



NEW YORK  
INSPIRATIONS  
SPRING 2012

**A SPRING OF IDEAS:** More of what is inspiring New York designers for spring 2012, from Thakoon looking to Vegas to Band of Outsiders' urban picnics. **PAGES 6 TO 8**



**PLUS:** Coach gets a London flagship. **PAGE 11**

# WWD

WEDNESDAY, SEPTEMBER 7, 2011 \$3.00 WOMEN'S WEAR DAILY

## Tory Town

She clearly likes the neighborhood. On Thursday, Tory Burch, an Upper East Sider herself, will open a flagship in a town house at 797 Madison Avenue, kicking off the next phase of her business plan. That includes six more stores by the end of the year, expansion into the Middle East and Southeast Asia and a potential fragrance deal. But next on Burch's list is her first runway show, on Tuesday. Here, a look from the Twenties Deauville-inspired collection, photographed in the designer's new digs. For more, see page 9.



PHOTO BY JOHN AQUINO

### THE LATEST CHAPTER

## Juicy Couture Founders To Launch New Brand

By LISA LOCKWOOD

### CAN LIGHTNING STRIKE TWICE?

Pamela Skaist-Levy and Gela Nash-Taylor think so. The former co-creative directors and co-founders of Juicy Couture are ready to take on the fashion world again. After completing an 18-month non-compete agreement, the duo is gearing up to launch a collection named Skaist-Taylor in February for fall 2012 selling.

"It really is a collection of things that we're obsessed with and we want to own," said Skaist-Levy.

"We are California-eccentric," added Nash-Taylor. "The line is autobiographical. It's kind of what we're into right now. There's a real joy in the fact that Pam and I are entrepreneurs. We always have been. It feels so right and so good to be doing what we love to do. That is, creating things that we want to wear, that we're into right now, that feel authentic to us."

Best friends for 23 years, Skaist-Levy and Nash-Taylor founded Juicy Couture in 1996 based on the casual California lifestyle. Their iconic velour track-suit became a symbol of Los Angeles style and a wardrobe staple among celebrities such as Jennifer Lopez, Madonna and Britney Spears. The designers sold their profitable company, which was generating about \$48 million in sales, to Liz Claiborne Inc. in 2003, and the business exploded with freestanding stores, accessories, swimwear and fragrances, reaching sales of about \$600 million in 2008. Juicy Couture became a major resource at Bloomingdale's, Saks Fifth Avenue, Neiman Marcus and Nordstrom. The designers, who benefited handsomely during the earn-out period, stayed until January 2010, when their contracts were terminated.

Now they're eyeing the next chapter. The designers talked in broad strokes about their independent venture and what they hope to accomplish. "We don't want to talk specifically about the collection

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### IN WWD TODAY



#### Wear Now at Saks PAGE 11 ▲

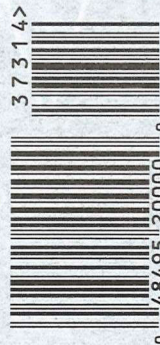
**RETAIL:** Saks Fifth Avenue today unveils its Wear Now floor, the store's latest re-engineering of its bridge business.

#### Roberto Cavalli's Retail Plan PAGE 4

**FASHION:** The designer's own stores helped propel growth in profits in the first half, and the company plans to open plenty more.

#### Mulberry Bows in SoHo PAGE 12

**ACCESSORIES:** The British fashion brand unveils a New York store that is the first in the U.S. to display all its apparel and accessories collections together.





# Uptown Girl: Tory Heads to Madison

By MARC KARIMZADEH

NEW YORK — A store on Madison Avenue is the pinnacle for any designer — but for Tory Burch, it's more than that.

Burch is opening her largest store yet — in a town house at 797 Madison Avenue on Thursday — and considers the 8,135-square-foot flagship the beginning of the second phase of her business, with plans for significant domestic and global growth in the next five years. The strategy is driven primarily by freestanding stores, and includes e-commerce, a new, accessories-only retail concept, and an expansion of product categories. A fragrance deal is already in the works, and a smattering



Tory Burch

of men's items and activewear for sports such as tennis and golf are among the possible additions.

The Madison Avenue opening also coincides with her first runway show, slated for Sept. 13 at Alice Tully Hall.

"It's interesting timing," the designer said, sitting in her West 19th Street office, which is a working manifestation of her aesthetic. "We feel that our business is at an inflection point. It's still a small business, and we hopefully will maintain that feel, but it's definitely becoming a different kind of business. It wasn't necessarily planned this way, but the flagship is a testament that it's a new chapter for us."

Burch's business has grown exponentially in the past seven-and-a-half years. According to sources, the brand is expected to achieve another milestone by the end of this year when it reaches sales of \$500 million, including retail and wholesale sales and sales of licensed products.

In addition to Madison Avenue, Burch plans to open six more stores by January, including two key openings next month: her second store in Chicago, a 4,200-square-foot flagship at 45 Oak Street, and her first Middle East boutique, a 2,000-square-foot unit at the Dubai Mall in Dubai. They will bring the number of boutiques worldwide to 60.

