SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

F O R M 10 - Q

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

For the quarterly period ended May 1, 1999

Commission file no. 1-10299

VENATOR GROUP, INC.
(Exact name of registrant as specified in its charter)

New York	13-3513936
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
233 Broadway, New York, New York	10279-0003
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number: (212) 553-2000

Indicate by check mark 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

Number of shares of Common Stock outstanding at May 28, 1999: 137,198,806

VENATOR GROUP, INC.

TABLE OF CONTENTS

			Page No.
Part I.	Financial Information		
	Item 1.	Financial Statements	
		Condensed Consolidated Balance Sheets	1
		Condensed Consolidated Statements of Operations	2
		Condensed Consolidated Statements of Comprehensive Income (Loss)	3
		Condensed Consolidated Statements of Cash Flows	4
		Notes to Condensed Consolidated Financial Statements	5-7
	Item 2.	Management"s Discussion and Analysis of Financial Condition and Results of Operations	8-14
Part II.	Other Information		
	Item 1.	Legal Proceedings	15
	Item 6.	Exhibits and Reports on Form 8-K	15
		Signature	16
		Index to Exhibits	17-19

PART I - FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions)

	May 1, 1999 (Unaudited)	May 2, 1998 (Unaudited)	January 30, 1999 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents	$ 13	$ 13	$ 193
Merchandise inventories	889	880	837
Net assets of discontinued operations	101	628	97
Other current assets	210	195	148
	1,213	1,716	1,275
Property and equipment, net	984	688	974
Deferred taxes	357	338	358
Intangible assets, net	180	191	183
Other assets	82	91	86
	$ 2,816	$ 3,024	$ 2,876
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term debt	$ 274	$ 253	$ 250
Accounts payable	276	284	245
Accrued liabilities	227	227	296
Current portion of reserve for discontinued operations	126	52	167
Current portion of long-term debt and obligations under capital leases	7	19	6
	910	835	964
Long-term debt and obligations under capital leases	513	509	511
Reserve for discontinued operations	30	18	30
Other liabilities	328	379	333
Shareholders' equity			
Common stock and paid-in capital	332	322	328
Retained earnings	886	1,028	897
Accumulated other comprehensive loss	(183)	(67)	(187)
Total shareholders' equity	1,035	1,283	1,038
	$ 2,816	$ 3,024	$ 2,876

See Accompanying Notes to Condensed Consolidated Financial Statements.

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(in millions, except per share amounts)

	Thirteen 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, net	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 income tax benefit of $9 million in 1998	--	(13)
Net loss	$ (11)	$ (5)
Basic 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	136.7	135.1
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 assuming dilution	136.7	136.4

See Accompanying Notes to Condensed Consolidated Financial Statements.

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(in millions)

	Thirteen weeks ended	
	May 1, 1999	May 2, 1998
Net loss	$(11)	$ (5)
Other comprehensive income, net of tax		
Foreign currency translation adjustments arising during the period, net of deferred tax expense of $3 and $7, respectively	4	12
Comprehensive income (loss)	$ (7)	$ 7

See Accompanying Notes to Condensed Consolidated Financial Statements.

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in millions)

	Thirteen weeks ended	
	May 1, 1999	May 2, 1998
From Operating Activities:		
Net loss	$ (11)	$ (5)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities of continuing operations:		
Loss from discontinued operations, net of tax	--	13
Depreciation and amortization	45	34
Gains on sales of assets and investments	(6)	(19)
Deferred income taxes	(14)	(9)
Change in assets and liabilities, net of acquisition:		
Merchandise inventories	(51)	(117)
Accounts payable and other accruals	(25)	(12)
Other, net	(65)	(77)
Net cash used in operating activities of continuing operations	(127)	(192)
From Investing Activities:		
Proceeds from sales of assets and investments	7	22
Capital expenditures	(54)	(80)
Payments for business acquired, net of cash acquired	--	(29)
Net cash used in investing activities of continuing operations	(47)	(87)
From Financing Activities:		
Increase in short-term debt	24	253
Reduction in long-term debt and capital lease obligations	(2)	--
Issuance of common stock	4	5
Net cash provided by financing activities of continuing operations	26	258
Net Cash used in Discontinued Operations	(29)	(50)
Effect of exchange rate fluctuations on Cash and Cash Equivalents	(3)	3
Net change in Cash and Cash Equivalents	(180)	(68)
Cash and Cash Equivalents at beginning of year	193	81
Cash and Cash Equivalents at end of interim period	$ 13	$ 13
Cash paid during the period:		
Interest	$ 5	$ 2
Income taxes	$ 5	$ 3

See Accompanying Notes to Condensed Consolidated Financial Statements.

VENATOR GROUP, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the Notes to Consolidated Financial Statements contained in the Registrant's Form 10-K for the year ended January 30, 1999, as filed with the Securities and Exchange Commission (the "SEC") on April 30, 1999. Certain items included in these statements are based on management's estimates. In the opinion of management, all material adjustments, which are of a normal recurring nature, necessary for a fair presentation of the results for the interim periods have been included. The results for the thirteen weeks ended May 1, 1999 are not necessarily indicative of the results expected for the year.

Short-Term Debt

On March 19, 1999, the Registrant amended its revolving credit agreement. In accordance with the amended agreement, the facility was reduced to $400 million, with a further reduction to $300 million by February 15, 2000. If certain assets are sold or debt or equity is issued, the revolving credit agreement may be reduced earlier than February 2000 to $350 million. Under the terms of the amended agreement, the Registrant is required to satisfy certain financial and operating covenants, which include: maximum ratio of total debt to earnings before interest, taxes, depreciation and amortization; minimum fixed charge coverage ratio; minimum tangible net worth and limits on capital expenditures. In addition, the Registrant is required to fund the repayment of the $200 million 7.0 percent debentures, which are due in June 2000, by February 15, 2000. This facility is unsecured relating to the Registrant's inventory; however, it does include collateralization of certain properties as defined in the agreement. The amended agreement also restricts consolidations or mergers with third parties, investments and acquisitions, payment of dividends and stock repurchases, and requires borrowings under the agreement to be reduced to not more than $50 million for a period of at least 15 consecutive days during the fourth quarter of each year.

On May 11, 1999, the facility was reduced by $7 million to $393 million, as a result of the sale of certain assets.

Discontinued Operations

In the third quarter of 1998, the Registrant announced that it was exiting its International General Merchandise segment and completed the sale of its 357 store German general merchandise business for $563 million. The Registrant recorded a net gain of $174 million before-tax, or $39 million after-tax. The reserve balance of $40 million at May 1, 1999 represents the costs associated with the disposal of the remaining business of the International General Merchandise segment, which will be completed in 1999.

The Registrant also announced that it was exiting its Specialty Footwear segment in 1998 and recorded a net charge to earnings of $234 million before-tax, or $155 million after-tax for the loss on disposal of the segment. Disposition activity of approximately $30 million charged to the reserve for the period from January 30, 1999 to May 1, 1999 represented the payments for leasehold and real estate disposition expenses, severance and benefit costs and other related expenses. The remaining reserve balance of $91 million at May 1, 1999 primarily includes real estate disposition costs.

In 1997, the Registrant announced that it was exiting its 400 store Domestic General Merchandise segment and recorded a charge to earnings of $310 million before-tax, or $195 million after-tax, for the loss on disposal of discontinued operations. Net disposition activity for the thirteen weeks ended May 1, 1999 was approximately $10 million, which included payments for leasehold and real estate disposition expenses, offset by gains from planned disposals of real estate. The remaining reserve balance of $25 million at May 1, 1999 consists principally of real estate disposition costs.

Prior year financial statements have been restated to present the operating results of these business segments as discontinued operations.

The following is a summary of the net assets of discontinued operations:

(in millions)	May 1, 1999	May 2, 1998	Jan. 30, 1999
International General Merchandise			
Assets	$ 46	$815	$ 47
Liabilities	9	354	11
Net assets of discontinued operations	$ 37	$461	$ 36
Specialty Footwear			
Assets	$ 58	$194	$ 63
Liabilities	8	38	17
Net assets of discontinued operations	$ 50	$156	$ 46
Domestic General Merchandise			
Assets	$ 21	$ 21	$ 23
Liabilities	7	10	8
Net assets of discontinued operations	$ 14	$ 11	$ 15
Total net assets of discontinued operations	$101	$628	$ 97

The assets of the discontinued operations consist primarily of inventory and fixed assets. The liabilities of the International General Merchandise segment at May 2, 1998 predominantly included amounts due to vendors and pension liabilities. The decrease in net assets of International General Merchandise discontinued operations at January 30, 1999 and May 1, 1999 reflects the sale of the German general merchandise operations on October 22, 1998. The liabilities of the Specialty Footwear and Domestic General Merchandise segments primarily reflect amounts due to vendors.

Earnings Per Share

Basic earnings per share is computed as net earnings (loss) divided by the weighted-average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that could occur from common shares issuable through stock-based compensation including stock options, restricted stock awards and other convertible securities.

A reconciliation of weighted-average common shares outstanding to weighted-average common shares assuming dilution follows:

(in millions)	Thirteen weeks ended May 1, 1999	Thirteen weeks ended May 2, 1998
Weighted-average common shares outstanding	136.7	135.1
Incremental common shares issuable		1.3
Weighted-average common shares assuming dilution	136.7	136.4

Incremental common shares were not included in the computation for the quarter ended May 1, 1999 since their inclusion in periods when the Registrant reported a loss from continuing operations would be antidilutive. Antidilutive options were not included in the computation of diluted earnings per share and would not have a material impact on diluted earnings per share.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss was comprised of foreign currency translation adjustments of $140 million, $22 million, and $144 million, and minimum pension liability adjustments of $43 million, $45 million, and $43 million, at May 1, 1999, May 2, 1998, and January 30, 1999, respectively.

Reclassifications

Certain balances in prior periods have been reclassified to conform with the presentation adopted in the current period. As discussed above, all financial statements have been restated to reflect the discontinuance of the Specialty Footwear and International General Merchandise segments in the third quarter of 1998.

Legal Proceedings

The only legal proceedings pending against the Registrant or its consolidated subsidiaries consist of ordinary, routine litigation, including administrative proceedings, incident to the businesses of the Registrant, as well as litigation incident to the sale and disposition of businesses that have occurred in the past several years. Management does not believe that the outcome of such proceedings will have a material effect on the Registrant's consolidated financial position or results of operations.

Recent Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133"), which is effective for fiscal quarters of fiscal years beginning after June 15, 1999. On May 19, 1999, the FASB issued an exposure draft to propose the delay of the effective date for SFAS No. 133 by one year. As a result, the Registrant may not be required to adopt the statement until 2001. SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and hedging activities. It requires that an entity recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. The Registrant is in the process of evaluating SFAS No. 133 to determine its impact on the consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

As discussed more fully in the footnotes to the Condensed Consolidated Financial Statements, the Registrant discontinued its Specialty Footwear and its International General Merchandise segments in the third quarter of 1998. Accordingly, prior year financial statements have been restated to present these business segments as discontinued operations.

RESULTS OF OPERATIONS

Sales of $1,079 million in the first quarter of 1999 increased 2.0 percent from sales of $1,058 million in the first quarter of 1998, reflecting the impact of 143 net additional stores. Comparable-store sales were flat for the quarter. Excluding the effect of foreign currency fluctuations and sales from disposed operations, sales increased 2.7 percent for the first quarter of 1999.

Gross margin declined by 260 basis points to 26.7 percent in the first quarter of 1999 as compared to 29.3 percent in the corresponding prior-year period. This decline principally reflects increased occupancy costs in the Global Athletic Group as a result of 159 net additional stores in the first quarter of 1999 as compared to 1998, and also aggressive markdown activity in the Northern Group in order to position inventories properly.

