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B e a u t y S y m p o s i u m



*“We made a choice
to say ‘no’ to everything
a heritage brand should be”*

—Verane de Marffy



From left: Caroline Fabrigas, Karen Young, Linda Levy, Margaret Hayes, Verane de Marffy, Emily Dougherty, Dianna Ruth, Robert DeBaker

“Does the customer care about newness?” **Emily Dougherty**, beauty and fitness director of *Elle* magazine, posed this question to readers five years ago, and again this year, and shared the (possibly) surprising answer to the crowd gathered for FGI’s annual beauty symposium and luncheon, held May 9 at the New York Hilton.

In 2012, she said, customers equated newness with improved products, and were not impressed by package design or popularity. Today, the pendulum has swung the other way: New does not mean improved, and design is an important selling point. “Products have to be pretty—for better ‘shelfies’ and the marketing needs to make the customer feel like part of a tribe,” she said in her opening remarks. Thus, while last year’s symposium addressed lightning-bolt products and nurturing innovation, the focus this year is “Pioneering Beauty”—and what that means in 2017 is “changing the market, not the product.”

Dougherty said the survey revealed customers were looking for authenticity (brands they trust, niche or not), accountability from spokespeople (more authenticity), and accessibility (anyone can get anything now, thanks to the Internet, although they also buy into the “designed” inaccessibility of limited editions). The “Call to Action” for today’s beauty marketers, according to Dougherty: “Celebrate the magic: Don’t make customers feel like outsiders.”

The panel included **Verane de Marffy**, vice president of marketing, CRM and social media for Yves Saint Laurent Beauté; **Linda Levy**, omni group vice president and DMM, fragrances, at Macy’s; **Dianna Ruth**, product developer and COO of Milk Makeup; and **Robert DeBaker**, president and CEO of Becca Cosmetics.

Dougherty started the conversation by asking each panelist to explain how theirs is a pioneering beauty

brand. For YSL, said de Marffy, “Innovation is at our core....We made a choice to say ‘no’ to everything a heritage brand should be,” using digital with Black Opium to make a full turnaround and connect with a millennial customer.

For both Milk and Becca, newness rules—Ruth citing speed and new categories, DeBaker crediting “break-through” products like their highlighter, backed up by a goal to “make people fall in love” with the products.

As a multibrand retailer, Macy’s has a different challenge: Levy explained that Macy’s cultivates a combination of new and classic brands to ensure the variety and mix customers want from a retailer. “People love the Macy’s brand. We bring the fireworks, the parade, the flower show,” she said. “But we need to talk to the customer in a different way. We put fashion first—and we always want to be moving forward.”

Considering the importance, not just of the Internet, but of social media, in reaching customers today, Dougherty asked DeBaker about the role of digital media in Becca’s marketing strategy. “We went to social because there was no place else to go with no budget,” said DeBaker. “We started out by sending product to bloggers—before we called them influencers.” The brand currently has 1.8 million followers on Instagram, up from 3,000 just three years ago. But the brand is now owned by the Estée Lauder companies—“Does that change things?” asked Dougherty. Not really: DeBaker said that while Lauder will help the brand go global faster than they could have on its own, “As a startup, cash is king: We had to focus on keeping a tight assortment that performs well, and that probably won’t change.”

Milk’s offering, on the other hand, is rather broad: lots of sku’s ranging from deodorant to nail polish. “We look at it as a lifestyle, not a specific product category,” said Ruth. And they sell to customers mainly

online. Milk has only two retailers, Sephora and Urban Outfitters. “We tailor our mix to that girl,” says Ruth.

Panelists agreed that mobile has changed everything: It makes it easy to reach customers—everyone has their phone in their hand—but it also creates challenges, like how to guide them through a sea of products without overwhelming them with choice.

A huge part of business today revolves around data, whether to guide the customer or to develop products. At YSL, de Marffy says they use data to create consumer profiles and do lots of testing. At Macy’s, Levy explains how they share data from 500 stores and 35 million customers with their partners.

On the other hand, DeBaker says Becca doesn’t use data. “We go with our gut. Everyone on the team is young and creative—we are our customer.”

Dougherty finished up by asking about survival, and staying “cool” in an environment where the more established a brand becomes, the less cool it is. For YSL, de Marffy said the key is to move forward without trying to be good at everything, to stay true to the brand’s story and legacy. Macy’s, which also has a long history as a brand, takes the opposite route as it needs to sell many brands and items. Its path, according to Levy, is to “reinvent discovery” for its customers.

