

MAKING A LIST, CHECKING IT TWICE:

THE STYLISH
SET'S HOLIDAY
MUST-HAVES,
GIVES AND
DO'S. PAGES
7 TO 9



PLUS: BERNARD ARNAULT-
LED LVMH HAS ONCE AGAIN
INCREASED ITS STAKE IN
HERMES. PAGE 2

WWD

WEDNESDAY, DECEMBER 21, 2011 ■ WOMEN'S WEAR DAILY ■ \$3.00



Pretty Perennials

Look familiar? Frida Giannini dug into Gucci's archives for pre-fall, resurrecting this delicate Oshibana floral print from the early Eighties. She also showed more masculine looks for what she described as "a collection of nuances and subtleties that strikes a modern balance between strong and soft." For additional news on the season, see page 10.

PHOTO BY GIOVANNA PAVESI

THE 'MISSES' SYNDROME

Once Vibrant Sector Forced to Reinvent

By EVAN CLARK

THE BATTLE FOR THE MISSES' CUSTOMER — once a raging front in the retail war — has become more of a sideline skirmish, leaving specialty stores that relied too much on the once-lucrative consumer segment to face dramatic change.

The Talbots Inc., which has closed stores and suffered declining revenues, on Tuesday batted away what it considered to be a low-ball offer to acquire its operations. Instead, the company said it would explore "strategic alternatives" with financial adviser Perella Weinberg Partners — Wall Street speak for hanging out the For Sale sign.

Earlier this month, Charming Shoppes Inc. did much the same when it revealed plans to divest the Fashion Bug chain and hired Barclays Capital to, again, pursue "strategic alternatives."

Talbots is said to have drawn the interest of both financial and strategic players. One possibility, the acquisition-minded Ascena Retail Group Inc., which operates the Dress Barn chain, and is also considered a possible buyer of Charming Shoppes.

But, in general, the category is simply not getting lots of love. Call it the misses' crunch. And companies across the segment are feeling it. Coldwater Creek Inc. and Christopher & Banks Corp., as well as Talbots, are cutting their store base by 12 to 15 percent each.

"It's a zero-sum game and any market share somebody is gaining is at the expense of somebody else," said Arnold Aronson, managing director of retail strategies at Kurt Salmon. "Some of the attractiveness of the department stores, in terms of their multiple brand options, is creating pressure on the

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IN WWD TODAY

Selfridges' Redesign ▶

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RETAIL:
The U.K.'s
Selfridges is
revitalizing
its women's
designer
gallery
with new
shops and
exclusive
product.



Big Moves At Bebe

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RETAIL:
Bebe, known
for its sexy
styles, is
transforming
itself to grow
the business, as well as
adding a new fragrance and
entering bridal.

Nike Battles Costs PAGE 2

FINANCIAL: Net gain at
Nike came under pressure
as product costs ate into
margins, though second-
quarter revenues rose
18.4 percent.

LVMH Again Increases Stake in Hermès

By JOELLE DIDERICH

PARIS — LVMH Moët Hennessy Louis Vuitton again increased its stake in luxury firm Hermès International, just a day after the Hermès family announced it had completed the creation of a nonlisted holding company grouping more than 50 percent of its share capital in a bid to ward off a takeover.

According to a declaration published by France's stock market authority AMF on Tuesday, LVMH on Dec. 15 upped its stake in the maker of Birkin handbags and silk scarves to 22.3 percent from 21.4 percent previously. It now retains 16 percent of the firm's voting rights, crossing the threshold of 15 percent that requires market notification.

A spokeswoman for Hermès said it did not have any comment on the AMF filing.

On Dec. 14, Hermès said Julie Guerrand had been appointed president of the holding company, dubbed H51. Guerrand belongs to the sixth generation of heirs to Thierry Hermès, who founded the company in 1837.



Bernard Arnault

In an interview with French daily Le Figaro last week, Bertrand Puech, the executive chairman of Emile Hermès Sarl, which represents the family shareholders, declared the war with LVMH over, although he reiterated his call for the luxury giant to withdraw.

LVMH chairman and chief executive officer Bernard Arnault surprised markets when he revealed in October 2010 that he had accumulated a 17.1 percent stake in Hermès via cash-settled equity swaps that allowed him to circumvent the usual market rules requiring firms to declare share purchases.

Although Arnault said he had no plans for a full takeover, the move rattled Hermès, which has vowed to protect itself from what it considers an unwelcome suitor.

In Tuesday's AMF filing, LVMH said it would consider purchasing more shares in Hermès depending on circumstances and market conditions, but reiterated that it did not seek to take over the firm. It also said it holds cash-settled equity swaps covering 205,997 shares in Hermès, which expire from April 4, 2014.

Margin Pressures Limit Nike Net Gain

By ARNOLD J. KARR

NIKE INC. EXCEEDED analysts' expectations for its second-quarter profits as the company combated higher costs and weaker margins with a 20 percent increase in its footwear and apparel businesses.

For the three months ended Nov. 30, the Beaverton, Ore.-based sports gear giant boosted its net income 2.6 percent to \$469 million, or \$1 a diluted share, 6 cents better than the 94 cents expected, on average, by analysts. Year-ago profits came to \$457 million, or 94 cents.

Total revenues moved up 18.4 percent to \$5.73 billion from \$4.84 billion, but a 23.9 percent increase in cost of sales, to \$3.28 billion, lowered gross margin 260 basis points to 42.7 percent of sales from 45.3 percent a year ago. The firm said that higher product costs "more than offset the positive effects of growing sales in our direct-to-consumer operations, price increases and ongoing product cost reduction initiatives." Selling and administrative expenses declined to 31.8 percent of sales from 33.3 percent in the second quarter of last year.

Nike's closely watched futures orders metric, reflecting footwear and apparel scheduled for delivery through April, totaled \$8.9 billion, 13 percent above the 2010 mark.

In the quarter, footwear sales rose 19.6 percent to \$3.09 billion, surpassed on a percentage basis by apparel's 20.9 percent expansion to \$1.68 billion. By region, growth was strongest in Greater China, up 34.9 percent to \$650 million; emerging markets, up 25.6 percent to \$948 million, and its largest market, North America, ahead 21.5 percent to \$2.07 billion.

Operating income grew 1.8 percent to \$621 million, with double-digit improvement in North

America, China and emerging markets offsetting a double-digit descent in Europe.

Company executives delivered mixed messages about Europe, with bullish expectations for its involvement with the Summer Olympics in London and European Championships tempered by concerns about general economic conditions and the potentially erosive effects of currency fluctuation. Donald Blair, chief financial officer, said he expects Nike's gross margin to remain under pressure and finish the current fiscal year down about 160 basis points from fiscal 2011, a steeper drop than forecast earlier. In addition to currency issues, he cited the promotional tenure of business during the just concluded quarter.

"We expected improvement in discounts [in the second quarter] but they came out about flat," he told analysts on the company's late afternoon conference call.

However, with the strength of Nike's brands and modification in input pressures, he added that he expects the firm to resume year-on-year margin growth "over time."

Blair also projected that revenue increases in the back half of Nike's fiscal year would be slightly above the 13 percent growth in futures orders. Year-to-date revenues were up 17.9 percent, to \$11.81 billion from \$10.02 billion. Net income rose 9.6 percent to \$1.11 billion, or \$2.36 a diluted share, from \$1.02 billion, or \$2.08.

The company made frequent reference to the strength of its category strategy, with the executives noting the strength of its basketball products despite the NBA lockout. Although highly confident about its plans for the Olympics, European Championships and the National Football League apparel license it takes over from Reebok next year, Blair noted that those programs had not yet begun to affect its future order position.

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DAILY QUOTE

Not every woman buys jeans when she's pregnant, but it's pretty close.

— LISA HENDRICKSON, DESTINATION MATERNITY.

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TODAY ON WWD.COM



A pre-fall look from Dsquared2.

■ RETAIL: See more images of Bebe's evolving look at [WWD.com/retail-news](#).

