

# WWWD THURSDAY

Sportswear

## Geometry Class

**NEW YORK** — Forget the ladylike and frothy. Narciso Rodriguez kept things clean and austere for fall, staying true to his minimalist mantra with structured fabrics in sexy cuts, all in contrasting neutrals, as seen in this combination of a coat and dress. For more on the collections, see pages 6 to 13.



### Fashion Reality Check: As the Runways Rock, Wal-Mart's Metro 7 Rolls

**By Katherine Bowers**

**BOSTON** — By this point, Wal-Mart's trendy new Metro 7 label should have been selling in a thousand stores, but it has reached only 860 doors. Why? Because the retailer can't keep up with the demand.

"We're now trying to catch up with the merchandise flow," Lucy Cindric, senior vice president of ladies apparel, accessories and intimate apparel for Wal-Mart Stores U.S., said in an exclusive interview. "We have had tremendous success turning through merchandise."

The designers on the runways of Bryant Park and elsewhere in New

See **Metro**, Page 18

L I F E S T Y L E

# monitor™

A weekly update on consumer attitudes and behavior based on ongoing research from Cotton Incorporated

## WASH 'N WEAR

Today's Women Appreciate Ease in Laundry

"A woman's work is never done." That sad and sorry phrase never seems more true than when the house looks like it has imploded, the kids are home on summer break and the in-laws are on their way over. All at the same time.

The one bright spot in all this is the laundry. Oh, it definitely falls into the chore category; but as chores go, it's actually not so bad.

"I don't mind doing the laundry because you just throw it in and that's it," acknowledges Debra, 37, whose two boys - and their many friends - have kept her running this summer. "Plus, you can watch TV while you're folding so it takes your mind off it."

The relative lack of time required, paired with new technology in both detergents and appliances designed to improve the appearance of clothes, all combine to make laundry more appealing.

In Cotton Incorporated's *Lifestyle Monitor™*, 47% of women say doing laundry is the household activity they most prefer. This is followed by washing dishes (24%), dusting (9%), cleaning the bathroom (9%), and cleaning the floors (6%).

"Other than folding, the laundry process itself is hands off compared to cleaning a bathroom or vacuuming," says Randall Chinchilla, spokesperson for Procter & Gamble, whose products include detergent.

Doing laundry at home also saves time and money compared to going to the dry cleaners, factors that are important to women. The *Monitor* reveals that almost 61% of women note a garment's laundering instructions before buying an item. When women purchase clothes, 61% of *Monitor* respondents say they are willing to pay more for natural fibers such as cotton. Clearly, it makes sense to find ways to keep the clothes looking good without spending a lot of time or money.

Cotton Incorporated and Procter & Gamble began a working relationship in the early '90s in an effort to introduce high-performance laundry care for cotton garments. P&G's Tide, Cheer and Ivory Snow detergents initially contained the "Carezyme" enzyme, a substance aimed at providing superior cleaning qualities, reducing color fading and enhancing the overall appearance of cotton products. More recently, a combination of technologies allows for these properties plus additional ones.

GE has been working with Cotton Incorporated to develop technology that's easier on cotton. Jon Jacoby, GE clothes care product manager, says the less clothes suffer "scrubbing wear" from a washing machine's agitator, or shrinkage from over-drying, the better. In the last two years, the company has responded with a gentle front-loading washer, as well as the new Harmony Clothes Care System.

"Harmony's top-loading washer has a lot of special cycles that treat clothes more gently," Jacoby

explains. There are pre-soaks for every cycle, a hand wash cycle, even a stain cycle. "If you have a child who likes to play in mud, you can push a series of buttons that identify the type of stain and garment, and it recommends a wash cycle, including the right pre-treat section. After that, the washer will communicate to the dryer, and the dryer will determine which cycle to use for the best result. We're trying to take the guess work out of doing laundry, and Harmony allows this to happen."



GE appliances are "trying to simulate what the consumer would do if she had they time."  
— Jon Jacoby, GE

The GE Front Load doesn't have an agitator, so it's gentler on clothes than a top-loader. Among its many features is an activewear cycle that works with cotton/stretch-blended garments. "To preserve the elasticity, you've got to be careful with the amount of agitation used and the water temperature. And it's really important not to over dry the clothes since the elastameric fiber

can be negatively affected. The GE Front Load will show the cycle on 'activewear,' and it will match up on the dryer. These machines are good for cotton and cotton blended garments."

In developing these features, Jacoby says GE appliances are "trying to simulate what the consumer would do — apply a pre-treater, use elbow grease to remove the stain, hand wash special items — if she had the time."

Regina, a 30-year-old pre-school teacher, is always trying to maximize her minutes. She washes a load of laundry every morning prior to working out. Before she jumps in the shower, the clothes go in the dryer.

"It's quick, and I feel like I've accomplished one chore for the day before I go to work," she explains.

Regina actually does laundry more than average. The *Monitor* finds that 42% of women wash clothes once a week, followed by 25% who do it twice, 12% who do it three times and 4% who run the machine four

Which Household Activity Do You Most Prefer	
Doing laundry	47%
Washing dishes	24%
Cleaning floors	6%
Dusting	9%
Cleaning the bathroom	9%
None/I have a maid	2%
Don't know	3%

times a week. Regina says she does the wash daily because she doesn't want stains to set in the clothes belonging to her husband, who owns an auto body shop. Chinchilla says she could rest easier with a product like Tide.

"The better we make the detergent, the less work that's required in getting it clean, and the less risk there is of fading cotton clothes," he says. "Tide can be used as a pre-treater to really get a stain out, yet it's less abrasive than pre-treaters on the market. We like to say, 'Just one damaged garment pays for Tide for the whole year.'"

So that even if a woman's work is never done, at least it can be made easier.

*This story is one in a series of articles based on findings from Cotton Incorporated's Lifestyle Monitor™ tracking research. Appearing Thursdays in these pages, each story will focus on a specific topic as it relates to the American consumer and her attitudes and behavior regarding clothing, appearance, fashion, fiber selection and many other timely, relevant subjects.*



# WWD THURSDAY

Sportswear



Narciso Rodriguez



Michael Kors

## NEW YORK COLLECTIONS

**6** Narciso Rodriguez offered his minimalist mantra while Michael Kors showed polished, casual chic as the season rolled on.

## GENERAL

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- 3** Hermès International posted a strong finish to 2005, posting an 8 percent gain in fourth-quarter sales to 437.1 million euros, or \$520 million.
- 3** VF Corp. turned in a third consecutive year of rising sales and record earnings in 2005, fueled by its outdoor apparel and equipment segment.
- 20** DISH: The next big splash in the premium denim market will have less to do with styles, washes and fits, and everything to do with price.
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## EYE

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## Clarification

A story on fashion directors on page one, Monday, should have indicated that, while Nordstrom does not operate with a fashion director for designer apparel, June Rau serves as the Nordstrom full-line store fashion director, covering all women's apparel, excluding designer. She goes to fashion shows and supports a team that is involved in trend forecasting and creating trend reports that are used by women's apparel merchants and Nordstrom Product Group, the private label division. The fashion team works with the creative marketing team, including advertising, special events, visual merchandising and public relations.

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# Hermès Sales Increase

By Miles Socha

**PARIS** — Hermès International posted a strong finish to 2005, even if its 8 percent gain in fourth-quarter sales, to 437.1 million euros, or \$520 million, was behind the double-digit pace of many of its luxury peers.

The results were also a nose shy of analysts' expectations, sending shares of Hermès down 0.1 percent on Wednesday to close at 209 euros, or \$249.64, on the Paris Bourse.

On the plus side, "excellent" consumer reaction to the scent Un Jardin sur le Nil lifted sales of the perfume category by 12.5 percent for the full year at constant exchange, Hermès said.

The fashions of Jean Paul Gaultier, now in his second year as designer of Hermès ready-to-wear for women, also helped "revitalize" its rtw and accessories division, where full-year sales rose 7.6 percent.

Mireille Maury, managing director of finance and administration at Hermès, highlighted an acceleration of growth in the second half and a "very good" month of December, when sales were up 17 percent in its European boutiques. She said January and February sales were "in line" with the overall trend of 2005, and that an increase in margins would allow Hermès to achieve a double-digit gain in operating profits, which the company is slated to report March 23.

Meanwhile, Hermès plans to ramp up its schedule of store openings and renovations to 30 this year from eight in 2005. Forthcoming openings include a Maison Hermès in Seoul, South Korea, a new seven-story building slated to open in June. Hermès' glass brick Maison in Tokyo's Ginza district will be enlarged come October with a new neighboring building that has 5,000 more square feet of selling space. New locations for this year include Amsterdam; Charlotte, N.C.; Bangkok, and Hangzhou, China.

In the quarter ended Dec. 31, sales rebounded

in Europe, excluding France — up 16.9 percent at constant exchange to 79.1 million euros, or \$94.1 million. Sales in Japan, which account for 29 percent of Hermès' total business, were up 7.2 percent in the period to 128.5 million euros, or \$153 million, a big improvement from a "weak" first half. Maury noted. Sales gained 7.9 percent in Asia-Pacific (to 68 million euros, or \$81 million) and a modest 1.3 percent in the Americas (to 67.9 million euros, or \$80.7 million), which Hermès blamed on fewer selling days. "The trend there remains good," she added.



Hermès cited an uptick in sales of rtw by Jean Paul Gaultier.

PHOTO BY GIOVANNI GIANNINI

By category, sales of high-margin bags and luggage increased 5.4 percent at constant exchange to 169.2 million euros, or \$201.2 million. Hermès said increased production capacity boosted the division, but that demand continues to outstrip supply. Maury said leather handbags were among the best performers, particularly the Birkin, Kelly and Bolide models.

In a research note, Goldman Sachs analyst Jacques-Franck Dossin applauded a decision by Hermès management to cut production of canvas bags, which threatened to undermine its brand image. These "were initially launched as beach bags, but became increasingly used as city bags, particularly in Japan," Dossin wrote.

Overall, he characterized the fourth-quarter performance as "good," given a challenging basis of comparison. "We continue to see Hermès as one of the companies with the strongest brand equity in the sector," the report said.

In the rtw and accessories category, which includes men's wear by designer Veronique Nichanian, sales rose 7 percent at constant exchange to 79.7 million euros, or \$94.8 million, in the quarter. Watch sales, however, slipped 2.1 percent to 33.2 million euros, or \$39.5 million.

For the full year, sales gained 7.2 percent to 1.43 billion euros, or \$1.78 billion. Dollar figures are converted at average exchange rates for the respective periods.

The North Face reported a revenue gain of more than 25 percent during the fourth quarter.



## VF Posts Record Earnings

By Ross Tucker

**NEW YORK** — VF Corp. turned in a third consecutive year of rising sales and record earnings in 2005, propelled by growing sales in its outdoor apparel and equipment segment.

"Clearly, we put in place a platform for solid, sustainable growth in both sales and profits," Mackey McDonald, president and chief executive officer of the Greensboro, N.C., manufacturing giant, said during the company's conference call. "All the pieces are in place for another excellent year in 2006."

For the three months ended Dec. 31, earnings rose 1.7 percent to \$127.5 million, or \$1.13 a diluted share, from \$125.3 million, or \$1.10 a share, in the same period a year ago. Earlier this month, VF announced it would include the impact of stock-option expenses in its accounting for the quarter. The new accounting practices negatively affected earnings by \$5 million, or 3 cents a share, in the quarter.

Revenues for the three-month period increased 4.2 percent to \$1.65 billion. The firm's acquisition of active lifestyle brands over the past two years continues to pay dividends, with its outdoor apparel and equipment segment again posting gains of 22.9 percent to \$343.9 million.

Eric Wiseman, executive vice president of global brands, said during the call that much of the segment's growth has come organically, and the North Face led the pack with a 25 percent revenue gain during the quarter. Wiseman also noted that the company's most recent acquisition, Reef, contributed \$50 million to revenue.

"I'm actually not at all anxious about the outdoor coalition running out of steam," Wiseman said in response to a question from an analyst. "The brands we have acquired, like Vans and Reef, have unbelievable potential to get into the apparel business."

Four out of the company's six business coalitions reported revenue gains for the quarter. Jeanswear, the company's oldest and largest segment, which includes the Lee and Wrangler brands, had a 1 percent revenue gain to \$686.8 million. Turning around the Lee jeans business, which had declining revenues during the quarter, remains one of the biggest challenges facing the jeanswear segment. Lee is engaging in a new print marketing program touting the brand's fit and is focusing its efforts on the female consumer.

"I can't promise that the turnaround will be quick, but we do expect better top-line comparisons at Lee by the second half of 2006," said Wiseman.

Imagewear reported a 1.6 percent revenue gain to \$234.6 million, Intimate apparel revenues fell 1.2 percent to \$183.6 million and the Sportswear segment revenues inched down 0.4 percent to \$182.9 million.

For the year, earnings rose 6.7 percent to \$506.7 million, or \$4.44 a share, compared with \$474.7 million, or \$4.21 a share, in 2004. The early adoption of stock-option expense accounting had a more dramatic impact on full-year results however. The company recorded a \$27 million noncash expense related to stock options for the year, which translated into a hit of 15 cents a share on earnings. This was compounded by a one-time adjustment of 10 cents a share.

Revenues for the year rose 6.2 percent to \$6.5 billion. The outdoor segment again led the way, with revenues up 43.8 percent to \$1.45 billion from \$1.01 billion. Sportswear had a gain of 5.2 percent to \$650.8 million, while Imagewear revenues rose 4.6 percent to \$805.8 million. Revenues for the intimate apparel segment experienced the steepest decline, falling 6.4 percent to \$343.2 million. Jeanswear revenues dipped 0.3 percent to \$2.70 billion.

With almost \$300 million in cash on hand, analysts sought to gain insight into the company's next acquisition target. In his opening remarks, McDonald described the acquisition environment as "quite competitive." There was some indication that future acquisitions would likely have a retail component to them, as the company has made expanding retail operations a new platform in its growth strategy.

"Our owned-retail represents about 13 percent of our revenue and we expect by 2009 to add over 400 stores ... and increase that to about 18 percent of revenue, and that's excluding any acquisitions," said Wiseman. "Actually, most of the lifestyle brands we have acquired in the last three years did bring with them a strong retail component."

For 2006, management expects to achieve 6 to 8 percent revenue growth, half of that coming through growth of existing businesses.

