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ANDREW ASCH

ROCK COUTURE ON SUNSET: Designer Max Noce has opened a new boutique on Los Angeles' famed Sunset Boulevard. For more, see page 3.

Southern California Retailers Benefit From Chinese Tourism Boom

By Andrew Asch *Retail Editor*

Despite signs that the Chinese economy slowed down this summer, Chinese tourism in California is skyrocketing, and retailers are making efforts to make sure the tourists' sightseeing includes spending a lot of money at the mall.

Leading retail centers **Beverly Center** in Los Angeles and **South Coast Plaza** in Costa Mesa, Calif., recently posted profiles on **Weibo**, China's most prominent blogging and social-media site. As with everything else in the Chinese consumer market, the potential is big. Weibo has more than 503 million registered users.

Both retail centers' Weibo profiles highlight what is new at the malls. For example, the South Coast Plaza Weibo site recently featured news of the luxury center's new **Brioni** boutique. Social media is just the latest step in increasing outreach to Chinese tourists. More than 100 stores in the Beverly

➔ **China** page 4

Former USC Football Player Runs With Fashion

By Sarah Wolfson *Manufacturing/Technology Editor*

When Ahmed Mokhtar was a football player at the **University of Southern California**, the running back couldn't find an affordable, comfortable and stylish hooded sweatshirt to wear off the field.

So despite his disapproving parents, Mokhtar took time off from school to create his own. His goal was to create a collection to serve what he considers an untapped market: men's loungewear.

"As a college athlete, sweatpants were a staple of my wardrobe," Mokhtar said. "They were the easiest thing to throw on after practice or for class, but the more I thought about it, the more

I realized that they made me look sloppy and un-put-together. I wanted clothes that combined comfort and style, and I couldn't find any brands that did that. I was inspired to create comfortable clothes [men] could feel good in."

Mokhtar initially launched **Uncl** on campus in 2009 with another USC teammate, Drew Ness, before officially launching it to the wholesale market the following year. (Ness eventually resigned from the company while Mokhtar independently moved forward.)

The name Uncl is a nod to Mokhtar's family nickname—"uncle"—referring to his laid-back persona. Similarly, the Uncl collection has a laid-back and relaxed look—inspired by

➔ **Uncl** page 5

Gerry Building Sold to Apparel-Company Owner

By Deborah Belgum *Senior Editor*

With a new owner may come a new look for the historic **Gerry Building**, one of the principal showroom buildings in the **Los Angeles Fashion District**.

Shawn Far, head of the **Vertigo** clothing line and its parent company, the **Vertigo Group**, closed escrow on Aug. 26 to buy the nine-story structure for \$14.5 million, he said.

As the new owner, he plans to keep the Streamline Moderne edifice at 910 S. Los Angeles St. as a showroom center and not convert it into showroom condominiums, which had been rumored. He will even add his own showroom for his licensed activewear brand, called **Playboy Sport**.

But Far is contemplating some design changes to the 1940s-era building, known for its bank of large, curved windows and terra cotta-colored exterior.

"I've been consulting with Kelly Wearstler," Far said, referring to the Los Angeles interior and fashion design icon, who has a flagship boutique in West Hollywood, Calif. "I'm thinking of painting the outside another color. ... I would

➔ **Gerry Building** page 5

True Religion Names New Creative Director

By Deborah Belgum *Senior Editor*

Now that denim maker **True Religion** has been sold to an investment management firm, there is still some executive shuffling going on.

The company, based in Vernon, Calif., has appointed Gary Harvey to be its creative director, a post previously held by company founder Jeff Lubell.

Harvey, who was **Levi Strauss & Co.**'s creative director in Europe for five years until 2005, will report to Lynne Koplin, chief merchandising officer.

David Conn, the new chief executive officer of True Religion, said Harvey has a real understanding of premium denim. "Gary's inspiring vision will bring an exciting, fresh perspective on the creative direction we need to help our brand evolve into the future," Conn said.

Harvey has spent the last eight years as the owner and creative director of

GaryHarveyCreative, his own creative consultancy in London. His company has worked with **Adidas**, **Chanel**, **Diesel**, **DKNY**, **Levi's**, **Nike** and **Revlon**.

