

Preliminary remarks

Beginning in the USA and, over the past 25 years, subsequently spreading in Europe as well, a new retail format has been established: the Factory Outlet Centre (FOC) or Designer Outlet Centre (DOC). In the meantime, such a high density of Outlet Centres already exists in some European countries (e.g. Great Britain), that one can certainly speak of market saturation here. Thus, in Great Britain, as in the USA also, a market shakeout is observable among locations of Outlet Centres, whereby the most professional operators, and accordingly suitable locations, win out over less productive concepts or locations with weaknesses.

The situation in continental Europe is somehow different. Due what are, to date, extremely restrictive building permission procedures compared to those in the rest of Europe, Germany has only a very few Outlet Centres in relation to the size of this national market. However, there is little doubt that this will change in the medium-term perspective, at least. The kind of emotional argument that often used to take place until just a few years ago has now given way to a much more factual discussion on the advantages and disadvantages of establishing an Outlet Centre.

Whereas Germany still shows a lot of potential for new Outlet Centres, Italy has seen a rapid development in the last years, and it's difficult to discover any "white spots" on the map there. The same applies to Switzerland and Austria. In the Central and East European Countries (CEE) the development took up pace but slowed down again in the aftermath of the credit crunch. So still there are significant differences on the development of Outlet Centres and the numbers of such centres in the European countries.

For more than 12 years now, ecostra is publishing this survey on Outlet Centres in Europe. Gathering reliable market-data requires a clear definition of the subject of investigation. Starting with the December 2014 issue, ecostra adapted the definition to new developments in the outlet markets, in particular the up-coming outlet-hybrids (e.g. Value Centres, Outlet Agglomerations). The **new definition of an Outlet Centre** is:¹

*Outlet Centres are an agglomeration of many outlet store units within a coordinately-planned or a spatially-interrelated complex of buildings with more than 5,000 m² retail sales area (= approx. 6,000 m² GLA) and with more than 20 outlet stores. There **brand** manufacturers and vertically-integrated retailers sell past seasons, factory seconds, surplus stock etc. directly to the consumer, without using retail businesses as (intermediate) distributive channels. All products are sold with a discount to the original high-street price of at least 25 %, **whereas double-pricing ("High Street Price" / "Outlet Price") is ruled by the leasing contract. The marketing targets a supraregional area and above all customers from far away are addressed. The coordination, organisation and marketing of an outlet centre is carried out by a centre management.***

The overview presented in this survey includes all those centres that are, currently either in operation or planned, that correspond to the above definition of Outlet Centres. For this reason, the Lifestyle Outlets Myland Crystallerie Wadgassen (www.myland.eu), the 50 Factory Store in the Italian town of Aosta (www.fifty.it), the Hackney Walk Luxury Outlet District (www.hackneywalk.com) in London nor, among other sites, The Mall in Leccio Reggello, close to Florence (www.themall.it) have been included on the list.

At the same time such concepts like Outletcity Metzingen (www.outletcity-metzingen.com) or the City Outlet Bad Münstereifel (www.cityoutletbadmuenstereifel.com)² are not covered by the definition above. Following the request of many brand manufacturers, who were on the search for market data and informations for such projects ecostra now presents with "**Organized Outlet Agglomeration**" (OOA) a definition for such a retail format that does have various features similar to those of an outlet centre but at the same time is different in many aspects. OOA can be distinguished from FOC by the following features:

¹ The new elements in this definition are marked in red colour.

² The City Outlet Bad Münstereifel is the first professionally organized outlet concept using already existing historical buildings in the high streets of a city.



- There is no coordinately-planned or spatially-interrelated complex of buildings. Such common features can refer to some sections of the object, but not the whole. This is most obvious by differences in architecture and missing common functional areas, e.g. heating, storage, waste.
- There are other uses – e.g. services, retail businesses, gastronomy, flats – located between the outlet stores of the OOA. These premises are not necessarily jointly owned by the investor of the OOA nor are they necessarily leased by the operator of the OOA.
- There are public roads, streets and pavements passing through the area where the outlets are located.
- Other than a more or less random agglomeration of outlet stores, an OOA does have a centre-management, which is responsible for marketing and sometimes even for leasing of the object.
- All other features correspond to those of an FOC (see definition above).