For the younger brands represented, Becca and Milk, the path to survival is to stay in touch with the customer and understand who she is and what she wants, and focus on the next generation of product.

The luncheon was generously sponsored by Hearst Magazines, L’Oréal and Cosmoprof.

— **Katie Kretschmer**
Editor/Contributing Writer



From left: Paul Charron, Danny Ryder, Mike Blandina, John Tighe, Nancy Cardone Berger, Robin Lewis

On the morning of June 6, Fashion Group International partnered with The Robin Report to host a discussion on the state of the department store. After an introduction by The Robin Report founder and retail consultant **Robin Lewis**, moderator **Paul R. Charron**, former CEO of Liz Claiborne, took the stage to lead a discussion on the challenging environment facing department stores. The panel included **Mike Blandina**, EVP product and engineering and CTO at Westfield; **Danny Ryder**, EVP of online merchandising and digital experience at Nordstrom; and **John Tighe**, EVP and chief merchant at J.C. Penney. Both Ryder and Tighe joked that they didn't know the name of the panel when they agreed to participate.

Charron opened the discussion by sharing his belief that department stores need to make bold and transformative changes in order to evolve and survive the current retail climate. Tighe said J.C. Penney is working on creating ways to inspire and engage shoppers in order to drive traffic to its stores. "It isn't just selling commodities, it's an experience," he said. While J.C. Penney does operate e-commerce, Tighe said that 79 percent of their orders involve a store in some way, whether they are shipped, returned or picked up from one of their physical locations.

Blandina shared a controversial view: "Omnichannel is dead. The consumer is the channel." He argued that the experience starts and ends at home and technology that can combine the physical and online worlds will revolutionize the retail industry. He pointed to Amazon's Alexa voice technology as

an example of innovation that is driving retail sales. Charron agreed, saying, "The reason I don't like omnichannel is because it's a garbage word. It's open to interpretation and it's not a strategy." Charron suggested that department stores are a meeting place, where product is secondary to experience. He believes that department stores should be using their windows to tell stories, not just showcase product. "Socks on sale is not a story," he continued. Tighe had a slightly different take, saying that J.C. Penney believes great brands and product can help tell stories when it's done with a compelling partner like Nike.

Charron also asked the panel what success will look like for a department store or mall in 2020. Ryder said that storytelling and great product will continue to be important, as well as allowing consumers to shop on their own terms. For example, Nordstrom is currently testing self-service and reserving items in-store in "sandbox stores" in an effort to "give customers service on their terms."

From the mall side, Blandina said, "Nobody cares about the Westfield app and nobody ever will. We need to go where they are." According to Blandina, that includes being on platforms like Snapchat and Facebook Messenger as well as tracking shopper location on a very detailed level. Westfield is currently sharing its data with retailers and other mall operators to help everyone deliver the best possible consumer experience. Ryder echoed the importance of data, saying that it will help drive personalization, so retailers can keep up with the constantly changing fashion industry.

On the topic of how malls can reinvent and repurpose themselves, Blandina went back to the idea of providing an experience, which Westfield is doing in a variety of ways, including acquiring a Broadway company to bring entertainment to their malls. Westfield is also investing in gyms, salons and high-end eateries to make their malls more experiential.

Tighe shared an anecdote about visiting a mall in Australia that included dry cleaners, grocery stores and even a dentist. He said that by putting all of these things in one place, it makes life easier for consumers and they will visit the mall more often. For him, convenience, and not necessarily technology, is key. "It doesn't have to be all Star Wars stuff," he said.

Ryder agreed that experience is key and shared that Nordstrom's restaurant business is one of their best performing divisions right now. "We used to hide it away and it's now a vibrant part of the store," he said. "People like drinking while buying clothes," he added. Nordstrom is also creating experiences through interesting brand partnerships, like Tesla pop-up shops in select locations.

While the panel couldn't solve all of the retail industry's challenges in one morning, they all agreed department stores need to work smarter and faster to keep up with consumers' changing expectations. "The bar continues to get raised on convenience," said Ryder.

