

Stores make 'defensive' changes

Burlington Coat Factory remodeling locations across chain

Discount Digs. Two in three Burlington Coat Factory locations have been new, remodeled or refreshed in the past eight years. Still, these upgrades aren't major revisions. "We look at those more as being defensive than offensive," Burlington's Tom Kingsbury says. "What we don't want to do is spend money that just makes the store look glamorous or look beyond what it needs."

Brand Expansion. Books-A-Million believes it has found the key to success. The book retailer is expanding beyond traditional print books to complement popular properties. "The Lego Movie," for instance, pushed the company to introduce Lego toys alongside the book tie-in. And Minecraft instruction manuals are paired with the game. YA titles continue to soar, while magazine and NOOK sales remain challenged.

Global Jewels. Tiffany's, the upscale retailer, reports sales of fashion jewelry priced less than \$500 were the weakest segment this winter. Out of its 121 stores in the Americas, the most sales came



Larissa Faw
The Business Roundup

from Costa Mesa, Calif.; San Francisco; and Chicago. In total, 48 percent of Tiffany's sales are in the U.S., 23 percent in Asia-Pacific, 14 percent in Japan and 12 percent in Europe. However, it's impossible to decipher whether these sales came from local residents or international travelers.

Heir Air. Nike had the largest one-day product launch in the brand's history with the release of the latest Air Jordan 11.

Meanwhile, the shoe brand debuted a new retail concept in New York City in partnership with Footaction to develop the first-ever Jordan-only store, titled Flight 23.

Price Shocker. Higher food prices aren't affecting only grocery shoppers. Darden Restaurants, operator of the Olive Garden and Red Lobster, say food inflation is highest in beef and seafood, while more favorable for chicken and wheat. Still, beef and fish are still on the menu after the Olive Garden introduced the most comprehensive menu change in the brand's history on Feb. 24.

Corporate Welfare. Americans have varied opinions on how companies should give back, Horizon Media reports. Nearly half of Millennials (47 percent) would like to see brands give back by giving a specific portion of their profits to charity. Nearly one-third (32 percent) would like to see brands give back through "buy one, give one" programs, made popular by brands such as

TOMS and Warby Parker. Among those ages 18 to 49, 37 percent of respondents favor "buy one, give one" programs.

Mid-aged Fleet. Hertz rental cars are an average of 42 months old. In 2013, the company sold 27,000 cars through its retail channels, up 36 percent from 2012.

Burger Focus. Restaurant chain Bagger Dave's has a particular diner in mind when it scouts for new locations. In 2013, the chain opened 10 restaurants in the Midwest. Still, executives explain that when opening eight stores this year, the areas must be in urban areas with the average age of the population between 35-40, who earn a median income of \$63,000. "We seem to do well when we focus on dinner traffic and what would be evening destinations," says Bagger Dave's Michael Ansley. "We're around theaters, regional malls, Targets, Lowe's, Walmarts, things of that nature."

Smaller Shoes. Shoe retailer DSW is scaling down as it tests smaller formats. Out of the 35

locations it plans to open this year, five or six will be of this smaller size. These shops can handle demand because the retailer is introducing "charge-send," a new online system that fulfills a customer's in-store request from another store. Also, vulcanized canvas and open-toe sandals are expected to be the major trends in shoes this spring.

Teens Care. Teen retailer PacSun has announced a partnership with the advocacy group Free The Children, which raises awareness about global poverty among teens and children. Meanwhile, PacSun sales were stronger in the past few months because of its early embrace of the jogger-pants trend. These pants with looser tops that gradually become tighter put PacSun "ahead of the fashion curve and helped to boost sales," company executives say.

Larissa Faw covers business trends for Forbes, The Motley Fool and other outlets. Contact her at larissafaw@gmail.com.

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