■ EYE: See more images of They Are Wearing: New York Shoppers at [WWD.com/eye](#).

■ FASHION: See the latest pre-fall collections at [WWD.com/fashion-news](#).

■ BUSINESS: More business news and daily markets coverage at [WWD.com/business-news](#).

■ GLOBAL BREAKING NEWS

Textile Firm Thieves Sentenced

A MANHATTAN DISTRICT court sentenced a mother and son to between four and 12 years in state prison Tuesday for stealing more than \$16 million from two textile companies in SoHo in New York City.

The defendants Judy Del Galdo, 67, and her son Joseph Del Galdo, 46, were arrested in June for pilfering \$6 million in funds from Hi-Fashion Fabrics Inc. and \$10 million from its sister company, Timeless Treasures Fabrics Inc. Judy Del Galdo worked for the family-owned firms for 22 years as a bookkeeper. According to the court, from August 2003 to April 2010, Del Galdo funneled the stolen monies into her son's bank account.

Defendants were ordered to pay \$15,523,139 each in restitution to the victims, of which they have already paid \$850,000.

"This mother-son duo made it their family business to steal millions of dollars and squander the funds on jets, yachts, cars and other luxury items," said District Attorney Cyrus Vance Jr. "This sentence and restitution order will help make the victims whole."

In addition to spending millions on living the high life, the defendants also diverted \$6.7 million to Joseph Del Galdo's now-defunct ambulance company.

On Nov. 18, the Del Galdos plead guilty to grand larceny in the first degree and money laundering in the first degree. Judy Del Galdo also pleaded guilty to forgery in the second degree.

The defendants were convicted on all counts.

— ALEXANDRA STEIGRAD

BEAUTY BEAT

Burberry Weighing Fragrance Options

PARIS — Burberry Group and Inter Parfums SA are in talks about establishing a new operating structure for the Burberry fragrance and beauty business.

"As there can be no assurance that an agreement will be reached, Burberry has exercised its right to evaluate the purchase price for the unexpired term for the existing license," Inter Parfums SA stated. "In this process, Burberry has until July 31, 2012, to determine whether it wishes to buy out the unexpired portion of the license or continue the existing license, which runs through Dec. 31, 2017."

Inter Parfums SA stock closed Tuesday down 13.7 percent to 16.84 euros, or \$22.01 at current exchange. Burberry stock ended the day up 1.5 percent to 11.68 pounds, or \$18.30.

— JENNIFER WEIL

Counterfeit Perfume Trafficker Gets One Year

WASHINGTON — U.S. officials announced Tuesday that a federal judge sentenced a Chinese perfume importer to 12 months in prison for trafficking in counterfeit perfume.

U.S. District Court Judge Sandra L. Townes handed down the sentence to Shaoxiong Zhou, 42, of Shantou, Guangdong, China, in Brooklyn on Monday and also ordered Zhou to pay \$20,000 in restitution.

Assistant Attorney General Lanny A. Breuer of the Justice Department's criminal division and U.S. Attorney Loretta E. Lynch of the Eastern District of New York made the announcement.

In January, U.S. Customs and Border Protection officials seized a cargo container containing 37,000 units of perfume bearing bogus trademarks from well-known brands, including Lacoste, Polo Black and Armani Code.

Zhou admitted to shipping the container to a facility in Staten Island, N.Y. Separately, he admitted to offering to supply counterfeit perfume to prospective buyers at a Las Vegas trade show in August 2010.

Officials said the case is part of a federal investigation into counterfeit perfume and cosmetics being conducted by U.S. Immigration and Customs Enforcement-Homeland Security Investigations.

— KRISTI ELLIS

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You talking to me?

PHOTO BY THOMAS JANNACONE

HAL REITER OF HERBERT MINES ASSOCIATES // INDUSTRY LEADER AND LOYAL READER

**REACH EVERYBODY WHO'S
ANYBODY IN FASHION**



Tamer Bebe Finding Its Stride

By DAVID MOIN

"I'M TOO SEXY" is something Bebe managers might never say about their brand, though they've thought about it.

There's still room for those short, deep V plunge cocktail dresses and superskinny Bebe-logoed jeans, but as the 35-year-old contemporary collection transforms to a head-to-toe business, it's showing some tamer sides. A bridal collection will be launched in March. Bebe's fourth fragrance called Wishes & Dreams launches late April. A new lifestyle shoe strategy is under development. A broader array of denim and dresses is already evident, and the company is looking to gain ground in wear-to-work apparel, where the look has been more "dressed to kill" than dressed for office.

"Bebe is back and expanding market share," stated Emilia Fabricant, president of Bebe Stores Inc., during a preview of Bebe's debut bridal collection at the Gansevoort Hotel in New York earlier this month. "The 25- to 35-year-old woman — that's still the core, but we do see it expanding."

Developing a bridal business for the first time, said Fabricant, is "a natural extension for us.... The gowns are timeless but modern. That's Bebe."

Bebe was founded by majority shareholder Manny Mashouf in 1976



◀ Wishes & Dreams, Bebe's upcoming fragrance.



about half the net of three years ago.

Humbled but not defeated, Mashouf has established a new team, which has been striving to restore historic profit levels and orchestrate strategies to turn the business around. Fabricant, formerly divisional merchandise manager for Barneys Co-op, founder and chief executive officer at Cadeau Maternity, and president and chief merchandising officer at Charlotte Russe, came on board 15 months ago and has since added new vice presidents for marketing, visual, e-commerce and international, and an executive vice president of merchandising Renee Bell, who is on her second tour of duty at Bebe after an interlude with Metropark USA.

There are signs of progress, attributed to advances this year in product quality, inventory control and full-price selling. For the quarter ended Oct. 1, net income rose to \$2.4 million from \$300,000 in the year-ago period, and comparable-store sales were up 7 percent to \$126.3 million, compared with \$115.3 million. The stock has been performing well and set a fresh 52-week high of \$8.48 in trading on Tuesday. Also last quarter, traffic was flat yet the conversion rate — turning browsers into shoppers — was up 7 percent. Units per transaction rose 6 percent. Significantly, the company seems responsive to customers, absorbing feedback off Facebook, tuning into women's wardrobing needs and getting quicker to seize upon sales trends like its fast-fashion competitors. For example, a

Chanel-inspired shawl collar bouclé jacket, priced at \$189, was presented last fall as part of a suit, though women were buying it as a separate. "I could see right away Bebe reacted and now there are more jackets, along the same lines," said retail analyst Jennifer Black. "They're perfect for wearing with jeans or with nice pants. Women want to mix and match."

A "360-degree approach" to recapturing customers has been adopted, Fabricant said, involving launching products and categories, and step-

ping up special events and social media, with 1.9 million Facebook fans gained in the past year. She also said the strategy focuses on creating in-store visuals for "clearer fashion statements" and easier shopping. Stores in NorthPark Center in Dallas and Aventura, Fla., have been remodeled, inside and out, and are being monitored as prototypes. The South Beach, Fla., unit was also remodeled though the facade was retained due to landmark considerations.

Bebe Sport, the active, Lululemon-inspired subbrand, was brought back into Bebe stores and online earlier this year after a hiatus, though the Bebe Sport shops were all closed. Overseas, licensed Bebe stores have been proliferating, with 102 operating in 20 countries, and 20 additional locations seen operating by June 30, the end of the company's fiscal year.

The upcoming Wishes & Dreams fragrance, developed and distributed by Inter Parfums Inc., is described as "a dreamy blend of fresh florals, sensual woods and white amber." Prices will range from \$38 for a 30-ml. bottle to \$70 for a 100-ml. bottle.

Bridal will be sold by appointment at four Bebe flagships: Oak Street, Chicago; SoHo, N.Y.; Rodeo Drive, Los Angeles, and Aventura, and online. Initially, there will be 10 gowns in silk taffeta, silk satin, charmeuse, georgette, organza and chiffon, and corsets for a custom look. They will range in price from \$950 to \$2,500, falling in a zone between David's Bridal and J. Crew. Once a gown is selected it's ordered for a 60- to 90-day delivery.

