

KEYPOINTS

THE RETAIL NEWSLETTER

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ACCELERATING RETAIL

Pret A Manger, which has 58 US locations, is targeting 300 US stores by 2029. The company will open more than 10 shops on the East Coast by 2026...Months after the company was purchased out of bankruptcy, **BuyBuy Baby** is returning to retail. The retailer opened 11 stores this month as part of the initial relaunch, with locations from MA to MD. It plans 100 stores in the next 3 years...Tanger Outlets opened the 290,000 s/f Tanger Outlets Nashville in TN, the first outlet center and one of the few shopping centers to break ground in the US since 2019...Swiss athletic brand **On** opened its newest US store in Miami, bringing its total to 27. The brand plans to open 20-25 stores per year...**Walmart** is investing more than \$9 billion to modernize 1,400 stores across 30 states starting with the grand reopening of 117 revamped stores this month. The stores have better layouts, wider product selections, and various technological improvements...**Chicken Salad Chick** has acquired **Piece of Cake**, which operates 10 stores in the Atlanta area. Terms of the deal were not disclosed...**Sprouts Farmers Market** opened 10 new stores during the quarter, for a total of 401 locations



Pret A Manger has a goal of 300 new US locations

Photo: www.123rf.com/bumbledee

in 23 states. Sprouts is on track to open 30 stores this year...**Homesense** opened 3 stores in FL and VA. With these openings, Homesense has 55 showrooms...**Boot Barn** opened 10 stores during its second quarter, bringing its total store count to 371. It plans to open 52 locations in 2024.

DECELERATING RETAIL

Amazon closed its 2 brick-and-mortar **Amazon Style** stores this month. Last year, Amazon shuttered all its stand-alone bookstores and other non-grocery stores...**Rite Aid** will sell an additional 92 store leases in 8 states as part of its ongoing bankruptcy restructuring process. A&G Real Estate Partners will offer the retail leases for private sale.

[Continued on Page 2](#)

Observations

Chris Cardoni, Editor

OBSERVATION: It's Starbucks' World: How many Starbucks locations can the coffee-drinking world sustain? A lot more than it is already, according to Starbucks: "Starbucks Corp. unveiled an ambitious strategy for long-term growth that includes growing to a total of 55,000 locations by 2030.

The company, which has about 20,200 international stores, plans to expand to 35,000 locations outside of North America by 2030. In total, Starbucks has set a total of reaching 55,000 locations globally by 2030, up from its current count of approximately 38,000... Starbucks' U.S. store count is slated to reach more than 16,300 – with 4% net new store growth planned for fiscal 2024 — and a goal of 20,000 over the long term. The company said it will grow its U.S. store portfolio with more "purpose-defined stores" such as pick-up, drive-thru only, double-sided drive-thru and delivery-only as well as accelerated renovations. "We see an opportunity to better leverage



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[Continued on Page 2](#)

KPP NEWS

KeyPoint Partners will once again send a team to **ICSC@New York** at the Javits Convention Center on December 5-7. The team, representing KPP's retail services as well as expanding Tenant Rep clients **Apple Cinemas** and **FunCity Adventure Park**, will be at Booth #2605 at the show, this time sharing the space with client **Retail Business Services**. Book your appointment with our team at ICSC@New York by contacting Kris Smith at 781.418.6242 or email KSmith@KeyPointPartners.com.

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NEW ENGLAND RETAIL

The first MA location for **Topgolf** will open in Canton this month...**Alamo Drafthouse Cinema** in the Seaport, the first in New England for the chain, will open this month... Bristol Place, Attleboro, MA, a 415,000 s/f shopping center anchored by **Home Depot** and **Market Basket**, sold to RK Centers... Tuscan Village opened its first hotel this month, **The Artisan**, a concept that is part of Marriott International's Tribute Portfolio...**Shake Shack** opened its first New Hampshire location at Tuscan Village, Salem...**Pizzeria Uno** opened more stores than it closed in the fiscal year for the first time since 2007. The company has 80 locations, primarily in the Northeast...**Fuddruckers** is closing one of its two Massachusetts restaurants. The chain will be shutting down its Saugus location on Route 1 before the end of the year. The location has been in business for more than 35 years. The Fuddruckers in Reading inside **Jordan's Furniture** will stay open... Urban Edge Properties, a New York-based retail REIT, bought Gateway Center in Everett and Shoppers World in Framingham for a combined \$309M. Shoppers World is anchored by **Best Buy**, **Nordstrom Rack**, and **T.J. Maxx**, and Gateway Center is anchored by **Target**, **Costco**,