Selling, general and administrative expenses ("SG&A") of $257 million for the thirteen weeks ended May 1, 1999 declined by 180 basis points to 23.8 percent of sales, as compared with the corresponding prior-year period. The decline reflects the Registrant's successful cost cutting initiatives at both the corporate and divisional levels. Corporate expense, included in SG&A, was reduced to $17 million in the first quarter of 1999, an $8 million decrease from the first quarter of 1998. The Registrant expects to reduce its 1999 corporate and divisional operating expenses by $100 million, compared to 1998, and to further cut corporate costs to one percent of sales by 2001.

Depreciation and amortization increased by $11 million to $45 million for the thirteen weeks ended May 1, 1999. The increase reflects depreciation and amortization of assets included in the 1998 capital expenditure program, which concentrated on new store openings and remodeling of existing facilities, and also included management information systems.

Interest expense, net of interest income, increased $1 million for the first quarter of 1999 as compared with the corresponding prior-year period, reflecting the incremental interest expense attributable to higher interest rates and short-term borrowing levels during 1999, offset by $3 million of interest income related to income tax refunds.

Corporate income, included in other income, totaled $6 million for the first quarter of 1999, which reflects the recognition of $5 million of the deferred gain recorded on the 1998 sale of the corporate headquarters and gains of approximately $1 million related to the disposal of other real estate assets. This compares to other income of $19 million recorded in the first quarter of 1998 for the sale of the Registrant's Garden Centers nursery business.

During the first quarter of 1999, the effective tax rate was increased to 39.0 percent as compared with 37.0 percent for the corresponding prior-year period. The increase reflects the impact of non-deductible items, such as goodwill amortization, at lower earnings levels, as well as higher proportional foreign earnings, which are taxed at higher rates.

The Registrant reported a net loss for the thirteen weeks ended May 1, 1999 of $11 million or $0.08 per diluted share, compared to a net loss of $5 million, or $0.04 per diluted share for the corresponding prior-year period, which includes a $13 million, or $0.10 per share loss from discontinued operations.

STORE COUNT

The following table summarizes store count:

	At Jan. 30, 1999	Opened	Closed	At May 1, 1999	At May 2, 1998
Global Athletic Group	3,925	43	69	3,899	3,740
Northern Group	940	8	9	939	850
All Other	1,137	5	31	1,111	1,216
Total	6,002	56	109	5,949	5,806

Of the 56 stores opened, 15 stores represent the conversion of Kinney and Footquarters stores from the Registrant's discontinued Specialty Footwear segment. During the thirteen weeks ended May 1, 1999, the Registrant remodeled or relocated 61 stores. Additionally, a new athletic outlet chain was launched utilizing 28 Footquarters locations and 51 existing Foot Locker and Champs Sports outlet stores, which are included in the Global Athletic Group.

SALES

The following table summarizes sales by segment and geographic area, after reclassification for disposed operations. Disposed operations represents those businesses sold or closed other than the discontinued segments and are therefore included in continuing operations.

(in millions)	Thirteen weeks ended May 1, 1999	Thirteen weeks ended May 2, 1998
By Segment:		
Global Athletic Group	$ 931	$ 907
Northern Group	69	74
All Other	79	73
Disposed operations	--	4
Total sales	$1,079	$1,058
By Geographic Area:		
United States	$ 929	$ 913
Canada	70	78
Other International	80	63
Disposed operations	--	4
Total sales	$1,079	$1,058

Global Athletic Group sales increased by 2.6 percent for the first quarter of 1999 as compared with the corresponding prior-year period. The increase was primarily attributable to sales from 159 net additional stores, offset by below plan sales performance in the Champs Sports format. Comparable-store sales decreased by 0.3 percent for the quarter, reflecting an improvement over fourth quarter 1998 trends. Sales for the quarter were impacted by continued weak sales of branded and licensed apparel, offset by increased sales in remodeled stores and from high-end performance athletic footwear, primarily running.

Excluding the impact of foreign currency fluctuations, Northern Group sales decreased by 4.9 percent for the first quarter of 1999. The sales from 89 net additional stores in 1999, compared to 1998 was more than offset by a comparable-store sales decline of 9.6 percent for the quarter.

The increase in sales of the All Other category was driven by the continued double-digit growth in the Afterthoughts jewelry format.

OPERATING RESULTS

Operating results reflect income (loss) from continuing operations before income taxes, excluding corporate expense, corporate income and interest expense, net. The following table summarizes operating profit by segment and geographic area, after reclassification for disposed operations.

(in millions)	Thirteen weeks ended May 1, 1999	Thirteen weeks ended May 2, 1998
By Segment:		
Global Athletic Group	$ 19	$ 46
Northern Group	(16)	(9)
All Other	1	(6)
Disposed operations	(1)	18
Total operating profit	$ 3	$ 49
By Geographic Area:		
United States	$ 9	$ 38
Canada	(7)	(6)
Other International	2	(1)
Disposed operations	(1)	18
Total operating profit	$ 3	$ 49

The Global Athletic Group reported an operating profit of $19 million for the thirteen weeks ended May 1, 1999 as compared with $46 million for the prior-year period ended May 2, 1998. This decline principally reflects increased occupancy and other costs associated with the 159 net additional stores as well as the additional depreciation and amortization of remodeled stores in 1999 as compared to 1998. The decline also reflects increased markdowns in most formats, offset, in part, by reduced promotional markdown activity in Europe in the first quarter of 1999 compared to 1998.

The Northern Group reported an operating loss of $16 million for the first quarter of 1999, compared to an operating loss of $9 million in the first quarter of 1998, as a result of the decline in sales and continued markdown activity in order to clear excess inventory.

Operating results for formats included in the All Other category improved by $7 million for the thirteen weeks ended May 1, 1999 as compared with the corresponding prior year period, predominantly related to the Afterthoughts format.

Disposed operations for the first quarter of 1998 include a $19 million gain on the sale of the Garden Centers nursery business offset by the costs associated with the shutdown of the U.S. Randy River operations.

SEASONALITY

The Registrant's businesses are seasonal in nature. Historically, the greatest proportion of sales and net income is generated in the fourth quarter and the lowest proportions of sales and net income are generated in the first and second quarters, reflecting seasonal buying patterns. As a result of these seasonal sales patterns, inventory generally increases in the third quarter in anticipation of the strong fourth quarter sales.

LIQUIDITY AND CAPITAL RESOURCES

The Registrant's primary sources of working capital have been cash flows from operations, borrowings under the revolving credit agreement, financing real estate with operating leases and proceeds from the sale of non-strategic assets. The principal use of cash has been to finance inventory requirements, which are generally at their peak during the third and fourth quarters, capital expenditures related to store openings and remodelings, and management information systems, and to fund other general working capital requirements.

Operating activities of continuing operations reduced cash by $127 million for the thirteen weeks ended May 1, 1999, as compared with $192 million in the corresponding prior-year period. These amounts reflect the net loss reported by the Registrant in those periods, adjusted for non-cash items and working capital changes. The decline in cash used for merchandise inventories in 1999 reflects the additional inventory purchases in 1998 related to the opening of new larger-size athletic formats, coupled with a concerted effort in 1999 to maximize inventories per square foot. Merchandise inventories were $889 million at May 1, 1999, essentially unchanged from $880 million at May 2, 1998, however, as a percentage of square footage, inventories declined by 16 percent. Included in the cash flow from operations for both periods is the cash outlay for occupancy costs on May 1 due to the timing of each quarter end.

Net cash used in investing activities of continuing operations was $47 million and $87 million for the first quarter of 1999 and 1998, respectively. Capital expenditures were $54 million for the thirteen weeks ended May 1, 1999, primarily related to store remodelings as compared with $80 million for the corresponding prior-year period. Planned capital expenditures of $175 million for 1999 include expenditures for 350 new and remodeled stores, management information systems, logistics and other support facilities. In the first quarter of 1998, cash used for the acquisition of Athletic Fitters of $29 million, was offset by $22 million cash proceeds received from the sale of the Garden Centers nursery business.

Financing activities for the Registrant's continuing operations contributed $26 million in cash for the thirteen weeks ended May 1, 1999, and $258 million in cash for the corresponding prior-year period. Outstanding borrowings under the Registrant's revolving credit agreement were $274 million and $253 million at May 1, 1999 and May 2, 1998, respectively and have been classified as short-term debt. The Registrant expects to incur incremental interest expense in 1999 compared to 1998, reflecting anticipated higher interest rates and fees during 1999. Management believes current domestic and international credit facilities and cash provided by operations will be adequate to finance its working capital requirements and support the development of its short-term and long-term strategies. The Registrant expects to fund the repayment of its $200 million 7.0 percent debentures through future financing and/or asset sales.

YEAR 2000 READINESS DISCLOSURE

The Year 2000 ("Y2K") issue is the result of computer programs being written using two digits, rather than four, to define the applicable year. Mistaking "00" for the year 1900 could result in miscalculations and errors and cause significant business interruptions for the Registrant, as well as for the government and most other companies. The Registrant has instituted a plan to assess its state of readiness for Y2K, to remediate those systems that are non-compliant and to assure that material third parties will be Y2K compliant.

State of Readiness

The Registrant has assessed all mainframe, operating and application systems (including point of sale) for Y2K readiness, giving the highest priority to those information technology applications (IT) systems that are considered critical to its business operations. Those applications considered most critical to the Registrant"s business operations have been remediated. In-house certification testing of all application systems is currently in progress. Code changes have been made to the merchandising and logistics legacy systems, remediation is complete, and testing is in progress. The necessary enhancements to the point of sale equipment are substantially complete. Approximately 2,300 stores have been upgraded with the Y2K remediated release of store systems software and it is expected that this release will be in all stores by the end of June. In July, the Registrant will perform a test of its Y2K compliant (and recently upgraded) operating software on an isolated processor. Thereafter, through the fall, the Registrant will complete its testing of application software using this upgraded operating system infrastructure. The plan calls for certification to be complete by the end of the third quarter.

Apart from the Y2K issue, the Registrant has developed and installed throughout its businesses beginning in 1997 an information computer system ("ECLIPSE"), which will be installed in most divisions for the finance and human resources functions during 1999. The ECLIPSE project was undertaken for business reasons unrelated to Y2K. However, the installation of ECLIPSE eliminates the need to reprogram or replace certain existing software for Y2K compliance.

The Registrant has compiled a comprehensive inventory of its non-IT systems, which include those systems containing embedded chip technology commonly found in buildings and equipment connected with a building"s infrastructure. Management has established the priority of systems identified as non-compliant and ongoing testing and implementation of any changes required for the non-IT systems will be performed throughout 1999. Investigations of the embedded chip systems indicate that Y2K will not affect systems such as heating, ventilation and security in most store locations.

Material Third Parties

The Registrant purchased approximately 44 percent of its 1998 merchandise from one major vendor. As a result, the Registrant's ability to operate could be materially affected by the non-compliance of this key supplier. Management has determined through several meetings and interviews that the vendor's Y2K readiness program is substantially complete. Electronic Data Interchange software was successfully tested with this vendor and management intends to develop joint contingency plans for distribution and order entry. Management has issued questionnaires to its approximately 20 key vendors to determine their state of readiness. The Registrant's efforts to obtain written certifications have not been successful, for the most part, and management will continue its efforts to assess the vendors' Y2K readiness through other means. The level of compliance of the Registrant's major providers of banking services, transportation, telecommunications and utilities is being ascertained and the related risks evaluated.

