

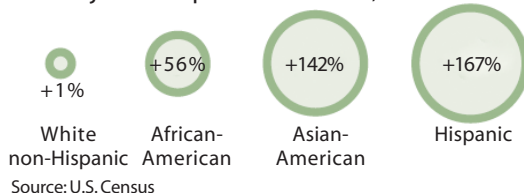
# Hispanics - major consumer group

to comprise 31% of US population by 2060

Nationally, Hispanic-Americans number 53 million or 17% of the total population, according to the US Census Bureau. That number will grow 167% over the next 30 to 40 years, and will reach 129 million, or 31% of the US population, by 2060. That's the fastest of any race or ethnic group. In contrast, population numbers for non-Hispanic White Americans are projected to increase by only 1%. Nearly half of all Hispanics live in California and Texas.

As a group, they comprise one-fifth or more of the populations of New Mexico, California, Texas, Arizona, Florida and Colorado. Census data shows the overall Hispanic population grew 50% between 2000 and 2012 and the states with the largest percent increases were all in the South: South Carolina, Tennessee, Alabama and Arkansas. In South Carolina, Hispanics grew in number at a rate of 163%, from 95,076 in 2000 to 249,762 in 2012. Tennessee experienced 149% growth, while Alabama saw a 145% increase and Arkansas a 128% jump.

## Projected Population Growth, 2010 to 2050



All of these high numbers translate into high consumer spending. The Selig Center

for Economic Growth pegs Hispanics' buying power to hit \$1.5 trillion by next year. Hispanic household discretionary spending, including furniture and home furnishings, currently totals \$164.2 billion per Experian Simmons. Their share of non-essential spending is greatest in the West, where they account for 17%. By market, Hispanics comprise 60% of nonessential spending in San Antonio, 37% in Miami and 33% in the Los Angeles metro.

Home and family are priorities for Hispanic-Americans. Census data shows the average Hispanic household size is larger than non-Hispanics: 3.53 people compared with 2.45 people. For Hispanics with children, 38% have one child under age 18 living at home; 37% have two; 18% have three; and 7% have four or more children. Nearly half of all Hispanic family households contain a married couple, similar to the percentage for all households.

Multigenerational households are more common among Hispanics, according to the Census Bureau. Eight percent of all Hispanic households include three or more generations, compared with only 3% of non-Hispanic White households. ■

Source: Playthings



Mr. Lekhraj Maheshwari, Chairman, EPCH, met the Hon'ble Chief Minister of Rajasthan, Mrs. Vasundhara Raje on May 23, 2014, in New Delhi and discussed measures to enhance exports of handicrafts from Rajasthan

## US import volumes to increase

Import volume at the nation's major retail container ports is expected to increase 6.1% in April, according to the monthly Global Port Tracker report released by the US National Retail Federation and Hackett Associates.

"With winter over, retailers are stocking up in anticipation of a busy spring and summer," said Jonathan Gold, NRF VP for supply chain and customs policy. The current contract for West Coast dockworkers expires June 30, but negotiations are not expected to begin until mid-May. "Companies are already exploring contingency plans in case of a disruption," Gold said.

The import numbers come as NRF is forecasting 4.1% sales growth in 2014, contingent on how Washington policies on economic issues affect consumer confidence. Cargo volume does not correlate directly with sales but is a barometer of retailers' expectations.

"There is positive news with both the rebound in U.S. retail sales in February and the new filings for jobless benefits hitting a fresh three-month low last week, suggesting that the economy is gaining momentum," said Ben Hackett, Hackett Associates founder. "Our forecast continues to reflect the economic rebound and we remain convinced that 2014 will have sustainable growth." ■

Source: Home Textiles Today

## Garden Products

### market upbeat in UK



The market for garden products has been upbeat in UK, helped by increasing consumer interest in grow your own.

Demand for garden products has been a story of two halves. Because of tough economic conditions

people are spending more of their leisure time at home which in turn has inspired more interest in refreshing their gardens and has been a factor in inspiring people to grow flowers and vegetables. In turn this has boosted sales of bedding plants and small ticket items. But, the same economic squeeze has meant more caution about buying large ticket goods for the garden or undertaking major garden projects. So big ticket items like landscaping, sheds and appliances have seen sales fall.

The outlook to 2016 looks positive. Distribution is dominated by DIY chains (32%) and garden centre specialists (31%). The DIY sector has recently lost one of its key players.

Consumers make use of the web for information gathering as well as for online shopping. Online retailing is making inroads to big ticket purchases, but is less likely to grow a significant share of the market for fresh plants as consumers are more likely to want to inspect the plants before they buy.

The main factors influencing customer choice of where to shop for garden products are cheapest prices (53%), good selection of plants for immediate impact (43%), a wide range of gardening products (39%) and a variety of plant sizes (22%).