Pizzeria Uno expanded for the first time since 2007

Photo: ©mahmood79/123RF.COM

and **Home Depot**... A **Google Store** will open next year in a new building on Boston's Newbury St. There are currently 3 Google Stores nationwide... Las Vegas restaurant group Carver Road Hospitality will open Seamark Seafood & Cocktails at Encore Boston Harbor next April... **Clover Food Lab** has filed for Chapter 11 bankruptcy protection. Clover has a dozen Boston-area restaurants.

MONTHLY RETAIL SALES: COMMERCE DEPT.

Retail sales fell 0.1% last month, the Commerce Department said. Excluding gas and autos, sales ticked up 0.1%.

Source: U.S. Department of Commerce - commerce.gov

CONSUMER CONFIDENCE INDEX

The Conference Board Consumer Confidence Index® declined moderately in October to 102.6, down from an upwardly revised 104.3 in September.

Source: The Conference Board - www.conference-board.org

Starbucks plans to grow to 55,000 locations worldwide by 2030

our footprint to serve the evolving needs of our customers," said Sara Trilling, executive VP and president of Starbucks North America. "To be clear, Starbucks has not saturated the U.S. market." (*Starbucks to open 17,000 locations by 2030; cut \$3 billion in costs* Marianne Wilson, Editor-in-Chief, ChainStoreAge.com, 11/03/2023).

According to **Statista.com** (*Number of units of leading coffee shop chains in the U.S. 2022*, Statista Research Department, Nov 3, 2023) Starbucks had 15,396 stores in the U.S. in 2022, making it the leading coffee shop chain in the United States in terms of units. **Dunkin'** and **Dutch Bros Coffee** followed in the ranking with 9,370 and 635 units, respectively.



Photo: ©imtmphoto/123RF.COM

OBSERVATION: A Holiday High?: Contrary to what we reported last issue ("No records will likely be broken by holiday retail sales this year, however, at least according to some recent forecasts"), the **National Retail Federation** in fact does predict that "holiday spending is expected to reach record levels during November

and December and will grow between 3% and 4% over 2022 to between \$957.3 billion and \$966.6 billion" according to a NRF press release (*2023 Holiday to Reach Record Spending Levels*, Danielle Inman, Senior Director, Media Relations, November 2, 2023).

The release continues: "Despite a slower growth rate compared with the past three years, when trillions of dollars of stimulus led to unprecedented rates of retail spending during the pandemic, this year's holiday spending is consistent with the average annual holiday increase of 3.6% from 2010 to 2019. Online shopping has been one of the biggest shifts in consumer behavior from the COVID-19 pandemic. Online and other non-store sales, which are included in the total, are expected to increase between 7% and 9% to a total of between \$273.7 billion and \$278.8 billion. That figure is up from \$255.8 billion last year.

Despite months of preparation for the holiday season, retailers could sustain unpredictable impacts from weather. This year, holiday retail spending may experience residual effects from El Niño, depending on the strength and persistence of the weather phenomena.

NRF's holiday forecast is based on economic modeling that considers a variety of indicators including employment, wages, consumer confidence, disposable income, consumer credit and previous retail sales. NRF's calculation excludes automobile dealers, gasoline stations and restaurants to focus on core retail. NRF defines the holiday season as November 1 through December 31. NRF's latest holiday survey conducted by **Prosper Insights & Analytics**, which is separate from the holiday sales forecast, shows 43% of holiday shoppers planned to start making purchases before November. The survey also found consumers plan to spend \$875 on core holiday items including gifts, decorations, food and other holiday-related purchases this year."

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