

Jolly Holiday Sales Reported By Upper End Retail Stores

Did the 2003 holiday retail sales picture show a trend in the background?

Luxury and high-end specialty stores reported the most significant increases, some in the double-digit column. Consumers, it appears, were looking for quality and fashion--something beyond commodity same-old, same-old items.

December same-store sales for U.S. retailers topped 4 percent -- the best in four years.

The real winners were Neiman Marcus with a 15 percent increase, Nordstrom, up 12.2 percent, and Ann Taylor women's specialty stores up over 40 percent with same-store sales over 26 percent. Luxury store Tiffany in New York was up 16 percent.

Discounters also had a joyous season: Wal-Mart up 11.3 percent, Target, almost 10 percent; Costco up 14 percent; and Dollar General almost 13 percent.

For most department stores, the news was not as good. Sears sales were down almost 1 percent and Federated Stores eked a half-percent increase. JC Penney was up 2.4 percent, followed by May at 2.3 percent. Dillard's struggled with a 5 percent decrease in sales, including 4 per less in same-store sales.

Limited Brands reported same-store sales during the holidays up 6 percent, but the Gap gained only 1 percent, compared to 5 percent a year ago.

Retail experts are predicting first quarter 2004 sales to continue to be strong, boosted by tax refunds and easy comparisons with a year ago when the country was facing a war with Iraq and growing unemployment.

Retailers attempted to hold the line on pervasion markdowns, probably prolonging the shopping season as shoppers looked for bargains. But with leaner inventories and more full-price sales, retailers are expected to announce healthy earnings figures.