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January Market in L.A. Brings Out Buyers Preparing for Spring/Summer

By Andrew Asch and Dorothy Crouch

Despite three days of pouring rain, January's **L.A. Market Week** spelled success for many brands, some of whom opened on Jan. 13, ahead of the official Jan. 14-16 run. The typically slow market saw buyers picking up **Immediates** and preparing for **Spring/Summer 2019** ahead of next month's Las Vegas shows, which are running on an earlier Feb. 2-7 schedule, not the traditional mid-month dates.

Buyers enjoy quality time at the CMC

At the **California Market Center**, show organizers reported buyers in attendance included **The Beverly Wilshire Hotel**, **Gilt Groupe Japan**, **Hilton Hotels**, **Kitross**, **Everything But the Princess** and **The Four Seasons**. With the expectation of a slower show, Becca Dawson, senior manager of marketing at the CMC, reported that her team was pleased with the turnout.

"It's right before **WWD**MAGIC, so anyone who is not looking to travel to **MAGIC** can get a lot of their buying done
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Big Issues Will Affect Retail in 2019

By Andrew Asch Retail Editor

The past few years have been a time of upheaval for the fashion and fashion-retail businesses. Expect more in 2019.

A cooling economy this year could put a crimp on consumer spending. And a dip in consumer spending might be amplified by a growing trade war between China and the U.S., which began last summer when the Trump administration levied a 10 percent tariff on \$200 billion worth of goods coming from China, said Paula Rosenblum, managing partner for market researchers **RSR Research**.

"If the trade war continues, we're going to see some real price inflation of low-end and moderate-priced product," she said. "Since so much of apparel is a discretionary spend, the

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SPENDING QUALITY TIME

While some showrooms opened one day early, the January edition of **L.A. Market Week** officially began Jan. 14 and ran through Jan. 16, as brands and buyers appreciated the slower pace to explore new products and fortify relationships.



Despite a Few Ripples, the U.S. Economy Is Poised for Growth

By Deborah Belgum Executive Editor

If you had to describe what the economic outlook was for 2019, you might be inclined to liken it to the Charles Dickens novel "A Tale of Two Cities."

In this case, however, you would call it "A Tale of Two Economies." On one side, you have raw data that show consumer spending is up, unemployment is down and wages are rising steadily.

On the other side, you would have a schizophrenic stock market, rising interest rates, a looming trade war and a partial federal government shutdown that is the longest in history.

Despite these opposing sides, economists remain optimistic that 2019 will be a relatively good year with the gross domestic product rising a little more than 2 percent as the

Federal Reserve curbs its quarterly interest-rate hikes and more jobs are created.

More importantly, consumers remain upbeat. "There are some people out there who are a little more anxious because of the stock market, but people feel good about the fact that they are still making more money than they did before," said Britt Beemer, founder of **America's Research Group**, which polls 1,200 consumers a week to take the pulse of their retail-spending attitude. "If people didn't get a pay increase last year, they are most likely getting one this year. How much money you take home affects how you view the world."

The retail sector is one area where wages are going up because salaries were relatively low when there were plenty
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Salesforce Unveils Enhanced Commerce Cloud Platform at NRF 2019

NEW YORK—During the **National Retail Federation's NRF 2019: Retail's Big Show**, held at the **Javits Center** in Manhattan Jan. 13–15, San Francisco's CRM-focused software provider **Salesforce** took the opportunity to unveil new offerings. With enhancements to its Commerce Cloud platform, the company is optimizing the capabilities of artificial intelligence (AI).

By easing the shopping process for consumers, Salesforce is helping retailers bring their products to the forefront of shoppers' minds. Through expanding the capabilities of Commerce Cloud, the company is introducing new APIs (Application Programming Interfaces), platform services and developer tools to help retailers remain competitive, according to Michele Davolos, Salesforce's director of product marketing for Commerce Cloud.

