

RETAIL

Nordstrom scales back Washington area store footprint

July 5, 2017



Nordstrom is leaving a Washington area mall. Image credit: Nordstrom

By STAFF REPORTS

Department store chain Nordstrom is closing its store in the Washington suburb of Dulles, VA as ecommerce allows it to reduce its physical locations.



The Dulles Town Center Mall store, which opened in September 2002, is one of six full-line Nordstrom stores in the area surrounding the capital. With ecommerce reducing the need for in-store visits, retailers are finding they can serve customers effectively with less locations, particularly in areas of high store density (see story).

Closing up shop

Nordstrom's Dulles store will close on Sept. 8.

About 150 non-seasonal workers will be affected by the closure, but Nordstrom says that there are enough jobs available at other area stores to absorb the employees. Those who work through the final day will also receive severance if they are eligible.



Dulles Town Center. Image credit: Dulles Town Center

Aside from the Dulles location, Nordstrom operates five other stores in close proximity at Tysons Corner Center, Montgomery Mall, Fashion Centre at Pentagon City, Annapolis Mall and The Mall in Columbia.

Beyond its full-line footprint, the retailer's off-price Nordstrom Rack chain is also heavily present in the Washington metro area, with 12 stores.

"Our strategy is focused on our customers," said Jamie Nordstrom, president of stores at Nordstrom, in a statement. "When it comes to store investments we feel it makes the most sense to look at the total market area versus individual stores.

"In looking at the greater D.C. market, we feel we can serve our customers better at our other area stores and online," he said. "We've been fortunate to build great relationships with our customers and employees at our Dulles Town Center store for the past 15 years however, our operating agreement is set to expire and closing this store is the best decision for us."

This year, Nordstrom has plans to open three more full-line locations.

Nordstrom's family members recently announced that they are exploring the possibility of returning the corporation to a private business in an effort to stave off stiff competition from Amazon and other online retailers.

As a publicly owned company since 1971, Nordstrom has to answer to shareholders, and the desire to shirk that oversight may be behind the family's desire to take control of the company back under private ownership. Nordstrom's family members announced June 8 that a group has been formed to consider purchasing 100 percent of Nordstrom's shares, which if enacted could afford the retailer greater flexibility to react to market changes (see story).

^{© 2020} Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your feedback is welcome.