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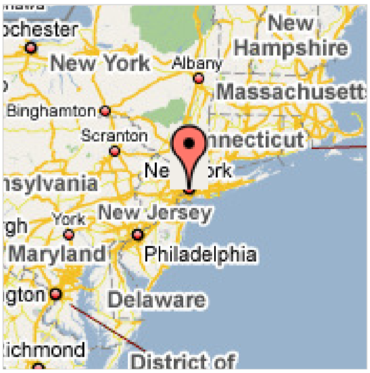

Stores play up the festive to cheer shoppers

By The Associated Press – 54 minutes ago

NEW YORK (AP) — With Americans in a deep funk amid rising layoffs and shrinking retirement funds, retailers are pushing holiday displays and store events that are even more festive and colorful than in Christmas seasons past. The goal, of course, is to get shoppers in the mood to spend in a season that some analysts say could be the weakest in 25 years.

Luxury handbag and accessories retailer Coach Inc. said it's planning displays that are "more bold, colorful and emotional" than years past. They will include jewel-tone Christmas trees made out of ribbon, brightly colored boxes wrapped as presents, snowflakes made out of an arrangement of Coach handbags and real Christmas trees in some locations.

The company said displays will be part of a more integrated holiday message across in-store marketing, its Web site, packaging and advertising.

"Every way we touch the consumer will be infused with holiday energy and messaging," said Michael Tucci, president of the North America retail division.

To add cheer, bookseller Borders Group Inc. is introducing a whimsical indoor campaign featuring line drawings of 90 different characters, such as a history buff or a jazz lover. It's also making store events a bigger part of the holiday mix, including an open house at the beginning of December with activities, coffee and cookies.

"We've done events before, but we've stepped up activity," said Rob Gruen, executive vice president of merchandising and marketing.

But Roth Capital Markets analyst Elizabeth Pierce says she doesn't know if such activity will help during the holidays.

"Does it put consumers in a merrier mood? I don't know," she said. "What gets people in stores is great value on great items, that means a lot more than decorations."

Still, she said it will be interesting to see what retailers "have up their sleeves."

_Mae Anderson, AP Business Writer.

Web site targets shoppers hoping for a steal

CHICAGO (AP) — Talk about hot deals for shoppers hoping for a steal this Christmas.

PropertyRoom.com wants holiday shoppers to turn to the online marketplace where consumers can bid on stolen property.

The items, which range from dolls to DVD players, were recovered by 1,300 law enforcement agencies in 47 states. But after searching and a state-by-state mandated waiting period, authorities weren't able to reunite owners with the missing goods.

So the loot goes up for bidding — at deep discounts — and becomes available to any shopper who can stomach putting the ultimate re-gifted item under the tree.

A woman's leather Coach watch was up for grabs with a bid of $70. And a pocket-sized Cannon digital camera was listed at $31.

There's also art, diamonds, clothing, toys, bikes and even police cars, such as the 2005 Crown Victoria that was going for $2,750 after 51 bids.

"In this economy we feel like consumers are looking at any way to have a great holiday for less," said spokeswoman Cher Murphy. "If that means buying an item that was possibly stolen then we believe many will do it without hesitation."

_Ashley M. Heher, AP Business Writer.

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S&P dumps more coal on holiday forecasts

NEW YORK (AP) — A downbeat holiday forecast from Standard & Poor's Ratings Service was the latest to dump coal on the season.

S&P's holiday outlook, issued Monday, predicts that total holiday sales for the November and December period could fall as much as 2 percent from the year-ago period. That's worrisome since for the past 10 years, holiday sales have risen at an average 4.4 percent pace; the weakest holiday season was in 2002, which was up 1 percent, according to the report. The figure excludes business from autos, restaurants, grocery and health and personal care stores.

"We think that the final quarter of 2008 will be a poor one as consumers continue to rein in their shopping, and that they will continue their long-standing history of waiting for last-minute bargains during the holiday," wrote S&P analyst Gerald A. Hirschberg.

Hirschberg pointed out that most sectors will struggle, from department stores to even consumer electronics chains, which suffered significant sales drops in August and September. The only bright spot will be discounters, which Hirschberg expects to aggressively discount key categories such as toys and electronics.

As for consumer electronics, Hirschberg noted that sales should be down from 2 percent to 2.5 percent, worse than the overall holiday forecast. Sales of big-ticket items such as flat-panel TVS and notebook computers should be down because of weak spending and tighter consumer credit. Sales of smaller items such as mobile phones and video games should fare better, but will still face challenges. The one positive is that consumer electronics retailers should get a boost from sales of digital-to-analog conversion boxes.

_Anne D'Innocenzio, AP Business Writer.