The following survey of existing and planned Outlet Centres and Organized Outlet Agglomerations in Europe is intended to help improve transparency on the retail trade market. This survey is free of charge and is available to everyone without any limitations as a PDF-download at the [ecostra](http://ecostra.com)-website. The overview has been compiled according to the best of [ecostra](http://ecostra.com)'s knowledge and is updated approximately every 3 months. Plans, developments or other information disclosed to the authors on a confidential basis have not been included in the overview, in consideration of protection of confidence. No guarantee can be given for the completeness or correctness of the said information.

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Location	Type	Status	Name of the Object / Project	Operator	Developer / Investor / other Partners	Gross Leasable Area (GLA) in m ²	Retail Sales Area (SA) in m ²	Remarks
Wadgassen (Saarland)	FOC	advanced planning phase	myland	n.s.	Munitor Group	6.000	5.000	Located on the grounds of the former Cristallerie glass factory. The existing factory outlet of Villeroy & Boch is enlarged by further Outlet Shops. In May 2009, the developer IBS announced rescheduling and – without giving reasons - that the realisation of the project was to be postponed indefinitely. In 2011 a new developer - the Munitor Group - started construction work at the location. The soft opening of the whole centre has taken place on 20th September 2012, the grand opening was at 4th October 2012 with a total sales area of about 3,800 m ² . The developer announced to extend the centre soon. Despite the opening of the centre the neighbouring city of Saarlouis filed a court case to fight the building permit but the claim was rejected by court. Still, there was some uncertainty whether or not Saarlouis will go to court again. In December 2017 the developer and the city of Saarlouis reached an agreement, that allows the extension of the centre up to a total sales area of about 5,000 m ² . Construction work for the extension is supposed to start soon.
Zeil am Main (Bavaria)	FOC	uncertain	Erbelle-Outlet-Center	HK Verwaltungs GmbH			3.700	A conglomerate of outlet shops is in operation on approx. 3,700 m ² SA in the former production halls of the household linen manufacturer Erbelles. The location is to be enlarged to become an OC. In spring 2009, the Bavarian Dept. of Trade and Industry refused to allow proceedings to obtain permission to deviate from a planning objective to be started. However meanwhile, according to the available information, permission has been granted for enlargement by 1,300 m ² SA to reach 5,000 m ² SA. It still has to be reviewed whether or not this centre corresponds with ecostras definition of an outlet centre.



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Duisburg (Northrhine-Westfalia)	FOC	cancelled	Douvil - Duisburg Outlet Village	Freeport Retail	German Development Group / SJ International (Leasing)	31.000	25.000	An OC was planned on the grounds of the Rhein-Ruhr-Hallen and the old Hamborn indoor swimming pool by the German Development Group (GDG). In March 2010, the City Council of Duisburg passed a resolution to accept the plans. An investor selection procedure was carried out in 2011 to follow EU-regulations. However, the GDG was the only interested party to apply, which then presented Freeport as the operator in October 2011. The start of construction was planned for 2012 but had to be delayed again and again. In a first construction phase, there were plans to build 95 Outlets with a total of approx. 19,000 m ² GLA, as well as 1,950 parking spaces. In a second construction phase, the centre then was to be enlarged to 31,000 m ² GLA and 2,500 parking spaces. A neighbouring housing estate had to be demolished in order to construct the car parks of the OC. A Citizen's Action Committee has been founded against the demolition and took up action. At the same time it was discovered, that the planned site is located in the proximity of a factory where an hazardous incident could be possible. So this project and the developer were confronted with various problems and it looked very unlikely that the project will be realized. At the end of 2013 the local council demanded a binding declaration in regard to the next steps of the project and a time schedule from the developer. Due to 3 penalty orders from other projects the CEO of the developer "German Development Group" left Germany for the Netherlands. In 2014 the project was taken over by the Douvil GmbH, which consisted of various single investors. In February 2016 the city administration announced that it will not support this project anymore. The Douvil GmbH announced go to court to claim for damages but nothing happened so far. This project can be seen to be "dead and buried".