## Oakley Grows With Oliver Peoples Buy

By Sophia Chabbott

**NEW YORK** — In an effort to boost its fashion cred and get into the luxury business, Oakley Inc. has acquired Oliver Peoples Inc., the Los Angeles luxury eyewear brand.

"The Oakley brand has made great strides over the past few years from just being a sport look to being a lifestyle brand [marrying] technology with fit and design," said Scott Olivet, chief executive officer of Oakley. "As we were thinking of multibranding to have different consumers in different markets, we wanted our first acquisition of a brand to have a fashion perspective. Oliver Peoples was the number-one choice because we have the same values and the same point of view. It is the perfect match."

Terms of the deal were not disclosed.

Oakley, which produces performance and lifestyle apparel, accessories, eyewear, footwear, watches and various electronics, is breaking the "athletic" mold for which it is known without abandoning its roots. The firm held its second-ever runway show on Saturday at Bryant Park and opened a boutique in Manhattan's SoHo neighborhood last year. The company's net sales last year amounted to \$638.7 million and generated a net income of \$52.6 million.

Oliver Peoples is an anomaly in the eyewear industry, where licenses, mass distribution and logos rule. Peoples focuses on discreet luxury and elegance, without any logos and limited distribution in its own boutiques and select department stores such as Neiman Marcus and Fred Segal. Peoples also holds the license for Paul Smith Eyewear and Mosely Tribes, a midprice brand of sport sunglasses launched last year.

According to Larry Leight, ceo and chief design officer of Peoples, over the years he had many offers for the company.

"It's a shock to most people in the industry," said Leight. "We're a family business and we have amazing growth. We've expanded our sunglass division. We've done it in a big enough way to be the number-one [sunglass vendor] in Neiman Marcus, Saks in New York and Fred Segal."

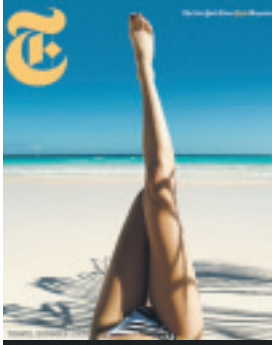
Leight's first orders of business are to grow the public relations department and improve the firm's Web site. Though there are no plans on tap, the firm may increase the number of company boutiques. There are currently five throughout New York, California and Tokyo.

There are no plans to grow the brand through advertising or opening up distribution.

"We consider ourselves to be the Manolo Blahnik of eyewear," said Leight. "People who wear our glasses are our advertising."



Oliver Peoples sunglasses.



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# As You Like It

Fashion week provided a fine juxtaposition, displaying slim, clean looks as well as those that were liquid and layered. With either approach, both work in a perfectly pretty way.

**Narciso Rodriguez:** It doesn't take rocket science to figure out that austerity is more difficult to manipulate than abundance. In trying to satiate the communal thirst for new-new-new, a less-is-more type of designer has one of the toughest jobs in fashion. Recently, working through that reality has been a particular challenge for Narciso Rodriguez, whose old-school reverence for the craft and subtlety of cut has at times resulted in movement too cryptic to appreciate from the runway. Not so with the collection Rodriguez showed Tuesday night. It featured the designer's minimalist mantra in a beautiful lineup that felt not only new, but, at a moment when so many designers here are going the fussy-lady route, necessary.

Typically, Rodriguez kept most of his cuts reed-thin and sexy. The difference came in the execution of his splice-and-seam signature, now more overt and high contrast, yet sans a single gratuitous stroke. The results ranged from ergonomic sensuality to a snappy geometry that at times hinted at Mod. For variety, he worked in structured and fluid fabrics, often inserting panels of one into the other. And though he worked mostly in contrasting neutrals, shots of pink provided pizzazz.

When Rodriguez digressed from lean mode, it was with terrific, structured coats with bold piping and with a surprisingly girlish dropped-waist cocktail dress. More often, however, evening was a playful shimmy affair with carefree tanks aquiver with paillettes — saucy digressions amidst a lineup of high chic.

**Michael Kors:** Michael Kors has a long-standing Ali MacGraw fixation, partly because her style was her own and not the painted-on stroke of a stylist. "She once told me," Kors said before his show, "that when she put that cap on and went out, she had no idea she'd start a frenzy." It's exactly that kind of polished, casual chic that Kors has made his professional raison d'être. After 25 years in the business, he still revels in the great classics of American sportswear, so much so that at this point he classifies some — cabled sweaters, peacoats, tartans and plaids — as "Michael Kors-isms."

The collection he showed for fall featured all of those elements in full force, with references that spanned from the Jazz Age through the Ali-esque Seventies. And indeed most of it was turf he has covered before, which made for some quiet going. That said, there were still lots of great clothes. Kors is one of many designers this season embracing cold-weather fabrics — meltons, lodens, wool plaids, brocades and oodles of cashmere, but his is bulk-free coziness, lest one of his girls be mistaken for chubby. Thus, big sweaters went over skinny tops and languid skirts. In the collection's biggest news, these, along with a stretched-out rugby knit dress, sometimes reached the floor, which may be too retro a day concept for Kors' customer. But no matter, because she can choose from any number of alternatives, including lovely dresses of varying lengths, some with a flapper attitude, and one camel knit charmer accessorized with an argyle handbag and matching kneesocks. As for the mixes, there were appealing pairings of meaty outerwear over sweaters with wide pants or walking shorts.

Kors kept evening relatively low-key, favoring the play of sparkles on black dresses with crystal sprays and a cashmere twinset over pleats peppered with paillettes. Just because she's dressing down doesn't mean a girl can't sparkle plenty.

**Marc by Marc Jacobs:** Move over, perky fashion "It" girl. A new, more introspective type is moving in on your turf. In his Marc by Marc Jacobs collection, the designer played to her with darkish layers built around pavement-sweeping dresses and skirts for a Belgian art-student vibe. The mood



Narciso Rodriguez

Michael Kors



Michael Kors



Marc by Marc Jacobs



Marc by Marc Jacobs

**new  
york**



Rebecca Taylor



Daryl K

evoked a whiff of deconstructionist nostalgia with enough style — and control — to perhaps convince a new generation of girls that their everyday look can consist of something more than a flimsy top over jeans. The lure was in the mix, as the parade of alternative fluidity and volume (there was tons) was broken by, for example, the nattiness of a tweed coat or the chic of a short, lean gray dress. But then, the allure of this collection has always been its expansive DIY possibilities; here, Jacobs added yet another cool dimension.

**Rebecca Taylor:** Rebecca Taylor threw herself a delightful birthday party. “I wanted to do something special and intimate,” she said. “Fashion week has been so intense of late — and not in a good way.” So to celebrate her 10th year in business, she invited everyone into a bright penthouse space done up like an ethereal tea party in which to show off her pretty fall collection on mannequins. Taylor exists in a frothy, eternally optimistic world, where girls float through their days in sweet floral dresses and delicate lace camis. There were plenty of these here, often

teamed with high-waisted tweed skirts or long, *louche* Hepburn-esque trousers. The Victorian lace blouses offered a prim but not stuffy direction, while the set of lace dresses, in cream and chocolate, will be sure-fire layering pieces for fall and spring. It was, in short, a great way to kick off her next decade in fashion.

**Daryl K:** For all the rough roads Daryl Kerrigan has traveled over her 16-year career, she has rarely misstepped when it came to nailing what Daryl K customers want to wear: That’s perhaps because of her experience, or maybe because she lives and works on the fringe of the well-heeled set, though they love her clothes, too. So with little fanfare — Kerrigan actually seated most of the guests herself — and to the melancholy lull of Johnny Cash, out came winner after winner. Tops were cut blousy, as in a black gabardine kimono jacket or a russet silk charmeuse smock dress edged with beading, while bottoms were narrow. Layering here was key, but the lightweight fabrics gave it a “I just threw this on” kind of feel. Indeed, today’s Daryl K girl is smart, cool and doesn’t require much fuss — a lot like the designer herself.

# Both Sides 1

If designers have it their way this fall, girls will look feminine in frills at one moment, and tombo

Richard Chai



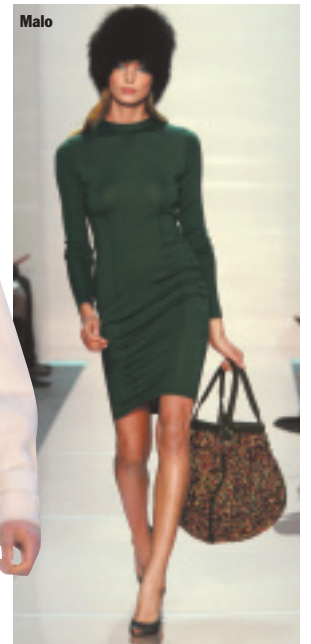
Richard Chai



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**Richard Chai:** The question that Richard Chai posed to himself this season is: How does one create a new sort of sophistication that is both refined and comfortable? "I wanted the clothes to feel like your favorite scarf," Chai said after the show. It's admirable work, and Chai approaches the challenge with gusto, a pocketful of keen ideas and, most indispensably, great technical proficiency. What could be more comfortable than a trenchcoat, a cardigan or cuffed pants meant to be worn with flat shoes? Good question. Perhaps the romantic evening dresses that looked nightgown-comfortable, but with clever seams and lovely knotted fabric rosettes. But there was more than just a sense of ease in the clothes, as the trench combination featured masculine tailoring bordering on the punk, and that evening dress worked a stark, serene romanticism. There was, too, plenty of refinement, which showed up in the details, such as the sharply curved yokes and silver snaps on the coats, rippling lapels on cardigans and subtle texture on pants. Too bad the fashion flock has to wait six months till they hit the stores.

**Rodarte:** Trekking up to East 79th Street is a haul-and-a-half in the middle of an overstuffed fashion week, especially to see a collection that's only three seasons old. It speaks volumes, then, that retailers such as Julie Gilhart and Linda Fargo made the journey for Rodarte. And designers Laura and Kate Mulleavy didn't disappoint. Picking up where they left off last season, they revisited their pinked and frilled cocktail dresses and evening gowns. Loose chiffon strips, running the length of some looks, undulated and fluttered like sea kelp as models walked — an intentional and intriguing visual trick. It was lovely on the waisted sheaths, but read as fussy on the skinny pantsuits, an idea that Stefano Pilati successfully toyed with at YSL last season. Such intense detail — including the twisted and bunched rosettes that beautifully crowded the back of a long white number — takes patience

and incredible effort, something the Mulleavys must have in spades.

**Malo:** Times are a-changing over at the Italian knitwear company Malo. There's a new designer at the helm, Fabio Piras, and he's taking the 34-year-old company in a new direction, not to mention city, for the label's first New York runway show. "Chic ease" read the show notes, and there was certainly plenty of that to go around: cozy, effortless sweater dresses, both chunky and sheer, as well as a bevy of cold-comfort cashmere goods that have proven the brand's bread and butter thus far. But Piras also sent out some fabulous outerwear, including a brass-buttoned, white sheared mink trench chically cinched with a skinny rope and leather belt, in addition to a few men's wear-inspired looks, feminine bow blouses and swifty pleated frocks. While fall's more fashion-y turn was a welcome change, Piras should caution against straying too far too soon. Case in point: the black silk chiffon and lace slipdress that, while pretty, seemed like a look lost on its way from the boudoir.

**Diesel:** Inspired by the fabled Chelsea Hotel and the musical fixtures it played home to through the years, Diesel's creative director, Wilbert Das, delivered an eclectic, if not provocative, mix for fall — including a puzzling nod to an era long gone: a black-caped Grace Jones shaking and howling her way up and down the runway. Disco fans will appreciate the touches of Luxure woven into knit leggings or the Biba-esque silk jumpsuits. Sex Pistols aficionados will grab for the studded denim and leather, of which there was plenty. And don't forget the wool herringbone suits and ruffled raglan trenchcoat that would certainly delight the androgynous set. Indeed, there was something for everyone — which makes sense, given that 65 percent of Diesel's annual sales come from the firm's branded stores



# Now

stylish in military motifs the next.



Nanette Lepore

Diesel



Rodarte Rodarte



Peter Som



— but for the sake of editors and retailers, Das' wide spectrum of references could benefit from a good edit.

**Nanette Lepore:** Never one to let a frill pass her by, Nanette Lepore hosted one girly affair. With a nod to the Edwardian gentleman, she mixed natty tweed trousers and pinstriped suiting with feminine silky floral or polkadot blouses finished off with cravat-like ties. Toss in whimsical knit vests and it all had a charming, thrown-together appeal for the fashion-lover with eclectic tendencies. At a few points, though, that quirky thread unraveled when Lepore got bogged down in too many spangled ideas, such as the beaded fringes and disco lamé dresses. And the girlish theme that worked so well with sportswear didn't translate into evening's siren gowns.

**Peter Som:** "It's about a feeling, not a period," said Peter Som of his inspiration: the Ascot scene in "My Fair Lady," in which all the characters are wearing black and white. He says the film has been an obsession since childhood, and, apparently, the young Peter had an eye. The graphic, minimal palette gave a terrific modern look to his cocktail ensembles, particularly a white bloused top dusted with polkadots and paired with a full black skirt, as well as others that combined lean tuxedo pants with crisp, slim-cut white shirts. That elongated silhouette also lent itself well to suits in pewter corduroy and ivory wool, but when the same idea was extended to shorts, the result felt tricky and unwearable. Som's work is best served straight up, with a dash or two of an offbeat detail to balance the prettiness factor: Occasionally, however, he laid on the offbeat a little too thick. So while a layer of pleated tulle on a cocktail suit was lovely, it dragged on a pair of gowns that were already weighted down with puffy silk tiers.

## KATE'S NEW VIEW

With her usual wit and charm, Kate Spade unveiled her fall collection during the customary breakfast, which by now

has become a must-stop for the fashion flock. The showroom was chock full of treats, but not just of the edible variety. The designer's latest repertoire includes patchwork furs, luscious shearlings, patent snakeskins, smooth velvets and a charming plaid embossed with Spade's popular "Oaxaca" print. She also revisited some of her more popular shapes, while introducing the Mya, a slouchy knitting bag with wooden handles, as well as the Ellie, a loosely structured drawstring style. And the shoe department was full of goodies, too, most notably two new platforms: a dance-inspired version and a sexy strappy heel.



