

Bulletin

September Retail Sales, Released November 22, 2000

Good Signs

While the retail economy continues to grow even though the rate of increase is decreasing, we can still expect an increase in the 5% range leading up to the holidays.

With a late boost from back-to-school sales, retail continued its positive growth as consumers opened their wallets and spent more in All Clothing and Shoe Stores, and Furniture, Appliance, Furnishing Stores.

Other Clothing and Women's Specialty Clothing Stores drove a 15.1% increase in All Clothing and Shoe Store sales for September.

Big ticket items continue to remain robust as Furniture, Appliance, Furnishing Stores enjoyed steady increase over last year (+14%) largely driven by consumer electronics.

What looks like a dismal month for Department Stores, down 3.7% from last year can be attributed to the massive liquidation and the void left by Eaton's departure. Last September Eaton's powered Department Store sales growth to over 15% greater than September 1998. With the opening of the new eatons' stores this week adding 2.5 million square feet, Department Stores sales are sure to see a rebound

Things to Consider in The Future

While retailers should expect a fairly healthy holiday season, large retail sales growth figures are unlikely to be sustainable over the long term particularly due to the strong year-over-year growth since 1997.

For the future, it will be interesting to follow the impact on retail sales growth for:

- the Stock market,
- consumer credit,
- employment,
- savings rate, and
- residential construction

Seasonal Staff... Santa's Helpers or the Grinch's

Seasonal staff... Whether they make your season or steal it really depends upon you and how well you do your job of managing. These few important points can make the difference.

1. Five minutes or five years, your staff are your store to customers, so hire seasonals even more carefully than permanents. Hire for attitude and ability, then teach only the needed skills and allow sufficient time for practice.
2. Readjust roles so that seasonals do easy-to-teach tasks with the least

customer interaction, freeing up your permanent staff to do what they do best with customers.

3. Orient well. Don't let anyone onto the sales floor without knowing how to represent your store with customers and where to get help if they don't know answers. A nice smile and, "If you don't mind waiting a moment, I'll check with our expert in that area", goes farther in saving potential lost business than, "I don't know."
4. Make all sales staff feel important, needed and respected so that they love working with you. That attitude gets passed on to customers who will love shopping with you.
5. Get rid of people quickly before they do damage if they don't "fit" or can't do the job. No body is better than a warm body.

Apply these, and you can go to bed knowing you'll sleep more peacefully and awake more profitable!

Shirley Murray

Please note:

The J.C. Williams Group National Retail Bulletin compares the latest monthly release of "raw" (i.e., unadjusted for seasonality) retail sales figures to those in the *same calendar month of the previous year*. Statistics Canada also reports seasonally adjusted sales that are compared to the *previous month within the current calendar year* to measure change in Gross Domestic Product (GDP). Although other sources use seasonally adjusted figures, J.C. Williams Group believes that using raw figures and making comparisons to the previous year's performance more accurately reflects the seasonality of the retail industry and, therefore, are more useful in analysis.

