

U.S. discounter Burlington Coat delays opening in Vaughan Mills mega-mall

BY MARINA STRAUSS
RETAILING REPORTER

U.S.-based fashion discounter **Burlington Coat Factory Warehouse Corp.**, which has been billed as a major new attraction for the long-delayed Vaughan Mills mega-mall, will not open its store next month with the rest of the project.

The clothier, a familiar U.S. chain, will only open when it finds "two or three" other nearby store locations to give it a "critical mass" in the Greater Toronto Area, delaying the opening until at least next spring, said Paul Harris, vice-president of national leasing at Ivanhoe Cambridge. It is developing the mall along with Mills Corp. of Arlington, Va.

"I truly believe that when they have these locations locked down, they will be coming here full force," Mr. Harris said in an interview.

The no-show is another setback for Vaughan Mills, which is the first enclosed regional mall to be built in Canada in more than 14 years and needs some new, unique retail concepts to make it a destination, said Rick Pennycooke, president of retail development consultant Lakeshore Group.

Burlington Coat is one of the anchors of the mall and one of the few new U.S. retailers that is to come to Canada to be part of the project.

A Burlington Coat official could not be reached.

"I'm concerned about what it's

going to look like and whether it's going to be different enough," Mr. Pennycooke said. "This thing has to be new and different or else it's going to be a big white elephant."

Vaughan Mills, just north of Toronto, has had to grapple with a number of disappointments since it was unveiled more than six years ago.

'I truly believe that when they have these locations locked down, they will be coming here full force.'

In particular, the developers had touted some high-profile U.S. retailers, including a Saks Inc. outlet store, as candidates, but most of them never signed on. The only two new major U.S. merchants are Bass Pro Shops Outdoor World, a giant hunting and fishing emporium, and Burlington Coat.

As a result, the \$355-million Vaughan Mills will house many retailers that are already in malls across the country, Mr. Pennycooke said.

U.S. retailers have weathered tough economic times over the past few years, making them more hesitant to commit to a new venture in Canada, he said.

He noted that Burlington Coat will miss out on the busy holiday shopping season at Vaughan Mills by not opening on Nov. 4, when the

mall begins its business.

Mr. Harris said that Burlington Coat has signed a lease for one of the large anchor spaces in Vaughan Mills on condition that the retailer find a few locations in the vicinity.

He said the retailer does a lot of advertising and wants to be able to share the costs among a number of stores when rolling out an ad campaign.

In the meantime, Vaughan Mills will house one or a number of temporary stores at the 81,000 square foot Burlington Coat location, said Suzanne Cayley, director of specialty leasing at Ivanhoe, a real estate arm of the *Caisse de dépôt et placement du Québec*.

The developer is talking to five potential retail tenants, but nothing is finalized, she said. "It could be one large store or it could be multiple stores."

Vaughan Mills officials have said the mall is about 80-per-cent leased. The complex will include a NASCAR SpeedPark, which features indoor and outdoor Go-Kart tracks, a mini-golf course, climbing wall and corporate entertainment facilities, as well as Lucky Strike Lanes bowling and a new Hudson's Bay Co. discounter Designer Depot.

Specialty retailers include a Tommy Bahama outlet store, Town Shoes outlet and Benetton outlet, along with other factory outlet concepts, including Nike, Tristan & American and La Vie En Rose. And it boasts the largest Tommy Hilfger outlet in the world.