Next spring, Burch plans to open a 2,900-square-foot boutique at the Wisma Atria mall on Singapore's Orchard Road, followed by stores in Beirut and São Paulo.

"We are also looking at Istanbul for next year," said Tory Burch president Brigitte Kleine. "The one we are all talking about and spending a lot of time on is Shanghai, but we don't have a location yet."

Burch is also trying a new accessories-only concept store, and the first 1,300-square-foot boutique is scheduled to open at 865 Market Street in San Francisco on Sept. 30.

The concept has been mulled over internally for quite some time. "It is an experiment, and it is also a great growth opportunity, especially in areas where we might not be comfortable putting a full Tory Burch store," Kleine said.

She added that the business is currently evenly divided between retail and wholesale, with close to 1,000 wholesale doors, of which 40 percent are in the U.S. In the future, though, that ratio could tip toward free-standing retail. "We expect the majority of our business to be driven by our direct-to-consumer channels, with still a significant wholesale presence," Kleine said.

Global expansion will be a focus, and to that end, Burch is opening a Milan showroom on Via Senato this November. She also has an office in Shanghai.



Above: The stand-alone shoe salon. Here, a display of clothes and accessories. Right: A 797 bag exclusive to Madison Avenue.

"As we grow, we look at different places, as Asia and Europe become more important for us from a retail standpoint, and also expanding our footprint in the U.S.," Burch added. "We said we would have 100 stores by the end of 2013, but we don't want to pigeonhole ourselves, because we always want to be cautious with the economy and look at where the world is and where it's headed."

Accessories, led by footwear and handbags, continue to represent the lion's share of Burch's business, but the designer noted that ready-to-wear was growing rapidly and could catch up one day. Handbags are done in-house, while footwear is done in a manufacturing and design partnership with Camuto Group.

As for future categories, Burch disclosed that she expects "an announcement about a fragrance within the next month or so."

She also hopes to delve into men's wear in a small, giftlike way, and expand her activewear offering. "I am very interested in sports, whether it's yoga or tennis, which I will hopefully do sooner than later," she said.

Burch always offered swimwear in her stores only, but beginning with the fourth quarter, she has expanded the lineup and started to wholesale the category.

At the Madison Avenue flagship, she will have plenty of space for her growing collection. The designer worked with her go-to architect Daniel Romualdez to re-create the feel of the 1880s town house with a succession of smaller rooms giving the space a residential ambience. Together, they channeled Burch's taste and lifestyle into the town house, incorporating elements from the designer's own apartment at The Pierre. It includes a marble and mirror foyer, a fireplace and a library inspired by Madeleine Castaing, orange lacquer doors, gilt bronze chandeliers and plum velvet curtains. There are stand-alone salons for shoes, handbags and small leather goods, and a small terrace where clients can enjoy an espresso, weather permitting.

"When we did the store in Scottsdale, we thought, 'What would Tory's house look like in Santa Fe?'" Romualdez said. "Here we thought, 'If Tory had a town house, what would it look like?'"

The Madison Avenue flagship is launching with Burch's first artistic collaboration. After stumbling across street artist James De La Vega's gallery on a visit to one of the participants of the Tory Burch Foundation, she was inspired by the positive message of the artist and decided to tap him for this occasion. The exclusive selection of product created with De La Vega will entirely benefit Burch's foundation.

There will also be items made just for the store, including a new 797 bag available in various skins.

For Burch, opening a worldwide flagship on the Upper East Side has much personal resonance. She lives a few blocks away and likes to refer to this tony stretch of Madison Avenue as her "personal backyard."

Considering the brand's growth in the tough economy, many wonder how the company planned to fund further expansion. Speculation ranges from a potential IPO to a new silent investor. In 2009, Burch sold a minority stake — estimated at 20 to 25 percent — to Mexico City-based Tresalia Capital.

"We have no plans to do an IPO, and I can definitely say that there is no potential investor in mind, either," Burch said. "Luckily, the company pays for its growth, and we're debt free. It's something we are all proud of, and it's taken a lot of work to be able to do that."

There has been some talk that the designer's ex-husband, Christopher Burch, with whom she still owns a majority stake, was looking to sell his portion of the business.

"I can't speak for Chris, but I think Chris is an entrepreneur, and I think he is always interested in looking at diversifying his assets and looking at different investments," Burch said. "I am sure he is open to it, but I know there are no definitive plans."

Tory Burch now has more than 1,000 employees, and the company is adding two more floors at its West 19th Street headquarters, with talks of a third being leased in the near future.

"It's astounding to all of us, and at the same time, we know we need to build the infrastructure to help bring the company to the next level," Burch said.

In the short term, however, the designer is busy with the Madison Avenue opening and her first runway show with a collection that is inspired by Deauville via Pablo Picasso's "The Bathers" and Jacques Henri Lartigue's black-and-white photography of the iconic French resort.

"We have had seven-and-a-half years of presentations, and we all feel it's time to take it to the next level and evolve it a bit across the board, with the clothes and the accessories," Burch said of her decision to do a runway show. "I feel good that we're at this point."

PHOTOS BY JOHN ADUNO