"Einstein Visual Search is the ability to

snap a picture and search by that picture in a merchant's storefront," she said. "If you see a style that you don't know how to describe in words, such as skinny jeans or a tote bag that has multiple dimensions to the color or pattern, now you can search by picture at a brand or retailer's storefront using our artificial intelligence."

The platform also offers the Einstein Recommendations API, which relies on artificial intelligence to help brands anticipate the items that will interest customers based on product data, order history and live customer clickstream.

"We're seeing that our AI product recommendations are driving 26 percent of revenue on our brands and retailers' storefronts," Davolos revealed. "Now we're opening that up as an API, so you can embed that into other channels."

Through the platform's Inventory Availability Service, shoppers are able to view availability of products, allowing them to easily find the goods they want within their region.

"When some products drop, we can see spikes in traffic and transactions on a brand or retailer's website," Davolos said. "Through our new Inventory Availability Service, we'll prevent things like oversell or missing a sale. We're doing that at millions of requests per minute across incredible scale. Over this past holiday season, we saw 690 million unique monthly shoppers."

By blending the capabilities of the recommendation and inventory APIs, Salesforce also allows brands to notify shoppers when they are within the vicinity of a product they might want.

"If you're in an **Uber** or on **Instagram**—any channel that is location aware—you can

surface location-based product recommendations to help you get to products that are near you for that same-day gratification," Davolos explained.

The API enhancements to Commerce Cloud also include methods for developers at apparel brands and retailers to build commerce offerings that are unique to the experiences of their particular customers. Through On-Demand Developer Sandboxes, Open Commerce API (OCAPI) Explorer and Commerce Cloud Developer, Salesforce is providing brands with the freedom to tailor the platform to meet their needs.

"It's about the power of the platform," Davolos said. "We're helping merchants of all sizes access all these capabilities that are helping you deliver AI-powered shopping experiences at the speed of consumer expectations."—*Dorothy Crouch*

Stitch Fix Welcomes Liz Williams to Its Board of Directors

Online personal styling service **Stitch Fix** announced that it has added **Taco Bell International** President Liz Williams to its board of directors. Williams manages Taco Bell International's brand strategy and business performance under parent company **Yum! Brands Inc.** During her previous role of chief financial officer for Taco Bell, she led the company through six years of sales, profit and brand growth.

"[Liz] brings a combination of outstanding operational experience and an ability to scale a business globally while still retaining a consistent brand offering that custom-

ers know and love," Stitch Fix founder and Chief Executive Officer Katrina Lake said in a statement. "We are just at the beginning of our international journey as a company, and Liz's insight and expertise will be invaluable."

With a board comprising more than 60 percent female members, San Francisco-based Stitch Fix named Williams as its eighth member. Following the appointment on Jan. 10, Williams joined board members Steve Anderson, founder of **Baseline Ventures**; Bill Gurley, general partner of **Benchmark Capital**; Marka Hansen, former president of

Gap North America and **Banana Republic**; Kirsten Lynch, chief marketing officer and executive vice president at **Vail Resorts, Inc.**; Sharon McColam, former CFO of **Best Buy Co. Inc.**; Mikkel Svane, founder and CEO of **Zendesk**; and Stitch Fix's Lake.

"I've always been passionate about retail both personally and professionally, and I'm fascinated by the model Katrina and team have created," Williams said in a press release. "Stitch Fix is a service with incredible market fit, and I'm thrilled to be part of this next phase of growth. I look forward to shar-



Liz Williams

ing my experiences with the team."

Prior to her work with Taco Bell International, Williams worked with **The Boston Consulting Group** as principal in consumer and retail practices in the United States and Asian markets. She also fulfilled roles in finance, brand marketing and corporate sales at **Dell Computer**. Earning an MBA from the Kellogg School of Management at **Northwestern University**, Williams received a bachelor's degree in marketing from the **University of Texas Business Honors Program**.—*D.C.*

Volcom Starts Program to Boost Organic-Cotton Supply Chain

Action-sports brand **Volcom** recently announced that it is participating in an initiative to increase the supply of organic cotton.

