

One to offload 20 stores New chief reviews business

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Discounting: MK One's Croydon store (pictured) was on Sale this week

completed a review of the whole business and was reassessing the business's supply base as a result.

He rebuffed rumours that the Baugur-owned business was struggling. He said that the raft

of discounting in stores was the result of overstocks of basic product that he inherited.

He said: "The business was refinanced in July and we have a new management team in place.

Trading is significantly better than four months ago, which is making a difference to top-line sales and showing in the bottom line."

MK One has struggled to get a foothold in the increasingly crowded value fashion sector, where Primark and the super-markets have been gaining market share.

Galvin said he was repositioning the business away from basic product towards a fashion-led offer, but that prices would remain in line with competitors. The revamped business is likely to go head-on against Peacocks.

One source close to the business said that, in recent years, MK One had alienated its customers by offering them fashion at prices that were too high at stores in secondary locations. Galvin said: "It is tough out there, but we are winning customers back."

Baugur bought MK One for £44 million plus £11 million of debt in 2004.

REEVOO.COM NETS EDEN EXPANSION FUNDING



Reevo.com, the customer product review site, has landed £2.5 million expansion funding from Eden Ventures.

The service, which is used by retailers including DSGi and Jessops to foster consumer trust and drive online sales, will be extended into categories such as DIY and baby goods. It will also develop an international presence.

Chief executive Richard Anson (pictured) said shoppers are increasingly demanding independent verdicts on products. He said: "It's all about quality and trust – that's becoming more important online. Our reviewers are confirmed product purchasers and we don't [offer incentives to] people to provide reviews."

Eden's Ben Tompkins has joined Reevo's board. Former Dixons boss David Gilbert is also a director.

Retailers are holding their nerve, despite discounting temptation

By George MacDonald

Discounting by retailers ahead of Christmas is less widespread this year than last, despite savage trading conditions, but price-cuts are deeper.

The promotional pattern

Ernst & Young senior manager for retail Jason Gordon said that footwear and entertainment groups have been forced to discount heavily. Clothing retailers, which have had to contend with unseasonal weather, have discounted less than last year

which had a major impact on some retailers' profitability."

Promotional methods have been more complex than ever, with retailers favouring tactics such as e-mail vouchers and store-card discounts over straightforward sales flagged in

THIS WEEK



NEWS

Fashion Middle market gaining ground on value **6**
City Carpetright plans rugs assault for 2007 **9**
E-tail Will high street shoppers of the future take all their custom online? **12**
International Toys R Us to make its mark in China **15**

PROPERTY

News Landlords refuse Monsoon monthly rents **16**
BRC rents campaign We applaud those landlords that have relented and chide those that haven't **40**

TECHNOLOGY

News The next stage of Carphone Warehouse's IT restructure **17**
Integration Why all elements of a retailer's business must talk to each other **35**

STORES

Tesco Is Tesco's Wick store in Scotland really the greenest supermarket in the UK? **32**
French Christmas Paris's window displays are streets ahead of London's **34**



FEATURES

Big story Will furniture players weather the storm in 2007? **20**
From the cradle We ask four retail families whether the occupation runs in their blood **26**
Christmas bonuses How a roving workforce is putting paid to the tradition **31**

REGULARS

Editorial **4**
Comment Jacqueline Gold and Keith Willis **22**
Letters & Cartoon **23**
Profile M and M Direct chief