

# WWD

Fashion. Beauty. Business.



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FROM TOP:  
Charles & Keith's green top handle bag, APC's blue half-moon crossbody bag and Yuzefi's cylinder green bag.



A fall bag proposal is taking shape – quite literally. Seen throughout the contemporary market, designers employed geometry to make the case for their seasonal offering. For more on the trend, see pages 6 and 7.

PHOTOGRAPH BY JONG HYUP SON STYLING AND SET DESIGN: HAIDEE FINDLAY-LEVIN

Style Director: Alex Badier, Accessories Market Editor: Thomas Waller

BUSINESS

## Jason Wu, Derek Lam Look to New Investors

- Wu is said to be close to a deal with a Chinese investor and Lam is said to be in the market.

BY EVAN CLARK

Designers are reaching for the reset button.

Jason Wu is considering a deal with a Chinese backer and Derek Lam is out in the market looking for a new investor, according to sources, who buzzed Wednesday about the latest changes in the difficult world of designer fashion.

Cliff Moskowitz, president of InterLuxe, which is backed by Lee Equity and acquired a majority stake in Wu's business in 2014, said: "While we are not currently looking to raise capital, we are speaking to a partner in Asia about a potential partnership. We are fortunate that a number of Asian investors have expressed interest given the importance of the Asian

CONTINUED ON PAGE 8

BUSINESS

## J. Crew Moves Quickly on Madewell IPO

- Sources said management over the last week has been busy talking with banks and creditors.

BY DAVID MOIN

The J. Crew Group seems to be in a hurry to launch a Madewell initial public offering.

Management held conversations with lenders over the past week and suggested that a proposal on a Madewell stand-alone business plan and for de-leveraging the J. Crew Group could be presented to them soon.

"They're talking about weeks, not months. I was surprised they said that," said one financial source. "There's a very quick timeline."

There's been speculation that lenders may reach out to PJT Partners Inc., an advisory-focused investment bank, spun off by The Blackstone Group in 2015. PJT represented term loan lenders in J. Crew Group's last restructuring. The retailer needs to get the consent of lenders for any IPO of Madewell.

The source said J. Crew Group is

CONTINUED ON PAGE 8

**BUSINESS**

# Kering CEO Touts Progress With AI

- François-Henri Pinault said the company plans to use the technology to free up time to focus on planning phases.

BY MIMOSA SPENCER

**PARIS** – At its annual shareholder gathering, Kering chairman and chief executive officer François-Henri Pinault ran through plans for its vast stable of luxury brands and touted the company's push into the realm of artificial intelligence.

New technology, he predicted, will free up resources for focusing on planning stages of business and give it an edge on competitors.

"Today we're in a production phase, that is to say we're using artificial intelligence techniques through the use of algorithms, not only for client relations to improve the pertinence of our messages and client relations – the most visible, known part – but also in other areas, in particular for planning our future needs," he said.

Without delving into specifics, Pinault outlined areas where the company is making use of new technology, noting it has been about two years since it set up a department geared to online commerce, client relations and services as well as innovation – led by chief client and digital officer Grégory Boutté.

"It is very difficult to predict sales," said Pinault, noting that the technology could be used to improve sales predictions and, accordingly, fine-tune production.

Initial use of the technology on handling historic data has proven "entirely satisfactory," he added, noting a "significant difference in efficiency."

The executive was quick to note that the idea was not to replace people but rather use the technology as a means of support, freeing up time for executives to concentrate on interpreting data.

Pinault estimated that certain early stages of the company's processes – related to merchandising and the retail supply chain, for example – take up the bulk of its experts' time, between 60 percent and 70 percent, but that this time could be reduced with the help of technology.

"With artificial intelligence, we'll be able to reduce this 70 percent in a very

François-Henri Pinault



significant manner to leave a lot more room for the action plan part of the job – what we do with this knowledge in terms of commercial operations, or in terms of dealing with supply chains," he said.

"That's the essential of what we're doing; the perspectives are very encouraging," he added.

In 2017, the company embarked on a major transformation project, involving e-commerce sites, logistics infrastructure and information systems, as well as integrating new technology, including artificial intelligence, into operating models, Pinault explained.

"Initial use is very promising," he said. "These transformation projects will allow us to benefit from a major competitive advantage and open a new cycle of development, gaining efficiency, accelerating in times of growth and allowing fast reaction in less favorable periods," he said.

The Kering executive has shown a new openness to external acquisitions recently, which he repeated Wednesday, noting the company would be "well placed to seize opportunities of external growth that create value, if they present themselves."

This would not mean branching out into

new areas, like wine and spirits, but he noted in answer to a question from a shareholder.

"We can't do everything," he laughed, before launching into an explanation of its focus.

"We have decided to focus on our luxury businesses, on our product categories that have very significant structural growth on a worldwide level – we are lucky... to have a portfolio of brands that are among the largest in their categories on an international scale," he added.

"Growth potential, as you've seen in the figures for the past few years, is very significant, so it would not be useful to try to go into another sector – when you measure the potential in front of us," he added.

Running through each of the group's main fashion houses, Pinault said Gucci's potential remains significant – in all product categories, including new types of products. He cited the potential to "do much better" for the label's beauty offer and the upcoming June launch of its first high jewelry line, which will "reinforce its high-end positioning."

Gucci expects to increase its sales per square meter in shops, and overtake the 40,000 euros a square meter level achieved

last year, thanks in part to improved conversion rates and retention rates.

Around half of its store networks have been renovated, and Gucci expects to complete the process in the two or three coming years, presenting more products in a store setting designed to be more inclusive and more attractive.

The size of the Gucci store network will remain stable, he predicted, in terms of size, while the brand plans to increase the proportion of travel retail points.

Online sales of the label, should overcome the billion-euro mark in the medium term, he added.

Gucci's success on social networks is "absolutely impressive," Pinault added, and the group plans to increase the share of investment in digital communications again in the coming year.

At Saint Laurent, the company also plans to increase its digital communications investments significantly in the coming year.

Bottega Veneta – which named a new creative director, Daniel Lee, last June – is working on a new store concept to roll out in the coming year, he added. The company has invested significantly in the label's digital communications, and results should begin to show in the second half of the year, Pinault predicted.

Outlining plans to significantly accelerate growth of Balenciaga and Alexander McQueen, Pinault said he expects Balenciaga to surpass the 1 billion euro mark for sales this year, thanks in part to a focus on leather goods, men's products and improvement of the brand's productivity.

At McQueen, the company is rolling out a new store concept unveiled at Bond Street in London, and plans to increase the store network over the next several years.

As for the company's watch businesses, Ulysse Nardin and Girard-Perregaux, Pinault said there were synergies to reap between the two prestigious labels and suggested the company is considering other moves in the sector.

"We are in a period of observation of the sector to evaluate its future potential, and in the short term, we will reinforce the manufacturing synergies between the two brands, while respecting their respective positioning in the sector," he said.

**ACCESSORIES**

## John Hardy Appoints Gahed CEO, Hanson To Chairman Role

- The appointments are part of an internal shift that will transition three of its executives into new roles.

BY THOMAS WALLER

**There is a changing** of the guard at John Hardy. The luxury artisan jeweler is shifting three of its executives into new roles. Kareem Gahed, who currently serves as chief revenue officer, will assume the role of chief executive officer and current ceo Robert Hanson will transition to the role of non-executive chairman of the board. Audrey Finci, who is currently chief operating officer and chief financial officer, will take on the role of president as well as coo and cfo.

The transition will occur over the next three quarters, with Gahed assuming immediate oversight for merchandising and marketing along with his current accountabilities for commercial operations. Hanson will continue to oversee product creative, operations and finance through a transition period, after which Gahed will assume full accountability for company operations.

Hanson became ceo of the label in 2014 and under his leadership the brand has developed a strong direct-to-consumer retail and e-commerce business, while improving overall global operations including its boutiques and wholesale partnerships.

"John Hardy has been executing a transformation plan focused on elevating

our authentic, sustainable, handcrafted, Bali-originated contemporary luxury jewelry brand, and we have emerged as a distinctive, global, omnichannel jeweler driving double-digit revenue and earnings growth," Hanson said of his time as ceo. "I am proud of all that we have accomplished together in the last five years, and I look forward to working closely with Kareem and Audrey in my new role to build on this foundation to continue delivering extraordinary products and service to our customers, while driving long-term growth for John Hardy."

"It is an honor to become the next ceo of John Hardy, and I am excited for the opportunity to continue to work closely with Robert, Audrey and the entire board and management team as we continue to build momentum," said Gahed, who has been with the brand for three years coming from a senior executive role at American Eagle Outfitters. "We have significant opportunities ahead to continue to grow our business, and I am confident that we will further elevate our unique and meaningful brand and have a lasting impact on our customers, artisans and communities globally."

Finci, who has extensive operational,



financial and business transformation experience at leading global apparel, retail and consumer goods companies will continue to partner closely with Hanson and Gahed on the further transformation of John Hardy's business.

## BUSINESS

# Lululemon Is Taking on the Whole World

- Future plans include an international expansion in men's wear, fashion, footwear and self-care products.

BY KELLIE ELL

**NEW YORK** — At Lululemon Athletica, it all started with women's yoga pants. But as the ath-leisure brand continues to experience rapid growth, the company is expanding seemingly everywhere, from men's wear to international to fashion label.

"We really are in the early innings of our full potential," Calvin McDonald, Lululemon's chief executive officer, said during Wednesday's analyst day here, the company's first in five years.

"We have great momentum in this business," McDonald said. "We have an opportunity to do even more. And the trends that are happening in the industry are creating those tailwinds that are helping us. It's not just one trend in the industry. It's not a fashion trend. It's not about casual Fridays that are driving this business. What's driving this business are a multiple number of trends that are core to how guests and consumers are thinking and choosing brands today."

The event marked not only McDonald's debut on the Street since Lululemon tapped him last summer from Sephora, but a chance for the company to introduce its five-year growth strategy.

The game plan includes doubling revenues in the men's wear category in the next five years — an ambitious plan for a company that started two decades ago selling women's yoga pants — as well as doubling its digital growth and quadrupling international revenues by 2023.

"Even as successful as 2018 was, even after 20 years, myself and this leadership team, and the entire organization is energized with the potential ahead," McDonald said. "The opportunities outnumber our strengths two to one."

McDonald said he wasn't going to waste analysts' time discussing Lululemon's strengths during Wednesday's event, because "everyone in this room is well-versed on what has driven the success."

But it can be summed up with a stock price that is up nearly 80 percent year-over-year and sales that increased 21 percent during the most recent quarter, compared with the year prior, reaching \$747.7 million. The Canada-based company has previously set a revenue target of

\$4 billion by 2020. Also on Wednesday, Lululemon released its annual executive compensation summary in an SEC filing, with McDonald taking home a paycheck of roughly \$17 million a year. That's more than four times the amount former ceo Laurent Potdevin made.

Meanwhile, while other retailers continue to shutter stores, Lululemon opened about 20 brick-and-mortar units in the last year, many of them abroad, and has plans to open even more. In July, the company will open a 25,000-square foot store in Chicago. Aside from offering Lulu's signature women's yoga pants — still the company's number-one seller — the location will have space for yoga and meditation and an expanded selection of men's wear, in categories like run and train.

Lululemon's ability to convince shoppers to drop \$100 on a pair of yoga pants is well-noted among retail executives and on Wall Street. But McDonald wants to focus on what lies ahead.

"In particular with men," he told analysts. "We have very low brand awareness with men. The opportunity to just be known and therefore to have [male consumers] just consider us, to choose us, to see the product in our assortment that we offer for them in their needs in both sweat [category] and to-and-from [category], is significant."

Earlier this year Lululemon unveiled a collaboration with men's wear designer Robert Geller. The 12-piece capsule collection was unveiled during February's New York Fashion Week: Men and will go on sale this May.

"We're really trying to get over the idea that Lululemon is a women's brand," Sun Choe, Lululemon's chief product officer, said Wednesday. She added that the Geller collection not only upped the ath-leisure brand's fashion relevance, but also created a new aesthetic for men that plays off the current streetwear trend.

Lululemon shoppers can expect to see an expanded assortment across both men and women's categories in things

like bras, footwear, bags and socks in the coming year. Choe said Lululemon is hoping to one day be as big in bras as it is in yoga bottoms. Meanwhile, the company will increase its Asia Fit selection, which currently comes in a limited assortment. "We can't keep them in stock," said Stuart Haselden, chief operating officer and executive vice president of international.

There is also the launch of the company's self-care cosmetic products, which include deodorant, dry shampoo, lip balm and facial moisturizer.

The products, which will roll out to 50 stores in June as well as online, were tested in 17 stores last fall. "What we learned," Choe said, is that the consumer, "really looks to us as the experts and authority on sweat."

