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**Newsletter Archives**

## **Brown's Rants**

**Week Ending January 1st, 2022**

### **Back to the Grind**

Happy New Year everyone! Before I get going on this week's commentary, I want to remind everyone that starting this week (Wednesday, January 5) I will be hosting three straight days of my 2022 Retail Forecast. There are three sessions planned (one each at different times on Tuesday, Wednesday, and Thursday) for "Retail 2022: From Crisis to Comeback."

Please join us on any of these dates. The session will be highly informative and entertaining. I will be breaking down the trends that got us here and where the market will be going in the months ahead. In addition to detailing who will be growing or contracting in 2022, I will issue my ten predictions for the coming year. The presentation will be about 45 minutes with 15 minutes for Q&A.

If you have not registered yet, you can choose your day and time at this link. Join us—you will not regret it.

[Register Here](#)

Last week, Mastercard Advisors reported that their tracking of holiday sales indicates an increase of 8.5% over 2020 levels. The official numbers from the Commerce Department are still a week or two away, but Mastercard tallies are a great bellwether for where the official government numbers typically land.

Last year's official totals came in at 8.3%, far exceeding most analyst predictions and resulting in the largest annual increase in decades. Of course, eCommerce played heavily into this—as did the fact that Americans shifted spending towards goods and away from travel and services in the pre-vaccine days of the pandemic. The National Retail Federation (NRF) predicted this year's totals to be between 8.5% and 10.5% with the possibility of 2021 tallies breaking records if on the higher end of the scale.

While the Mastercard and Commerce Department numbers indicate two entirely different data points and set of analyses, Mastercard numbers in the last few years have typically come in a few basis points higher than the government data. I would not be surprised if the final Commerce Department data comes in at the lower end of the predictions made by the NRF. Regardless, all indications are this was a banner holiday season despite supply chain challenges, despite inflation concerns, despite sagging

consumer confidence (due to inflation concerns) and despite the ongoing surge of CoVid cases thanks to the Omicron variant. Consumers still showed up despite all these things.

In fact, the news for retail has been overwhelmingly positive. Costar recently published a report citing 2021 retail closures to be at an all-time low following the distress of 2020. Both they and Coresight indicate store openings in 2022 to outpace closures for the first time since 2014. The data I track corresponds; I haven't seen this much growth in the pipeline in at least seven years. And... it is not all dollar stores—which has been the case in recent times (though they still are the most active retail segment).

This is not to say that we aren't seeing some impacts from Omicron. Foot traffic levels, which were rebounding nicely everywhere, have dipped again for urban retail and in-restaurant dining is slowing as well. As of December 31<sup>st</sup>, the US set a record for the highest seven-day average (over 343,000 per day). Most experts believe this metric will hit the 500,000 mark this week. It's challenging enough that Goldman Sachs, which had taken a hard line about insisting its workers return to the office this past summer, is now asking their staff to work from home the first couple of weeks of January. Meanwhile, Boris Johnson's government in the UK has warned public sector employers there to be prepared for "worst-case scenarios" of 10%, 20%, or 25% absence rates in the week ahead as Omicron rages there.

Retailers and restaurants (already challenged by a labor shortage) will certainly be facing staffing challenges in the weeks ahead if they aren't already. That said, even with Omicron, there are some snippets of potentially good news. Data is starting to emerge to support the case that while far more contagious, Omicron is also far less deadly. This could actually bolster the case made by Wall Street Journal columnist Rob Arnott yesterday in, "[Omicron Variant May Save Lives](#)," that the new variant may end up bringing us all closer to herd immunity. Whether that happens remains to be seen, but if the path of Omicron in South Africa is any guide, their surge was intense but short. These numbers will be falling significantly by the end of January. For now, things on the CoVid front are going to get worse before they get better.

Garrick

# Top 10

## Stories of the Week

[People with Omicron are Less Likely to Need Hospitalization; UK Report Says](#)

New York Times 12/31

[Studies Suggests Why Omicron is Less Severe; it Sparing the Lungs](#)

New York Times 12/31

[Scientists Say Omicron May Peak in the US in mid-January, but Could Still Overwhelm Hospitals](#)

New York Times 12/31

[CoVid; Workplaces Told to Plan for Absences of Up to 25%](#)

BBC 12/30

[22 Restaurant Deals that Changes the Industry in 2021](#)

QSR 12/29

[Extended Return Season Could Challenge Retailers](#)

Reuters 12/29

[Retailers Opened More Stores Than They Closed in 2021](#)