"Gary has a depth of experience in the denim and apparel industries, along with an impressive talent for both men's and women's design," Koplin said.

True Religion was sold in July to **TowerBrook Capital Partners** for \$824 million. One of the first things the New York- and London-based investment management firm did was to name David Conn as the new chief executive.

Conn was president of **VF Corp.**'s retail licensed brand groups. Koplin, who had been interim CEO at True Religion, became the company's chief merchandising officer. Eric Bauer, formerly chief operating officer of **Children's Place** retail stores, became the new chief operating officer and chief financial officer. Pete Collins, True Religion's chief financial officer for the past six years, retired.

True Religion was founded in 2002 by Jeff Lubell and his ex-wife, Kym Lubell. In March, Jeff Lubell left the company as its chairman, chief executive officer and creative director. This was two months before the TowerBrook Capital deal was announced.

In a separation agreement, Jeff Lubell received \$5.1 million in severance pay, the vesting in full of certain unvested restricted stock and other benefits. He also has a deal to consult for the company for two years for \$1 million a year. Kym Lubell left True Religion several years ago.

True Religion started out making premium-denim jeans and expanded into lifestyle clothing and retailing. At the end of June, the company operated 130 stores in the United States and had more than 33 international stores.

True Religion has grown rapidly over the years. Most recently, the company had a \$46 million profit on \$467.3 million in sales in 2012. ●

INSIDE

Where fashion gets down to businessSM




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Gap Looking to Expand 'Reserve in Store' Omni-channel Program

Gap Inc. Chairman and Chief Executive Officer Glenn K. Murphy reported being pleased with "Reserve in Store," the sprawling San Francisco-based retail giant's recent test of its omni-channel retail program, and he is considering expanding the test to more locations.

Murphy discussed the "Reserve in Store" program during an Aug. 22 conference call on Gap Inc.'s second-quarter earnings with Wall Street analysts.

"I think that's proven to be a much bigger draw than I thought it was going to be," he said of the program, where shoppers can reserve items online, then pick them up in stores. "Basically, our store is always open. ... Place a reservation, and first thing in the morning, our team fulfills that."

"Reserve in Store" was tested in 40 Gap and **Banana Republic** stores in the San Francisco and Chicago areas this summer. Gap Inc. did not respond to requests for comment on the program and its possible rollout.

Almost every major retailer is experimenting with omni-channel retail, a program that allows shoppers to make purchases and communicate with retailers through a myriad of ways, ranging from mobile devices and desktop computers to shopping in a physical store.

Omni-channel retail is just taking its first steps, but many forecast that it will make registers ring, said retail technology industry veteran Judah Phillips, who works as vice president of analytics and data science for e-commerce retailer **Karmaloop**.

"The omni-channel concept is new," Phillips said. "There still needs to be time to prove that those investments [in omni-channel] yield profitable outcomes, as they are predicted to."

A **Bain & Co.** study published in a November 2012 newsletter found that omni-channel customers typically spend more—sometimes 70 percent more—than those who shop just one channel.

Gap's Reserve in Store program can be found online at www.gap.com/products/reserve-in-store.jsp. The program's instructions recommend reserving an item on that item's product page. After choosing a size, a list will appear showing the stores in which the item is available. In one hour, Gap will send an email confirming that a garment is reserved at

a specific store. The shopper is then welcome to pick up the item at the store.

Gap Inc. has tested other omni-channel programs recently. One program, the "Find a Store" program, sent shoppers confirmations that a specific item is in a particular store.

Still, the extent of consumer demand for Macy's Reserve in Store program came as a surprise for Murphy.