The sweat life, it turns out, seems to be a growing global phenomenon, one that McDonald estimates is worth around \$3 trillion. That could be why Lululemon is investing heavily in new stores and digital channels abroad. In the first half of this year, the brand has revamped its web sites in Korea, Japan, China, France and Germany.

"It unlocks the ability to be able to engage with our guests in their local language, to hold relevant content and also unlocks the potential for more sophisticated systems," said Haselden, who added that the company will continue to leverage platforms like WeChat in China to increase its exposure.

Choe also pointed out that collaborations, like the Geller tie-up, have a lot of reach in Asian and European markets, two important growth opportunities for Lululemon.

Regardless of the market, McDonald said emphasizing the sweat life is the heart of the brand.

"We are always going to be rooted in athletic wear," he said. "We're athletes designing for athletes. We go out and sweat every day. And our technical performance is what we're focused on. Performance will always be in trend."



Lululemon opened about 20 brick-and-mortar units in the last year.

## ACCESSORIES

## Judith Leiber Adds Contemporary Jewelry Collection

- The new launch is the first under creative director Dee Ocleppo.

BY THOMAS WALLER

The **Judith Leiber brand**, known for its whimsical crystal-laden evening bags, is branching out — but not too far, launching a contemporary jewelry collection.

The new jewelry assortment was designed by creative director, Dee Ocleppo, who is also co-owner and global ambassador. Ocleppo, wife of Tommy Hilfiger, came on in 2017, four years after the brand was acquired by Authentic Brands Group.

Ocleppo didn't need to look far for inspiration — her jewelry takes its cue from the brand's classic crystal-encrusted miniaudierés from the countless Judith Leiber Couture collections, as well as the brand's newer diffusion line, using motifs

such as rainbows, French fries, cupcakes, popsicles and cocktails.

Nearly every piece is produced in 14K yellow-plated sterling silver and brass, with pieces using brightly colored pavé hues, set with hundreds of colored cubic zirconia stones, some so large they simulate gemstones.

"When I came on board, I wanted to add a little bit more whimsy and playfulness into the bags," Ocleppo explained. "We wanted to keep the jewelry connected to what we are doing with the handbags, the idea of playful statement pieces, so it was a natural progression." The extensive Leiber archive, said Ocleppo, also played a key part in her design.

The handbag brand has produced small collections of jewelry before, most recently back in 2011, but this new concept is quite robust and varied with over 700 styles, including novelty charms like letters and numbers in a variety of sizes, which can

Pieces from the Judith Leiber Jewelry collection.



be used to bling out any number of charm bracelets, hoops, chains and bangles.

"Personalization is always key for me," she said of the large assortment of charm options. "I've always loved to customize things. Then they feel like something special to the customer, it makes it something not everyone can buy."

The collection has an entry price point of \$50 for earring studs and tops out at \$2,000 for collet necklace styles, with the average price landing at \$200 for various novelty charms.

"The price points are attainable. However, they are made in a way that the attention to detail and craftsmanship is there," Ocleppo said of the pricing structure.

Judith Leiber, who passed away last year, founded the American brand in 1963, selling it off in the early Nineties, and nearly every first lady dating back to the Fifties has carried custom-made miniaudierés. Today the brand has gained new relevancy and widened its scope,

being seen on the arms and Instagram feeds of celebrities like Rihanna, Kim Kardashian West and Gigi Hadid.

"I'm really excited that some of the younger girls are getting into the brand," Ocleppo said. "It's fun to see girls like Gigi, girls in their twenties, embracing the brand. I think we already have a broad awareness and with the jewelry I think it will open up even more."

The jewelry launches today on judithleiber.com and will roll out to Judith Leiber stores soon after. While Ocleppo wouldn't disclose timing, she reported that wholesaling the jewelry is in the cards but further down the line. "We want to make sure we put our best foot forward first," she said.

The brand already produces other categories, having both eyewear and stationery in its stable, and, as reported in WWD, jewelry is only the first stage of an expansion strategy, with plans to expand its footprint into ready-to-wear and footwear.

## BUSINESS

# 5 Appellate Cases Fashion Attorneys Are Watching

- The Supreme Court and the Ninth Circuit are considering some of the most pressing fashion law questions of 2019.

BY SINDHU SUNDAR

### Mission Product Holdings Inc. v. Tempnology LLC (Supreme Court)

**What it's about:** What happens to licensing rights during a bankruptcy? The bankruptcy code offers protections for licensees of patents, copyrights and trade secrets, but trademark licensees haven't quite been included in that group, said attorneys. The bankruptcy code currently doesn't specifically include any special protections for trademark licensees when the trademark owner goes into bankruptcy.

That means companies who buy licenses to use trademarks could find themselves in the lurch if the company that sold them the rights to use those trademarks ever goes bankrupt and chooses to stop the licensing agreement. That exposes licensees to some risk when negotiating these agreements, and it may even scare them away from dealing with less-established or smaller companies, attorneys said.

"You may see companies seeking to take a security interest in the trademarks that are licensed to it, so that it's in a better position," said Karen Artz Ash, the national co-chair of Katten Muchin Rosenman LLP's intellectual property department. "Or they may just simply not pursue agreements with small brand owners, or those that appear more vulnerable."

**Case background:** The current dispute between apparel company Mission and textile company Tempnology, which made "chemical-free cooling fabrics," arose out of bankruptcy court, where Tempnology filed for Chapter 11 protection in 2015.

Their dispute over licensing rights spilled over into the First Circuit appeals court, and the Supreme Court agreed to hear their case in October.

**What's at stake:** The case has particular significance for fashion companies, as they increasingly pursue license agreements even when they have developed businesses under their own labels. Companies who buy licenses to use trademarks often make considerable investments to do so, attorneys said, like hiring third-party manufacturers and investing in raw materials. Fashion companies may also invest in designers.

"If the court here comes out in favor of a licensee being able to retain those rights, it eliminates some of those concerns or minimizes it," said Artz Ash. "If the court comes out in the other direction and finds that the licensor has the right to reject, then you have a lot more uncertainty and you will have licensees wanting to assert different sorts of protections."

"Legal practitioners are waiting to see how the court rules, so we know how best to structure our deals and write out license agreements," she said.

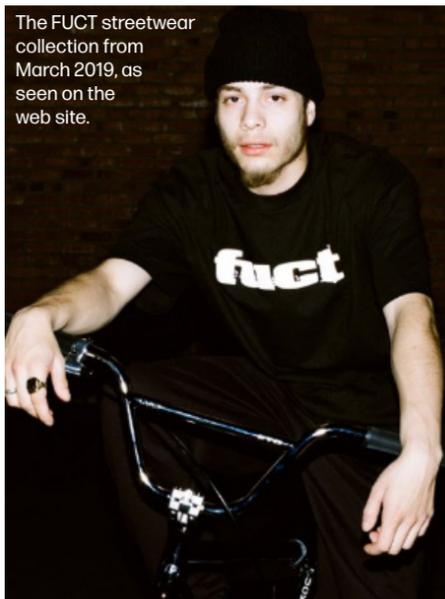
### Andrei Iancu, Under Secretary of Commerce for Intellectual Property and Director, Patent and Trademark Office, Petitioner v. Erik Brunetti

**What it's about:** Can the U.S. Patent and Trademark Office reject applications for "immoral" or "scandalous" trademarks?



The Supreme Court building.

The FUCT streetwear collection from March 2019, as seen on the web site.



The Lanham Act, which governs trademark rights, says yes. But Erik Brunetti, the founder of streetwear brand "FUCT," says that violates the First Amendment's free speech rights. The Supreme Court, which heard oral arguments in this case earlier this month, previously ruled in 2017, in a case involving the Asian rock band called "The Slants," that the Lanham Act cannot restrict "disparaging" marks because that violates the First Amendment.

**Case background:** Since 1990, Brunetti has sold clothes under the "FUCT" name, but when he eventually applied in 2011 to register the trademark, the PTO examiner rejected the application for a "scandalous" name. After the PTO's Trademark and Trial Appeal Board also backed that decision, Brunetti appealed to the Federal Circuit. The appeals court ruled that Lanham Act's restriction against scandalous trademarks is unconstitutional. The Supreme Court agreed in January to hear the case.

**What's at stake:** The question is fundamentally about free speech rights in the context of trademark law. Part of the dispute also centers around the subjective interpretation of what is immoral or scandalous, especially when it can lead to different outcomes in similar cases.

"It is apparent that the inconsistency of the USPTO's application is an issue and we look forward to some clarity from this decision as to how or if certain applications for marks considered 'immoral' or 'scandalous' will be reviewed by the USPTO," said Adrienne Montes of Gabay & Bowler LLP.



The Nestlé case involves plaintiffs who had worked as child slaves on cocoa farms.

### Unicolors Inc. v. H&M Hennes & Mauritz LP (Ninth Circuit)

**What it's about:** This case explores what attorneys described as some of the cracks in the copyright system, where so-called intangible property like fabric patterns can be created and potentially replicated anywhere in the world, but the enforcement and registration of such copyrights take place country by country. In short, what happens when two companies have both arguably copyrighted the same design, but in different countries? **Case background:** Los Angeles-based Unicolors, a firm that makes fabric and clothing designs, has a U.S. copyright for designs that appear similar to a design used on some H&M jackets and skirts. The H&M design is covered by a copyright in China, which is owned by a company called Shaoxing Domo Apparel Co. **What's at stake:** "You have these issues coming up more and more, where you have companies who own a large inventory of copyright designs, and are prolific litigants suing over their designs," said Laura Ganoza of Foley & Lardner LLP. "But it's rare that these cases go all the way to trial and go to appeal, that's going to be interesting to see how it shakes out."

### Doe v. Nestlé S.A. (Ninth Circuit)

**What it's about:** This case explores the reach of the relatively obscure Alien Tort Statute, which allows companies to be held

liable in the U.S. when there are potential human rights violations at issue involving foreign victims.

Fashion companies may be watching the case closely especially in light of the controversy in recent years about the conditions of garment workers overseas who make their clothing. The issue has taken on more resonance since the 2013 Rana Plaza collapse in Bangladesh, which killed more than 1,100 workers, and injured many more.

**Case background:** The Nestlé case involves plaintiffs who had worked as child slaves on cocoa farms in Ivory Coast in Africa, and who sued companies who had manufactured, processed and sold cocoa beans, according to court documents. A three-judge panel of the Ninth Circuit issued an unfavorable ruling for Nestlé, but Nestlé now is asking a full panel of the Ninth Circuit to answer the question of when exactly a company can be held liable in the U.S. in these circumstances.

**What's at stake:** "This is a big deal, because the court had decided that an international company operating abroad may nevertheless have a sufficient connection to the U.S., that its U.S. subsidiary could be liable for its actions," said Scafidi of Fordham Law. "There is a potential application for the fashion industry, because we've also seen allegations of human rights violations related to garment workers."

### Andrei Iancu Under Secretary of Commerce for Intellectual Property and Director, U.S. Patent and Trademark Office v. NantKwest Inc. (Supreme Court)