Called Farm to Yarn, the program forecasts that by improving wages and living standards of farmers growing organic cotton, it will increase organic cotton harvests and safeguard the world's environment.

The Costa Mesa, Calif.-based Volcom and its parent company, **Kering**, a Paris-headquartered luxury conglomerate, started working on the program last year with **CottonConnect**, a London-headquartered group that works on building sustainable supply chains, teaching sustainable agriculture practices and developing skills of women in the countries where organic supply chains start.

Currently, Volcom is the only Kering brand participating in Farm to Yarn. Kering is the parent company of designer fashion companies **Gucci**, **Yves Saint Laurent** and **Alexander McQueen**.

The program will also guarantee that yarn labeled and sold as organic cotton is indeed organic cotton, said Arvind Rewal, CottonConnect's South Asia regional director. Certifying cotton as organic can occasionally be a murky process. "This project with Volcom and Kering is a great example of how a company is intentionally seeking

traceability in a supply chain that was said to be impossible to map," Rewal said.

Volcom and CottonConnect quietly started the program in 2017 in eight separate villages in India's Madhya Pradesh region. The pilot program produced nearly 27 metric tons of organic cotton, which makes up an estimated 15 percent of Volcom's total organic-cotton supply.

Through a separate 2015 program that took place in India, Kering partnered with CottonConnect. Its sustainable supply chains increased organic-cotton output 16 percent, CottonConnect reported. It also decreased production costs.

The program also offers a yearlong organic-farming-skills program for 150 farmers that includes working to develop natural pest controls and organic fertilizers. Advocates of organic cotton contend that non-organic cotton farming uses pesticides and fertilizers that poison farm fields and dangerously limit the arability of the land.

The program also offers programs on women's rights and life skills. "We are truly proud of this program as it embodies both environmental and social benefits," said Ryan Immegart, chief marketing officer at Volcom. "In addition, it represents another strategic milestone in our never-ending mission to be true to this planet."—*Andrew Asch*

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A Resurgence of the Surf Market Seen at Surf Expo

By Andrew Asch Retail Editor

Snowstorms hit a swath of the country last week, but bad weather did not throw a wet towel on the **Surf Expo** trade show, which ran Jan. 10–12 at the **Orange County Convention Center** in Orlando, Fla.

Retailers from the Northeast, West Coast and the Caribbean attended the biannual show, with the largest delegation typically

from their vice presidents to their salespeople, rather than meeting with separate companies one by one.”

Major action-sports brands **Volcom** and **Quiksilver** did not produce booths at this edition. Ryan Immegart, Volcom’s chief marketing officer, said that his company prefers to exhibit at the September run of Surf Expo. Quiksilver’s sibling brands **Billabong**, **RVCA** and **Element** did exhibit at the show.

Also exhibiting at Surf Expo were top surf brands **Hur-**

Sons, also said business was good. She estimated that half of her business was for at-once deliveries.

Dickies Girl, a division of the **Jerry Leigh** company, marked its second time exhibiting at Surf Expo. Paula Unger, the brand’s creative director, said that it picked up 10 new accounts. “It was helpful for us growing the grassroots of the brand with influential boutiques,” she said.

“There seemed to be an optimism starting out this year

that previous shows may have missed,” Turner said. “Everyone has figured out that bricks-and-mortar has not gone away. It has changed. If you have figured out your niche, you’re going to do well.”

Patrik Schmidle, president of the market-research firm **ActionWatch**, agreed that business is looking up for core surf and skate shops. ActionWatch aggregates point-of-sale data from a



SURF EXPO SCENES: From left, booths for the brands Lost, Maui & Sons and Katin.

hailing from Florida and the Southeast.

Surf Expo is the only surf-focused trade show with a national focus currently doing business in the U.S.

