

# IMAGES Business of Fashion™

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The image shows the interior of a Brooks Brothers store. The store is well-lit and features wooden paneling and display cases. In the foreground, a round wooden table holds several stacks of folded clothing, including shirts and trousers, along with a pair of shoes. A black suitcase is placed on the floor under the table. In the background, more clothing is displayed on shelves and hanging racks. The store has a classic, elegant atmosphere.

**BROOKS BROTHERS**

## Entry Strategy of Global Brands **Impact of FDI**

**CURTAIN RAISER:** Business leaders set an agenda for IFF 2013.  
20-22 March 2013 | Bombay Exhibition Center | Goregaon, Mumbai INDIA

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editor-in-chief amitabh taneja  
editorial director r s roy  
publisher s p taneja

executive editor sapna khanna  
editor-in-charge aakriti agarwal (sr. correspondent)  
chief of bureau (mumbai) nivedita j pawar (sr. assoc. editor)  
chief of bureau (bangalore) rajeev kumar (assoc. editor)  
correspondents roshna chandran (bangalore)  
shahona datta (kolkata)  
sanjhi agarwal (delhi)

#### creatives

art director pawan kumar verma  
asst. art director dinesh devgan  
layout designer rajeev kumar  
sr. photographer vipin kardam

#### circulation & support

assoc. vp – consumer connect anil nagar  
general manager – administration hemant wadhawan  
sr. manager – circulation r p singh  
dy. manager – operations rajesh kumar  
sr. executive – subscriptions kiran rawat

#### production

general manager manish kadam  
sr. executive ramesh gupta

#### Advertising

**santosh menezes**, assoc. vice president (fashion)  
santoshmenezes@imagesgroup.in  
Mob.: +91 9820371767

#### DELHI

**rajesh kaul**, dy. general manager (fashion)  
rajeshkaul@imagesgroup.in  
Mob.: +91 9811671547

**jayant arora**, manager (fashion)  
jayantarora@imagesgroup.in  
Mob.: +91 9818626724

**manosh mohan**, dy. manager (fashion)  
manoshmohan@imagesgroup.in  
Mob.: +91 9312139443

#### MUMBAI

**zankhana mistry**, asst. manager (fashion)  
zankhanamistry@imagesgroup.in  
Mob.: +91 9967375649

#### KOLKATA

**piyali obero**i, assoc. vice president  
piyalioberoi@imagesgroup.in  
Mob.: +91 9831171388  
**pratik ghosh**, sr. executive (fashion)  
pratikghosh@imagesgroup.in  
Mob.: +91 9330171388

#### Images Multimedia Pvt. Ltd.

**Delhi:** S 21, Okhla Industrial Area, Phase II, New Delhi 110020  
Ph: +91-11-40525000, Fax: +91-11-40525001

**Mumbai:** 1st Floor, Bharat Tin Works, Opp. Borosil Glass Works, Off. Military Road, Marol Maroshi, Andheri(E), Mumbai 400 059  
Ph: +91-22-42567000, 29200043/46, Fax: +91-22-42567022

**Bangalore:** 523, 7th Cross, 10th Main, (Jeevanbhima Nagar Main Road), HAL 3rd Stage, Bangalore 560 075  
Ph: +91-80-41255172/41750595/96, Fax: +91-80-41255182

**Kolkata:** 30-B, Anil Roy Road, Ground Floor, Kolkata 700 029  
Ph: +91-33-40080480, Fax: +91-33-40080440

#### BANGALORE

**suvir jaggi**, assoc. vice president  
suvirjaggi@imagesgroup.in  
Mob.: +91 9611127470

**sunil disley**, sr. manager (fashion)  
sunildisley@imagesgroup.in  
Mob.: +91 9480581719

#### AHMEDABAD

**pankaj vyas**, manager (fashion)  
pankajvyas@imagesgroup.in  
Mob.: +91 9909977088

#### LUDHIANA

**hemant gupta**, associate  
hemantgupta77@gmail.com  
Mob.: +91 9814019745

#### CHENNAI

**s. venkatarahaman**, associate  
thulsi53@gmail.com  
Mob.: +91 9444021128

The sheer number of brands that are now present in India and the new ones that are entering every year is a clear sign of strengthening confidence among international brands that India is now one of the most important markets that they cannot ignore for long. Wanting their own piece of the Indian fashion retail pie, they are restructuring their existing Indian presence or configuring their maiden over with greater ownership. In this second story in the series on the "Opportunity for Global India", Third Eyesight evaluates the impact of recent relaxation of the FDI rules and the entry strategy of over 100 international fashion brands that have entered the market in past two to three decades and those that have decided to come full-throttle in this attractive market with a long term vision.

