

Kansas Retail Trade Industry News and Developments

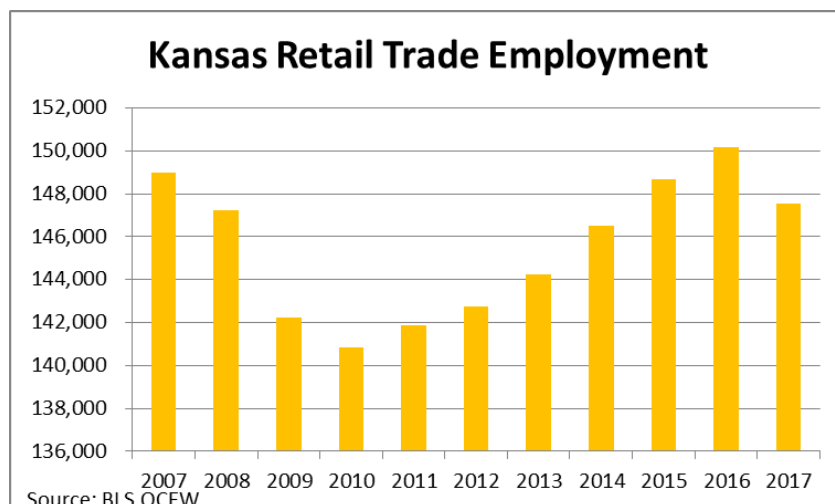
Employment, Wages, and Sales

In 2017, retail trade employment in Kansas contracted by 2,700 jobs, the first decline in retail trade employment in the state since 2010. The decline in 2017 was broad-based, with job losses in every major metropolitan area and in the non-metropolitan areas of the state. From 2010 to 2016, the sector expanded by approximately 10,000 jobs statewide, concentrated primarily in the Wichita and Kansas City metro areas. In that time, the Wichita metropolitan area gained 3,000 jobs and the Kansas City, Kansas, metropolitan area gained 5,000 jobs.

General merchandise stores, with more than 30,000 employees in 2017, comprise the single largest subsector of retail trade in the state but have contracted by approximately 4,000 workers since 2007. The food and beverage store subsector is the next largest in the state, with 28,500 employees, and was the fastest growing retail trade subsector from 2007 to 2015. Since 2015, Building material and garden supply stores have been the fastest growing subsector, adding more than 1,000 jobs and growing to a total employment of more than 13,000 jobs.

Taxable retail sales in Kansas, once adjusting for inflation, peaked in 2015 at more than \$44 billion, a 7.8 percent increase compared to 2010, the post-recession low. In 2017, Kansas taxable retail sales declined by more than \$1 billion, a 2.4 percent decline, which was the largest decline since 2009.

The average weekly wage for retail trade employment in 2017 was \$512, considerably lower than the overall state average of \$868. After adjusting for inflation, wages in the retail sector in Kansas declined by 0.8 percent in 2017, after increasing 3.1 percent from 2013 to 2016. Kansas' highest wage subsectors within retail trade in 2017 were motor vehicle dealers and electronics and appliance stores, each of which earned an average of approximately \$800 weekly.

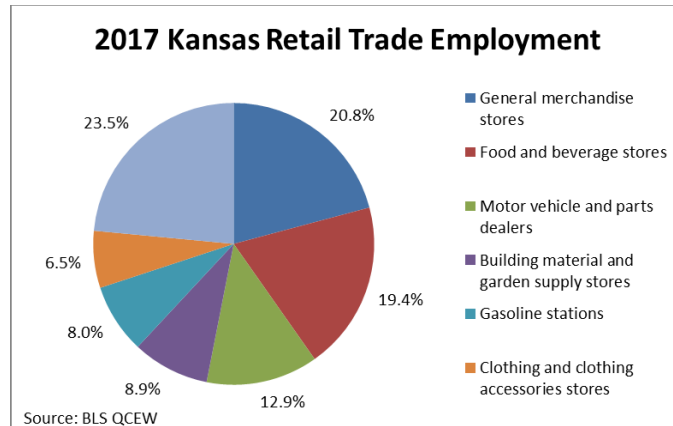


Wichita Retail Trade News

- Construction began in 2018 on new Camping World and Gander Outdoors stores in west Wichita, which are expected to open in the second quarter of 2019. The two stores will have a total square footage of 77,000 and will anchor the new Steeple Bay mixed-use development.
- Retail in the area surrounding Greenwich and K-96 continues to expand, with Stein Mart, Mardel, and Home Goods opening in 2017 at Greenwich Place, while the frontage retail buildings in the area continue to fill with smaller shops and restaurants.
- Revolutsia, a new shipping container outdoor mall, opened on East Central in July 2018. The two-story mall was built from 36 stacked shipping containers and will be home to 12 to 15 retail shops and restaurants when fully occupied.
- Harbor Freights Tools opened in July 2018 as the anchor of a 25,000 square foot development on K-96 and Woodlawn. The tool and equipment company occupies 15,000 square feet of the development, with room for up to four other tenants.
- The Waterfront development continued to expand with the opening of Bassett Home Furnishings in November 2017, part of a 17,000 square foot expansion to the shopping center.

Kansas City, KS Retail Trade News

- In July 2018, Kansas City, Kansas, announced plans to open a new downtown grocery store. The new Merc Co+op would be the only grocery store in the downtown area and would be Merc Co+op's second location.
- Whole Foods moved from the Overland Park location to Kansas City, Missouri, in May 2018 near the University of Missouri-Kansas City campus. The new store features a taproom with local beer and wine, as well as a mac and cheese bar.
- Nordstrom's announced in February 2018 that it will be moving from its Overland Park location to a 116,000 square foot location in the Country Club Plaza in Kansas City, Missouri. The move is part of a strategy by Nordstrom's to remain located in the highest-performing malls in large markets.
- Zoning was approved for a new Menards in Kansas City, Kansas, in March 2018. The retailer expects to employ approximately 200 full and part-time workers.



Other Kansas Retail Trade News

- Gordmans announced in May 2018 that they would open a new store in fall 2018 in Hays, Kansas. The department store would fill the vacant space at Big Creek Crossing left when the Stage store closed.
- Topeka’s Sears store will be closing in September 2018 after the retailer announced in May 2018 that the store was no longer profitable. This follows the November 2017 closure of K-Mart January 2018 closure of the Burlington Coat Factory in Topeka, and the closure of the Garden City Sears store in October 2017.
- Home Goods, a national home décor chain, opened a new store in Lawrence in June 2018. The 22,000 square foot store will employ approximately 65 full and part-time employees, filling the vacancy created in 2017 when the former occupant, a JC Penny store, closed.
- Old Navy opened a new store in June 2018 in Manhattan at the new Plaza De Maria shopping center. The shopping center, which opened in the spring of 2017, is also home to Academy Sports and Five Below.
- Aldi opened a new store in south Salina in March 2018 to replace an older Aldi store in town. The new store is approximately 20 percent larger than the old one and offers a wider selection of goods, especially in the freezer and refrigerated sections.

