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# IMAGES Business of Fashion™

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**high rentals  
low footfalls  
who's to blame?**

# IMAGES Business of Fashion™

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I have said it before and I'll say it again. We are a land of vast potential; we are a nation just waiting to happen. At each of the IMAGES events this fact is driven home and how! The younger generation is hip, modern and fashion conscious. With a billion plus population what potential! At the recent InFashion trade show the overwhelming number of participants reinforced that even operating from the remotest corners of the country, retailers and manufacturers are doing good business. Yes, a major chunk of that business comes from the traditional sector. But, what is to stop the traditional and modern sectors from aligning themselves to maximise their margins?

More than sixty years ago India became a free country. Much was decreed and, to some extent, done by those in power to bring India out of those dark and backward days. We have indeed taken giant strides since then to emerge as a country to reckon with. Today, India is a rapidly developing economy bursting with business possibilities—a testament to what right government policies and incentives can do. Industries are becoming increasingly stronger not only in terms of topline and bottomline but also as a unified sector. The fallout of the recent 10 per cent excise levy on branded readymade garments is a classic example of how the retail industry nationwide rallied together to protest. As a result, the government was compelled to offer a reduction, which has not satisfied the industry and it is continuing its efforts even as we go into print. Power to the retailer!

When we started researching our cover story about the rising rentals in shopping centres we found a mismatch of expectations and deliverables between retailers and mall owners. Who is responsible? The question is moot. If the industry can unite against a government decision forcing it to reconsider, can both not work together such that all gain?

Hold that thought while you enjoy reading the issue...



Amitabh Taneja

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## high rentals low footfalls who's to blame?

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**InFashion**

Potential & Opportunities in the fashion retail industry



# Sports DNA on the RISE

**W**ith 35 per cent of India's populace below the age of 14 years and 56 per cent below 25 years, the country is essentially a young nation and has a young workforce. As a result, there has been a rise in the disposable income and people are dedicating a part of their income towards fulfilling their desire to remain fit from an early age.

Earlier, lifestyle spend constituted only of dining, entertainment and shopping whereas today a vital element of lifestyle, for most individuals, is sports and fitness. And the reason behind this trend change is because staying fit and healthy have become a priority for people in the country.

With Bollywood celebrities associating with IPL teams, actively watching cricket tournaments on ground and participating in various sports campaigns, the reach of sports has expanded even further. The amalgamation of



SPORTSWEAR IS WITNESSING A CONTINUOUS GROWTH IN THE FASHION INDUSTRY WITH CHANGING TRENDS AND LIFESTYLES. **SUBHINDER SINGH**, MANAGING DIRECTOR, REEBOK INDIA, TALKS ABOUT DIFFERENT ASPECTS OF THE THE INDUSTRY AND ITS GROWTH.



# The taste of **Spanish Luxury**

SPANISH DESIGNER ADOLFO DOMINGUEZ ENTERS INDIA MARKET IN ASSOCIATION WITH RETAIL PARTNER WADHAWAN LIFESTYLE RETAIL.

ABHINAV ZUTSHI, BUSINESS HEAD, INTERNATIONAL BRANDS, WLR, TALKS THE VALUE PROPOSITIONS OF THE BRAND.

by Shweta Jain ———

**M**uch celebrated Spanish luxury prêt label Adolfo Dominguez (AD) opened its first boutique in India at the Ambience Mall, New Delhi. It's a first designer label from Spain to enter the country, after the luxury high street brand Zara.

Abhinav Zutshi, Business Head, International Brands, WLR, says, "Adolfo Dominguez truly represents Spanish luxury fashion. It holds an essence of affordable luxury, while bridging the gap between luxury and premium markets. This is a new category, which we would like to spearhead – so far brands that have entered the Indian market have been either a slice of luxury or affordable, but we really haven't seen any players in this segment. Our collection in India will be at par with international trends and the store here promises to give the customers an elite fashion experience."

Adolfo Dominguez that has over 600 point of sales across 27 countries. According to Zutshi the brand has made its India entry and that too in Delhi at a good time, "Delhi people have a high level of brand consciousness and it is a compelling market for growth. So, opening the first store here was an obvious thing."