PHOTOS BY TALAYA GEYERD, GEORGE CHINSE, GIOVANNI GIANINI, THOMAS RANACCONE AND DAVID TURNER

# All Shook Up



Chaiken



Thakoon



Barbara Tfank



Costello Tagliapietra

**Chaiken:** There are two reasons to celebrate chez Chaiken right now. One, founder and president Julie Chaiken just welcomed her second son, Zachary, to the family, and two, creative director Jeff Mahshie sent out another round of his imminently wearable togs. For fall, he took his clean, unfettered aesthetic to an even more minimal place, stripping it of almost every detail except for a few passementerie closures and some subtle flounces. All the better to show off his precision cut and fit — wool capes and coats belled out and tight pants hung instead of clung. Even a fully sequined dress, in its platinum sheen, looked discreet. And that, after all, is exactly what the cool, confident Chaiken girl is about.

**Heatherette:** The Heatherette show notes read, “A pretty girl is like a melody,” and to that end, designers Richie Rich and Traver Rains sent out a show that sang New York with sparkle and showgirl shine, Big Apple prints, jailhouse stripes and everything in between. Their swifty black-and-white sequined T-shirt dress was made for a night on the town, as was the cheeky plaid trenchcoat with tweed trim and candy-colored buttons. Day looks were equally fun, especially the skinny denim jeans, cozy cabled cardigans and shimmery cotton hoodie. These are not the wares for wallflowers, but as their muse, Amanda LePore, strutted the finale holding a “Dreams Do Come True” sign, the crowd — including Marc Jacobs, Debbie Harry and Scissor Sisters front-man Jake Shears — couldn’t help but catch the Heatherette enthusiasm.

**Thakoon:** When Thakoon Panichgul was talking backstage about his fall inspiration — a Tim Hawkinson painting called “Divan” — he might have been describing his own work. “I love it when you see one thing, but then you look again and it’s something else,” he said. While playing with the notion of making sexy clothes elegant and refined, Panichgul conjured up the chic gamine from the streets of Saint Germain. But with jackets, dresses and even a kinky striped frock made with trompe l’oeil corset details, he gave his raffish girl a deeper sensuality. Elsewhere, he delighted with painted stitches on a grosgrain number or by exposing seams on the straps of a dress, crafting the fabric into a raw-edged flower. Though several looks with enormous cape collars felt out of step with his usual sense of lightness, Panichgul is becoming one of New York’s most promising attractions.

**Barbara Tfank:** It wasn’t until the next-to-last look at Barbara Tfank’s small, genteel show in the Hotel Carlyle bar that you realized your mind-set had temporarily shifted. The above-the-knee chiffon baby doll certainly seemed like an interloping younger sister to the looks that preceded it, all of which lulled you gently and completely into their world of soigné Fifties propriety. There is nothing remotely hip or trendy about Tfank’s nipped-waist dresses, matching coat-and-skirt ensembles and prim suits, and that’s just fine — but there’s also nothing cloying or costume-y. It’s easy to see why this designer’s old-school wares are a staple of socialites. After all, they know that beautifully made clothes, like diamonds, are forever.

**Costello Tagliapietra:** Jeffrey Costello and Robert Tagliapietra’s fall collection had the crucial three S’s that have become their mainstay — slim, sexy and sophisticated — and that, in itself, was

**Gotham had it all this week, as designers walked to the beat of their own drums. They sent out everything from the minimal — sleek, prim suits — to over-the-top — cheeky plaids combined with jailhouse stripes.**



a testament to their confidence. With zero adornment but for a few luxurious CT for Saga Furs, they let the clothes and their impeccable tailoring do the talking. The designers stuck to their choice fabric for fall, wool jersey, in a palette of browns, cool blues and greens that complemented the mostly mock or cowl necklines, bare backs and knee-skimming skirts. What was new this time around were the cool velvet shawl-collar coats and the pleated straight-leg trousers. Add a gown or two and the hard-to-please modern woman's got herself a wardrobe.

**Charles Nolan:** Charles Nolan has a strong track record for designing beautifully made clothes with an elegant sensibility that's as youthful as it is sophisticated. While he's always shown his well-edited collections informally in his boutique, this season Nolan decided on the tents. Not a wise move, for he tried too hard to do too much and it resulted in an all-over-the-place lineup that lacked his usual refinement, quality and clean styling. Some of that old Nolan chic was there, though, evident in a little Shetland suit, the silver-buttoned navy reefer or the white double-faced cashmere biker over a black jersey funnel neck and wool organdy skirt. And when Nolan added his kitten-heeled riding-style boots or slingbacks with leggings, even his most ladylike suits looked adorable. But he needs to regroup, recapture that Nolan charm and remember that bigger is not necessarily better.

**Gustavo Arango:** With this collection, Gustavo Arango's girls will be sure to get their glamour fix, thanks to his sensual, red-carpet contenders. They came in the form of silk gowns — slate blue satin, copper velvet, sienna organza — that gracefully trace the body and bare the back with dramatic origami folds. For his more tailored looks, he showed trousers in wool or silk, boldly wrapped at the waist with silk shirts. Arango knows how to cut a coat with the same swagger, and he did just that in a black textured wool version and another in sienna silk organza. This collection is one that should go beyond the needs of the Oscars crowd.

**Keanan Duffy:** Already known as a go-to guy for all things punk, Keanan Duffy translated that streetwear savvy into a collection of premium denim — the only segment he has not addressed, until now. But that's just what the designer did, along with his new partner, Paul Guez, chief executive of the privately held Blue Concept. Out came well-fitted skinny jeans with silver studs at the waists or skull and crossbones embroidered on back pockets. There were also elongated T-shirt dresses worn alone or over a painted Union Jack mini, black denim military and tuxedo jackets and hoodies with foil graphics. Cheers to Duffy, who gave us a hard-edged collection with attitude to spare.

**new  
york**

PHOTOS BY JOHN AQUINO, TALAJA CENTENO, GEORGE CHINSEE, GIOVANNI GIANNOINI, ROBERT MITRA AND DAVID TURNER

# Fashion Scoops



Elsa Pataky

**FRONT-ROW FLASH:** Among the regular crowd of Michael Kors devotees like **Aerin Lauder**, **Lauren duPont** and **CeCe Cord**, a fresh face graced his front row — that of actress **Elsa Pataky**. The Barcelona native is in town for her first New York Fashion Week and couldn't be more thrilled. "I am so excited," she beamed. "I love **Michael Kors**." She recently tried to borrow a dress from the designer for the Goya Awards (the Spanish equivalent to the Oscars), but wasn't able to get one and, ultimately, donned a Nina Ricci gown. "It's very difficult to get dresses in Spain," she explained, even though she is a friend of the Kors house. "But I went backstage and said hello to Michael, so now I know that next time it will work out." Pataky, who will be seen in the upcoming **Samuel L. Jackson** movie "Snakes on a Plane," also plans to attend the Custo Barcelona show. "I have to go — it's where I am from. I couldn't go to an American show and not go to the Spanish one," she laughed. "Even if Michael Kors is very well known in Spain."

Another face appeared for the first time at a New York show: **Debra Messing**. The flame-haired actress was never able to travel East before due to the shooting schedule of "Will & Grace," but this season jumped on a red-eye to make the Michael Kors show along with husband **Daniel Zelman**. "It's so much bigger than I thought it would be," she said, "There are so many more people." Up next for the actress are two films, "Purple Violets," directed by **Ed Burns**, and "Lucky You," out in April.

**COMEBACK TRAIL:** Balmain, the Paris fashion house, is again trying to kick start its business with a new designer. **Christophe Ducarnin**, formerly with Paco Rabanne, has joined the house and will present his first collection in a runway show scheduled for Feb. 26 during Paris Fashion Week. A Balmain spokesman refused to comment, but the house soon is expected to issue a statement confirming Ducarnin's arrival. The last few years have been choppy for Balmain as it filed for bankruptcy protection and chewed through designers, including **Christophe Lebourg** and **Laurent Mercier**.

**HIGH TIMES:** Colette, the hip and upscale Paris boutique, is taking the high-street route and opening a Topshop corner later this month in tandem with a British-themed exhibition. On offer will be fashion-savvy staples that drive British kids wild, including skinny jeans and an exclusive T-shirt line for Colette. "It's a nice way to enter a market," said **Jane Shepherdson**, brand director for Topshop, who confirmed the brand is planning to open a permanent Parisian store within the next 18 months, followed by stores in two other European cities and in New York. "We want to give to other cities what our Oxford Street store gives to London," she added.

**THAT GIRL:** The sports world has streakers and the fashion industry has, well, sneakers. The season's sprightly culprit has the stealth of a seasoned professional and is anything but obvious, wearing a rhinestone tiara in the front row of shows such as Badgley Mischka, Diane von Furstenberg, Nanette Lepore (beside **Fran Drescher**), Luca Luca and Chaiken. She said her name is **SoYoun Shim** and that she is a fashion design student and fledgling designer. "I love this," said Shim of the shows. She said she was legitimately invited by friends to some shows, but also has gotten past tough public relations firms such as KCD and PR Consulting. "Sometimes, I get standing room [and come to the front row]. Other times, I sneak in." But sometimes that "you should know who I am look" doesn't work. At the Marc Jacobs' show, Shim was ousted to the still-prestigious second row for "Saturday Night Live" star **Amy Poehler**.

**PRADA BREAK:** **Katie Couric** and the "Today" show team swept into Milan Wednesday, capping off a three-day Italian tour before heading on to Turin for NBC's Olympic coverage. In between live broadcasts from Milan's Piazza Duomo and the glassed shopping arcade known as the Galleria, where the program staged a mini spring fashion show, the petite anchor slipped into the Prada store to keep warm and check out the merchandise. "I'm trying to get a little shopping in," she said postshow, "but we've been moving from place to place and it's been difficult." Couric, who honeymooned in Rome and Florence, had never been to Milan before the broadcast. "Milan, so far, has been my favorite place in terms of people," she said. The climate, however, could have been more amiable. Before the show wrapped, Couric changed out of her pink floral Dolce & Gabbana coat and into a warmer down number.



SCENE STEALER

SoYoun Shim at Baby Phat, Diane von Furstenberg and Luca Luca.

**THE HEATHERETTE MIX:** Singer/songwriter **Rufus Wainwright** was one of the lucky ones seated front row at the Heatherette show Tuesday night. Not even **Pat Field** scored Row One status. "I'm a friend of the creators," Wainwright said of Heatherette designers **Richie Rich** and **Traver Rains**. "Can't you tell? I'm wearing a silver jacket with a sparkly brooch." Seated to his left were the beauty guy from "Queer Eye," **Kyan Douglas**, and culture maven, **Jai Rodriguez**, who was wearing a barely zipped-up hoodie and tie, sans shirt. "This is the biggest show of fashion week,"

Rodriguez said as he excitedly bobbed up and down in his seat, gawking at the likes of club queen **Suzanne Bartsch**, and rocker legend **Debbie Harry**, seated nearby.

**CUSTOM-MADE:** Why wait four weeks to have a Goyard bag monogrammed? Jack Spade has taken the matter into its own hands. The firm will be setting up shop for the new Jack Spade Canal Street collection outside of the tents at Bryant Park today at 5-7 p.m. and Thursday at 7-8 p.m. Employees of the company will hand-paint plaid plastic totes from Chinatown with people's initials. Quite the designer knockoff.

**PRIZE RING:** Mia & Kompany and Stila have teamed up to create three styles of pavé diamond right-hand rings for the 10 best actress and best supporting actress nominees. But not all rings were created equal — the best actress nominees receive a \$2,400 charm cluster bauble, the supporting bunch, an \$800 single-star version. And only one lucky lady (whoever is quickest on the draw) gets to wear the \$80,000 ring, which contains a tiny spot of lip color and a mirror (that piece will be auctioned off for her charity of choice).

**FREE RIDE:** Payless ShoeSource is moving up in the fashion ranks. It is partnering with designer **Laura Poretzky** on footwear for her Abaeté collection, to bow on the runway today, and it's also trying to get on editors' and retailers' good sides. On Sunday the firm kicked off a project called StyleRide — in which a fleet of six black Toyota Prius cars, emblazoned with both companies' logos and playing the music from the Abaeté show, chauffeured editors and retailers from the tents at Bryant Park to off-site shows or any location in Manhattan. Women dressed in Abaeté white coats and Payless boots and accessories are directing people to the environmentally sound cars, which are located at 41st Street and Sixth Avenue.

**THE BRITISH ARE COMING:** Seating was cramped and the foot-tapping elevator wait made **Margaret Hayes** and others head for the door before reaching Yeohlee's showroom, but the Met's **Harold Koda** said the 16th-floor space was just the place to unveil her collection. "I think this is the ideal kind of space for Yeohlee. One of the things that has been a challenge for people in the past was to see the beauty of the concepts. All her clothes have to be based on some sort of pragmatic requirement. One of the things she does is challenge herself in terms of technique," he said. (This time around, the late architect Giuseppe Terragni provided some of the inspiration.)

Koda has been busy crafting narratives of his own. "AngloMania: Tradition and Transgression in British Fashion" bows at the Met in May, and a huge arrival of pieces for that show Wednesday kept contemporary curator **Patrick Kinmonth** from catching Yeohlee's show. The exhibition will house avant-garde British fashion and vintage Costume Institute items. The trick for Kinmonth will be to anchor them in some of the museum's period rooms, Koda said.



A Jack Spade Canal Street bag.

PHOTO BY STEVE BORNBERG

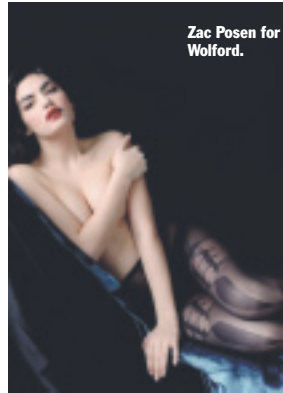


Stan Herman closing the Nasdaq stock market on Tuesday.

PHOTO BY ROB TANNER/AM COURTESY OF THE NASDAQ STOCK MARKET

**BELL BOY:** Fashion week got a nod from the financial community on Tuesday when the Council of Fashion Designers of America was chosen to officially close the Nasdaq stock market. Designers **Thom Browne**, **Reem Acra**, **Jeffrey Banks** and **Mary Ann Restivo**, as well as CFDA's executive director, **Steven Kolb**, came to watch CFDA president **Stan Herman** push the orange button to ring the closing bell at Nasdaq's Times Square headquarters. "It's so high tech," Herman said. "You push the button, then sign your name and it immediately appears over the [seven-story] Jumbotron on Times Square. It was a nice tribute to business and fashion. They are recognizing the fact that this city is now one of the major fashion headquarters and that, of course, makes me excited."

