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Newsletter Archives

Brown's Rants

Week Ending January 8th, 2022

Closure Season?

We may be through with CoVid, but it unfortunately is not quite done with us. The rise of the Omicron variant has sent infection rates soaring and forced many retailers to come up with contingency plans for dealing with absenteeism ranging from Macy's temporarily reducing store hours to Apple and Walmart both closing locations in hard-hit areas (again, temporarily). [There are emerging early signs of the latest wave impacting foot traffic and consumer behavior, with restaurants, gyms/health clubs, theaters and travel related retail bearing the brunt once again.](#)

Of course, the best news of this wave is that while Omicron apparently is far more contagious than previous waves (it currently ranks as the fastest spreading virus in human history), it also is far less virulent—particularly for those that have either already been vaccinated or those whose immunities have been boosted by past exposure to CoVid. In South Africa, the Omicron wave has largely subsided—hitting its peak two to three weeks after first being detected. Early data from the UK (which was ahead of the US by two to three weeks in this wave) suggests that the peak may have subsided there also. But at least the next two to three weeks, retailers and restaurants will have to face the challenge of significantly higher levels of absenteeism against the backdrop of an already difficult labor market. We see mandated closures as almost certainly off the table (at this point it would amount to political suicide), but the reality is that many small businesses may be forced into temporary closures due to labor challenges.

For traditional mall retailers, this may not be as difficult a challenge as it will be for other categories if for no other reason than January typically is the slowest month of the year for most retail categories. Post-holidays, especially by mid-January when holiday returns and gift card activity has subsided, is usually about doing inventory. For retail real estate, this has traditionally been closure season... when store portfolios are reviewed and underperforming locations are closed.

This year is no different; two major closure announcements hit the market this past week. Bed Bath & Beyond is closing 37 of its stores—mostly impacting power centers. Meanwhile Macy's announced which units it intends to close this year as part of the plan they announced in 2021 to close 120 stores through 2024. To date, they have closed about half that number—the most recent announcement is part of that move and does not reflect additional closures.

But here is the funny thing about closure season 2022; those were the only two major announcements of the past week. No doubt, there will be additional announcements heading into February. But this is the first time in nearly a decade where I have seen more store opening announcements in January than closures. In fact, the data suggests that store openings will roughly double the number of planned closures in 2022. If you throw in restaurants (as I do in my data), that number will at least be tripled with more planned unit growth today than I have recorded in the past seven years. In fact, I don't just predict that store closures will be at the lowest levels since 2015 but that bankruptcies will as well.

For that prediction, as well as the remainder of my top ten trends for the year, you can check out the online seminar I did last week; "Retail 2022: From Crisis to Comeback." This was the inaugural edition of the webinar series that I will be doing monthly on various topics going forward. This one was about macro economics and big picture trends. Future webinars will be deep dives into property performance, investment activity and analysis of key sectors like food and beverage, retail banking or apparel.

If you are not already on my mailing list, please drop me a line at garrick@lockehouse.com to get added to the Locked in with Lockehouse mailing list to receive both this weekly summation of retail and retail real estate news as well as invitations to our webinars.

[You can download a recording of last week's webinar here.](#)

See you next week!

Garrick

Top 10

Stories of the Week

[Omicron Absenteeism Poses Fresh Threat to US Economic Strength](#)

Time 1/8

[The Name of the Game for Retailers: Meeting Clients Anywhere](#)

Costar 1/7

[What Retailers Will Focus On in 2022](#)

Retail Brew 1/7

[Holiday Store Traffic Up 19% Over Last Year \(Still Down 20% From 2019\)](#)

Chain Store Age 1/6

[Retailers Many Unhappy Returns](#)

Wall Street Journal 1/5

[What's Ahead for Retail in 2022?](#)

NRF 1/5

[Macy's Closing More Stores in 2022: The Full List](#)

USA Today 1/5

[Bed Bath and Beyond Closing Nearly 40 Stores in 2022: The Full List](#)

USA Today 1/5

[Ten Retail Trends to Watch in 2022](#)

Retail Dive 1/4/22

[Store Openings in 2022 Double Store Closures](#)

TB&P 1/2

Economic Headlines

Stories of the Week

[Why Prices Keep Going Up and Who is to Blame](#)

CNN 1/8

[Import Growth Levels Out but Supply Chain Issues Persist](#)