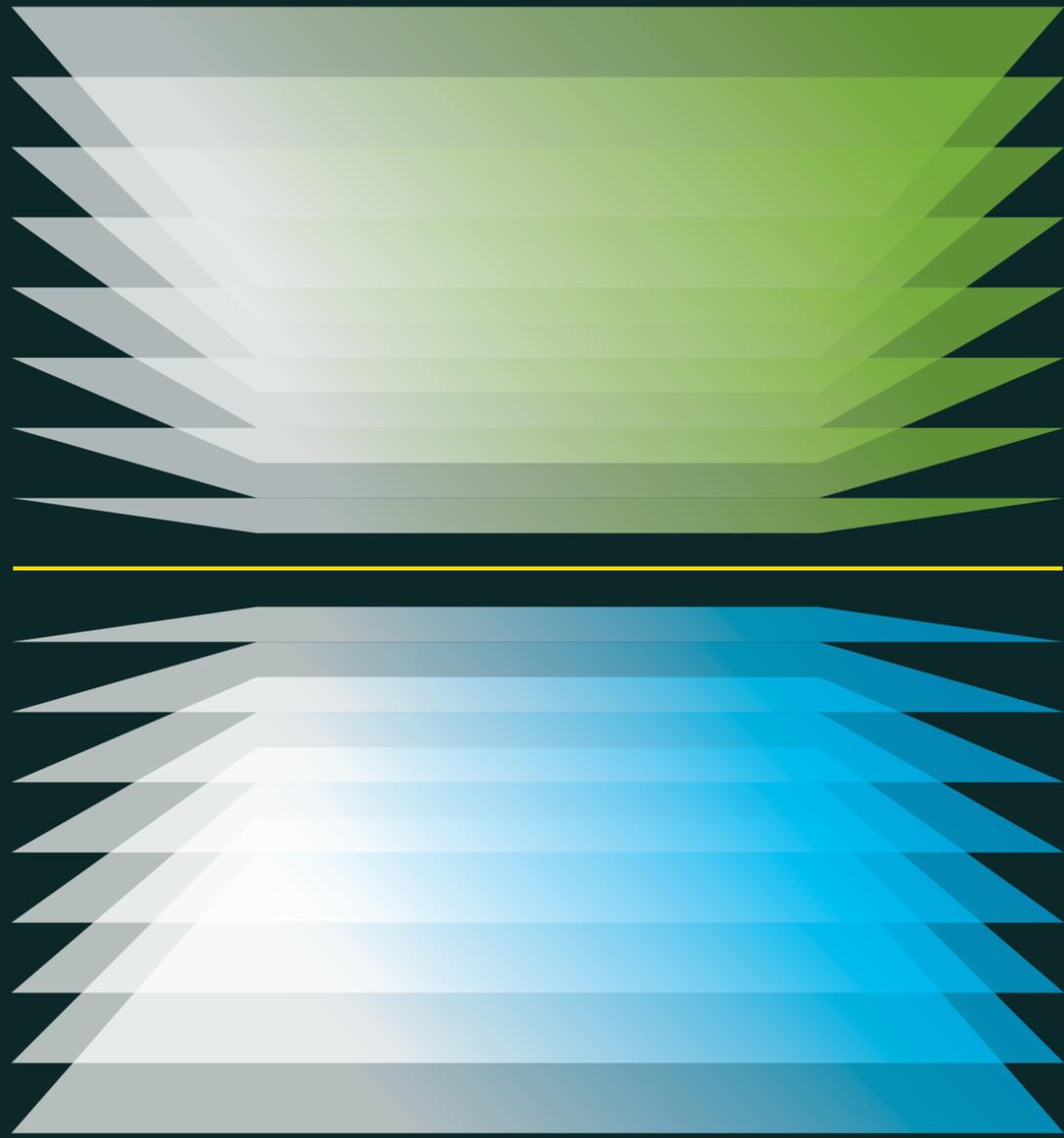
**What it's about:** Trademark applicants spurned by the U.S. Patent and Trademark Office can either appeal their rejection to the Federal Circuit or sue the PTO director in federal court, bearing the expenses of such of a suit. The question for the Supreme Court in this case is, what that expense includes – specifically, whether that includes the costs to the patent office for the time and work of its attorneys defending the agency in such suits.

"Bringing the patent office to court is substantially more expensive than appealing its rejection to the Federal Circuit, and it wouldn't be surprising if the court said those expenses should be borne by the plaintiff," said Susan Scafidi, director of Fordham Law School's Fashion Law Institute. "Why shouldn't the Supreme Court save the government some money?"

**Case background:** The conflict involves biotechnology company NantKwest and a rejected patent application for a cancer-treatment method. The issue went up before a federal court, which sided with the patent office. Then came the present conflict: The PTO asked Nantkwest to reimburse more than \$110,000 of its costs, some \$80,000 of which included expenses for the work of its attorneys and a paralegal. The district court rejected such "personnel expenses," as did the Federal Circuit court of appeals. The patent office, represented by the solicitor general's office, is asking the Supreme Court to review the Federal Circuit's decision.

**What's at stake:** Very simply, it's matter of the cost of appealing these decisions. If it indeed includes the fees for the trademark office's attorneys for their work on the case, the decision about whether to appeal a rejection could be more complicated, legal observers said.

"I don't expect a massive change in terms of the fashion industry, but it is notable that those seeking patents could have a somewhat more expensive road in front of them," Scafidi said.



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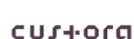
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**WWD**

# THE SHAPE OF THINGS



Triangles, squares and even trapezoids make for eye-catching bags of all sizes.

PHOTOGRAPHS BY **JONG HYUP SON** STYLING AND SET DESIGN: **HAIDEE FINDLAY-LEVIN**

Designers took shape shifting to a new level building on geometric staples to inform their bags. Here Ratio et Motus' Twin Frame green and white bag, Club Monaco's silver anodal, Future Glory's rectangle black tote and Maje's red circle coin purse.

Some designers made new shapes, preferring to use unique details like pleating or employing hard and soft materials to build a shape. Here Charles + Keith white pump, Staud yellow top handle bag, Mlouye's pleated beige bag and Yuzefi's white and caramel crossbody bag.

Style Director

**Alex Badia**

Accessories Market Editor

**Thomas Waller**



## Jason Wu, Derek Lam Look to New Investors

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market for luxury brands.”

A Derek Lam spokeswoman and Ken Suslow from Sandbridge Capital, which took a stake in Lam in 2014, both declined to comment.

Wu and Lam join a growing list of mid-sized fashion companies that either want to make a move, are looking to reposition or simply need to do something as their backers prepare to move on.

Yucaipa Cos. is said to be looking to sell its stake in Zac Posen's House of Z. And in Europe, Sonia Rykiel is also looking for a new investor and Roberto Cavalli is trying to find a way forward and has been in talks with potential new investors.

While the big names like Gucci and Louis Vuitton continue to thrive, many smaller designer names have struggled to compete on the global market. At the same time, the brands founded in the Aughts are no longer the fresh faces on the scene.

The big strategic players – including LVMH Moët Hennessy Louis Vuitton and Kering – have been in the market steadily and taken a look at most brands as they have grown and traded in the past. They're still buying, but of a newer vintage. LVMH Luxury Ventures, for instance, took a minority stake in the four-year-old Gabriela Hearst in January.

Many of the more established players have made names for themselves and built significant businesses, but aren't part of one of the larger groups and haven't grown into giants in their own rights. And being stuck in the middle and standing alone is harder than ever.

“Smaller private-equity-backed designer brands do not have the financial resources to rival storied brands like Gucci, Vuitton,

Celine or Saint Laurent, where the designers are extremely well-backed, allowing their ideas to come to life in every way from the clothes to the stores to the events,” said Kim Vernon, president and chief executive officer of the Vernon Company consultancy. “Despite their talent, [the smaller brands] don't have the resources to compete in today's luxury designer market.”

Investment banker William Susman, who is a managing director at Threadstone and advised Proenza Schouler on its deal with distressed-investment specialist Mudrick Capital Management last year, said many of the designer brands in the market simply need more money to reach their potential.

“While a number of brands with strong DNA appear to be for sale, the driver to these transactions is more financial than brand,” Susman said. “The brands remain strong – they just need capital for growth.”

Increasingly that capital – when it comes at all – is coming from new sources.

Investment banker Elsa Berry, founder of Vendôme Global Partners, said the investment bar is high and that the traditional fashion backers are looking for quality brands, high growth, profitability and scale – a magic combination that's rare today.

“A lot of the traditional fashion buyers are on the sidelines,” Berry said. “If they're not going to find the perfect fashion brand, then they're going to look at direct-to-consumer or they're going to look at accessories or the hottest of the hot, which is beauty.”

Given that, Berry said fashion brands could look for a “sugar daddy” of sorts, like a wealthy individual or a family-backed investment vehicle where there's some emotional connection to the brand. Beyond that, she said brands could cozy up with Asian investors who can “put themselves outside of this vicious circle”



Derek Lam 10 Crosby Fall 2019.



Jason Wu Collection Fall 2019.

and “create growth in China.”

Jason Wu has already started build connections in China.

According to S&P Capital IQ, Jason Wu linked with Chinese firm Zhejiang Semir Garment Co. in the fall. The company agreed to buy an 11 percent stake in Wu for \$5 million.

## J. Crew Moves Quickly on Madewell IPO

CONTINUED FROM PAGE 1

contemplating creating two separate businesses, J. Crew and Madewell.

A Madewell IPO could satisfy debt holders, give a new lease on life to the troubled J. Crew brand, and eventually pay a return to the company's private equity backers, TPG Capital and Leonard Green & Partners.

J. Crew Group has \$1.7 billion in debt, the biggest portion of which comes from the company's \$1.4 billion term loan due in 2021.

With the term loan coming due in 2021, “They need to convince lenders that now is the time to IPO,” the source said.

There's also been speculation that the company could IPO 50 percent of Madewell, but that depends on market conditions, and a different source close to the company said there's no determination on that yet.

Meanwhile, the financial source said lenders would expect a substantial pay down of the term loan, possibly between \$500 million to \$600 million, or a little more than a third of the loan.

In addition, the source said Madewell is going to pro forma have some debt. Madewell could have a market value of around \$1.5 billion, with an equity value of about \$1.15 billion, taking into account some debt, according to the source. “With about \$575 million in stock that would get a lot of people interested.”

Another source said J. Crew Group was valuing Madewell at closer to \$2 billion, but might have lowered its expectations.

The financial source said conversations with lenders and J. Crew Group's Mike Nicholson, interim chief executive officer, and Vincent Zanna, chief financial officer and treasurer, were held over the past week or so.

The business plan would include a Madewell capital structure and a proposed separate board that would include board members from the J. Crew Group, which would still maintain ownership in Madewell after the IPO. Board members would be determined at a later date.

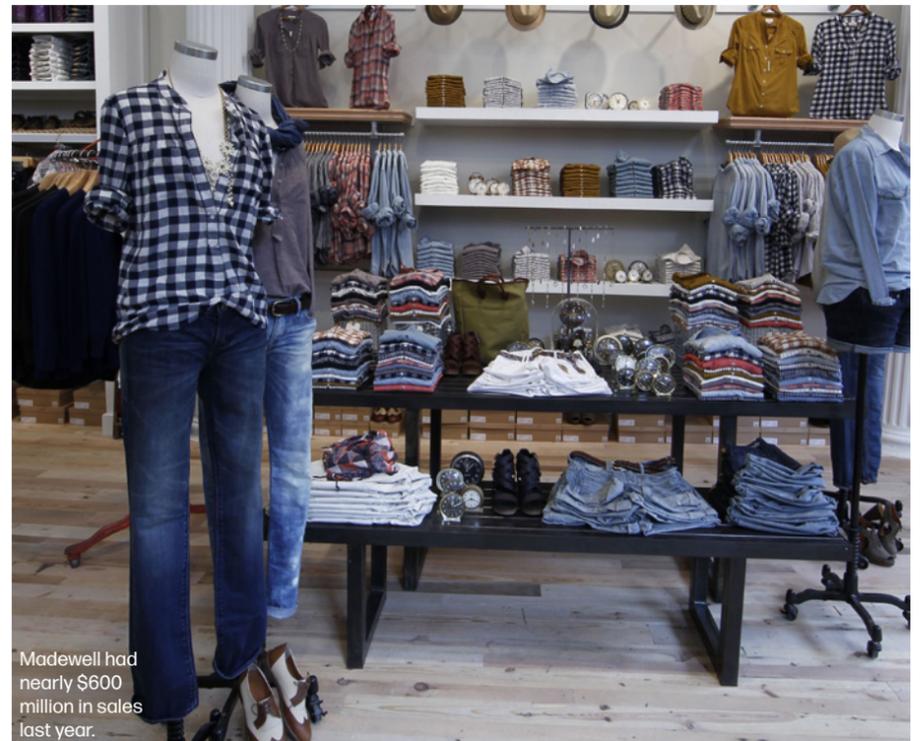
J. Crew Group, in revealing a possible IPO for Madewell earlier this month, said the IPO could be completed as early as the second half of this year. The company said it was considering an IPO of Madewell as part of its previously stated initiatives to “maximize value, position both the J. Crew and Madewell brands for long-term growth and deleverage and strengthen the company's balance sheet.”

Madewell has been led by Libby Wadle since 2017. She's been president since then and this month added the title of chief executive officer of Madewell, signaling confidence in her management.

Madewell, which operates 131 stores and a web site, last year had \$529.2 million in sales, with comparable sales rising 25 percent. The business was founded by Millard “Mickey” Drexler, the former chairman and ceo of J. Crew Group and former ceo of Gap Inc.

While the J. Crew division continues to flounder, Madewell has been showing steady growth, resonating with consumers with its denim-based casual collection.

For 2018 overall, J. Crew Group had a net loss of \$120.1 million, compared to a net loss of \$123.2 million in 2017. Adjusted earnings before interest, taxes, depreciation and



Madewell had nearly \$600 million in sales last year.

amortization were \$112.8 million, compared to \$225.9 million in the year prior.

Total revenues increased 5 percent to \$2.48 billion; comparable sales increased 6 percent. J. Crew sales decreased 4 percent to \$1.78 billion; comparable sales increased 2 percent.

The decision by the group to consider a Madewell IPO reflects a trend in the industry to separate successful retail assets from those that are lagging to provide more value to shareholders and shine a brighter light on what's working.

In February, Gap Inc. revealed plans to spin-off Old Navy into a separate public

company, while the Gap, Athleta, Banana Republic, Intermix and Hill City divisions will comprise another separate public company. Old Navy has been a cash cow for Gap Inc., Athleta has been on a growth path, but Gap and Banana Republic have been troubled for many years. Drexler also founded Old Navy. Unlike J. Crew Group, which has heavy debt, Gap Inc. has a healthy balance sheet.

