

Note to media: Peter Lynch is available as a resource for commentary on retail real estate and the retail industry in general.

For: A&G Realty Partners, Los Angeles
From: Parness & Associates, Aberdeen, N.J.

FOR IMMEDIATE RELEASE

**SURPRISING TOPIC DOMINATES CEO SUMMIT—THE BRIGHT FUTURE OF RETAIL,
SAYS A&G REALTY PARTNERS PRINCIPAL**

--Retail meeting in Miami focused on successful chains' adaptive real estate and other strategies, notes Peter J. Lynch, newly elected chairman of global leadership group YPO's retail network.

MIAMI (2/27/19) – Talks at a retail CEO summit highlighted the dynamism of global retailing—at least among chains that ramp up their efficiency and push to reinvent themselves, said [Peter J. Lynch](#), a Los Angeles-based Principal at [A&G Realty Partners](#).

“Bankruptcies and store closures are part of the picture, to be sure, but they are not the whole story,” Lynch said. “Exciting new concepts are emerging all the time, and the best of the existing operators are rapidly adapting their real estate and business models. Retail has a bright future.”

At the YPO Retail CEO Summit, held Feb. 6-8 at The Ritz-Carlton, Coconut Grove, Lynch engaged with retailing decision makers on a raft of topics. YPO is a leadership organization comprised of more than 27,000 chief executives in some 130 countries. Earlier this year, Lynch was elected to serve as chairman of the 2,500-member YPO Retail Network. His two-year term begins in July.

The summit was noteworthy, Lynch said, for its optimistic focus on the future. A member of YPO since 1994, the retailing veteran cited landlords' progress in backfilling big-box vacancies, and retailers' growing interest in maximizing real estate performance—a big contrast from prior eras in which chains tended to expand indiscriminately.

“In today's marketplace, you can no longer afford to leave asset value on the table,” Lynch told the audience. “Maximizing real estate allows you to drive down costs and better position yourself for survival or growth. It's essential.”

Pruning underperforming stores and focusing on ramping up the customer experience is an effective first step, he continued, but many chains should look harder at their leases as well. “Conditions change,” Lynch explained. “Are you paying a market rate at that store that would have been appropriate four years ago but is above-market today? How hard have you pushed to renegotiate leases where this is viable? On the real estate front, there's a lot of low-hanging fruit out there.”

During the YPO Retail Network event, panelists also discussed future-focused topics such as the changing nature of effective retail leadership moving forward. “It is rare to find a CEO that is a digital leader, a financial strategist, a technology expert, a brand marketer and a human capital partner all rolled into one,” Lynch told the audience. “Leaders don't necessarily have to embody all of those qualities, but they *do* need to ask the right questions of team members who manage those processes.”

CEOs from several retailers offered attendees a closer look at concepts that are successfully adapting, including Johnny Was, the Los Angeles-based “boho” fashion brand. “This fashion-forward chain serves customers who can be anywhere from 35 to 60 years old,” noted Lynch, who co-organized the event. “It is just a notch below higher end luxury—a very strong marketplace position given the continued growth of luxury retailing.”

Also featured was menswear brand Knot Standard. The company, which underwent a forward-leaning evolution over the past nine years, offers highly personalized clothing for men, Lynch said. “It's made-to-measure with special fabrics and, in keeping with today's trends, more of a showroom approach,” he

explained. “In terms of the customer experience, it’s quite a contrast from the off-the-rack approach that’s so vulnerable to online competition.”

Finally, participants discussed the potential for strong growth in categories that would have been unimaginable even 15 years ago. “The North American cannabis market, for example, will by some estimates hit \$47.3 billion by 2027,” Lynch noted. “One of our panels focused on the rapid growth of cannabis retailing. It was fascinating to do a deep dive into what’s happening in states like California, Washington, Oregon and Colorado where cannabis is fully legalized. The healthful effects of CBD [non-psychoactive cannabidiol] also stand to spur strong growth in a variety of retail contexts.”

With more than three decades of experience in retail and commercial real estate, Lynch joined A&G in 2012. The Melville, N.Y.-headquartered firm provides due diligence, valuations, strategic advice, auctions, lease terminations, occupancy cost reductions and other real estate services to retailers and other businesses.

###

Press Contacts: At Parness & Associates Public Relations, Bill Parness, (732) 290-0121, bparness@parnesspr.com, or Lisa Kreda, lkreda@parnesspr.com