



September 2020

Outlet Centres in Europe

Market Survey covering all operating and planned Outlet Centres in the European Countries

Study within the Scope of ecostra's Basic Research

Analyses and Strategies for Markets and Locations in Europe

The general Service Range for all our Clients:

- Location and Potential Analyses
- Feasibility Studies
- Analyses for Investment and Financing Decisions
- Expert Statements and Consulting in Approval Procedures for large-scale Retail Projects
- Impact Studies according to § 11.3 BauNVO in Germany respective the relevant Laws and Regulations in other Countries
- Verification and Validation of already available Surveys, Studies and Expert Statements concerning retail and real estate issues
- Competitive Analyses
- Opinion Research

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- Strategies for Market Entry and Market Development
- Analyses to optimise the Branch Network

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Preliminary remarks

Beginning in the USA and, over the past 30 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 14 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 A6 Fashion Place in Herrieden (www.a6-fashionplace.de), the 50 Factory Store in the Italian town of Aosta (www.fifty.it) nor, among other sites, the Hackney Walk Luxury Outlet District (www.hackneywalk.com) in London have been excluded from 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 presented 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
Montabaur (Rhine-land-Palatinate)	FOC	operating	Montabaur The Style Outlets	Neinver	S.K.E.T. Gesellschaft für Immobilienmanagement mbH / Fashion Outlet Grundbesitz GmbH + Co. KG / Neinver	12.500	10.000	After almost 10 years of planning procedure, the centre finally opened doors in July 30th 2015. In 2016 the centre had approx. 1.6 m visitors. Starting from the opening, the centre was managed by Stable International until the beginning of 2017, then the management duties were run by the investor itself for half a year. After signing a long term contract Neinver became the new manager of the centre in July 2017. Starting with June 2018, the centre is re-named from Fashion Outlet Montabaur to the Neinver brand The Style Outlets. According to press-reports in September 2019, the investor intends to extend the centre by an additional 11,800 m ² SA to a total of approx. 21,800 m ² SA. The process to apply for the building permit is supposed to start soon.
Wittenburg (Mecklenburg-West Pomerania)	FOC	advanced planning phase	Wittenburg Village	n.s.	Van der Valk, Ontwikkel-fonds	16.000	12.600	Project was already discussed back in 1999 at the initiative of the Department of Trade and Industry of Mecklenburg-Vorpommern, but abandoned due to opposition. Then this project seemed to be up and running again In 2007, planning activities were re-summed again in the immediate vicinity of the "Alpin Center Hamburg-Wittenburg", however the British Miller Group which had a stake in this project withdrew again. The project was continued in 2014 / 15 by the Dutch developer Ontwikkel-fonds together with Stable International and the owner of the Alpin Center, the Dutch van der Valk group. The regional planning procedure to get a building permit started in September 2016 and ended in December 2017 with a positive verdict. Now the procedure for the building plan is on its way. Construction work is supposed to start in 2020.
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.



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Ochtrup (Northrhine-Westfalia)	FOC	operating	McArthurGlen Designer Outlet Ochtrup	McArthurGlen	Retail Development Group / Hütten Holding / EOC Ochtrup GmbH & Co. KG / McArthurGlen	17.350	11.650	Centre opened on 30th August 2012. Approx. 1.500 parking spaces. There are plans to extend the centre on up to 20,000 m ² SA; the impact study was published in November 2015 and came to the result, that an extension of 8,300 m ² retail sales area is compatible with the relevant requirements of spacial planning. In November 2015 McArthurGlen and Hütten Holding announced that from 2016 on they will partner. McArthurGlen now has the majority share and is responsible for the management. In June 2016 neighbouring cities formed an alliance against the projected extension and announced to fight this in court. At the end of September 2017 the city council of Ochtrup decided to change the plans for land use to enable the extension. In June 2018 the district government decided to approve the change in the land use plan. Start of construction is scheduled for 2018 and opening of the extension for 2019, but still this can be delayed by legal proceedings.
Wadgassen (Saarland)	FOC	advanced planning phase	Outlet Center Wadgassen	n.s.	Munitor Group / Haslinger Consulting	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.



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Remscheid (Northrhine-Westfalia)	FOC	advanced planning phase	McArthurGlen Remscheid	McArthurGlen		26.600	20.000	First, an OC was planned in the Blume / Felder Höhe business park at the Lennepe / Lüttringhausen motorway junction. In mid-October 2011, a local opinion survey was carried out on the project, in which 76.5 % voted for the establishment of the outlet centre. At the end of November 2011, the Plenary Meeting of the Wuppertal-Solingen-Remscheid Chamber of Industry and Commerce also declared itself in favour of the project. In August 2012 the regional planning authority rejected the change of the regional development plan. The city of Remscheid announced to fight this decision in court. But in November 2012 McArthurGlen and the city representatives decided to switch the planned location to a site close to the Remscheid suburb of Lennepe. Today, there is a sports stadium and a fairground, which will be replaced by the outlet centre. Parking is supposed to be in an underground car park. In June 2014 the regional planning authority signalled that the project in size and location is in accordance with the aims of the spacial development plan of Northrhine-Westfalia. But in 2015 the neighbouring city Wuppertal announced, that they will realize an own outlet centre (see Wuppertal). This resulted in a race between the two cities to be the first outlet centre in the region. In July 2016, Wuppertal filed a lawsuit against Remscheid for want of considering the impact of the planned outlet centre at the inner-city of Wuppertal. In December 2016 the local council of Remscheid approved the building plan. In February 2018 McArthurGlen announced to delay the start of construction work until the court has decided about the claim of neighbouring Wuppertal. For this court session McArthurGlen has ordered a new impact study, which is the 4th such study on this project. Latest rumors indicate that Wuppertal has cancelled its plans for an outlet centre. In the consequence, this will most probably result in "green lights" for the McArthurGlen project in Remscheid. In September 2019 Wuppertal provided an impact study which said that the outlet in Remscheid will have a negativ impact on Wuppertal city centre. This study recommends the outlet centre to be reduced in size.



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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".
Stuhr-Brinkum (Lower Saxony)	FOC	operating	Ochtum Park Outlet Center	MiRo Grundstücksverwaltung GmbH / SJ International	MiRo Grundstücksverwaltung GmbH / SJ-International	24.000	18.800	Opened in 2001 as a rather random conglomerate of some outlet stores and some fullprice retailers such as Takko fashion and a pet-food store. In the meantime various extensions and an almost standardised design of the buildings were implemented. Now the site encompasses 57 outlet stores, cafe's and restaurants.

