Greetings,

Holiday retail sales are cautiously optimistic this year. All forecasts are up - from sales to seasonal employment. Shoppers are planning to buy more than necessities this season - jewelry and electronics are getting the nod on people’s lists. Find out more about holiday trends in this issue. Don’t miss Sephora in our Business Spotlight - the upscale cosmetics giant is bringing jobs to the County. And check out some fast facts about retailing and consumer spending.

To learn more about the resources mentioned in this newsletter or to become involved in EDAB activities, please visit the Harford County Office of Economic Development website at www.harfordbusiness.org.

Sincerely,

Eric McLauchlin
Chairman, EDAB

BUSINESS SPOTLIGHT

SEPHORA

The Sephora distribution center in Belcamp is ramping up for holiday sales. Employing 300 regular associates year-round, the center approaches peak holiday time with a plan for 1,200 employees. The hundreds of temporary workers will join the regular staff in fulfilling orders for the Sephora stores in the eastern United States, as well as Sephora’s online orders for all of North America.

Sephora, owned by Louis Vuitton Moet Hennessy, the world’s leading luxury goods group, markets and distributes...
an elite line of beauty products. With worldwide headquarters in Paris and U.S. headquarters in San Francisco, the company opened the Belcamp distribution center in 1998. Officials say the Harford County location was strategically selected based on several factors: the availability and quality of the labor force, the convenience of location for shipping, and a good, supportive relationship with local government entities.

Upon opening, the distribution center serviced 58 Sephora stores. As the company’s U.S. presence grew at about 20-30 annual store openings, the Belcamp distribution center grew, too. Today, there are 280 Sephora retail locations, and over 200 Sephora inside J.C. Penney stores. The on-line business continues to flourish, and the Belcamp distribution center now encompasses 312,000 square feet of space. Sephora’s second distribution center opened in Salt Lake City, UT, in 2008. It handles stores in the western part of the country.

Sephora’s distribution team prides itself on careful product packaging and wrapping for consumer delivery. Their goal is to delight customers when they open the box - both with a high-quality product and an elegant presentation, reflecting the elite brand image for which Sephora is known.

The Sephora distribution center in Belcamp is ramping up for the upscale cosmetics giant is from sales to seasonal gift purchases for themselves is up eight percent this year. Men, young adults and Southerners are most likely to spend on themselves.

Men will spend about $20 more than women on holiday purchases ($698.76 for men, $679.48 for women), and they are more likely to shop at department stores.

On-line shoppers will spend 24.6 percent more than average adults. This group is also more likely to start shopping early.

The young adult age group (18-24) is most likely to rank customer service as the primary factor when deciding where to shop. They are more likely than average adults to buy at department stores, clothing stores and electronics stores.

Consumer Electronics spending is expected to increase by five percent over 2009; the most popular items will be video game consoles, MP3/portable media players and notebooks.

Top consumer electronics items on adult wish lists this year are notebooks, iPads and eReaders. Teens’ lists include portable MP3/digital media players, iPod/iPod Touch and video game consoles.

Sources: National Retail Federation’s Top Ten Holiday Trends for 2010; Consumer Electronics Association market research article, “What to Expect for Holiday CE Sales” Dealerscope Magazine

The Economic Development Advisory Board consists of a number of subcommittees -- including technology, workforce development, finance, tourism and land use -- dedicated to the positive growth and economic development of Harford County.