**ONCE IS NEVER ENOUGH:** Last season **Zac Posen** partnered with Austrian hosiery firm **Wolford** on a pair of \$500 beaded limited-edition tights, but ever the deal maker, Posen didn't stop there. Tonight's runway show will mark the debut of a



Zac Posen for Wolford.

complete collection called **Zac Posen for Wolford**. The line includes toeless lace tights, sheers with garter detail and a skintight printed dress in shades of squid-ink blue, ox blood and basic black. "I am very pleased that the no-hose look has gone away," said **Holger Dahmen**, chief executive officer in New York for the collections. "We consider Zac to be one of the top starts in the next couple of years. He's on the verge internationally." The collection of about 10 styles of legwear and bodywear will be in **Wolford** stores and **Posen** retail stores in July.



Illeana Douglas

PHOTO BY KATY MINNIGUETTY IMAGES

**VREELAND LIVES:** Many in the tents wish they could channel the late **Diana Vreeland**, but **Illeana Douglas** actually did. The actress plays the famed fashion editor in "Factory Girl," a film about **Andy Warhol** and **Edie Sedgwick** that just wrapped in **Shreveport, La.** To prepare for "the part of a lifetime," Douglas said she read and reread **Vreeland's** autobiography "D.V."; quizzed **Vreeland's** friends, **Sam Green** and **Lauren Hutton**, and listened to an audio tape of **Vreeland** offering a self-guided tour of the **Metropolitan Museum of Art**. Douglas was so enthralled by the role that she carries two snapshots of herself dressed as **Vreeland** in an embroidered dirndl skirt. Leafing through her wallet for them after the **Carlos Miele** show Wednesday, she laughed, "Look at me. I'm such a tourist."

Douglas used plenty of **Vreeland's** favorite sayings in the movie, which also stars **Sienna Miller**, **Guy Pearce** and **Jimmy Fallon**. "She had such a patriarchal voice," Douglas said. "She said things like, 'Red is the great clarifier,'" and lamented about her lifelong search for the perfect shade of red: "I want a roccoco with a spot of Gothic in it and give me a bit of Buddhist temple."

One of Douglas' favorites was, "My son said to me, 'Mother, that can't be true. Is it fact or fiction?' and I said, 'I like to call it fiction.'" Douglas, who stars in the new ABC show "Crumbs" with **Jane Curtin**, **William Devane** and **Fred Savage**, was a bit taken aback by the barrage of reporters' preshow questions. "They ask things like, 'What's the healthiest thing in your refrigerator?' 'What's in your closet right now that's under \$20?'" she laughed. "I didn't learn these things in acting school."

**MIAMI VICE:** **Vanessa Williams** has seen her share of South Beach, thanks to her role in the new program by the same name. But the singer and actress was back where she belongs in time for **Carmen Marc Valvo's** show Wednesday. South Beach's fashion scene is "a little flashy, comfortable, baring and very youth-driven," she said. "For us over-40 gals, it's about getting a great pair of jeans, a slinky top with good support and high heels."



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# Amore Italiano



**NEW YORK** — It takes a lot to make some of New York's finest socialites, accustomed to their front-row perches and cameos, feel invisible. But that was just the case at **Donatella Versace's** high-wattage party and dinner Tuesday night to celebrate the reopening of her Fifth Avenue store. The paparazzi — including some flown in especially from

Italy — went rabid over the likes of **Kate Hudson, Nicolas Cage** with wife **Alice Kim** in tow, **Naomi Campbell, Jennifer Lopez, Cindy Crawford** and **Rande Gerber, Claire Danes**, the singer **Maxwell** and even teeny-bopper **Hilary Duff** with boyfriend **Joel Madden**. They were there to check out the renovated digs, pose with la Signorina Versace (who braved the fray to stand with each of her "friends") and answer the usual mindless queries.

"How do you stay in such good shape?" yelled one fan to a passing **Heather Graham**.

"Yoga and pilates," came Graham's pat reply, with a flick of her golden head.

And what's a star-studded party without a high-profile party crasher? Midway through the evening, the infamous faux **Paris Hilton**, complete with requisite bodyguard, attempted entry and was promptly kicked out.

Meanwhile, a stunning **Halle Berry**, accompanied by her equally stunning model boyfriend, **Gabriel Aubry**, made like a real star and snuck in through the basement before joining Lopez and Versace on the royal chaise upstairs. In town filming "Perfect Stranger," Berry was too pressed for time to attend the dinner afterward, but she couldn't pass up the opportunity to rave about Versace's designs, which she donned for the spring campaign.

"Her clothes are so sexy, so fresh and they're cut for real women, with real bodies and real curves," Berry said, though her sequined gown offered no such reality check. But while she enjoyed the experience shooting the campaign, it isn't something Berry plans to reprise soon. "It's my first and I venture to say probably my last," she said before sneaking out the way she came.

The semi-intimate dinner later, catered by Union Square Cafe (a first), was held in the \$17 million up-for-grabs penthouse of the **Cesar Pelli**-designed One Beacon Court building. Separate rooms held sparkling tables bedecked with flowers, while dim lighting and moody purple votive candles were spread throughout the vast space. Many guests, including **Benicio Del Toro, Sophie Dahl, Elettra Weidemann, Amy Sacco**, and **Trudie Styler**, mingled in the hallway or admired the stunning view. But some celebrities were more prone to hiding: Hudson installed herself in an empty room with a few friends, while Duff slunk away from passing cameras.

Downtown at **Mario Batali's** new restaurant, Del Posto, **Narciso Rodriguez** was feted after his show by Oscar nominee **Rachel Weisz**, her fiancé, **Darren Aronofsky** and Barneys New York's **Howard Socol**. Amid tables and trays of cured meats, nuggets of aged Parmesan and fried risotto balls, **Ashley Olsen, Winona Ryder, Mike Myers** and **Jessica Seinfeld** worked the room. Weisz, who is six months pregnant, was outfitted in a black ensemble direct from Rodriguez's fall line. "He made it just for me," said the voluptuous actress, who was also accompanied by her sister, **Minnie**. Rodriguez, for his part, was busy meeting and greeting the clutch of devotees. "He has a great way of bringing wonderful people together," said pal **Sonia Braga**, looking impossibly youthful.

But the real buzz centered around Batali's food. A gigantic log of mortadella generated nonstop attention. Seinfeld gamely posed in front of it, and **Simon Doonan** kept dragging guests over to the conspicuous, cylinder-shaped mass, introducing them to the new "**Colin Farrell**," referring to the actor's most recent and most downloaded sexcapade. Ryder, however, was just trying to satisfy her sweet tooth. "I need a Twinkie," said the actress, who spent most of the evening deep in conversation with a superslim **Giovanni Ribisi**.

Jennifer Lopez, Donatella Versace and Halle Berry, all in Versace.



Kate Hudson in Versace.



Ashley Olsen



Cindy Crawford and Rande Gerber



Jessica Seinfeld in Narciso Rodriguez.



Sonia Braga in Narciso Rodriguez.



Rachel Weisz in Narciso Rodriguez, with the designer.



Heather Graham in Versace.



Nicholas Cage and his wife, Alice.



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# Metro 7: Wal-Mart

*Continued from page one*

York this week — many of whom few people have heard of beyond the tents — represent a sliver of the fashion world. Wal-Mart's success with Metro 7 is its mega side. The retailer declined to give sales figures for Metro 7, but vendor sources estimate the brand could do \$200 million, even with limited distribution, in its first 12 months. The bulk of Metro 7 sportswear retails between \$12 and \$25, with the highest-priced item being a trenchcoat for \$32.94.

At times, sales of Metro 7 have exceeded three times initial projections for an item. In April, the Bentonville, Ark., retailer will launch shoes, accessories and costume jewelry under the Metro 7 label. By September, it plans to have Metro 7 in 1,500 stores, or roughly half of all domestic Wal-Marts.

If everything continues to click, the retailer aims to turn Metro 7 into a lifestyle brand à la George, its U.K. import, with lingerie, home and then possibly men's and children's apparel.

Metro 7 marks a big moment for the \$285 billion retailer. Put in company lingo, "Gracie" is "crossing the aisle" to buy the collection.

"Gracie" is the retailer's internal name for an important 25- to 45-year-old female customer, who is finally wheeling her grocery cart over to shop for apparel. That long-sought development is potentially very good news for Wal-Mart's future profits and growth.

"All of our data signals we got who we were after, and we are finally serving that customer who has been in our stores all along," said Karen Stuckey, senior vice president and general merchandise manager of Wal-Mart product development for

**“We are finally serving that customer who has been in our stores all along.”**

— Karen Stuckey, Wal-Mart

apparel, home, hardlines and specialty. "Metro 7 is validation to move on.... There are exciting things to come in apparel."

According to company research, Gracie lives in a metro area and avidly follows fashion, but has never found Wal-Mart's style tempting. Her store receipts used to be a boring read: a gallon of milk, paper towels, pet food, etc. Wal-Mart makes only a sliver of profit off those items.

Since the launch of Metro 7 in October, though, Gracie's receipts have gotten livelier — and more lucrative.

"We see her buying multiple colors of [Metro 7] items in the same styles, which indicates a purchase for self, and we see her buying entire outfits, exactly as they are shown on the rack," observed Cindric. "We see her [sales] ring is significantly higher than average in apparel."

Gracie is also buying more electronics, a category the company has recently remade with higher-priced plasma TVs and more elegant displays.



Metro 7's faux leather handbag, cotton and spandex capris and polyester blouse.

PHOTOS BY SHANA NOVAK; MODEL: MARLENE O.; HAIR BY RAO AZAR; MAKEUP BY MEREDITH BARAF; FASHION ASSISTANT: COURT WILLIAMS; STYLED BY DAVID YASSY



Dayanara Torres models Metro 7 looks in Wal-Mart promotional pieces.



Both developments are bright spots for Wal-Mart's \$191 billion domestic stores division, which is coming off one of its toughest years, including its second quarterly earnings miss in corporate history.

Cindric believes Gracie represents new apparel sales for Wal-Mart because she is only buying Metro 7 and no other clothing.

Her receipts look very different from Wal-Mart's core apparel customer, who purchases a T-shirt for herself while out to pick up a pack of socks for her husband and play-clothes for the kids.

Unlike Gracie, Wal-Mart's traditional apparel customer (internally called "Norma") does not spend a lot of her disposable income on her own wardrobe. Gracie is not necessarily more affluent than Norma, Stuckey pointed out, but she consistently devotes a bigger portion of her budget to fashion.

Convincing customers like Gracie to spend more is crucial to Wal-Mart because the retailer doesn't have many new U.S. shoppers left to attract. By its own estimation, 87 percent of U.S.

# Walmart's Megabrand

households already shop Wal-Mart, either regularly or selectively. (The remaining 13 percent Wal-Mart believes are skeptics actively opposed to the company and/or true luxury consumers.)

Wal-Mart chief marketing officer John Fleming has said growth will come primarily from turning those selective users into bigger spenders. Last October, Fleming told WWD he believed George, the company's flagship softgoods brand, would be more successful positioned adjacent to Metro 7.

Some evidence suggests Fleming's theory might be correct. George is coming off a "record year in female apparel," Cindric said. "Prior to Metro 7, we maybe overreached in George because we had to cover so many different customers. Now we're focused around a modern, classic customer."

George will still occupy the best position in the apparel department, directly along the wide aisle that bisects the food and general merchandise sides of Supercenters. Metro 7 sits next to George, at the front of the department and parallel to the cash registers. Metro 7 will grow from six racks, on average, to nine racks per store.

The collection is also significant because it is Wal-Mart's first major experiment in letting data drive a fashion launch. Gracie was identified and profiled in part through Wal-Mart's mathematical analysis of millions of sales transactions. "Truly, this is the science that balances the design development and the merchandising," said Cindric.

Metro 7 is only the first step in targeted, data-driven initiatives to help Wal-Mart win over its selective shoppers, some of whom are Gracies and some of whom have other profiles and needs. That's important as the company expands into urban areas where land is at a premium and where size-restrictive building ordinances are more prevalent. Wal-Mart no longer always has the luxury of building a 187,000-square-foot Supercenter and heaping everything in. Expanding into urban centers with smaller stores is a key strategy for the company as it aims to open 1,500 more units in the U.S.

Despite its statistical genesis, Metro 7 isn't formulaic fashion. Wal-Mart has widened its creative and collaborative processes to an unprecedented degree, encouraging the Bentonville-based merchant teams to work with the retailer's Manhattan-based product development and trend direction ones. Key vendors of Metro 7 also offer guidance.

But perhaps the biggest change is that, culturally, Wal-Mart has begun to operate more like a fashion company. It has opened a New York design office, and is now willing to schmooze editors with freebies.

That in itself is a revolutionary act for a company that makes visitors to its dingy, Bentonville headquarters buy their own coffee. The company delivered goodie bags, including a Metro 7 trench and beaded tank, a Starbucks gift card and chocolates, to fashion editors invited to a presentation of the spring-summer collection. And in a further indication of Wal-Mart's increasing awareness of the fashion world, that presentation takes place today — right in the middle of New York Fashion Week.

It also is continuing to advertise in Vogue. Brand spokesmodel and former Miss Universe Dayanara Torres will be back for another four-page spread in the April issue. During the retailer's Kansas City managers' meetings in January, Cindric and Stuckey spent an entire day coaching 55 district fashion merchandisers, a new position, on the trend nuances of Metro 7 and how to properly display it in stores.

But the collection has its skeptics. Marshal Cohen, chief industry analyst for Port Washington, N.Y.-based NPD Group, said Metro 7 has indeed wowed a Wal-Mart customer base — but it's not 25- to 45-year-old "Gracie."

Based on consumer interviews during store visits, he said 15- to 21-year-olds, shopping with mom, are the end users of the trendy, body-conscious line. If Wal-Mart executives are relying on sales receipts for primary evidence, they may be picking up mom's purchases for her daughter.

"This is a classic case of executives thinking they have one thing but they're really getting another," he said. "Have they stood on the floor and looked at who is shopping there? No one 40 years old in their right mind is touching it. They are too big. The fit is wrong. The reality

is the Wal-Mart customer is bigger than average, even the younger customer."

He foresees potholes with a broader rollout of the label. "No question they are going to have missteps because they are representing it to one market, while connecting with another," Cohen said.

Regardless of the final customer, the launch of Metro 7 represents cultural change for Wal-Mart at warp speed — and could be a harbinger of its strategy in the years ahead as it focuses on attracting a broader range of customers. In fact, the Metro 7 launch came in eight months, from drafting table to sales floor, said Stuckey.