Y2K Costs

The Registrant is utilizing both internal and external resources to address the Y2K issue. Internal resources reflect the reallocation of IT personnel to the Y2K project from other IT projects. In the opinion of management, the deferral of such other projects will not have a significant adverse affect on continuing operations. The total direct cost, excluding ECLIPSE, to remediate the Y2K issue is estimated to be approximately $5 million, of which $3 million was spent in 1998 and a further $0.2 million in the first quarter of 1999. All costs, excluding ECLIPSE, are being expensed as incurred and are funded through operating cash flows. The Registrant's Y2K costs are based on management's best estimates and may be updated, as additional information becomes available. Management does not expect the total Y2K remediation costs to be significant to its results of operations or financial condition.

Contingency Plan/Risks

The Registrant is in the process of developing contingency plans for those areas that might be affected by Y2K. Although the full consequences are unknown, the failure of either the Registrant's critical systems or those of its material third party suppliers to be Y2K compliant would result in the interruption of the Registrant's business, which could have a significant adverse effect on its results of operations or financial condition. If the distribution channels were to be disrupted, alternative methods of delivering merchandise to both the Registrant's stores and its customers will be in place. However, if any business interruptions occur in January 2000, and they are promptly corrected, management expects it would not significantly impact the Registrant's results of operations or financial position. Typically, at that time of year, after the holiday season, there is lower customer demand and borrowing requirements are not at their peak. In addition, successful inventory and working capital management, along with contingency plans for store operations, will help mitigate the risks associated with the Y2K issue. However, some business disruptions may occur even with defensive contingency plans.

IMPACT OF EUROPEAN MONETARY UNION

The European Union is comprised of fifteen member states, eleven of which adopted a common currency, the "euro," effective January 1, 1999. From that date until January 1, 2002, the transition period, the national currencies will remain legal tender in the participating countries as denominations of the euro. Monetary, capital, foreign exchange and interbank markets have converted to the euro and non-cash transactions will be possible in euros. On January 1, 2002, euro bank notes and coins will be issued and the former national currencies will be withdrawn from circulation no later than July 1, 2002.

The Registrant has reviewed the impact of the euro conversion on its information systems, accounting systems, vendor payments and human resources. Modifications required to be made to the point of sale hardware and software will be facilitated by the Y2K remediation.

The adoption of a single European currency will lead to greater product pricing transparency and a more competitive environment. The Registrant will display the euro equivalent price of merchandise as a customer service during the transition period, as will many retailers until the official euro conversion in 2002. The euro conversion is not expected to have a significant effect on the Registrant's results of operations or financial condition.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements within the meaning of the federal securities laws. All statements, other than statements of historical facts, which address activities, events or developments that the Registrant expects or anticipates will or may occur in the future, including such things as future capital expenditures, expansion, strategic plans, growth of the Registrant's business and operations, Y2K and euro related actions and other such matters are forward-looking statements. These forward-looking statements are based on many assumptions and factors including effects of currency fluctuations, consumer preferences and economic conditions worldwide and the ability of the Registrant to implement, in a timely manner, the programs and actions related to the Y2K and euro issues. Any changes in such assumptions or factors could produce significantly different results.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The only legal proceedings pending against the Registrant or its consolidated subsidiaries consist of ordinary, routine litigation, including administrative proceedings, incident to the businesses of the Registrant, as well as litigation incident to the sale and disposition of businesses that have occurred in the past several years. Management does not believe that the outcome of such proceedings will have a material effect on the Registrant's consolidated financial position or results of operations.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

An index of the exhibits that are required by this item, and which are furnished in accordance with Item 601 of Regulation S-K, appears on pages 18 through 20. The exhibits which are in this report immediately follow the index.

(b) Reports on Form 8-K

The Registrant filed a report on Form 8-K dated February 17, 1999 (date of earliest event reported) reporting that Bruce L. Hartman had been named Senior Vice President and Chief Financial Officer, and would replace Reid Johnson, who had resigned, effective February 26, 1999.

The Registrant filed a report on Form 8-K dated March 10, 1999 (date of earliest event reported) reporting sales and earnings for the fourth quarter and year ended January 30, 1999.

SIGNATURE

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 thereunto duly authorized.

VENATOR GROUP, INC.

(Registrant)

Date: June 4, 1999

/s/ Bruce Hartman

BRUCE HARTMAN
Senior Vice President
and Chief Financial Officer

VENATOR GROUP, INC.
INDEX OF EXHIBITS REQUIRED BY ITEM 6(a) OF FORM 10-Q
AND FURNISHED IN ACCORDANCE WITH ITEM 601 OF REGULATION S-K

Exhibit No. in Item 601 of Regulation S-K	Description
1	*
2	*
3(i)(a)	Certificate of Incorporation of the Registrant, as filed by the Department of State of the State of New York on April 7, 1989 (incorporated herein by reference to Exhibit 3(i)(a) to the Quarterly Report on Form 10-Q for the quarterly period ended July 26, 1997, filed by the Registrant with the SEC on September 4, 1997 (the "July 26, 1997 Form 10-Q")).
3(i)(b)	Certificates of Amendment of the Certificate of Incorporation of the Registrant, as filed by the Department of State of the State of New York on (a) July 20, 1989 (b) July 24, 1990 (c) July 9, 1997 (incorporated herein by reference to Exhibit 3(i)(b) to the July 26, 1997 Form 10-Q) and (d) June 11, 1998 (incorporated herein by reference to Exhibit 4.2(a) of the Registration Statement on Form S-8 (Registration No. 333-62425) previously filed with the SEC).
3(ii)	By-laws of the Registrant, as amended (incorporated herein by reference to Exhibit 4.2 of the Registration Statement on Form S-8 (Registration No. 333-62425) previously filed with the SEC).
4.1	The rights of holders of the Registrant's equity securities are defined in the Registrant's Certificate of Incorporation, as amended (incorporated herein by reference to Exhibits 3(i)(a) and 3(i)(b) to the July 26, 1997 Form 10-Q and Exhibit 4.2(a) to the Registration Statement on Form S-8 (Registration No. 333-62425) previously filed with the SEC).
4.2	Rights Agreement dated as of March 11, 1998, between Venator Group, Inc. and First Chicago Trust Company of New York, as Rights Agent (incorporated herein by reference to Exhibit 4 to the Form 8-K dated March 11, 1998).
4.2(a)	Amendment No.1 to Rights Agreement.

Exhibit No. in Item 601 of Regulation S-K	Description
4.3	Indenture dated as of October 10, 1991 (incorporated herein by reference to Exhibit 4.1 to the Registration Statement on Form S-3 (Registration No. 33-43334) previously filed with the SEC).
4.4	Forms of Medium-Term Notes (Fixed Rate and Floating Rate) (incorporated herein by reference to Exhibits 4.4 and 4.5 to the Registration Statement on Form S-3 (Registration No. 33-43334) previously filed with the SEC).
4.5	Form of 8 % Debentures due 2022 (incorporated herein by reference to Exhibit 4 to the Registrant's Form 8-K dated January 16, 1992).
4.6	Purchase Agreement dated June 1, 1995 and Form of 7% Notes due 2000 (incorporated herein by reference to Exhibits 1 and 4, respectively, to the Registrant's Form 8-K dated June 7, 1995).
4.7	Distribution Agreement dated July 13, 1995 and Forms of Fixed Rate and Floating Rate Notes (incorporated herein by reference to Exhibits 1, 4.1 and 4.2, respectively, to the Registrant's Form 8-K dated July 13, 1995).
5	*
8	*
9	*
10.1	Form of Executive Severance Benefit Agreement.
10.2	Form of Senior Executive Severance Agreement, amended as of April 29, 1999.
10.3	Amendment to Supplemental Agreement with M. Jeffrey Branman dated May 5, 1999.
11	*
12	Computation of Ratio of Earnings to Fixed Charges.
13	*
15	Letter re: Unaudited Interim Financial Statements.

Exhibit No. in Item 601 of Regulation S-K	Description
16	*
17	*
18	*
19	*
20	*
21	*
22	*
23	*
24	*
25	*
26	*
27.1	Financial Data Schedule - May 1, 1999 (which is submitted electronically to the SEC for information only and not filed).
27.2	Restated Financial Data Schedule - May 2, 1998 (which is submitted electronically to the SEC for information only and not filed).
99	Independent Accountants'Review Report.

- ----------

* Not applicable

Exhibits filed with this Form 10-Q:

Exhibit No.	Description
4.2(a)	Amendment No.1 to Rights Agreement
10.1	Form of Executive Severance Benefit Agreement
10.2	Form of Senior Executive Severance Agreement, amended as of April 29, 1999
10.3	Amendment to Supplemental Agreement with M. Jeffrey Branman dated May 5, 1999
12	Computation of Ratio of Earnings to Fixed Charges
15	Letter re: Unaudited Interim Financial Statements
27.1	Financial Data Schedule - May 1, 1999
27.2	Restated Financial Data Schedule - May 2, 1998
99	Independent Accountants' Review Report

EXHIBIT 4.2(a)

AMENDMENT NO. 1 TO RIGHTS AGREEMENT

This AMENDMENT NO. 1, dated as of May 28, 1999, is between VENATOR GROUP, INC., a New York corporation (the "Company"), and FIRST CHICAGO TRUST COMPANY OF NEW YORK, as Rights Agent (the "Bank").

WHEREAS, the Company (formerly known as Woolworth Corporation) and the Rights Agent, entered into a Rights Agreement dated as of March 11, 1998 (the "Rights Agreement");

WHEREAS, pursuant to Section 27 of the Rights Agreement, the Company desires to amend the Rights Agreement as set forth below;

NOW, THEREFORE, the Rights Agreement is hereby amended as follows:

1. AMENDMENT OF SECTION 1.

1. Section 1 of the Rights Agreement is amended by deleting the second sentence contained in the definition of "Acquiring Person" and substituting in lieu thereof the following:

"Acquiring Person" shall not include any Person who becomes an Interested Shareholder (an "Interested Shareholder") within the meaning of Section 912 of the NYBCL (i) solely as a result of a reduction in the number of shares of Common Stock outstanding due to the repurchase of Common Stock by the Company, unless and until such time as such Person or any Affiliate or Associate of such Person shall purchase or otherwise become (as a result of actions taken by such Person or its Affiliates or Associates) the Beneficial Owner of additional shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock other than pursuant to a Qualifying Offer, or (ii) pursuant to a Qualifying Offer;

2. Section 1 of the Rights Agreement is amended by adding thereto, following the definition of "Final Expiration Date" and prior to the definition of "Person", the following:

> "Independent Director" shall mean any member of the Board of Directors of the Company who (i) is not, and has not within the last ten years been, an officer or employee of the Company, (ii) is not the Beneficial Owner of 5% or more of the Common Stock or an Affiliate or Associate of any such Beneficial Owner, and (iii) is not the Person (or an Affiliate or Associate thereof) who has made the tender offer which is the subject of Section 11(a)(ii) hereunder.

3. Section 1 of the Rights Agreement is amended by deleting the definition of "Qualified Offer" and substituting in lieu thereof, the following:

> "Qualifying Offer" shall mean a tender offer as described in Section 11(a)(ii).

4. Section 1 of the Rights Agreement is amended by deleting the words "other than pursuant to a Qualified Offer" from the end of the sentence defining "Stock Acquisition Date."