The **Agenda** trade show postponed its January show in Long Beach, Calif. However, Surf Expo vendors and show producers did not feel a palpable effect from the postponed Agenda, which in recent years has focused more on streetwear, said Roy Turner, a senior vice president for **Emerald Expositions**, Surf Expo’s owner.

Good business was reported by vendors, retailers and show organizers for the 200,000-square-foot trade show, now entering its 42nd year. It has continued to be a place where retailers could see what major surf brands were working on, said Bob Abdel, a partner in and buyer for **Jack’s Surfboards** in Huntington Beach, Calif. The 62-year-old surf shop is considered one of the influential retailers in the board-sports market.

“A couple of brands did not show up, but otherwise all of the brands were here,” Abdel said. “We can finish a lot of work here. You can communicate with a lot of companies,

ley, O’Neill, Reef and Katin. New surf brands **Roark** and **Vissla** also exhibited. This Surf Expo marked the first major trade-show outing of **Sisstrevolution**, a brand for female surfers. Sisstrevolution is Vissla’s sibling brand.

Swim brands also made a significant showing at Surf Expo, including **Manhattan Beachwear**, **Anne Cole**, **Maji** and **Snapper Rock**. In addition, the show featured Bluewater, a special section for fishing clothing and accessories, and another section, named Mind & Body, focused on environmentally conscious and organic products.

Retailers attending the show included **Dick’s Sporting Goods**, **Ron Jon Surf Shops**, **Sun Diego**, **Surf Diva**, **Caesar’s Entertainment**, **Six Flags Theme Parks**, **17th Street Surf Shop**, **Disney Theme Parks & Cruise**, and **BC Surf and Sport**.

Exhibitor Dale Rhodes, **Katin USA**’s sales vice president, said that this show’s business was “remarkable.” “I thought we’d see 30 appointments,” he said. “We ended up seeing 50 accounts. We ran out of catalogs.”

Patricia Thornton, sales vice president of **Maui and**

panel of skate and surf retailers.

Sales for ActionWatch’s retailers have increased 1 percent over the period from January 2018 to November 2018 compared to the same period the previous year. “I’m anticipating that we’ll have the first growth year in this channel in four years. There’s optimism in the air,” Schmidle said.

The surf business was lifted by the rising wave of a good economy in 2018. There’s also hope that surf will be a growing business. Surfing will make its debut in the **2020 Summer Olympics** in Tokyo. This competition is anticipated to attract more fans, said Joel Cooper, chief executive officer of **Lost International**, which exhibited at Surf Expo. ●

RETAIL FORECAST

Retail Forecast *Continued from page 1*

impact will be swift.”

How big could that impact be? Rosenblum said it was hard to forecast. “I can’t remember the last time U.S. retailers dealt with fallout from a trade war,” she said.

To get around the impact of a trade war, Rob Greenspan, president of **Greenspan Consult Inc.**, is advising his clients to diversify their sourcing operations. “I’m not saying pull out of China. But I am advising people to spread their risk, be nimble and find alternative sources of supplies,” he said.

Another problem plaguing retailers this year is the growing number of returns being made by online shoppers. “The volume of returns will continue to rise and create inventory and process issues for retailers,” RSR’s Rosenblum said. “Absent a fitting room, consumers just buy a bunch of ‘stuff’ and decide what they’re going to keep when it gets to their houses. And retailers cannot afford to charge a restocking fee because consumers will just shop elsewhere.”

An estimated 15 percent to 30 percent of online orders purchased during the holiday 2018 season will be returned, according to a recent report from real-estate and investment company **CBRE**. Online returns could cost as much as \$37 billion for the 2018 holiday season compared with \$32 billion for the 2017 holiday season, CBRE said.

But new tools of the trade might help retailers battle some of the challenges in the retail world. One tech item expected to become more popular this year is voice-activated retail such as **Amazon Echo**, said Wendy K. Bendoni, the fashion marketing chair of **Woodbury University** in Burbank, Calif.

Consumers are intrigued by the convenience of being able to order a product anytime they want by vocalizing a request into a machine.

