

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1995-06-13** | Period of Report: **1995-04-30**
SEC Accession No. **0000950149-95-000357**

([HTML Version](#) on secdatabase.com)

FILER

WILLIAMS SONOMA INC

CIK: **719955** | IRS No.: **942203880** | State of Incorpor.: **CA** | Fiscal Year End: **0131**
Type: **10-Q** | Act: **34** | File No.: **000-12704** | Film No.: **95546736**
SIC: **5700** Home furniture, furnishings & equipment stores

Mailing Address
*100 NORTH POINT STREET
SAN FRANCISCO CA 94133*

Business Address
*100 N POINT ST
SAN FRANCISCO CA 94133
4156168345*

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended April 30, 1995.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 2-83992

WILLIAMS-SONOMA, INC.

(Exact Name of Registrant as Specified in Its Charter)

<TABLE>

<S>

California

(State or Other Jurisdiction of Incorporation or Organization)

<C>

94-2203880

(I.R.S. Employer Identification No.)

3250 Van Ness Avenue, San Francisco, CA
(Address of Principal Executive Offices)

</TABLE>

94109
(Zip Code)

Registrant's Telephone Number, Including Area Code (415) 421-7900

100 North Point Street, San Francisco, California 94133

Former Name, Former Address and Former Fiscal Year, if Changed Since Last
Report.

Indicate by check X whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days Yes X No _____

As of May 25, 1995, 25,361,727 shares of the Registrant's Common Stock were
outstanding.

WILLIAMS-SONOMA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands)
(Unaudited)

<TABLE>

<CAPTION>

	April 30, 1995	January 29, 1995	May 1, 1994
	----	----	----
<S>	<C>	<C>	<C>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,897	\$ 17,481	\$ 5,258
Accounts receivable	6,316	5,394	4,307
Merchandise inventories	105,923	87,949	78,339
Prepaid expenses and other assets	9,567	5,849	6,719
Prepaid catalog expenses	12,459	11,205	9,563
Deferred income taxes	259	259	2,617
	-----	-----	-----
Total current assets	140,421	128,137	106,803
Deferred income taxes	4,021	4,021	2,968
Investments and other assets	6,272	6,325	2,196
Property and equipment (net)	87,155	79,395	62,053
	-----	-----	-----

	\$237,869	\$217,878	\$174,020
	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 36,075	\$ 49,357	\$ 27,028
Accrued expenses	5,280	4,407	6,168
Accrued salaries and benefits	7,986	8,138	6,378
Line of credit	40,000	-	8,400
Current portion of long-term debt	141	141	184
Customer deposits	5,713	5,631	3,840
Other liabilities	2,506	2,628	2,755
Income taxes payable	-	8,329	1,173
	-----	-----	-----
Total current liabilities	97,701	78,631	55,926
Deferred lease credits	15,494	14,250	13,452
Long-term debt	6,749	6,781	7,451
Shareholders' equity	117,925	118,216	97,191
	-----	-----	-----
	\$237,869	\$217,878	\$174,020
	=====	=====	=====

</TABLE>

See Notes to Condensed Consolidated Financial Statements.

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WILLIAMS-SONOMA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except per share amounts)
(Unaudited)

<TABLE>
<CAPTION>

	Thirteen Weeks Ended	
	April 30,	May 1,
	1995	1994
	----	----
<S>	<C>	<C>
Net sales	\$118,160	\$102,842
Costs and expenses:		
Cost of goods sold and occupancy	73,778	63,452
Selling, general and administrative	44,584	36,145
	-----	-----
Total costs and expenses	118,362	99,597
	-----	-----
Earnings from operations	(202)	3,245
Interest expense (net)	350	163
	---	---
Earnings (loss) before income taxes	(552)	3,082
Income taxes	(226)	1,294
	-----	-----
Net earnings (loss)	\$ (326)	\$1,788
	=====	=====
Earnings (loss) per share:		
Primary	\$ (0.01)	\$.07
Fully diluted	\$ (0.01)	\$.07
Average number of common shares outstanding:		
Primary	26,181	26,065
Fully diluted	26,181	26,111

</TABLE>

Note: 1994 shares and per share amounts have been restated to reflect the 3-for-2 stock split in September 1994.