"Why would I want to reserve something in store?" Murphy asked the Wall Street analysts on the Q2 call. "The ability to go on at 10, 11 or 6 in the morning and see something that really is something you want, and to reserve it, and then be able to get a text from us when the store opens—I think that's proven to be a much bigger draw than I thought it was going to be."—*Andrew Asch*

RETAIL SALES

August Sales Mixed, Steeper Discounts on Horizon, Says ICSC

U.S. chain-store sales posted a 3.7 percent increase for August over the previous year, according to the **International Council of Shopping Centers**. "August sales were softer in the apparel segment compared to July but were steady elsewhere," said Michael P. Niemira, vice president of research and chief economist for ICSC. "The Back-to-School apparel demand was uneven and late, and, overall, August BTS spending was stronger in the earlier part of the month compared to the end. As a result, September is likely to see steeper 'end-of-season' discounts for BTS apparel to clear the remaining inventory."

Going forward, ICSC is forecasting a 4 per-

cent increase in sales in September.

Several retailers reported similar results. San Francisco-based **Gap Inc.** reported a 3 percent net sales increase in August to \$1.123 billion and a 2 percent comp-store sales increase, and Jacksonville, Fla.-based retail chain **Stein Mart Inc.** reported a 3.7 percent increase in total sales in August to \$83.3 million and a 3.8 percent increase in comp-store sales.

Linens, ladies' boutique, gifts and dresses topped the shopping lists for Stein Mart customers, the company said, describing ladies' casual sportswear, ladies' special sizes, men's sportswear and jewelry as "more challenged." The company also reported its strongest sales in Florida and the Southeast and its weakest in

the Midwest and California.

Among those exceeding the average was **Limited Brands**, which operates 2,629 specialty stores under the **Victoria's Secret**, **Pink**, **Bath & Body Works**, **La Senza** and **Henri Bendel** nameplates. The Columbus, Ohio-based company reported a 7 percent increase in net sales to \$704.7 million and a 2 percent increase in same-store sales in August.

Zumiez Inc. also had a stellar August. The Lynwood, Wash.-based company reported a 14.3 percent increase in net sales in August to \$85.9 million and a 3 percent increase in comp-store sales.

August was not so robust for teen retailer **The Buckle**, which announced a net-sale in-

August Retail Sales

	\$Sales (in millions)	% Change from yr. ago	Same-store sales % change
The Buckle Inc.	\$101.10	0.3%	1.0%
Gap Inc.	\$1230.00	3.0%	2.0%
Limited Brands Inc.	\$704.70	7.0%	2.0%
Stein Mart Inc.	\$83.30	3.7%	3.8%
Zumiez Inc.	\$85.90	14.3%	3.0%

Source: company reports

crease of 0.3 percent to \$101.1 million for August and a 1 percent increase in same-store sales.

(Both The Buckle and Gap Inc. noted the comp-store figures were impacted by a calendar shift, which resulted in a 53-week reporting period for fiscal 2012. Figures for 2013 reflect a four-week period ending Aug. 31, while 2012 figures represent a four-week period ending Sept. 1, 2012.)—*Alison A. Nieder*

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Wildfox CEO Sued for Sexual Exploitation

Jimmy Sommers, chief executive officer of the prominent **Wildfox Couture LLC** label, headquartered in Los Angeles, has been sued by a Florida woman who alleges Sommers offered fraudulent promises of employment in exchange for sex.

Meghan Chereek was 17 at the time when the alleged crimes took place, according to the lawsuit.

The lawsuit was filed on Aug. 28 in U.S. District Court in Los Angeles by **Herman Law**, a Boca Raton, Fla.-based law firm that specializes in trying civil cases against people accused of being sexual predators.

Jeff Herman, the firm's partner and founder, won a \$100 million verdict against the Rev. Neil Doherty for abusing a boy in Florida earlier this year.

"What she is alleging goes on in the fashion and entertainment industry all the time," Herman said. "Victims should not suffer in silence, and they should get help."

Wildfox did not respond by deadline to a request for comment.

According to the suit, Chereek said she met Sommers in a Los Angeles restaurant in July 2012 after Chereek had left her family's home in Florida after fighting with her father. Sommers was introduced as the chief executive officer of Wildfox, Chereek mentioned that she was

interested in modeling, and Sommers noted that there would be opportunities to model for his company, according to the lawsuit, which also says Sommers promised her a job at Wildfox designing jewelry. The court documents alleged that he gave her drugs and alcohol and engaged in sexual intercourse with her.