2. AMENDMENT OF SECTION 11(a)(ii).

Section 11(a)(ii) of the Rights Agreement is amended by deleting such section in its entirety and substituting in lieu thereof the following:

> (ii) In the event any Person (other than the Company, any Subsidiary of the Company, any employee benefit plan of the Company or of any Subsidiary of the Company, or any Person or entity organized, appointed or established by the Company for or pursuant to the terms of any such plan), alone or together with any of its Affiliates and Associates, shall, at any time after the Rights Dividend Declaration Date, become an Interested Shareholder, unless the

event causing the Person to become an Interested Shareholder is a transaction set forth in Section 13(a) hereof, or is an acquisition of shares of Common Stock pursuant to a tender offer for all outstanding shares of Common Stock which meets all of the following requirements:

(1) on or prior to the date such offer is commenced within the meaning of Rule 14d-2(a) of the General Rules and Regulations under the Exchange Act, such Person has, and has provided the Company, (a) with respect to any cash portion of the offer, firm written commitments from responsible financial institutions, which have been accepted by such Person or one of its Affiliates, to provide, subject only to customary terms and conditions (which shall in no event include conditions requiring access by such financial institutions to non-public information to be provided by the Company, conditions based on the accuracy of any information concerning the Company other than such as would be the subject of representations and warranties in a public financing by the Company, or conditions requiring the Company to make any representations, warranties or covenants in connection with such financing) funds for such offer which, when added to the amount of cash and cash equivalents which such Person or group then has available and has irrevocably committed in writing to the Company to utilize for purposes of the offer if consummated, and to keep available for such purposes until the offer is consummated or withdrawn, will be sufficient to pay for the cash portion of the consideration payable for all shares outstanding on a fully diluted basis and all related expenses and/or, as the case may be, (b) with respect to any securities portion of the offer, the opinion of a nationally recognized investment bank, ranking in the top ten United States domestic mergers and acquisitions advisors for the most recent year, jointly chosen by the Person and the Independent Directors, and which investment bank has not provided services for either the Company or such Person (with costs for the services of such investment bank to be paid by such Person), that the value of the securities offered as consideration in the offer for each share of Common Stock receiving such securities is, at the time of the expiration of the offer, equal to or greater than the cash offered as consideration in the offer for each share of Common Stock not receiving securities;

(2) after the consummation of such offer, such Person, alone or together with any of its Affiliates and Associates, owns at least 80% of the then outstanding shares of Common Stock;

(3) such offer must remain open for at least 120 days; provided, that (x) if there is any increase in the price of such offer, such offer must remain open for at least 20 Business Days after the last such increase, and (y) such offer must remain open for at least 20 Business Days after the date that any bona fide alternative offer is made which, in the opinion of one or more investment banking firms designated by the Company, provides for consideration per share in excess of that provided for in such offer; provided further, however, that such offer need not remain open, as a result of this clause (3), beyond (i) the time which any other offer satisfying the criteria for a Qualifying Offer is then required to be kept open under this clause (3), or (ii) the announcement prior to the then scheduled expiration date, of any other offer with respect to which the Board of Directors has agreed to redeem the Rights immediately prior to acceptance for payment of shares thereunder (unless such offer is terminated prior to its expiration without any shares having been purchased thereunder); and

(4) prior to or on the date such offer is commenced within the meaning of Rule 14d-2(a) of the Rules and Regulations under the Exchange Act, such Person makes an irrevocable written commitment to the Company and in the offer to purchase relating to the offer:

(a) to consummate promptly upon completion of such offer a transaction whereby all shares of Common Stock not purchased in such offer will be acquired at the same price per share paid pursuant to the offer, and otherwise not to purchase any shares of Common Stock following completion of the offer;

(b) that such Person or group will not materially amend such offer, except to increase the price offered; and

(c) that neither such Person nor any of its Affiliates or Associates will make any offer for any equity securities of the Company for six months after commencement of the original offer if the original offer does not result in the

tender of the number of shares required to be purchased pursuant to clause (2) above, unless another tender offer for all outstanding shares of Common Stock is commenced (a) at a price per share in excess of that provided for in such original offer, (b) on terms satisfying clauses (1) and (4) of this Section 11(a)(ii) (in which event, any new offer by such Person or by any of its Affiliates or Associates must be at a price no less than that provided in such original offer) or (c) with the approval of the Board of Directors of the Company (in which event, any new offer by such Person or by any of its Affiliates or Associates must be at a price no less than that provided for in such approved offer),

an offer meeting the requirements set forth above being referred to herein as a "Qualifying Offer"; provided, however, that if such Person shall have become an Interested Shareholder solely as a result of a reduction in the number of shares of Common Stock outstanding due to a repurchase of shares of Common Stock by the Company, then such Person shall not be deemed an Interested Shareholder and this Section 11(a)(ii) shall not apply unless and until such Person shall purchase or otherwise become (as a result of actions taken by such Person or any of its Affiliates or Associates) the Beneficial Owner of additional shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock other than pursuant to a Qualifying Offer, then, promptly following the occurrence of such event, proper provision shall be made so that each holder of a Right (except as provided below and in Section 7(e) hereof) shall thereafter have the right to receive, upon exercise thereof at the then current Purchase Price in accordance with the terms of this Agreement, in lieu of a number of one two-hundredths of a share of Preferred Stock, such number of shares of Common Stock of the Company as shall equal the result obtained by (x) multiplying the then current Purchase Price by the then number of one two-hundredths of a share of Preferred Stock for which a Right was exercisable immediately prior to the first occurrence of a Section 11(a)(ii) Event, and (y) dividing that product (which, following such first occurrence, shall thereafter be referred to as the "Purchase Price" for each Right and for all purposes of this Agreement) by 50% of the Current Market Price (determined pursuant to Section 11(d) hereof) per share of Common Stock on the date of such first occurrence (such number of shares, the "Adjustment Shares"). The Independent Directors shall be permitted, by action of a majority thereof, to shorten any time frame established pursuant to this Section 11(a)(ii).

3. AMENDMENT OF SECTION 13(d).

Section 13(d) of the Rights Agreement is amended by deleting such section in its entirety and substituting in lieu thereof the following:

(d) Notwithstanding anything in this Agreement to the contrary, Section 13 shall not be applicable to a transaction described in subparagraphs (x) and (y) of Section 13(a) hereof if (i) such transaction is consummated with a person or persons who acquired such shares of Common Stock pursuant to a Qualifying Offer (or a wholly owned subsidiary of any such Person or Persons), (ii) the price per share of Common Stock offered in such transaction is not less than the price per share of Common Stock paid to all holders of shares of Common Stock whose shares were purchased pursuant to such Qualifying Offer and (iii) the form of consideration being offered to the remaining holders of shares of Common Stock pursuant to such transaction is the same as the form of consideration paid pursuant to such Qualifying Offer. Upon consummation of any such transaction contemplated by this Section 13(d), all Rights hereunder shall expire."

4. EFFECTIVENESS.

This Amendment No. 1 shall be deemed effective as of May 28, 1999 as if executed by both parties hereto on such date. Except as amended hereby, the Rights Agreement shall remain in full force and effect and shall be otherwise unaffected hereby.

5. MISCELLANEOUS.

This Amendment No. 1 shall be deemed to be a contract made under the laws of the State of New York and for all purposes shall be governed by and construed in accordance with the laws of such state applicable to contracts to be made and performed entirely within such state. This Amendment No. 1 may be executed in any number of counterparts, each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument. If any term, provision, covenant or restriction of this Amendment No. 1 is held by a court of competent jurisdiction or other authority to be invalid, illegal, or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Amendment No. 1 shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed as of the date and year first above written.

VENATOR GROUP, INC.

By: /s/ Gary M. Bahler

Name: Gary M. Bahler
Title: Senior Vice President,
General Counsel and Secretary

FIRST CHICAGO TRUST COMPANY OF NEW YORK, as Rights Agent

By: /s/ Charles D. Keryc

Name: Charles D. Keryc
Title: Vice President

EXHIBIT 10.1

EXECUTIVE SEVERANCE BENEFIT AGREEMENT

THIS AGREEMENT made as of [Date] by and between VENATOR GROUP, INC., a New York corporation with its principal office at 233 Broadway, New York, New York 10279 (the "Company") and [Executive], residing at [Address] (the "Executive").

W I T N E S S E T H:

WHEREAS, the Company believes that the establishment and maintenance of a sound and vital management of the Company is essential to the protection and enhancement of the interests of the Company and its shareholders; and

WHEREAS, the Company wishes to offer a form of protection to the Executive, as one of a select group of officers and key employees of the Company and its Affiliates, in the event the Executive's employment with the Control Group terminates; and

WHEREAS, the Company also recognizes that the possibility of a Change in Control of the Company, with the attendant uncertainties and risks, might result in the departure or distraction of the Executive to the detriment of the Company; and

WHEREAS, the Company wishes to induce the Executive to remain with the Control Group, and to reinforce and encourage the Executive's continued attention and dedication, when faced with the possibility of a Change in Control of the Company; and

WHEREAS, this Agreement amends and supersedes any employment agreement, severance plan, policy and/or practice of the Company in effect for the Executive.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto hereby agree as follows:

1. Definitions. The following terms shall have the meanings set forth in this section as follows:

(a) "Affiliate" shall mean the Company and any entity affiliated with the Company within the meaning of Code Section 414(b) with respect to a controlled group of corporations, Code Section 414(c) with respect to trades or businesses under common control with the Company, Code Section 414(m) with respect to affiliated service groups and any other entity required to be aggregated with the Company under Section 414(o) of the Code. No entity shall be treated as an Affiliate for any period during which it is not part of the controlled group, under common control or otherwise required to be aggregated under Code Section 414.

(b) "Beneficiary" shall mean the individual designated by the Executive, on a form acceptable by the Committee, to receive benefits payable under this Agreement in the event of the Executive's death. If no Beneficiary is designated, the Executive's Beneficiary shall be his or her spouse, or if the Executive is not survived by a spouse, the Executive's estate.

(c) "Board" shall mean the Board of Directors of the Company.

(d) "Bonus" shall mean an amount equal to the target bonus expected to be earned by the Executive under the Company's Annual Incentive Compensation Plan or such other annual bonus plan or program that may then be applicable to the Executive in a fiscal year, if the applicable target performance goal is satisfied.

(e) "Cause" shall mean (with regard to the Executive's termination of employment with the Control Group): (i) the refusal or willful failure by the Executive to substantially perform his or her duties, (ii) with regard to the Control Group or any of their assets or businesses, the Executive's dishonesty, willful misconduct, misappropriation, breach of fiduciary duty or fraud, or (iii) the Executive's conviction of a felony (other than a traffic violation) or any other crime involving, in the sole discretion of the Committee, moral turpitude.

(f) "Change in Control" shall have the meaning set forth in Appendix A attached hereto.

(g) "Code" shall mean the Internal Revenue Code of 1986, as amended and as hereafter amended from time to time.

(h) "Committee" shall mean the Compensation Committee of the Board or an administrative committee appointed by the Compensation Committee.

(i) "Competition" shall mean the (i) participating, directly or indirectly, as an individual proprietor, stockholder, officer, employee, director, joint venturer, investor, lender, or in any capacity whatsoever (within the United States of America, or in any country where any of the Executive's former employing members of the Control Group does business) in a business in competition with any business conducted by any member of the Control Group for which the Executive worked at any time, provided, however, that such participation shall not include (A) the mere ownership of not more than 1 percent of the total outstanding stock of a publicly held company; (B) the performance of services for any enterprise to the extent such services are not performed, directly or indirectly, for a business in which any of the Employee's employing members of the Control Group is engaged; or (C) any activity engaged in with the prior written approval of the Board or the Committee; or (ii) intentional recruiting, soliciting or inducing, of any employee or employees of the Control Group to terminate their employment with, or otherwise cease their relationship with the former employing members of the Control Group where such employee or employees do in fact so terminate their employment.

(j) "Control Group" shall mean the Company and its Affiliates.

