

Tim Danaher



Backing UK retail

Since *Retail Week* last published, Zawi, Whittard, Adams, The Officers Club, USC, Passion for Perfume, Wedgwood and Viyella have gone into administration. Woolworths has closed its doors for good and Marks & Spencer has announced 1,200 job cuts.

These are hard times indeed and for those who had time to watch the news or read the papers over the Christmas period there was no end of negativity about retail, much of it justified, some of it – particularly the irresponsible, ghoulish and baseless predictions of the number of stores that are going to shut or businesses go bust in 2009 – not.

What's particularly irksome is the strange sort of revelry some members of the media and rent-a-quote "experts" seem to take in the challenges the sector faces. Retailers, it feels, are seen as an enemy of consumers: rapacious merchants ready to take customers to the cleaners at any opportunity, now getting their comeuppance.

Enough is enough. Born over drinks with our friends at Barracuda Search and developed during conversations with many others in retail, Backing UK Retail is about the whole industry putting its differences aside to demonstrate how important this industry is to the economy, to society, to the very fabric of this country. Throughout January, in print and online, *Retail Week* will be highlighting retail's vital role.

The general public knows how important retail is. People will very quickly notice the holes left on more than 800 high streets by Woolworths closures. They will know some of the 30,000 people out of work as a result of the closures, plus the many thousands likely to follow suit from other administrations or cutbacks at retailers like M&S. They know that retail is the centre of lives and communities.

But opinion formers don't, and politicians don't. When City bankers or car makers lose their jobs, they care. When shopworkers do, they don't. But retail is the UK's biggest private sector employer, the engine room of the economy and has offered consumers ever better value and choice over the past decade. We need to shout about it more.

This campaign is about changing perceptions but we need you to do your bit too. Visit our dedicated area at retail-week.com to lend your support and tell us your stories.

We're backing UK retail. Are you?

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Visit retail-week.com/blog today to read Tim's blog *Retail Day*

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49 years ago, at the age of 16, Ann Frampton took her first job at Woolworths. This week, like shoppers up and down the country, the 65-year-old was one of the bargain hunters out to devour what was left of Woolies' stock on Tuesday, the last day of its 99 years of trading.

"I'm heartbroken. Woolies is like a second home for me. I feel like I'm losing a relative," she said.

At her local store, Bethnal Green in east London, scores of frantic shoppers snapped up chart CDs and DVDs for a pound, radios for 60p and office chairs for £2.50 before the shutters finally came down.

But it was hardly rich pickings. The staff – maintaining surprisingly high spirits right until the end – had done a good job of shifting every last item of stock, every last fixture and fitting. The more they shifted the bigger the bonus from administrator Deloitte, they said.

One shopper said: "People in here are like hawks, they are buying anything they can lay their hands on."

Despite its ups and rather more numerous downs over recent years, many were surprised by the affection which Woolies still commanded among customers and especially its staff. Under strict orders from the administrator not to talk to media, they politely declined to give comments. However, one member of staff on the tills said: "Woolies was a great company to work for. The people are fantastic and I'm sad to leave."

For the last few hours of trading the store took on a pitiful air as the efforts to shift the last stock became more desperate. Customers were told to fill giant sacks for a fiver and, in the last few minutes, baskets for a quid. By that time all that was left were curtain hooks and faded Christmas decorations. It was a sad end for a great retail name.

Nicola Harrison



Worst fears not realised

By Retail Week staff

Retailers were able to muster some new year cheer after notching up robust Christmas performances despite the blood-bath on the high street.

Retailers told *Retail Week* the Christmas rush came very late, with a strong uplift during the January Sales.

House of Fraser reported total sales climbed 4 per cent in the five weeks to January 3. The retailer is understood to have paid back £34.4 million of banking facilities due on January 2.

Fast-fashion retailer Peacocks

is expected to reveal flat like-for-likes, with good gains on margins and gross profits, in the 14 weeks to early January. The retailer is also thought to have secured £20 million from private equity backers Och Ziff and Perry Capital to fund expansion in 2009.

Young-fashion retailer Blue Inc reported like-for-like sales rose 6 per cent over Christmas and will report record sales and profits for 2008. Like-for-likes at Republic increased 6.8 per cent in the 10 weeks to January 4.

Single-price retailers Poundland and 99p Stores said like-for-likes were in positive ter-

ritory over the Christmas period, with 99p Stores up 5.3 per cent in the 13 weeks to January 3.

Health and beauty retailer Superdrug reported like-for-like sales for the five weeks to January 3 up 3 per cent, while rival Boots is expected to update next week.

Marks & Spencer executive chairman Sir Stuart Rose described the retailer's seasonal performance as "pretty robust". He defended M&S's pre-Christmas promotional stance as he posted a 7.1 per cent like-for-like sales fall over the festive period.

Rose, who intends to slash costs by up to £200 million and