"I wanted to create beautiful wedding gowns with a custom feel and attention to detail," said Rami Kashou, Bebe's bridal designer who was runner-up on "Project Runway" in season four, and is a contestant in the upcoming "Project Runway: All Stars." Kashou characterized the Bebe gowns as "feminine, elegant, timeless and romantic" and "a celebration of the hour-glass figure."

Veils, clutches, jewelry and gifts will also be offered, as well as a line of 10 bridesmaids' dresses, priced from \$150 to \$300, that are suitable for occasions other than weddings and are either stretchy or flowy; long or midlength. "They're cool, sexy cocktail dresses," Kashou said.

That's consistent with Bebe's past marketing, which typically evoked aggressive, confident women fit for reality housewives shows, a la tie-ins with Eva Longoria and Kim Kardashian, though it's changing as the offering grows in dimension. "Bebe started using new models last summer. I totally noticed the difference. It's sexy in a tasteful way — not trashy," observed retail analyst Black.

"They've softened the edge. The collection is more age appropriate," said Dana Telsey, ceo and chief research officer of Telsey Advisory Group. There's also greater variety in the mix which should appeal to a wider range of women, Telsey added, citing improvements in denim, knits, sweaters, outerwear and jewelry. Jumpsuits have also recently performed well. However, the wear-to-work, woven and footwear categories are "works in progress," Telsey noted.

Asked if Bebe is indeed getting tamer for a wider appeal, Fabricant replied: "Everything we do starts with Manny's vision of contemporary fashion with a sexy, feminine edge," though, she added, "we have upped the sophistication and design quotient and are offering versatility that's getting us increased closet share."



A watercolor from Tanya Ling for Selfridges.

Selfridges Revitalizes Its Women's Galleries

By NINA JONES

EARLY NEXT YEAR, Selfridges will unveil the first phase of its new women's designer galleries, a 17,000-square foot space that fuses the store's Neoclassical architecture with elements of technology.

The room will host eight in-store boutiques for Chanel, Prada, Lanvin, Celine, Alexander McQueen, Balenciaga, Givenchy and Dries Van Noten. Interspersed among those boutiques will be collections by edgy labels including Gareth Pugh, Haider Ackermann, Rick Owens, Comme Des Garçons and Anne Demeulemeester. Sebastian Manes, director of women's wear at Selfridges, said: "The concept of the room evolved in tandem with the selection of these designers, in order to offer customers the collections they will love and a place to discover the exciting looks of each season."

A focus of the room, which has been designed by Jamie Fobert Architects, will be a digital installation by the British artist Daniel Brown, who has designed a triptych of screens that will show a continually evolving image. Meanwhile, the changing rooms will feature three digital screens with built-in cameras, allowing customers to snap digital pictures or videos of themselves, so they can see a look from different angles. They will then have the option of e-mailing the images to themselves or friends. In a nod to Selfridges' original 1910 decor, the room's floor is crafted from 41 types of marble, while marble panels will also be placed along the room's windows, allowing light to flood into the space.

The space, which will open in time for London Fashion Week in February, will also offer customers the services of an in-house tailor to provide alterations to their purchases. To mark the gallery's launch, illustrator Tanya Ling has created a series of ethereal watercolor illustrations to represent what Selfridges calls "the modern luxury woman." The illustrations will be featured as part of Selfridges' advertising and on Selfridges' Web site.

Alannah Weston, creative director of Selfridges, added: "The Women's Designer Galleries at Selfridges will showcase some of fashion's most exciting designers in a creative setting that embraces the expectations of today's modern woman. We know that our customers are sophisticated, global trend-makers and we look forward to presenting beautiful designer pieces in a serene and elegant environment."

The first gallery will be followed by two further areas of the women's designer galleries that are due to open in phases, one later in 2012 and the other in 2013.

Rami Kashou, Bebe's bridal designer, with a draped silk taffeta gown.



MORE IMAGES OF BEBE'S EVOLVING LOOK AT [WWWD.com](#)

WWWD.com
retail-news.



A Balenciaga exclusive for Selfridges.

at a time when bridge, juniors and misses ruled fashion and the contemporary category barely existed. For many years, the pioneering chain maintained a singular status for its daring ways, though in recent times has been cut down by the rise of competitors such as Forever 21, Zara and H&M. Since the recession, the \$500 million specialty chain has closed stores, shed \$100 million in revenues and has endured a decline in profitability, which in the latest fiscal year ended July 2 came to \$6.1 million, or

Pomellato Opens on Rodeo

By MARCY MEDINA

BEVERLY HILLS —Italian jeweler Pomellato has opened its largest boutique to date, a 5,000-square-foot, two-story space at 320 Rodeo Drive here. Following U.S. locations in New York, Bal Harbour, Fla., and Chicago, the store, framed by a stone facade emulating Roman arches, is the first to house both the signature collection and its younger brand, Dodo.

Designed by architect Raffaella Bortoluzzi, the first-floor space housing Pomellato's fine jewelry is composed from neutral stone materials with black lacquer and gold accents, while the upstairs Dodo space features gold walls with bright red accents. Retail prices range from several hundred dollars for a Dodo charm bracelet to \$5,000 and upwards for fine jewelry.

According to chief executive officer Andrea Morante, the company is expanding its retail footprint geographically. "We are following a typical standard whereby when you have a fairly good European platform, you come to the States at the closest entry point, the East Coast, and work your way west," he said. Calling the Chicago store, which also opened this year, "the real test for the rest of America after New York," Morante said the Beverly Hills location was strategic in terms of reaching the California

market, Asian tourists and Hollywood stars.

Tilda Swinton, who has appeared in the company's television and print ads for the past three years, is set to host an opening party next month during awards season.

Morante predicted that once Chinese customers begin traveling to the States en masse,

The new
Pomellato
store.



Los Angeles will be an obvious entry point. "Trying to follow the Chinese consumer will be name of the game in the following years, and making our next big retail push in China will be a priority," he said. Also on his hit list are stores in Tokyo, Singapore and South Coast Plaza in Costa Mesa, Calif.

FUR
BY HONG KONG

www.furbyhongkong.com

HONG KONG FUR FEDERATION

www.hkff.org

Pandora Appoints New CEO

By JOELLE DIDERICH

PARIS — Danish jewelry maker Pandora has appointed Björn Gulden as chief executive officer, capping a five-month search for an executive capable of turning around its waning fortunes.

Gulden is managing director of the Germany-based Deichmann Group, Europe's largest shoe retailer, and president and CEO of its Rack Room and Off Broadway U.S. retail chains. Before that, he spent eight years with Adidas.

He will take over on March 1 from interim CEO Marcello Bottoli, who was appointed in August after his predecessor, Mikkel Vendelin Olesen, resigned following a profit warning that caused the company's shares to fall by nearly 65 percent in a single session.

Allan Leighton, chairman of Pandora, said: "Björn is an outstanding executive who has impressed me with his knowledge and hands-on experience from many years in the retail and wholesale business around the world."

He also praised the performance of Bottoli, who will become deputy chairman of the Pandora board once Gulden takes up his post.



Pandora said the announcement would have no impact on its guidance for 2011.

Known for its charm bracelets, Pandora, which sells its jewelry in more than 65 countries, previously said that revenue this year will be in line with the 6.67 billion Danish kroner, or \$1.19 billion at current exchange, it posted in 2010. Originally, the firm anticipated revenue growth of "no less than 30 percent."

Its sales plummeted by around 30 percent in July after Olesen hiked prices to compensate for increased gold and silver costs, a tactic that did not go well with thrifty consumers.

Advertisement

Fur by Hong Kong

With the advent of technology and new processing techniques, fashionistas can now cuddle up under their cozy furs all year round without looking like a woolly mammoth.

The fur industry has been employing sophisticated dressing and dyeing applications in full scale — allowing women and men to choose from a kaleidoscopic assortment of designs to suit their mood and style.