The Hill 12/29

[Retail Store Closings 2021: The List of Chains that Closed Stores This Year](#)

Alabama.com 12/28

[Lab Study Suggests Omicron Variant Might Help Defend Against Delta](#)

New York Times 12/28

[Announced Store Closings in 2021 Approach All-Time Low](#)

Costar 12/27

[Mastercard: US Holiday Sales Rise 8.5%](#)

Reuters 12/26

[The Running List of Major Retail Deals in 2021](#)

Retail Dive 12/25

# Economic Headlines

## Stories of the Week

[The States Raising Minimum Wage in 2022 Are...](#)

Chain Store Age 12/30

[The Omicron Surge is Making it Hard to Staff Stores and Restaurants](#)

WFAE 12/29

[The Evolution of Retail Shrinkage](#)

Robin Report 12/28

[These Food Items Are Getting More Expensive in 2022](#)

Wall Street Journal 12/27

[Buy Now Pay Later Increasingly Driving Demand](#)

WWD 12/27

[Record Beef Prices, but Ranchers Aren't Cashing In](#)

New York Times 12/27

# Property Trends

## Stories of the Week

[Northern Nevada Retail Update](#)

Nevada Business 1/1

[Next Urban Development Trend May be Office to Residential Conversions](#)

Sacramento Business Journal 12/31

[Omicron is Reversing NYC's Long Road to Retail Recovery](#)

Footwear News 12/30

[Report Indicates Manhattan Real Estate Market Showing Progress](#)

RIS Media 12/30

[Costar Predicts Retail Rebound in Big US Cities](#)

Costar 12/30

[Costar Predicts Retail Investors to Play it Safe](#)

Costar 12/30

[Doubling Down on NYC; Chelsea Bounces Back](#)

New York Times 12/29

[Non-Traditional Tenants Drive Retail Up Rents](#)

Costar 12/29

[New Trepp Report Examines Parallels of Office and Retail Markets](#)

Cision 12/28

[Developers Working to Build a San Antonio Nightlife District](#)

MYSA 12/28

[Nation's First Outlet Center to Become a Residential Development](#)

Chain Store Age 12/28

[Strong Leasing Points to Los Angeles Retail Market Improvement](#)

Costar 12/28

[Triumph of the Mall: How Victor Gruen's Grand Urban Vision Became Our Suburban Shopping Reality](#)

The Conversation 12/27

[Pandemic-Battered San Francisco Retailers Brace for Prolonged Recovery](#)

Costar 12/26

# Retail Headlines

## Stories of the Week

[Buc-ee's to Open First Location in Mississippi](#)

Nola.com 12/31

[Rite Aid and CVS Are Closing Stores in 2022. What's Driving it?](#)

WHYY 12/31

[Porsche Rolling out Pop Up Stores](#)

Clean Technica 12/31

[Express Car Wash Concepts Announces Acquisition of Three Bee Clean Express Car Wash Locations](#)

Cision 12/31

[Roy's Convenience Stores Selling 7 Locations](#)

CSP 12/31

[Bed Bath & Beyond Closing Suburban Seattle Store \(Westwood Village\)](#)

West Seattle Blog 12/30

[Harbor Freight Coming to New Philadelphia in Late Winter](#)

Times Reporter 12/30

[Harbor Freight Opening Store in Hermitage, PA](#)

Sharon Herald 12/30

[Hobby Lobby Opens at Destiny USA](#)

Syracuse.com 12/30

[Romance Bookstore, Meet Cute Romance Bookshop & Fizzery, Opening Third Location](#)

Forbes 12/30

[Emigh Ace Hardware Coming to El Dorado Hills](#)

Sacramento Business Journal 12/30

[Daiso Opens First Las Vegas Store](#)

Las Vegas Review Journal 12/30

[7-Eleven is Coming Back to the Triangle](#)

Charlotte News & Observer 12/30

[Copper Store Opens Fifth Retail Location in Phoenix Area](#)

HME News 12/29

[The Future of the Retail Gas Station](#)

Robin Report 12/29

[LL Bean Closing Tysons Corner Store](#)

WTOP News 12/29

[26Red Opens NYC Flagship Store](#)

Apparel News 12/29

[Falling Prices Opens New Citrus Heights Store](#)

Sacramento Business Journal 12/28

[Kendra Scott Opens New Orlando Store](#)

Culture Map Houston 12/28

[Nike Unite Store Opens in Orlando](#)

Orlando Sentinel 12/28

[Harbor Freight Opening Store in Pooler, GA](#)

WSAV.com 12/28

[Kwik Trip Opens 800<sup>th</sup> Store](#)