(k) "Good Reason" shall mean (with respect to an Executive's termination of employment with the Control Group): (i) any material demotion of the Executive or any material reduction in the Executive's authority or responsibility, except in each case in connection with the termination of the Executive's employment for Cause or disability or as a result of the Executive's death, or temporarily as a result of the Executive's illness or other absence; (ii) prior to a Change in Control, a reduction in the Executive's rate of base salary as payable from time to time, other than a reduction that occurs in connection with, and in the same percentage as, an across-the-board reduction over any three-year period in the base salaries of all executives of the Company of a similar level and where the reduction is less than 20 percent of the Executive's base salary measured from the beginning of such three-year period; (iii) on or after a Change in Control, any reduction in the Executive's rate of base salary as payable from time to time; (iv) a reduction in the Executive's annual bonus classification level other than in connection with a redesign of the applicable bonus plan that affects all employees at the Executive's bonus level; (v) a failure of the Company to continue in effect the benefits applicable to, or the Company's reduction of the benefits applicable to, the Executive under any benefit plan or arrangement (including without limitation, any pension, life insurance, health or disability plan) in which the Executive participates as of the date of the Change in Control without implementation of a substitute plan(s) providing materially similar benefits in the aggregate to those discontinued or reduced, except for a discontinuance of, or reduction

under, any such plan or arrangement that is legally required and/or generally applies to all executives of the Company of a similar level, provided that in either such event the Company provides similar benefits (or the economic effect thereof) to the Executive in any manner determined by the Company; or (vi) failure of any successor to the Company to assume in writing the obligations hereunder.

(l) "Salary" shall mean an Executive's base monthly cash compensation rate for services paid to the Executive by the Company or an Affiliate at the time of his or her termination of employment from the Control Group. Salary shall not include commissions, bonuses, overtime pay, incentive compensation, benefits paid under any qualified plan, any group medical, dental or other welfare benefit plan, noncash compensation or any other additional compensation but shall include amounts reduced pursuant to an Executive's salary reduction agreement under Sections 125 or 401(k) of the Code (if any) or a nonqualified elective deferred compensation arrangement to the extent that in each such case the reduction is to base salary.

(m) "Severance Benefit" shall mean (i) in the case of the Executive's termination of employment that does not occur within the 24 month period following a Change in Control, two weeks' Salary plus prorated Bonus multiplied by the Executive's Years of Service, with a minimum of 26 weeks; or (ii) in the case of an Executive's termination of employment within the 24 month period following a Change in Control, two weeks' Salary plus prorated Bonus multiplied by the Executive's Years of Service, with a minimum of 52 weeks. The Executive's prorated Bonus for one week shall equal the Executive's Bonus divided by 52.

(n) "Severance Period" shall mean (i) in the case of the Executive's termination of employment that does not occur within the 24 month period following a Change in Control, two weeks multiplied by the Executive's Years of Service, with a minimum of 26 weeks; or (ii) in the case of an Executive's termination of employment within the 24 month period following a Change in Control, two weeks multiplied by the Executive's Years of Service, with a minimum of 52 weeks.

(o) "Year of Service" shall mean each 12 consecutive month period commencing on the Executive's date of hire by the Company or an Affiliate and each anniversary thereof in which the Executive is paid by the Company or an Affiliate for the performance of full-time services as an Executive. For purposes of this section, full-time services shall mean that the Employee is employed for at least 30 hours per week. A Year of Service shall include any period during which an Employee is not working due to disability, leave of absence or layoff so long as he or she is being paid by the Employer (other than through any employee benefit plan). A Year of Service also shall include service in any branch of the armed forces of the United States by any person who is an Executive on the date such service commenced, but only to the extent required by applicable law.

2. Term. The initial term of this Agreement shall end on December 31 of the year following the year in which this Agreement is entered into. On December 31 of each year, the term shall be automatically renewed for an additional one year so that the term shall then be for two years, unless the Committee notifies the Executive prior to any December 31 that the term shall not be renewed. Notwithstanding anything in this Agreement to the contrary, if the Company becomes obligated to make any payment to the Executive pursuant to the terms hereof at or prior to the expiration of this Agreement, then this Agreement shall remain in effect until all of the Company's obligations hereunder are fulfilled.

3. Benefits Upon Termination. In the event the Executive's employment with the Control Group is terminated without Cause or the Executive terminates employment with the Control Group within 60 days after the occurrence of a Good Reason event with regard to the Executive, the Executive shall be entitled to a Severance Benefit as set forth below.

(a) The Executive shall receive 50 percent of his or her Severance Benefit in the form of a lump sum cash payment as soon as administratively feasible following his or her termination of employment with the Control Group, provided, however, that interest shall be payable beginning on the tenth day following such termination of employment at the prime rate of interest as stated in The Wall Street Journal.

(b) The Executive shall receive the remaining 50 percent of his or her Severance Benefit in the form of a lump sum cash payment as soon as administratively feasible after the 90th day following the date of the Executive's termination of employment with the Control Group, subject to (c) below, provided, however, that interest shall be payable beginning on the tenth day following such termination of employment at the prime rate of interest as stated in The Wall Street Journal. Notwithstanding the foregoing, if a Change in Control occurs prior to the Executive's receipt of the remaining 50 percent of his or her Severance Benefit, the Executive shall receive such remaining 50 percent within 10 days following the Change in Control (and, if not paid within such 10 day period, with interest payable beginning on the tenth day following the Change in Control at the prime rate of interest as stated in The Wall Street Journal).

(c) The Executive shall only be entitled to the portion of his or her Severance Benefit described in (b) above if the Executive does not engage in Competition during the 90 day period following his or her termination of employment with the Control Group and if the Executive has not materially violated the provisions of Section 14 hereof. If the Executive does engage in Competition or violates the provisions of Section 14 during such one year period, the portion of the Executive's Severance Benefit described in (b) above shall be forfeited. If the restriction set forth in this subsection is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend over the maximum period of time, range of activities or geographic area as to which it may be enforceable.

(d) Notwithstanding anything to the contrary contained herein, if the Executive's employment with the Control Group is terminated as described in the introductory paragraph to this Section 3 following a Change in Control, (i) the Executive shall receive 100 percent of his or her Severance Benefit in the form of a lump sum cash payment within 10 days following his or her termination of employment with the Control Group (and, if not paid within such 10 day period, with interest payable beginning on the tenth day following such termination of employment at the prime rate of interest as stated in The Wall Street Journal), and (ii) the restriction on competition contained in Section 3(c) shall not apply.

(e) The Executive shall continue, to the extent permitted under legal and underwriting requirements (if any), to participate during his or her Severance Period in any group medical, dental or life insurance plan he or she participated in prior to his or her termination of employment, under substantially similar terms and conditions as an active Employee; provided participation in such group medical, dental and life insurance benefits shall correspondingly cease at such time as the Executive becomes eligible for a future employer's medical, dental and/or life insurance coverage (or would become eligible if the Executive did not waive coverage). Notwithstanding the foregoing, the Executive may not continue to participate in such plans on a pre-tax or tax-favored basis. Notwithstanding anything else herein, the Executive shall not be entitled to any benefits during the Severance Period other than the benefits provided in Section 3 herein and, without limiting the generality of the foregoing, the Executive specifically shall not be entitled to continue to participate in any group disability or voluntary accidental death or dismemberment insurance plan he or she participated in prior to his or her termination of employment. Without limiting the generality of the foregoing, the Executive shall not accrue additional benefits under any pension plan of the Employer (whether or not qualified under Section 401(a) of the Code) during the Severance Period, provided, however, that payment of any Severance Benefit shall be included in the Executive's earnings for purposes of calculating the Executive's benefit under the Venator Group Retirement Plan, Venator Group 401(k) Plan, and Venator Group Excess Cash Balance Plan.

(f) In the event of the Executive's death after becoming eligible for the portion of the Severance Benefit described in (a) above and prior to payment of such amount, such portion of the Severance Benefit shall be paid to the Executive's Beneficiary. In addition to the foregoing, in the event of the Executive's death prior to payment of the portion of the Severance Benefit described in (b) above, such amount shall be paid to the Executive's Beneficiary, but only to the extent that the Executive satisfied the provisions set forth in (c) above for the period following the Executive's termination of employment with the Control Group and prior to his or her death.

(g) Notwithstanding anything else herein, to the extent the Executive would be subject to the excise tax under Section 4999 of the Code on the amounts in (a) or (b) above and such other amounts or benefits he or she received from the Company and its

Affiliates required to be included in the calculation of parachute payments for purposes of Sections 280G and 4999 of the Code, the amounts provided under this Agreement shall be automatically reduced to an amount one dollar less than that, when combined with such other amounts and benefits required to be so included, would subject the Executive to the excise tax under Section 4999 of the Code, if, and only if, the reduced amount received by the Executive, would be greater than the unreduced amount to be received by the Executive minus the excise tax payable under Section 4999 of the Code on such amount and the other amounts and benefits received by the Executive and required to be included in the calculation of a parachute payment for purposes of Sections 280G and 4999 of the Code.

4. No Duty to Mitigate/Set-off. The Company agrees that if the Executive's employment with the Company is terminated during the term of this Agreement, the Executive shall not be required to seek other employment or to attempt in any way to reduce any amounts payable to the Executive by the Company pursuant to this Agreement. Further, except to the extent provided for in Section 3(c), the amount of the Severance Benefit provided for in this Agreement shall not be reduced by any compensation earned by the Executive or benefit provided to the Executive as the result of employment by another employer or otherwise. Except as otherwise provided herein, the Company's obligations to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive. The Executive shall retain any and all rights under all pension plans, welfare plans, equity plans and other plans, including other severance plans, under which the Executive would otherwise be entitled to benefits.

5. Funding. Severance Benefits shall be funded out of the general assets of the Company as and when they are payable under this Agreement. The Executive shall be solely a general creditor of the Company. If the Company decides to establish any advance accrued reserve on its books against the future expense of benefits payable hereunder, or if the Company is required to fund a trust under this Agreement, such reserve or trust shall not under any circumstances be deemed to be an asset of this Agreement.

6. Administration. This Agreement shall be administered by the Committee. The Committee (or its delegate) shall have the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply and interpret the Agreement and to decide all matters arising in connection with the operation or administration of the Agreement. Without limiting the generality of the foregoing, the Committee shall have the sole and absolute discretionary authority: (a) to take all actions and make all decisions with respect to the eligibility for, and the amount of, benefits payable under the Agreement; (b) to formulate, interpret and apply rules, regulations and policies necessary to administer the Agreement in accordance with its terms; (c) to decide questions, including legal or factual questions, relating to the calculation and payment of benefits under the Agreement; (d) to resolve and/or clarify any ambiguities, inconsistencies and omissions arising under the Agreement; (e) to decide for purposes of paying benefits hereunder, whether, based on the

terms of this Agreement, a termination of employment is for Good Reason or for Cause; and (f) except as specifically provided to the contrary herein, to process and approve or deny benefit claims and rule on any benefit exclusions. All determinations made by the Committee (or any delegate) with respect to any matter arising under the Agreement shall be final, binding and conclusive on all parties.

Decisions of the Committee shall be made by a majority of its members attending a meeting at which a quorum is present (which meeting may be held telephonically), or by written action in accordance with applicable law. All decisions of the Committee on any question concerning the interpretation and administration of the Agreement shall be final, conclusive and binding upon all parties.

No member of the Committee and no officer, director or employee of the Company or any other Affiliate shall be liable for any action or inaction with respect to his or her functions under this Agreement unless such action or inaction is adjudged to be due to gross negligence, willful misconduct or fraud. Further, no such person shall be personally liable merely by virtue of any instrument executed by him or her or on his or her behalf in connection with this Agreement.

