

VALUE CITY DEPARTMENT STORES INC /OH
Form 424B1
June 12, 2001

1

FILED PURSUANT TO 424 (b) (1)

REGISTRATION NO. 333-61496

PROSPECTUS

JUNE 8, 2001

187,000 SHARES

VALUE CITY DEPARTMENT STORES, INC.
3241 WESTERVILLE ROAD
COLUMBUS, OHIO 43224
(614) 471-4722

COMMON STOCK

This prospectus relates to the sale of 187,000 shares of our common stock owned by one of our shareholders which we are registering on its behalf. This shareholder or its transferees may sell the shares through agents, broker-dealers or underwriters, and on terms determined at the time of sale. To the extent required, we will provide you with a supplement to this prospectus with specific information regarding:

- o the shares to be sold;
- o the public offering price; and
- o the names of any agent, broker-dealer, or underwriter through which these shares are sold, and any applicable commission or discount.

The shareholder selling shares under this registration statement reserves the sole right to accept or reject, in whole or in part, any proposed sale of the shares.

We will not receive any proceeds from the sale of shares under this registration statement. All proceeds will go directly to the selling shareholder.

Our common stock is listed on the New York Stock Exchange under the symbol "VCD." On June 7, 2001, the closing price per share of our common stock on the New York Stock Exchange was \$10.04.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES

Edgar Filing: VALUE CITY DEPARTMENT STORES INC /OH - Form 424B1

COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is June 8, 2001.

2

TABLE OF CONTENTS

Available Information.....	3
Information Incorporated by Reference.....	3
The Company.....	4
Use of Proceeds.....	4
Selling Shareholder.....	4
Plan of Distribution.....	4
Experts.....	5
Legal Opinion.....	5

Unless otherwise specified, the information in this prospectus is set forth as of June 8, 2001, and we anticipate that changes will occur in our affairs after such date. We have not authorized any person to give any information or to make any representations, other than as contained in this prospectus, in connection with the offer contained in this prospectus. If any person gives you any information or makes representations in connection with this offer, do not rely on it as information that we have authorized. This prospectus is not an offer to sell our common stock in any state or other jurisdiction to any person to whom it is unlawful to make such an offer.

-2-

3

AVAILABLE INFORMATION

Edgar Filing: VALUE CITY DEPARTMENT STORES INC /OH - Form 424B1

We must comply with the informational requirements of the Securities Exchange Act of 1934 and its rules and regulations. Under the Exchange Act, we must file reports, proxy statements, and other information with the Securities and Exchange Commission. Copies of these reports, proxy statements, and other information can be inspected and copied at:

Public Reference Room
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

or at the public reference facilities of the regional offices of the Commission at:

500 West Madison Street
Suite 1400
Chicago, Illinois 60661-2511

or at:

7 World Trade Center
Suite 1300
New York, New York 10048-1102

You may obtain information on the operation of the Public Conference Room by calling the Commission at 1-800-SEC-0330. You may also obtain copies of our materials by mail at prescribed rates from:

Public Reference Section
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0004

Finally, you may obtain these materials electronically by accessing the Commission's home page on the Internet at:

<http://www.sec.gov>

Our common stock is listed on the New York Stock Exchange. Therefore, reports and other information concerning us should be available for inspection and copying at:

The New York Stock Exchange
20 Broad Street - 17th Floor
New York, New York 10005

Under the Securities Act of 1933, we have filed with the Commission a registration statement on Form S-3 regarding the shares offered by this prospectus. This prospectus does not contain all of the information contained in the Form S-3 registration statement, some portions of which we have omitted pursuant to Commission's rules and regulations.

We will promptly provide you, without charge, a copy of any and all of the information that we have incorporated by reference in this prospectus upon your written or oral request to:

Value City Department Stores, Inc.
Attention: James A. McGrady
3241 Westerville Road
Columbus, Ohio 43224
(614) 478-2300

Edgar Filing: VALUE CITY DEPARTMENT STORES INC /OH - Form 424B1

Statements contained in this prospectus, or in any document which we incorporate by reference in this prospectus, that deal with the terms of any contract or other document are not necessarily complete. In each such instance we refer you to the copy of such contract or other document filed as an exhibit to the registration statement or other document. You may inspect and copy the registration statement and attached exhibits at:

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington D.C. 20549

You may also access these materials electronically by means of the Commission's home page on the Internet at <http://www.sec.gov>.

INFORMATION INCORPORATED BY REFERENCE

The Commission allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to other documents. The information we incorporate by reference is an important part of this prospectus, and later information that we file with the Commission automatically will update and supersede this information.

-3-

4

We incorporate by reference into this prospectus the following documents and information filed with the Commission:

- o Annual Report on Form 10-K for the fiscal year ended February 3, 2001, filed May 4, 2001, as amended on June 4, 2001; and
- o Current Report on Form 8-K dated January 4, 2001.

In addition, we incorporate by reference the description of our common stock contained in our Form 8-A, filed with the Commission on April 29, 1991, under Section 12 of the Exchange Act, as updated in any amendment or report filed for such purpose.

Finally, we incorporate by reference any future filings that we make with the Commission under Sections 13(a), 13(c), 14, or 15(d) of the Exchange Act after the date of this prospectus and before the filing of a post-effective amendment (which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold). Such documents are a part of this prospectus from the date of its filing.

