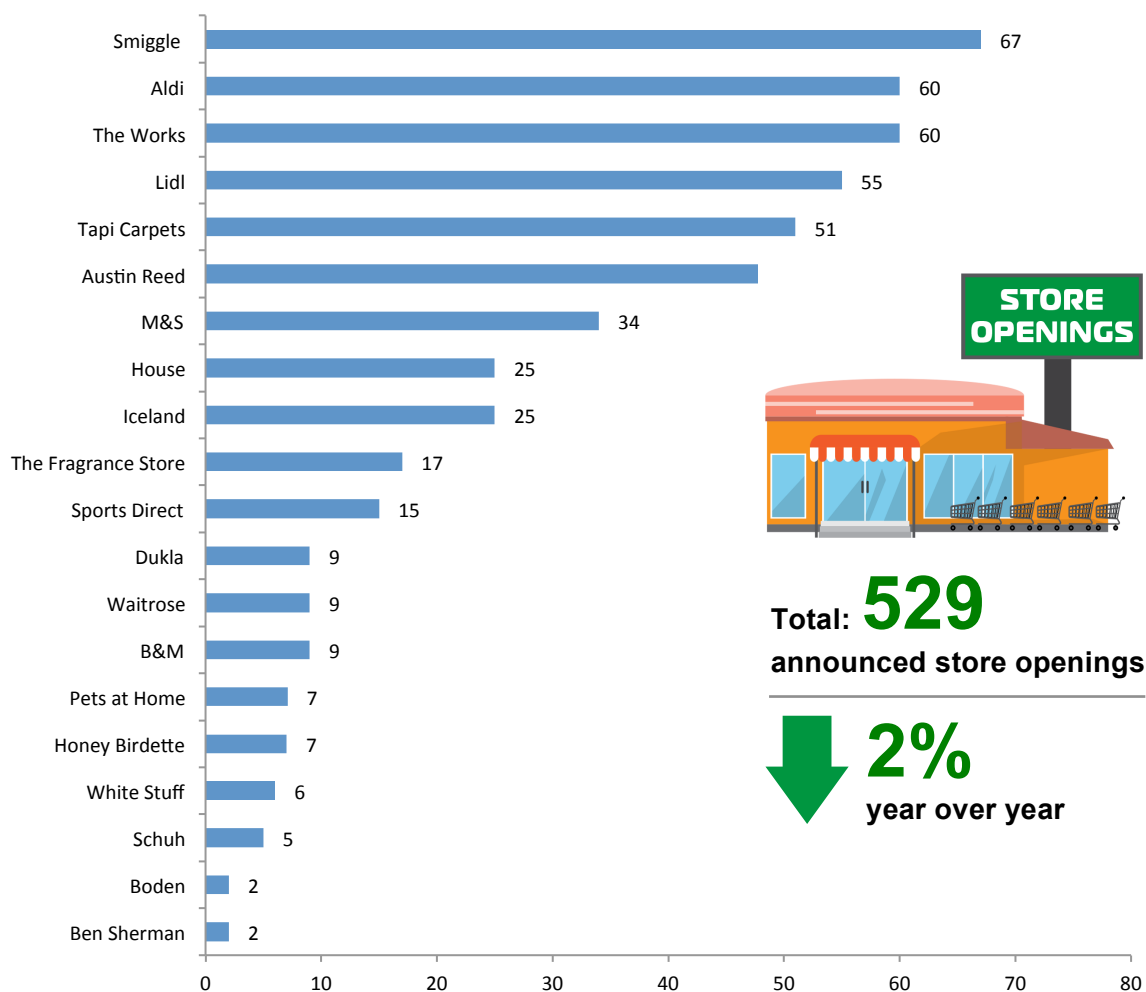


* The chart only shows selected retailers.