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Duisburg (Northrhine-Westfalia)	FOC	cancelled	Duisburg The Style Outlets	Neinver	Krieger Bau	38.000	30.000	Closeby to the city centre of Duisburg, at the site of the former freight yard an outlet centre is planned in several building phases. At the final stage it will have approx. 38.000 m ² GLA (i.e. approx. 30.000 m ² SA). The site is in immediate proximity to the motorway A59 and the main station with excellent visibility and does have 2 motorway exits leading directly to the plot. The biggest parties in the local town council have signalled to support this project. In February 2017 the local council decided to start the planning procedure. 2017 a local action group, supported by the inner-city retailers and the local chamber of industry and commerce formed an action group against this project and started a collection of signatures to force the city council to carry out a citizens referendum. In May 2017 this action group succeeded in collecting enough signatures. The citizens referendum was held in September 2017 parallel to the Bundestag elections and resulted in a 51 % vote against the outlet centre. There was some confusion about the fact, that supporters of the outlet project had to vote with "No" and opponents of this project had to vote with "Yes". The major of Duisburg stated to respect this referendum and to stop the planning procedure.
Sinsheim (Baden-Württemberg)	FOC	cancelled	n.s.	n.s.	E.L. Immobilien GmbH		10.000	An OC was planned in the former trade fair halls, directly next to the Sinsheim Technical Museum and the football stadium of the Hoffenheim federal league club. According to the available information, several well-known operators of outlet centres had shown interest; some of them called this to be "one of the best locations for an outlet centre in Europe". Proceedings to obtain permission to deviate from a planning objective started in January 2012. In March 2013 the regional council rejected this project. The city of Sinsheim has refrained from appealing to the administrative courts against this decision, so this project is to be judged as abandoned.



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Herrieden (Bavaria)	FOC	cancelled	Herrieden Fashion Outlet	n.s.	Carlo Colucci		8.100	The fashion designer Carlo Colucci wanted to expand his factory outlet at company headquarters into an OC. In light of the ongoing amendment to the Bavarian state development plan, the application for proceedings to obtain permission to deviate from a planning objective was suspended again in mid-2010. In January 2011, the proceedings to obtain permission to deviate from a planning objective were put into force again. In December 2011, the Bavarian Department of Trade and Industry announced that the project was not compatible with the state planning objectives. The city of Herrieden intended to file a writ of mandamus. A legal expertise by a renowned lawyer came to the result, that there won't be much chance for Herrieden to succeed in this matter. Finally the city of Herrieden abandoned this law suit. Today at the site a small agglomeration of outlet stores with a total sales-area of approx. 2,500 m ² can be found.
Grafschaft (Rhineland-Palatinate)	FOC	advanced planning phase	Ahrtal The Style Outlets	Neinver			9.900	In the Grafschaft locality of Ringen, an OC was planned in the Innovationspark Rheinland; a market hall with approx. 3,000 – 5,000 m ² SA for regional products (e.g. wine) is planned as an additional facility. Various surrounding towns have announced their opposition to the project. In the meantime the proposed developer went bankrupt and the city was looking for a new investor. Various renowned operators have signalled their interest and in May 2012 it was revealed that Neinver is supposed to be the new operator. Some time ago there were initiatives to pursue this project jointly together with the neighbouring city of Bad Neuenahr-Ahrweiler. But in June 2012 the town council of Bad Neuenahr-Ahrweiler rejected the offer to cooperate made by Grafschaft. Now the city of Grafschaft is pursuing the project on its own. By now Neinver has secured all the necessary parcels. The approval procedure is supposed to start soon.



