Retail Supply Chain Update  
August 4, 2020

SpartanNash launches free coronavirus tests

- SpartanNash today began offering free COVID-19 testing at five of its corporate-owned supermarkets in western Michigan.
- The self-administered coronavirus tests are available by appointment via the drive-thru pharmacies at Family Fare stores in Allendale, Byron Center, Wyoming and Holland and at the D&W Fresh Market store (Apple Orchard Avenue) in Grand Rapids.
- Pharmacists guide customers through the self-administered nasal swab, and results are provided within three to five days, SpartanNash said. The company noted that it has partnered with the U.S. Department of Health and Human Services on the coronavirus testing program, which is administered according to Centers for Disease Control and Prevention (CDC) guidelines.

Sales at Publix jump 20% in second quarter

- Publix Super Markets saw net and comparable sales surge about 20% in the fiscal 2020 second quarter, fueled by coronavirus-triggered demand.
- For the quarter ended June 27, sales climbed 21.8% to $11.4 billion from $9.3 billion a year earlier, Lakeland, Fla.-based Publix said Monday. Comp-store sales grew 19.9% for the period year over year.
- Publix estimated that second-quarter sales jumped 16.1%, or $1.5 billion, and first-half sales were up 13.1%, or $2.5 billion, as a result of higher demand amid the COVID-19 pandemic.

As pandemic stretches on, retail bankruptcies approach highest number in a decade

- 2020 is on track to have the highest number of retail bankruptcies in a decade, according to S&P Global Market Intelligence.
- 43 retailers have filed for bankruptcy so far this year, including many companies saddled with debt or struggling to resonate with shoppers before the pandemic.
- With five months left in the year, there have already been more retail bankruptcies this year than in the past eight years, according to S&P Global. There were 48 filings by retailers in 2010, according to S&P Global, following tremendous tumult and financial strain across the industry during the Great Recession.
- In 2008, 441 retailers filed for bankruptcy, according to S&P Global.
- The pandemic has compounded challenges that some retailers faced even before Covid-19 began to spread across the country. Some, such as Lord & Taylor and J.C. Penney, were having trouble reaching new customers as e-commerce brands won more of young shoppers’ attention and dollars. Others, like Neiman Marcus, were saddled with debt.
• Jan Kniffen, a retail consultant and former executive at The May Department Stores, which was eventually folded into Macy’s, said for many of the retailers, the pandemic only sped up their likely appearance in bankruptcy court.
• More bankruptcy filings are expected. The coming months will also reveal which of the bankrupt companies will find a way to survive through new ownership or restructuring — and which ones will be forced to permanently close stores and liquidate inventory.