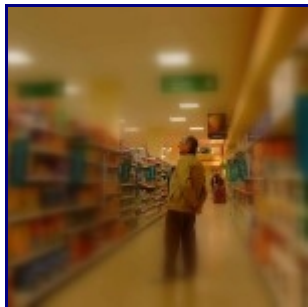


Discount Retail on the Rise

February 5, 2010

By Allison Landa, News Editor



Courtesy Flickr Creative Commons user elsie esq.

Today's announcement that Dollar General plans to open 600 new stores nationwide underscores the strong showing that discount stores have made in today's turbulent market.

"Discount retailers and service retailers are in the best position to grow in this economy," Scott Burns of Wilson Commercial told CPE. "The consumer is shopping down and looking for deals wherever they can."

Wilson Commercial recently completed six leases with Dollar Tree in its own expansion throughout Southern California. Dollar Tree has approximately 4,000 stores nationwide.

For its part, Dollar General has approximately 8,800 stores and 78,000 employees across the country. The company estimates that the new store will create up to 5,000 jobs this year.

Jones Lang LaSalle managing director Whitley Collins told CPE that spending follows jobs – and given that he does not expect jobs to recover in the short term, discount retail may find itself hanging onto the crown for the moment.

"If unemployment stays over 10 percent, that's going to continue to put a drag on retail," he noted. "The economy's first got to stabilize."

However, the national unemployment rate showed signs of life on Friday, falling to 9.7 percent. That said, given the severity of the recession and the amount of jobs shed, it is a likely bet that discount retailers will be seeing an influx of business for some time to come.