— **Melissa Pastore**

Contributing Writer, melissa.pastore@gmail.com



Brett Heyman

On June 27, the Next Gen Committee welcomed **Brett Heyman**, founder of accessories brand Edie Parker and a 2016 Rising Star Award winner, to FGI's New York City headquarters. Over the course of the evening, Heyman talked about everything from her inspiration for her collections to how personalization is driving her business. She also joked that her Rising Star Award is the first and only thing she's ever won.

Heyman was always obsessed with fashion but she had "pragmatic parents," so she didn't immediately pursue a career as a designer. Instead she did internships at Elle magazine and Armani, which helped her land a job doing public relations at Gucci after college. She later moved on to Dolce & Gabbana before returning to Gucci. She says her career in public relations gave her a "great awareness of the industry" and she saw an opportunity in the evening bag category. She was also able to leverage relationships she built throughout her career to secure editorial and red carpet placements for her bags, which helped establish her brand.

Heyman grew up in Los Angeles and loved buying vintage acrylic bags and always received compliments when she wore them. When she finally decided to leave her corporate job to start her own label, her beloved vintage bags were her inspiration. It was also important to her to manufacture in the US and she eventually found a factory in Chicago. When it came time to name her brand, she named it after her daughter. "It took me so long to land on a name for her."

Even though it was risky to leave a corporate job to start her own brand, Heyman says she launched Edie Parker when she was a "grown up" and she didn't rush anything. "I had a good job for a while. If I try and fail, I can get another PR

job. I had done my research," she said. She said growing slowly has allowed her to be profitable since inception because she didn't have the pressure of private equity investors.

Her business really took off in 2011 when she made a bag with her friend's name on it as a 40th birthday gift. "It felt new. Personalization is everywhere now," said Heyman. When she offered the personalized bag concept to her buyer at Bergdorf Goodman as an exclusive, it wasn't warmly received. Heyman recalls the buyer telling her, "I think that's so weird." The Edie Parker "Bespoke" program ended up taking off, partially thanks to the support of celebrities and influencers. The Edie Parker website now features an interactive simulator to help customers design their personalized evening bags. The clutches are "truly hand-made" for each customer and take about six weeks to produce.

Heyman says she now faces the challenge of expanding her business to avoid being a "one-hit wonder." When exploring new categories, Heyman said she asks herself, "Edie Parker is for Friday and Saturday, how do we get the other days of the week?" Last year, Edie Parker expanded into the home category in an effort to move beyond the weekend and the evening bag category. Heyman says it makes sense for the brand because the home line uses Edie Parker's core material of acrylic.

Another new endeavor for Edie Parker is its recently opened Madison Avenue flagship boutique. Even though it's a "tricky time in retail" and Edie Parker has great wholesale partners, Heyman said she "needed a place where people could see the world of Edie Parker." Heyman said the store is part of her plan to build her brand. Her philosophy is to "focus on what you're good at and add slowly."

Heyman also touched on her philosophy for a healthy work-life balance. After working for some "crazy women" earlier in her career, her company motto is to be nice to everyone. "I believed you could be serious and not be insane," she said. "We're going to do a good job, but we're going to be people."

— **Melissa Pastore**

Contributing Writer, melissa.pastore@gmail.com

iTalk Calendar of Events

Thursday, August 10th

FRONTLINER

"Rising Star Dialogues"

A panel discussion: In a growing business, how do you navigate the changing retail marketplace while maintaining engagement with your customer?

Industry City HQ
274 36th Street, Brooklyn New York 11232
Sunset Park

5:30-6:00 pm Reception / 6:00-7:00 pm Program

Panelists:

Freida Rothman

Designer, Freida Rothman Accessories

Loris Diran

Designer, Loris Diran Menswear

Jason Miller

Designer, Roll & Hill

**For more information and to purchase tickets
Visit www.fgi.org or call 212.302.5511**

Each January, FGI recognizes a group of up-and-coming designers, entrepreneurs and other creatives in the fashion, retail, beauty and decor fields. As the Rising Stars of the industry, we thought it might be enlightening to ask them about how they got this far, and what they see for the future. We've been featuring their replies here. In this issue, we talk to **Allison Mitchel** of Allison Mitchel LLC, Rising Star winner for accessories, and **Gabriel Hendifar**, who along with **Jeremy Anderson**, and their company, Apparatus, took the Rising Star award for home / interiors.



Allison Mitchel
of Allison Mitchel
LLC,
Accessories
Rising Star



Gabriel Hendifar
Jeremy Anderson,
of Apparatus,
Home / Interiors
Rising Star

How has winning the Rising Star award affected your career, and how do you see it shaping your business/career in the future?