Chain Store Age 1/7

[Hiring Hit Annual Record, Despite December Slowdown](#)

Wall Street Journal 1/7

[Payrolls Rise Only 199k But Unemployment Falls to 3.9%](#)

CNBC 1/7

[Omicron's Spread Means More Food Shortages at Grocery Stores](#)

Los Angeles Times 1/7

[Americans Packed on Debt During the Holidays](#)

Retail Wire 1/6

[ADP Jobs Report Says 807K Jobs Added in December](#)

Barron's 1/6

[Omicron Unlikely to Bring Shutdowns](#)

Chain Store Age 1/5

[Truck Driver Shortages Pushing Autonomous Trucking Closer to Reality](#)

Food Institute 1/5

[US Reports Over One Million New Daily Covid Cases as Omicron Surges](#)

CNBC 1/4

[More Quit Jobs Than Ever; Most Turnover in Low Wage Work](#)

New York Times 1/4/22

[Quit Rates: Power Play](#)

Robin Report 1/4/22

Property Trends

Stories of the Week

[Retail Buildings in NYC Have Lost 20% of Their Value During Pandemic](#)

Costar 1/6

[Fargo Mall Takes Over Vacant Department Store Space](#)

Chain Store Age 1/6

[CMBS Delinquency Rate Ticks Up for First Time Since June 2020](#)

Houston Business Journal 1/6

[\\$850M South Street Seaport Mixed-Use Project Approved](#)

6sqft.com 1/5

[Shuttered Sears at SouthPark Mall Being Replaced with Apartments](#)

Richmond BizSense 1/5

[Sacramento Center Rebrands Itself to Pavilions South](#)

Sacramento Business Journal 1/5

[Plans to Redevelop Move Golf Mills Mall in Niles Forward](#)

Chicago Tribune 1/4/22

[Multiple Grocery Options Coming to Memphis in 2022](#)

Commercial Appeal 1/3

Retail Headlines

Stories of the Week

[What Luxury Retailers Need to Know to Stay Relevant in 2022](#)

Luxury Daily 1/7

[Convenience Store Sales Grow in 2021 Despite Labor and Supply Chain Issues](#)

Chain Store Age 1/7

[Luxury Women's Brand Kes Opens Second NYC Store](#)

Costar 1/7

[First Look: Kids Foot Locker Debuts Play-Focused Store Concept](#)

Chain Store Age 1/6

[Parker's Anchoring New Savannah Project](#)

Convenience Store News 1/6

[Casey's Expands Presence in Des Moines Market](#)

Business Record 1/6

[Wayfair to Anchor Suburban Chicago Shopping Center \(Taking Former Carson's Department Store\)](#)

Crain's Chicago Business 1/6

[BJ's Wholesale Expands in New York](#)

America Retail 1/6

[Altitude Trampoline Takes Former Sports Authority Box in Bradenton \(FL\)](#)

Costar 1/6

[Why C-Store Players are Gearing Up to Win in Food Service Space](#)

Grocery Dive 1/6

[The Growth Spurt at Baby Care Startup Lalo](#)

Retail Brew 1/6

[Burlington Opening New Store in Morgantown \(WV\)](#)

13News 1/5

[Rihanna Opening Five SavageXFenty Stores Across USA](#)

Chain Store Age 1/5

[Williams Sonoma Closing Pittsburgh Area Store](#)

Pittsburgh Business Times 1/5

[LL Bean Closing Tysons Corner Store](#)

Retail Dive 1/5

[Gucci Signs Lease at American Dream](#)

Chain Store Age 1/5

[NFL to Open Store on Las Vegas Strip](#)

Las Vegas Review-Journal 1/5

[Searching for the Next Barney's](#)

Business of Fashion 1/5

[Dollar Tree Takes Former Pier 1 Space in Bethlehem Township \(PA\)](#)

Morning Call 1/5

[AutoZone Expands in Chicago Suburbs](#)

Costar 1/5

[CB2 and Serena & Lily Coming to Birmingham MI](#)

Detroit Business 1/4/22

[Pea in the Pod Opens Concepts Stores in NYC, Chicago](#)

Retail Customer Experience 1/4/22

[Banana Republic Looks to Aspen](#)

Aspen Times 1/4/22

[Showbiz Cinemas Sells to EVO Entertainment Group](#)

Dallas Morning News 1/4/22

[Convenience Store Growth Poised to Grow](#)

