

**SEIBU SACKS STAFF ?
BUT WHAT ABOUT THE EXPANSION MOVE ?**

TARGET wishes to offer its apologies to Mr Dickson Poon, Chairman of Dickson Concepts (International) Ltd, for causing him so much embarrassment last February 9 when this medium accurately led the *Viewsletter* with the exclusive report: [**ANOTHER MAJOR DEPARTMENTAL STORE READY TO CLOSE ?**](#)

One week after that report was circulated, Mr Dickson Poon attempted to have the world believe that the 4-storey Seibu Departmental Store was not closing, entirely or partially, but was, in fact, embarking on a \$HK150-million renovation programme.

Today, Seibu is facing the prospects of having 106 of its workers go on strike -- because they have all been sacked; and, they are unsure as to whether or not they will receive any compensation from Management.

Mr Dickson Poon, thus far, has not come out to make a statement about Hongkong Seibu Enterprise Company Ltd, an 86.80-percent subsidiary of Dickson Concepts (International).

In TARGET's February 9 Viewsletter, the first 10 paragraphs of the lead report stated:

'Another large departmental store in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) is to close, or partially close, or reposition itself, the last term, being the latest obfuscation of an economic scene of the same or similar genre.

'The departmental store is the Pacific Place, 4-storey Seibu Store, owned as to 86.80 percent by publicly listed Dickson Concepts (International) Ltd.

'The 1999 Annual Report of Dickson Concepts makes no mention of any contribution to the Group's income from Seibu (it is owned through the subsidiary, Hongkong Seibu Enterprise Company Ltd) and the Chairman of Dickson, Mr Dickson Poon, did not refer to it in his 1999 Statement to Shareholders.

'The Pacific Place Seibu presently occupies 4 floors, and its operations extend over about 120,000 square feet, according to a source in the rental office of Pacific Place.

'targetnewspapers.com confirmed that, within the next few months, at least 2 floors will be surrendered to the landlord, and negotiations are just about complete with the Swire Group -- it owns Pacific Place -- to rent out the 2 floors to another retailer.

'Whether or not the remaining 2 floors will be surrendered before the end of the year, or Seibu will cease to trade in this Grade A retail space, is unknown.

'Nobody with whom targetnewspapers.com talked has denied that something in the neighbourhood of 200 employees will be hitting the streets, before the end of the year.

'The Year of the Dragon may be an auspicious year for some people, but not, it appears, for staff of Seibu, unless the redundant staff can be retrained/relocated/redirected (other popular expressions for making staff redundant, these days).

'Seibu, which also took over the space in Windsor House, Causeway Bay, a few years ago, when Lane Crawford could not make a go of it, had to sublet the basement to a supermarket, shrinking

the size of its retail operations by as much as 50 percent.

'The failure of Seibu (this has to be true otherwise it would not be moving out, partially or in total, from Pacific Place) is the latest confirmation of what is nothing short of a catastrophe in the retail industry of the HKSAR since 1997 ...'.

It is noted that, whereas TARGET had stated that about 200 Seibu workers would have to hit the streets (paragraph 7), in fact, Seibu let go 106 senior employees from various departments on April 20.

Exactly one week after publication of TARGET's report on Seibu, Mr Dickson Poon's face was prominently displayed on an English daily newspaper, published in South China, under the headline: **'Seibu embarks on \$150 m renovation.'**

That report stated that the Pacific Place Seibu Store and the Windsor House, Causeway Bay basement *'are to be revamped under a joint development ... and Hutchison Whampoa-owned A.S. Watson Group.'*

The report went on to state that the Pacific Place 'COO' food hall would be changed into lobster restaurants and coffee bars.

And so the report went on as though Seibu was doing great things, with profits, flowing left, right and centre.

But, it appears that the 10-year-old Seibu in Pacific Place is not doing well at all -- otherwise for what reason would Mr Dickson Poon bring in a Hutchison company to run the food hall and, also, allow that company to take over control of the basement of Windsor House?

Further, one cannot help but wonder whether the statements, published in that English daily, published in South China, statements, purported to have issued forth from Mr Dickson Poon's mouth, misled all those that read them.

Whether or not the revamped 'COO' concept will be the greatest thing to hit the HKSAR seems immaterial, at this point -- because senior staff have been sacked.

And who knows how many of Seibu's junior staff members have been eased out of Seibu without uttering a 'dicky' bird.

So TARGET apologizes, not for being wrong, which we were not, but for putting the Chairman of Dickson Concepts on the spot -- when everybody in his outfit, including senior staff of Seibu, Japanese and Chinese, were trying hard to keep the wraps on the terrible, loss-making situation, called Seibu Departmental Store.

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