ALLISON MITCHEL: It takes more than just winning the award for it to affect a career. As with any accomplishment, I have been leveraging my win to help open some doors that were previously closed or hard to get into. For example, since winning, I reached out to a few New York City-based showrooms that I had my eye on to partner with, and I signed with one that focuses on sales and brand development to make sure my name and my product stay at the forefront of New York's emerging designer scene. I plan on following in the footsteps of the illustrious past winners I now share this honor with and contributing to the prestige of this award.

GABRIEL HENDIFAR: Winning the Rising Star was very gratifying in that it connected us to a larger community outside the normal interior design world that we exist in. We hope that it will lead to interesting conversation and connections that reach beyond product.

Does the investment in a major branding event (such as a runway or party/presentation) make sense today or does social media work better to grow a brand?

AM: Unless you can afford it and attract the big press outlets, celebrities, bloggers, and industry professionals, fashion week shows and presentations are a complete waste of time and money for any brand. It's much wiser to invest those dollars in a showroom or a sales rep team that will introduce your brand to buyers and get your name into the industry first, media second. I always lean towards press I've gotten organically, not just because it's free, but also because it tends to convert into direct-to-consumer sales more so than paid press does. Social media is a way for me to consistently reassure my customers that my product is solid, our brand is unwavering, and their money is well-spent with an Allison Mitchell purchase. It's all about gaining the trust of the consumer.

GH: We find social media very effective, but there is no substitute for creating an immersive, emotionally resonant experience to breath life into the work. This is why we continue to do exhibitions and show new work in carefully considered contexts.

If you weren't in your current profession, what would you be doing (and why)?

AM: Honestly, I think I would be trying to get here if I weren't doing this! I can't imagine doing anything else, though I've had a very twisted career path that led me through jobs in corporate copywriting, corporate brand development, culinary school, professionally cooking in restaurants, catering and event sales, and starting a digital marketing agency. I took invaluable lessons from every phase of my career, but none of them gave me purpose the way fashion does. This is home for me.

GH: I would likely still be working as a women's wear designer, which I did for 10 years before Jeremy and I met and founded apparatus.

In the next five years, how will your role—and that of your industry—play out in a dramatically changing retail environment?

AM: If only I knew the answer to this question! The retail environment and the business of fashion is shifting so rapidly—the only way to stay on top of it is to be in the middle of it. I think high-end accessories, specifically handbags, will always have a solid demand from consumers because they function as status symbols as well as fashion. I also truly believe that people will always buy art, meaning, people will always buy things they feel emotionally connected to, and fashion is moving into an age where provocative, conversational pieces are being consumed by a much broader market than before. The collections that are available to the masses via online retailers like Net-A-Porter and Moda Operandi are avant-garde and statement, not mass-produced and streamlined. I plan on staying flexible and being able to adapt to

this ever-changing industry and retail environment, but more importantly, I plan on staying true to the Allison Mitchell brand of delivering exquisitely crafted, thoughtfully designed pieces of art that, in some small way, carry a truth in them.

GH: We value a direct relationship with our clients and have invested in making sure that their experience in our studio is consistent and brand appropriate. In this way, we hope that we live slightly outside the changing retail environment at large.

What advice would you give to the next class of Rising Star nominees?

AM: Let the nomination be the honor and don't put any energy towards worrying about winning or losing. On the day of the awards luncheon, everyone has the exact same opportunity to network and shake hands, no matter who walks away with the award.

GH: Make things because you believe they have to exist.

— **Katie Kretschmer**
Editor/Contributing Writer

In Memoriam: **Marie Conners-Lavigne**

Valued, long-time Fashion Group member **Marie Conners-Lavigne** passed away in Dallas on May 17th.

As a member of the retail development and leasing teams of the Dallas Market Center, Marie's skill at building relationships with apparel and accessories stores, as well as softgoods exhibitors, was key to the growth in the number of exhibitors and the increase in attendance. As the Dallas Market Center ambassador to a community of buyers and exhibitors, Marie was loyal, ever positive, full of energy and a reflection of the best qualities of the industry. A celebration of Marie's life was held on June 29th at the World Trade Center in Dallas and she will be held in the hearts of her beloved husband, Andy, her fellow FGI members, her Dallas Market Center Family and all whose lives she touched.