

# New store taking over top floor of Freehold Sears European retail chain Primark comes to N.J.

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**FREEHOLD TOWNSHIP** — A successful discount clothing retailer from the U.K. is breaking into the market in the United States — and one of their locations will open in Freehold Township next year.

Primark is one of the largest clothing retailers in Europe, with 287 stores in the U.K., Ireland, and Europe, a Primark spokesperson said.

Now, Primark is expanding to the United States, and is leasing space in seven mall-based stores, leased to Sears Holdings, in the northeast. One of those stores will be located in Freehold Raceway Mall, inside Sears there.

Howard Riefs, Sears Holdings spokesman, said the upstairs space is being leased to Primark, treating it as a separate store.

“They reconfigured the internal space and external appearance for their needs. There’s a separate entrance for Primark customers and no internal connection between their store and the Sears store,” he said.

“(Primark) is probably comparable to a Target as so much of their product line is clothing,” said Chuck Laney, President of the Goldstein Group. “Product lines from other parts of the world will be really great.”

The company sells competitively priced women’s, children’s and men’s clothing, along with home goods and beauty products.

Sears will continue to sell a wide range of products Riefs said.

“Sears will continue to serve our members by offering a wide range of products as we do today. We will continue to meet our members’ needs while operating in a smaller, more efficient space,” he said.

Riefs said it was “premature to address” which specific departments, and which clothing brands, would be sold in the space left to Sears.

## Smaller space

In Freehold Raceway Mall, the Sears store and Sears Auto Center will continue to operate in 85,000 gross



square feet on the lower level. Primark will lease 66,500 gross square feet – which includes space used for offices and stock – and approximately 51,000 net square feet retail space that is predominantly on the second level, according to Sears.

A report from CoStar, a commercial real estate information company, said the Primark will lease a total of 520,000 square feet of retail space in total in all of its locations.

Primark will open in Sears in Freehold sometime in 2016, a Primark spokesperson said.

Recently, Sears Holdings has been undergoing a transition to combat declining sales – according to Daily Finance, Sears Holdings revenue has been steadily declining at least since 2012.

In contrast, Primark revenue has increased over 200 percent from 2007 to 2014, according to Statista.com.

“The challenge to Sears is to question, ‘Has Sears transformed themselves to a broad spectrum of consumer?’” Ron DeLuca, a partner at RJ Brunelli and Associates in Old Bridge, a real estate brokerage company.

Leasing to Primark isn’t the only change to come out of Sears Holdings this year — in April, it was announced that Seritage Growth Properties would purchase some of Sears Holdings properties, and the company would then lease them out to Sears Holdings.

In addition to the Freehold location, Sears Holdings and Primark locations will include Burlington Mall and South Shore Plaza in Massachusetts, Danbury Fair in Connecticut, King of Prussia Mall and Willow Grove Mall in Pennsylvania and Staten Island Mall in New York. Riefs said that Sears Holdings “will continue to maintain a presence in all of those stores except King of Prussia, where we have exited that mall.”

## **Primark profile**

Primark was founded in 1969 in Ireland, and employs approximately 60,000 employees.

Although Lanyard has never visited a Primark, he said he thinks United States customers will respond well to the retailer because both H&M, from Sweden, and Uniqlo, of Japan, are both international discount retailers that have done well in the United States.

A gray blazer on Primark.com that retails for 15 Euro translates to about \$17 in the United States. Likewise, a navy men’s windbreaker that retails for 19 Euro translates to about \$21 in the United States.

By the end of 2016, Primark hopes to have eight locations operational in the U.S. according to a spokesperson.

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