Voice-activated retail has piqued the interest of certain big retailers for some time. **Walmart** and **Target** made headlines in 2017 when they decided to sell voice-activated shopping powered by **Google Assistant** devices, and it was a

focus at the recent **CES** technology trade show in Las Vegas.

Personalization and customization are forecast to be increasingly important to consumers. Mercedes Gonzalez of retail consultants **Global Purchasing Companies** said that strides in manufacturing will allow companies to offer more unique looks to consumers.

Dutch-headquartered **Suitsupply** offers custom-made suits and shirting for shoppers at the company’s online store. Other companies offering shoppers a chance to make custom suits are Los Angeles-based **SuitKits by Sierra E** and **Sene**. “Made-to-order will be mass,” Gonzalez said.

Los Angeles retail sees some burgeoning neighborhoods

For the Los Angeles retail real-estate scene, business in 2019 is forecast to be similar to the previous year, said Rafael De Anda, a market analyst for **CoStar Group**, a commercial real-estate information company.

In Los Angeles, the retail vacancy rate has been stable, hovering around 4 percent since the third quarter of 2016, De Anda said. The area had just enough leasing to overcome increased vacancies, but don’t expect more retail space to be developed soon.

“Developers are being cautious. They want to make sure what is being built will be leased,” De Anda said.

Commercial rents in Los Angeles haven’t grown much in the past year, remaining flat in 2018 compared with 2017. “Landlords and brokers understand that there is softening in the retail sector,” the market analyst explained. “They were willing to work with tenants this year to protect themselves from rent closures.”

Andrew Turf of CBRE forecast more growth in certain areas of Los Angeles. One reason is that retailers are interested in taking a gamble on the downtown area, once considered blighted until gentrification took hold with an unprecedented

construction boom over the past seven years.

Turf worked on a deal to bring a **Vans** store to the heart of downtown L.A., where in July the hip shoe company is scheduled to open a two-story, 7,500-square-foot flagship at the intersection of Broadway and 8th Street.

It will be located between an old theater being built out as an outpost for tech giant **Apple** and the hip **Urban Outfitters**. Other retailers nearby include **Theory**, **Acne Studios** and **A.P.C.**

Turf also was bullish on more boutiques and stores moving to downtown Los Angeles’ Arts District, where the highly touted **Dover Street Market** was opened last year by **Comme des Garçons** founder Rei Kawakubo.

Pacific Palisades will be another hot neighborhood in the Los Angeles area now that shopping-center developer Rick Caruso opened **Palisades Village** last year in that wealthy suburb. Turf forecast that more retailers would open in the neighborhood to meet increasing demand for boutique retail.

Another hot neighborhood undergoing a renovation is Inglewood, Calif., Turf said. The residential community, which was once home to the **Hollywood Park** horse-racing track, is undergoing a major transformation with a new football stadium replacing the race track and being built for the **Los Angeles Chargers** and the **Los Angeles Rams** football teams. The **Los Angeles Clippers** are also planning to build a new basketball venue near there.

The revamped Hollywood Park area, to be unveiled in September 2020, will have new residential development consisting of 2,500 units of housing as well as 620,000 square feet of retail space and a giant outdoor movie screen.

That kind of development is guaranteed to attract new retailers who want to tap into the flurry of fans who will be bombarding the area for games or new residents who want to be close to sports venues and not far from downtown Los Angeles. “Anybody looking for global attention,” Turf said, “will have their eyes on Hollywood Park.” ●

DALLAS APPAREL & ACCESSORIES MARKET

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MARCH 27-30



FINANCE

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of job applicants, but that has changed. "Retail has had to scramble to find people," said David Shulman, a senior economist with the **UCLA Anderson Forecast**. "The only way to find them is to pay them." He noted that retail wages have risen more than 3 percent in the last year.

"We think the consumer is fine, and online shopping just continues," he said. "I see that by the number of **Amazon** boxes around my house."