With plenty of action on the fashion front – entry of global brands, new concepts coming in, new store launches and evolution of new consumer segments and markets, the India Fashion Forum (IFF) readies itself for the 2013 edition with the thought that it must serve to "influence the influencers" of fashion. With consumers increasingly turning to journalists, bloggers, stylists, opinion leaders, trend forecasting agencies, fashion institutes and Bollywood for lifestyle direction, it is felt that IFF is the only unique medium that can highlight trends, fashion forecasts, style tips, et cetera. By highlighting the real fashion business which is a rich tapestry crafted not just with art but considerable science too, the industry could attract more attention from these powerful "influencers". This in turn would lead to a better appreciation of the many aspects of fashion and style.

With the new focus and emphasis that will fully utilise the very influential power of the IFF, there is no doubt that brands and retailers will take full advantage of the myriad opportunities presented by this unique event and summarised in the promise – "Fashion Your Future".

See you at IFF on 20-22 March in Mumbai.



Amitabh Taneja

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20, 21, 22 MARCH 2013  
BOMBAY EXHIBITION CENTER  
GOREGAON, MUMBAI INDIA

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## ■ BRAND WATCH ■



POPULAR KNITWEAR BRAND, MONTE CARLO, IS WORKING ROUND-THE-CLOCK ON ITS EXPANSION AND CONSOLIDATION PLANS.

**SANDEEP JAIN**, EXECUTIVE DIRECTOR, MONTE CARLO FASHIONS LTD. SHARES WITH **BHAVYA VYAS** THE BRAND'S FUTURE PLANS.



**Sandeep Jain**  
Executive Director, Monte Carlo  
Fashions Ltd.

# Going STRONG

**O**swal Woollen Mills (OWM), the flagship company of the ₹21,500 crore Nahar Group, began operations in 1949 as a hosiery factory in Ludhiana. OWM, also known as Monte Carlo Fashions Ltd. today, owns two knitwear brands, Monte Carlo and Canterbury.

Most popular for its knitwear line with more than 500 designs for men, women and kids, Monte Carlo Fashions Ltd. has invested in a dedicated research and development department for woollen knits and weaves with all its designs being made using state-of-the-art machinery imported from Japan, Italy, Germany and the U.K.

Alongside woollens and knitwear such as tracksuits, jackets, sweatshirts and polo necks, Monte Carlo now aspires to become an all-season brand with its recent entry in T-shirts, summer fashions and trousers. The upper segment brand presented by Monte Carlo is Canterbury which has a premium range of cardigans and pullovers. Sandeep Jain, Executive Director, Monte Carlo Fashions Ltd. talks about the brand's plans and strategies.

**What is the current store count of Monte Carlo? How many new stores do you plan to launch in the near future?**

**Sandeep Jain (SJ):** We have 160 exclusive brand outlets and retail in more than 1,000 multi-brand stores across India. Monte Carlo is also sold from large format stores such as Shoppers Stop and Planet Fashion. We propose to add 14 new stores by March this year with each shop spanning across an area of 1,000 sq. ft.



SEARCH FROM OVER 500 BRANDS!



**T**he more attractive side of the information technology boom in the nation, and Bangalore in particular is no secret. Riding on the rise of the IT penetration has brought in high business volume for online retailer, Myntra.

According to Mukesh Bansal, Founder and CEO of Myntra.com, most e-commerce websites are either based out of Bangalore or other NCR regions. Bangalore alone accounts for roughly about 15 to 20 per cent of all e-commerce transactions.

Says Bansal, " More than 100 billion people use the internet. There are 10 million people who shop online. This year mobile internet is going to take off in a big way further doubling the number of internet users."

#### Company background

Apart from having the first mover advantage in online retailing in India, Myntra also has the advantage of having established a wide reach. Their website

THE SUCCESS OF MYNTRA.COM IS ALL THE MORE EXCITING BECAUSE IT IS ALSO REFLECTIVE OF THE TIMES AND THE PEOPLE WHO BUY FROM IT.



# TIP of the IT iceberg

by Rajeev Kumar and Roshna Chandran



## ■ RETAIL EXCELLENCE ■

THE ₹85 CRORE LEATHER ACCESSORIES BRAND, DA MILANO, IS WITNESSING YEAR-ON-YEAR GROWTH OF 30 PER CENT. DRIVEN BY STRONG DOMESTIC DEMAND, THE COMPANY HAS EMBARKED ON AN AGGRESSIVE EXPANSION STRATEGY, ALBEIT WITHOUT ANY FRANCHISE PARTNER, AND WILL SOON VENTURE INTO E-COMMERCE SPACE.



Da Milano currently has 35 EBOs across India and wants to reach the 100-store mark by 2015.