Hong Kong fur manufacturers, highly sensitive to the ever-changing lifestyle and consumers' desire and demand for fashionable designs, are quick to embrace state-of-the-art technical know-how with the new concept of highly refined, light and dyed hides in their collections.

The efforts have reaped good results as Hong Kong's fur industry is now widely known for its excellence in the application of new technology in pelt processing and manufacturing.

Hong Kong furriers are staying at the forefront of the market to offer new look furs — from lightweight, dyed and sheared to plucked or knitted, and double-faced or textured — displaying the incredible versatility of fur as a high fashion fabric for all seasons that is appealing to a growing number of younger customers.

Riding on its sound and solid success in the industry, Hong Kong has emerged as an ideal one-stop shop offering everything fashion people want to find about fur — from a wide variety of designs and flexible process management to reliable services and prompt delivery. Nowadays, "Fur by Hong Kong" has become a well-recognized high quality label in the fur world.

Hong Kong International Fur & Fashion Fair 2012 — The Ultimate Source for Fine Fur Products

The annual Hong Kong International Fur & Fashion Fair organized by the Hong Kong Fur Federation is going to be another bonanza. The Fair has once again received overwhelming demand from exhibitors all over the world.

The organizer is delighted with the result of exhibitor recruitment. An exceptionally all-rounded range of exhibits, ranging from raw materials to fur apparel and accessories will be in the limelight. A total of 800 booths were sold. The total exhibition space will reach 38,000 square meters to congregate over 280 local and overseas exhibitors from 16 countries and regions, including two national pavilions from Germany and Greece. The exhibitors fully occupying the exhibition Hall 1, Hall 3 and Hall 5 of the Hong Kong Convention & Exhibition Centre (HKCEC).

Staging on the opening night of the Hong Kong International Fur & Fashion Fair, the Hong Kong Fur Gala has been a focal event under the spotlight since its debut. Today, the exciting evening showcases the latest collections from leading Hong Kong furriers, arresting the attention of more than 2,000 global buyers.

So don't miss out on this unique fur and fashion extravaganza in Hong Kong, join us at this premier international showcase of the fur world from 25 to 28 February 2012!

denim

Maternity's Denim Destination

By ARNOLD J. KARR

IN THE MATERNITY apparel business, a pregnant pause can mean missed opportunity.

So it's hardly surprising that Philadelphia-based Destination Maternity Corp., purportedly the largest maternity retailer in the world, has been putting extra effort into building its premium and better denim assortment at its upscale A Pea in the Pod division, which operates 43 stores, and in its 80 Destination Maternity stores, which carry merchandise both from Pea and its more casual, midtier Motherhood Maternity division.

The window of opportunity doesn't open wide, and it's not open for long. Lisa Hendrickson, Destination Maternity's chief merchandising officer, notes that most women don't begin to build their maternity wardrobes until the second trimester of their pregnancies, usually putting off major purchases until the fourth month.

"Denim continues to be a strong category for us," she told WWD. "It's always been a staple of our maternity business and it's one of the first things a woman invests in. Jeans are a staple part of her wardrobe, and they're one of the items that gets uncomfortable first."

To make sure that Pea and Destination Maternity get their share of the denim dollars of the affluent woman-with-child, the company has built a stable of premium denim brands, the majority of which sell their wares to Pea, the Destination Maternity unit and associated Web sites on an exclusive basis within the maternity market. The current lineup includes Seven For All Mankind, Paige, AG, Citizens for Humanity, Joe's Jeans, True Religion, Hudson, J Brand, Buffalo, Mavi and, beginning this month, Silver.

"For the most part, we try to work exclusively with our vendors so that the customer knows she can get those premium brands only at our stores," Hendrickson noted. "We want long-term relationships with our vendors. We want to be important to them and them important to us."

She didn't divulge sales figures or average pricing in the category, but described it as a robust business with healthy margins: "I can't say we're selling thousands of pairs at our top price point of \$285, but we're selling a lot of denim. There's a wide breadth to the assortment and there's less price resistance than one might think. Not every woman buys jeans when she's preg-

nant, but it's pretty close."

At A Pea in the Pod, prices start at \$89.50 as opposed to \$24.98 at Motherhood Maternity, which dwarfs the other divisions with \$35 units.

The increased flexibility of jeans — whether for casual wear, work or going out — has added to their salability, and the Pea assortment has been tailored to meet the special characteristics of the brands represented. Joe's, for instance, has strength in petites. J Brand covers the cleaner, darker part of the market, while the addition of Silver allows the store to make a more powerful statement with stitching, washes and pocket designs.

Michael Silver, Silver's president, welcomed the opportunity to sell Destination Maternity product on an exclusive basis, having foregone the maternity business since the closure of its one major maternity account more than 10 years ago.

"It was a great business, and then it was sort of out of mind," he said. "But it always made sense that pregnant fashion customer would have an option other than just buying larger Juicy sweatpants."

Silver conceded that the production runs in maternity wouldn't afford the economies of scale one can get with regular sizes, making it a natural for higher-margin premium brands as opposed to his self-described "midluxury" positioning or more popular-price orientation. Still, Destination Maternity simplifies the process, and makes it more cost-effective to do so, by retrofitting the majority of the jeans and other bottoms it buys from vendors with its patented Secret Fit Belly construction, which substitutes a stretch knit panel for the upper part of the pants.

Attracted to niche businesses, such as extended sizes, Silver welcomed the chance to build a relationship. "They made it easy," he recalled. "They said, 'We've got the market and we'll do a lot of the work.'"

Hendrickson said that, throughout all its divisions, the company recommends that women, other than those who experience a high level of weight gain during

their pregnancies, stick with their pre-pregnancy sizes and allow the Secret Fit Belly to undertake expansion for them. For customers who aren't in close proximity to a Pea or DM store, the entire assortment is available online. "It's a very healthy business online," she noted. "If someone's a bit nervous about the sizing, they can get two pairs of jeans and return one."

In the year ended Sept. 30, the company's Internet sales were up 22 percent, helping to lift overall revenues 2.7 percent, to \$545.4 million. Net income rose 36.6 percent to \$23 million, or \$1.75 a diluted share. In addition to the 658 stores operated at year's end, the firm had

nearly 1,700 leased departments at stores including Macy's, Sears and Kmart.

While jeans sizing remains the same for most pregnant women, the same can't be said for their lingerie. All store staff are trained to do bra fittings and recommend nursing bras as women approach their due dates. Although they've shown interest in premium jeans, pregnant women seem to open up their wallets widest when it's time to get outfitted for their baby showers. "That's when they know there'll be a lot of pictures taken that will be around for a lot of years," said Hendrickson.

She added that the company has availed itself of various social media to reach out to the newly pregnant and reaches out to bloggers addressing the needs of expectant moms. It also attempts to connect with pregnant women through the offices of obstetricians and gynecologists.

Pregnant women are often gift recipients, but there's no registration mechanism, as with brides-to-be, or public database of those approaching motherhood.

"As far as we know, there aren't public records until the child is born," Hendrickson said, "and that's too late for us."

Jeanologia Sets Laser Demos in L.A., N.Y.

JEANOLOGIA, THE SPANISH firm that specializes in environmentally friendly garment finishing, is preparing to give both coasts of the U.S. a taste of its eco-friendly medicine.

During the opening night parties of the Kingpins Los Angeles market, on Jan. 10, and the new Continuum market coinciding with Kingpins in New York, on Jan. 17, the firm's Twin GFK 3e laser will be at work, using the device's water- and energy-saving technology to transfer wash designs and other denim looks conceived by Siki Im, Ecco Domani Fashion Fund winner; Gap Inc.; Goldsign; Marithé + François Girbaud; Joe's Jeans; Earnest Sewn; Henry Duarte; Stussy, and Creative Growth for Everyone. There will be hourly demonstrations of the GFK machine at both shows as well.

Kingpins Los Angeles' two-day run is at The Cooper Design Space, while Continuum, making its debut, runs in tandem with Kingpins in New York for two days at Center 548.