But bricks-and-mortar stores are being challenged with stiff online competition that keeps gaining inroads into shoppers' pocketbooks. During the holiday season, sales were the strongest they have been in the past six years, up 5.1 percent. But online purchases skyrocketed more than 19 percent.

Servicing customers in the omni-channel arena, which has lower margins, is tough for big stores that are scrambling to provide it all. On Jan. 10, **Macy's** stock nosedived nearly 19 percent in trading after the country's largest department-store chain reported that its same-store sales for the holiday season were up a paltry 0.7 percent. Now Macy's is expecting same-store sales for the year to edge up a mere 2 percent on an owned-plus-licensed basis as it tries to figure out its retail strategy.

Servicing customers paid off for **Target Corp.**, which saw its same-store sales in November and December rise 5.7 percent compared with 3.4 percent the previous year. Growth was strongest in toys, baby and seasonal gift items.

While in-store sales were strong, digital sales mushroomed 29 percent. That was helped by the fact that the mid-tier retailer was offering in-store pickup as well as drive-up pickup, which grew 60 percent over the previous year and accounted for a quarter of the company's digital sales during those two months.

More good times?

The United States is now in the midst of one of the longest-running economic upturns in history, which has some people worried this can't last forever. Talks of a recession swirled late last year when the stock market skidded to new lows. But economists believe

that rumors of a recession are overblown.

"We have been hearing that people are concerned that the expansion has been going on for a while and maybe we are due for a recession," said Robert Kleinhenz, an economist with **Beacon Economics** in Los Angeles. "A lot of people think there is a 10-year cycle to the economy, but there is no reason why an economic expansion should end after 10 years."

Oil prices are just now climbing out of a 52-week low of \$42.53 a barrel on Dec. 24 for West Texas intermediate crude. While climbing back up to more than \$50 a barrel, oil prices aren't expected to skyrocket soon. "This means gas will be cheaper for consumers," said Shulman of the **UCLA Anderson Forecast**.

Inflation last year was hovering at about 2.4 percent and should be somewhat lower this year.

Interest rates are also expected to slow their ascent from last year. Economists

Apparel and Textile Employment

	Nov. 2018	Nov. 2017
LOS ANGELES COUNTY		
Apparel Manufacturing	30,000	29,900
Textile Mills	4,500	4,800
CALIFORNIA		
Apparel Manufacturing	36,800	39,200
Textile Mills	5,800	6,400

Source: California Employment Development Department

agree that the Federal Reserve is probably only going to raise benchmark interest rates once this year.

In California, the good times should continue to roll. "California unemployment at 4.1 percent [compared to 3.9 percent nationally] is the lowest on record going back to 1976," Kleinhenz said.

Even the apparel industry in Los Angeles County gained 100 jobs in November compared to the previous year.

Last year, California's job-growth rate inched up at a 2 percent annual rate compared with the nation's 1.6 percent increase. "It is likely we will see another good year for California," Kleinhenz said. "We should fare relatively well, but job growth will be slightly slower." ●

Calendar

Jan. 18

Imprinted Sportswear Show Long Beach
Long Beach Convention and Entertainment Center
Long Beach
Through Jan. 20

Jan. 21

Texworld USA
Javits Center
New York
Through Jan. 23

Apparel Sourcing USA Winter

Javits Center
New York
Through Jan. 23

Liberty Fashion Fair New York

Pier 94
New York
Through Jan. 23

Jan. 23

Dallas Apparel & Accessories Market
Dallas Market Center
Dallas
Through Jan. 26

Jan. 24

Active Collective New York
Metropolitan Pavilion
New York
Through Jan. 25

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on ApparelNews.net.

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INDUSTRY VOICES: TECHNOLOGY

Mobilizing the Shop Floor to Increase Collaboration and Productivity

By Paula Levy Contributing Writer

Mobilizing the shop floor is one of manufacturing's top initiatives as companies look to gain efficiencies and speed to market throughout the supply chain as well as improve the quality of the workforce in order to meet consumer demands. Collaboration across the enterprise has included visibility to work schedules and tracking productivity timelines. This new digital solution provides that collaboration to management as well as the actual operators on the factory shop floor.