Even though there are plenty of examples of high quality garden products retailers in the UK, progress is somewhat slow. Retailers are behaving cautiously, evolving the appearance of their businesses rather than committing to full revamps or make-overs. ■ *Source: Mintel*

## TIA advocates to reduce third party testing

### panels discuss phthalates, lead and heavy elements

The Toy Industry Association (TIA), USA, and other representatives from the industry presented technical data and evidence to help the Consumer Product Safety Commission (CPSC) better determine ways to reduce third party testing costs for manufacturers of toy and children's products sold in the United States.



The CPSC hosted a day-long public workshop at its National Product Testing and Evaluation Center in Rockville, MD, to better determine which materials do not contain any of the six banned phthalates, lead, and/or heavy metals listed in the ASTM F963 Standard Consumer Safety Specification for Toy Safety and do not need to be routinely tested.

Alan Kaufman, senior vice president of technical affairs, TIA, joined panels discussing phthalates and lead and heavy elements and pointed out more than 600,000 data points collected by TIA to support a redefinition of accessibility for phthalates and heavy metals, exclusion of materials that are rigid from phthalates determinations, and categorical exclusion of certain plastic material types as well as composite wood, according to the TIA. Additionally, Rebecca Mond, director of federal government affairs, TIA, provided general testimony on behalf of the toy industry, urging CPSC commissioners and staff to consider the proposals aimed at reducing unnecessary and redundant testing requirements that are particularly burdensome to small- and medium-sized businesses.

"The toy industry is not seeking relief regarding compliance with the Consumer Product Safety Improvement Act (CPSIA) ... Rather, we believe that manufacturers should be relieved from testing certain materials that are either inaccessible to children or so unlikely to contain restricted elements or phthalates that they do not pose a safety risk," said Kaufman. "The data and technical information provided by TIA and other technical experts at the workshop prove that third party testing, in some circumstances, does not advance safety and is unwarranted given the nature of these materials." ■ *Source: Playthings*

## Tabletop sales boom online

Sales of dinnerware via e-commerce jumped 40% and online sales of table linens were up 23% for the 12 months ending February 2014, according to a report by the NPD Group.

Total online sales of tabletop products - which NPD categorizes as dinnerware, beverageware, flatware and table linens - climbed 17% during the period to reach \$343 million. Twenty percent of dinnerware sales are now generated online, while 10% of table linen sales are, NPD reported.

Sales of beverageware rose 29% year-over-year. Flatware showed the slowest growth, with web sales rising a modest 5%. The online dollar share for both categories was 13%. "The 'touch and feel' nature of tabletop categories could limit e-commerce growth among first-time purchasers, but the online vehicle naturally lends itself to the visual aspect," said Debra Mednick, NPD's executive director and home industry analyst.



She said brick-and-mortar retailers should take advantage of the opportunity to curate their in-store inventories by allowing shoppers to place online orders while they are still in the store. "This is an important shift for the tabletop market to monitor, indicating expanded exposure to a new kind of consumer. ■

Source: Home & Textiles

## Home helps JCP crank out strong comps Q1 brings in good results

The re-launch of its home store helped J.C. Penney turn an important corner in the first quarter, when more affordable bedding, bath and other categories reclaimed the spotlight both in stores and online, significantly contributing to the company's strong comp and sales results. As part of the re-launch, the brand is re-merchandized the floor to make better use of the space and to confirm the way the customer wants to shop. They also placed a renewed focus on bedding and bath, small electrics, as well as decorative accessories and offer a range of home merchandise that better fits customers' budget and lifestyle.



JCP has increased the footprint size of home during the major remodel a year ago, and much of their activity of the last eight or nine months has been re-assorting the merchandise in such a way that it relates better to the way customer shop. So

for example, pulling together classifications, so bath and bed and various categories are usually shopped.

At jcp.com, home has also contributed to this trend. Their business with Home Online has also bounced back a significant piece of their online business. So, the company plans to continue to innovate in the home area as they get through back-to-school into the holiday.

Despite the difficult weather conditions in February and March that hindered the results of many of its key competitors, JCP managed a 6.1% net sales increase to \$2.80 billion versus the year ago period's \$2.64 billion. Same store sales were similarly up, 6.2%, "and improved sequentially each month within the quarter," the company noted. Also, April represented the first time in more than 30 months that its store traffic was positive.

The company said that, going forward, it will simplify its same store sales calculation to better reflect year-over-year comparability, excluding certain items, such as sales return estimates and liquidation sales.

For the first quarter, gross margin was 33.1% of sales, compared to 30.8% in the same quarter last year, representing a 230 basis point improvement. Looking ahead, the company shared its guidance for the second quarter of 2014. It calls for: comparable store sales to increase mid-single digits; gross margin to improve sequentially versus first quarter of 2014; For its 2014 full-year guidance, JCP expects comparable store sales to increase mid-single digits and gross margin to improve significantly versus 2013. ■

Source: Home Textiles Today