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WILLIAMS-SONOMA, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
 (Amounts in thousands)
 (Unaudited)

<TABLE>

<CAPTION>

	Thirteen Weeks Ended	
	April 30, 1995	May 1, 1994
	----	----
	<C>	<C>
Cash flows from operating activities:		
Net earnings (loss)	\$ (326)	\$ 1,788
Adjustments to reconcile net earnings (loss) to net cash used in operating activities:		
Depreciation and amortization	3,451	2,820
Amortization of deferred lease incentives	(301)	(257)
Change in allowance for doubtful accounts	19	24
Change in deferred rents	(81)	(81)
Loss on disposal of assets	180	253
Change in:		
Notes and accounts receivable	(941)	(597)
Merchandise inventories	(17,973)	(8,000)
Prepaid catalog expenses	(1,254)	(3,845)
Prepaid expenses and other assets	(1,827)	(1,560)
Accounts payable	(7,832)	(832)
Accrued expenses and other liabilities	1,015	226
Income taxes payable	(9,545)	(8,397)
	-----	-----
Net cash used in operating activities	(35,415)	(18,458)
	-----	-----
Cash flows from investing activities:		
Purchases of property and equipment	(13,163)	(1,718)
Other investments	21	-
Proceeds from sale of property and equipment	796	1
	-----	-----
Net cash used in investing activities	(12,346)	(1,717)
	-----	-----
Cash flows from financing activities:		
Change in cash overdrafts	(5,451)	(731)
Deferred lease incentives	1,625	-
Borrowings under line of credit	51,700	24,400
Repayments under line of credit	(11,700)	(16,000)
Proceeds from long-term debt	-	7,000
Repayment of long-term debt	(32)	(83)
Proceeds from exercise of stock options	35	90
	-----	-----
Net cash provided by financing activities	36,177	14,676
	-----	-----
Net decrease in cash and cash equivalents	(11,584)	(5,499)
Cash and cash equivalents at beginning of period	17,481	10,757
	-----	-----
Cash and cash equivalents at end of period	\$ 5,897	\$ 5,258
	=====	=====

</TABLE>

See Notes to Condensed Consolidated Financial Statements.

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WILLIAMS-SONOMA, INC. AND SUBSIDIARIES
 NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 Thirteen Weeks Ended April 30, 1995 and May 1, 1994

NOTE A. FINANCIAL STATEMENTS - BASIS OF PRESENTATION

The condensed consolidated balance sheets as of April 30, 1995 and May 1, 1994, the condensed consolidated statements of operations for the thirteen week periods ended April 30, 1995 and May 1, 1994, and condensed consolidated statements of cash flows for the thirteen week periods ending April 30, 1995 and May 1, 1994 have been prepared by Williams-Sonoma, Inc., (the Company) without audit. In the opinion of management, the financial statements include all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position for the thirteen weeks then ended. These financial statements include Williams-Sonoma, Inc., and its wholly owned subsidiaries. Significant intercompany transactions and accounts have been eliminated. The balance sheet at January 29, 1995, presented herein, has been prepared from the audited balance sheet of the Company.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been omitted. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report to Shareholders for the fiscal year ended January 29, 1995.

Certain reclassifications have been made to the prior year financial statements to conform to classifications used in the current period.

The results of operations for the thirteen weeks ended April 30, 1995 are not necessarily indicative of the operating results of the full year.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

NET SALES

Net sales consist of the following components (dollars in thousands):

<TABLE>
<CAPTION>

	Thirteen Weeks Ended April 30, 1995	% Total	Thirteen Weeks Ended May 1, 1994	% Total
	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Catalog sales	\$52,965	44.8%	\$43,809	42.6%
Retail sales	65,195	55.2%	56,300	54.7%
California Closet revenue	0	0.0%	2,733	2.7%
	-----	----	-----	----
Total net sales	\$118,160	100.0%	\$102,842	100.0%
	=====	=====	=====	=====

</TABLE>

Net sales for Williams-Sonoma, Inc. and its subsidiaries ("the Company") for the thirteen weeks ended April 30, 1995 ("First Quarter of 1995") were \$118,160,000-- a \$15,318,000 increase from the thirteen weeks ended May 1, 1994 ("First Quarter of 1994"). Catalog sales increased 20.9% and retail sales increased 15.8%. The Pottery Barn catalog continues to perform well and was responsible for 64% of the increase in catalog sales in the quarter. Retail sales for the First Quarter of 1995 increased 15.8% over retail sales for the First Quarter of 1994 while comparable store sales increased 2.3%. Pottery Barn, with 26% of the store locations at the end of the First Quarter, accounted for 55% of the retail sales growth. The Company opened 6 new large format stores in the First Quarter of 1995 -- 5 Williams-Sonoma stores and 1 Pottery Barn store -- and closed 1 Hold Everything store. In August 1994 the Company sold California Closet Company, Inc., a wholly-owned subsidiary which marketed custom home closet systems.