Food Institute 1/3

[Drive Shack Expands in Chicago](#)

Costar 1/3

[S&G Stores Acquire 12 Barney's Convenience Stores](#)

Petrol Plaza 1/3

[Meijer Replacing Shuttered Regal Cinema in Cleveland Suburb](#)

Cleveland Jewish News 1/3

[Draper James: There Will Always be an Appetite for Mall-Based Shopping](#)

Retail Brew 1/3

[Container Store Acquires Closet Works](#)

Dallas Morning News 1/3

[Lumber Liquidators Rebrands](#)

Richmond.com 1/2

Grocery Headlines

Stories of the Week

[HEB Opens New Webster Store](#)

Houston Chronicle 1/8

[Kroger & Ghost Kitchen Firm Partner to Open First Grocery Store Site in Los Angeles](#)

Costar 1/8

[Supply Chain, Labor Woes Dominate Retailer Concerns for 2022](#)

Supermarket News 1/6

[PCC Sets Date for Opening of Downtown Seattle Grocery Store](#)

Puget Sound Business Journal 1/5

[Kroger Opens Fast Delivery Center in Indiana](#)

Chain Store Age 1/4/22

[Whole Foods Opening in Baltimore Suburbs](#)

Shopping Center Business 1/4/22

[Buyk Brings Instant Delivery Service to Chicago](#)

Supermarket News 1/4/22

[Amazon Fresh Opens in Seattle Suburb](#)

Kent Reporter 1/3

[Reimagining the Supermarket](#)

Robin Report 1/3

[Why Piggly Wiggly Might Not Survive 2022](#)

Mashed 1/2

[Why Save A Lot Might Not Survive 2022](#)

Mashed 1/2

Restaurant News

Stories of the Week

[PJ Whelihan Chain Acquired by NYC Investment Firm](#)

Costar 1/8

[Return of the Automat](#)

Chain Store Age 1/7

[Habit Burger Grill Opens Unit in Ceres, CA](#)

Fast Casual 1/7

[Bojangles Inks 50 Unit Texas Deal](#)

QSRWeb 1/7

[Dickey's Opens Virtual Chicken Concept](#)

Fast Casual 1/7

[Krispy Kreme Opening Second Tucson Unit](#)

Tucson.com 1/7

[Rusty Taco Signs Deals with Multi-Concept Franchisees](#)

Fast Casual 1/6

[Rush Bowls Entering Three New Markets](#)

Fast Casual 1/6

[SkinnyFATS Signs 10 Unit Colorado Deal](#)

Nation's Restaurant News 1/5

[African Themed Food Hall Heading to Harlem](#)

NY Eater 1/5

[Martha Stewart Opening First Restaurant on Vegas Strip](#)

Chain Store Age 1/5

[Koibito Poke Signs 300-Unit Deal](#)

Fast Casual 1/5

[Slim Chickens Expanding in the Carolinas](#)

SC Now 1/5

[Dutch Bros Expands in San Antonio](#)

KISS FM 1/5

[Dessert Chain May Enter Sacramento Market](#)

Sacramento Business Journal 1/5

[Fatburger, Buffalo's Express Debut in Florida](#)

Fast Casual 1/4/22

[Chick N Max Signs First Franchisee](#)

Fast Casual 1/4/22

[Fajita Pete's Opens 25th Unit](#)

Fast Casual 1/4/22

[Eatertainment Chain Game Works Closes Down](#)

Nation's Restaurant News 1/3

[Bagel Boss Makes Jersey Debut](#)

Fast Casual 1/3

[Food Hall Heading to Morongo Casino; Other CA Casino Restaurant Announcements](#)

California News Times 1/2



REITs, Landlord & Development

Stories of the Week

[Santa Monica Whole Foods Sells for Record Price \(\\$54M or \\$1,868 PSF\)](#)

Bisnow 1/6

[Open Air Mall in Long Beach Sells for \\$158M](#)

Costar 1/5

[Starwood Sells Miami Mall to Dallas Developer](#)

Bloomberg 1/5

[Northwood Buys \\$160M Stake in San Mateo, CA Mall \(Hillsdale Shopping Center\)](#)

Costar 1/5

[Black Lion Buys NJ Shopping Center for Nearly \\$50M](#)

Costar 1/4/22

[Orchard Corners Shopping Center in Lenexa \(Kansas City metro\) Sells](#)