By September 2012, Chereek was unable to pay her rent and moved into a guest room at Sommers' home, the suit continues. No modeling or jewelry-design work came up, but the suit alleges that he built a "hostile living situation" for her and continued to demand sex from her.

By fall 2012, she moved out of Sommers' home and relocated to Florida. Chereek contacted Herman Law earlier this year. She has made a criminal complaint against Sommers, Herman said.

Herman Law is demanding compensatory and punitive damages, as well as attorneys' fees.

Launched in 2007, Wildfox has grown to prominence, selling at retailers such as **American Rag**, **Bloomingdale's**, and **Neiman Marcus**. The company's swim line shows at **Mercedes-Benz Fashion Week Swim** in Miami Beach, Fla. The line offers many categories of fashions, ranging from swimwear to lingerie, dresses, scarves and denim.—*A.A.*

Corrections and Clarifications

In the Aug. 30 story about the recent **Fashion Market Northern California** trade show in San Mateo, Calif., the lines listed as represented by the **Creative Concepts** showroom were incorrect.

The showroom is the West Coast representative for **Aventures des Toile**, **Beate Heymann Street Couture**, **Et Compagnie**, **Indies**, **La Fee Maraboutee**, **Miki Mialy** and **Rodika Zanian**.

Creative Concepts owner Peter Jacobson distributes **Aventures des Toile**, **Beate Heymann Street Couture**, **Et Compagnie**, **Indies**, **La Fee Maraboutee** and **Miki Mialy** through his company, **FashionLink**.

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Orphic's Rock 'n' Roll Confidential Opens on Sunset

Max Noce made a career of finding elegance in rock 'n' roll style, and at his **Orphic** boutique, he hopes to find what's next in the iconic looks pioneered by Elvis Presley, Jimi Hendrix, David Bowie and Lady Gaga.

Noce and business partner/girlfriend Brittney Hastings opened Orphic in March at 9030 W. Sunset Blvd. in West Hollywood, Calif., on the same stretch of concrete where rock clubs **The Roxy** and **Rainbow Bar & Grill** produce concerts almost every night. It's also adjacent to **Shamrock Social Club** tattoo parlor, which lists clients such as Johnny Depp.

The boutique opened with little fanfare, and musicians such as Cee Lo Green and Billy Duffy of **The Cult** picked up clothes from house line



Orphic's Max Noce, left, and Brittney Hastings

Orphic by Max Noce, as well as fashions from the 35 other labels, mostly by California designers.

The mix of music and fashion is rooted in Noce's biography. He started his fashion career working as a merchandising manager for the fashion houses of **Valentino**, **Unga-**

ro and **Dolce & Gabbana** while playing in rock bands in his native Milan and London. His last stop was Los Angeles, where he opened **Sorum + Noce**, a high-end rock boutique, in 2008 with Matt Sorum, formerly a drummer for **Guns N' Roses**. The boutique closed in 2009 after disagreements between the owners.

After a few years of making custom clothing for rockers, Noce partnered with Hastings and entrepreneurs Currado Malaspina and Valentino Negri to open Orphic as a tastemaking boutique for rock fashion and art. Surreal paintings from artists such as Christopher Ulrich line the walls along with guitars and faded Persian rugs. Designers sold there include Antonio Barragan and Mila Hermanovski as well as Noce's line, Orphic by Max Noce.

The custom-made Orphic by Max Noce focuses on menswear, and, recently, the top-selling item has been a tuxedo jacket that retails for \$1,800. "It's really fitted," Noce said of the light wool jacket with a shawl collar, double vent and three-pocket front. "It's got a '60s vibe. You can wear



Tuxedo jacket by Orphic by Max Noce



"Lola" evening gown by Jen Awad

it with jeans. When you walk through the room, people will notice it."

For womenswear, top-selling items include the "Lola" evening gown from Los Angeles designer Jen Awad. It retails for \$1,600. The piece is composed of a mini-dress made out of silk and a floor-length chiffon skirt. The dress's bodice also features bows and cutout panels.