COST OF GOODS SOLD AND OCCUPANCY

Cost of goods sold and occupancy expense for the First Quarter of 1995 increased as a percentage of net sales to 62.4% from 61.7%. Higher cost of goods sold accounted for .4 percentage points of the .7 percentage point increase.

SELLING, GENERAL AND ADMINISTRATIVE

Selling, and general and administrative costs increased as a percentage of net sales by 2.6 percentage points-- from 35.1% to 37.7%. Higher advertising and customer service expenses were principally responsible for the increase. The

Company attributes most of the increase in customer service expense to higher costs associated with operating existing service and distribution facilities above their optimum capacity. The Company is presently expanding its customer service and distribution facilities to increase their total capacity and improve operating efficiency. The Company expects to complete this expansion during the fall of 1995.

INTEREST EXPENSE

Interest expense in the First Quarter of 1995 increased \$187,000 over that of the First Quarter of 1994 due to increased bank line borrowing used to support planned growth. The Company's effective interest rate on short-term borrowings was 7.7% for the First Quarter of 1995 and 6.7% for the First Quarter of 1994.

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INCOME TAXES

The Company's effective tax rate was 42% for the First Quarter of 1994 and 41.5% for the First Quarter of 1995. The decrease is due to a lower aggregate state tax rate based on the mix of retail sales and catalog sales in the various states where the Company has sales or conducts business.

LIQUIDITY AND CAPITAL RESOURCES

The Company had \$42,720,000 of working capital at April 30, 1995 compared to \$50,877,000 at May 1, 1994. The decrease is attributable primarily to increased borrowings under the Company's line of credit for store construction and expansion. The Company believes that additional long-term working capital is required to continue with its planned store construction and expansion and is pursuing several alternatives.

Net cash used in operating activities in the First Quarter of 1995 was \$35,415,000 -- a \$16,957,000 increase over the \$18,458,000 used in the First Quarter of 1994. This change was primarily due to increased merchandise inventories and payments to vendors. The increase in merchandise inventories is principally attributable to the new store expansion program.

Net cash used in investing activities was \$12,346,000 in the First Quarter of 1995. This was a significant increase over the \$1,717,000 in the First Quarter of 1994. \$10,555,000 was used for store, distribution center and office expansion and \$1,970,000 for new systems. The Company plans to open 35 stores in 1995 which will increase the store selling area by approximately 35%.

Net cash provided by financing activities increased from \$14,676,000 in the First Quarter of 1994 to \$36,177,000 in the First Quarter of 1995. The Company used borrowings under its line of credit and landlord lease incentives to fund infrastructure and new store investment.

SEASONALITY

The Company's business is subject to substantial seasonal variations in demand. Historically, a significant portion of the Company's sales and net income have been realized during the period from October through December, and levels of net sales and net income have generally been significantly lower during the period from February through July. The Company believes this is the general pattern associated with the mail order and retail industries. In anticipation of its peak season, the Company hires a substantial number of additional employees in its retail stores and mail order processing and distribution areas, and incurs significant fixed catalog production and mailing costs.

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WILLIAMS-SONOMA, INC. AND SUBSIDIARIES
FORM 10-Q
PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

There are no material pending legal proceedings against the Company. The Company is, however, involved in routine litigation arising in the ordinary course of its business, and, while the results of the proceedings cannot be predicted with certainty, the Company believes that the final outcome of such matters will not have a materially adverse effect on the Company's consolidated financial position or results of operations.

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

- (a) The Company's Annual Meeting of Shareholders was held on May 24, 1995.
- (b) At the Company's 1995 Annual Meeting of Shareholders, the shareholders took the following actions:
 - (I) Each of the following persons was re-elected by the vote indicated to serve as a director of the Company until the next Annual Meeting of Shareholders or until his successor is elected and qualified:

<TABLE>
<CAPTION>

Name ----	For ---	Against -----	Withheld -----
<S>	<C>	<C>	<C>
Charles E. Williams	22,283,993	8,460	188,207
W. Howard Lester	22,288,368	4,085	183,832
James A. McMahan	22,284,835	7,618	187,365
Nathan Bessin	22,288,950	3,503	183,250
Patrick J. Connolly	22,288,568	3,885	183,632
Gary G. Friedman	22,288,671	3,782	183,529
F. Warren Hellman	21,884,718	407,735	587,482
James M. Berry	22,275,528	16,925	196,672
Millard S. Drexler	21,871,851	420,602	600,349
John E. Martin	21,872,280	420,173	599,920

</TABLE>

- (ii) A proposal was approved to amend the Company's Articles of Incorporation to add a par value of \$.01 per share of common stock and preferred stock.