Stuckey, who shuttles regularly between New York and Bentonville, said the company holds each season open as long as possible, to pick up late-breaking trends. "If there is any big news at fashion week, we can have get it into our early holiday assortments, which are not finalized yet," she said.

As a result, the retailer's floaty, boho-seventies tops, prevalent this spring, will give way to cleaned-up silhouettes for summer.

There are knee-length, fitted cargo shorts, Bermudas, flowy gauchos, a pleat-front balloon skirt, puckerd camisoles and draping, Grecian tops.

"The bling-y nature of product is easing, but we will still do some shine, shimmer and luster, which this customer loves," said Stuckey.

It has pumped out more clingy, beaded camisoles and embellished denim, which have been star performers. The structured career category, which included looks such as a velvet blazer, has shown less promise.

Overall, tops have sold better than bottoms. "It is an easier point of entry [for a customer] to pick up a top and not have to try it on," noted Stuckey. "We think this customer needs to learn her fit."

Metro 7 is deliberately body conscious, a departure from Wal-Mart's typically generous sizing.

The design of accessories, shoes, and costume jewelry has been closely coordinated to sportswear, although each category will be placed in respective store departments rather than grouped together. Cindric and Stuckey hope that pictures of Torres wearing accessorized Metro 7 outfits on the sportswear racks will prompt customers to investigate where they can find the belt, shoes or jewelry.

"We know [the customer] uses the imagery as a guide," said Stuckey. "We've overheard her asking where she can get the other pieces."

Pricing for the three new categories is on par with George, said Stuckey, in the company's "premium" range.

Jewelry includes chunky, beaded necklaces; longer, linked ropes suitable for layering, and teardrop styles. There are hammered earrings, beaded hoops, teardrop danglers, and stack, cuff and link bracelets. Prices range from \$7.92 to \$19.92.

For the April launch, there will be a single fixture holding belts and three styles of handbags, priced \$17.96 to \$19.98 for an oversized, buckled hobo, a flap-front satchel and/or a medium satchel with a front lock. There will be a mix of materials on the bags, but the color palette will be relatively neutral: black, white, camel and brown.

In shoes, there are 13 styles (\$14.92 to \$18.92), with the emphasis on wedges, platforms and strappy sandals. Some will be leather, instead of fabric, vinyl, or other pleather. Part of Metro 7's brand identity is using premium materials — a silk camisole, for instance, instead of polyester.

Stuckey said Wal-Mart is not looking to use luxury materials as an excuse to raise prices dramatically. "We are not going to be the leading price," she said. "We would be under our competitors."

That may have been a reference to rival Target Stores, which has been testing a variety of pricey items, including a \$149.99 suede jacket from its new Luella Bartley limited-edition collection. Target — which helped pioneer designer tie-ins in the mass channel with its successful Isaac Mizrahi collection and other, less successful, ones — is clearly a key competitor for Wal-Mart and Metro 7.

So where will Metro 7 go next?

"Our challenge," Stuckey said, "is to continue to win the hearts and minds of a Gracie."



Metro 7's silk and rayon cargo shorts, nylon and spandex camisole. All accessories by Metro 7.

Metro 7's cotton shrug, cotton and spandex jeans, and nylon and spandex tank.

# Denim Dish

Blue Cult is focusing on better construction and simplified designs. Here, the new and old styles.



## Blue Cult: Back to Basics

Blue Cult is counting on an overhaul of its image to kick-start sales and keep it from being lost in the expanding sea of premium denim.

Caroline Athias, who cofounded the brand in 1999, initiated the reworking of the line, bringing in Susan Woo to take over design responsibilities from Nicolas Peyrache, simplifying the offerings and raising prices.

"I'm seeing a tremendous amount of competition," said Athias. "Buyers, by the mere fact that [something] is a new name, go for that. We want to have a great product. We want to make sure we stay on top."

The emphasis is on elevating construction and quality. The brand has pared down its styles to 13 from 80 and has switched to double-needle from single-needle stitching. The jeans will feature an inverted yoke and two back darts to improve fit, and the brand's signature embroidery has moved from the back pocket to the inside of the waistband. The red cloth label will disappear, replaced by a brown leather patch embossed with "Blue Cult handcrafted in the U.S.A."

The fabric was also an area Athias wanted to improve.

"The reaction to our fabric here wasn't great," said Athias. "In the American market, at least in stretch, they want a better recovery."

She said the fabric the brand previously used tended to become "saggy."

Athias expects distribution for the revamped line, which is sold at department stores and boutiques such as Intuition, Spirituali, Bloomingdale's and Elyse Walker, to remain the same. However, wholesale prices will increase to between \$72 and \$125, up from \$69 to \$115. The women's line will make the transition first and will be unveiled at next week's Fashion Coterie in New York and MAGIC in Las Vegas trade shows. The men's line will be ready for next spring.

Athias said she saw the need for change after returning from a leave of absence last year. "At the beginning, Blue Cult was a high-quality, great-fitting jean," said Athias. "The company got bigger and [our direction] got lost."

After its inception in 1999, Blue Cult expanded to 800 retail doors in the U.S., 800 in Europe, 150 in Japan and 150 in other regions.

"Because we became global, it was quite difficult for us to handle the growth," Athias said, adding that she expects the retooled line to boost sales by 50 percent.

Rebuilding the flagship brand is the company's latest project in the past year to improve business. It started a program to allow retailers to customize back-pocket designs and launched a pricier offshoot brand, Elite by Blue Cult, which is also designed by Woo. Blue Cult accounts for more than half of sales for Vernon, Calif.-based parent company Ancami, which also produces Blue Cult Knits and the Sacred, Sacred Blue and Blue 2 denim lines.

— Khanh T.L. Tran

## Predicting the Denim Fallout

The next trend to make a splash in the premium denim market will have less to do with styles, washes and fits, and everything to do with price.

Denim manufacturers exhibiting at trade shows in Europe during the last several weeks said that, in addition to increasing competition, the constant stream of new players entering the denim fray has created a fresh challenge — selling to an educated consumer.

At the Bread & Butter and Premium shows in Berlin last month, manufacturers said they expected the denim market to slim down in 2006 as much as the silhouette of the jeans. The shakeout will leave only the strongest labels standing, said the executives.

"There are so many different brands that the market has become very confusing," said Andrea Bernholtz, president of Rock & Republic, which was showing at Premium. "The brands that are just hype are going to fall away."

Vendors agreed that the competitive environment has resulted in a more knowledgeable consumer, one that demands better value and has an eye for the details needed to command premium values.

"Today's customers are more educated about jeans and much more savvy," Samuel Ku, co-director of European operations for Adriano Goldschmied, said during Bread & Butter. "If a pair of jeans is retailing at \$200, you can't get away with manufacturing in Mexico."

The feeling among many labels is that consumers are more attuned to shortcuts in production and appreciate quality more than ever. In response, companies such as Edwin and Adriano invest in top Japanese denim and have shifted aspects of production, such as washing, to Italy.

"Prices have really come down and \$250 is seen as too much nowadays," said Barbara Calmes, product developer at Edwin. "In fact, after \$150, things start to get difficult. To get that sort of price, you really have to offer something pretty special in the way of detail or wash."

Other manufacturers agree, although the upper threshold for jeans varies from label to label. Mustang, for example, is trying to stay under 100 euros, or around \$120, but Ku believes most people are unwilling to pay more than \$180 to \$200. Price is also a matter of geog-

raphy, with manufacturers noting that customers in the U.S. have been willing to pay more than those in European markets.

Despite the pressures, optimism remained high among exhibitors at Bread & Butter and Premium.

"The market is great for us right now because Mustang has its own real and unique tradition," said Doris Menzel, creative consultant for Mustang, one of the first brands to manufacture jeans in Europe. "That heritage gives Mustang a lot of credibility and we have incorporated that into our collection."

Inspired by gold-rush days of old, the collection features sleeveless denim overalls and pleated, checked knee-length skirts with matching tailored jackets.

As for skirts, exhibitors agreed with Mustang about the issue of length. "There are three important lengths — mini, three-quarter and to the knee," said Axel Schukies, G-Star's head of sales in Germany. "But the knee-length is the most important."

But according to most manufacturers, the key silhouette remains the skinny leg. Lengths are everywhere: from jodhpur-inspired knee lengths at Phard, and three-quarter-length capris at Adriano Goldschmied, to the super-long, 37-inch drainpipes at Chip & Pepper worn scrunched at the bottom.

"The skin-tight leg just hit the U.S. a few months ago and now girls are in a frenzy to get them," said Ku.

Despite this, many manufacturers, such as Seven For All Mankind and Rock & Republic, are still also carrying a boot-cut line, which is still a major seller because of its flattering shape. There is the added benefit of being able to cater to two different sorts of customers. "or the same customer, just in a different mood," said Rick Crane, executive vice president of Seven For All Mankind.

The more experimental lines also have raised waists drastically, such as Mavi's Marilyn Monroe-inspired skinny, high-waisted jeans. But for the mainstream, the rise is staying on the hip, although not as low as in the past.

"Girls are just not going for high waists," said Ku. "Even when they have a perfect body, most women feel like they end up looking like their mom."

Super-low waists are out and many manufacturers, such as Rock & Republic and Adriano Goldschmied, are cutting slightly higher at the back.

"It's just not quite as low as before with everything hanging out," said Rock & Republic's Bernholtz. "It's that quarter of an inch between sexy and slutty."

Jeans labels are also experimenting with different fabrics, introducing five-pocket velvets, cords and checked flats, all inspired by the trend toward the classic.

While jeans are getting cleaner and less embellished than in previous seasons, detail remains an important way of standing out from the crowd. At Mustang, rear pockets are entirely covered with handmade cross-stitching, while Firetrap has gone after a rock 'n' roll vibe by using metal skull-shaped studs and black lace, jet-beaded details.

— Damien McGuinness



Freesoul's knee-length denim skirt, a popular trend for fall.

Mustang has gone after an historical gold-rush-inspired look with its new collection.



A winter look from the Paris-based Pepsi Jeans label.

## Pepsi Goes Beyond the Pop

Soft drink behemoth Pepsi has a new flavor — denim.

"This is the first time Pepsi has diversified its business in the fashion industry," said Jacques Valléau, a French fashion entrepreneur and president of International Fashion Network, the new licensee for Pepsi Jeans in Europe.

He unveiled the collection at the Porte de Versailles in Paris last weekend. Using Pepsi logos and advertisements from the Forties and Fifties, the collection hums with a heritage feel.

"To begin with, we wanted to target the same age group as Pepsi, appeal to its consumers and then branch out," said Valléau.

That initially means girls and boys between the ages of eight and 16, but Valléau is going beyond that.

"A sportswear line for 18- to 24-year-olds is already in the works for the summer of 2007," he said.

The Paris-based jeans line isn't Pepsi's first brush with the denim industry. In 1999, Phil Marineau left Pepsi to become president and chief executive officer of Levi Strauss & Co.

Manufactured in Mauritius, the new Pepsi jeans and cargo pants wholesale between 16 and 24 euros, or \$19 and \$29, and sturdy yet elegant parkas with sheepskin linings go for 33 euros to 50 euros, or \$39 to \$59 at wholesale. Valléau has plans to open a 750-square-foot Pepsi Jeans shop near the Les Halles district in central Paris in July. He said plans for six Pepsi Jeans stores in Dubai were also under way, and the first two openings are expected by September.

"The visibility of the brand is already extremely strong," Valléau said. "Customers will be curious when they see a Pepsi Jeans Store. The label will recall something from their past and they will want to go inside."

— Emilie Marsh



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# Cirque du Soleil Builds Brand Beyond the Ring

By Sharon Edelson

**NEW YORK** — Cirque du Soleil has a new trick up its sequined sleeve.

The \$500 million Montreal-based entertainment empire known for its creative extravaganzas filled with evocative music, dazzling costumes and supremely athletic performers, wants to build a brand that highlights fashion, cosmetics — and more.

The company this summer plans to launch women's ready-to-wear, which will be followed by men's wear and children's wear, and a fragrance project is in the works. Cirque also has its sights on other product categories and is even considering opening its own stores.

"There's an enormous amount of ambition to take Cirque outside the theater to a wide variety of applications," said Rodney Landi, vice president of merchandising. "We wonder, what would a restaurant, hotel or spa by Cirque be like? There's endless applications."

Accessories are a logical extension to fashion, Landi said, adding that home furnishings, fitness and children's toys are also good fits. Cosmetics is a natural for Cirque — performers are trained to put on their own makeup, which may take hours.

"You can put that magic on yourself and transform yourself," Landi said. "Cirque is all about transformation."

Where will all the new products be sold? Certainly not the crammed concession stands under blue and white grand *chapiteau* where T-shirts and posters are on sale during the 20-minute intermissions of a dozen separately themed shows.

"Opening our own stores is something we'd very much like to do," Landi said. "It's certainly one of my own dreams. We've worked hard to push past the expected souvenirs. At our shows we have lots of physical limitations with no fitting rooms. Lots of times we have great ideas for products but we know they're not going to work under the big top."

The 64-piece rtw collection for fall-winter 2006 is to be introduced in August in about 300 specialty boutiques worldwide.

While the natural impulse is to assume that the clothes will be theatrical, costume-y or downright strange — think of the grotesque bird humans in "Alégria" or the sea creatures in "Ka" — the collection appeared to be surprisingly wearable.

Demure, however, it's not. With copious amounts of feathers, fake fur, trims, sequins and Austrian crystals, the rtw is dripping with details intended to put the wearer in the spotlight. The silhouettes — denim miniskirts, tight-fitting jeans and midriff-baring sweaters — are for a woman with an if-you've-got-it-flaunt-it mentality, but there are also clothes for more modest yet no less flashy tastes.

The collection was produced through a licensing agreement between Cirque and Itsus International, a Montreal-based design and manufacturing company with a sales network throughout North America, Asia, Europe and Australia.

Itsus, which has been manufacturing the T-shirts sold at Cirque du Soleil shows for seven years, hired Desiree Sangallo, a Canadian with 20 years of experience in the fashion industry, to design the rtw.

"The line with Itsus is one of the first expressions from a licensing standpoint," Landi said. "We've worked with Itsus for a number of years. They understand the Cirque du Soleil brand. They spent time looking for a designer who would have the ability to realize this dream of ours."

Sales for the first season are projected to be between \$1.2 million and \$1.5 million, said Howard Vineberg, co-owner of Itsus. Next year, when distribution is expanded to 600 specialty doors, sales may top \$4 million in the U.S.