For Orphic's next stop, Noce and Hastings are talking with a European partner to open a store in Zagreb, Croatia.—Andrew Asch

Gratus: Beverly Hills Store Is Like a 'Best Friend's Closet'

When opening a store, the most experienced retailers will fight for the real estate on the busiest corner. Not Meredith Kaplan.

The novice retailer opened her shop, **Gratus**, at the back of the second floor of 427 N. Canon Drive in Beverly Hills. The space is on top of a building featuring art galleries and nail salons.

Yet Kaplan, owner and partner in Gratus, feels the tucked-away location adds to her store's ambiance. She wants the 650-square-foot shop to feel like a living room in a friend's home.

"We want [Gratus] to feel like walking into a best friend's closet," she said. "It's a hangout."

The store opened quietly in July but celebrated its official opening with a party on Sept. 3.

While she was waiting for the property to open, Kaplan started receiving inventory at her West Los Angeles home. The new retailer began selling the merchandise at private events in her home. Kaplan said she never planned to run the store out of her house, but strategy and her product mix were a hit



Christine Moon, left, partner and buyer, with Meredith Kaplan, owner of Gratus

with customers, many of whom turned out for Gratus' grand-opening party to shop, sip champagne and eat cupcakes.

Kaplan intends to build her business on this network of women eager for her take on fashion and looking for personal attention, which Kaplan finds lacking in retail these days. "If we don't have what they need, we will find it in some other place to make their look complete," she said. To finesse a client's style, Kaplan has picked up items at **Neiman Marcus**. However, she intends to keep the great majority of what they need in her inventory.

Gratus is a multi-brand store offering retail price points ranging from \$50 for a T-shirt to \$1,500 for a sweater. Brands include **Calvin Rucker**, **Dosa**, **Marni**, **Band of Outsiders**, **Hudson Jeans**, **DSquared2** and **ATM**.

In the future she may build a new store in a more conventional location, but for now Kaplan intends to build her business at the salon-like shop, designed with neutral tones, a marble table and a mohair settee.—A.A.

TECHNOLOGY

iMerchandise: An App to Organize the Buying Process

iMerchandise is a new mobile application that acts like a virtual assistant for buyers. David Secul, the creator of the company, said he developed the platform to assist his wife, Angela Gengaro-Secul, owner and buyer of New Jersey store **Tula The Boutique**. David Secul said he noticed while his wife was in the process of placing orders for the store, she had loads of scribbled notes mixed in with line sheets to manage. Everything was scattered, and it was difficult to organize.

For Gengaro-Secul, it was time-consuming managing multiple fashion applications such as **Joor**, **NuOrder**, **Shop the Floor** and **Brandboom**. "They are great for helping the brand but not necessarily the buyer. I have to split line sheets and notes with different platforms, and it makes things confusing. Before, everything was paper, and, now, you have emails, which get mixed up. With this app, you have everything in one place," Gengaro-Secul said.

Secul worked with Alex Buzatu and Lucian Buzatu at **Webservice-USA** to develop the app, which draws on Secul's 20-plus years of experience in fashion design, merchandising and sales. **iMerchandise** can be used with any iOS device, such as an **iPhone** or **iPad**.

Buyers can use the app to make purchase orders, merchandise the store floor and connect with vendors. Gengaro-Secul has been using the device for a couple of months now, integrating it into her buying activities. The new tool keeps Gengaro-Secul's information in one portable place. She can snap photos, place product images into categories, coordinate order activity with vendors,

schedule delivery dates and format budgets. The app even has a budget bar that shows her a percentage of how much she has spent and tells her if she's exceeded her open-to-buy.

With **iMerchandise**, buyers can organize products by category and brand using photos they snapped themselves or images copied from other fashion platforms or line sheets. There is space below each image for notes, such as style number, shipping dates, sizes, quantities, and wholesale and mark-up prices.

Style numbers and a color wheel help the buyer quickly organize the merchandise. "If you are overbuying black dresses, it would be apparent by the boards," Gengaro-Secul said.