<TABLE>
<CAPTION>

	For ---	Against -----	Withheld -----
<S>	<C>	<C>	<C>
	22,225,673	29,639	24,656

</TABLE>

- (iii) A proposal was approved to amend the Company's 1993 Stock Option Plan to increase the size of the stock options awarded annually to non-employee directors upon their re-election from 2,250 shares of common stock to 5,250 shares of common stock.

<TABLE>
<CAPTION>

	For ---	Against -----	Withheld -----
<S>	<C>	<C>	<C>
	20,624,869	1,547,343	299,988

</TABLE>

- (iv) A proposal was approved to ratify the selection of Deloitte & Touche LLP as the independent accountants for the Company's fiscal year ending January 28, 1996.

<TABLE>
<CAPTION>

	For ---	Against -----	Withheld -----
<S>	<C>	<C>	<C>
	22,448,188	13,314	10,698

</TABLE>

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

- (a) Exhibits

<TABLE>
<CAPTION>

Exhibit Number -----	Exhibit Description -----
<S>	<C>
10.	Material Contracts
10.1	1983 Incentive Stock Option Plan and Form of Agreement (incorporated

by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-1, as filed with the Commission on May 25, 1983)

- 10.1A 1976 Stock Option Plan and Form of Agreement as amended (incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 1993, as filed with the Commission on May 3, 1993)
- 10.1B 1993 Stock Option Plan approved by the Shareholders at the 1993 Annual Meeting (incorporated by reference to Exhibit 10.22 to the Company's Report on Form 10-Q for the period ended May 2, 1993 as filed with the Commission on June 16, 1993)
- 10.2 Warehouse - distribution facility lease dated July 1, 1983 between the Lester-McMahan Partnership as lessor and the Company as lessee (incorporated by reference to Exhibit 10.28 to the Company's Report on Form 10-Q for the period ended September 30, 1983, as filed with the Commission on October 14, 1983)
- 10.2A The Amendment, dated December 1, 1985, to the lease for the distribution center, dated July 1, 1983 between the Company as lessee and the Lester McMahan Partnership as lessor (incorporated by reference to Exhibit 10.48 to the Company's Report on Form 10-K for the fiscal year ended February 3, 1985, as filed with the Commission on April 26, 1985)
- 10.2B The Sublease, dated as of August 1, 1990, by and between Hewson-Memphis Partners and the Company (incorporated by reference to Exhibit 10 to the Company's Report on Form 10-Q for the period ended October 28, 1990, as filed with the Commission on December 12, 1990)
- 10.2C Second Amendment to Lease between the Company and The Lester-McMahan Partnership, dated December 1, 1993 (incorporated by reference to Exhibit 10.27 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1994 as filed with the Commission on April 29, 1994)
- 10.2D Second Amendment to Sublease between the Company and Hewson-Memphis Partners, dated September 1, 1994 (incorporated by reference to Exhibit 10.38 to the Company's Report on Form 10-Q for the period ended October 30, 1994 as filed with the Commission on December 13, 1994)

</TABLE>

10

<TABLE>

<S> <C>

- 10.3 The lease for the Company's Corporate Offices at 100 North Point Street, San Francisco, California dated January 13, 1986, between the Company as lessee and Northpoint Investors as lessor (incorporated by reference to Exhibit 10.49 to the Company's Report on Form 10-K for the year ended February 3, 1985, as filed with the Commission on April 26, 1985)
- 10.4 Joint Venture Agreement and Trade Name and Trade Mark Licensing Agreement, dated May 3, 1988 between the Company and Tokyu Department Store Co., Ltd. (incorporated by reference to Exhibit 10.1 to the Company's Report on Form 10-Q for the period ended July 31, 1988, as filed with the Commission on September 15, 1988)
- 10.4A Stock Purchase Agreement dated as of May 15, 1989, by and between the Company and Tokyu Department Store Co., Ltd. (incorporated by reference to Exhibit 4.1 to the Company's registration statement on Form S-2 filed with the Commission on June 28, 1990 as amended by amendment Number 1 on Form S-2 filed with the Commission on July 17, 1990)
- 10.5 Williams-Sonoma, Inc. Employee Profit Sharing and Stock Incentive Plan effective as of February 1, 1989 (incorporated by reference to Exhibit 4.2 of the Company's Form S-8 (File No. 33-33693) filed February 22, 1990)
- 10.5A Williams-Sonoma, Inc. Employee Profit Sharing and Stock Incentive Plan Trust Agreement, dated September 20, 1989 (incorporated by reference to Exhibit 4.2 of the Company's Form S-8 (File No. 33-33693) filed February 22, 1990)