"We intend to broaden the distribution," Vineberg said. "We could go to Neiman Marcus, Holt Renfrew or Nordstrom. We will probably investigate some of the major players [after the first season]." There are plans to expand to France, Scandinavia, Germany, Austria, Russia, Australia and Japan.

Itsus also holds the global license for men's wear and children's wear, but Vineberg said there's no timetable for those introductions.

The success of Cirque du Soleil has surpassed its founder's expectations. Guy

LaLiberte, an accordion player, stilt-walker and fire-eater who performed on the streets of Quebec, has over the past 20 years built Cirque into a theatrical powerhouse.

"We didn't set out to have the number of shows that we have," Landi said. "Generally we don't go into these kinds of things with real tough financial objectives."

It's really about the work not the end product. We've been extremely fortunate as a company in that making those choices has always resulted in great financial results as well."

The target customer for the rtw is a 35- to 50-year-old affluent woman. Sangallo said she wanted the clothes to have a "wow" factor, but added, "We still have to sell the garment and make it wearable."

The designer immersed herself in Cirque du Soleil culture. She spent time at the Montreal campus, where former Canadian Prime Minister Brian Mulroney's onetime chef serves up a United Nations of cuisines to employees. She traversed the globe to see many of the Cirque du Soleil shows now in production. Sangallo also had access to the rich creative trove hidden in the costume vaults in the basement of Cirque's headquarters and spent hours at the documentation center, or library.

"Cirque is a very artistic community," she said. "These people are in another world. Everyone is a different nationality. Global is a very important thing."

Every garment had to embody Cirque's ideology or seven pillars, which include creativity, global inspiration, the nomadic spirit and sensory stimulation. "I want to pull that through in the garments," she said.

Sangallo made seven inspiration boards covered with bits of fabric and trim and snippets of costumes from different shows. A board called Autumn Essence has shades of red, gold filigree, burn-out fabrics and textured details. Endless Trip is a collage of denim, tapestries and Gypsy-style costumes from "Ka." The board called Curiosity shows "Varekai" leather costumes, feathers, scales, beetles and sparkly mesh fabric. A multi-pleated skirt, \$340, associated with that board, has a fabric treatment that evokes the scales on a fish.

"Alégria" is one of my biggest inspirations for this collection," said Sangallo, who had the show's singers dressed in huge hooped gowns in mind when she designed a black skirt, \$300, with an antique jacquard print in gold and a black mesh and sequin-stripped overlay. Other Cirque shows that influenced her were "Mystere," "O" and "Cortero."

For the denim pieces in the collection, Sangallo designed crystal grommets and buttons and embroidered on the pockets of jeans sayings in English and French such as "Dream," "Rever" and "Falling in Love," "Tomber." There's also a scroll design on a short denim skirt, \$400, made of 1,200 Austrian crystals. It comes in a long version with a slit up the front trimmed in fur. A denim jacket, \$410, has fur trim on the placket, gold embroidery on the shoulders and crystal buttons.

"I don't want to compete with the Diesels," Sangallo said. "I want to bring in a few fashion denim pieces."

Sangallo now has her mind on spring. "Cirque du Soleil is a lifestyle for me," she said. "I live it, breathe it and eat it. Every time I see a show something new comes to light."



A gold brocade jacket.



The crystal-embellished denim miniskirt.



Desiree Sangallo designed the collection.



A feather treatment adds interest to the sweater's cuffs and collar.

SANGALLO PHOTO BY DAVID TURNER

**Active Lifestyle**

# Ones to Watch at the Winter Games

The XX Winter Games will include some familiar faces — figure skater Michelle Kwan and speed skater Apolo Anton Ohno — as well as notable newcomers; 2,500 athletes from 85 nations are set to compete. Some of them might not be household names yet, but they have breakout potential when the Games kick off in Turin, Italy, on Friday night. Here are six with star power. *By Melanie Kletter and Luisa Zargani*

**CAROLINA KOSTNER**  
**Age: 19**  
**Sport: Figure skating**  
**Hometown: Ortisei, Italy**

Kostner started skating when she was four and has become one of Italy's leading athletes, winning a bronze medal at the World Figure Skating Championships in Moscow last March. Known for her fashion sense as much as her skating ability, Kostner will be donning Roberto Cavalli designs on the rink at Turin. Success may be in the genes: Kostner is the daughter of hockey champion Erwin Kostner and cousin of Olympic medalist Isolde Kostner, who was a flag bearer at Salt Lake City four years ago, just as Carolina will be in Turin. Kostner can already be seen on TV in Italy starring in an ad for Lancia, the car brand owned by Fiat.



**ELENA FANCHINI**  
**Age: 21**  
**Sport: Alpine skiing**  
**Hometown: Lovere, Italy**

Silver medalist at the Alpine World Ski Cup held in Bormio, Italy, last year, Fanchini is the eldest of three sisters, all top performers in the category. In December, Fanchini's winning schuss race at the World Championship in Lake Louise, Canada, took many by surprise. She outdistanced favorites Michaela Dorfmeister and Alexandra Meissnitzer. On that occasion, Fanchini had Ciao Mamma written on one cheek.



**CORINNA BOCCACCINI**

**Age: 20**  
**Sport: Snowboarding**  
**Hometown: Udine, Italy**  
 Boccaccini is the first woman member of the Italian police force, the Carabinieri, to compete at the Winter Olympics. She won the Junior World Championships at Zermatt, Switzerland, last year and will surf the slopes at the Cesana Pariol location. She's not widely known to the public yet, but Boccaccini already has her own fan club and bets on her performance are placed on the Internet.



**HYO-JUNG KIM**  
**Age: 17**  
**Sport: Short-track speed skating**  
**Hometown: Fullerton, Calif.**

Kim is a rising star in U.S. speed skating and holds the American record for the 1,000-meter race. A native of Seoul, South Korea, Kim moved to the U.S. three years ago and has been on a winning streak since. Last year, she won every event at the U.S. Short Track National Championships. Kim, whose parents still live in South Korea, is also an avid reader who loves the Harry Potter books.



**JULIE CHU**  
**Age: 23**  
**Sport: Ice hockey**  
**Hometown: Fairfield, Conn.**

This will be the second Olympic Games for Chu, who was the first woman of Asian descent to play with the U.S. hockey team. Chu, who postponed her enrollment at Harvard until after the Salt Lake City Games, was a figure skater as a child, but begged her father to let her switch to hockey lessons to be like her brother. While she has a fierce style on the ice, Chu was nicknamed "Saint Chuey" by her U.S. teammates for her kind nature.



**HANNAH TETER**  
**Age: 17**  
**Sport: Snowboarding**  
**Hometown: Belmont, Vt.**

With her fresh-face looks and laid-back style, Teter has become a media darling and was recently on MTV. Two of her brothers are also pro snowboarders, and one of them, Amen, is her manager. When she is not on the mountain, Teter, who has excelled in the half-pipe events, stays in shape by boxing at a ring she has set up in her house and by practicing yoga. The U.S. men's team swept the medals in half-pipe in 2002 and now the women's team is poised to duplicate that feat.



## Scenic Resorts for Olympic Spectators

**TURIN** — The Milky Way, so dubbed because of 400 kilometers (250 miles) of lifts that connect five mountain resorts around Turin — Sestriere, Sauze d'Oulx, Sansicario, Cesana and Claviere — offers something for all cold-weather enthusiasts. In winter, weary workers leave the tumult of the city to hit the slopes, and in warmer months, the pine-dotted woods are an attraction for hikers and nature lovers.

Starting this week, these slopes on the Alps will become home to the world's fastest winter athletes.

Olympics organizers allowed athletes to test-run the slopes a year in advance, which apparently resulted in the modification of one curve on the bobsleigh track. WWD looks at two of the most renowned resort areas.

**Cesana-Sansicario**

**Height:** 1,350-2,700 meters (4,430-8,860 feet)  
**History:** This was a natural entryway for pilgrims, armies, merchants and artists on their way to France, the Rodano plains and central Europe.

**Slopes:** Thirteen lifts that cover 77 km (48 miles) of runs  
**Hardest slope:** The Rio Nero

**Olympic races:** Alpine skiing, biathlon, bobsled, skeleton, luge

**Best Hotels:** The Chaberton, which takes its name from the mountain right behind it and was frequented by King Umberto II. The family-run hotel is quaint and cozy with rooms decorated to represent the four seasons.

Hotel Sansicario Majestic is a new four-star hotel that blends a modern edge with alpine tradition.

**Typical fare:** Fondue, bourguignon, stone-grilled meat and raclette

**Sestriere**

**Height:** 2,035 meters (6,675 feet)  
**History:** The area on which Sestriere was built has been the target of invaders since the Roman Empire, including Napoleon. It began to gain a reputation as a ski resort in the early 20th century.

**Slopes:** More than 120 km (75 miles) of runs



Cesana-Sansicario is a popular destination near Turin.

**Other attractions:** An 18-hole golf course that is the highest in Europe; a natural lake for fishing and an outdoor swimming pool, rafting and kayaking. The first Napapijri Café opened in December and blends arctic inspiration and innovative technology, with plasma screens showing documentaries on explorations around the world. Canadian Adirondack armchairs and wooden tables add a rustic touch to the décor outside the café. The café boasts the world's highest "aqua-bar" and will be the stage for photo exhibitions, book launches and food tastings.

**Olympic races:** Alpine skiing  
**Best Hotels:** The Grand Hotel Principi di Piemonte underwent a structural renovation, but still maintains its fairy tale allure with its architecture reminiscent of northern European castles. The Grand Hotel Sestriere is strategically located in the heart of town, a stone's throw from bars, discos and shops.

— **Alessandra Ilari**

## Amerex CEO Buys Firm

**NEW YORK** — Outerwear company Amerex Group said Monday that Ira Ganger, president and chief executive officer, has acquired the firm from his longtime partner, Fred Shvetz.

Ganger said in a phone interview that the change has been planned for some time, and that it was an amicable split. Terms of the deal were not disclosed.

"My partner decided he wanted to retire about eight months ago, and he gave me some time to plan and get the financing together," Ganger said. "The company is in a good place right now for this."

Ganger said he isn't planning any major changes in direction but is looking at ways to grow the business, including signing new licensees, and is also considering a reentry into the swimwear business.

Amerex, which now has more than \$200 million in annual sales, was founded in 1932 by their fathers, Alexander Shvetz and Joseph Ganger, and is one of the largest companies in the outerwear field. Earlier this year, chief executive officer Glen Palmer left the firm and Ganger now oversees the day-to-day business with divisional presidents reporting to him.

The New York-based firm has proprietary labels including Gerry, Weather Tamer, One Madison, Static, Alpine Studio and Mulberry Street, and also makes products under license for brands such as Jones New York, Gloria Vanderbilt, Rampage and Mudd.

Torn & Frayed Advisors and Chapman Associated facilitated the buyout, and Allied Capital Corp. provided debt and equity capital to support the deal, Amerex said.

Ganger said the two families remain close and still have businesses together, including real estate holdings.

— **M.K.**

# Steven Madden Buys Accessories Maker

By Meredith Derby

**NEW YORK** — With its sights set on becoming a “global lifestyle brand,” Steven Madden Ltd. acquired an accessories manufacturer it began working with last year to develop handbags.

Steven Madden purchased privately held handbag and belt designer/manufacturer Daniel M. Friedman & Associates for \$18 million in cash in an effort to complement and widen its reach beyond its core footwear business.

The transaction, which makes Daniel K. Friedman & Associates a wholly owned subsidiary of Steven Madden effective immediately, is expected to contribute 15 cents to 18 cents a share to earnings in the first full year of ownership, Long Island City, N.Y.-based Steven Madden said Wednesday.

“We’ve made so much money in the shoes business, it’s only a natural for us to do this,” said creative director Steve Madden in an interview with WWD. “It’s such an easy first cousin. It should be something we can do already. The reaction from the merchandise managers has been terrific.”

New York-based Daniel M. Friedman & Associates was founded in 1995 as a manufacturer and distributor of brand-name fashion handbags and accessories. The company, which had sales of \$41 million in fiscal 2005, holds accessory licenses for Betsey Johnson, Union Bay and Ellen Tracy and develops a private label belt line under the brand Fina Firenze. Daniel M. Friedman & Associates also launched handbag and small leather goods for Jennifer Lopez’s JLo label in early 2004.

Under the terms of the agreement, Daniel M. Friedman & Associates, which has produced belts for Madden for about six years, will retain its existing business model, current licenses and offices here while developing handbags and belts for Steven Madden.

In July, Steven Madden first signed a licensing agreement with Daniel M. Friedman for handbags and other accessories. The handbags, which incorporate several different sizes and fabrics, such as metallic, are shipping and will be available at all 99 Steve Madden boutiques as well as 300 department store doors in March. The new line of handbags, however, currently is being tested at three Steve Madden stores, including one in Santa Monica, Calif., where one-third of the bags sold in 10 days, according to Madden.

Madden himself will head up the Steven Madden/Daniel M. Friedman & Associates design team. Madden said he’s eager to begin working closely with — and learning from — the Daniel Friedman designers. They’ve “done such an unbelievable job with Betsey Johnson’s bags and some of the other licenses they have,” Madden said. “We’re just real excited about being involved with them.”

In fact, Madden hasn’t wasted any time in getting to work. He said Wednesday that he started making a handbag sample out of a patent leather fabric that’s been a hot seller in the company’s shoes. “I’m trying to bring that whole swiftness of delivery to the handbags,” he explained.

With \$55.7 million in cash in its coffers as of Sept. 30, the last period for which financial data is available, Steven Madden is certainly well prepared to expand its brand. The company said Wednesday that international growth is a priority. It already has a presence in both department stores and stand-alone stores in 10 to 15 countries, including England, Mexico and Canada as well as countries in Central and South America. The company also is ramping up to open stand-alone Steve Madden stores in China.

“It’s our plan to become a global lifestyle brand and in that regard, the [Daniel M. Friedman] transaction broadens our platform and allows us the ability to be seamless to the customer,” said Jamieson Karson, chairman and chief executive officer of Steven Madden.

Madden also mentioned the prospects of eventually opening accessories-only stores, venturing into denim, travel bags and men’s accessories and working with the Daniel M. Friedman designers to create small leather goods and CD and cosmetic cases, as previously reported. That’s in addition to the Steve Madden-branded outerwear, hosiery and eyewear that are already available via other licenses.

