

missing elements

Jenkintown:

- Thriving retail core
- Competitive office market



Incomplete Grade

Wall Street Journal

December 27, 2009



Midtown Manhattan the day after Christmas, when many shoppers headed to stores, often with gift cards in hand, hoping to snag big discounts.

Stores Face New Kind of Shopper

Retailers Must Adapt, Experts Say, as Customers Alter Their Habits and Preferences

By ANN ZIMMERMAN
AND RACHEL DODDS

Over the past two years of abysmal sales, many retail executives had one simple goal: to survive.

Now, even though consumers' spending remains weak, many retailers must carry out changes in order to compete in the future.

That's the view of Michael Collins, a partner in the retail and consumer practice of corporate consultant Bain & Co. He says that after focusing on cost-cutting and other short-term measures to weather the recession, retail chains and the malls that house them must reposition themselves to please consumers who have new demands and new ways of shopping.

One major problem for many store chains: They are too big, with either too many locations or too much square footage. Retail experts generally believe that the U.S. now has more stores than consumer demand can support.

Beyond that, Mr. Collins says, many stores are simply too large following the emergence of online shopping as the primary place where many consumers do their browsing.

Store chains must also take steps to make their locations more enticing destinations—for many, aisle after aisle of tightly stacked merchandise is no longer a good use of space. Some retailers, notably Best Buy Co., are already trying to make this transition with plans for "experience-based" areas, turning the

centers of their stores into showcases where people can play with the latest gadgets.

The emergence of the Internet as a sales behemoth also poses a challenge for malls that charge rents based on a percentage of sales. They will have to determine how to account for items that were purchased by computer but picked up in stores, says Maggie Gilliam, president of Gilliam & Co., an independent research and advisory firm in New York.

In the short term, recent news suggests a continuing rebound for consumers and retailers, albeit a modest one. Last week, the U.S. Labor Department reported that overall personal income rose 0.4% and wages and salaries rose 0.3%, while savings rates stayed steady at 4.5%.

"The rise in wages and incomes bodes well for retailers," says Carl Steldtman, chief economist at Deloitte LLP's research unit. "The consumer traditionally has been the mechanism in driving recoveries. We have seen a bit of a rise in spending in the last six months, but not nearly as robust as in past recoveries."

Another sign that sales will pick up is that cargo volume at U.S. ports in February is expected to rise 16% from last year's level, followed by further increases in March and April—"an indication that the economy is recovering," according to IHS Global Insight. In-bound cargo volume declined for 30 consecutive months.

—Miguel Bustillo contributed to this article.

“Retail experts generally believe that the U.S. now has more stores than consumer demand.”

- Many stores too large
- Locations must be enticing
- **DESTINATIONS**
- Must become **EXPERIENCED based**

diversifying
borough's
demographic

Will help overcome this challenge

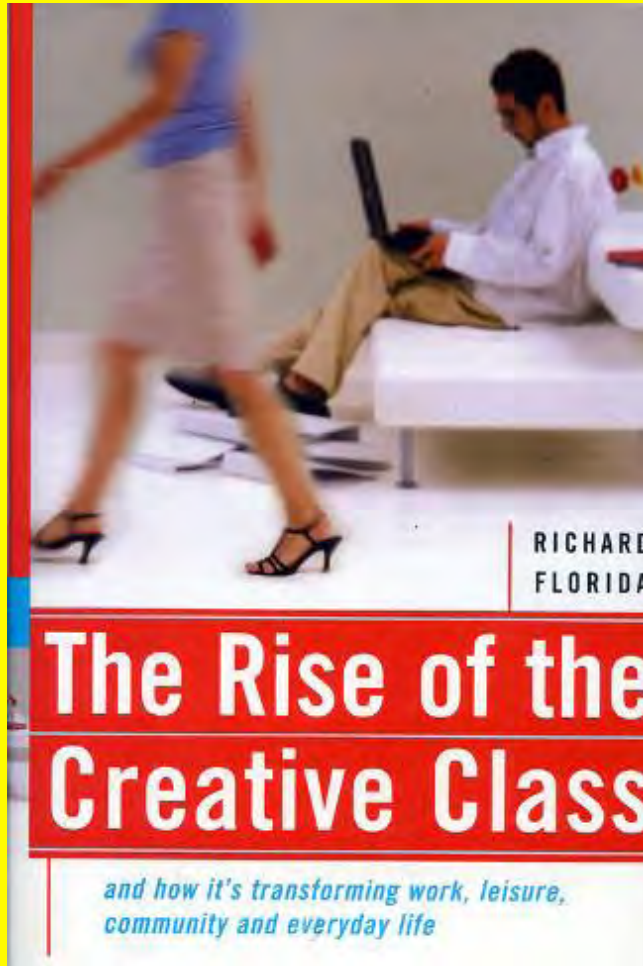
Mixed-use Residential Development

Imagery Below Suggestive of Building Types & Spirit of Place



Empty Nesters | DINKS | "Creative Class"

Living In or Making Jenkintown a Destination



Empty Nesters | DINKS | "Creative Class"

exceptional
design +
unique
experience

Will help overcome this challenge

Differentiate, Focus on Existing Advantages, and Create the Framework for a Unique Experience



Differentiate, Focus on Existing Advantages, and Create the Framework for a Unique Experience



initiatives

Nearer Medium Longer Term

Initiatives Conceptual Map



Priorities

Nearer Term Priorities

- Support Hiway Theatre's existing operations and consider funding study to increase program offerings in the future
- Facilitate sale and transformation of key retail parcels to optimize retail growth
- Seek funding to design and construct the Johnson Street Promenade - pedestrian friendly path that becomes Jenkintown's "main street" and a unique destination experience