The Company shall indemnify, to the full extent permitted by law and its Certificate of Incorporation and By-laws (but only to the extent not covered by insurance) its officers and directors (and any employee involved in carrying out the functions of the Company under the Agreement) and each member of the Committee against any expenses, including amounts paid in settlement of a liability, which are reasonably incurred in connection with any legal action to which such person is a party by reason of his or her duties or responsibilities with respect to the Agreement, except with regard to matters as to which he or she shall be adjudged in such action to be liable for gross negligence, willful misconduct or fraud in the performance of his or her duties.

7. Claims Procedures. Any claim by the Executive or Beneficiary ("Claimant") with respect to participation, contributions, benefits or other aspects of the operation of the Agreement shall be made in writing to the Secretary of the Company or such other person designated by the Committee from time to time for such purpose. If the designated person receiving a claim believes, following consultation with the Chairman of the Committee, that the claim should be denied, he or she shall notify the Claimant in writing of the denial of the claim within 90 days after his or her receipt thereof (this period may be extended an additional 90 days in special circumstances and, in such event, the Claimant shall be notified in writing of the extension). Such notice shall (a) set forth the specific reason or reasons for the denial making reference to the pertinent provisions of the Agreement on which the denial is based, (b) describe any additional material or information necessary to perfect the claim, and explain why such material or information, if any, is necessary, and (c) inform the Claimant of his or her right pursuant to this section to request review of the decision.

A Claimant may appeal the denial of a claim by submitting a written request for review to the Committee, within 60 days after the date on which such denial is received.

Such period may be extended by the Committee for good cause shown. The claim will then be reviewed by the Committee. A Claimant or his or her duly authorized representative may discuss any issues relevant to the claim, may review pertinent documents and may submit issues and comments in writing. If the Committee deems it appropriate, it may hold a hearing as to a claim. If a hearing is held, the Claimant shall be entitled to be represented by counsel. The Committee shall decide whether or not to grant the claim within 60 days after receipt of the request for review, but this period may be extended by the Committee for up to an additional 60 days in special circumstances. Written notice of any such special circumstances shall be sent to the Claimant. Any claim not decided upon in the required time period shall be deemed denied. All interpretations, determinations and decisions of the Committee with respect to any claim shall be made in its sole discretion based on the Agreement and other relevant documents and shall be final, conclusive and binding on all persons.

8. Incompetency; Payments to Minors. In the event that the Committee finds that a Participant is unable to care for his or her affairs because of illness or accident, then benefits payable hereunder, unless claim has been made therefor by a duly appointed guardian, committee, or other legal representative, may be paid in such manner as the Committee shall determine, and the application thereof shall be a complete discharge of all liability for any payments or benefits to which such Participant was or would have been otherwise entitled under this Agreement. Any payments to a minor pursuant to this Agreement may be paid by the Committee in its sole and absolute discretion (a) directly to such minor; (b) to the legal or natural guardian of such minor; or (c) to any other person, whether or not appointed guardian of the minor, who shall have the care and custody of such minor. The receipt by such individual shall be a complete discharge of all liability under the Agreement therefore.

9. Withholding. The Company shall have the right to make such provisions as it deems necessary or appropriate to satisfy any obligations it may have to withhold federal, state or local income or other taxes incurred by reason of payments pursuant to this Agreement. In lieu thereof, the Employer shall have the right to withhold the amount of such taxes from any other sums due or to become due from the Employer to the Executive upon such terms and conditions as the Committee may prescribe.

10. Assignment and Alienation. Except as provided herein, the benefits payable under this Agreement shall not be subject to alienation, transfer, assignment, garnishment, execution or levy of any kind, and any attempt to cause any benefits to be so subjected shall not be recognized.

11. Successors; Binding Agreement. In addition to any obligations imposed by law upon any successor to the Company, the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree in writing to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. This Agreement shall inure

to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive shall die while any amount would still be payable to the Executive hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's Beneficiary, or the executors, personal representatives or administrators of the Executive's estate.

12. Miscellaneous. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and such officer as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. All references to sections of the Code or any other law shall be deemed also to refer to any successor provisions to such sections and laws.

13. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

14. Confidentiality. The Executive shall not at any time during the term of this Agreement, or thereafter, communicate or disclose to any unauthorized person, or use for the Executive's own account, without the prior written consent of the Board, any proprietary processes, or other confidential information of the Company or any subsidiary concerning their business or affairs, accounts or customers, it being understood, however, that the obligations of this section shall not apply to the extent that the aforesaid matters (a) are disclosed in circumstances in which the Executive is legally required to do so, or (b) become generally known to and available for use by the public other than by the Executive's wrongful act or omission.

15. Severability. If any provisions of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the remaining provisions hereof which shall remain in full force and effect.

16. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted before a panel of three arbitrators in New York, New York, or in such other city in which the Executive is then located, in accordance with the rules of the American Arbitration Association then in effect. The determination of the arbitrators, which shall be based upon a de novo interpretation of this Agreement, shall be final and binding and judgment may be entered on the arbitrators' award in any court having jurisdiction. The Company shall pay all costs of the American Arbitration Association and the arbitrator.

17. Non-Exclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its subsidiary companies and for which the Executive may qualify.

18. Governing Law. This Agreement shall be construed, interpreted, and governed by the Employee Retirement Income Security Act of 1974, as amended. To the extent not so governed, it shall be governed by the laws of the State of New York (without reference to rules relating to conflicts of law).

19. Top-hat Plan. This Agreement is intended to be a "top-hat" welfare plan within the meaning of Department of Labor Regulation Section 2520.104-24.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and the Executive's hand has hereunto been set as of the date first set forth above.

VENATOR GROUP, INC.

By:_____________________

____

____
[Executive]

APPENDIX A

Change in Control

A Change in Control shall mean any of the following: (i) (A) the making of a tender or exchange offer by any person or entity or group of associated persons or entities (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (a "Person") (other than the Company or its Affiliates) for shares of common stock of the Company pursuant to which purchases are made of securities representing at least twenty percent (20%) of the total combined voting power of the Company's then issued and outstanding voting securities; (B) the merger or consolidation of the Company with, or the sale or disposition of all or substantially all of the assets of the Company to, any Person other than (a) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or parent entity) fifty percent (50%) or more of the combined voting power of the voting securities of the Company or such surviving or parent entity outstanding immediately after such merger or consolidation; or (b) a merger or capitalization effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the beneficial owner, directly or indirectly (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), of securities representing more than the amounts set forth in (C) below; (C) the acquisition of direct or indirect beneficial ownership (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), in the aggregate, of securities of the Company representing twenty percent (20%) or more of the total combined voting power of the Company's then issued and outstanding voting securities by any Person acting in concert as of the date of this Agreement; provided, however, that the Board may at any time and from time to time and in the sole discretion of the Board, as the case may be, increase the voting security ownership percentage threshold of this item (C) to an amount not exceeding forty percent (40%); or (D) the approval by the shareholders of the Company of any plan or proposal for the complete liquidation or dissolution of the Company or for the sale of all or substantially all of the assets of the Company; or (ii) during any period of not more than two (2) consecutive years, individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into agreement with the Company to effect a transaction described in clause (i)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds ( ) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof.

EXHIBIT 10.2

AGREEMENT

THIS AGREEMENT made as of [Date] by and between VENATOR GROUP, INC., a New York corporation with its principal office at 233 Broadway, New York, New York 10279 (the "Company") and [Executive], residing at [Address] (the "Executive").

W I T N E S S E T H:

WHEREAS, the Company believes that the establishment and maintenance of a sound and vital management of the Company is essential to the protection and enhancement of the interests of the Company and its shareholders; and

WHEREAS, the Company wishes to offer a form of protection to the Executive, as one of a select group of officers and key employees of the Company and its Affiliates, in the event the Executive's employment with the Control Group terminates; and

WHEREAS, the Company also recognizes that the possibility of a Change in Control of the Company, with the attendant uncertainties and risks, might result in the departure or distraction of the Executive to the detriment of the Company; and

WHEREAS, the Company wishes to induce the Executive to remain with the Control Group, and to reinforce and encourage the Executive's continued attention and dedication, when faced with the possibility of a Change in Control of the Company; and

WHEREAS, this Agreement amends and supersedes any employment agreement, severance plan, policy and/or practice of the Company in effect for the Executive.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto hereby agree as follows:

15. Definitions. The following terms shall have the meanings set forth in this section as follows:

(a) "Affiliate" shall mean the Company and any entity affiliated with the Company within the meaning of Code Section 414(b) with respect to a controlled group of corporations, Code Section 414(c) with respect to trades or businesses under common control with the Company, Code Section 414(m) with respect to affiliated service groups and any other entity required to be aggregated with the Company under Section 414(o) of the Code. No entity shall be treated as an Affiliate for any period during which it is not part of the controlled group, under common control or otherwise required to be aggregated under Code Section 414.

(b) "Beneficiary" shall mean the individual designated by the Executive, on a form acceptable by the Committee, to receive benefits payable under this Agreement in the event of the Executive's death. If no Beneficiary is designated, the Executive's Beneficiary shall be his or her spouse, or if the Executive is not survived by a spouse, the Executive's estate.

(c) "Board" shall mean the Board of Directors of the Company.

(d) "Bonus" shall mean an amount equal to the target bonus expected to be earned by the Executive under the Company's Annual Incentive Compensation Plan or such other annual bonus plan or program that may then be applicable to the Executive in a fiscal year, if the applicable target performance goal is satisfied.

(e) "Cause" shall mean (with regard to the Executive's termination of employment with the Control Group): (i) the refusal or willful failure by the Executive to substantially perform his or her duties, (ii) with regard to the Control Group or any of their assets or businesses, the Executive's dishonesty, willful misconduct, misappropriation, breach of fiduciary duty or fraud, or (iii) the Executive's conviction of a felony (other than a traffic violation) or any other crime involving, in the sole discretion of the Committee, moral turpitude.

(f) "Change in Control" shall have the meaning set forth in Appendix A attached hereto.

(g) "Code" shall mean the Internal Revenue Code of 1986, as amended and as hereafter amended from time to time.

(h) "Committee" shall mean the Compensation Committee of the Board or an administrative committee appointed by the Compensation Committee.

(i) "Competition" shall mean the (i) participating, directly or indirectly, as an individual proprietor, stockholder, officer, employee, director, joint venturer, investor, lender, or in any capacity whatsoever (within the United States of America, or in any country where any of the Executive's former employing members of the Control Group does business) in a business in competition with any business conducted by any member of the Control Group for which the Executive worked at any time, provided, however, that such participation shall not include (A) the mere ownership of not more than 1 percent of the total outstanding stock of a publicly held company; (B) the performance of services for any enterprise to the extent such services are not performed, directly or indirectly, for a business in which any of the Employee's employing members of the Control Group is engaged; or (C) any activity engaged in with the prior written approval of the Board or the Committee; or (ii) intentional recruiting, soliciting or inducing, of any employee or employees of the Control Group to terminate their employment with, or otherwise cease their relationship with the former employing members of the Control Group where such employee or employees do in fact so terminate their employment.

(j) "Control Group" shall mean the Company and its Affiliates.