**Management consultant Harminder Sahni analyses the highs and lows of the fashion retail industry. Covering a spectrum of topics, each month he looks at the need of the hour for India.**

I was at the InFashion conference organised by FAITMA and IMAGES Group last week in Mumbai. It was an amazing experience to see hundreds of textile retailers, wholesalers and mill owners not only mingling around dozens of stalls that were showcasing their wares but also the enthusiastic participation at interactive knowledge sessions.

The excitement was palpable and infectious, the interactions were interesting and engaging and the discussion was mature and lighthearted.

I saw some truly native intelligence being applied to answer some very complex questions that are facing the industry. Above all, I was really impressed to see the level of humility that prevailed throughout the proceedings. It was nice to see some of the young mill owners and wholesalers (sometimes bigger in size than mills), refusing to accept the accolades and insisting that their success should be attributed to their elders be it father, uncle or even an elder brother. I haven't come across such level of honesty,

humility and practical business sense in one room for a very long time.

It was the first-ever conference at this scale that brought in all stakeholders of textile industry on one single platform to not only showcase their capabilities but also to discuss and debate the issues and challenges facing the industry.

As expected, there were many who were over optimistic about the future of the industry and were of the opinion that the textile industry has seen many threats in its lifetime and has always come back stronger. On the other extreme there were pessimists who were quite aggressive in predicting the demise of the industry as it exists today. However, like all situations in life, I believe the answer lies somewhere in between. Both these extremes have a major role to play in the evolution and growth of any industry. On one side someone has to create the sense of urgency so as to provoke players to not be complacent and act faster and not letting their pessimistic predictions come true. And on the other side, the optimists are needed to provide the belief to fence sitters that all will remain well as long as we pull together in the right direction.

I was silently observing all these interactions and even when I participated in two panel discussions, I was for a change keener on listening to what these

people had to say. I came back with some interesting thoughts about the textile trade in India.

The first and foremost thought that stuck me was that business of fabric sales be it for menswear or womenswear isn't going to disappear in our lifetimes at least and may last even beyond that. The major components of textile trade are dress

# Textile Trade

## Not the bottom but the foundation of the fashion industry pyramid





# A Strategic Entry

FOR BESTSELLER, IT IS ALL ABOUT THE RIGHT BUSINESS PLAN AND VINEET GAUTAM, COUNTRY MANAGER, BESTSELLER GROUP INDIA, DISCUSSES VARIOUS ASPECT FOR THIS SUCCESSFUL BUSINESS MODEL.

by Aakriti Agarwal

**B**ombay Rayon Fashions Limited (BRFL) is a leading manufacturer of shirts in India. With a capacity of manufacturing 50 million metres per annum its current production output is 35 million pieces per annum. Established in 1986, the company grew from strength to strength and diversified from being a fabric manufacturer to fabric exporter to launching its own garment division. The latest feather in its cap is the joint venture in 2009 with Danish apparel and accessories chain Bestseller that represents brands such as Name It, Vero Moda, Jack & Jones, Vila, Only, Selected Femme/Homme, Pieces Accessories, Object Collectors Item, Mamalicious and Outfitters Nation. And Prashant Agarwal, Managing Director, is the man responsible for bringing these international brands to India. IMAGES BoF talks with Vineet Gautam,





THE INDIAN MARKETPLACE IS BEGINNING TO UNDERSTAND AND APPRECIATE LUXURY. BLUES CLOTHING COMPANY (BCC), A WELL-KNOWN RETAILER OF FASHION APPAREL AND ACCESSORY BRANDS, HOPES TO CAPITALISE ON ITS EARLY-ENTRY ADVANTAGE TO CARVE A NICHE FOR ITSELF. NIVEDITA JAYARAM PAWAR SPEAKS WITH EXECUTIVE DIRECTOR ABHAY GUPTA ABOUT MARKET DYNAMICS AND THE ROAD AHEAD.

# Spearheading the **Luxe Wave**

**S**paces such as Delhi's Emporio and Bangalore's UB Mall have upgraded the retail space offering and even an economic slowdown has not deterred luxury brands from taking baby steps in India. According to the India Luxury Review, research estimates the total annual Indian luxury market at about \$4.3 billion in 2007 with optimistic prediction of it exceeding \$30 billion by 2016. It is then small wonder that so many luxury brands are heading towards India.