"We are excited to partner with this illustrious group of designers and create one-of-a-kind jeans that allow their

talents and our GFK laser to shine, and hopefully inspire designers to see denim washing in a new light," said Enrique Silla, founder and chief executive officer of Jeanologia.

Jeanologia, based in Valencia, Spain, operates under a "3E" motto, emphasizing ecology, efficiency and ethics. Silla previously had estimated that about 15 percent of global denim is produced using Jeanologia technology.

Kingpins and Jeanologia loved the idea of asking designers from a variety of markets to take a pair of jeans and view it as a canvas," said Erin Barajas, director of The Kingpins Show. "The response we got was fantastic and the designs that were submitted are so fresh and true to each brand's point of view."

Jeanologia for three years has promoted the virtues of laser technology over processes using water, chemicals and more energy through a series of presentations dubbed "Truth & Light," in which participants were asked to distinguish between jeans made with traditional finishing processes and those derived from laser finishing.

— A.J.K.

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Silver's Berkley model, retrofitted with the Secret Fit Belly.

WWD STYLE

PLUS:
MORE PRE-FALL
FROM GUCCI,
REEM ACRA, TIBI,
DSQUARED2
AND MCQ. ▲
PAGE 10



Christmas Stories

With the holidays officially here, WWD caught up with a slew of fashionistas for the dish on their holiday routines present and past. Along with the vintage shot above, James Mischka shared plans for his and Mark Badgley's "big, traditional, but gluten-free" California Christmas. For more from Alber Elbaz, Tory Burch, Rachel Roy and a host of revelers, see pages 8 and 9, and look for part two in Thursday's WWD.

MEMO PAD

CHANGE OF HABIT: Stefano Pilati has broken with tradition by entrusting Yves Saint Laurent's spring-summer campaign to **DSQUARED2**, after nine seasons of working with **Ines van Lamsweerde** and **Vinoodh Matadin**. This confirms a report in WWD on Nov. 25. The ads, which are scheduled to break in February issues worldwide, feature model **Mariacarla Boscono** sporting hyper-stylized eyebrows. **Guido Palau** did hair and **Diane Kendal** the makeup. — **JOELLE DIDERICH**



SAY OLE: Valentino tapped artsy photographer **Deborah Turbeville** for its spring advertising campaign, which breaks in January.

Shot in Pozos, Mexico, in an abandoned mining town in the Guanajuato region, the campaign brings together an international cast of Pretty Young Things: **Bette Franke**, **Maud Franzen**, **Fei Fei Sun**, **Zuzanna**



A Valentino image, shot by Deborah Turbeville.

Bijoch and male model **Clement Chabernaud**.

One image shows the four women standing tall in the grass against a shadowy stone wall, each clad in a rose or deep red dress with richly embroidered details.

Citing photographer-actress **Tina Modotti** and artist **Georgia O'Keeffe** as inspiration, Valentino creative directors **Maria Grazia Chiuri** and **Pierpaolo Piccioli** described their spring collection as "linked to Mexico as a state of mind," and the campaign as "a fantasy setting for a new poetic femininity."

The designers cited their enthusiasm for Turbeville's "subversively elegant aesthetic vision."

Pierre Orlando handled makeup and **Mark Hampton** worked the models' hair, which was twisted into wreathlike braids.

— **CYNTHIA MARTENS**

ROMAN LEGION: After Milan and Venice, Moschino opts for a sun-kissed Rome backdrop for its spring-summer advertising campaign.

Shot by **Jürgen Teller**, images feature Polish model **Kasia Struss** standing in front of the Colosseum wearing a torero-inspired look.

To further underscore the Italian mood, a vintage red Fiat 500 car appears in the shot.

"Viva l'Italia" is the slogan which best represents the new Moschino campaign," said the brand's creative director **Rossella Jardini**. "I wanted to show once again how much we love Italy, which is one of the most beautiful countries, able to stand out for the excellence of the Made in Italy and its sartorial tradition."



Moschino takes to the streets of Rome.

The advertising campaign will break in February. — **ALESSANDRA TURRA**

MAY LAFORCE BE WITH YOU: James LaForce gave revelers at his annual holiday party last week a preview of "24 Hour Catwalk," the fashion competition show that makes its debut on Lifetime on Jan. 10. LaForce serves as a judge on the show and fellow judges **Cynthia Rowley** and **Derek Blasberg** popped into the India-themed party, along with **Bibhu Mohapatra**, **Keanan Duffy**, **Lisa Mayock**, **Doug** and **Ben Burkman**, **Fern Mallis**, PVH's **Ken Wyse**, **Geoffrey Bradfield**, Hearst's **Michael Clinton** and **Scott Sassa**, Seventeen's **Ann Shoket** and House Beautiful's **Newell Turner**.

From the preview clips, it looks like LaForce assumes the **Simon Cowell** acid-tongue role on the show, spouting off one-liners such as, "This is 24 Hour Catwalk, not 24 hour sidewalk," "How do you wield power with titty tassels?" and "It's kitty literal."

Rowley, for her part, claims, "Of the three judges, I'm definitely the smartest, funniest, nicest and most beautiful-est."

Perhaps in the spirit of the show's title, LaForce donned a pair of high-heeled pumps and worked a makeshift runway at the end of the evening to whoops from the crowd. — **DAVID LIPKE**

A Fashionably Festive Guide to Gifting,



**Alber Elbaz
on vacation in
Argentina, 2009.**

MARK BADGLEY AND JAMES MISCHKA, BADGLEY MISCHKA

Favorite holiday memory? "The year we started Badgley Mischka, we swapped our New York apartment with a couple in Montmartre for Christmas week and flew ourselves over on the Concorde. It was the most magical week you could ever imagine — snowy, crisp, full of promise!"

And on your wish list? "We're giving each other custom blazers from Alan Couture."

What will you be eating...and where? "A big, traditional, but gluten-free, Christmas with Mark's family in California, and a very intimate champagne and caviar fete at our place in Palm Beach."

Tory Burch
on the
slopes with
her sons.



PHOTO BY NOA GRIFFEL

JACQUI GETTY

Favorite holiday memory? "Being at a New Year's Eve party and going into labor and having my daughter Gia [Coppola] on New Year's Day."

Gifts you'll give? "Special books that are chosen individually for each person, like Antonioni's 'Blow Up' and 'The Marriage Plot' by Jeffrey Eugenides."

What will you be eating...and where? "Gia and I will be in Napa, eating black ink octopus pasta and drinking wine. My favorite is the Coppola Blancaneaux white this year."

ALBER ELBAZ

What's on your wish list? "I always feel embarrassed when people give me presents so I prefer giving them. Books are always good, music is great and food is wonderful to give and to get."

Holiday travel plans? "My fantasy would be going to India."

TORY BURCH

Favorite holiday memory? "Watching 'Rudolph the Red-Nosed Reindeer' with my brothers every year, and my parents reading 'A Christmas Carol' to us — a tradition I passed on to my children."

Gifts you'll give? "Ted Muehling candlesticks for my stepdaughter; paddleboards for my boys; The New York Times book of articles from your birthday for everyone."

And on your wish list? "Subscription to The World of Interiors, Feng Shui consultation, a package of SoulCycle classes."

What will you be eating...and where? "My boys and I are going to Myanmar and Thailand — fresh fish, shrimp and great rice and curry dishes."

FRIDA GIANNINI, GUCCI

Favorite holiday memory? "Decorating the Christmas tree with my family."

What's on your wish list? "Going to the mountains to ski in Saint Moritz."

REED KRAKOFF

Favorite holiday memory? "The year when my family and I got snowed in at our



Pamela
Love

house in East Hampton. It was a weekend I'll never forget."

Gifts you'll give? "Every year I give a handmade bound book of photographs from the previous summer to close family and friends."

And on your wish list? "A night at The Carlyle hotel would be an indulgent gift to receive from my wife. There's something special about being able to escape from your everyday but only travel a few blocks."

What will you be eating...and where? "I'll be in Palm Beach; anything my wife decides to cook I'll love!"