The app generates a purchase-order number, and a PDF order can be e-mailed to a sales representative or vendor. Additionally, there are sharing capabilities that allow the user to distribute photos via social-media networks such as **Facebook**, **Twitter** and **Instagram**. **iMerchandise** is also compatible with open-source companies such as **Magento**, which acts like a content-management system for bricks-and-mortar stores looking to establish online content and upload product information quickly. **iMerchandise** is looking to expand compatibility to other sites such as **eBay**, **Amazon.com** and **WordPress** soon.

"We designed **iMerchandise** for the buyer that has tech-savvy sales assistants helping out," Secul said. "The buyer is more practical and not so tech-advanced and could use the help."

For more information, visit www.imerchandiseapp.com.—Sarah Wolfson

China *Continued from page 1*

Center accept **China UnionPay**, the dominant bank-card organization in the People's Republic of China. If some of the retail center's retailers won't accept China UnionPay, tourists can use the card to purchase Beverly Center gift cards. South Coast Plaza retailers have reportedly been accepting China UnionPay for the past few years.

Susie Vance, Beverly Center's marketing and sponsorship director, said the Chinese tourist dollar is becoming dominant and increasingly crucial for the mall, in which 30 percent of its consumers are reportedly tourists.

"When Chinese visit, they are often buying gifts. Over 90 percent say they are coming here to shop," Vance said.

Chinese tourists do a lot of luxury shopping in the U.S. to avoid the huge tariffs levied on luxury goods in China, said Christine Lu, co-founder and chief executive officer of **Affinity China**, a lifestyle platform for affluent Chinese travelers. Affinity China maintains offices in Shanghai and New York.

Tourism has long been an important part of Southern California's retail business. Over 30 years ago, South Coast Plaza mounted an outreach campaign to Japanese tourists when that nation's economy was skyrocketing. Lynn Liou, publisher of *Phoenix International*, a bilingual Mandarin and English luxury lifestyle publication for Chinese in the United States, said South Coast Plaza has been a leader in cultivating Chinese business. "They were the first to encourage their retail outlets to hire Chinese-speaking staff and introduced [China] UnionPay as an accepted form of payment long before other retail destinations," she said.

Chinese tourist dollars are rivaling the leading consumers in this business, who are still the Japanese.

The Chinese visitor spends more than \$1,300 per day in Los Angeles. That figure follows the Japanese visitor, who spends \$1,761 per day in Los Angeles, said Susan Lomax, vice president of communications for the **Los Angeles Tourism & Convention Board**.

Chinese consumers shop for brand names,

especially luxury brand names. Accessories and purses rank high on their shopping lists, Lomax said. "They have a huge affinity for all things Hollywood, and they love the **Lakers**, especially Kobe Bryant," she said.

More are coming. In 2006, Southern California had 110,000 visitors from China. In 2013, 530,000 are forecast to visit. Over the next 10 years, more than 100 million Chinese will be issued passports for the first time, according to China Affinity's Lu.

While attention to the Chinese tourist business is relatively new, few U.S. retailers and mall managers are doing a great job in cultivating long-term business, Lu said.

"While engaging group-tour companies and Chinese tour guides is an effective short-term strategy for reaching Chinese tourists by the bus loads, I have yet to see any real effort



HIGH-PROFILE: The Beverly Center recently produced a profile on prominent Chinese social media and blogging site Weibo.

in developing a strategy to engage the independent Chinese traveler, who, in many cases, spends more money, stays at a destination for a much longer time and is more likely to be a repeat visitor," Lu said.

To build Chinese business for the long term, Lu recommended hiring a person or team to independently scout for and cultivate opportunities in China. She suggested this team be an integral part of a retailer's business. "There is a lot of confusion in these companies as to how to allocate and effectively measure the impact of the Chinese consumer," she said. But the results are undeniable. A \$50,000 print ad in a glossy fashion magazine distributed in China can result in sales in Shanghai and here, Lu said. ●

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Calendar

Sept. 6

Surf Expo
Orange County Convention Center
Orlando, Fla.
Through Sept. 8

Sept. 9

Los Angeles Apparel Show
California Market Center, 13th-floor
penthouse
Los Angeles
Through Sept. 11