# The ITALIAN Touch

by Priyanka Dasgupta



**T**he well-known Indian leather accessories company, Da Milano Leathers, was founded in 1989 to create for Indian consumers an affordable luxury brand with a strong Italian influence. The first flagship store of the company came up in the upscale high-street destination of Connaught Place in New Delhi. According to Sahil Malik, Managing Director, Da Milano, the brand has since then carved a niche for itself in the mind of Indian consumers, driven by the efforts of its designers. "Da Milano has a dedicated team of designers from India and Italy who have an eye and flair for global fashion," he says. "Our designers have a market approach coupled with a sense of finesse and class. They deliver fantastic designs at regular intervals that prompt customers to revisit our showrooms from time to time. We



SO MUCH TALK BUT THE TRUTH IS THAT THE CHALLENGES AHEAD ARE NOT NEW. FDI IS THE RIGHT STIMULUS REQUIRED TO BRING THE INDIAN ECONOMY BACK ON THE FAST-GROWING TRACK.

# FDI and the fuss on fashion

The recent resolution on Foreign Direct Investment, or FDI, in the retail sector has been applauded by a large section of both industry professionals and consumers, despite the many voices debating the merits of allowing FDI in the current economic situation and its possible impact on the Indian retail and manufacturing environment. As is quite apparent, the FDI policy is formulated with the objective of bringing in large funds to be invested in improving the supply chain and back-end of the retail sector (especially for the food and groceries segment) and to ensure that the manufacturing sector also gains from large multi-brand retailers being forced to source 30 per cent of their products (by value) from Indian Small and Medium Enterprises (SMEs). While it sounds like a great opportunity for India to upgrade its manufacturing and back-end retail setup, there are many loopholes and/or threats which have been elaborately debated on in the past few months.

## A parallel positive

From the fashion apparel demand perspective, India has emerged as one of the most attractive destinations for American and European brands in the last 10 years and will continue to hold promise for the next 10 years, irrespective of the FDI policy. Apparel, being a more brand-driven category than, say, food and groceries, has already seen many international brands enter India over the past 15 years despite the restrictions in the FDI policy in single-brand retail. Modern retail in the apparel segment has a share of 19 per cent of the total apparel market at present, compared to a mere three per cent share of modern retail for the food and groceries segment, which suggests that the apparel market has already seen large brands and retailers operating and expanding.

Thus, with the allowing of 100 per cent FDI in single-brand retail there may not be such a large change in the apparel retail landscape accepting probable changes in the operating structure of international



# Making a statement



PITTI UOMO, AN INTERNATIONAL EVENT RECENTLY CONCLUDED IN FLORENCE, EUROPE, SAW A RISE IN INTERNATIONAL BUYERS. THE FINAL FIGURES SHOW THAT OVERALL FOREIGN ATTENDANCE INCREASED BY 5 PER CENT, WITH 7,800 FOREIGN BUYERS. THE FAIR WITNESSED 20,450 REGISTERED BUYERS AND AROUND 30,000 VISITORS.

by **Dr.Sanyogita Chadha,**  
*Trend Analyst (with inputs from  
Piyali Roy Oberoi)*

**P**itti Uomo 83 means: internationality, research, innovation and new talents and it was held in Florence from the 8 to 11 January 2013.

There were 1062 brands that showcased their collections at this event. It is one of the most awaited fairs by designers and retailers who get a preview of what is trending in the forthcoming seasons. While many of the exhibitors have been showing at Pitti Uomo, this is also a springboard for new talent to be showcased. The number of foreign countries and brands participating in the fair has also increased this year pointing to the fact that this fair is getting more international flavour.

The Guest Nation of January was Denmark. This country over the past few seasons and through an interesting platform such as the Copenhagen Fashion Week together with the tradeshows held in the capital city has created a niche for itself among the most interesting places when it comes to cutting edge fashion.



# WOMENSWEAR

## A missed opportunity



I have been ruing over the fact that Indian fashion or apparel industry is highly gender biased and has been totally engrossed with clothing Indian men and has completely ignored the women. Globally, women are much larger consumers of apparel but in India at least in the ready-to-wear and branded segment, the story has been reversed. Though womenswear is catching up quite rapidly in the overall market share but the share of brands and ready-to-wear is much smaller than what it is for menswear. I have tried to argue with many professionals of Indian apparel industry over years but have always been given pretty confident though unfounded and utterly unconvincing answers. My strong belief is that it is less to do with the issues they raise but more to do with them being men. How else will any one explain the absence of any serious lingerie brand or retailer of Indian origin? Anyway, now this whole discussion is null and void as far as Indian fashion houses are concerned. With the arrival of international brands of all hues and shades – be it most powerful global brand such as Zara or a relatively lesser-known Mango or a completely unknown brand (to most Indians) such as Vero Moda – the landscape of womenswear is completely changed and is already absolutely dominated by international brands. Half hearted efforts from brands including Allen Solly Women are no match and I don't hope them to be able to stand any time in future as well in the face of such experienced and diverse international competition.

If you compare any of these international brands with any Indian womenswear brand, you will find Indian one wanting on all aspects. Be it the range, styling, store design, visual merchandising, coordination, overall experience – Indian brands are nowhere close to international standards. If at

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