JEAN PAUL GAULTIER

Favorite holiday memory? "What I love is a Christmas tree decorated with pomanders — oranges studded with cloves."

What will you be eating...and where? "I will be with my uncle and aunt in the Périgord, so it will be a lot of foie gras!"

CHRISTIAN LOUBOUTIN

Favorite holiday memory? "My first happy new year party in my new house in Egypt."

Gifts you'll give? "Women's and men's shoes."

And on your wish list? "Anything coming from the heart."

What will you be eating...and where?

"Vietnamese food in Saigon — hopefully spicy and delicious!"

WES GORDON

Favorite holiday memory? "Christmas mornings! Nothing beats the anticipation of rushing down to see what Santa brought."

Gifts you'll give? "Diptyque's Feu de bois candles, to make any home smell like there's a roaring fire in the fireplace."

And on your wish list? "A new watch — there's one I've had my eye on."

What will you be eating...and where? "I'm so excited to go home for a Christmas dinner — turkey, mashed potatoes, etc. Basically, Thanksgiving part two."

PAMELA LOVE

Favorite holiday memory? "Once over New Year's, a group of my friends and I went upstate and stayed in a cabin in the woods during a blizzard. We got bored so we walked to a local dive bar wrapped in blankets (and a Snuggie). By the end of the night I was playing drums for the bar's house jazz band."

What's on the menu? "I love warm apple cider with a little Kanon vodka and caramel, and comfort foods like roasted vegetables. Typical holiday fare, except I'm vegetarian and engaged to a vegan."

RACHEL ROY

Favorite holiday memory? "Going to the beach in Northern Cali where we lived with my brother and mother after opening gifts on Christmas morning."

Gifts you'll give? "My Heart of Haiti jewelry collection, which employs a mother-daughter team in Haiti that handmakes the jewelry. I also will give gift cards for the Caudalie Spa at The Plaza hotel and La Perla underpinnings."

And on your wish list? "More extended lazy days in the sun listening to the ocean, a dinner with Deepak Chopra, a large white quilted Chanel bag and a private plane with a pilot. A girl can dream, right?"

DENNIS BASSO

Favorite holiday memory? "When [husband] Michael [Cominotto] and I built our house in Water Mill and celebrated our first Christmas there 15 years ago."

Gifts you'll give? "My croc evening bags, faux fur throws and scented candles. Also, Hermès blankets, crystal serving pieces from Tiffany and the new Eleanor Lambert book, 'Still Here.'"

And on your wish list? "Royal Water by Creed, T. Anthony garment bag, a new subscription to Hello and Majesty, an extra-long black cashmere scarf and a little more blue and white antique china. I don't need it but I love it!"



What's on the menu? "We start with a huge antipasto, then pasta with a fresh tomato and crab sauce, followed by shrimp scampi, stuffed clams oreganato, baked lobster, calamari salad and, of course, tons of Italian pastries."

PRABAL GURUNG

Favorite holiday memory? "Going to Tiger Tops in Nepal with my mother and father when I was younger."

Gifts you'll give? "Love and more love!"

And on your wish list? "Charitable donations from friends and family are always wonderful to receive and I am never one to turn down holiday treats."

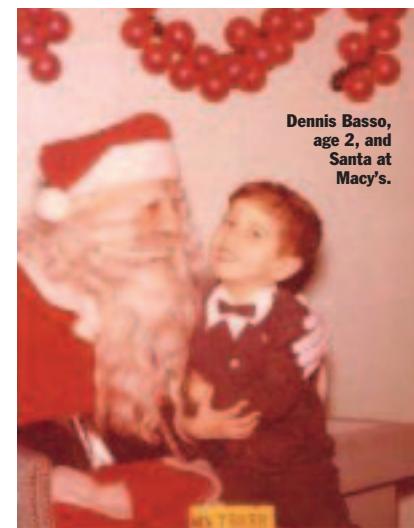
What will you be eating...and where? "My cousin has a restaurant in Chinatown, Thakali Kitchen, and I love the momos there."

JENNI KAYNE

Favorite holiday memory? "Taking [my son] Tanner sledding two years ago in Alta and taking [my daughter] Ripley there this year for her first Christmas."

Gifts you'll give? "APC quilts, The Elder Statesmen cashmere and goodies from Heath."

And on your wish list? "A Celine Seau bag and a set of All-Clad cookware."



Dennis Basso,
age 2, and
Santa at
Macy's.

ALESSANDRO DELL'ACQUA

Gifts you'll give? "I would like to give pictures of cinema personalities taken by famous photographers."

And on your wish list? "A modern art vase in blown glass from the Sixties. Hint, hint!"

What will you be eating...and where? "I'm going back to my family in Naples, where on our

Getting, Going and Gorging, Part I*

A young Prabal Gurung and his parents.



Christmas dinner table I'll be sure to find sponge cakes (babà) and puff pastries (sfogliatelle)."

ANTONIO MARRAS

Favorite holiday memory? "When the mayor of my city, Alghero, asked us to set up a huge Christmas tree in the oldest city square. We involved the entire elementary school where my son Efisio studied. All the kids created huge ornaments." **What will you be eating...and where?** "After an entire year spent traveling you need home...and eat traditional things, for instance fish and lobster soup, pork or lamb plus my favorite traditional Alghero desserts."

FIONA CIBANI, PORTS 1961

Favorite holiday memory? "Volunteering with my children to feed the less fortunate and hand out blankets."

Gifts you'll give? "A Ports 1961 cashmere travel bag complete with scarf, slippers and eye mask." **And on your wish list?** "A homemade card from my kids. I just love saving their little creations."

What will you be eating...and where? "Keeping it healthy at home. Thin tastes better!"

LIZ GOLDWYN

Favorite holiday memory? "I was about seven years old and had begged for a Fiorucci outfit."



Irene Neuwirth's festive pooch Teddy.

for Christmas. I was so excited to receive it that I put it on straight away and added a red lipstick sticker on my lips!"

Gifts you'll give? "Handmade gingerbread cookies with custom decorations."

And on your wish list? "My birthday is also Dec. 25 so I've selfishly bought myself a couple presents already: a piece of art by Niagara at the "Destroy All Monsters" show, and a Norma Kamali nude and black lace dress that looks like lingerie."

CRYSTAL LOURD

Favorite holiday memory?

"Coming down the stairs and seeing Santa's magic in Colorado and then going out for a family ski!"

Gifts you'll give? "Fur to my mom...football jerseys, RLX ski outfits and iPads to my boys...velvet blazer and cashmere sweaters to husband."

What will you be eating...and where? "In Aspen enjoying sushi at Matsuhisa, Italian at Campo de Fiori and home cooking at Bonnie's on the mountain for lunch."

MICHELLE SMITH, MILLY

Gifts you'll give? "Thomas the Tank Engine train set for my son William, a 'princess watch' for my daughter Sophia and theater tickets for my husband Andy. He has politely informed me that

Gia Coppola, 3, in Rome.



he does not need another cashmere sweater or cuff links."

And on your wish list? "Quality time with my family is gift enough, but baubles from Pomellato are always appreciated."

What will you be eating...and where? "I can't be sure what I'll be eating, but I'll definitely be sipping a rum punch with Andy in the Dominican Republic as our children play in the sand."

PETRA ECCLESTONE

Gifts you'll give? "I have blown up pictures from my wedding, which is sentimental, but have bought my mum an amazing handbag and my sister a piece of art that I know she wanted."

And on your wish list? "I have been dropping hints to James, so hopefully he picked the right watch I wanted! And he always adds a new Birkin to my collection."

What will you be eating...and where? "I will be cooking a turkey this year, the first time ever, in L.A."

CONSTANCE JABLONSKI, MODEL

Gifts you'll give? "A new iPad for my boyfriend."

What will you be eating...and where? "French scallops called Coquilles Saint-Jacques in the north of France with my family on Christmas, and probably delicious cheese the week of New Year's Eve because we are going to the mountain to ski."