Sept. 10

NOLCHA Fashion Week
Various venues
New York
Through Sept. 12

Sept. 15

(capsule)
Basketball City
New York
Through Sept. 17

Sept. 16

Designers and Agents
Starrett-Lehigh Center
New York
Through Sept. 18

Coast

Stage 37
New York
Through Sept. 17

Coeur

404 Event Space
New York
Through Sept. 17

Texworld

Paris Le Bourget
Paris
Through Sept. 19

Sept. 17

**Accessories The Show
Fame**
Moda Manhattan
Jacob K. Javits Convention Center
New York
Through Sept. 19

There's more
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Chuck Originals: Retro Style Gets New Look

For more than 15 years, **Putnam Accessory Group** has made baseball caps for many of the major action-sports companies and fashion labels, including **Hurley**, **Neff** and **Guess**?

But working behind the scenes did not entirely satisfy John Putnam, president of the Vernon, Calif.-based company.

In 2011, he started his own baseball caps and accessories label, called **Chuck Originals**. But Putnam wanted to go beyond the borders of baseball caps.

At the recent **Agenda** trade show, which took place at the **Sands Expo** in Las Vegas, Putnam was intent on reintroducing the bucket hat.

"We always wanted to bring something fresh to the table, not just a baseball hat," Putnam said. "It's a community of hats, and the wholesale novelty hat biz is becoming more relevant today than ever."

He has a point. According to market-research firm **The NPD Group**, total sales for hats grew 4.8 percent in June 2013 over the previous year. In pop-culture memory, the soft, unconstructed hat was seen on the heads of TV characters such as Gilligan of "Gilligan's Island" as well as hip-hop pioneer LL Cool J.

Putnam tested the bucket hat last year at a handful of popular specialty retailers, including **Dr. Jay's** in New York City. When retailers made reorders for the retro hat, the test was deemed a success.

Putnam put the bucket hat in almost as many categories as baseball caps for Chuck Originals' Spring/Summer 2014 collection.

Some of the buckets are reversible and offer two prints in one hat. Other bucket hats mix fabrics with different trims, such as a leather brim attached to cotton fabric.

All the bucket hats use unique prints. One of those is the reversible "Cat Fight" hat with one side featuring a red-and-black polka-dot design. The other side features pictures of cats with paws bound in boxing gloves.

Another look is the "Modelo," which features pastel and gray stripes.

For more information, email brian@chuckoriginals.com.—*Andrew Asch*



NEWS

Gerry Building *Continued from page 1*

like to make the hallways more inviting. Right now, it feels like an enclosed shopping center."

He is also pondering whether to pop the building's curved front windows and add balconies. "Your showroom is like your second home," he said. "It would be nice to open the windows and stand out on a balcony and



NEW LOOK: A rendering of how the Gerry Building would look with balconies

talk on the phone."

Other design tweaks include linking the Gerry Building to Far's other commercial building—a three-story structure next door at 200 E. Ninth St., where he houses his Vertigo showroom.

He would like to expand the lobby, which he believes is too small for a building of that size, and add TV's broadcasting fashion programming on every floor.

Far is also trying to figure out a way to better utilize the Gerry Building rooftop, which has a stunning view of downtown Los Angeles. It could be a lounge or café or have some other use. "I don't know what the capacity for the roof is right now," he said.

Other additions include adding a terrace to the roof of his three-story building at Ninth Street where tenants from both buildings could sit and relax and installing an LED-style billboard on the outside of the Gerry Building to advertise showrooms, apparel labels or trade shows. Far said he has been talking with people at **L.A. Live**, near the Staples Center and known for its Times Square ambience of LED billboards, about getting city permits.

Already, the building manager, Mary Peng, has been replaced by a new building manager, Mary Essuman.

Evolving concept

The Gerry Building, which opened in 1947 as a manufacturing space for Arthur Gerry, was last sold in 2005

by Mark Weinstein. He spent \$4.5 million to renovate the building into showrooms and then sold it for \$14.265 million. The buyers then were **LaeRoc Partners**, an Hermosa Beach, Calif., company that manages real-estate income funds.