In another example, the VF Corp. has begun the process of spinning off its jeans business, which includes Wrangler, Lee and Rock & Republic, and its outlet business into a separate entity called Kontoor.

EYE

# Ashlyn Harris on Fashion, Soccer, Equality – and Marriage

● The star athlete opens up on a shoot for Umbro's latest ad campaign.

BY LINDZI SCHARF

**American soccer star** Ashlyn Harris knows all eyes will be on her this June as she and her teammates compete at the World Cup in France. While the 33-year-old Orlando Pride goalkeeper acknowledges that her focus is on the tournament, she insists the sporting event is also ripe for major fashion moments.

"I think you're going to see some crazy, off-the-wall outfits," she said, sitting inside a trailer parked outside the girl's locker room at Santa Monica High School where she was shooting her latest Umbro campaign. "I know I've reached out to some of my favorite designers," she said, noting that Venice, Calif.-based hat maker Nick Fouquet is crafting a custom creation for her trip. "Style is everything. You look good, you feel good."

Harris has been an ambassador for Umbro since 2017. While most athletes have clothing endorsement deals, she has a genuine interest in fashion. In addition to appearing in the Iconix Brand Group-owned Umbro's campaigns, Harris works with the brand's team to help style her photo shoots.

"What I love so much about being a part of Umbro and the partnership is they authentically let me be me," she said of collaborating with the British heritage activewear brand, which is celebrating its 95th anniversary this year. "In previous partnerships, I've had to put on what they wanted me to put on and I had to be what they wanted me to be. Umbro loves what I bring to the table and they love my sense of fashion and what drives me creatively."

For this day's shoot, Harris brought bags of her personal clothing to pair with pieces from Umbro's upcoming lifestyle collection. "I mix and match," said the FIFA Women's World Cup 2015 champion, who prefers gender neutral looks. "I like to be able to pick pieces from the women's side and the men's side and I make them my own. Honestly, what you see me in is what I would wear every single day. Everything that you see in any of these pictures is something that I genuinely stand behind."

Harris also favors brands like Louis Vuitton and Off-White, the latter of which Umbro previously collaborated with for the label's spring/summer 2017 collection. "I'm a big fan of Virgil [Abloh]," she said, adding she's also currently obsessed with Versace's Chain Reaction shoes. "I can't stop buying them. They're so fierce and I love the big, thick, chunky soles."

She also likes costume jewelry that consists of layered chains and funky earrings. "That's who I am; my tattoos, my jewelry, my attitude – it's the way I express myself," said Harris, who arrived to the shoot in nylon drop-crotch pants by Diesel. "I don't like to be stagnant. I love evolution and change. I need fresh, new things to make my brain tick. Fashion is always something new and different."

The Cocoa Beach, Fla., native credits her humble beginnings with contributing to her creativity and love of fashion. "Back when I was in grade school, I used to draw on all my backpacks and shoes," she said. "My parents didn't have a ton of

money, so I had to keep reinventing the same clothes. I would get patches and I would pin things and I got different types of white-out markers and I was drawing on denim jackets."

Young girls have long looked up to female soccer players dating back to the 1999 World Cup when Brandi Chastain famously tore off her jersey to reveal her black sports bra after scoring the winning penalty kick. At 13, Harris was among them. "I actually remember Nike making a shirt with her on her knees and every muscle bulging is pure excitement," she reminisced. "As a kid, I had it and I was like, 'That's what I want to do.' That was such an influential part of me wanting to be a professional athlete."

Harris is now carrying that torch, which isn't lost on her. Part of that responsibility, she said, is advocating for equal pay within the National Women's Soccer League. "Is it the best timing right before the World Cup? No," she admitted. "But it's the right thing to do because even if we don't see the benefits, we're fighting for the young girls who eventually will be in our shoes and hopefully won't have to start a new career at 35."

Just the night before the shoot, Natalie Portman, Jessica Chastain, Jennifer Garner, Uzo Aduba, and Eva Longoria attended Harris' match against Belgium in support of the team's mission. "Everyone's fighting the same battle and they're supporting us," Harris said. "We're selling out stadiums. People are showing up and we create a great brand that people want to be involved with and we're winners and we should be compensated for that."

Asked about being a role model, Harris deflected, but she later comes back to the thought when discussing why she wore Cardi B's name on her soccer jersey while her teammates selected the likes of Malala Yousafzai, Ruth Bader Ginsburg, Mother Teresa, Maya Angelou, and Serena Williams during the SheBelieves Cup in March.

"What is a role model?" she wondered aloud. "Sometimes we have these clichés of people who are super impactful. I'm not a blender. I don't like people who blend into society. I think sometimes, when you're considered a role model, that means you have to act and look a certain way. I f-king hate blenders. I like people who are authentically themselves and they own it and most importantly, they own their story.... I feel like [Cardi B] embodies all of that."

The World Cup aside, Harris has another big day around the corner. After popping the question to teammate Ali Krieger in March, the couple is planning a Miami wedding for later this year. "We're looking to do a castle-type vibe," Harris said. "It will be a very classic, very white, beautiful wedding."

She added, "I can't wait to commit in front of all the most important people that we love – our friends, our family, and the people who have supported us from Day One."

Harris said she hasn't yet decided on a look. "Our agency is sorting out who I will wear," she said. "We're talking to different suit designers. Ali already went to New York City and found her dress and she won't tell me a single thing, so your guess is as good as mine, but I know she'll be beautiful and we're going to look great."

Harris has a strong sense of what she's



Ashlyn Harris in her latest Umbro campaign.



looking to wear. "I'm open to different ideas and different colors," she said, "but ultimately, I see myself in an unbelievable, textured Tom Ford-esque white coat with a

beautiful bow tie and black tuxedo pants; something along those lines. I have my vision in my head. I just have to figure out how to bring it to life."

# Bridget Foley's Diary

## VIEWS ON SUSTAINABILITY

How does a manufacturing-based industry like fashion reconcile sustainability with growth? Weighing in today: Ralph Lauren's Halide Alagöz, PVH's Marissa Pagnani McGowan, LVMH's Sylvie Bénard, and Maxine Bédard, whose New Standard Institute launches today.



### MARISSA PAGNANI MCGOWAN

- PVH's senior vice president for corporate responsibility discusses the group's ambitious goals, consumer and talent engagement, and the link between sustainability and human rights.

#### WWD: How does a manufacturing-based business reconcile growth with sustainability?

**Marissa Pagnani McGowan:** This may sound canned, but we really don't see them as mutually exclusive. We see sustainability as an enabler for a manufacturing-based industry. Happy to give you a few examples.

#### WWD: Please do.

**M.P.M.:** The first example is when you think about sustainability and driving a push toward transparency, or even a push toward efficiency, when you get more transparent, you understand your manufacturing base better so you know your mills, you know what processing units. If you want to make improvements on those things, you need to know them. That helps enable the strategic relationships with suppliers that lead to new innovations, to solutions and the ability to co-invest in more sustainable solutions.

The second example is we have all sorts of KPIs that we track. If you look at our on-time delivery next to our quality, next to our CR scores, they are always consistent. You get good CR, you get good quality, you get good on-time delivery. The management systems are the same.

From a consumer-expectation perspective, they're asking for value, values and wanting to trust the organizations and the brands they invest in.

#### WWD: A number of people have said consumers are increasingly asking about the supply chain. You're finding that?

**M.P.M.:** Absolutely. It [comes out] especially in the consumer insights and listening sessions and social listening that we're doing with the Gen Z audience. They want authenticity and they're willing to look for it. They're digital natives, they understand how to navigate the Internet and get good information, and they're willing to take the time to do that.

Have we seen that they're willing to pay more for that? I think that's to come, but we certainly know they care. And some of the things that we thought of maybe even two years ago as progressive, they see as table stakes.

#### WWD: You're more focused on Gen Z than on Millennials?

**M.P.M.:** I wouldn't say that. But I do think that where we're hearing this a lot more



Marissa Pagnani McGowan

is in the Gen Z conversations. I think the Millennials definitely care. It just feels different with the Gen Zs. The key is there is a growing awareness. Whether you're talking about Millennials or Gen Zers, there is a growing ability to navigate information in a new way, and the expectations have definitely changed.

#### WWD: In terms of the triple-bottom line, is it realistic to expect companies to weigh sustainability equally with profits?

**M.P.M.:** Again, we see them as fully integrated. When we look at responsible business practices, so buzzword of the day, "purchasing practices." Really, what you're talking about is good forecasting, calendar adherence, making sure that you're doing what you say you're going to do, not overloading your factories. This is just good business. If we talk about these things as separate from business, then they feel like maybe they conflict. But if you're really thinking about creating a supply chain that's going to last into the next 10 and 20 years, then it's more easily understood how we see these connection points.

Another example: recruiting and retaining talent. There is a war for talent going on right now. We're all a part of it, we're all in the middle of it. We just had our financial controller tell us that his candidate asked him first about the CR report and then about the 10K. He was shocked. But we hear it over and over.

#### WWD: You're not the first person to

#### tell me that prospective hires want to know about a company's corporate responsibility positions. Is that a relatively recent thing?

**M.P.M.:** I would say in the last two years. We've worked hard with our recruiting teams and talent development teams to make sure that the corporate responsibility platform is woven into the materials, talking about the company and also making sure it's part of the curriculum for ongoing learning.

#### WWD: Overconsumption – most of us buy far more than we need or even use. Yet fashion is in the business of selling, and selling more. Can those two realities be reconciled?

**M.P.M.:** I think when you look at some of the brands that have been most successful in messaging about keeping your goods for longer and putting products in use at their highest value for the longest period of time – I'm thinking of some specifically mission-driven outdoor brands – they have been incredibly successful. They've been able to charge a higher price point because what they're delivering has a value that is going to last for longer. I think the new business model conversation is going to take us in different directions. We have to see where they go.

**Melanie Steiner (PVH's chief risk officer):** Sorry, I don't mean to interrupt. But to elaborate on circularity – that's the whole point of it. We've signed up to a

whole bunch of pledges. This is critical to us as a company and to all of our brands. If we can actually achieve the ambitious goals set out by our circularity pledges, that's going to take care of a lot of that. Because it keeps things in use for longer, at their highest value for longer, it just goes in a circle, so you're getting rid of that linear take-make-dispose model that essentially will obviate the need for that question, because then you're not buying and disposing anymore. That's the whole goal. But it takes a lot to get to that point. And you need multiple stakeholders and industries at the table to effectuate that change.

#### WWD: You mention PVH's ambitious goals. The Corporate Responsibility Report sets out several, including producing zero waste.

**M.S.:** Yes. That's our stretch goal.

#### WWD: Ambitious to the point of unrealistic?

**M.P.M.:** We heard that a lot when we set out to do zero hazardous chemicals by 2020. We're now seeing that the industry has eliminated 10 of the 11 most hazardous chemicals, which were the ones set out originally by Greenpeace. And it actually shocks us. We thought we would fail forward, but we didn't realize how forward we would make it.

The last chemical class, I think we're on the cusp. So hopefully by the end of 2020, we'll be there. But I think the whole idea of forward fashion and this "Zero, 100, 1,000,000" [referencing PVH's goal to have zero waste or emissions; 100 percent ethical and sustainable sourcing, and improve the lives of 1 million people across its supply chain] is really to set a new level of ambition for PVH and to put that out there in the industry. Transparency is a big deal for us. We want to communicate to our stakeholders in a way that is meaningful for them, whether they're consumers or investors, and this framework will give us a way to do that.

At the Copenhagen Fashion Summit [May 15 and 16], Manny [Chirico, chief executive officer of PVH] will be announcing 15 smart targets, so specific, measurable, actionable, time-bound, for all of the priority areas including innovation for circularity, living wage, ethical recruitment, all of these areas. We have a data plan to report against those and make sure we're holding ourselves accountable and trying to push the industry in the right direction, and ourselves.

#### WWD: Tell me more about the current goals.

**M.P.M.:** Through our forward fashion narrative we have the "Zero, 100, 1,000,000." So you've got in broad strokes product-related, supply chain-related, community-related work, trying to be consistent and live your values throughout that. It could be through water stewardship, through inclusion, diversity internally. Whatever it is, those are our three buckets.

When you think about our day jobs that don't fall as neatly under those categories, you think about stakeholder engagement,

communicating and reporting. What we do from a reporting perspective looks like a nice, glossy report, but it's mapped to eight different ratings, rankings, indexes, making sure we're trying to give our stakeholders the information the way they want it, and be honest about what we're doing.

Forward fashion has been a big push for the last year. Getting the company around all these targets, putting them out publicly and building into the business the data flows and the models necessary to make sure that everyone is delivering against them and that they're excited about them and that they're differentiators for our brands, it's been fun but a little busy.

