

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 19, 1999

VENATOR GROUP, INC.

(Exact name of registrant as specified in its charter)

New York ----- (State or other jurisdiction of incorporation)	No. 1-10299 ----- (Commission File Number)	13-3513936 ----- (IRS Employer Identification No.)
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233 Broadway, New York, New York ----- (Address of principal executive offices)	10279-0003 ----- (Zip Code)
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Registrant's telephone number, including area code: (212) 553-2000

Item 5. Other Events.

On May 19, 1999, the Registrant reported earnings for the first quarter ended May 1, 1999. (See Exhibit 99, which, in its entirety, is incorporated herein by reference.)

Item 7. Financial Statements and Exhibits.

(c) Exhibits

In accordance with the provisions of Item 601 of Regulation S-K, an index of exhibits is included in this Form 8-K on page 3.

SIGNATURES

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

VENATOR GROUP, INC.

(Registrant)

Date: May 20, 1999

By: /s/ BRUCE L. HARTMAN

Bruce L. Hartman
Senior Vice President and
Chief Financial Officer

VENATOR GROUP, INC.

INDEX OF EXHIBITS
FURNISHED IN ACCORDANCE
WITH THE PROVISIONS OF
ITEM 601 OF REGULATION S-K

Exhibit No. in Item 601
of Regulation S-K

Description

99

News Release dated May 19, 1999

NEWS RELEASE

CONTACT: Juris Pagrabs
Vice President, Investor Relations
Venator Group, Inc.
(212) 553-7017

VENATOR GROUP REPORTS FIRST QUARTER RESULTS

NEW YORK, New York, May 19, 1999 (Venator Group, Inc. (NYSE: Z) today reported a net loss of \$11 million, or \$0.08 per share, for the 13-weeks ended May 1, 1999. This compares to a net loss of \$5 million, or \$0.04 per share, for the same period a year ago, which included a \$13 million, or \$0.10 per share, loss from discontinued operations. Sales for the quarter rose 2.0 percent to \$1,079 million from \$1,058 million in the year-earlier period, reflecting flat comparable-store sales for the period. Excluding the effect of foreign currency fluctuations and sales from disposed operations, sales increased 2.7 percent for the period.

"We are pleased with the progress we have made with our corporate-wide sales initiatives, particularly at Foot Locker Worldwide, our largest division, which achieved stronger athletic footwear sales, primarily in the running category," stated Roger Farah, Venator Group's Chairman and Chief Executive Officer. "Exciting, exclusive and proprietary product, such as our highly successful Tuned Air initiative, continues to differentiate us in what, we believe, is an improving, but competitive, athletic footwear market. Our selection of high-end performance footwear, together with a more focused merchandise assortment, improvements in our in-stock position and an enhanced selection of value product offerings, are strategies that we expect will continue to drive top line sales opportunities in the important second half of the year."

"Several of our non-athletic specialty divisions, particularly Afterthoughts, showed improvement in quarterly operating results compared to a year ago, reflecting the momentum of our merchandising and new store and remodeling initiatives," said Mr. Farah. "Sales performance at remodeled and relocated stores continues to be very encouraging. Comparable-store sales for remodeled and relocated stores opened during 1998 through the first quarter of 1999 are up 15.2 percent at Foot Locker U.S., 8.7 percent at Lady Foot Locker, 22.1 percent at Kids Foot Locker, 32.2 percent at Foot Locker International and 55.7 percent at Afterthoughts."

During the quarter the Company made important management changes to strengthen two of its key divisions. Rick Mina, formerly the President of Foot Locker Europe, was named President and Chief Executive Officer of Champs Sports. Simon Rider, who was previously Foot Locker Europe's Chief Operating Officer, became its President. Jim Harrington, formerly the President and Managing Director of Venator Group Australia Limited, was appointed President and Chief Executive Officer of Venator Group Canada Inc., which includes the Northern Group of apparel stores. Rowan Webb, previously Australia's General Manager, became its President and Managing Director. "We are pleased to have the depth in management to allow us to promote from within the Company and to have executives of this caliber and leadership to step up and take on the challenge of renewing our execution and merchandising focus at these very significant businesses," continued Mr. Farah.

Gross margins, as a percentage of sales, declined 260 basis points to 26.7 percent for the quarter, reflecting primarily increased occupancy costs relating to new real estate compared to last year. Excluding occupancy costs, gross margins on merchandise sold during the quarter showed an improvement towards historical levels, reflecting significantly less markdown activity at all operating divisions other than the Northern Group.