Source: Company reports/FGRT



Year-to-Date 2017 Major UK Store Opening Announcements*



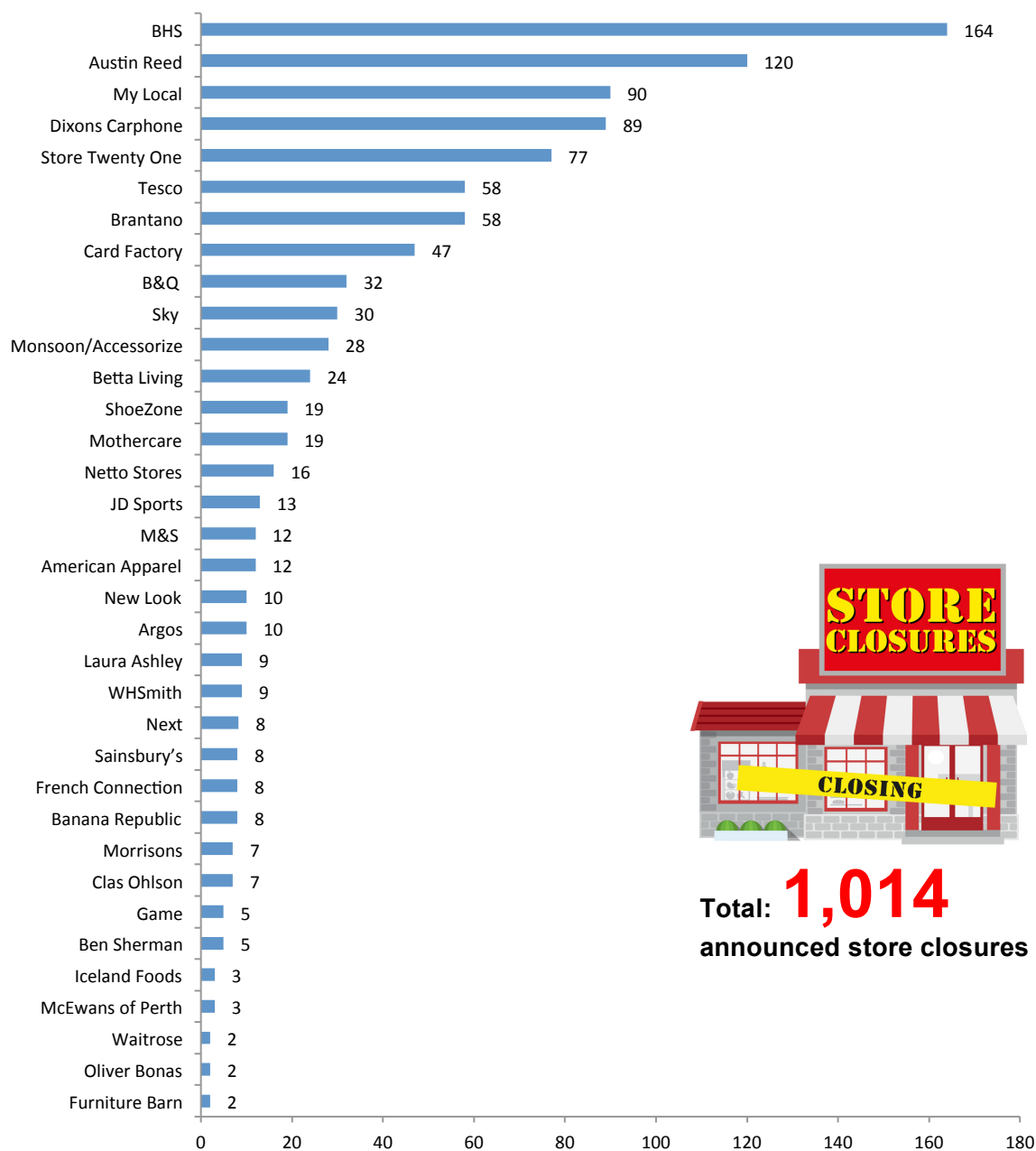
* The chart only shows selected retailers.

FGRT has calendarized the announcements of store openings/closures, which involves estimation for some retailers. **Aldi** will complete a 300-store expansion by 2022. **Smiggle** will open 200 stores by 2019. **Lidl** will open 50–60 stores by the end of 2017. **Pets at Home** will open five stores in FY2017 and 10 stores in FY2018.