(k) "Good Reason" shall mean (with respect to an Executive's termination of employment with the Control Group): (i) any material demotion of the Executive or any material reduction in the Executive's authority or responsibility, except in each case in connection with the termination of the Executive's employment for Cause or disability or as a result of the Executive's death, or temporarily as a result of the Executive's illness or other absence; (ii) prior to a Change in Control, a reduction in the Executive's rate of base salary as payable from time to time, other than a reduction that occurs in connection with, and in the same percentage as, an across-the-board reduction over any three-year period in the base salaries of all executives of the Company of a similar level and where the reduction is less than 20 percent of the Executive's base salary measured from the beginning of such three-year period; (iii) on or after a Change in Control, any reduction in the Executive's rate of base salary as payable from time to time; (iv) a reduction in the Executive's annual bonus classification level other than in connection with a redesign of the applicable bonus plan that affects all employees at the Executive's bonus level; (v) a failure of the Company to continue in effect the benefits applicable to, or the Company's reduction of the benefits applicable to, the Executive under any benefit plan or arrangement (including without limitation, any pension, life insurance, health or disability plan) in which the Executive participates as of the date of the Change in Control without implementation of a substitute plan(s) providing materially similar benefits in the aggregate to those discontinued or reduced, except for a discontinuance of, or reduction under, any such plan or arrangement that is legally required and/or generally applies to all executives of the Company of a similar level, provided that in either such event the Company provides similar benefits (or the economic effect thereof) to the Executive in any manner determined by the Company; or (vi) failure of any successor to the Company to assume in writing the obligations hereunder.

(l) "Salary" shall mean an Executive's base monthly cash compensation rate for services paid to the Executive by the Company or an Affiliate at the time of his or her termination of employment from the Control Group. Salary shall not include commissions, bonuses, overtime pay, incentive compensation, benefits paid under any qualified plan, any group medical, dental or other welfare benefit plan, noncash compensation or any other additional compensation but shall include amounts reduced pursuant to an Executive's salary reduction agreement under Sections 125 or 401(k) of the Code (if any) or a nonqualified elective deferred compensation arrangement to the extent that in each such case the reduction is to base salary.

(m) "Severance Benefit" shall mean (i) in the case of the Executive's termination of employment that does not occur within the 24 month period following a Change in Control, two weeks' Salary plus prorated Bonus multiplied by the Executive's Years of Service, with a minimum of 26 weeks; or (ii) in the case of an Executive's termination of employment within the 24 month period following a Change in Control, two weeks' Salary plus prorated Bonus multiplied by the Executive's Years of Service, with a minimum of 104 weeks. The Executive's prorated Bonus for one week shall equal the Executive's Bonus divided by 52. In no event, however, shall the Severance Benefit payable to an Executive hereunder be less than 12 months' Salary.

(n) "Severance Period" shall mean (i) in the case of the Executive's termination of employment that does not occur within the 24 month period following a Change in Control, two weeks multiplied by the Executive's Years of Service, with a minimum of 52 weeks; or (ii) in the case of an Executive's termination of employment within the 24 month period following a Change in Control, two weeks multiplied by the Executive's Years of Service, with a minimum of 104 weeks.

(o) "Year of Service" shall mean each 12 consecutive month period commencing on the Executive's date of hire by the Company or an Affiliate and each anniversary thereof in which the Executive is paid by the Company or an Affiliate for the performance of full-time services as an Executive. For purposes of this section, full-time services shall mean that the Employee is employed for at least 30 hours per week. A Year of Service shall include any period during which an Employee is not working due to disability, leave of absence or layoff so long as he or she is being paid by the Employer (other than through any employee benefit plan). A Year of Service also shall include service in any branch of the armed forces of the United States by any person who is an Executive on the date such service commenced, but only to the extent required by applicable law.

16. Term. The initial term of this Agreement shall end on December 31 of the year following the year in which this Agreement is entered into. On December 31 of each year, the term shall be automatically renewed for an additional one year so that the term shall then be for two years, unless the Committee notifies the Executive prior to any December 31 that the term shall not be renewed. Notwithstanding anything in this Agreement to the contrary, if the Company becomes obligated to make any payment to the Executive pursuant to the terms hereof at or prior to the expiration of this Agreement, then this Agreement shall remain in effect until all of the Company's

obligations hereunder are fulfilled.

17. Benefits Upon Termination. In the event the Executive's employment with the Control Group is terminated without Cause or the Executive terminates employment with the Control Group within 60 days after the occurrence of a Good Reason event with regard to the Executive, the Executive shall be entitled to a Severance Benefit as set forth below.

(a) The Executive shall receive 50 percent of his or her Severance Benefit in the form of a lump sum cash payment as soon as administratively feasible following his or her termination of employment with the Control Group, provided, however, that interest shall be payable beginning on the tenth day following such termination of employment at the prime rate of interest as stated in The Wall Street Journal.

(b) The Executive shall receive the remaining 50 percent of his or her Severance Benefit in the form of a lump sum cash payment as soon as administratively feasible following the one year anniversary of the Executive's termination of employment with the Control Group, subject to (c) below, provided, however, that interest shall be payable beginning on the tenth day following such termination of employment at the prime rate of interest as stated in The Wall Street Journal. Notwithstanding the foregoing, if a Change in Control occurs prior to the Executive's receipt of the remaining 50 percent of his or her Severance Benefit, the Executive shall receive such remaining 50 percent within 10 days following the Change in Control (and, if not paid within such 10 day period, with interest payable beginning on the tenth day following the Change in Control at the prime rate of interest as stated in The Wall Street Journal).

(c) The Executive shall only be entitled to the portion of his or her Severance Benefit described in (b) above if the Executive does not engage in Competition during the one year period following his or her termination of employment with the Control Group and if the Executive has not materially violated the provisions of Section 14 hereof. If the Executive does engage in Competition or violates the provisions of Section 14 during such one year period, the portion of the Executive's Severance Benefit described in (b) above shall be forfeited. If the restriction set forth in this subsection is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend over the maximum period of time, range of activities or geographic area as to which it may be enforceable.

(d) Notwithstanding anything to the contrary contained herein, if the Executive's employment with the Control Group is terminated as described in the introductory paragraph to this Section 3 following a Change in Control, (i) the Executive shall receive 100 percent of his or her Severance Benefit in the form of a lump sum cash payment within 10 days following his or her termination of employment with the Control Group (and, if not paid within such 10 day period, with interest payable beginning on the tenth day following such termination of employment at the prime rate of interest as stated in The Wall Street Journal), and (ii) the restriction on competition contained in Section 3(c) shall not apply.

(e) The Executive shall continue, to the extent permitted under legal and underwriting requirements (if any), to participate during his or her Severance Period in any group medical, dental or life insurance plan he or she participated in prior to his or her termination of employment, under substantially similar terms and conditions as an active Employee; provided participation in such group medical, dental and life insurance benefits shall correspondingly cease at such time as the Executive becomes eligible for a future employer's medical, dental and/or life insurance coverage (or would become eligible if the Executive did not waive coverage). Notwithstanding the foregoing, the Executive may not continue to participate in such plans on a pre-tax or tax-favored basis. Notwithstanding anything else herein, the Executive shall not be entitled to any benefits during the Severance Period other than the benefits provided in Section 3 herein and, without limiting the generality of the foregoing, the Executive specifically shall not be entitled to continue to participate in any group disability or voluntary accidental death or dismemberment insurance plan he or she participated in prior to his or her termination of employment. Without limiting the generality of the foregoing, the Executive shall not accrue additional benefits under any pension plan of the Employer (whether or not qualified under Section 401(a) of the Code) during the Severance Period, provided, however, that payment of any Severance Benefit shall be included in the Executive's earnings for purposes of calculating the Executive's benefit under the Venator Group Retirement Plan, Venator Group 401(k) Plan, and Venator Group Excess Cash Balance Plan.

(f) In the event of the Executive's death after becoming eligible for the portion of the Severance Benefit described in (a) above and prior to payment of such amount, such portion of the Severance Benefit shall be paid to the Executive's Beneficiary. In addition to the foregoing, in the event of the Executive's death prior to payment of the portion of the Severance Benefit described in (b) above, such amount shall be paid to the Executive's Beneficiary, but only to the extent that the Executive satisfied the provisions set forth in (c) above for the period following the Executive's termination of employment with the Control Group and prior to his or her death.

(g) Notwithstanding anything else herein, to the extent the Executive would be subject to the excise tax under Section 4999 of the Code on the amounts in (a) or (b) above and such other amounts or benefits he or she received from the Company and its Affiliates required to be included in the calculation of parachute payments for purposes of Sections 280G and 4999 of the Code, the amounts provided under this Agreement shall be automatically reduced to an amount one dollar less than that, when combined with such other amounts and benefits required to be so included, would subject the Executive to the excise tax under Section 4999 of the Code, if, and only if, the reduced amount received by the Executive, would be greater than the unreduced amount to be received by the Executive minus the excise tax payable under Section 4999 of the Code on such amount and the other amounts and benefits received by the Executive and required to be included in the calculation of a parachute payment for purposes of Sections 280G and 4999 of the Code.

18. No Duty to Mitigate/Set-off. The Company agrees that if the Executive's employment with the Company is terminated during the term of this Agreement, the Executive shall not be required to seek other employment or to attempt in any way to reduce any amounts payable to the Executive by the Company pursuant to this Agreement. Further, except to the extent provided for in Section

3(c), the amount of the Severance Benefit provided for in this Agreement shall not be reduced by any compensation earned by the Executive or benefit provided to the Executive as the result of employment by another employer or otherwise. Except as otherwise provided herein, the Company's obligations to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive. The Executive shall retain any and all rights under all pension plans, welfare plans, equity plans and other plans, including other severance plans, under which the Executive would otherwise be entitled to benefits.

19. Funding. Severance Benefits shall be funded out of the general assets of the Company as and when they are payable under this Agreement. The Executive shall be solely a general creditor of the Company. If the Company decides to establish any advance accrued reserve on its books against the future expense of benefits payable hereunder, or if the Company is required to fund a trust under this Agreement, such reserve or trust shall not under any circumstances be deemed to be an asset of this Agreement.

20. Administration. This Agreement shall be administered by the Committee. The Committee (or its delegate) shall have the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply and interpret the Agreement and to decide all matters arising in connection with the operation or administration of the Agreement. Without limiting the generality of the foregoing, the Committee shall have the sole and absolute discretionary authority: (a) to take all actions and make all decisions with respect to the eligibility for, and the amount of, benefits payable under the Agreement; (b) to formulate, interpret and apply rules, regulations and policies necessary to administer the Agreement in accordance with its terms; (c) to decide questions, including legal or factual questions, relating to the calculation and payment of benefits under the Agreement; (d) to resolve and/or clarify any ambiguities, inconsistencies and omissions arising under the Agreement; (e) to decide for purposes of paying benefits hereunder, whether, based on the terms of this Agreement, a termination of employment is for Good Reason or for Cause; and (f) except as specifically provided to the contrary herein, to process and approve or deny benefit claims and rule on any benefit exclusions. All determinations made by the Committee (or any delegate) with respect to any matter arising under the Agreement shall be final, binding and conclusive on all parties.

Decisions of the Committee shall be made by a majority of its members attending a meeting at which a quorum is present (which meeting may be held telephonically), or by written action in accordance with applicable law. All decisions of the Committee on any question concerning the interpretation and administration of the Agreement shall be final, conclusive and binding upon all parties.

No member of the Committee and no officer, director or employee of the Company or any other Affiliate shall be liable for any action or inaction with respect to his or her functions under this Agreement unless such action or inaction is adjudged to be due to gross negligence, willful misconduct or fraud. Further, no such person shall be personally liable merely by virtue of any instrument executed by him or her or on his or her behalf in connection with this Agreement.

The Company shall indemnify, to the full extent permitted by law and its Certificate of Incorporation and By-laws (but only to the extent not covered by insurance) its officers and directors (and any employee involved in carrying out the functions of the Company under the Agreement) and each member of the Committee against any expenses, including amounts paid in settlement of a liability, which are reasonably incurred in connection with any legal action to which such person is a party by reason of his or her duties or responsibilities with respect to the Agreement, except with regard to matters as to which he or she shall be adjudged in such action to be liable for gross negligence, willful misconduct or fraud in the performance of his or her duties.