Operators play an integral role in producing quality products and meeting delivery dates. Many are paid based on productivity volumes and quality of work. So, why not empower them with mobile devices and digital workstations to track their productivity, improve quality and ensure on-time deliveries? Collaboration within the four walls of the factory is required to truly streamline and gain efficiencies across the supply chain.

Digitizing the shop floor enables real-time visibility and the agility to react quickly to broken equipment with automated alerts and service calls, move work when productivity levels are not being met and provide a higher quality work environment. Mobilizing the operators with wearables (think Apple Watch) and barcode scanning or RFID tracking provides tools to improve individual productivity goals and real-time communication with coworkers and management.

cal to the supply chain. Creating a work environment that provides mobile apps and instant feedback, visibility to individual and team productivity, and tools that add value to the operator's job success are required to attract this new generations of workers.

Many ERP providers are delivering shop-floor applications to automate the global supply chain. Integrating the shop floor into a manufacturer's ERP provides the visibility required to meet delivery demands with quality products. The factory is an integral part of the overall supply chain and can be the weakest link if not equipped with the right technology.

Software providers for the industry are providing shop-floor solutions to their clientele as an extension of their ERP and supply-chain management. They include:

The **CGS Blue Cherry** Shop Floor Control application was acquired from **Leadtec** and is delivered via mobile and **Wi-Fi** networks. It includes operator controls, payroll, an AI dashboard, line balancing, inventory control and performance metrics.

The **NGC Shop Floor Control** utilizes barcode tracking for operators and provides labor and production reporting, evaluation of plant workload, capacity planning, and tracking of employee and productivity performance.

The **Exenta SFC** Shop Floor Control delivers an **Android** app with a management dashboard and tablets running on **Wi-Fi** to provide production visibility, workforce feedback, time and attendance, payroll, and quality control.



The benefits of mobilizing the shop floor include:

Operator Empowerment: Productivity and task completion are recorded digitally versus the need to fill out reports and paperwork at day's end. Workers gain higher accuracy and productivity levels, which translates into higher wages.

Production Improvements: Automated alerts on hardware failures and other material issues can all be reported in real time, allowing management to react immediately. Real-time data analysis can also identify new opportunities to streamline and improve the production line.

Collaboration: Communication across operators, management and the main office are achieved by digital task management, including time stamps and quality control processes such as booking inspections when ready. Operators can easily report tasks completed and chat with other operators or management to gain instantaneous feedback and guidance.

Quality Work Environment: For today's manufacturers, attracting new talent is criti-

Tukatrack by **Tukatech** is based on RFID technology, providing real-time reports and analysis by style, operator and production line including performance tracking and quality rating.

Visual Next RTS's Real-Time Shop Floor is the newest addition to the market with a browser-based tool deployed over **Wi-Fi**, enabling operators to provide ticketing and labeling details, a time clock, **SMS Chat** for operators and management, data analysis and reporting, and productivity tracking.

The business benefits of mobilizing the shop floor are plentiful, from streamlining highly manual and labor-intensive processes in the factory to improving work conditions that create higher efficiencies, productivity and quality, and speed-to-market savings. ●

Paula Levy is the Chief Strategy Officer for Demand Worldwide. She is a business-technology strategist whose focus is assisting retailers and brands in transforming their marketing and customer engagement strategies with the adoption of new technologies and business practices.

Fashion Market Northern California Builds on Its Momentum Heading Into 2019

What's the difference between a good trade show and a great one? Is it the service, the ease of shopping, the quality of the exhibitors? It's all of these elements, and more, as Mary T. Taft, executive director of Fashion Market Northern California, or FMNC as it's known, well understands. Now in her very busy second year at the helm, Taft spends virtually all her time considering how to make the five events per year better and enhance the offerings to not just meet expectations but always exceed them.