**WWD: It sounds very busy. I spoke with a scientist and she maintains that in the big picture, self-governance**

**doesn't work, and we need more government intervention.**

**M.P.M.:** I would say you need four things to be effective. You need the legislation and regulation. You need the systems and infrastructure to actually implement those regulations. Bangladesh had some of the strictest structural safety regulations and zero infrastructure to enforce them before Rana Plaza. So you need to have the regulations and legislation and you need the governmental infrastructure. Internally, you need strong voices at the top and then you need folks like us to buy into that and make sure we're measuring against that.

**M.S.:** I agree. I think that legislation is never going to be the end-all, be-all in the sense that business also has a license to lead and we have been, whether there

is legislation or not. We don't let that hold us back.

**WWD: What about sharing efforts, sharing research, sharing data with peers and competitors?**

**M.P.M.:** We are incredibly committed to working as partners with other leaders in the industry. We are constantly either learning or hopefully bringing some knowledge to the table. We believe moving as an industry is very important. Our success is dependent upon it, and we don't want to be inefficient in our quest to be more efficient.

**WWD: I'm sure it's been a process, but how long has this been a major focus for PVH?**

**M.P.M.:** I joined about five years ago in this role. It's been really interesting as the

conversation changed. For a long period of time it was just about auditing, making sure children weren't in your factory and you didn't have obvious risks. It has grown into having a commitment to make sure that the workers in that factory came there in an ethical way, that their housing is good, even if it's not on site; to make sure that issues like harassment and abuse [are dealt with]. Those are hard to find and hard to solve and they require a lot more than an audit to [eliminate].

I think with the growing commitment around human rights there is also an awareness that if you're dumping chemicals in the water you are impacting those workers, you are potentially taking away their livelihoods, their clean water to drink from. So there is a connection point with the human rights story.

## MAXINE BÉDAT

● A lawyer who started a sustainable fashion brand, Maxine Bédat has founded a data-based informational platform officially launching today.

**WWD: First, tell me a little bit about your new project, New Standard Institute.**

**Maxine Bédat:** I started a sustainable fashion company called Zady. NSI, New Standard Institute, is the answer to the gaps that I was seeing in that work and how we could actually be able to move the industry forward.

What I identified as a real missing space is that there isn't a lot of reliable information. One item that's been thrown out there a lot, but I'm very pleased to see being debunked, is the industry being the second-most polluting industry. In my research I have found that that fact is not alone in not actually having a primary source associated with it.

**WWD: I am aware of that; that nobody quite knows where that came from.**

**M.B.:** Right. It's just one of several examples. Another is that one in six people in the world works in some part of the garment supply chain. That is also something that there isn't a primary source for. In fact, most of the statistics out there around labor, around the percentage of women in the industry, when you dig deep and try to find the reliable primary source, there isn't one.

The adage is you only manage what you measure. If we're not measuring things, it's hard for us to make progress. So at the heart of what we're doing at NSI is to bring together the existing information that's out there and begin to clarify what we know [as fact] and what we don't know.

With that, it's an information platform with resources that brands can use to think about making science-based and science-oriented changes toward sustainability.

**WWD: How do you plan to bring the science together and collect the scientific facts?**

**M.B.:** The heart of it is a digital platform. Then it's a community of people from across the supply chain, including scientists and leading researchers on life-cycle assessment out doing the actual work on the ground, mostly in China.

**WWD: Your initiative is totally fact-based, and my question is perhaps a little bit philosophical: is it possible for manufacturing-based**



**fashion companies to fully reconcile sustainability with growth? I don't know if that's something you want to address.**

**M.B.:** Just from our research perspective, there is good research around the cost to actually provide, say, a living wage for a worker and it's not astronomical, it's not from a \$5 T-shirt to a \$50 T-shirt. It's a \$5.25 T-shirt. So I think that's one thing.

I think there is this confusion today because, quote, "sustainable" brands tend to be more expensive but there isn't anything inherent in the creation of a sustainable garment that means it has to be on the luxury side. It does mean, I would argue, that to be sustainable, a T-shirt shouldn't cost \$3 but it doesn't mean it has to be \$30, either.

Every one of us gets dressed. there's going to be more and more people on the planet, so there's going to be plenty of growth opportunity. It's more of a matter of what are the business models within that that are going to be successful. And I would say that a fast-fashion business model, which is predicated on people not wearing their garments very long, is inherently not a sustainable one. But it doesn't mean that

there aren't many other business models that could be very successful.

**WWD: In the sustainability conversation, I think inexpensive clothes get a bad rap. One of the first things that struck me on your web site was a reference to upgrading purchases. Most people can't afford luxury.**

**M.B.:** I agree with you to a point. On our web site and in our philosophy, the point is not that quality equates to something being expensive. I did an interview with "CBS This Morning" and it was how to shop better at H&M. If you look at the garments, it's turning them inside-out and making sure they're not falling apart before you're buying them.

That, to me, is the conversation on quality. I'm not talking about the branding around quality. Is it a garment constructed well? Is it made from materials that are going to last in the wash and that you're going to actually want to wear? That is the conversation around quality. So you could find a quality garment at H&M within that. We are in no way suggesting that buying quality means a much more expensive or a luxury garment.

I agree with you entirely [about perception]. Just like in the food movement, I think there's been a misstep in the sustainable fashion movement with that it's [perceived as] an elite thing. It shouldn't be. It can't be. It has to be, how are we figuring this out for everybody for the future?

**WWD: Exactly.**

**M.B.:** But the one thing I would just like to add is that we have increased the quantity of clothing that we purchase on average, and that's across the board. So I don't think it's just a matter of, "Oh, I can't afford anything else."

I think the resale market and the ThredUps, The Real Reals of the world are changing that equation in the consumer mind-set. It's moving away from what is the sticker price of this to what is the cost per wear of this garment. I think that is an orientation that is changing.

**WWD: A number of people I've spoken with have brought up overall lifestyle simplification, paring down.**

**M.B.:** Exactly. I look at the success of the Marie Kondo book and – now – show that we have now become obsessed with. We have gone through the period of excess. I grew up from having H&M not exist in the U.S. to it becoming my go-to shopping destination when I was in college, so I saw that shift in myself. When I was in high school, clothing was an investment. You only did back-to-school shopping, and really had to think about what your style was because you were only going to be able to buy a couple of pieces and that's what you would get for the year. I think clothing has become so cheap at the fast-fashion end that people just buy it because they had a bad day or something. It's getting uncoupled from any sort of sense of self expression.

**WWD: I know I'm now talking out of both sides of my mouth but there's also the Instagram effect – don't selfie that top twice.**

**M.B.:** Yes. Oh, definitely. We were out in L.A. recently speaking with the Hollywood crowd about that, saying, "Hey, you could really move the needle here if you show up on your press tour or on the red carpet wearing the same clothes." And they began to see that connection, like, "Oh we play a big role in this, in guiding the consumer expectation."

It's important to note that the resale market is growing faster than the fast-fashion market, which is a very exciting and interesting change in mind-set. It goes to show that it's not as if the fast-fashion business model is here forever on the natural order, these things change and evolve. And the way people will interact with social media as well will change and evolve.



Halide Alagöz

## HALIDE ALAGÖZ

- Ralph Lauren's evp, chief supply chain and sustainability officer talks about building a corporate sustainability framework based on three main principles – stewardship, integration, impact. And yes, crystal can sparkle plenty without lead. It just took a little R&D. Or a lot.

### How does a manufacturing-based industry like fashion reconcile growth with sustainability?

**Halide Alagöz:** Let's start with this. Because when we were building the framework, the way we approach sustainability, there were a few recognitions we had. One was that we built it around three main principles – stewardship, integration and impact.

We said stewardship because there is only one Earth and we borrow it from the next generation so we better take care of it. Our industry uses a lot of resources from nature so we have to do better.

The second one was integration. You cannot approach sustainability as a parallel initiative. It has to be a part of who you are, it has to be integrated with the way you think about business. There, we have an opportunity because we are all about creating timeless style. Our business model is built on creating timeless style; Ralph creates products for people to love and wear forever and hand over to the next generation. It cannot really be timeless if you are not taking care of the world that we are living in.

The third piece is impact. Because there

are so many things we can do, we just have to be smart and careful about where we want to create an impact and build our strategies around those impact areas.

When it comes to impact, we have been looking into our inventory management and our supply-demand match. We have been looking into how can we plan better so we don't overproduce, so we don't have a lot of excess to get rid of. We have realized that we can really tune in to what the consumer wants, build the line that she wants, and put the right quantities at the right times around that. You can actually control your inventory, the way you buy, how much you buy, when you buy and what you buy. We've seen a drastic reduction in the excess inventory.

### WWD: In three years since at Ralph?

**H.A.:** Yes. And we have all the numbers. So for the last three years we've been working on that Way Forward plan first and now our Next Great Chapter. You can see in the numbers that our top line and bottom line are growing but the number of units we're producing is less. So it's really not about producing more; it's about producing the right things in the right quantities at the right time. So this is one tangible example of how manufacturing or production and sustainability and better business can be combined in one.

### WWD: You said it's about focusing on what the customer wants. Do you find that the customer is interested in the company's sustainability efforts?

**H.A.:** Yes. More and more, we're seeing that consumers are more engaged. This is what all the data and reports suggest. But also as an individual consumer, I want to know where my products are being produced, whatever I'm buying, not only for apparel but for food or whatever I'm consuming.

So we see that and part of our strategy will be about how should we tell our stories better and our narrative better

to our consumers. The consumers are an important stakeholder, one of the many. We have approached different stakeholders, from consumers to NGOs to partner businesses to employees, and then we ask what they expect from Ralph Lauren. And we've been going through a materiality analysis with a partner.

### WWD: A materiality analysis?

**H.A.:** You go to those main stakeholders that you identify and ask, what do you think Ralph Lauren should stand for when it comes to sustainability? [The analysis] lists a group of priorities and asks them to prioritize for Ralph Lauren.

So we received those analyses back and then we started grouping them – this is where everybody expects us to create an impact; these are the table stakes and they want us just to take care of them; these are the things that they just want us to keep an eye on.

### WWD: What if the stakeholders aren't sufficiently informed on the issues to make those calls?

**H.A.:** Our employees are a big stakeholder. They are very well-informed about what's going on in the industry and they've been leading this conversation with their questions. There is a lot of engagement within the company. The moment my hiring was announced, I started receiving hundreds of e-mails – how about this? What are we doing about this material? What are we doing about tracking and traceability?

### WWD: So employees are deeply engaged.

**H.A.:** Yes. They really care about that engagement, and together with Katie [Ioanilli, global corporate communications head], we have to create a type of engagement communication for our employees. How do we listen to them, to their ideas, what do they care about, and also to educate them, to keep them updated about technical details they may not know but are curious about.

### WWD: How do you deal with the triple bottom line of social, environmental and financial impact? How is Ralph Lauren prioritizing that?

**H.A.:** Our framework is built on three main promises. One is about the way we design our products through the lens of sustainability. There, we are looking into the materials, the supply chain, the chemicals we use. The second piece is the environment, the carbon footprint, the water, not only the consumption but the contamination. And the third one is what are we doing about our people, not only our own employees but the employees of the factories, and what type of engagements we are building with our communities.

So our framework addresses all three areas. We are in the process of setting short- and long-term goals. Hopefully we will be transparent along the way. We are learning how to talk about [sustainability], and we are also understanding how important our voice is to this industry.

### WWD: And sustainability efforts will maintain the quality of the brand?

**H.A.:** Just a simple example: we are looking into sustainable packaging. There are many ways of reducing the amount of packaging you use when you deliver things to consumers, when you pack things from the factory. Now we are filtering all these options and trying to pick the most brand-appropriate, the one that will elevate the consumer experience when she receives the box, whether from online or in a store.

We won't just throw it in a simple box and send because that's not a real Ralph Lauren experience. It really pushes us for innovation. We are looking into existing materials and sometimes, those don't

answer the emotional quality piece we need as Ralph Lauren, the hand, the touch and everything. So we're working a lot with our innovation team, setting those priorities.

### WWD: The goal is to integrate sustainable practices into the overall Ralph Lauren experience.

**H.A.:** Correct. So it's not like, let's design a beautiful product and start thinking about sustainability. Rather, when we are designing that beautiful product, how can we think through the lens of sustainability? That's the integration that we're talking about. And that will then create both the functional quality and the emotional quality.

### WWD: Ralph Lauren is into so many product categories. Doesn't the drive to grow stress the environment, no matter how strong the sustainability efforts?

**H.A.:** With every industry we explore, we are learning...Sometimes you just check the industry, you find the best practice and then you follow it. Sometimes, the knowledge doesn't exist. Then, we maybe give it to our innovation team as a "what if" question: What if we do beautiful crystal without lead in it? Our innovation team worked on that for six or nine months and at the end we created the crystal that we are all happy with, with the right chemicals in it.

