

Target Corporation: The Canadian Decision

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- First communicated crisis through media outlets.
- Canadian market was not receiving the "Target experience"
- *unforeseeable, but not... unexpected*
However on January 17, 2015, we announced that we would be closing all of our stores.

Target enters the Canadian Market
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Thank You!

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About our firm

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- Target Corporation is an American retailing company
- Founded in 1902 and headquartered in Minneapolis, Minnesota.
- It is the second-largest discount retailer in the United States operating 1,934 stores across the United States
- The company is ranked 36th on the Fortune 500 as of 2013.

Target enters the Canadian Market!

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- In 2013, we purchased 129 *Zellers* stores and upgraded them into introducing our new Target stores across Canada.
- By 2015, we had 133 stores in Canada and approximately 17600 employees.

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Target Canada Co. is the Canadian subsidiary of United States-based discount department store chain Target Corporation, it was formed in 2011 to oversee the company's Canadian operations.

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Reasons for closure

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- We carefully considered our Canadian performance and the company would not have reached profitability in Canada until 2021.
- Since the winter sales did not reach our expectations we have decided to cease operations.
- We did not have any pre crisis safeguarding option, however, Target Canada was always motivated to create a deeper relation our guests.



It was a very difficult decision, but it was the right decision for our company!

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- A large number of 17,600 employees have been laid off.
- The company has set up a \$70-million trust fund to cover the employees' severance packages .
- Ensuring that our employees received the right compensation as they are still required to work during the liquidation process.