

## Department store merger hints of increase in distribution of luxury goods

The administrative merger of department store giants Mitsukoshi and Isetan has given way to the inauguration of Mitsukoshi-Isetan Holdings. With this merger they are expected to overtake Takashiyama Department Store and J-Front Retailing in sales to become the number one retailer in Japan.

At the press conference, President and CEO Shinichi Takefuji remarked that it is difficult for only one store to be limited to luxury goods such as Prada, but due to the merger it will soon be possible to sell such goods at both stores.

While making progress on their plan to individually continue in commodity sales, they have also set about in making plans for increasing future targets in other areas.

However both companies will acquire large amounts of their goods separately due to differences in the type of customers each focus on. Because of this, the commodity goods typically found at Isetan will continue as they were, but it will not likely be the case that they will be found also at Mitsukoshi.

### Japanese four major department store groups

Name	Mitsukoshi-Isetan Holdings 	J-Front Retailing 	Takashimaya 	Millennium Retailing 
Sales	¥1,577bn Isetan - ¥793bn Mitsukoshi - ¥774bn	¥1,179bn Daimaru - ¥846bn Matsuzakaya - ¥333bn	¥1,179bn --- ---	¥1,080bn Sogo - ¥521bn Seibu - ¥487bn
Number of Stores	32	27	18	28

Source: Translated from *Yomiuri Shimbun Newspaper*. April 3, 2008

<http://www.yomiuri.co.jp/gourmet/news/20080402gr04.htm>