

# HOUSEWARES EXECUTIVE

THE NEWS NETWORK FOR INDUSTRY LEADERS

Volume 28, No. 9 • July 21, 2014

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## Container Store Facing Uncertain Future

The Container Store Group, Inc. (Coppell, TX) is facing major challenges, experiencing declining foot traffic in its stores with the migration of business to e-commerce and a stock price that has declined consistently since December. Observers say the company could now become a takeover candidate, with Bed Bath & Beyond a possible suitor.

The stock price is down 38.3% from its first day of trading on Nov. 1, closing at \$22.35 on July 17, and down 52.0% since reaching a peak of \$46.61 on Dec. 31.

The Container Store comps have been trending downward — up 8.1% in fiscal 2010, 7.6% in 2011, 4.4% in 2012, and 2.9% last year and down 0.8% for the first quarter, ended May 31. Consolidated operating loss for the quarter was \$1.2 million, versus a loss of \$159,000. Net loss was \$3.6 million. Net loss for the fiscal year ended March 1 was \$51.6 million.

Leonard Green & Partners continues to have a 57.4% stake after the Container Store's IPO of 12.5 million shares, or 27% of the company. The balance of shares is held by management and employees of the company.

Observers see one of three possible scenarios playing out: current management turns the company around, current management is replaced, or the company is acquired.

## Walmart Taps Cornwell SVP/GMM Home

Walmart U.S. (Bentonville, AR) has named Marybeth Cornwell svp/gmm home. She reports to Andy Barron, evp softlines, and succeeds Michelle Gloeckler, who was named evp consumables & U.S. manufacturing. She reports to Duncan Mac Naughton, chief merchandising & marketing officer.

Cornwell was previously svp/gmm ladies' wear, intimates, jewelry & accessories, color/trend/brand, technical design & QA from 2012. Prior to then, she was svp/gmm home & apparel at Sam's Club from 2009.

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## 1H Stocks: Results Mixed for Suppliers

The first half of 2014 saw mixed results for housewares manufacturers' stocks, with many performing around or below the Dow Jones Industrial Average's gain of 2.3%. The biggest winner was Keurig Green Mountain Inc., in which The Coca-Cola Co. bought a 10% stake that has since been upped to 16%. Others outpacing the Dow were De'Longhi, Libbey, Helen of Troy, Spectrum Brands, and Techtronic Industries.

### 2014 Housewares Suppliers Stock Analysis

COMPANY	CLOSING PRICE <sup>1</sup>			'14 High	'14 Low
	1/2/14	6/30/14	% CHANGE		
Keurig Green Mountain Inc. <sup>1, 2</sup>	\$74.63	\$124.61	67.0	\$126.09	\$74.63
The De'Longhi Group <sup>1, 3</sup>	16.25	21.56	32.7	23.20	16.18
Libbey, Inc.	20.77	26.64	28.3	27.96	19.52
Helen of Troy Ltd.	48.58	60.63	24.8	69.77	47.47
Spectrum Brands Holdings, Inc. <sup>1</sup>	70.58	86.03	21.9	86.03	67.90
Techtronic Industries Co. Ltd. <sup>1, 4</sup>	2.80	3.21	14.6	3.33	2.42
Lifetime Brands, Inc. <sup>1</sup>	15.38	15.72	2.2	19.30	14.41
Groupe SEB <sup>1, 3</sup>	87.18	88.22	1.2	94.00	78.21

<sup>1</sup> Reflects one or multiple dividends. <sup>2</sup> Formerly known as GMCR, Inc. <sup>3</sup> Converted from euros. [On June 30, €1 = \$1.36452]. <sup>4</sup> Converted from Hong Kong dollars. [On June 30, HK \$1 = \$0.12901.] *Continued on page 2*

## 2014 Innovation Awards

### PROFESSIONAL GRADE CUTLERY



#### **WÜSTHOF Trident of America**

The limited edition WÜSTHOF two-piece anniversary knife set features forged carbon steel blades and rosewood handles. The PRO series features high-quality chromium-molybdenum-vanadium steel for long-lasting sharpness and edge retention and an ergonomic handle.



#### **Kai USA**

The new SORA COLLECTION offers the premium performance of Shun's handcrafted Japanese kitchen cutlery at an affordable price. SORA knives are made with proprietary Composite Blade Technology and Japanese blade profiles and handle design.



#### **Scanpan USA, Inc. / Yoshida Metal Ind.**

Global SAI Knives feature a new handle design that incorporates an ergonomic thumb-rest to reduce the effort needed in cutting. The blades are made from a special Cromova 18 Sanso material comprised of three layers of quality stainless steel and have a hammered finish.

### STAINLESS STEEL COOKWARE



#### **Le Creuset America**

Le Creuset's tri-ply stainless steel cookware features a light-catching luster and prevents against discoloration and staining over time. Other features include a sealed precision-pour rim, embossed self-sealing lid, ergonomic stick handle and easy-grip helper handle, and interior measuring marks.



#### **Clipper Corp.**

The Viking Professional 5-ply series features double-riveted handles that are ergonomically friendly and easy to grip, stay cool, and leverage the weight of the pan, making it easy to maneuver. The U.S.-made cookware can be used on any cooking surface, including induction.



#### **Cristel USA Inc.**

The Cristel Cooking System features a detachable-handle concept for compact storage. Glass lids allow for monitoring of food. The cookware can be used on the stovetop and in the oven and then stacked in the dishwasher and the cupboard. Tri-ply construction ensures even heat distribution.