- 10.5B Amendment Number One to the Williams-Sonoma, Inc. Employee Profit Sharing and Stock Incentive Plan, dated April 27, 1990 (incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 1991, as amended by a Form 8 Amendment to Form 10-K, filed with the Commission on July 26, 1991)
- 10.5C Amendment Number Two to the Williams-Sonoma, Inc. Employee Profit Sharing and Stock Incentive Plan, dated December 12, 1990 (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 1991, as amended by a Form 8 Amendment to Form 10-K, filed with the Commission on July 26, 1991)
- 10.5D Amendment Number Three to the Williams-Sonoma, Inc. Employee Profit Sharing and Stock Incentive Plan, dated March 10, 1992 (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K for the fiscal year ended January 31, 1993 as filed with the Commission on May 3, 1993)

</TABLE>

11
<TABLE>
<S>

<C>

- 10.5E Amendment Number Four to the Williams-Sonoma, Inc. Employee Profit Sharing and Stock Incentive Plan, dated June 9, 1993 (incorporated by reference to Exhibit 10.24 to the Company's Report on Form 10-Q for the period ended May 2, 1993 as filed with the Commission on June 16, 1993)
- 10.6 Indemnity Agreement by the Company in favor of Bank of America, NT & SA, dated December 1, 1993 (incorporated by reference to Exhibit 10.28 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1994 as filed with the Commission on April 29, 1994)
- 10.6A Standing Loan Agreement and Deed of Trust between the Company and Bank of America, NT & SA, dated March 9, 1994 (incorporated by reference to Exhibit 10.31 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1994 as filed with the Commission on April 29, 1994)
- 10.6B Master Agreement between the Company and Bank of America, NT & SA, dated March 30, 1994 (incorporated by reference to Exhibit 10.33 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1994 as filed with the Commission on April 29, 1994)
- 10.6C Amended and Restated Credit Agreement between the Company and Bank of America, NT & SA, dated October 13, 1994 (incorporated by reference to Exhibit 10.27 to the Company's Report on Form 10-Q for the period ended October 30, 1994 as filed with the Commission on December 13, 1994)
- 10.7 Purchase and Sale Agreement between the Company and Bancroft-Whitney, a division of Thomson Legal Publishing, Inc., dated December 14, 1993 (incorporated by reference to Exhibit 10.29 to the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 1994 as filed with the Commission on April 29, 1994)
- 10.8 Stock Purchase agreement between the Company and Bill Levine, dated August 12, 1994. (incorporated by reference to Exhibit 10.36 to Company's Report on Form 10-Q for period ended July 31, 1994 as filed with the Commission on September 13, 1994)

11 Statement re computation of per share earnings.

27 Financial Data Schedule

</TABLE>

(b) There have been no reports on Form 8-K filed during the quarter for which this report on Form 10-Q is being filed.

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

WILLIAMS-SONOMA, INC.

By: /s/Russell Solt

 Russell Solt
 Senior Vice President
 Principal Financial Officer
 Principal Accounting Officer

Dated: June 12, 1995

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EXHIBIT INDEX

Exhibit 11 Statement Re Computation of Per Share Earnings

Exhibit 27 Financial Data Schedule

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EXHIBIT 11

STATEMENT RE COMPUTATION OF PER SHARE EARNINGS

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EXHIBIT 11.1: COMPUTATION OF EARNINGS PER SHARE

<TABLE>
 <CAPTION>

	Thirteen Weeks Ended	
	April 30, 1995	May 1, 1994
	----	----
<S>	<C>	<C>
Net earnings (loss)	\$ (326,200)	\$1,788,300
Average shares of common stock outstanding during the period	25,342,842	25,096,457
Incremental shares from assumed exercise of stock options (primary)	838,096	968,916
	-----	-----
	26,180,936	26,065,373
	-----	-----
Primary earnings (loss) per share	\$ (0.01)	\$0.07
	=====	=====
Average shares of common stock outstanding during the period	25,342,842	25,096,457
Incremental shares from assumed exercise of stock options (fully diluted)	838,096	1,014,081
	-----	-----
	26,180,938	26,110,538
	-----	-----

Fully diluted earnings (loss) per
share

\$ (0.01)
=====

\$0.07
=====

</TABLE>

Note: 1994 amounts are adjusted to reflect the 3-for-2 stock split in
September 1994.

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EXHIBIT INDEX

Ex. 27 Financial Data Schedule

<TABLE> <S> <C>

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S FINANCIAL STATEMENTS FOR THE THIRTEEN WEEKS ENDED APRIL 30, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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