### WWD: Without lead?

**H.A.:** Without lead. And as shiny and as beautiful. And there are a few products that we're still not happy so we keep on working on it. But the moment we find it and our design team or Ralph says "yes, this is great," we start [to produce] it.

### WWD: That's great. How important is collaboration to all of this?

**H.A.:** Collaboration, yes. It's one area where we can all do better. Our industry is kind of built on that exclusivity and secrecy.

### WWD: Can you talk about that a little bit?

**H.A.:** We are exploring different types of partnerships with NGOs, with universities, where people can bring knowledge to us. We're also looking into what can we do with our peers in the industry. We can create awareness, we can create those collaborations. What innovations we develop, we can share. We are looking into those things to elevate the impact.

### WWD: Do you foresee a point at which the Ralph Lauren brand might have to decide to lessen growth expectations in the interest of sustainability?

**H.A.:** I don't see it connected to sustainability. We don't think this is a [threat to growth] or a risk. We think it's a value proposition to who we are, to our consumers.

Our purpose statement says, "to inspire the dream of a better life through authenticity and timeless style." You can only do that on a road that is well taken care of. We think it's our promise to consumers to provide solutions to existing problems and to be a part of the innovation. We want to be part of the solution...I don't want to overpromise what we are doing. What we are saying is, even if the answer here is not today, we are just exploring what we can do.

### WWD: You came from H&M. Fast fashion is often cited as an environmental villain.

**H.A.:** I think we all have a role to play in this. Fast companies have the benefit of their size and scale. So once a company really believes in doing well, they can actually help us move forward with their volumes and we can help with our approach and with who we are and with our DNA.



Diptyque's pop-up exhibition in Shanghai.



Diptyque China shop.

## BEAUTY

# Diptyque Smells Opportunity In China and the U.S.

- The fragrance-maker is investing heavily in China and the U.S., the latter which now figures as its largest market.

BY TIFFANY AP

**SHANGHAI** — Parisian luxury fragrance-maker Diptyque has its eyes on the world's two largest economies as it steadily expands. The brand, which has 45 stores across 41 countries, is opening more boutiques this year — in Hangzhou, Shanghai, Brooklyn, Tokyo, London and Aix-en-Provence.

"The U.S. overtook France last year," explained Myriam Badault, Diptyque's international marketing and product creation director, who was at heritage building Cha House, where the brand set up a nearly two-week sensory pop-up exhibition in Shanghai. South Korea, buoyed by duty-free from Chinese duty-free shoppers, and

the U.K. follow closely behind.

The exhibition, which is open to the public and has people move through various rooms filled with Diptyque scents and play interactive digital games, is aimed at catering to the local market's hunger to learn more about aspirational lifestyle products.

"Customers in China like to discover, they want to also be educated to a new approach, they are very curious to learn and discover what we have to propose," Badault explained. "The weight of new diffusion systems such as the hourglass diffuser is really much higher here than in other countries."

In line with what many of the broader market studies show, floral scents are top of the list for the personal fragrance category, Diptyque said, with rose a heavy favorite.

The move to enter China, which the brand did in 2015, was a no brainer. It became evident there was a huge demand in the market because it showed up so clearly in Hong Kong. When Diptyque opened just a very small shop in Hong

Kong's IFC mall, it became the brand's most productive store by turnover in the world.

"It was a signal that it was time for the brand to envision the development in China," Badault said.

On the Mainland, they opened first in Shanghai and then Beijing, followed by Chengdu and Nanjing, with the Chinese stores already competing for the top ranking position.

There's no online presence yet in the country, and it will be likely next year before the company decides exactly how to do that, but Diptyque chief executive officer Fabienne Mauny commented via phone that "there's so much to learn about digital in China, compared to the platforms we use elsewhere in the world."

Other than China, Diptyque's main efforts will be focused on the American market. There, the challenge is to develop the personal fragrance business, after huge success with its candles, especially scents like Baies and Philosykos, via department stores and other wholesale partners.

While declining to divulge the top line, Mauny assured that the brand is growing at a very fast pace. "Plus 20 to 25 percent year after year. This has been the case for the last 10 years," she said.

"The growth has come from mainly opening stores," she said. "We have been quite active in terms of retail, opening around 10 stores a year worldwide, but we have not opened the distribution in a very important way. We prefer to be in a more selectively distribution but with very visible and very productive stores."

She added "we have a wholesale part, which is still significant, even though the directly controlled part has growing."

Ultimately, she sees Diptyque's mission as a brand is to provide "something beautiful" and to "take you elsewhere if you need a little bit of break in your crazy day," she said. "We want to be something beautiful to smell and to see."

Urban lifestyles and the accompanying aggressors could fuel demand for products, particularly in large Chinese cities where air pollution is regularly over the World Health Organization's health guidelines.

"It's not Provence for sure," Mauny said about the environment in China, "but people living in Paris or New York, are not living in Provence either. For all of them, we just want to give a little bit of wellness and a little bit of break in your everyday life. A little moment for you."

## FASHION

# Kenzo Takada Celebrates U.S. Book Launch at FIT

- While in New York to promote his self-titled book, the designer buzzed by Barneys and Celine.

BY ROSEMARY FEITELBERG

**A LIFE IN PICTURES:** Tuesday night's understated book signing for Kenzo Takada at the Fashion Institute of Technology was just his style.

About 50 guests were invited to the FIT Foundation's low-key event at the school's Art & Design gallery. Stateside for a three-day stay, the Paris-based designer planned to return to campus Wednesday afternoon for an informal chat with students. Known for his inclusive approach to fashion that incorporates multicultural influences with exacting techniques, Takada did not wish to judge the students' designs — to avoid dissuading them in any way.

Undergrads were not among the

well-wishers Tuesday night, since alcohol was served. Sipping on a glass of red wine, Takada was surprised to learn that FIT has a museum on campus and asked about what types of exhibitions have been staged there.

The guest of honor was looking forward to seeing the musical "My Fair Lady" on Broadway, before flying out of town. Earlier in the day, Takada dashed into Barneys New York's Madison Avenue store to try the chicken at its Freds restaurant. En route, he also ducked into the Celine boutique because he is "very curious" about what Hedi Slimane is doing there. One eagle-eyed staffer recognized Takada and asked his assistant to say hello, but generally that is not a common occurrence walking on city streets in New York or Paris.

Devoting more of his energy to staying healthy has been a priority for the past three years, so Takada practices yoga or swims most mornings. "Quiet things," he smiled, gesturing like a swimmer. "I am

very focused on my health."

Reading books has become more of a just-before-sleep pastime, since Takada prefers to unwind by watching films, especially Japanese and French ones, at home. Tried-and-true American actresses have also captivated his attention over the years. The Japanese designer said, "Two days ago I saw an old movie — 'Sabrina.' Ahh, I had forgotten she wore Givenchy — so beautiful," Takada said, referring to the 1954 movie starring Audrey Hepburn. "I met her once at a party, [pretending to greet a diminutive person]. I saw all of her movies — 'Roman Holiday,' 'My Fair Lady,' 'Sabrina...'" He also raved about Cecil Beaton's costume designs for the 1964 film version of "My Fair Lady."

Another Hepburn — Katharine — did not hold his interest as much in 1940's "The Philadelphia Story." He said, "That was very, very hard." The 1956 musical "High Society" with Grace Kelly was more his speed: "She was beautiful. It was made before her royal wedding in Monaco," Takada said.

Kelly's role in Alfred Hitchcock's "Rear Window" (1954) also earned high marks from the designer, who said, "She was so elegant. She dressed beautifully. I met her in Rome at the opening of the nightclub Jackie O' [in 1972]. She was with Princess Caroline and Prince Rainier," Takada said.

As omnipresent as social media has made celebrities seem, they don't mingle and socialize publicly as they once did,



Kenzo Takada

he said. After arriving in Paris in 1965, the rollicking decade that followed lent itself to unprecedented creativity that no longer exists, he said. Recalling those unconstrained freewheeling times, the designer said there was freedom and fun in the Seventies — and a lot of drugs.

**WWD**

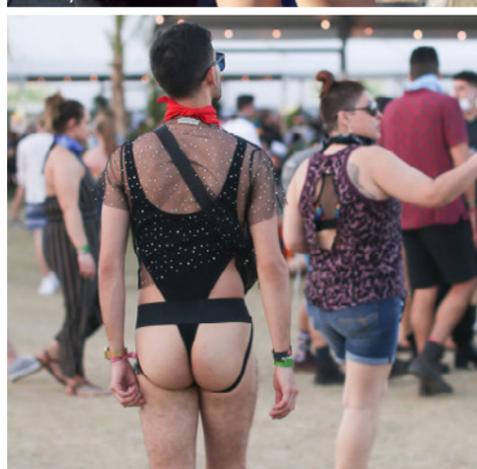
# Moore From L.A.



Lizzo performs at the Coachella Music & Arts Festival at the Empire Polo Club, in Indio, Calif.



Festival goers at Coachella were a cheeky bunch.



## Lessons Learned At Buttchella

● In this year's sea of barely dressed looks was an overriding message of self-love, one that fashion often forgets about.

BY BOOTH MOORE

The biggest women's fashion trend at Coachella this year was wearing next to nothing at all. The body-baring was so blatant, some attendees referred to the festival as "Buttchella," and complained about the awkwardness of having to brush up against and share seating with barely covered bottoms.

On two weekends there, I spotted more cheeky bikinis with long fringe or sheer skirts on top than I can count — worn by all ages and sizes. I saw a white thong and nothing but duct tape stickers over nipples, and a red latex bodysuit with over-the-knee boots and a fanny pack cinched cleverly around one thigh. As a fashion editor, and a bit of a prude, I shuddered. But I came to appreciate women dressing for their own gaze, and to see a bit of my own double-standard laid bare.

On weekend one, I posted an image to Instagram of two women whom I deemed to be less-than-best-dressed with the caption, "When it's bad, it's really bad." Many comments echoed mine, including: "My eyes can't unsee that," "I am so disturbed" and "Decline of Western civilization!"

But it's the other comments that got my attention; the ones that accused me of fat-shaming the pair who were just fine with their outfits, thank you very much, and it should be said courting as much attention — and as many photos — as they could.

(One of the women was wearing a white captain's hat to top off her look.)

As someone who struggles with my weight, I would never wittingly fat shame anyone. But I could see the commenters' point that when I posted a photo to Instagram just before that one of a long-and-tall woman not wearing much, captioned "queen of the desert," it suggested a double-standard in my social media storytelling, one that maybe I wasn't even aware of in myself. Lesson learned, thank you Instagram commenters.

In this year's sea of barely dressed looks was an overriding message of self-love, one that fashion often forgets about. The message is embodied in an extraordinary way by the size-acceptance activist/rapper Lizzo, who is on the rise to super-stardom, with a new album "Cuz I Love You" released just Friday. She was omnipresent at Coachella, doing her famous twerk during a guest appearance on Janelle Monáe's stage, and in the VIP section at Jeremy Scott's Moschino after party.

When she performed on Sunday, it was plain to see how she is inspiring women to wear what they want proudly. She was onstage wearing a red spangled one-legged bodysuit, cutout on the side to reveal one cheek of what she herself calls her best asset. Nearly three decades after Sir Mix-a-Lot's "Baby Got Back," this female rapper is putting the female butt in a starring role, and one not attached to a Kardashian body at that.

"There is a stigma we can't keep up," Lizzo told the audience, while boasting how she had been doing 45 minutes of cardio onstage and was ready for more.

Her songs preach self-reverence: "I'm going to marry me one day." And she loves fashion, but she loves herself more: "Mirror, mirror on the wall; Don't say it, 'cause I know I'm cute; Louis down to my drawers; LV all on my shoes."

Lizzo spoke to the crowd both about the importance of representation and how difficult it is to achieve, sharing that when she tried to cast "big girls" as back-up dancers, there weren't enough to choose from because those who are signed with agents, who go out on auditions, look a certain cookie-cutter way. But she found them, and they were great. She even had her first "big boy," on stage, too, showing that despite all the attention on women, body image issues affect men, too.

"Thin is no longer in" is what both Lizzo and festivalgoers said with their looks, and whether you are Emily Ratajkowski or not, everyone has a right to go nearly naked. It was interesting to think about the phenomenon in the context of the #MeToo movement and the sexual misconduct that runs rampant at music festivals. Dressing for your own gaze is one thing, but you can't always control the effect. While it is too early to tell if the measures put in place by Coachella organizers made this year's festival more of a safe space, anecdotally, I can say I was bumped into three times by careening bros who turned around and apologized politely. And I was dressed closer to Billie Eilish than Lizzo. Maybe that's a small measure of progress. (Coachella's new measures included an "Every One" policy that deployed a team of "safety ambassadors" on grounds to lead guests to services, including professional counselors, and specifically marked locations to report incidents.)

By the end of weekend two, I was A-OK with Buttchella. And while next year, there's no way in hell I'm wearing a thong, I will tip a captain's hat to those who go for it with no cares.