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Selb (Bavaria)	FOC	under construction	Outlet Center Selb	CRM Center & Retail Management GmbH	Munitor Group / Haslinger Consulting	12.000	11.000	At the company headquarters of the china and household goods manufacturer Villeroy & Boch, the "Factory In" was operating since July 2001. In October 2009, the Bavarian Council of Ministers approved the submitted enlargement up to 11.650 m ² SA. The law suits announced by neighbouring towns against this enlargement have meanwhile been withdrawn. Construction work started in September 2012. Until today there is a sales-area of approx. 7.000 m ² in operation. According to ecostras assessment, the Factory In in Selb has some lack in the brand offer and its spacial reach, so it doesn't correspond to the definition of an outlet centre. In 2015 the developer Munitor Group acquired the project with plans to demolish the existing building and to enlarge the centre by using neighbouring grounds up to a sales-area of approx. 20,000 m ² in a last building-phase. In recent months this plans were substantiated. Construction work started in spring 2018 with the conversion of the former production hall (so-called "Ofenhalle"); this first development phase is supposed to topen in autumn 2018. The 2nd development phase will start soon after and is supposed to open in autumn / winter 2019. The 3rd development phase will connect the project directly with the city centre of Selb and will lead to a total sales area of about 20,000 m ² .
Radolfzell (Baden-Württemberg)	FOC	operating	Seemaxx Outlet Center Radolfzell	Hesta Immobilien GmbH	Hesta Immobilien GmbH	10.000	8.500	In Radolfzell on the Lake of Constance, Seemaxx Outlet Center was operating for years on a total area of approx. 4,500 m ² SA. Following several years of authorization process, the regional council issued the permit to enlarge the center to a total sales area of 8,500 m ² . The opening of the extended centre took place on 13th October 2016. Approx. 450 parking spaces.



Pictures of selected Outlet Centres and Organized Outlet Agglomerations



City Outlet Bad Münstereifel, Bad Münstereifel (D)
City Outlet Bad Münstereifel GmbH



Quai des Marques, Bordeaux (F)
Concepts & Distribution



Halle-Leipzig The Style Outlets, Brehna (D)
Neinver



Outlet Aubonne, Aubonne (CH)
Inter IKEA Centre Switzerland S.A.



Mantova Outlet Village, Bagnolo San Vito (I)
Multi Outlet Management Italy



Premier Outlet, Biatorbágy (HU)
ROS Retail Outlet Shopping





Fashion House Outlet Centre Bucharest, Bucharest (RO), Fashion House Management



Outlet Center Brenner, Brennero (I),
Designer Outlet Center Brenner AG



Ingolstadt Village, Ingolstadt (D)
Value Retail



Salzburg Designer Outlet, Salzburg (A)
McArthurGlen



Zweibrücken Fashion Outlet, Zweibrücken (D)
VIA Group

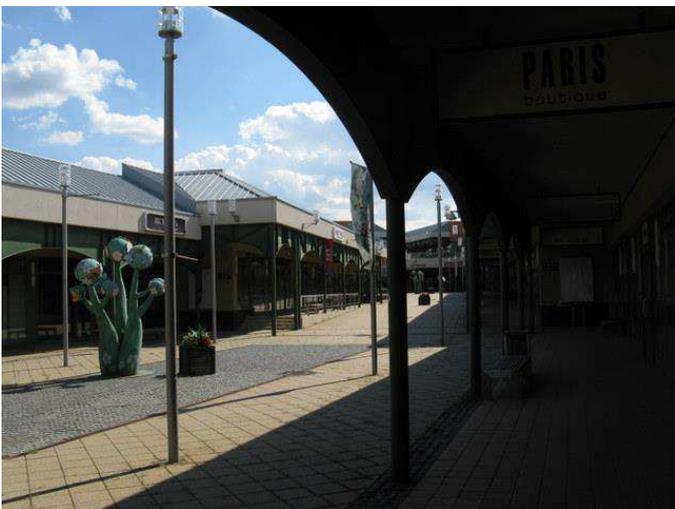




Designer Outlet Sosnowiec, Sosnowiec (PL)
ROS Retail Outlet Shopping



Fashion Arena Outlet Center, Praha (CZ)
VIA Group



Closed down: GL Outlet Center, Törökbálint (HU)
GL Outlet



Closed down: Outlet Center Sveta Helena, Donja Zelina (HR)
Zelina Centar D.o.o.



