



A strong start to holiday selling

December 12, 2011 - Shopping Centers

Thank heaven for Black Friday, Small Business Saturday, Cyber Monday, Terrific Tuesday and whatever other shopping days come this holiday! As I write this, the shopping season has gotten off to a terrific start, with total sales up 16.4% over Thanksgiving weekend 2010, according to the National Retail Federation. Online sales rose 33%, says IBM.

I believe that those numbers may not completely indicate all the shopping that has taken place thus far. A number of retailers started their promotions days before the holiday, and some smart shoppers, particular those buying online, may have made their purchases outside the measuring period.

Not surprisingly, electronics remain the gift of choice - with discounting a major factor, at least during the Black Friday promotions. Accessories, too, proved popular as shoppers look for the timeless rather than the trendy... Consumers at all price points are looking to maximize their dollars, so retailers will have to be very careful not to sacrifice too many profits in favor of total sales. But overall, it's a fabulous start to the most critical time of year for any retailer.

In fact, shoppers likely were waiting for Black Friday to do much of their November shopping, as U.S. comparable store sales rose 3.2% (2.7% excluding fuel) for the month, according to the International Council of Shopping Centers' Chain Store Sales Index. While it was the slowest gain since March, it did come against a very strong November 2010. Weather also was a factor, unseasonably warm at some times, and let's not forget the aftermath of the East Coast snowstorm early in the month. Luxury remained strong, with the sector rising 6.5%. Value also remains important, as wholesale clubs posted a 9% increase (7% excluding fuel).

With consumer confidence soaring in November, with the Conference Board's index rising more than 15 points from October's levels, I believe that we will have a holiday sales increase of a 3% to 3.2% increase, just under ICSC's prediction of a 3.5% increase for the season.

Meanwhile, leasing continues, with retailers of all categories coming in time for the holidays - or planning major openings in 2012.

Robert Marc is coming to 1225 Madison Ave., next door to a new Malia Mills. Bottega Veneta has a new store for women only at 849 Madison. Faberge's legendary eggs and other objets d'art will come to 684 Madison. Wired's holiday popup brings gadgets to 42nd St. and Broadway. Legendary skincare giant Erno Laszlo Institute will continue the beautification of Soho at 382 West Broadway. Marni's Edition store has opened at West 13th and Gansevoort Streets in Meatpacking. At press time, Apple was to make its Grand Central Terminal around December 9. Fans of the late, great Keith Haring can visit Pace Prints' pop-up shop that offers designer apparel, shoes and items inspired by his work at 521 West 26th St. through January 7. The former Borders space at 100 Broadway has been taken by Walgreens either as a Duane Reade or for its signature format. Fivestory's pop-up on the third floor of 18 East 69th St. (through February 1, with a permanent

space opening downstairs in March) takes exclusivity to new heights, only offering two of each item from such women's and men's apparel designers as Risto.

And yes, it's time to look forward to 2012, and my friends and colleagues at NYCREW Network will kick off the New Year with our now traditional presentation by Dennis Yeskey, managing director of AlixPartners LLP on "Global Trends in the 2012 Real Estate Capital Markets" on Wednesday, January 11 from 6:30 p.m. to 8 p.m. The event, to be held at the offices of UBS Financial Services at 1285 Avenue of the Americas, always gives us an overview of what to expect in the year to come, and a lively discussion! Please visit

www.nycrew.org, for registration info.

Have a happy, healthy and profitable holiday and Happy New Year!

Faith Hope Consolo is the chairman of Prudential Douglas Elliman's Retail Group, New York, N.Y.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540