

John Lewis Accelerates Growth Plans with a New Flexible Format

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John Lewis has today announced its intention to increase its department stores' presence in the UK significantly with plans for a new, flexible format. Leveraging the business' strength as a multi channel retailer, the new format will offer a full John Lewis assortment - tailored for individual locations and complemented by its comprehensive on-line operation. The first planned shop to benefit from this, located in Exeter city centre, will open in 2012 and marks the start of an exciting new phase in the retailer's accelerated growth strategy.

This flexible department store concept will provide John Lewis with another option for showcasing a range of John Lewis products in locations throughout the country, with shops averaging 65,000 to 100,000 sq ft. The retailer has identified at least ten locations across the UK which could support these bespoke department stores.

On average, John Lewis major department stores have a selling space of 132,000 sq ft, and 'at home' shops an approximate 40,000 sq ft. The new concept model will sit between these and will allow the business to consider opening in locations that had not previously been seen to be suitable for a large traditional John Lewis branch.

The new department store in Exeter will highlight Fashion, Home and Consumer Electronics' concepts in an inspiring and contemporary setting. The flexible concept will be designed to maximise the opportunity for multi channel shopping whilst ensuring customers have access to a comprehensive John Lewis assortment in the branch. Andy Street, Managing Director John Lewis comments, 'There is a huge potential, and a clear demand from customers, for John Lewis to expand into more key locations in the UK. This new flexible approach to the size of our shops allows us to forge ahead with our growth plans to introduce John Lewis branches and our full-line assortment to cities and towns where we have long wanted to have a presence.'

'By bringing these growth opportunities into communities, we will be creating thousands of new jobs throughout the country. Starting early next year with the recruitment of 300 Partners (staff) for the new Exeter branch, similar numbers will be recruited at each of the ten identified locations going forward resulting in around 3,000 jobs for new Partners being created through the development of our new, flexible format.'

Street continues, 'The introduction of new, flexible format branches is in addition to our 'at home' format and we aspire to have ten of these open by the end of 2012. Only recently we announced that we had plans to build an 'at home' in Ashford, Kent, to be open in autumn next year. We also remain focussed on pushing forward with our plans to open more full line department stores in new regions across the UK.'

'John Lewis is committed to continuing to invest in 'bricks and mortar', particularly as we know that new shops stimulate our brand presence and online sales in areas where we trade.' Tim Harrison, head of format development for John Lewis says, 'The concept of a flexible department store format allows us to target developments that may not have been seen previously as viable. Crucially our new approach will mean that the full John Lewis product assortment will be available to customers in many more towns and cities across the UK.' John Lewis Exeter will open in late

2012 on the Sidwell Street site, owned by Land Securities. John Lewis initially announced plans to open an 'at home' shop in Exeter, but has worked with Land Securities to negotiate releasing more selling space to enable the first bespoke John Lewis department store. Richard Akers, Land Securities' Managing Director for Retail, says, 'We're proud to have worked with John Lewis to launch this new format. It is a significant development for John Lewis, for Exeter and for the whole retail sector.'

John Lewis is on track to open three shops in 2011, including John Lewis Stratford City in September and John Lewis 'at home' shops in Chester and Tamworth.