Shopping Center Business 1/4/22

[Urban Edge Buys Woodmore Towne Centre in DC Burbs for \\$193M](#)

Globe Street 1/4/22

[ITC Crossing South Shopping Center in Mount Olive, NJ Sells](#)

Yahoo! Money 1/4/22

[Sterling Organization Purchases Metro Boston Center for \\$44.3M](#)

Shopping Center Business 1/3

[DC Area Woodmore Towne Centre Sells for \\$193.4M](#)

Costar 1/3

[SimonCRE is Betting on Retail Revival](#)

Building Design and Construction 1/2



eCommerce / Omnichannel / Retail Tech

Stories of the Week

[Small and Midsized Businesses Embrace Future Proof Technology](#)

Chain Store Age 1/7

[Autonomous Delivery Robots Roaming Cincinnati Airport](#)

RIS News 1/5

[Walmart Expanding In-Home Delivery Reach to 300M US Homes This Year](#)

RIS News 1/5

[Four Trends Define eCommerce in 2022](#)

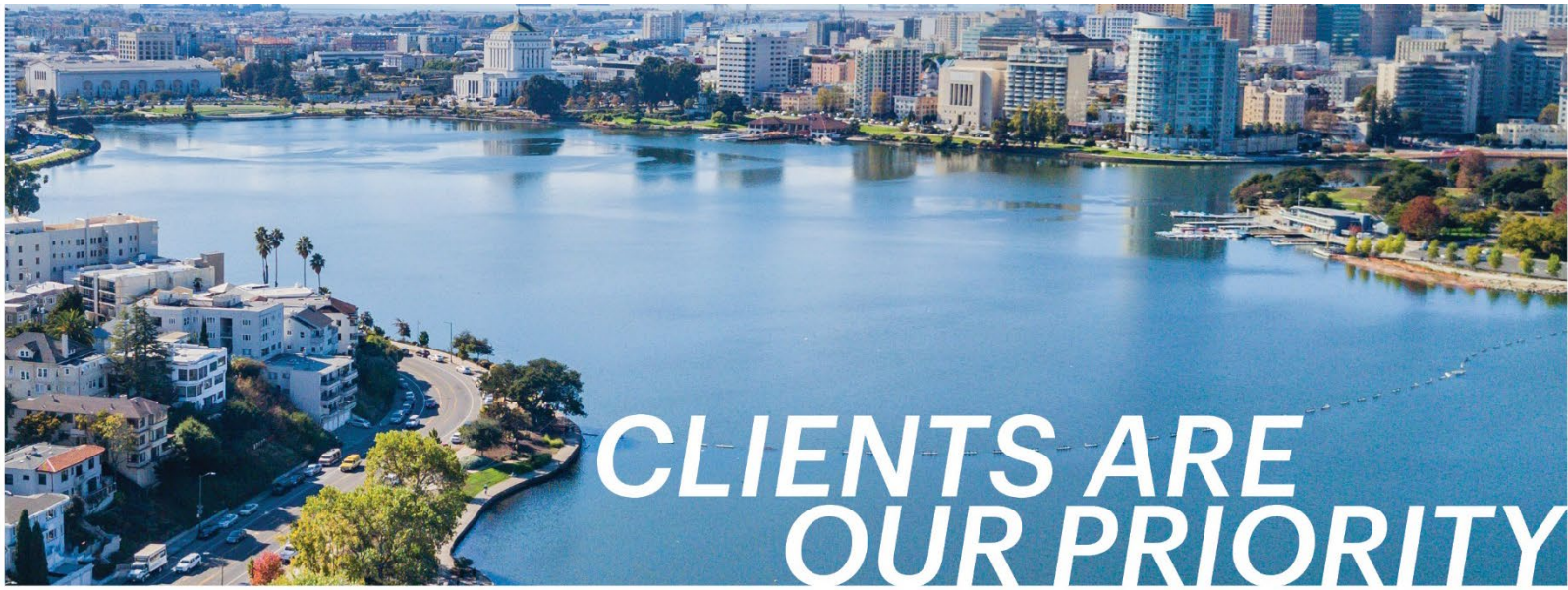
Tech Crunch 1/4/22

[How AI Will Save the Restaurant Industry](#)

Fast Casual 1/3

[Unified Commerce = Managing Customer Expectations](#)

Robin Report 1/2



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SERVICES

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- ✓ Build Out Management
- ✓ Development Services

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