

RETALES

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Latest global wealth rankings confirm that Westfield Group founder Frank Lowy has overtaken casino punter James Packer as Australia's richest man. Lowy, the world's biggest owner of shopping malls, topped this year's list with a fortune of \$US2.7 billion, ranking him No.234 worldwide by Forbes magazine. He is followed locally by Packer, whose fortune has fallen to \$US2.5 billion, and iron ore heiress Gina Rinehart with \$US1.9 billion. Packer's worth dropped from \$A8.7 billion last year and mining magnate Andrew Forrest lost a third of his wealth.

Bad Backs (badbacks.com.au), an Australian destination for back pain relief resources and products, has launched www.zerogravitychair.com.au - a specialty, microsite dedicated to one of its most popular product categories. Zero-gravity had its origin with NASA, and the furniture range simulates the weightlessness experienced by astronauts in space. The concept has been applied to a range of furniture (mainly recliners and beds), which offer a stress-free position on the spine. According to Bad Backs founder, Felicity Wood, the zero-gravity furniture collection has received positive feedback from customers. Customers in Sydney, Melbourne and Perth also have the option of visiting a Bad Backs Store to try the product for themselves," said Wood.

Fashion designer Josh Goot has been dumped by the Myer department store chain. The Daily Telegraph has revealed the 28-year-old Sydney stylist's refusal to budge on the price of his clothes, which include a \$900 pricetag on cotton and wool jersey dresses, may have been the reason. Myer says the designer and department store parted on good terms. The store did admit however that price was an issue in the decision. Goot said he was probably pushing into a price bracket that the Myer customer was not comfortable with. However, the quality of the product was something that he wanted to hold on to, he said.

Recession-driven refitting has apparently become all the rage. The owner of Alterations & Design by Dea in Melbourne says brides and debutantes especially are buying clothing the wrong size because they can get the clothes for less and can then afford to spend hundreds of dollars on alterations - which still comes out cheaper than buying a brand new dress. Amarto cited the case of a young bride who bought a \$5000 size 12 wedding dress for \$200. The bride was a size six so she had the dress resized for \$200 and walked away with a saving of \$4600.

Northern Territory liquor retailers are delighted by the news the infamous \$100 takeaway ID register may be scrapped. A rule devised by the previous federal government requires anyone spending \$100 or more on liquor to provide ID for recording and state where they plan to consume the drink. NT licensing minister Kon Vatskalis this week said the law was "a waste of time, a waste of paper and a waste of ink". Federal indigenous affairs minister Jenny Macklin has suggested to Vatskalis the law may be scrapped "soon", he said.

"We now have an integrated solution across our organisation and are maximising the return on our investment sooner than expected."

As a result of its successful delivery of the initial implementation, Joe Landsman, CEO of the GSM Retail Group, has commissioned Fujitsu to further expand its solution footprint in New Zealand, Fiji and Japan. **IRW**

Retravisio adds Phone Xpress to fold

Retravisio WA has added another brand to its business portfolio with the Phone Xpress group establishing a support agreement for accounting, franchise administration, IT and buying.

The Port Adelaide-based Phone Xpress chain is Telstra's largest dealer in South Australia with 15 stores.

As well as Telstra products, Phone Xpress also sells an extensive range of mobile phone products and accessories with brands including Nokia, Motorola, Samsung, LG and Sony Ericsson.

Started in 2001 by brothers, Michael and Matthew Winen, the chain has opened three new stores in recent weeks at Clare, Renmark and Broken Hill and is planning further expansion in South Australia and other markets.

The Retravisio deal also provides for a trial of shop within a shop concepts in pilot Retravisio stores in Western Australia and SA in 2008.

The addition of the Phone Xpress chain to Retravisio WA follows similar support agreements with SA retail brands, Truscotts and Casual Living. **IRW**

ACCC defends record in retail complaints

The Australian Competition and Consumer Commission has, for the first time, given a detailed breakdown of the retail tenancy complaints it has dealt with over the last five years.

In its submission to the Productivity Commission, the ACCC said complaints by some retailer associations that it "does nothing" with complaints were nonsense.

Furthermore, the number of complaints made to the ACCC were very few.

Of the 1119 complaints and inquiries made to the ACCC between July 2002 and July 2007, only 244 were actually "complaints" (where a breach of the Trade Practices Act was alleged by the complainant or where conduct described was identified as a possible contravention).

Of these 244 complaints, 65 were immediately assessed as not amounting to a breach of the TPA. Of the remaining 179,108 on further investigation revealed no breach, 35 were found to have insufficient evidence, 13 were referred to other agencies, 10 involved the ACCC giving information or guidance, three involved an administrative solution, two were not pursued because the complainant was already taking legal action, and eight were still under active investigation at July 31 2007.

The ACCC said there were more than 180,000 retail leases "on foot" in Australia and these leases were not a single transaction but operated day in, day out, usually for a minimum of five years. **IRW**

Victoria trials more tolerant shoplifting approach

The Victorian State Government has followed the lead of its New South Wales counterpart in extending its on-the-spot fine program for shop theft.

In a move that will cut the number of shoplifters prosecuted through the courts, Victoria has lifted the cap on the value of goods stolen for on-the-spot fines.

The previous Victorian shoplifting program related to first time offences and goods valued at less than \$200.