Roppenheim The Style Outlets, Roppenheim (F)
Neinver





Outletcity Metzingen, Metzingen (D)
Holy AG



Roermond Designer Outlet, Roermond (NL)
McArthurGlen



Seemaxx Outlet Center, Radolfzell (D)
Hesta Immobilien GmbH



One Nation Paris, Les Clayes sous Bois (F)
Catinvest



Designer Outlet Soltau, Soltau (D)
ROS Retail Outlet Shopping

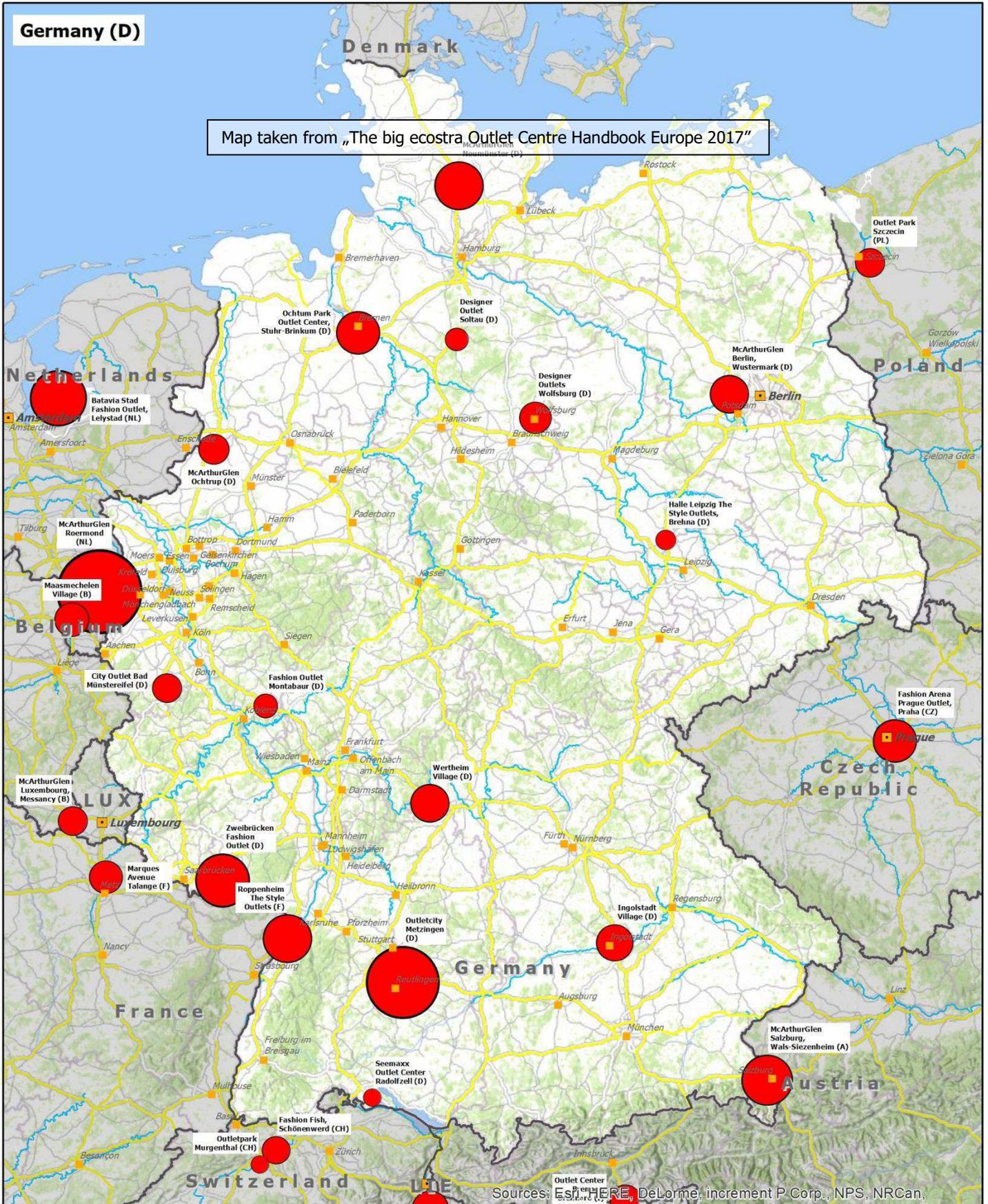


Freeport Lisboa Fashion Outlet, Alcochete (PT)
VIA Outlets

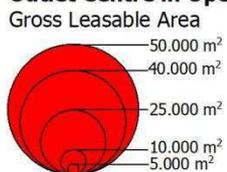


Outlet Centre in Operation 2017

(Including Neighbouring Countries)



Outlet Centre in Operation



- Capital City
- Other Major City (Population > 100,000)

- National Border
- Administrative Division
- Motorway
- Rivers

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Source: EU-DEM layers, openstreetmap, diva-gis.org, Esri; ecostra-Bearbeitung