Retail Sales by Store Category			
Sales for the Month of: September	2000	1999	2000 / 1999
All Stores	23,829.4	22,261.4	7.0%
Automotive Group	9,628.5	9,032.7	6.6%
All Stores Less Automotive	14,200.8	13,228.7	7.3%
Food and Drug Group	6,404.8	5,988.8	6.9%
All Stores Less Auto, Food and Drug	7,796.0	7,239.9	7.7%
General Merchandise Stores	2,520.0	2,499.0	0.8%
Department Stores (incl concessions)	1,455.5	1,512.2	-3.7%
Furniture, Appliance, Furnishings Stores	1,346.1	1,179.4	14.1%
All Clothing and Shoe Stores	1,400.2	1,217.0	15.1%
Women's Clothing Stores	428.4	374.1	14.5%
Men's Clothing Stores	124.7	118.6	5.1%
Shoe Stores	150.5	139.3	8.0%
All Other Retail (except auto, food, drug)	2,529.6	2,344.5	7.9%
Year-to-date Sales	2000	1999	2000/1999
All Stores	202,453.2	189,367.0	6.9%
Automotive Group	84,516.0	76,928.6	9.9%
All Stores Less Automotive	117,937.2	112,438.4	4.9%
Food and Drug Group	55,298.9	53,381.9	3.6%
All Stores Less Auto, Food and Drug	62,638.2	59,056.5	6.1%
General Merchandise Stores	21,035.3	20,198.1	4.1%
Department Stores (incl concessions)	11,936.4	11,811.8	1.1%
Furniture, Appliance, Furnishings Stores	10,523.2	9,367.4	12.3%
All Clothing and Shoe Stores	10,240.7	9,680.6	5.8%
Women's Clothing Stores	3,178.7	3,081.7	3.1%
Men's Clothing Stores	1,017.6	982.9	3.5%
Shoe Stores	1,148.3	1,150.3	-0.2%
All Other Retail (except auto, food, drug)	20,839.1	19,810.4	5.2%

ALL DOLLAR VALUES EXPRESSED IN MILLIONS OF CANADIAN DOLLARS; UNADJUSTED FIGURES; SOURCE: STATISTICS CANADA

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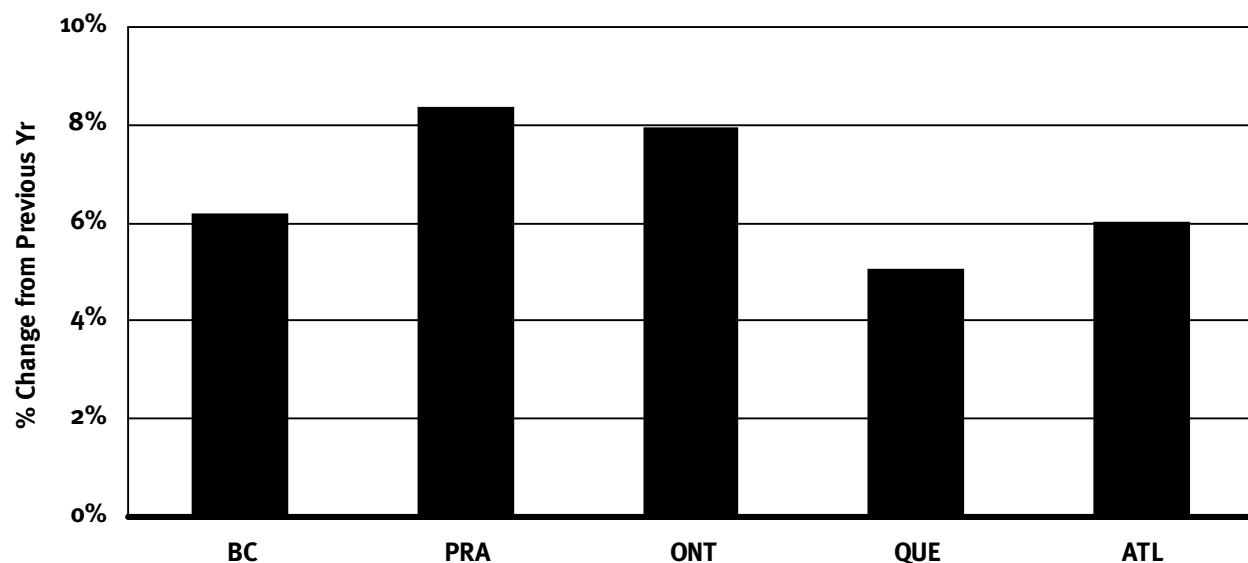
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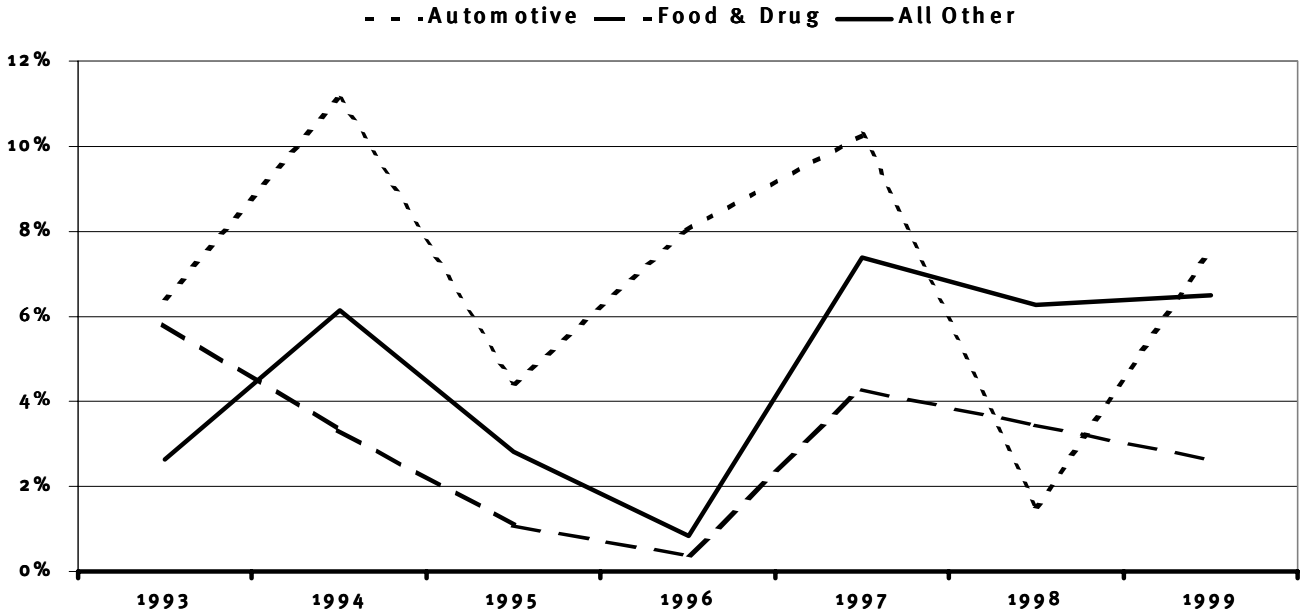
RETAIL TRADE, CANADA, ALL STORES, BY MAJOR REGION