“Everything is open. Right now...everything is on the table,” said Madden, who emphasized, however, that the company takes a conservative approach to growth.

At present, though, the firm is focused on making the most of its new acquisition.

“We want to make the best bags we can for Steve Madden for the next six months and keep Betsey [Johnson handbags] as hot as they’ve been,” Madden said. “We’re very proud of what [Daniel M. Friedman] has done. We’ve bought the business for the business. To me, the Betsey Johnson business is the hottest bag line in the U.S., and we plan on continuing to nurture that business.”

## Guess Fortifies Ranks for Global Growth

By Khanh T.L. Tran

**LOS ANGELES** — Guess Inc. announced key changes to its executive roster on Wednesday, including the departure of its chief financial officer, as the company focuses on expanding its international business and managing the transformation from a wholesaler to a retailer.

Los Angeles-based Guess, which was a pioneer in the designer denim industry, has been diversifying its business, including starting a breakout division called Marciano. Retail operations now make up 80 percent of revenue, compared with 25 percent in 2000.

“We move where the market is moving,” said Paul Marciano, co-chairman and chief executive officer, who founded Guess in 1981 with his brother, Maurice. “The growth in international is taking center stage for us, if not front stage.”

Marciano said Guess opened 45 freestanding retail apparel stores and 57 accessories stores outside the U.S. last year. “We plan bigger numbers than that

in 2006,” Marciano said, targeting cities such as St. Petersburg, Athens, Istanbul, New Delhi, Ho Chi Minh City, Sydney, Beijing and Shanghai.

The turnaround at Guess has occurred during the last six years as the domestic premium denim sector exploded with aggressive upstarts and foreign countries offered new opportunities with a growing middle class.

Finances also rebounded. Guess reported net earnings of \$29.6 million on net revenue of \$729.3 million in 2004, up from net earnings of \$7.3 million on net revenue of \$636.6 million in 2003. By comparison, in 2000 the company had net earnings of \$16.5 million on net revenue of \$779.2 million.

Guess said Frederick G. Silny will depart as cfo on May 9 to pursue other opportunities. Silny didn’t return a call for comment.

Carlos Alberini, Guess’s president and chief operating officer, will handle duties as finance chief until a successor is named. “We will definitely emphasize an international background with a lot of strategic vi-

sion,” Alberini said in describing the search for Silny’s replacement. “We think that is what the company needs today and that’s where we are going.”

Guess also said that Stephen Pearson, who was executive vice president at J. Jill Group, had been hired as executive vice president and chief supply chain officer, and that Laurent Marchal, who was managing director of Zara Canada, signed on as president of Guess Canada. Both are newly created positions reporting to Alberini.

The company also announced five promotions: Harriet Sustarsic, senior vice president and general merchandise manager in the retail division; Wendy Klarik, senior vice president and general merchandise manager in the factory division; Guiliano Sartori, vice president for international licensing business development; Stephane Labelle, senior vice president for licensing products for Guess Europe, and, Terence Tsang, senior vice president for corporate business development with a focus on Asia and India.

These five executives will report directly to Paul Marciano.

The announcement came a week before Guess is scheduled to release its fourth-quarter earnings. Guess shares were down 25 cents on Wednesday, closing at \$42.49 in New York Stock Exchange trading.

## MEMO PAD

**HARPER’S, WITHOUT ITS QUEEN:** Britain’s new-generation Harper’s Bazaar, formerly Harpers and Queen, hits U.K. newsstands today — and it’s about time, said editor Lucy Yeomans.

“People see Queen, and they think of a little old lady with corgis in a castle. The name no longer reflected what — and who — we are,” said Yeomans. “And the Sloane Ranger legacy has dogged us since the Eighties.”

The magazine was launched in Britain in 1929 as Harper’s Bazaar, and in 1970 it merged with the utterly cool and youth-driven magazine Queen. In the Eighties, it was famous for its racy society pages and its coverage of the Sloane Rangers, a term coined by contributing editor Peter York. The March issue marks the birth of the 21st Harper’s Bazaar worldwide, and the magazine has a logo similar to its U.S. sister’s. In the British version, however, the Harper’s lettering is big — and the apostrophe is back — while the Bazaar is tiny. Over the next few years that, too, will change, and the logo will look more like that of its sister additions. “This is evolution, not revolution,” said Yeomans,

who’s wooed a fresh pack of photographers and contributors to the title.

Photographers include Alexei Hay, Louis Sanchez, Michelangelo di Battista and Jean Baptiste Mondino.

Norman Jean Roy shot Cate Blanchett for the March cover. Manolo Blahnik is the new film columnist, Sarajane Hoare is a contributing fashion editor and writer Justine Picardie will pen a column called Fashion Undressed, about the psychology behind dressing. For the March issue, Yeomans drafted Josephine Hart, the author of “Damage,” to interview Jeremy Irons (who starred in the film) and author Andrea Ashworth to write the cover story on Blanchett. Tim Burton, Tracey Emin, Keith Tyson, Gary Hume and Sam Taylor-Wood all plan to contribute to upcoming issues.

The March issue boasts 50 more ad pages than the year before, and new advertisers include Antonio Berardi, Paul and Joe, Belstaff, Sonia Rykiel, Lacoste and John Richmond. Revenue is up 62 percent in the March issue. The latest Audit Bureau of Circulations figures don’t



come out until next week, but since Yeomans took over five years ago, average circulation has grown to 100,102 from 83,000. The magazine is expecting to report its highest-ever circulation figure next week. — Samantha Conti

**FREY REHASHED:** James Frey wasn’t the official topic of a Court TV-sponsored panel discussion held Wednesday morning at the Manhattan restaurant Michael’s, but he might as well have been. The mendacious memoirist’s name was almost continually on the lips of the panelists: “60 Minutes” creator Don Hewitt, Washington Post columnist Richard Cohen, New York Post columnist Andrea Peyser, author and journalist Sir Harold Evans and William Bastone, editor in chief of The Smoking Gun, the Web site that revealed the extent of Frey’s fabrications.

Evans, who was president of Random House from 1990 to 1997, suggested publishers adopt a new category for the likes of Frey: the “false memoir.” He also had harsh words for Oprah Winfrey, who guaranteed the book bestseller status when she selected it for her book club. “I

think Oprah did harm to the concept of the book as a valuable artifact,” he said. “It was irresponsible of her, before she blessed this piece of nonsense, not to do some checking.”

Cohen, who participated in Winfrey’s on-air demolition of Frey in January, was more forgiving of the woman he labeled “mensch of the year.” “I wouldn’t blame her if she thought, ‘Well, it’s a Random House book, it’s Nan Talese, it’s got to be true.’” He called for publishers to institute fact-checking for nonfiction books — a measure Evans insisted would put them out of business. Hewitt, meanwhile, dismissed the whole debate as irrelevant: “Do you realize the biggest bestseller of all time was never fact-checked? It’s called the Bible.”

Time managing editor Jim Kelly, who moderated the panel, steered the discussion away from Frey long enough to ask Hewitt if he would have fired Dan Rather over the “Memogate” fake-document scandal had he been running CBS News at the time. Hewitt admitted he would have: “I have a built-in bias against reporters who, under the guise of being objective, have an axe to grind.” — Jeff Bercovici



Don Hewitt and William Bastone



# Customs Filling Import Inspector Jobs

By Kristi Ellis

**WASHINGTON** — U.S. Customs and Border Protection, seeking to fulfill a goal set by Congress four years ago, has finally begun hiring specialists and inspectors to curb illegal textile transshipments and fraud, but the agency will share them with the investigative arm of the Department of Homeland Security.

Congress three years ago began appropriating money — a total of \$9.5 million — for Customs to hire 72 people dedicated to textile enforcement. The time lapse created friction between the Bush administration and textile-state lawmakers

who charged that Customs failed to properly allocate the funding to hire the personnel.

In May, Homeland Security Secretary Michael Chertoff, who had been appointed just two months earlier, pledged to fill the positions but did not address the delay in hiring.

Five Republican lawmakers sent a letter last week to Deborah Spero, acting commissioner of Customs and Border Protection, citing the importance of enforcement. The signatories were Reps. Robin Hayes (N.C.), Sue Myrick (N.C.), Bob Inglis (S.C.), Robert Aderholt (Ala.) and Virgil Goode (Va.)

“With the conclusion of a new quota agreement with China in late 2005 and the continued growth of free-trade agreements and preferential trading arrangements, it is anticipated that transshipments and textile fraud will continue to increase to take advantage of these reduced or zero-duty partnerships,” the lawmakers wrote. “The ability of the U.S. government to effectively enforce the U.S.-China textile bilateral and to ensure the integrity of our free-trade arrangements is directly dependent upon aggressive enforcement by U.S. Customs and Border Protection.”

The U.S. struck an import re-

straint agreement with China in November, restricting of goods valued at \$6 billion annually.

Janet Labuda, director of Customs’ textile enforcement and operations division, said the emphasis is on positioning new textile personnel at the ports and “getting people out on the front lines.” She said the two agencies work in tandem. Customs and Border Protection visits foreign factories and audits, inspects cargo, analyzes shipments, makes seizures and refers cases to the Immigration and Customs Enforcement division, which conducts criminal investigations and looks for evi-

dence to develop cases for probable cause and prosecution.

Labuda said Customs will have a total of 45 new import, international trade and lab specialists to monitor and crack down on illegal transshipments.

“All of ours have been hired or are in the process of being hired,” Labuda said. “It will be a combination of retraining people [for textile enforcement] and new hires, but mostly new hires.”

The ICE division has hired, trained and placed in the field 18 new domestic textile agents, and is training nine more to be placed overseas, said Dean Boyd, press secretary for the division.

## Dems Seek Trade Cop

**WASHINGTON** — Senior House Ways and Means Democrats introduced a bill Wednesday to create a so-called Congressional Trade Enforcer to assist small businesses challenging foreign trade barriers, investigate alleged violations of U.S. trade pacts and make recommendations to the U.S. Trade Representative’s office to file cases with the World Trade Organization.

Rep. Charles Rangel (D., N.Y.), the committee’s ranking Democrat, said in light of the deepening U.S. trade deficit — trade numbers set for release Friday are expected to show it reached \$700 billion in 2005 — Congress “should take another look at the rules and regulations governing trade.”

“We’re absolutely certain that American workers and exporters have not been protected by our government as it relates to trade regulations,” Rangel said at a news conference. “We’re also frustrated with USTR for not being evenhanded in taking care of the industries that have suffered so badly and are losing jobs.”

Rep. Ben Cardin (D., Pa.) said the “Stand Up for America Act” would establish the new position to help small companies and exporters that run up against foreign trade barriers such as high tariffs on their exports, compile and investigate cases and issue recommendations to USTR to file unfair trade cases with the WTO.

He noted that the trade representative’s office has indicated companies must prepare their own unfair trade cases, which places an unnecessary burden on small companies. If USTR fails to uphold the trade enforcer’s recommendation, Cardin said the legislation would allow Congress to pass a resolution requiring the office to take action.

The bill will face hurdles, however, because Republicans control the House and Senate. Rangel said, “The closer we get to the [midterm] elections, the more support we will see from the majority party.”

— K.E.

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# Goutal's Latest Scent a Dream

By Ellen Groves

**PARIS** — Annick Goutal has dreamed up a romantic reverie for Songes, its latest women's scent.

Songes (Reveries in English) is the Paris-based fragrance house's 31st women's scent, a highly concentrated floral Oriental that's meant to boost the brand's lineup of "sensual" fragrances, including Passion, Gardenia Passion and Grand Amour.

"Our bestsellers, such as Eau d'Hadrien, tend to be fresher fragrances, so we wanted to enlarge our range and to work more with exotic flowers and single notes," said Frederique Picard-Giannesini, general manager of Annick Goutal Parfums. Goutal launched the scent exclusively at Le Bon Marché department store here Monday and is set to roll out Songes in France and the U.S. over the next two months.

Songes was inspired by the aroma of white frangipani flowers at dusk, which Camille Goutal, daughter of the house's founder and now the brand's creations adviser, experi-

The eau de parfum and eau de toilette versions of Annick Goutal's Songes.



## BEAUTY BEAT

enced while vacationing on the island of Mauritius.

"I knew exactly what I wanted to recreate," she said — "the sensuality and the smell of those flowers filling the air as soon as the sun sets."

Songes' top notes consist of accords of frangipani flowers, combined with tiare and jasmine notes. For the middle and base notes, Goutal said she took creative inspiration from the works of English painter John William Waterhouse, in particular his "Ophelia" painting. Heart notes include incense, vanilla, copahu balm, pepper and ylang-ylang absolute. At the scent's base are vetiver, sandalwood, amber and styrax notes.

"We have used exotic flowers, which are carnal, almost Oriental, to evoke passion,"

said Isabelle Doyen, the perfumer from Aromatique Majeur, who worked for five years on the project with Goutal.

"It's definitely the most complex, sophisticated fragrance [Camille Goutal] has done," said Alison Farn, president of Gary Farn Ltd., which distributes Annick Goutal products in the U.S. Speaking at an interview there, Farn noted the Goutal business has gained momentum as U.S. consumers have become more familiar with the brand over the past year.

Industry sources estimate Songes could generate retail sales of \$1.2 million in its first 12 months worldwide.

Songes will be available as a 100-ml. pour bottle of eau de parfum, priced at 120 euros, or \$143.25 at current exchange rates, and a 50-ml. spray version for 80 euros, or \$95.50. The eau de toilette will retail for 82 euros, or \$97.90, for a 100-ml. spray, and 60 euros, or \$71.60, for a 50-ml. spray. Ancillaries include a body cream and shower gel.

For Songes' eau de parfum bottle, Goutal tweaked the spherical facon used for the 1996 fragrance Grand Amour. The Songes bottle is yellow and gold and features a moon-shape cap.

Goutal's distribution strategy calls for Songes to be rolled out to the brand's 80 points of sale across France this month and to the U.S. in March. Germany, Spain and Italy will get the scent in fall and the U.K., in March 2007.

— With contributions from Matthew W. Evans, New York

## L'Oréal Wins Knockoff Suit

**PARIS** — Commercializing copycat fragrances just got a little trickier: In a landmark decision, an appeals court here last month ruled that copyright protection can be applied to a fragrance's olfactive composition.

The court ordered Dubai-based Bellure NV to pay L'Oréal 1.48 million euros, or \$1.77 million at current exchange, for manufacturing fragrances with juices that were found to closely resemble 13 of the French beauty giant's.