AMY SMILOVIC, TIBI

Favorite holiday memory? "Every year on Christmas Eve my grandfather piled the family into the wagon and drove around for hours checking out all the Santas and

reindeers. I can't say it was my favorite thing at the age of 15, but it's something we laugh about now."

Gifts you'll give? "Coqui Coqui scents from Colette."

And on your wish list? "A pair of Anita Ko pyramid diamond stud earrings."

What will you be eating...and where? "My mother cooks traditional southern style food and I always overindulge — peach-glazed ham and bread pudding with bourbon are my absolute favorite."

IRENE NEUWIRTH

Gifts you'll give? "I'm making an opal bracelet for a very lucky friend. And my dog, Teddy, gets whatever he wants, as usual."

What will you be eating...and where? "I host a trunk show every year for Christmas at Seaside Luxe at the Four Seasons Hualalai. There I eat fresh fish and delicious fruits. Just after Christmas I go to San Miguel, where it's all delicious homemade Mexican food."

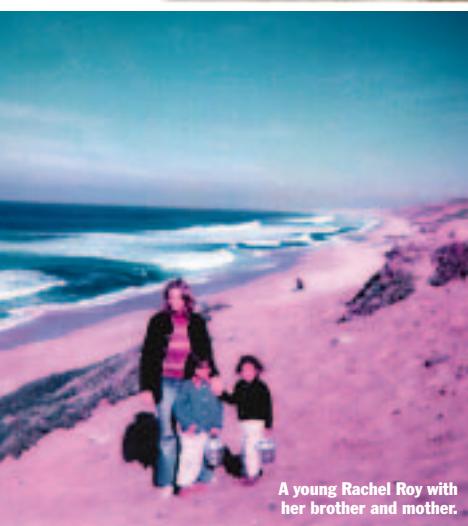
SARA ZIFF, MODEL

Favorite holiday memory? "When my brother and I were little, our parents would keep us guessing and speculate that the smallest box might contain, say, a collapsible hockey stick. This unlikely gift became a running joke every Christmas, so a few years ago we actually bought a hockey stick, sawed it into pieces attached with hinges, and folded it into a small box under the tree."

Gifts you'll give? "Nicole Miller joined forces with Indego Africa to create a great collection of fair trade bracelets."

And on your wish list? "Love, health and happiness — with a bow on top."

* See Thursday's paper for part II.



A young Rachel Roy with her brother and mother.



Jenni Kayne and her son, Tanner.



Michelle Smith and her family having a beachy holiday.

COLLECTIONS

Pre-Fall 2012

FOR MORE
PRE-FALL, SEE
WWD.com/
runway.



GUCCI

"This season I wanted to intersect romanticism with minimalism by pairing unexpected elements," said Frida Giannini. Thus, she balanced a masculine mood — oversize silk georgette shirts, slim camel hair blazers, wide pants in wool crepe — with pleated maxiskirts and round-neck fluid dresses.

MCQ

For Alexander McQueen's more accessible line, Sarah Burton looked to the windswept landscapes of England's countryside, as envisioned in the 1967 film adaptation of Thomas Hardy's "Far From the Madding Crowd." The influence came through in pieces that nodded to aristocratic country pursuits, such as a snug coat in khaki felted wool and a silk bustier dress printed with an image of snarling wolves.



DSQUARED2

With preppy argyle knits, cropped trousers, plaid skirts and great coats in bold hues, Dsquared2's Dean and Dan Caten worked a good-girl-gone-bad motif, inspired by the rebellious youth of the Fifties and Sixties.



TIBI

Amy Smilovic kept it simple with seasonless pieces ideal for transition wardrobes. There were wool jackets with knit sleeves, a long drop-waist dress in crepe and, for fun, a shirt and matching palazzo pants in a cool graphic print.



REEM ACRA

Whether dressed up for day (lace inserts on a lapis leather sheath) or toned down for night (a zip-front jacket over a long floating skirt), pre-fall at Reem Acra was a picture of subtle elegance.



FASHION SCOOPS

CHINESE CARNIVAL:

Italian brand Stefanel SpA, known for its casual chic knitwear and sportswear, has signed a five-year agreement with fashion retailer Carnival International, part of the Taiwanese corporation Yulon Group, granting exclusive distribution rights for Stefanel clothing and accessories in China and Taiwan.

"The Chinese market has enormous potential and it's crucial to be present there," stated Stefanel president Giuseppe Stefanel. "However, it's also indispensable to find the right local partner." Stefanel said the agreement will help the company strengthen its position in the Far East. The company is already present in Japan, South Korea and Hong Kong.

And the brand already has four stores in China, which Stefanel said Carnival is developing. In addition, 50 new Stefanel boutiques are slated to open in Chinese and Taiwanese shopping malls and department stores, with openings in Beijing, Shenyang and Chengdu in spring 2012.

The stores will adopt the concept laid out by London architecture studio Sybarite, which Stefanel described as a "fresh, innovative" way to present the company's products, especially knitwear. Stefanel celebrated its 50th anniversary in 2009 and since then has been rolling out a rebranding campaign; in 2010, the brand launched Made for Stefanel, a jewelry collection designed by Kenyan women using recycled, ethically sourced materials, and in 2011 it presented an Eco-Cashmere Collection during Berlin Fashion Week.

Speaking about his company's experience in the Asian market, Stefanel was enthusiastic, noting that customers were responsive and the Hong Kong store, "a diamond," saw sales increase by 38 percent over the past year. He further stressed the importance of developing Asian stores in light of the faltering Italian economy. — CYNTHIA MARTENS

MIH, HARDLY MIA: After collaborating with Net-a-porter on a capsule collection earlier this year, London premium denim brand MiH Jeans has launched a line exclusively with U.S. online retailer Shopbop.com. The collection, for resort, hit the online store this week. Inspired by the mood of Marrakech in the Seventies, when the MiH label was first launched, the collection includes MiH's Marrakesh kick flare and Monaco cropped flare jeans with embroidered details, alongside blouses, tunics and safari shirts, in fabrics such as washed denim, chambray and mouseline.

MiH has also created a special hashtag for the collection, which features a black-and-white image of founder and creative director **Chloe Lonsdale's** mother **Chekkie Maskell**, a former model and the first muse to the MiH brand. Lonsdale described the collection as offering "a modern interpretation on vintage classics." Prices for the line start at \$187 for the Marrakesh short and run to \$238 for a tie-front collarless shirt. — NINA JONES

WRITE NOW: There is no disputing that Diana Vreeland was a real card and now her name is stamped on limited edition stationery. The late fashion editrix's grandson **Alexander Vreeland** has collaborated with Connor Fine Engraver and Stationer to help finesse the Diana Vreeland special edition card set. An image of the signature ivory horn necklace his grandmother wore is engraved on each card which comes



An Oscar de la Renta place card.

with a red-lined envelope. The 12 blank cards are wrapped in leopard print tissue paper in a box with a red satin ribbon silk-screened with Vreeland's signature. Style-conscious letter writers can now find the \$98 box set in the new Connor shop in Barneys New York's Chelsea Passage.

Oscar de la Renta is also giving admirers another reason to write. Through a deal with Mrs. John L. Strong, the designer will launch note cards, invitations and place cards at the Mrs. John L. Strong boutique on Madison Avenue, as well as through his boutiques and Web site. The designer's stationery has images of delicate-looking gold bows, similar to ones that occasionally appear in collections, though these are considerably more affordable. — ROSEMARY FEITELBERG

DIANA'S DRESSES: The **Duchess of Cambridge**'s style might be garnering all the buzz these days, but London's Kensington Palace is set to unveil a display next year that highlights some of the pieces from Princess Diana's celebrated wardrobe.

The display of five dresses — some of which are on show in the U.K. for the first time — will launch at Kensington Palace March 26. The centerpiece of the show will be the black silk taffeta Emanuel gown that cemented Diana's status as a fashion plate when she wore it at her first official engagement with **Prince Charles** in 1981. The other dresses on show are a fuchsia silk chiffon sarong-style dress and an ivory silk crepe dinner dress, both by Catherine Walker, a black and white cocktail dress by Bellville Sassoon Lorcan Mullany and a black silk shift dress by Versace.