21. Claims Procedures. Any claim by the Executive or Beneficiary ("Claimant") with respect to participation, contributions, benefits or other aspects of the operation of the Agreement shall be made in writing to the Secretary of the Company or such other person designated by the Committee from time to time for such purpose. If the designated person receiving a claim believes, following consultation with the Chairman of the Committee, that the claim should be denied, he or she shall notify the Claimant in writing of the denial of the claim within 90 days after his or her receipt thereof (this period may be extended an additional 90 days in special circumstances and, in such event, the Claimant shall be notified in writing of the extension). Such notice shall (a) set forth the specific reason or reasons for the denial making reference to the pertinent provisions of the Agreement on which the denial is based, (b) describe any additional material or information necessary to perfect the claim, and explain why such material or information, if any, is necessary, and (c) inform the Claimant of his or her right pursuant to this section to request review of the decision.

A Claimant may appeal the denial of a claim by submitting a written request for review to the Committee, within 60 days after the date on which such denial is received. Such period may be extended by the Committee for good cause shown. The claim will then be reviewed by the Committee. A Claimant or his or her duly authorized representative may discuss any issues relevant to the claim, may review pertinent documents and may submit issues and comments in writing. If the Committee deems it appropriate, it may hold a hearing as to a claim. If a hearing is held, the Claimant shall be entitled to be represented by counsel. The Committee shall decide whether or not to grant the claim within 60 days after receipt of the request for review, but this period may be extended by the Committee for up to an additional 60 days in special circumstances. Written notice of any such special circumstances shall be sent to the Claimant. Any claim not decided upon in the required time period shall be deemed denied. All interpretations, determinations and decisions of the Committee with respect to any claim shall be made in its sole discretion based on the Agreement and other relevant documents and shall be final, conclusive and binding on all persons.

22. Incompetency; Payments to Minors. In the event that the Committee finds that a Participant is unable to care for his or her affairs because of illness or accident, then benefits payable hereunder, unless claim has been made therefor by a duly appointed guardian, committee, or other legal representative, may be paid in such manner as the Committee shall determine, and the application thereof shall be a complete discharge of all liability for any payments or benefits to which such Participant was or would have been otherwise entitled under this Agreement. Any payments to a minor pursuant to this Agreement may be paid by the Committee in its sole and absolute discretion

(a) directly to such minor; (b) to the legal or natural guardian of such minor; or (c) to any other person, whether or not appointed guardian of the minor, who shall have the care and custody of such minor. The receipt by such individual shall be a complete discharge of all liability under the Agreement therefor.

23. Withholding. The Company shall have the right to make such provisions as it deems necessary or appropriate to satisfy any obligations it may have to withhold federal, state or local income or other taxes incurred by reason of payments pursuant to this Agreement. In lieu thereof, the Employer shall have the right to withhold the amount of such taxes from any other sums due or to become due from the Employer to the Executive upon such terms and conditions as the Committee may prescribe.

24. Assignment and Alienation. Except as provided herein, the benefits payable under this Agreement shall not be subject to alienation, transfer, assignment, garnishment, execution or levy of any kind, and any attempt to cause any benefits to be so subjected shall not be recognized.

25. Successors; Binding Agreement. In addition to any obligations imposed by law upon any successor to the Company, the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree in writing to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. This Agreement shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive shall die while any amount would still be payable to the Executive hereunder if the Executive had continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's Beneficiary, or the executors, personal representatives or administrators of the Executive's estate.

26. Miscellaneous. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and such officer as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not expressly set forth in this Agreement. All references to sections of the Code or any other law shall be deemed also to refer to any successor provisions to such sections and laws.

27. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

28. Confidentiality. The Executive shall not at any time during the term of this Agreement, or thereafter, communicate or disclose to any unauthorized person, or use for the Executive's own account, without the prior written consent of the Board, any proprietary processes, or other confidential information of the Company or any subsidiary concerning their business or affairs,

accounts or customers, it being understood, however, that the obligations of this section shall not apply to the extent that the aforesaid matters (a) are disclosed in circumstances in which the Executive is legally required to do so, or (b) become generally known to and available for use by the public other than by the Executive's wrongful act or omission.

15. Severability. If any provisions of this Agreement shall be declared to be invalid or unenforceable, in whole or in part, such invalidity or unenforceability shall not affect the remaining provisions hereof which shall remain in full force and effect.

16. Arbitration. Any dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, conducted before a panel of three arbitrators in New York, New York, or in such other city in which the Executive is then located, in accordance with the rules of the American Arbitration Association then in effect. The determination of the arbitrators, which shall be based upon a de novo interpretation of this Agreement, shall be final and binding and judgment may be entered on the arbitrators' award in any court having jurisdiction. The Company shall pay all costs of the American Arbitration Association and the arbitrator.

17. Non-Exclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its subsidiary companies and for which the Executive may qualify.

18. Governing Law. This Agreement shall be construed, interpreted, and governed by the Employee Retirement Income Security Act of 1974, as amended. To the extent not so governed, it shall be governed by the laws of the State of New York (without reference to rules relating to conflicts of law).

19. Top-hat Plan. This Agreement is intended to be a "top-hat" welfare plan within the meaning of Department of Labor Regulation Section 2520.104-24.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed and the Executive's hand has hereunto been set as of the date first set forth above.

VENATOR GROUP, INC.

By:_____________________

____

____
[Executive]

APPENDIX A

Change in Control

A Change in Control shall mean any of the following: (i) (A) the making of a tender or exchange offer by any person or entity or group of associated persons or entities (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934 (a "Person") (other than the Company or its Affiliates) for shares of common stock of the Company pursuant to which purchases are made of securities representing at least twenty percent (20%) of the total combined voting power of the Company's then issued and outstanding voting securities; (B) the merger or consolidation of the Company with, or the sale or disposition of all or substantially all of the assets of the Company to, any Person other than (a) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or parent entity) fifty percent (50%) or more of the combined voting power of the voting securities of the Company or such surviving or parent entity outstanding immediately after such merger or consolidation; or (b) a merger or capitalization effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the beneficial owner, directly or indirectly (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), of securities representing more than the amounts set forth in (C) below; (C) the acquisition of direct or indirect beneficial ownership (as determined under Rule 13d-3 promulgated under the Securities Exchange Act of 1934), in the aggregate, of securities of the Company representing twenty percent (20%) or more of the total combined voting power of the Company's then issued and outstanding voting securities by any Person acting in concert as of the date of this Agreement; provided, however, that the Board may at any time and from time to time and in the sole discretion of the Board, as the case may be, increase the voting security ownership percentage threshold of this item (C) to an amount not exceeding forty percent (40%); or (D) the approval by the shareholders of the Company of any plan or proposal for the complete liquidation or dissolution of the Company or for the sale of all or substantially all of the assets of the Company; or (ii) during any period of not more than two (2) consecutive years, individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into agreement with the Company to effect a transaction described in clause (i)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds ( ) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof.

EXHIBIT 10.3

May 5, 1999

Mr. M. Jeffrey Branman
229 South Mountain Avenue
Montclair, New Jersey 07047

Dear Mr. Branman:

This letter supersedes the letter agreement, dated February 19, 1999, between Venator Group, Inc., formerly Woolworth Corporation, ("Venator"), a New York corporation, and you.

This letter amends the supplemental agreement dated April 24, 1997 (the "Supplemental Agreement") between Venator and you as follows.

1. The reference in the first paragraph of the Supplemental Agreement to the Senior Executive Severance Agreement dated April 24, 1997 is hereby amended to refer to the Senior Executive Severance Agreement dated as of May 5, 1999.

2. Paragraph 5 of the Supplemental Agreement is hereby amended to read in its entirety as follows: "Clause (iv) of Section 1(k) of the Agreement shall not apply to the discretionary bonus based on individual performance standards provided for under the terms of your employment."

All provisions of the Supplemental Agreement not expressly amended hereby shall remain unmodified and unamended and the entire Supplemental Agreement, as amended hereby, shall continue in full force and effect in accordance with the terms of the Supplemental Agreement.

VENATOR GROUP, INC.

By: /s/ John F. Gillespie

Senior Vice President -
Human Resources

ACCEPTED AND AGREED:

/s/ M. Jeffrey Branman
- ----------------------
M. Jeffrey Branman

Date: June 3, 1999
- ----------------------

EXHIBIT 12

VENATOR GROUP, INC.

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Unaudited)
($ in millions)

	13-weeks ended		Fiscal Years Ended				
	May 1, 1999	May 2, 1998	Jan. 30, 1999	Jan. 31, 1998	Jan. 25, 1997	Jan.27, 1996	Jan. 28, 1995
NET EARNINGS							
Income (loss) from continuing operations, after-tax	$(11)	8	3	213	209	29	23
Income tax expense (benefit)	(8)	6	(42)	120	139	34	41
Interest expense, excluding capitalized interest	15	11	57	36	53	91	85
Portion of rents deemed representative of the interest factor (1/3)	45	41	180	163	162	157	150
	$ 41	66	198	532	563	311	299
FIXED CHARGES							
Gross interest expense	$ 16	12	64	36	53	91	85
Portion of rents deemed representative of the interest factor (1/3)	45	41	180	163	162	157	150
	$ 61	53	244	199	215	248	235
RATIO OF EARNINGS TO FIXED CHARGES	0.7	1.2	0.8	2.7	2.6	1.3	1.3

Earnings were not adequate to cover fixed charges by $20 for the first quarter ended May 1, 1999 and by $46 million for the fiscal year ended January 30, 1999.

EXHIBIT 15

Accountants' Acknowledgment

Venator Group, Inc.
New York, New York

Board of Directors:

Re: Registration Statements Numbers 33-10783, 33-91888, 33-91886, 33-97832, 333-07215, 333-21131 and 333-62425 on Form S-8 and Numbers 33-43334 and 33-86300 on Form S-3

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated May 19, 1999 related to our review of interim financial information.

Pursuant to Rule 436(c) under the Securities Act of 1933, such report is not considered a part of a registration statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

/s/ KPMG LLP
New York, New York
June 4, 1999

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDED MAY 1, 1999 AND THE CONSOLIDATED BALANCE SHEET AS OF MAY 1, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000,000

3-MOS
JAN-29-2000
JAN-31-1999
MAY-01-1999
13
0
0
0
889
1,213
0
0
2,816
910
513
0
0
0
1,035
2,816
1,079
1,079
791
791
39
0
11
(19)
(8)
(11)
0
0
0
(11)
(0.08)
(0.08)

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDED MAY 2, 1998 AND THE CONSOLIDATED BALANCE SHEET AS OF MAY 2, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000,000

3-MOS
JAN-30-1999
FEB-01-1998
MAY-02-1998
13
0
0
0
880
1,716
0
0
3,024
835
509
0
0
0
1,283
3,024
1,058
1,058
748
748
15
0
10
14
6
8
(13)
0
0
(5)
(0.04)
(0.04)

EXHIBIT 99

Independent Accountants' Review Report

The Board of Directors and Shareholders
Venator Group, Inc.:

We have reviewed the accompanying condensed consolidated balance sheets of Venator Group, Inc. and subsidiaries as of May 1, 1999 and May 2, 1998, and the related condensed consolidated statements of operations, comprehensive income (loss), and cash flows for the thirteen week periods ended May 1, 1999 and May 2, 1998. These condensed consolidated financial statements are the responsibility of Venator Group, Inc. management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of Venator Group, Inc. and subsidiaries as of January 30, 1999, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated March 10, 1999, except for note 23 which is as of March 19, 1999, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of January 30, 1999, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ KPMG LLP
New York, New York
May 19, 1999