

**Solution:**

The comparison is done in a table as follows:

COMPARISON OF VALUES On the top: Gross Profit Percentage Below (in bracket): Inventory Turnover			
Year Company	1995	2003	2011
JCPenney	31.45% (3.76)	30.22% (4.57)	36.02% (3.60)
Sears/Kmart	23.61% (3.55)	14.64% (4.94)	25.50% (3.57)

An interesting trend that can be seen is that the increase in inventory turnover often implies a decrease in the gross profit percentage. Based on the data above, we can try to guess that the JCPenney Company appears to perform better as it maintains a higher gross profit percentage and lower inventory turnover almost always.

Their ratios indicate a significant change. The Sears/Kmart was appearing to be good till 1995 and in 2003, the ratios seems to have reversed. However, in 2011 it seems they have become once again close enough.