The dresses will be presented against a set created by interior designer **Finola Inger**, while **Julie Verhoeven** has designed bespoke wallpaper for the space to highlight the late Princess of Wales' key fashion moments. The display, called "Diana," will be on show as part of the celebrations to mark a \$19 million revamp of Kensington Palace in time for **Queen Elizabeth II's** diamond jubilee and the London Olympics, which both take place in 2012. — CATHERINE TIPPLE

SUN EUROPEAN PARTNERS BUYS JACQUES VERT: Sun European Partners, an affiliate of U.S.-based Sun Capital Partners, has offered to buy British women's wear retailer Jacques Vert. The group offered shareholders 21 pence, or 33 cents, per share in cash, a 68 percent premium on the publicly traded retailer's share price on Dec. 15. The offer values the retailer at around 40 million pounds, or \$62 million. Jacques Vert's brands, which are tailored to more mature women, include Planet, Precis, Windsmoor and Jacques Vert, and in its fiscal 2011 the company reported revenues of 118.4 million pounds, or \$183.5 million.

Matthias Gundlach, vice president of Sun European Partners, said: "Jacques Vert has a collection of attractive, well-known brands that operate in a growing segment of the retail sector with a stable demographic. The company is profitable and has traded robustly through the downturn. This is a space in the retail market we know very well, and we look forward to working with the management team and employees to make the business even stronger."

Earlier this year, Sun European Partners acquired U.K. women's wear retailer Alexon, rescuing the company from bankruptcy. — NJ.

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Misses' Chains Battle Evolving Marketplace

(Continued from page one)

monobrands. It's competition for a consumer segment that is not growing, but at best is treading water."

Aronson said Kohl's, J.C. Penney, Macy's and Bell have all effectively courted the misses' customer.

The combination of an aging consumer who is economically challenged and less focused on fashion as they retire has made for a hyper-charged competitive environment. Talbots, for one, has felt the brunt of it. When the company did try to update its fashions to court a young customer, it ended up alienating its established base — a retail Catch-22.

The offer to buy Talbots came from

private equity firm Sycamore Partners, which already owns 9.9 percent of the chain and said it would buy the rest of the outstanding shares for \$3 each — valuing retailer at \$211.5 million. Talbots said the "proposal was inadequate and substantially undervalues the company."

Investors weren't so sure. The stock gained just 1.9 percent to \$2.69 in light trading Tuesday.

As it tests the waters, Talbots said it would continue with its long-range plans and carry on in its search for a successor for outgoing president and chief executive officer Trudy Sullivan.

Paul Lejuez, an analyst at Nomura Securities, said the retailer should have



Lane Bryant parent Charming Shoppes Inc. said it's pursuing "strategic alternatives."



The Talbots Inc. turned down an offer by Sycamore Partners to buy the company.

taken the money from Sycamore and run.

"[Talbots has] a lot of debt, the brand is damaged," Lejuez said. "It's hard to for us to see why anyone would pay much more. If they can get a new ceo in there who can shake things up a bit, that to me is the best they can hope for, but I don't think it's going to be easy to fill that role."

Given the pressures of operating as a public company in a difficult customer segment, Talbots and Charming Shoppes might not have lots of options.

"It may be these companies recognizing they've done what they can do and they're ready to monetize in whatever way they can," Lejuez said.

Leon Nicholas, director of retail insights at Kantar Retail, said the outlook for the two companies might be different if Generation X was bigger or if Gen-Y wasn't coming of age with e-commerce.

"[Talbots and Charming Shoppes] didn't accomplish what I would call intergenerational transfer," Nicholas said. "They just didn't recognize that this next generation, Generation Y, was going to buy differently. They didn't look and see that demographics is destiny and see that their core shopper in time would be older."

In essence, he said, the misses' market has become a niche market.

Louboutin to Open Manhattan Men's Store

By SHARON EDELSON

CHRISTIAN LOUBOUTIN'S men's collection started organically a few years ago when the designer began making shoes for himself and a few friends. Louboutin added men's footwear to women's stores, but demand became too big for the women's shops to handle. There was enough demand to justify a freestanding men's store, which opened on Sept. 11 on Rue Jean Jacques Rousseau in Paris across from the original women's store Louboutin opened 20 years earlier.

WWD has learned that Louboutin in the spring will open a 1,035-square-foot men's store in Manhattan's Meatpacking District. It will be its second men's store in the world.

"The men's shoes only represent a small portion of the business at present but we think it has huge potential for the future," said Alexis Mourot, chief operating officer. "We are very happy to have found a location in New York, especially one so close to our current downtown women's boutique. This store opening in New York is an important step for Christian and for the company."

Louboutin's retail sales exceeded \$250 million for the year ended August 2010.

The new men's store will be located on Washington Street between Horatio Street and Gansevoort Street, and next to the Whitney Museum of American Art construction site.



The off white Loubi Flat.



The men's store in Paris.

Comme des Garçons Expanding in Berlin

BERLIN — Comme des Garçons is doubling up in Berlin, with plans to open both a Comme des Garçons Black Shop and Pocket Shop here on Jan. 15.

The two shops will be located next door to each other on Liniestrasse in the Hackescher Markt area of Mitte. Though tweaked to help integrate the brand into its new Berlin surroundings, the store design will largely reflect existing Black and Pocket shops around the globe.

There are shops for Black, the brand's youngest line featuring iconic Comme des Garçons pieces for men and women, in Paris, London, New York, Japan and Singapore. Launched in Paris in 2008, the Pocket format featuring the brand's expanding range of perfumes and wallets. The Berlin shops will be 800 square feet and 270 square feet, respectively.

This is not Comme des Garçon's first foray into Berlin. The German capital was the site of the first Comme des Garçons guerrilla shop in 2004. Two more followed in other Berlin venues, plus another in Glasgow. The guerrilla concept has since been ended.

There was a bit of serendipity involved in this latest Berlin move, according to the company's chief executive officer, Adrian Joffe. "We have always liked the energy of Berlin Mitte, we have slowly evolving plans in place to expand our Black and Pocket stores worldwide, and we have kept in touch with [architect] Christian Weinecke since we first opened the very first guerrilla store together in Mitte in 2004" he told WWD.

— MELISSA DRIER

It's around the corner from Louboutin's store at 59 Horatio Street, which was opened in 2004. The small store is said to do a robust volume with crowds so big on Saturdays, it's hard to get in the store.

After 20 years of designing exquisite and at times edgy footwear for women, Louboutin is getting in touch with his masculine side. And he seems to be showing men's footwear with the same attention to detail. The men's styles can be as extravagant as the women's. A collaboration with Jean-François Lesage, son of the late François Lesage whose maison was considered the last great embroidery atelier in Paris, yielded a collection for fall. India was the inspiration for several styles including Mikaraja, a patent leather loafer with hand-stitched pearl tassels for \$2,095, and the Loubi Flat, in off white nappa leather with Lesage embroidery, \$2,295. There's also a Rollerboy spiked velvet hunter green loafer, \$1,295, that looks like a porcupine, and the Alfie Flat, multicolor specchio calf and glitter high tops, \$895.

Louboutin executives said details of the store's design haven't been finalized. However, the appeal of the space is ob-

viously its industrial bones and masculine aura. The store is near the final southern entrance to the High Line at Gansevoort Street. One thing is fairly certain, the store will likely have a re-worked red carpet, which has become a Louboutin signature.

The Paris men's store has an eclectic mix of studded leather floors and embroidered leather walls, a tin ceiling, vintage airplane seats and a "Star Trek" table and chair. Customers can personalize their Louboutins with bespoke embroidery replicating their own tattoos or choose from the store's designs, a service that could be carried over to the Meatpacking District.

The company declined to discuss future men's stores, but a possible location is the Christian Louboutin store on North Robertson Boulevard between Melrose Avenue and Santa Monica Boulevard. The two-story building has a freestanding structure behind it.