An early entrant in the luxury retail segment, Blues Clothing Company retails luxury brands through its standalone boutiques for Versace, Versace Collection, Corneliani and Cadinì. Executive Director Abhay Gupta has expanded the company's portfolio to include Royal Blues which houses premium ethnicwear from reputed Indian

designers. Diversification saw the company enter the home segment with the launch of Blues Home showcasing brands such as Versace Home, Ayaan, Jagtar, Obsession Xclusif, El'unique 925 and Haute Monde. Speaking to IMAGES BoF, Gupta reveals his thoughts on the market dynamics of the luxury segment and the road ahead. He feels that in this era of market capitalisation, bigger retailers would try to consolidate their positions by expanding further or acquiring smaller players.

**How do you zero down on a brand to be brought to India? What are the factors you consider?**

We undertake an intensive market research to understand the trend and



# The Classic touch

STARTED IN THE YEAR 2001, CLASSIC POLO HAS MADE A STEADY JOURNEY AND HAS BEEN ABLE TO MAKE IT BIG ACROSS THE COUNTRY AND OVERSEAS. **T.R. SIVARAM**, EXECUTIVE DIRECTOR, RCG GROUP, TALKS ABOUT UPS AND DOWNS OF THE BRAND.

**C**lassic Polo, a complete men's wardrobe solution, was launched in the year 2001. The brand's range, comprises of T-shirts, shirts, trousers, jackets, sweaters, denims and sportswear. It is the flagship brand of Royal Classic Group (RCG), a \$60 million textile major, which was incepted in 1991. The group later, in 2004, acquired another T-shirt brand - Smash - and launched its exclusive premium men's range under the brand in April 2005.

RCG's inception coincided with the economic liberalisation in India, therefore, the group reaped the benefits of a trade-friendly market scenario. T.R. Sivaram, Executive Director, RCG Group, says, "Liberalisation resulted in a good exposure for all the

# Taking the Denim Road



BEGINNING ITS JOURNEY IN THE YEAR 1995, THE BRAND IS NOW VENTURING IN OTHER REGIONS WITH A DIVERSE ARRAY OF JEANS AND CASUALWEAR. **PARESH CHANDAN**, PROPRIETOR OF THE FIRM TALKS TO **IMAGES BOF** ABOUT GROWTH OF THE BRAND.

**B**angalore-based casualwear brand Hard Currency started in the year 1995. The brand has well established itself in the southern market and now has plans to venture in other regions across the country. Paresh Chandan, Proprietor, Hard Currency, was always passionate about manufacturing ready-made garments, specially jeans, which he initially sold to small retail outlets. His entrepreneur aspirations led to the birth of the brand Hard Currency.

Asking him about the reason behind the name of the brand, Chandan, says, "Initially, we had named the brand just Currency but the name was already registered. Not wanting to change the name completely we renamed it as Hard Currency." Today, the turnover of this entity is ₹10 crore, and the brand is looking forward to increase it to ₹18 crore by the end of this year. The brand caters to a wide consumer base, ranging from fashion-conscious youth to consumers who prefer simple and sophisticated designs.

MY HOMESPUN PICKS

AND  
109°F  
Tresmode  
Insense  
Eliza Donatein  
Life  
remanika  
Tribal Zone

# Aditi Singh Sharma

Venue Courtesy: Shoppers Stop, Inorbit Mall (Malad), Mumbai.  
Photo credits: Sameer Joshi, Fotocorp

WITH THE RECENT BOLLYWOOD CHARTBUSTERS *DILLI DILLI* AND *AALI RE* FROM THE FILM *NO ONE KILLED JESSICA*, PLAYBACK SINGER, **ADITI SINGH SHARMA** HAS BEEN MAKING NEWS. HER DUET WITH SINGER KK FOR THE FILM *GAME* HAS BEEN CREATING WAVES FOR A WHILE NOW. WHEN SHE'S NOT RECORDING OR BELTING OUT SONGS AT A LIVE PERFORMANCE, ADITI IS SCANNING THE CITY FOR NEWER SHOPPING HUBS. **NIVEDITA JAYARAM PAWAR** OF *IMAGES BOF* WAS PRIVY TO ONE SUCH SHOPPING JAUNT IN MUMBAI.

