

PE.com

Search

WEB SEARCH powered by  
YAHOO! SEARCH[Comments](#) 0 | [Recommend](#) 0

## Inland stores are seeing more foot traffic

[POD ▶ Download story podcast](#)

07:50 AM PDT on Friday, May 8, 2009

By **LOU HIRSH**  
The Press-Enterprise

National chain-store sales beat analysts' expectations for the month of April, and Inland retail operators are seeing signs that the gloom of recent months is starting to lift. But economists and retail analysts aren't ready to declare a full rebound under way in consumer spending.

Masa Liles, marketing director for Victoria Gardens in Rancho Cucamonga, said the mall is seeing signs of increased buying activity, with foot traffic rising for reasons beyond the usual seasonal weather improvements.

"It looks like it has been picking up," Liles said. "It's people carrying shopping bags, not just browsers."

Story continues below

---



AP photo

Wal-Mart said its sales jumped 5 percent, much more than the 2.9 percent rise analysts had forecast.

---

Mall owner Forest City Enterprises does not report sales numbers for its individual properties. But Liles said Victoria Gardens merchant data from February and March pointed to sales trends similar to nationwide patterns, with sales down most noticeably in women's clothing and jewelry.

Meanwhile, sales of shoes and food are holding steady at the mall, and home furnishings are "surprisingly up," Liles said, likely due to a combination of pent-up demand and deep discounting. "When restaurants are up (in sales), that means traffic is up," she said.

Richard Giss, a retail analyst and partner in the Los Angeles office of Deloitte & Touche, said there are signs that consumer confidence is being raised by recent trends and news, such as Federal Reserve Chairman Ben Bernanke's prediction this week that the recession should end later this year.

---

Story continues below

## **RETAIL SALES:** Stores posted smaller sales declines in April as shoppers' confidence improved.

Percent change in major retailers' sales compared to April 2008:

### **April 2009**

Wal-Mart Stores Inc.	5.0% ↑
Target Corp.	0.3% ↑
Dillard's Inc.	-6.0% ↓
J.C. Penney Co.	-6.6% ↓
Costco Wholesale	-8.0% ↓
Macy's Inc.	-9.1% ↓
Saks Inc.	-32.0% ↓

NOTE: Sales include those from stores opened for at least one year. Reporting periods vary slightly.

THE ASSOCIATED PRESS

"It's looking like we're reaching the bottom and things at least aren't getting worse," Giss said. "But we may bump along the bottom for a while."

Among merchants that reported Thursday, Gap, American Eagle and Wet Seal posted smaller sales declines at their established locations than analysts had forecast. The Children's Place, T.J. Maxx owner TJX Cos. Inc. and teen retailer The Buckle saw bigger gains than expected.

Wal-Mart was among the top sales performers during the month of April. Giss said since Wal-Mart has recently been the pace-setter for the industry, its sales patterns may start to be seen among other retailers in the coming weeks, at least in the discount sector.

Wal-Mart recently reported significant increases in sales of discretionary items, noting some of its top-selling items have included sporting goods, bedding and towels.

However, economist Christopher Thornberg, of Beacon Economics in Los Angeles, noted Wal-Mart is nearly alone in reporting such gains, indicating the scope of the retail recovery remains limited.

"Maybe they're buying more of it, but they're buying it at Wal-Mart," Thornberg said. "That should tell you something -- the shoppers are still looking to save money when they do buy those things."

Among clothing and department stores, there was guarded optimism. Macy's Inc.'s same-store sales dropped 9.1 percent, worse than forecast, but the chain boosted its first-quarter outlook. J.C. Penney's 6.6 percent drop was a little worse than Wall Street expected, but it also upgraded its first-quarter profit forecast.

In the luxury sector there was as yet no sign of relief.

With sales down in almost all categories from a year ago, smaller Inland-based retailers are having to find niches to grow sales and compete with the national chains.

Ken and Linda Bretsch have operated Ken's Sporting Goods in Norco since 1976. Linda Bretsch said business is up over last year by about 20 percent, but not thanks to walk-in traffic.

The store has held steady against chain stores by sending its sales force throughout the Inland region to maintain relationships with community youth leagues and high school sports programs.

The Associated Press contributed to this report.

---