

Global Sizing Challenges

Standardizing clothing around the world takes some work

Size Adjustments. The Gap has squeezed all of its sizes into one global fit, which is the American fit. Before, there was a European fit, the Japanese fit and American fit. Now, the challenge is managing the size curve. Executives, for instance, visited Japan and found an extra, extra, extra small. They had to make a phone call to find out that wasn't a manufacturing production issue. And in Southern China and parts of Japan, it doesn't even have extra-large; the highest size it goes to is large.

Health Push? Since McDonald's began automatically including apple slices in every Happy Meal and Mighty Kids Meals, the fast food chain has provided at more than 1.1 billion bags of apple slices to its youngest guests. Its U.S. business also recently announced this summer, it will offer a new choice — Go-GURT low-fat strawberry yogurt — in its Happy Meals and



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Mighty Kid's Meals. These yogurts will be made exclusively for McDonald's.

Online Friends. More than a billion people use Facebook's products on mobile devices. And 55 percent of people use Facebook every day only on their mobile phone. Almost 60 percent of the social network's revenue in business comes from mobile at this point.

Aged Out. Modern ultra-deepwater rigs are replacing the conventional mid and deepwater oil rigs from the 1970s and 1980s which are becoming obsolete and will end up most likely as scrap. To date there are about 107 mid-water and 68 deepwater floaters in total globally with an average age of 32 and 28 years, respectively. All of this will have to be replaced sooner rather than later as there are limitations to upgrades one can perform on an older unit, reports Ocean Rig UDW.

Tween Loss. Teen retailer Aeropostale is closing its 125 mall-based P.S. from Aeropostale locations based on changing consumer shopping patterns particularly of the mom shopper. The future development of the P.S. brand will be focused on faster growing sales channels including off-mall locations, outlets, e-commerce and international licensing.

Core Competency. Ross Department Stores is sticking with bricks-and-mortar locations rather than invest in e-commerce platforms. The chain runs a business that has a \$10 average unit retail, so when Ross puts together the economics, executives say it's very hard for people to make money through online shopping. "Not just shipping cost but return cost, processing cost, marketing cost, etc.," says Ross' Michael Balmuth. "Now, maybe things will change, maybe someone in some way leads us to change our mind. But at least as we look at the data right now, we don't, it doesn't seem very compelling to us."

Mobile Games. Video game retailer GameStop is expanding beyond video games. It now has a circle of life in the mobile category, say executives. Customers come in to GameStop, AT&T stores, Simply Mac stores and Cricket stores, as well as the buy-

mytronics.com Web site and trade their old phones and tablets. Then, GameStop repairs those devices at its refurbishment center and sell refurbished phones in its GameStop and Cricket stores and wholesale through its marketplace. As an example, trades received last week at Technology Brands stores represented over 30 percent of its total phone trades, while refurbished phones represented 22 percent of prepaid activations at its Cricket stores for the quarter.

Renovation. TD Bank is seeing more people seek home improvement lines of credit (HELOC) this spring likely linked to this "lock-in phenomenon" where people don't want to move because they are locked into really low rates, but instead they are renovating and improving their current houses.

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