According to the building's listing in May, the 108,220-square-foot structure was 73 percent occupied. Most of the tenants are showrooms. Recently, the entire third floor was leased out as offices and a showroom to **Naven**, a Los Angeles contemporary line of womenswear.

The listing also noted that the building's annual gross income for 2013 was projected to be about \$1.4 million with \$530,069 in operating expenses. Net operating income is \$889,079.

There was a time when LaeRoc Partners wanted to convert the building into showroom condominiums that could be bought. The company obtained entitlements to do showroom condominiums, but the idea never took off.

Showroom tenants at the Gerry Building were fairly positive about the change in ownership. Many were pleased the new owner was an apparel manufacturer who understands the business.

"I was happy to hear it was an apparel guy who bought the building instead of a real estate person who crunches the numbers," said Stuart Marcher of the **Julie & Stuart Showroom**.

Marcher said Far came by his showroom recently and shared his vision for the historic building. "He said he was going to clean up the loading docks, which is good, and get them locked up at night so the homeless can't get in there," Marcher said. "He was aware of some of the things that need improvement, like the lobby and the restrooms. ... If he figures out how to expand the lobby, it would be a win for us."

Lori Marchand, owner of the **Impulse Moda** showroom, said she hopes that everything pretty much remains the same, including the rent. "We hope that things are going to go on running smoothly and that there are not any drastic changes," she noted. "We're a happy family here right now."

Far is an entrepreneur who has been expanding his Vertigo brand and real estate interests. He operates a Vertigo store in Beverly Hills and a Vertigo beauty salon in the penthouse of the **Standard**

Oil Building at 605 W. Olympic Blvd. Far and partners own the Standard Oil Building.

He also owns a historic 12-story structure at 1200 S. Santee St. within the Los Angeles Fashion District as well as an 88,000-square-foot event center that used to be an Odd Fellows Temple at 1828 Oak St. near downtown Los Angeles. ●



Shawn Far

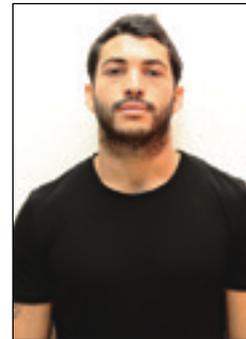
Uncl *Continued from page 1*

Mokhtar's roots in Laguna Beach, Calif.

The Fall collection includes hoodies, tees, shorts and pants that come in soft cotton fabrics embossed with a "U" logo. The Fall collection features seven different fabrications: a loose-knit French-terry loop, a tighter-knit French-terry blend, a bamboo fleece, a MicroModal blend, a cotton/Modal blend, a three-end brushed fleece and a diagonal twill.

Mokhtar selects each of the fabrics himself to make sure the garments are as soft as possible. He combines a signature wash-and-dye processes to make sure the pieces are comfortable.

"We select the fabric based on how a specific product will be used," he said, sounding more like a long-time apparel maker than a former college football player turned designer. "Our tees are made of MicroModal blends that offer a good fit that holds up after everyday wash and wear. The bamboo fleece is one of our coolest additions



Ahmed Mokhtar



to the new line since it's much lighter than our traditional three-end brushed fleece, giving the final product a relaxed yet stylish fit."

Retail prices range from \$45 to roughly \$165. In addition to Uncl's online store (www.shopuncl.com) national retailers such as **Bloomingtondale's** and **Nordstrom** have picked up the line.

The brand has also garnered support from professional athletes such as Reggie Bush of the **Detroit Lions**, who has worn the line.

The Los Angeles-based clothing line is manufactured locally—allowing Mokhtar to remain hands-on from design to delivery.

"Having the factory so close to home has been a huge benefit, as it allows us to more effectively control the quality than you can with overseas production," he said. "Even though it is more expensive than international manufacturing, it's been one of the best decisions we made early on. It's also important to create jobs domestically—and I can feel good about the fact that Uncl helps employ local Californians who work hard and produce amazing products."

For more information about Uncl, contact Tony Soffe at tsoffe@frshund.com. ●

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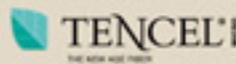
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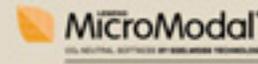
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