Source: Company reports/FGRT

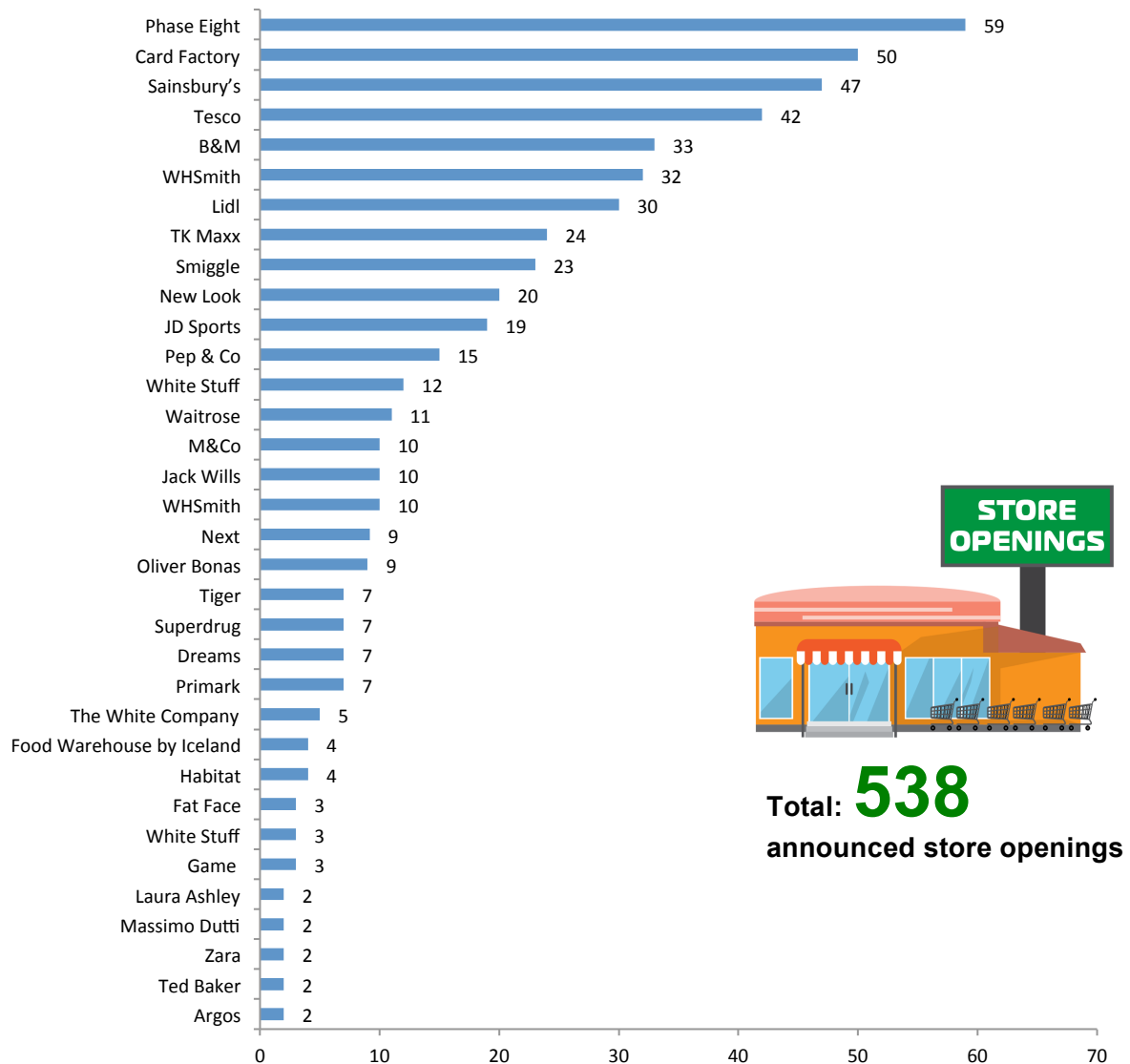
2016 Major UK Store Openings and Closures

2016 Major UK Store Closures*



* The chart only shows selected retailers.
Source: Company reports/FGRT

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