Spectrum News 12/28

[Saatva Opens New Store in DC](#)

MTC 12/27

[How Luxury Brand Zegna is Reinventing Itself as A Public Company](#)

Forbes 12/27

[REI: A Radical Co-Op](#)

Robin Report 12/26

[Hobby Lobby Opens in Serins Grove, PA](#)

Pennsylvania News Today 12/26

# Grocery Headlines

Stories of the Week

[New Publix Planned for Pompano Beach](#)

Point Publishing 12/31

[Southeastern Grocers Remodeling 50 Stores in 2022](#)

Chain Store Age 12/30

[Ultrafast Delivery Firm Buyk Expands to Chicago, Targets Rapid Expansion Across the US in 2022](#)

Perishable New 12/30

[H-E-B Opens New Clearlake Store](#)

Houston Business Journal 12/29

[Hy-Vee is Pushing South But Won't Mess With Texas Citing H-E-B Dominance](#)

KSAT 12/29

[Walmart Upping Game With New Fast Casual in Store Restaurants; Shawarma Press](#)

Austin Culture Map 12/29

[Houston's First Black-Owned Grocery Store Has Opened](#)

Essence 12/27



# Restaurant News

## Stories of the Week

### [The Ten Biggest Fast-Food Stories of 2021](#)

The Takeout 1/1

### [Ten Fast Food Storylines of 2021](#)

QSR 12/31

### [7 Restaurant Chain Bankruptcies that Shook the Industry in 2021](#)

Eat This, Not That 12/30

### [Popeye's Opens in Holland, Michigan](#)

QSRweb.com 12/30

### [Captain Cookie and the Milkman Expands in DC](#)

Washington Business Journal 12/30

### [Axe Throwing Bar to Become Part of Downtown San Jose Movie Theater Transformation](#)

Hoodline San Jose 12/30

### [Tim Hortons Sets Sights on Bringing Swagger Back in 2022](#)

Yahoo Finance 12/30

### [Ziggi's Coffee Signs 150<sup>th</sup> Franchise Deal](#)

QSR 12/30

### [Southern Classic Chicken Signs Multi-Unit Deal for Louisiana](#)

QSRweb.com 12/30

### [Wow Wow Hawaiian Lemonade is One to Watch in 2022](#)

QSR 12/29

### [Jersey Mike's Ramps up Expansion in San Antonio](#)

Express News 12/29

### [Ziggi's Coffee Opens Third Store in Colorado Springs](#)

QSR 12/29

### [Pizza Factory Expands in California's Central Valley](#)

QSR 12/29

### [Dickey's Opens 700<sup>th</sup> Unit](#)

Fast Casual 12/29

[Mountain Mike's Pizza Opens in Orem, Utah](#)

QSR 12/29

[Restaurant Employees Picking up the Slack](#)

QSRweb.com 12/28

[Pizza Factory Development Reaches All Time High](#)

QSR 12/28

[South Korean Chicken Chain Opening in SoCal](#)

Fast Casual 12/28

[Clean Juice Adds Five New Franchise Partners](#)

QSR 12/28

[Greenleaf Juicing Company Opens in Nora; Plans More Expansion in 2022](#)

Indianapolis Star 12/28

[Focus Brands Plans More Non-Traditional Growth](#)

Franchise Times 12/28

[Plant-Based Alternatives Push Further into Fast Food](#)

The Food Institute 12/28

[The Bagel Nook Expands in Las Vegas](#)

Bake Magazine 12/28

[21 New Coffee Concepts This Year](#)

Daily Coffee News 12/28

[You'll Find a Food Hall in This Tampa Gas Station](#)

Fox 13 Tampa Bay 12/28

[Sankrati Wants to be the Chipotle of Indian Food](#)

Franchise Times 12/28

[Habit Burger Grill Expands in Coachella Valley](#)

QSR 12/27

# REITs, Landlord & Development

## Stories of the Week

[KT Urban Sells Cupertino's The Oaks Shopping Center to Swedish Buyer](#)

Silicon Valley Business Journal 12/30

[Dallas Investor Pays \\$103 Million for One of Denver's Biggest Malls \(Westminster Shopping Center\)](#)

Costar 12/30

[Maryland Firm Pays \\$58 Million for Raleigh Shopping Center](#)

Costar 12/30

[Atlanta-Based Developer Buys Last Former Kmart in Tampa for Retail Redevelopment](#)

Costar 12/28

[New Jersey Firm Scoops up The Village at Pittsburgh Mills](#)

