

End of Covid-19 Closures Boosts Birks



Birks Group's comparable-store sales rose 8% year on year in the latest fiscal half year as operations rebounded from coronavirus-related shutdowns.

The Canada-based jewelry retailer did not lose any shopping days in the 26 weeks that ended September 24, whereas a year earlier, temporary store closures affected about 17% of the period, management said last week. The growth also reflected improvements to the company's range of third-party watch and jewelry brands, as well as efforts to market its fine-jewelry and bridal collections, according to the company, which owns 23 Birks stores across Canada.

Comparable-store revenues comprise sales at stores that were open in the same period of the previous year and include the e-commerce business. The results came "despite uncertain macroeconomic conditions," noted group CEO Jean-Christophe Bédos.

Net sales dropped 5% year on year to CAD 80 million (\$59.4 million), as a new joint

venture with FWI to form RMBG Retail Vancouver caused a portion of revenues to be redesignated. Sales that Birks previously attributed to its Vancouver flagship store now counted as being part of RMBG, which operates a boutique store in the Canadian city retailing third-party branded watches. For the same reason, the jeweler reported a CAD 2 million (\$1.5 million) net loss for the six months, compared with a profit of CAD 990,000 (\$734,000) a year earlier.

Net sales of jewelry dropped 9% year on year to CAD 35.7 million (\$26.5 million), while watch sales dipped 2% to CAD 44.3 million (\$32.9 million).

Birks Groups also operates one retail location in Calgary, Canada, under the Brinkhaus brand, as well as two in Vancouver under the Graff and Patek Philippe banners.

Image: A Birks store in Toronto, Canada. (Shutterstock)