THE COMPANY

We currently operate a chain of 119 department stores located in Ohio, Pennsylvania and 13 other midwestern, eastern, and southern states, principally under the name "Value City," as well as 82 DSW shoe stores located throughout the United States. For over 80 years, our strategy has been to provide exceptional value by offering a broad selection of brand name merchandise at prices substantially below conventional retail prices.

The department stores carry men's, women's and children's apparel, housewares, giftware, home furnishings, toys, sporting goods, jewelry, shoes and

Edgar Filing: VALUE CITY DEPARTMENT STORES INC /OH - Form 424B1

health and beauty care, with apparel comprising over 60% of total sales. The Value City stores average 87,000 square feet, which allow them to offer over 100,000 different items of merchandise similar to the items found in traditional department, specialty and discount stores.

Our DSW stores offer a similar concept of off-price, brand name shoes. These stores average 25,000 square feet with up to 45,000 pairs of women's and men's designer brand shoes and athletic footwear per store.

Our Filene's Basement stores average 27,000 square feet and specialize in high-end brand name merchandise of men's and women's apparel, accessories and home goods.

Our pricing strategy is supported by our ability to purchase large quantities of goods in a variety of special buying opportunities. For many years, we have also had a reputation in the marketplace as a leading purchaser of buy-outs and manufacturers' closeouts.

USE OF PROCEEDS

The proceeds from the sale of the shares offered by this prospectus are solely for the shareholder who currently owns and is selling the shares. We will not receive any of the proceeds from the sale of these shares.

SELLING SHAREHOLDER

The following table contains information regarding the beneficial ownership of the selling shareholder as of June 8, 2001.

	Shares owned before the offering	Shares being offered	Shares owned after the offering
El An Foundation	187,000	187,000	0

El An Foundation, a private charitable foundation, will acquire its shares of our common stock from Schottenstein Stores Corporation as a charitable contribution on the effective date of this registration statement. This registration covers the sales of our shares by El An Foundation and/or its transferees.

Jay Schottenstein, our Chairman, and Saul Schottenstein, our Vice Chairman, and members of their families are the trustees and officers of El An Foundation. After El An Foundation sells the shares of common stock covered by this prospectus, it will not own any shares of our common stock.

-4-

5

PLAN OF DISTRIBUTION

The shares covered by this prospectus may be offered and sold from time to time by the selling shareholder or by its pledgees, donees, transferees, and other successors in interest. The selling shareholder will act independently of us in making decisions with respect to the timing, manner, and size of each

Edgar Filing: VALUE CITY DEPARTMENT STORES INC /OH - Form 424B1

sale. To our knowledge, the selling shareholder has not entered into any agreement, arrangement, or understanding with any particular broker or market maker that will participate in the offering.

The selling shareholder may sell shares in any of the following transactions:

- o through broker-dealers;
- o through agents; or
- o directly to one or more purchasers.

From time to time, the selling shareholder may sell its shares in one or more transactions in the over-the-counter market, on the New York Stock Exchange, or in privately negotiated transactions at market prices prevailing at the time of sale, at prices related to such prevailing market prices, or at negotiated prices. In addition, any shares covered by this prospectus which qualify for sale under Rule 144 of the Securities Act may be sold under Rule 144 rather than under this prospectus.

Regarding the distribution of the shares or otherwise, the selling shareholder may do the following:

- o Enter into hedging transactions with broker-dealers. In connection with such transactions, broker-dealers may engage in short sales of the shares registered under this prospectus in the course of hedging the positions they assume with the selling shareholder.
- o Sell shares short and redeliver the shares to close out such short positions.
- o Enter into option or other transactions with broker-dealers which require the selling shareholder to deliver the shares registered by this registration statement to the broker-dealer, so that the broker-dealer may resell or otherwise transfer the shares under this prospectus.
- o Loan or pledge the shares registered under this registration statement to a broker-dealer, who in turn may: (1) sell the shares so loaned; or (2) upon a default, sell the shares so pledged, under this prospectus.

When the selling shareholder offer its shares, to the extent required, we will provide you with a prospectus supplement detailing:

- o the aggregate number of shares being offered;
- o the terms of the offering, including the name or names of any underwriters, broker-dealers, or agents;
- o any commissions, discounts, or concessions and other items constituting compensation from the selling shareholder; and
- o any commissions, discounts, or concessions allowed or repaid to broker-dealers.

EXPERTS

The financial statements as of February 3, 2001, January 29, 2000, January 30, 1999, August 1, 1998, and August 2, 1997, and for the Transition Period from August 2, 1998, through January 30, 1999, and the year ended August 1, 1998, and the related financial statement schedules incorporated in this prospectus and

Edgar Filing: VALUE CITY DEPARTMENT STORES INC /OH - Form 424B1

registration statement by reference from the Company's Annual Report on Form 10-K for the fiscal year ended February 3, 2001, and from the Company's Transitional Report on Form 10-K for the fiscal year ended January 29, 2000, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and have been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

LEGAL OPINION

Porter, Wright, Morris & Arthur LLP (Columbus, Ohio) has passed upon the validity of the shares of common stock offered by this prospectus.