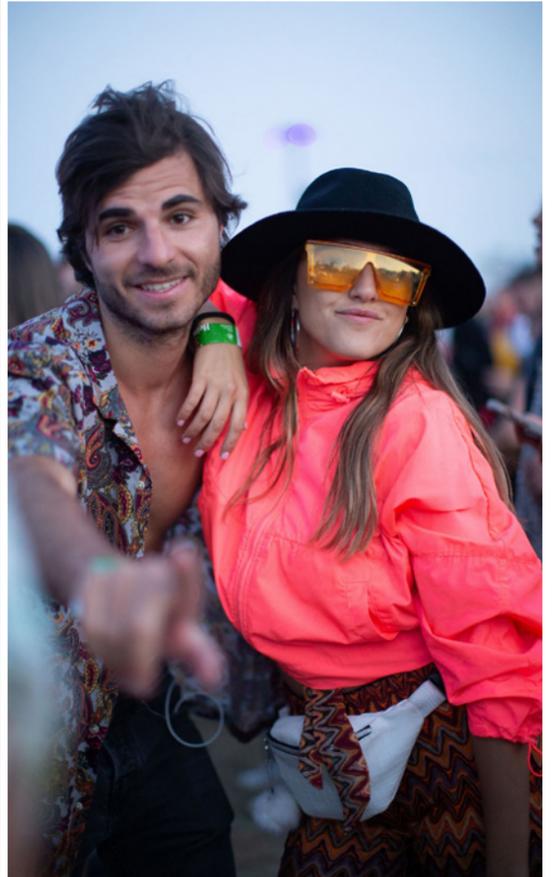
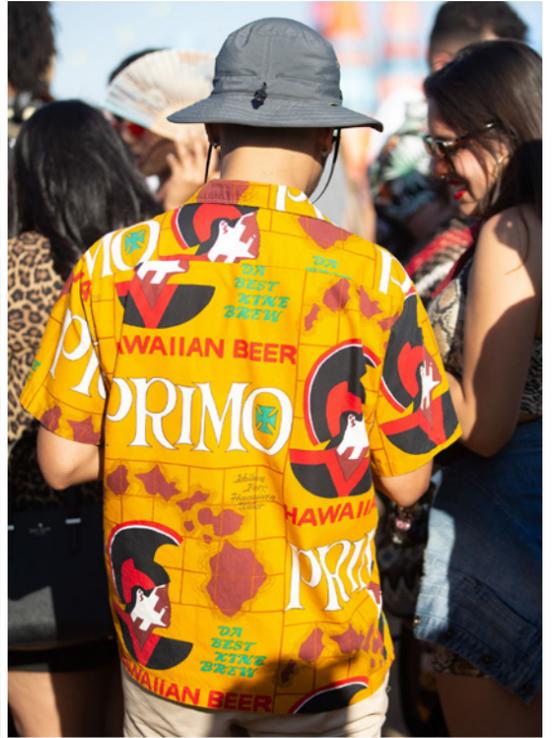
# THEY ARE WEARING

What happened to boho and flower children? The unofficial uniform of Coachella seems to have waned this year, to be replaced by women (and men) in cut-off shorts, bikini tops, slogan Ts, mesh shirts and stockings – and lots and lots of bare flesh as festivalgoers let it all hang out (in good ways and bad). Here, a look at Coachella “style” 2019.

PHOTOGRAPHS BY KATIE JONES



# WWD THEY ARE WEARING



# In Focus: Leadership

## BUSINESS

# From High Touch Service To Beauty Brand

● Glamsquad's Amy Shecter shares insights into how the on-demand service is evolving, and becoming even more relevant to its clients.

BY ARTHUR ZACZKIEWICZ

Since Glamsquad launched in 2014, the on-demand, in-home, personalized beauty service has expanded into six major markets and clocked more than 600,000 appointments. And since its inception, the company has evolved from a technology-driven service to a “multidisciplinary beauty brand.”

As part of an ongoing series of executive interviews, Tim Boerkoel, founder of global executive search and consulting firm The Brownstone Group, talks with Amy Shecter, chief executive officer of Glamsquad, about this evolution as well as what it takes to drive success in a highly competitive market.

**Tim Boerkoel:** Amy, you are leading a very active business with a growing value proposition. How has this experience compared to your previous leadership ventures?

**Amy Shecter:** I have had the incredible opportunity of working for different brands across multiple categories, in a variety of roles and catapulted across industries. People often ask me how I've been able to work in footwear, denim, fashion, fitness, tech and beauty, and I believe it is because I haven't been afraid to take risks and fail. Each experience has taught me a lesson that I have used to help me lead effectively today, and I am lucky to be able to bring different points of view to a role.

The first thing I do when I join a company is immerse myself in the brand, the people and the culture. I believe it's important to understand what is working and what's not working before making any decisions about what path to take. Within a few months, in collaboration with the leadership team, we create a project plan to align with the priorities, and then communicate those initiatives throughout the organization. Having a clear vision and a path to execute against makes the whole company operate successfully. Critical to the success of this plan is the vision around the customer. It is critical to understand the needs of the customer and then build a multifaceted business plan that drives to win.

I was actually a “power user” of Glamsquad and obsessed with the company a while ago. I was spending a lot of time talking to the beauty professionals who came to my home about their jobs and the company, and they had so much passion for what they were doing. I thought it would be an incredible opportunity to be a part of a disruptive business that is so relevant in the 21st century. Glamsquad is more than just a beauty services company – it

is a brand that helps women of all ages look and feel their best so they can make amazing things happen.

And now we are at an exciting juncture where we have evolved from a technology-driven beauty services business to a multidisciplinary beauty brand. From selling products in the home to our partnership with CVS, Glamsquad has an exciting trajectory ahead of us. And our squad consists of our beauty pros, clients and employees, who all passionately support the overarching mission of the brand. I put great importance in creating a community of motivated people with a strong, shared vision and high integrity, and I'm proud to be a part of it. It's also been great to be able to partner with a best in class executive team as the brand evolves.

**T.B.:** Can you share more about Glamsquad's venture into branded product and partnerships?

**A.S.:** From Glamsquad's inception, we've approached the business with the goal of being a beauty and lifestyle brand powered by technology. Our mission is to empower women to look and feel their best, and consumers are seeking luxury experiences that are curated specifically to fit their lifestyle. When it comes to these experiences, they expect a high level of personalization and immediacy, and we are certainly in a moment where convenience is critical. Glamsquad is uniquely positioned at the forefront of this shift as we provide our consumers with the most elevated, personalized and convenient experience. Launching our own product line was a natural next step and has been years in the making.

Through the 600,000-plus appointments we've completed since our 2014 launch, we have listened and learned what our consumers and beauty professionals really need and want in beauty products. We developed the Glamsquad styling collection from the feedback we have received from both our customers and our beauty pros. We are the only business of our kind approaching beauty from this lens. The in-home experience becomes a unique micro lab that fuels this feedback loop, allowing us to invent and iterate. This data is our “superpower” that drives the product development process and allows us to meet the personalized needs of our clients. And the constant communication between our beauty pros and our clients allows their relationship with Glamsquad as a whole to evolve and grow.

With our desire to further disrupt and modernize the beauty industry, and an approach that lets us stay in close touch with customers, it made great sense to take the business beyond our in-person appointments. We were looking for a partner that was both innovative in the beauty space and had the reach to provide us with accelerated growth beyond our current market expansion strategy. Almost a year



Amy Shecter

“From Glamsquad's inception, we've approached the business with the goal of being a beauty and lifestyle brand powered by technology.”

AMY SHECTER

and a half ago, we connected with CVS and quickly realized that we had a similar point of view around the future of how consumers engage with beauty services and products. Our discussions led to CVS making an investment in Glamsquad, forming a great strategic partnership. And right now, we are testing our new concept in four markets. This investment instantly expands the Glamsquad community by creating a new channel for us, and a new high-value beauty offering for an even broader market.

**T.B.:** You and your team are turning a lot of ideas into meaningful action. What are some of the lessons learned from mentors and your time in the industry that allow you to be so effective at driving growth – particularly in an industry that is new to you?

**A.S.:** I've had many mentors throughout my career, and reiterating what I said earlier, you have to be willing to take risks. An early mentor also encouraged me to make choices that align with the personal brand I hoped to achieve.

Another critical lesson my experiences taught me is to replicate the things that have worked, and don't repeat those that didn't. It's important to be a perpetual student, and I continue to find value in learning from the people I report to, those who report to me, and my peers. I am lucky to have an incredible “village” of peers who are always there for me, and I am also fortunate to have a “family fan club” that has given me the wings to accomplish so many of my career goals.

**T.B.:** Given your diverse customer base and team, and the activity within the beauty industry, how have you approached quickly developing a best-in-class company?

**A.S.:** We view Glamsquad as having two clients – our customers and our beauty professionals – and we care deeply for both of them. And I am so passionate about the entire group – clients, beauty pros, employees. The key is to hire strong talent

that truly supports the overarching mission of the brand. As a member of the squad, it is key to utilize the strength of your team and allow ideas to flow upstream.

Additionally, identifying and activating new opportunities and partnerships, such as creating branded product or partnering with CVS, creates additional points of connection for the entirety of Glamsquad.

**T.B.:** Glamsquad's beauty professionals make up an impressive distributed workforce. How do you scale and maintain excellent standards with this increasingly popular model?

**A.S.:** Glamsquad offers a unique career opportunity for beauty pros who are passionate about what they do and who want to focus on their craft. At Glamsquad, they spend their days doing exactly what they love and we are here to empower them to be successful entrepreneurs. With us, they are able to set their own hours, choose where they book and essentially be their own boss. They are true brand evangelists and love to help make women look and feel amazing. Additionally, we encourage creative growth and development, provide access to top brands and partners, schedule flexibility and competitive compensation. And very notably, the network and true community that our beauty pros can share in is unparalleled in the industry. They are true brand ambassadors, giving life and meaning to our brand.

Our trusted and talented beauty professionals are highly experienced and have eight to 10 years of industry expertise. They must be; our clients are inviting Glamsquad into their homes or other personal spaces to prepare them for red carpet events and runways, editorial shoots, special dinners, a night on the town or even proms. And sometimes for no reason at all other than to be pampered via the Glamsquad experience. Therefore, the beauty pros are rigorously vetted and on-boarded to guarantee consistent, high-quality results with every booking. Our acceptance rate is less than 16 percent, and once you are a beauty pro, we make sure they receive consistent opportunities to learn about trends in the industry and receive support from the Glamsquad community. And lastly, proprietary technology that we developed in-house ensures that our clients are paired with the best beauty pro for their needs.

**T.B.:** What advice would you give people earlier in their career? Any words of wisdom given all that you've learned on your path to becoming, and currently being, a CEO?

**A.S.:** I would advise that people think about the role they have now and how it enhances their exposure, educates them about something they are interested in, and fulfills their vision for their personal brand. And on that note, recognize that personal choices definitely have an impact, so it is always good to be mindful of how one interacts with others, at work and socially, online or IRL.

Last but not least, speak up, stand up and fight for your voice to be heard. Take risks, which is not something everyone has an appetite for, but I think it helps us learn and grow. And have a passion for what you are doing. If you are passionate about your work, it becomes a part of your life. As Sheryl Sandberg taught all of us in “Lean In,” “Women need to shift from thinking, ‘I'm not ready to do that’ to thinking, ‘I want to do that – and I'll learn by doing it.’”



Stephanie Styles



## Stephanie Styles Takes on Stage And Screen

The actress can be seen in Broadway's "Kiss Me, Kate," the Netflix series "Bonding," and the upcoming film, "Booksmart."

BY LEIGH NORDSTROM PHOTOGRAPH BY JILLIAN SOLAZZO

**The third time** was a charm for Stephanie Styles when it came to Broadway success — and it came at quite the hustle.

After trying two other times to make it to the Great White Way, Styles at last hit pay dirt with the part of Lois Lane in "Kiss Me, Kate" opposite Kelli O'Hara and Will Chase. But she had to move fast to get it: After wrapping a movie in L.A. at 8 p.m., Styles hopped on a red-eye to New York, went to the Tonys — "did my own makeup, my friend did my hair, I didn't even shower, I sprayed tons of perfume on" — stopped by a few after parties "very soberly" and woke up early for her "Kiss Me, Kate" audition the next morning.

Later in the week, she was walking through the West Village, about to head up to Central Park to meet friends for a picnic when she got the call that the role was hers. "It was a whirlwind, very New York week," she says.

The 27-year-old was born and raised in Houston, did her first professional show at age six, in Texas, before going on tour with

"The Sound of Music" at age 11 and spent a stint in New York at 14 doing opera.

"Kiss Me, Kate" is the third Broadway show she's been cast in, but the first to come to fruition.

