

**Nimble JD Sports leaves M&S standing in the race for a Footsie listing**

It’s a high street that encapsulates the tale of two retailers. On the Holloway Road in north London, Marks & Spencer will [shut up shop](https://www.theguardian.com/business/2018/may/22/marks-spencer-close-stores) on Saturday after 105 years as part of the local community.

Just a few days before the doors close for the final time, the company, which joined the stock market in 1926, could be turfed out of the FTSE 100 index of leading companies for the first time since the blue-chip index was set up in 1984.

Just a short walk from the M&S front door is a small JD Sports shop. On Thursday it was busy with shoppers of all ages, many of whom emerged with one of the shop’s distinctive brightly coloured bags over their shoulder. JD is set to join the FTSE 100 for the first time, potentially jumping into the spot vacated by its older, and ailing, rival.

The M&S share price has halved in the last five years. It now has a stockmarket value of just £4.4bn, about £1.6bn less than that of its much young rival [JD Sports Fashion](https://www.theguardian.com/business/jd-sports).

**M&S must hope Ocado will turn its food problems into trifles**

Shane Hickey

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After bumper growth at home and a [number of acquisitions](https://www.theguardian.com/business/2019/mar/18/jd-sports-buy-footasylum-stores) that have turned JD into a worldwide business, the sportswear group has more than tripled its sales in the past five years to £4.7bn. Its profits are [up three and a half times](https://www.theguardian.com/business/2019/apr/16/jd-sports-bucks-the-retail-trend-and-runs-up-a-record-annual-profit) to £355m.

Sales at M&S last year were more than £10bn, but last month it reported profits down 62% to £67m after a £500m bill for restructuring that included more than £300m to pay for closures such as Holloway Road.

JD’s executive chairman, Peter Cowgill, has been awarded [a controversial £6m cash bonus](https://www.theguardian.com/business/2019/may/30/jd-sports-chairman-awarded-6m-cash-bonus-over-four-years) for what the company called an “outstanding performance”. JD has been riding the crest of a fashion wave driven by a shift towards casual dressing across generations and in the workplace as well as in the pub and at home.

Shopper Patricia Tofes says of M&S: ‘I think it’s a bit expensive for the food. The clothing is not my style.’ Photograph: Linda Nylind/The Guardian

Consumer spending on sports and outdoor fashion has risen by nearly 50% since 2013 to an estimated £7.6bn, according to market research firm Mintel. That’s partly down to the athleisure trend where taking part in sporty activities, or at least dressing like you might take part in them, has become highly fashionable.

Trainers, once the preserve of runners and teens, are now commonplace in many offices, and women are as likely as their male peers to own an array of sports shoes for different occasions. “The trainer has become a big fashion item. Women have trainer wardrobes and there is a section that are following product drops and limited editions in the way men have done for years,” says Lorna Hall, director of retail at trends insight firm WGSN.

Founded in 1981 by [John Wardle and David Makin](https://www.theguardian.com/business/2005/may/12/7) – the J and D behind the name – with a single store in Bury, the retailer has been well placed to capitalise on that shift as it has had big brand trainers at its core from day one.

The self-styled “king of trainers” is completely at home with the labels that are currently sought after, because the trend has its origins in the 1980s and 1990s, when JD grew up. “It has the history and heritage to be credible,” says Hall.

Meanwhile men, who make up the majority of JD’s shoppers, have become much more interested in fashion – with the UK market for menswear booming by 30% since 2013 to an expected £16.1bn this year, according to Mintel.

Its understanding of fashion and focus on small snappy stores have helped it fend off the might of Mike Ashley’s Sports Direct, which has rubbed many rivals into the dust with its mix of discounted big brands and cheap own-labels.

Strong relationships with the big labels, where Sports Direct has a more troubled history, have ensured JD gets the latest releases and exclusives on trainers and other sportswear.

<https://www.theguardian.com/business/2019/jun/01/jd-sports-marks-and-spencer-ftse-100>