"To date, a juice, which is the most important element of a perfume, didn't benefit from any protection," L'Oréal said in a statement. "With the Paris Court's Bellure ruling, the situation changes completely, as does our ability to defend our brands."

L'Oréal added that going forward, the ruling will allow it to take action against manufacturers who imitate its scents, even if the counterfeit products' packaging and brand names do not imitate those of the fragrance copied.

The court ordered that Bellure stop manufacturing fragrances, including Valeur, Pink Wonder and Cheek to Cheek, upholding L'Oréal's claim that Bellure's juices were copies of L'Oréal's bestsellers such as Miracle, Trésor, Anais Anais and Acqua Di Gio, among others.

"For our industry, which suffers terribly from counterfeiting problems, a new hope is born and a serious warning is sent to those companies like Bellure who think they can profit with impunity from our companies' enormous effort and investment in the development and the launch of a new fragrance," L'Oréal said in the statement.

The beauty behemoth won a similar case against Dutch manufacturer Kecofa in the Netherlands in 2004.

— E.G.

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## Thailand Presence Grows With Second Fashion Week

By Joyce Barrett

**BANGKOK** — The Thailand fashion industry in March is launching its second fashion week of runway presentations and a trade show to promote its fashion internationally.

More than 60 Thai designers will show in the \$3 million production that will also include trade shows for Thailand's textile and apparel industries, jewelry designs and leather and footwear makers. The show will be March 15-19.

"We are not trying to compete with New York or Milan," said Pramote Vidhyasuk, director of the Bangkok Fashion City Project, which is a joint effort by Thailand's government and private sector. "We're introducing ourselves as a choice to those who love tropical, Oriental design."

The March event will be held at the Queen Sirikit National Convention Center in the center of Bangkok.

Thinakorn Asvarak, the catwalk director for Bangkok Fashion Week, said one of the goals for the show was to convince the world that Thailand is capable of original design.

"Thailand has the reputation as a [center] for copying and mass production," he said. "We're trying to brand Thailand. People used to see the label 'Made in Thailand' as a sign of low quality and copying. Thailand is not a place where people come and dig for rubbish."

PHOTO BY GEORGE CHINSE

# Urban Cowboy: Western Icon Rides Onto Runway

By Rose Apodaca

**LOS ANGELES** — He made Johnny Cash the “Man in Black,” and put Elvis in gold lamé and many a crystal-covered jumpsuit.

Now Manuel, who made iconic and elaborate looks for country, Hollywood and rock royalty, and his son, Manuel Cuevas Jr., want to dress the rest of the world with a collection bound for retail that bows at the Bryant Park tents on Friday.

“I’ve been wanting to do this for a very long time,” the younger Cuevas said during an interview, referring to creating a luxury brand based on more than five decades of design by his father, whose clientele has included Gene Autry and Dolly Parton, Bob Dylan and Elton John, k.d. lang and Keith Urban.

Manuel, 73, created the Lone Ranger’s mask, dressed the characters in “Bonanza” and “Dallas,” and designed Neil Young’s wardrobe for the Jonathan Demme documentary “Heart of Gold,” which opens this weekend.

With this new collection, stores from Dubai to Dallas will be able to offer \$400 jeans, \$800 silk shirts and a python topcoat for \$10,000 — considerably less than what a custom version could run from the hands of Manuel and his team.

The cashmere and ready-to-wear will be produced in Italy, the leather goods in Mexico and the denim — cut from Japanese cloth — in California.

Although the family atelier relocated to Nashville in 1989, Manuel’s roots are out West.

Born Manuel Arturo José Cuevas Martínez in Michoacán, Mexico, he was the fifth of 11 children, and learned at a young age how to wield a needle, tool leather and silver.

The senior Manuel opened in North Hollywood in the mid-Fifties after years working under two other tailors as famous as their Hollywood following: Sy Devore, who clothed the Rat Pack, and Western wear king Nudie Cohen.

Like his father, Cuevas, 33, spent his early years in the studio, where the famous paraded through. “I would go every day after school and sweep the floors, polish the silver and watch. I even started at the sewing machine at six, with the others looking over me.”

In April, both look forward to a homecoming of sorts, when Manuel opens Mexico City Fashion Week and they dine with Mexican President Vicente Fox.

In the meantime, father and son have been meeting with press and buyers this week in New York, while attending to round-the-clock fittings in a Seventh Avenue showroom that the younger Cuevas’ business partner, Allen Tucker, opened last fall. Tucker and Cuevas created Manuel Exclusive Inc. last summer to launch the new collection. Although Manuel has no financial interest in the new venture, he has been by his son’s side throughout.

The Dallas-based Tucker, the company’s president and chief executive officer, is an industry veteran who moved to New York in the early Seventies and became president of Calvin Klein

Men’s Wear and later of his own manufacturing licensee, as well as a consultant to Anne Klein, Mexx and Reebok International.

Tucker and Cuevas met after Tucker’s wife, Kelly Tucker, visited the Manuel atelier, with its museum, in Nashville last year.

With the aid of Challenger Capital Group, Tucker has sold a 75 percent share in the business to private investors.

Cuevas, who is designing the collection, owns 10 percent of the company. And, Tucker noted, much of the new team has a piece of the remaining shares.

A “State” jacket from the new Manuel collection.



“This is a family effort,” he said.”

“Our intent is to get back to 50 percent,” Tucker said. He estimated the brand could write \$5 million in orders in the first year. Bloomingdale’s, Selfridges, Tootsies and Marios are among the retailers who have written orders, Tucker said. And Collette in Paris is planning a window display of the U.S. “State” jackets, the 50 elaborately embellished boleros inspired by each state, which Manuel senior created over an 18-year period.

Four of those — symbolizing New York, California, Texas and

Tennessee — will be featured at Friday’s show. The complete line will be on view to the 250 guests invited to the postshow dinner.

Tucker believes Western wear is getting an extra boost in the marketplace, thanks to the films “Walk the Line” and “Brokeback Mountain.” The Manuel team will host a lunch for Joaquin Phoenix, star of the Johnny Cash biopic, during Oscar weekend.

“I’m just extremely psyched about all this,” Cuevas said. “When my dad and I take the bow, it will be like he’s passing the torch.”

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# The WWD List

## Going, Going, Gone

The most popular international travel destinations for 2006.

The holidays are over, and spring isn't quite here yet, making February a terrific time to book that vacation you've been dreaming about. Carlson Wagonlit Travel's 2006 Travel Trends Survey, conducted at year-end 2005, polled almost 400 owners, managers and frontline agents nationwide and asked respondents to forecast the most popular travel spots based on bookings to date for 2006. "Agents book travel for customers up to 11 months in advance," said Steve Loucks, senior director of public relations for Minneapolis-based Carlson Wagonlit Travel Associates, the franchise leisure travel arm of Carlson Cos. Natural disasters had the biggest impact on future travel, but vacationers are still hitting hurricane hot spots such as Mexico and the Caribbean. International travel overall is up, versus three to four years ago, after 9/11. — Cecily Hall and Emily Kaiser

1		<p><b>CRUISES TO THE CARIBBEAN</b>  <b>Percentage of agents surveyed who named this as a top destination for their clients: 76.3</b></p> <p>The Caribbean islands, such as St. Maarten (seen at left), the Virgin Islands and Barbados, anxiously await the influx of cruises each week. It's a big business not just for cruise lines, but also for their destination ports. Cruise Lines International Association forecast that 11.7 million passengers will cruise this year, an increase of 500,000 over last year, with 10.1 million originating in North America. Some 3.6 million passengers traveled on cruises out of the Port of Miami in 2005 — most heading for the Caribbean. "There are more ships floating around the Caribbean than any other place in the world," said Steve Loucks of Carlson Wagonlit Travel.</p>
2		<p><b>RIVIERA MAYA, MEXICO</b>  <b>Percentage: 51.2</b></p> <p>The Riviera Maya is a stretch of land along the coast of Mexico's Yucatan peninsula, located south of Cancún. Last fall, Hurricane Wilma wreaked havoc along the coastline, but spared most of this part of the region. Some luxury hoteliers, such as the Fairmont and the Mandarin Oriental, are taking the plunge and breaking ground this year, despite the annual hurricane concerns. Luxury hotels aside, perhaps one of the most unique aspects of this destination is its easy access to the ancient Mayan ruins. The Mayan ruins at Tulum (seen at left) can be found right on Mexico's coast. And the national park at Xel-Há boasts some of the best snorkeling around.</p>
3		<p><b>CANCUN, MEXICO</b>  <b>Percentage: 49.3</b></p> <p>The timing is just right for a trip to Cancún, before hurricane season approaches once again. Last season, Hurricane Wilma flattened many of the idyllic resorts along the coast of the Yucatan Peninsula, namely Cancún. Yet for 2006, Carlson's agents are still seeing plenty of travel to the region. Some resorts in the area, including the Le Meridien Cancún Resort &amp; Spa (seen at left) now are open to the public. And have prices been reduced to bring in the tourists? "Though this destination is still ranked highly, it moves down the list from where it had been last year, largely due to the fact that hotel properties are still closed or are in disrepair," said Loucks. "However, open resorts are offering discounts to the area, and many people are taking advantage of points near Cancún, such as Isla Mujeres and even Cozumel."</p>
4		<p><b>JAMAICA</b>  <b>Percentage: 34.7</b></p> <p>Montego Bay, Negril and Ocho Rios — all located on Jamaica's northern coast — are very popular, according to Loucks. "Resorts in these areas offer all-inclusive vacations," he said. "Once you're there, you don't pay for anything. Water sport activities, entertainment, food — you get it all." He also pointed out that on Jamaica there are certain places on the island where tourists do not want to go. "No one is immune from danger anywhere, but there's a real feeling of safety at these resorts," said Loucks. Montego Bay's luxurious Half Moon Resort (seen left) offers its guests a private white-sand beach, 51 swimming pools, a championship golf course, and plenty of water sports.</p>
5		<p><b>PUERTO VALLARTA, MEXICO</b>  <b>Percentage: 30.6</b></p> <p>Averaging more than 300 sunny days a year, with temperatures lingering in the low 80s, it's a no-brainer that Puerto Vallarta — located on Mexico's Pacific coast — would be an ideal destination for sun seekers. The Bay of Banderas is home to several resorts, such as La Jolla de Mismaloya, an all-suites, family-friendly spot whose rates run approximately \$300 a night for the all-inclusive option. Don't forget: Even better deals can be had in the summertime. Puerto Vallarta's clean and friendly atmosphere, combined with an Old-Mexico charm, also offers plenty of diverse shopping opportunities: Mexican silver, pottery and traditional crafts are all in abundance here.</p>
6		<p><b>ROME</b>  <b>Percentage: 25.6</b></p> <p>Rome, Italy's largest city, is also the country's most popular destination for tourists. Visitors flock to the Colosseum, Vatican City (home of Pope Benedict XVI) and Trevi Fountain (seen at left). JoAnn Bowman, owner of the Carlson Wagonlit Travel in Baton Rouge, La., said, "Old-World destinations have a romantic quality." Stay at Boscolo hotels during peak travel seasons spring and fall from \$420 to \$950 a night. Surprisingly, reasons for traveling to Rome this year have little to do with the Winter Olympics in Turin, Italy. Said Loucks: "In our findings, Rome's appeal is more the fact that it is a great starting point in itself, accessible to destinations around Italy."</p>
7		<p><b>LONDON</b>  <b>Percentage: 23.4</b></p> <p>The bustling capital of Great Britain makes number seven of top international destinations this year, and the many attractions there leave no question as to why. Top sights include the National Gallery, which houses exquisite works by art masters Botticelli and da Vinci; the London Eye (seen at left), where visitors can view more than 55 famous landmarks in 30 minutes, and the 300-acre Kew Gardens — one of the largest botanical centers in the world. Tourists have a chance to live in luxury that rivals the royal family in Buckingham Palace when they stay at any of London's five-star hotels, from Claridges to The Savoy, which can cost \$1,700 or more a night.</p>
8		<p><b>PUNTA CANA, DOMINICAN REPUBLIC</b>  <b>Percentage: 22.6</b></p> <p>Punta Cana is said to be the paradise of the Dominican Republic. Luxurious hotels and resorts, along with scenic excursions, contribute to the island's reputation as being an ideal destination for a little R&amp;R. Tourists can stay at any of the reputable Barcelo Palace, Beach or Caribe resorts, which range from \$255 to \$345 per room per night. Then there's the pricy Punta Cana Resort and Club, with three-bedroom villas with a Jacuzzi at \$2,400 a night. There's ample real estate opportunities, including lots, apartments and villas. Oscar de la Renta, Julio Iglesias and Mikhail Baryshnikov, among others, have made Punta Cana Resort and Club their home.</p>
9		<p><b>CRUISES TO MEXICO</b>  <b>Percentage: 19</b></p> <p>Mexico is the number-one destination country for international travel from the U.S. for 2006, and what better way to see it than on a cruise? See the coast of the Mexican Riviera on the five-star rated Celebrity Cruises, from an inside room at \$1,100 to a veranda room at \$1,580, during which guests tour San Francisco, Monterey, Catalina Island, Mazatlán, Puerto Vallarta and Cabo San Lucas — all within 10 days. Celebrity's Mercury ship offers the AquaSpa and Acupuncture at Sea, making travel to Mexico aboard a cruise ship even more luxurious.</p>
10		<p><b>CABO SAN LUCAS/LOS CABOS, MEXICO</b>  <b>Percentage: 16.5</b></p> <p>Known as the Marlin Capital of the World for fishing and quickly becoming a number-one destination for golf, there's plenty to do besides lying on the beach in Cabo San Lucas. Tourists can do both at any of the resorts in Cabo, San José del Cabo and along the beach strip known as the "corridor." Some of the hottest resorts: the Hilton Los Cabos Beach &amp; Golf resort, Hotel Finisterra (seen at left), Marquis Los Cabos and the Westin and Fiesta American Grand, where accommodations run from \$390 to \$550 a night and up.</p>

CARIBBEAN CRUISE: RIVIERA MAYA, PUERTO VALLARTA AND PUNTA CANA PHOTOS BY DANNY LEHMAN/CORBIS; JAMAICA BY DENIS ANTHONY VALENTINE/CORBIS; ROME BY LUC BUERMAN/ZUMA/CORBIS; LONDON BY JOHN D. NORMAN/CORBIS; MEXICO CRUISE BY JOSE FLISTE PAGA/CORBIS; CABO SAN LUCAS BY STUART WESTMORLAND/CORBIS

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