"That happens to actors all of the time: Broadway shows get canceled, movies never come out, television pilots don't get picked up — I've gotten used to that," she says. "My childhood dream was always to star on Broadway and so this being the third time's the charm, having my first performance on Broadway playing a girl who wants to be on Broadway, that's her dream and that's her first big show...doing all of those things at once was wild. Playing a newcomer and having Kelli O'Hara come out and tell my character, 'it's going to be OK,' it was surreal and perfect. It's such an ode to Broadway."

Styles certainly didn't sit around waiting for Broadway to call, though. She's in the new Netflix series "Bonding," out this week, which is the story of a young gay comedian who moves to New York and ends up working as an assistant to

a dominatrix.

"The theme of the show is to not judge other people and if they're not harming other people, do what you want. Love the things you love," she says. "My character's obsessed with goldfish — like, she has weird things about her, too — and it's all about the more we can just love each other and celebrate our differences, the better. I think there should be less judgment, more curiosity, and I think that's what the show's really about."

She also has a part in Olivia Wilde's directorial feature-length debut, "Booksmart," which is out at the end of May, as well as the still untitled movie about Roger Ailes that will star Charlize Theron and Margot Robbie.

"I've been really fortunate to, especially in the past year, really mix it up with film, television and theater, and I always want to do an amalgamation of that," she says. "That's the dream: working with incredible people, and if I can make people laugh, too, that's always the extra thing."

## Diane Kruger, Lucas Hedges Attend TFF Screening

Hedges showed up to the Bulgari x Tribeca Film Festival event with Taylor Russell, whom he's rumored to be dating.

BY MAXINE WALLY PHOTOGRAPHS BY LEXIE MORELAND

**The first time** director Eliza McNitt watched the film "Celestial," a movie about her journey creating a virtual reality installation for her grandparents, she cried most of the way through it.

"I sobbed my eyes out," she said on Tuesday night in New York. "It was truly beautiful."

McNitt joined the maker of "Celestial," Ro Haber, along with Diane Kruger, Kiki Layne, Lucas Hedges and more, for a special screening of that movie and "The 4th Wave," on the eve of the Tribeca Film Festival. The two films were the product of a partnership between TFF and the jewelry brand Bulgari, which in 2018 inked a multiyear deal to commission films that highlight trailblazing women's stories.

Alessandra Prete, the Italian musician known by the moniker Priestess, took pictures with Savannah Leaf, creator of "The 4th Wave," prior to the screening and panel discussion put on by Vanity Fair that followed.

Kruger, who gave birth in November, has said she won't start looking at new work until at least the end of the summer. In the meantime, a few interesting project proposals have come her direction.

"But it's definitely been hard to get away from home," she noted.

Kruger declined to give comment on her five-month-old child — who is the subject of the tabloid obsession. But when asked what she's working on, she did joke, "Getting my baby to sleep."

Layne would not be watching any other Tribeca Film Festival movies, she explained, because the next day she'd be on a flight to London. She's starting to film the Netflix action movie "The Old Guard" there and is looking forward to getting started with her costar.

"I'm gonna be kicking some ass with Charlize Theron," she said.

Hedges slinked behind the photographers and reporters crushed together on the red carpet and went upstairs to the theater. There, he took his seat next to the Canadian actress Taylor Russell, whom he's rumored to be dating. He didn't say no to pictures, though, and put his arm around Russell when a photographer got his attention nearby.



Kiki Layne



Lucas Hedges and Taylor Russell

Diane Kruger



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# Fashion Scoops



Leonard Lauder

## Leonard's Lessons

**Businessman, art collector, philanthropist and now...scribe.** Leonard A. Lauder on Wednesday said he is working on a book about his extraordinary life. The 86-year-old son of Estée Lauder and chairman emeritus of the conglomerate that today bears her name, Lauder is considered one of the key architects of the modern-day beauty business.

"I have been blessed with a wonderful life," he told WWD in confirming a report about the book in *The New York Post*. "In my business career and my personal life, I have had challenging and exciting experiences and been surrounded by outstanding people. I want to tell the unique story of my mother and father, the company they founded, and all we have accomplished. I want to convey the business lessons I've learned in the hopes that they can guide others. I want to tell the story of my philanthropy and my art collecting. For years, I have been asked to do this; now is the time."

Lauder joined the family firm at age 25 in 1958, when it was generating \$800,000 in sales. Today, the Estée Lauder Cos. Inc. markets 29 brands with a distribution reach of more than 150 markets and has annual sales of over \$14 billion.

No doubt the tome will be chock-a-block with the wisdom that Lauder is renowned for sharing inside and outside of the company, be it the benefits of always sending a thank you note or a master class in selective distribution.

Despite his accomplishments, Lauder is as engaged as ever. "You can't learn anything with your mouth open all the time," he told WWD last year. "Listen, listen, listen. You'll be amazed, if you are willing to listen, what you can learn."

A publication date has not been set. — JENNY B. FINE

## All Net

**Net-a-porter has** partnered with Døen as the first and exclusive retail partner for the Los Angeles brand, which will launch on the e-commerce site on April 30 with a capsule collection of 15 pieces for women and three for girls.

Santa Barbara, Calif.-born and raised sisters Margaret and Katherine Cleveland founded Døen in 2015, and have carved out a niche with customers in L.A. and beyond with their romantic, Victorian-inspired prairie blouses

and dresses. The brand has been largely direct-to-consumer until now, and marketed through social media.

"We've dabbled in collaborations and in strategic wholesale with Reformation and Le Bon Marché to gather some learning. But this is the first exclusive collection we have done," said Margaret, adding that this is not the brand coming out as a wholesaler, but rather a move to access a new customer through what she hopes will be ongoing exclusive collections. "We've already been able to test these silhouettes on our early adopters, and being able to expand to a global, diverse customer base will be good exposure and feedback for us."

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Net-a-porter's recent leap into children's clothes was also a draw, she added. "A lot of people who know our brand come for women's, but aren't aware of it as a resource for kids clothes, too."

"We feel so connected to our customer base and have an amazing relationship with them via social media," Katherine added. "It's exciting when we get to see a woman outside of the L.A. or New York context wearing Døen; to build and reach that community has always been the goal."

The collection, which retails from \$135 to \$305, includes

## New Role

**Paul Rosengard has** joined True Religion, the Manhattan Beach-based streetwear brand, as executive vice president, North American wholesale and licensing.

With more than 30 years' experience in the apparel business, Rosengard will lead the North American wholesale operation for women's, men's and kids and licensing.

Earlier in his career, Rosengard spent 17 years at Randa rising to executive vice president, four years as group president of Perry Ellis International and another four years as president of Li & Fung Men's. He then became chief executive officer and owner of Boston Traders and later led the North American division of Anatwine, a European-based technology company, before becoming an adviser to digital and logistics companies.

Rosengard will be based at True Religion's New York office at 599 Broadway and reports to Chelsea Grayson, ceo of True Religion, who is based in Manhattan Beach, Calif.

"What I think is extraordinary about Paul is he has 30 years as a fashion apparel executive. What I love about him is his relationships," Grayson said. She said True Religion is in the midst of completely changing the aesthetic of the product and modernizing it "and with Paul here, it's an accelerant to that fire."

"At our roots, we are streetwear, and we strayed from that a little bit the past couple of years under previous management," explained Grayson, who became ceo last



Brendon Babenzien at the Noah installation at the Galeries Lafayette Champs Elysées.

November. "I live and breathe that [streetwear] culture every day. Our first priority is innovating product that our customer really wants," she said.

True Religion has about 180 freestanding stores in the U.S. and Canada, and sells in such retailers as Macy's, Dillard's and Nordstrom. "As we continue to move forward, you'll see us in Barneys, Neiman Marcus and Saks," Grayson said.

She said the business has been very good lately and they've also focused on more social media-based and influencer-marketing campaigns. Part of True Religion's product innovation has been limited drops.

Earlier this year, True Religion also hired Lauren Kraus as executive vice president, head of international sales, and Kristen Stewart, vice president of e-commerce and marketing.

TowerBrook Capital Partners spent \$835 million for True Religion in May 2013. In July 2017, the denim brand filed for Chapter 11 bankruptcy protection, emerging from it in October 2017. — LISA LOCKWOOD

## O Canada!

**Victoria Beckham will** pack her clothing trunks and head to Toronto in November as the special guest in the fifth series of Suzanne Rogers Presents events, WWD has learned. An announcement is expected Wednesday.

Beckham follows in the path of Diane von Furstenberg, Oscar de la Renta, Marchesa and Zac Posen, who have all taken part in the charity fund-raising series that Rogers started in 2010.

To date, Rogers' events have raised more than \$3 million for charities fighting children's poverty and supporting a spectrum of health and education programs for young people.

The November edition will be cohosted by Rogers and the event chair, philanthropist Sylvia Mantella. The celebration will include an "intimate fashion presentation" with Beckham, followed by a seated luncheon, according to organizers.

"I am so pleased that Victoria has accepted the invitation to come to Toronto and deeply appreciate her personal commitment and generosity in supporting our children's charities," Rogers said.

Proceeds will benefit Camp Ooch, which gives children affected by childhood cancer unique opportunities for growth through special experiences, and The Penelope Neuroblastoma Foundation, which funds brain tumor research, and provides support for families affected by this type of childhood illness.

Additional child-focused causes and programs, the names of which will be confirmed closer to the event, will also benefit, organizers added.

"Suzanne's charitable endeavors in bettering the lives of children around the world is inspiring, and I am delighted to be involved in the next in her series of fundraisers," said Beckham, a mother of four, who has been visiting various markets and doing one-on-one events with clients.

"I look forward to working with Suzanne and Sylvia on what I hope will be a memorable event for such wonderful causes," she added.

Net-a-porter is the exclusive retail partner, while other key sponsors include Rogers Communications Inc. and Mantella Corp. — SAMANTHA CONTI

## Apology To Paris

**One of the most** arresting artworks in men's wear brand Noah's installation at the Galeries Lafayette Champs-Elysées isn't Michael Muller's virtual reality room, where you can swim with sharks using an Oculus Rift, or tattoo artist Duke Riley's exhibition of plastic trash engraved with portraits of lobbyists and chief executive officers from the plastics industry. It's a simple letter titled "Apology to Paris."

"Dear Paris, the United States is the second largest polluter in the world behind China," read the letter, taped up on one of the six frozen-glass boxes inside the department store's atrium, and signed "the team of Noah."

"The fact that our current President does not believe we are facing a global crisis is a complete and utter embarrassment," it continued. "He does not represent the will of the people of the United States. We would like to formally apologize."

The letter is part of "SOS," a two-week-long installation and pop-up shop celebrating Earth Day 2019 curated by Babenzien, the former Supreme creative director who launched Noah in 2015. "We wanted to apologize about the USA leaving the Paris agreement in 2020," said Babenzien, who came over from New York with his family to toast the Galeries Lafayette event on Tuesday.

Noah was founded in the early Aughts, but was relaunched in 2015 following Babenzien's 10-year stint at Supreme. "The same ideas were there the first time around, but business was really different at the time," said the designer. "It was a complete

battle. You had to rely on buyers and the press, and if they didn't agree with your vision you were out of luck. The Internet has changed all of that: now we're in a direct dialog with our consumers via social media."

Babenzien's vision is a simple one: to create collections of clothing made to last, manufactured in factories that are respectful of the people they employ, that are of good enough quality in order to be passed down several generations and that steer clear of trends.

"What we are trying to do is to educate people about what they consume and how they consume it," said Babenzien, whose ecological conscience, which was an integral part of the surf community he grew up around, truly awoke following the birth of his daughter in 2015.

"Are people being influenced to buy things they don't really need?" asked the Noah founder. "Our position isn't so much about sustainability, because businesses like ours are not sustainable — anyone who says so is lying. But it's more about intelligent consumption, and less about buying cool."

"Everyone is just trying to fit in. We need to convince people that they can step outside of trends. It's especially hard for teenagers — you just want to be liked. And I get that, I was that kid, too. But we carry these behaviors into our adult life and we just keep on buying more expensive stuff. Our environmental position is: Buy smarter."

The irony of organizing a sustainability-oriented event in a department store was not lost on Babenzien, whose company works with recycled cotton and cashmere for some of its lines and donates 1 percent of its annual revenue to the "1 Percent for the Planet" movement.

"No lie — when I was first approached for this project, I said 'no,'" the designer said, describing the Galeries Lafayette Champs Elysées as a "place dedicated to consumption" in a press release (but is nevertheless impressed with the team's commitment and the "incredible" design of the store).

"This is the audience that needs to be reached," he said. "In a way, back home we're kind of preaching to the choir."

He gestured to the shoppers milling around him. "These people here don't care. They are focused on looking good. As a brand, we're good at messaging. We'll hopefully engage people and get them to question things. And you have to go where the fight is." — FLEUR BURLET



A look from the Døen exclusive collection at Net-a-porter.