	Year-to-Date 2000	Same Period 1999	Change 2000 / 1999
British Columbia	26,088.4	24,579.5	6.1%
Prairies	36,004.1	33,233.8	8.3%
Ontario	77,196.4	71,545.2	7.9%
Quebec	47,005.8	44,759.1	5.0%
Atlantic Canada	15,476.3	14,601.3	6.0%

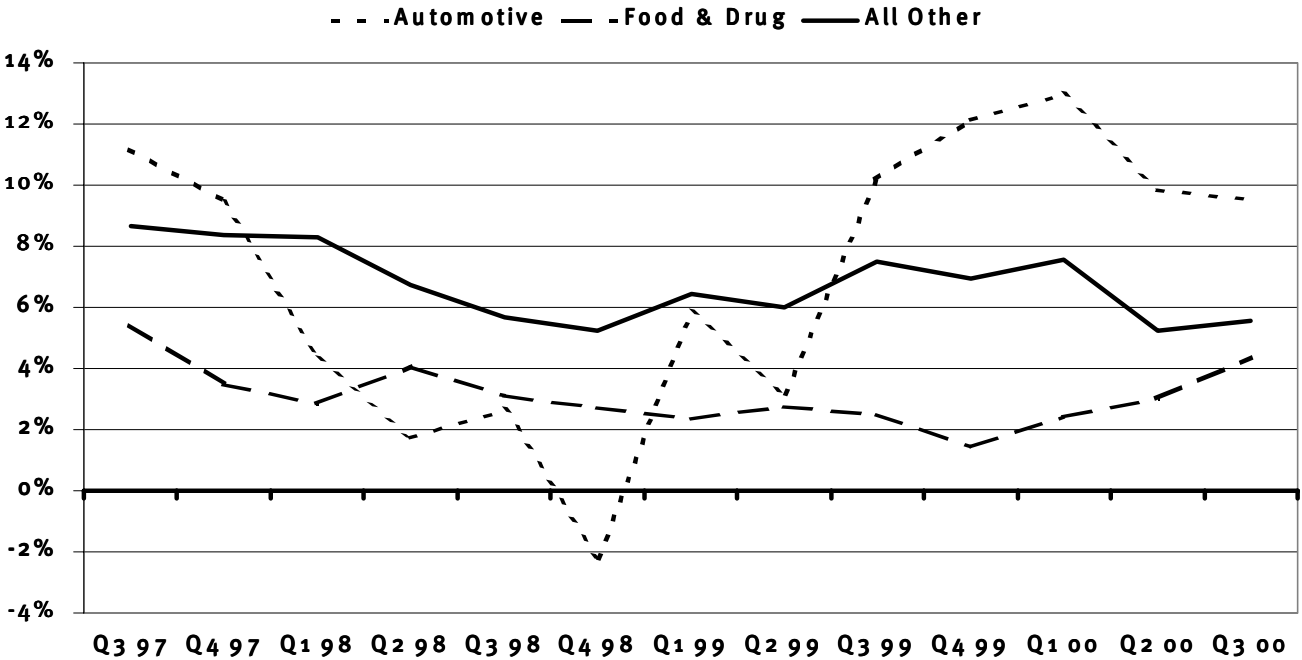
**Percentage Change in Retail Trade, All Stores, by Region
Year-to-Date Compared to Same Period Last Year**



Canadian Retail Sales by Major Product Categories Year Over Year (1993 -1999)



Canadian Retail Sales by Major Product Categories From the Same Quarter A Year Earlier



Consumer Price Index

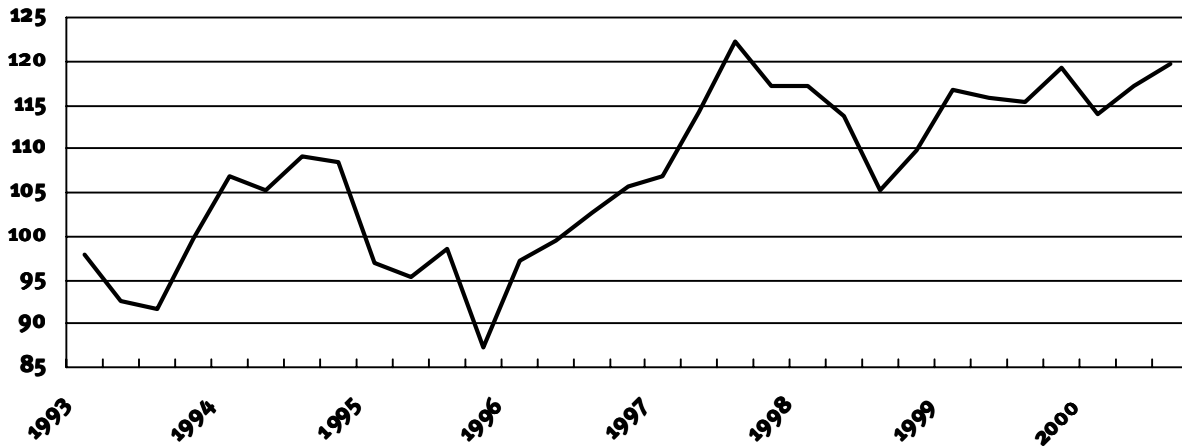
October 2000

vs.

October 1999

2.8%

Canadian Consumer Confidence Index 1993-2000



Source: Conference Board of Canada

Canadian Consumer Expenditures Index 1992 - 2000