Merchandise inventories were on plan, essentially unchanged at \$889 million (at cost) compared to the prior period, reflecting a 16 percent decrease in inventories per square foot. As the Company moves into the summer and fall seasons, it expects aggregate inventories to be below last year's reported levels.

Selling, general and administrative expenses, as a percentage of sales, decreased 180 basis points to 23.8% for the period, reflecting continued tight cost controls at both the corporate and divisional levels. As previously announced, the Company expects to reduce its corporate and divisional operating expenses by a minimum of \$100 million in 1999 and cut its corporate costs to one percent of sales by 2001.

During the quarter the Company recognized in other income \$5 million of the deferred gain resulting from the 1998 sale and lease-back of its former corporate headquarters building. This compares to other income of \$19 million recorded in the same period a year ago, which resulted from the sale of its former six-store nursery chain.

The Company's \$175 million capital expenditure program for 1999, which includes approximately 200 new stores and 150 store remodels, as well as the closing of 175 stores, remains on target. During the first quarter, the Company opened 56 stores, remodeled 61 stores and closed 109 stores. Venator Group ended the quarter with 5,949 stores in 15 countries in North America, Europe, Australia, and Asia.

Disclosure Regarding Forward-Looking Statements

This press release contains forward-looking statements, which reflect management's current views of future events and financial performance. These forward-looking statements are based on many assumptions and factors including the effects of currency fluctuations, consumer preferences, economic conditions world-wide and other factors detailed in the Company's filings with the Securities and Exchange Commission. Any changes in such assumptions or factors could produce significantly different results.

VENATOR GROUP, INC.

Consolidated Statements of Operations
(In millions, except per share amounts)

(unaudited)	13-Weeks Ended	
	May 1, 1999	May 2, 1998
Sales	\$1,079	\$1,058
Costs and expenses:		
Cost of sales	791	748
Selling, general and administrative expenses	257	271
Depreciation and amortization	45	34
Interest expense	11	10
Other income	(6)	(19)
	-----	-----
	1,098	1,044
	-----	-----
Income (loss) from continuing operations before income taxes	(19)	14
Income tax expense (benefit)	(8)	6
	-----	-----
Income (loss) from continuing operations	(11)	8
Loss from discontinued operations, net of tax benefit of \$9 million	--	(13)
	-----	-----
Net loss	\$ (11)	\$ (5)
	=====	=====
Diluted Earnings Per Share:		
Income (loss) from continuing operations	\$ (0.08)	\$ 0.06
Loss from discontinued operations	--	(0.10)
	-----	-----
Net loss	\$ (0.08)	\$(0.04)
	=====	=====
Weighted-average common shares outstanding assuming dilution	136.7	136.4

VENATOR GROUP, INC.
 Supplemental Information
 (In millions)

	13-Weeks Ended	
(unaudited)	May 1, 1999	May 2, 1998
Sales by segment		
Global Athletic Group	\$ 931	\$ 907
Northern Group	69	74
All Other	79	73
	-----	-----
	1,079	1,054
Disposed operations	--	4
	-----	-----
	\$1,079	\$1,058
	=====	=====
Operating results by segment		
Global Athletic Group	\$ 19	\$ 46
Northern Group	(16)	(9)
All Other	1	(6)
	-----	-----
	4	31
Disposed operations	(1)	18
	-----	-----
	\$ 3	\$ 49
	=====	=====

VENATOR GROUP, INC.

Condensed Consolidated Balance Sheets
(In millions)

(unaudited)	May 1, 1999 -----	May 2, 1998 -----
Assets		
CURRENT ASSETS		
Cash and cash equivalents	\$ 13	\$ 13
Merchandise inventories	889	880
Net assets of discontinued operations	101	628
Other current assets	210	195
	-----	-----
	1,213	1,716
Property and equipment, net	984	688
Deferred taxes	357	338
Other assets	262	282
	-----	-----
	\$2,816	\$3,024
	=====	=====
Liabilities and Shareholders' Equity		
CURRENT LIABILITIES		
Short-term debt	\$ 274	\$ 253
Accounts payable and accrued liabilities	503	511
Current portion of reserve for discontinued operations	126	52
Current portion of long-term debt and obligations under capital leases	7	19
	-----	-----
	910	835
Long-term debt and obligations under capital leases	513	509
Long-term portion of discontinued reserve	30	18
Other liabilities	328	379
SHAREHOLDERS' EQUITY	1,035	1,283
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	\$2,816	\$3,024
	=====	=====