Costar 12/28

[New York Investor Buys Southbay Pavilion Mall Near Los Angeles](#)

Costar 12/28

[First National Enters Oklahoma with Purchase of Tulsa's Summit Square Shopping Center](#)

Costar 12/28

[Irgens Buys Former Boston Store Building at Brookfield Square](#)

Milwaukee BizTimes 12/27

# eCommerce / Omnichannel / Retail Tech

## Stories of the Week

[American Eagle Completes Acquisition of Quiet Logistics](#)

CSA 12/30

[Global Study: Retailers to Centralize Omnichannel Operations in 2022](#)

Fibre2Fashion 12/29

[Technology at the Forefront for Restaurants in 2022](#)

Pizza Marketplace 12/28

[Why eCommerce Growth will Benefit From Stores New Role](#)

Retail Touchpoints 12/28

[Best Online Retail Stories of 2021](#)

Digital Commerce 360 12/28

[Let the \(VR, AR, MR\) Games Begin](#)

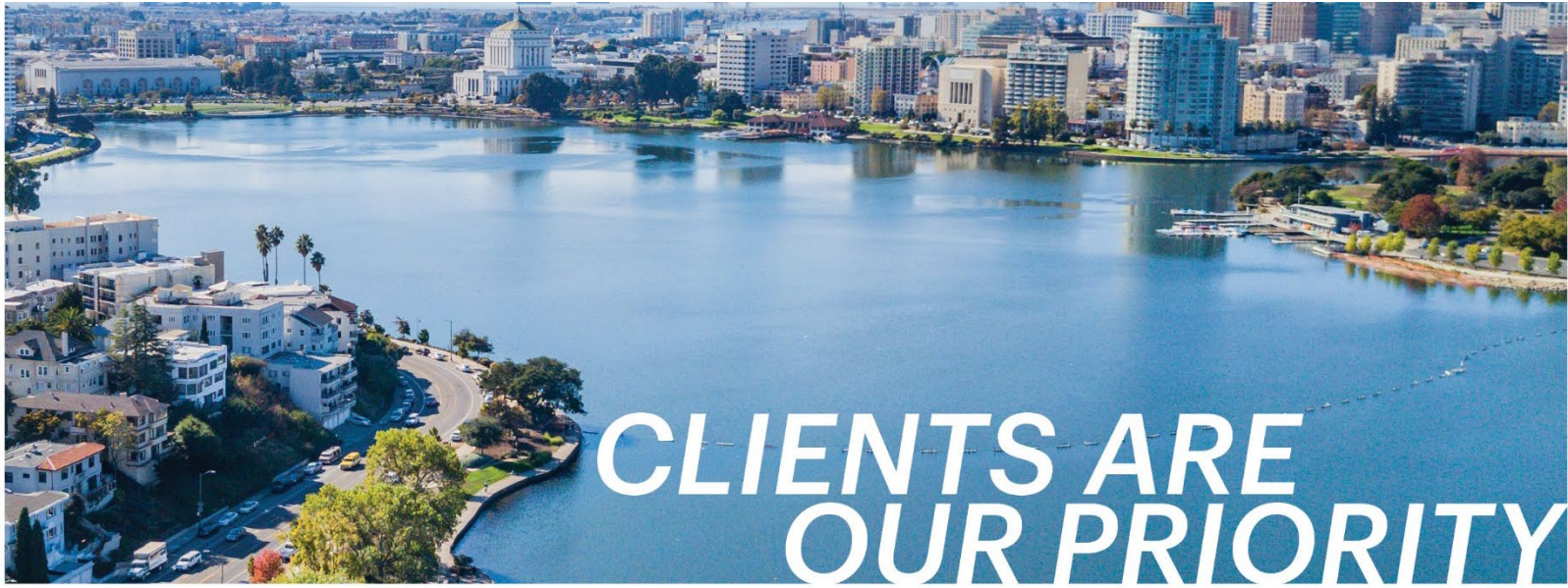
Robin Report 12/27

[The Future of QR Codes is More QR Codes, with Restaurants Leading the Way](#)

PYMNTS 12/27

[In 2022, Robots will Conquer Food Delivery and Distribution](#)

Dot.LA 12/27



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WE ARE LOCKEHOUSE RETAIL GROUP. IT IS OUR MISSION TO DELIVER EXCEPTIONAL VALUE AND SERVICE TO OUR CLIENTS, INVESTORS AND COMMUNITY.



## SERVICES

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- ✓ Investment Sales
- ✓ Property Management
- ✓ Consulting
- ✓ Build Out Management
- ✓ Development Services

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