In introducing the changes, Attorney General Rob Hulls said the police already have a range of options to deal with offences such as shop theft, including issuing cautions to offenders.

Hulls said legislation now introduced into the State Parliament would give police another tool to deal with breaches of the law.

Hulls said issuing an infringement notice would be an effective deterrent "because it provides a prompt, direct and certain response."

The minister said the on-the-spot-fines trial, to begin in July next year and to run for up to two years, will be carefully monitored by an evaluation committee to gauge the impact of the trial on the courts, people who receive infringement notices for trial offences, and sentencing outcomes.

The introduction of the legislation follows public consultation on a discussion paper issued by the Department of Justice earlier this year.

Fine levels have been set by reference to sentences handed down by the courts. **IRW**

Online back pain chain opens third 'real' store

Back pain relief website, Bad Backs, has opened its third bricks-and-mortar store in Brisbane.

Bad Backs is following a growing trend amongst online businesses to evolve into traditional retail stores.

Trading seven days a week, the Brisbane Bad Backs superstore is located at The Zone Shopping

Three new stores recently opened

Few complaints made over rents

Prosecutions for shoplifting to be cut

Over 500 catalogues now offered onshelf and online

Dedicated Blu-ray players outselling HD DVD nearly four to one

None of the potential buyers made an "acceptable offer"

Centre, corner of Compton & Kingston Rds in Underwood, and showcases over 500 products from the Bad Backs catalogue, enabling customers to try the products before they buy.

"The Brisbane market, and neighbouring areas represent a large proportion of our online sales, and it's a growing market," said Bad Backs director Felicity Wood.

Since its inception in 2001, Bad Backs has become a leading website for back pain relief resources and products. The decision to open 'bricks and mortar' outlets was driven largely by customers seeking opportunities to 'try before they buy'.

"It was never part of our original business plan to open retail outlets, however customer service is a large part of our offering and through dialogue with our customers, we uncovered a growing need to 'touch and feel' the merchandise", said Wood.

"More so than other online sellers, I believe that the nature of our products creates a need for a more tactile experience. In addition some of our older customers are less confident with online shopping and really value speaking face-to-face with our customer service staff."

Since its inception in 2001, Bad Backs recorded growth of around 40% per annum. Further outlets are planned for other states.

Online visitors return to the site to access the latest innovations and developments in spinal care research, which is sourced from international research institutes, hospitals, government health resources and increasingly from government-approved alternative therapy sources.

Bad Backs has also built a community of chronic back pain sufferers with a discussion forum related to pain management, providing users with the opportunity to share their personal experiences.

Following its Australian success, the business extended its operations abroad, launching www.badbackstore.com in the US last December. **IRW**

Video rental chains opt for Blu-ray over HD DVD

Video Ezy and Blockbuster are backing Blu-ray rather than HD DVD in the battle of the high-definition disc formats.

The entertainment sales and rental chains say that HD DVD was not taking the Australian market seriously enough.

In-store marketing support from retailers and rental stores is crucial if the competitors are to succeed in convincing consumers it's worthwhile upgrading from their regular DVD players.

Paul Uniacke, MD of the Franchise Entertainment Group, which owns Video Ezy and Blockbuster in Australia, said the local roll-out of HD DVD had been too slow because its supporters did not see Australia as an important market compared with the US and Europe.

"Without meaning to be disrespectful, it's probably how they see this territory in terms of their bottom line," he said, adding the HD DVD side was quickly "missing the boat".

So far neither format is dominating in Australia but, thanks to the PlayStation 3 games consoles (PS3), Blu-ray has a commanding lead. Both sides are offering bundles with free movies and slashing prices to entice Christmas shoppers - the Toshiba HD-E1 HD DVD player, after a \$100 rebate, now costs \$499.

According to market-watcher GfK, 2241 stand-alone Blu-ray players have been sold in Australia to date, compared with 609 HD DVD players.

But Sony has moved more than 100,000 units of the PS3, which has a built-in Blu-ray player. Only 2461 add-on HD DVD players for the Xbox 360, which cost \$249.95, have been sold so far.

The trend in player sales is consistent with sales of HD movies. More than 102,000 Blu-ray movies have been sold to date, against just under 18,000 HD DVD movies.

Uniacke said most of the 870 Blockbuster and Video Ezy stores in Australia stocked Blu-ray titles, but most did not stock HD DVD titles. **IRW**

Warrnambool Co-op to be closed for want of buyer

The Warrnambool Co-operative department store and hardware business will close after administrators were unable to find a buyer.

The company was placed in administration in October with debts of \$5.5 million accrued from a petrol discount scheme, trading losses on a Beta Stores electrical business and falling profitability on core hardware and department store operations.

Based in Warrnambool's central business district, the stores posted losses for each of the past four years.

The latest and largest loss of \$1.3 million for the 2007 financial year followed the opening of new retail developments in Warrnambool, including Bunnings Warehouse.

The competition from out of town retail developments and the declining strength of the CBD shopping centre is understood to have been a key reason why 35 parties decided not to acquire any parts of the business.

Another complicating factor for a sale of the business was a lease commitment to Saracen Properties on a \$25 million redevelopment of the Warrnambool Co-operative's CBD hardware store site.

The company has a 12 year \$8.2 million lease agreement for which it will have an ongoing liability