"With how many hats I wear, my brain has grown exponentially," she laughs. "It's amazing how many moving parts there are. But it's so fun, and I love it."

Located at the expansive 100,000-square-foot San Mateo County Event Center south of San Francisco, FMNC concentrates on apparel, accessories, and shoe brands mainly from the West Coast, with some East Coast participation as well. FMNC is the largest open-booth show on the West Coast, a fact Taft takes pride in, "because it is so easy to shop." Roughly half of the buyers come from Northern California, a quarter from Los Angeles, and a quarter from the Pacific Northwest. At least two of the shows—April and October—sell out. Prestigious brands including Johnny Was, Symply, Habitat Clothing, Flax, Planet, and Liverpool are regulars. "We are a good, strong, regional show," Taft says. "We carry a lot of brands—you can find a lot."

For the January show, Taft has 160 exhibitors and expects a crowd of 450.

FMNC is known for its easy, casual, buyer-friendly atmosphere, such as the treat cart with cookies and other sweets that rolls out every afternoon. While new people turn up at every show, FMNC has always attracted a loyal following—retailers like Susan Trefethen of Molly b in Berkeley. "I never miss the FMNC show," she says. "It feels like a family here with so many reps and friends I see. And I can always find something new at this show."

Eve Edwards of Modesto-based Eve & Me finds "it is an easy and pleasant experience in a stressful position of buying all day. It is also easy to work because of the open booths. We appreciate the great hotel rates and all the perks that FMNC offers."

In her first year running the show, Taft wanted to bring warmth to the large space, creating seating areas where buyers can relax and take stock, hosting a late-day wine bar, and adding helpful signage and organization to the vast show floor. This year, she's taking on new challenges.

"I feel like I've barely begun to put my stamp on my show," she says. "I've had to get all the internal workings going, because it's daily, and it's a lot. With that under my belt, I'll be focusing on our website, social-media outreach, the show floor, and the overall buyer experience."

The website, in particular, is something Taft wants to bring to attendees' attention in a major way. "It's a wealth of information," she says. The application is available there, but there is so much more—the show book, for one, posts on the website a month out, before it is sent by mail. Hotel reservations, including the special discounted rate

FMNC has with the Marriott, can be booked through the website. Moreover, complete floor plans with drop downs for exhibitors and buyers, lists of designers, and schedules of show events make for extremely efficient planning.

One method Taft is using to help steer traffic to the website is a new VIP check-in system that requires online preregistration. VIPs not only skip the regular check-in lines, but they also have a preprinted badge waiting for them, plus a complimentary gift bag with water, pen, and notepad. It's a "30-second stop," Taft says, which allows those preregistered to get a jump on the day along with a few perks.

Her other focus this year is to expand the show's social-media presence through Instagram and Facebook, which she believes will also drive attendees to the website. "We want to make it more personal and interactive," Taft says, perhaps capturing the show's energy and interactions,

highlighting buyers, "making it fun for them if they end up on Instagram. It would increase the retailer experience at the show as well."

Taft's next goal is to bring "a fresh look" to the shows. "We are going to hire an outside source to give us a vision, and we can pick the parts we can do to always make our show look better and better," she explains. Having been a rep before, taking on this position, Taft notes, she still puts herself in those shoes. "I'm a shopper," she says. "When I walk into a fabulously merchandised store, I want to buy something because it's just so beautiful. We are so visual, we want to be pleased and moved by what we see."

With FMNC continuing to grow and evolve, Taft regrets her lack of time. "We are such a great show," she says. "I would like to find the time to get out of my office, go to a town, and pitch our show, which I will be doing this year."



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Madhappy: It Takes a Party to Start a T-shirt Brand

Ask Noah Raf how to build demand for a new T-shirt label and he'll tell you to throw a party.

His Los Angeles-based **Madhappy** label hosted free parties for hundreds of people in a 12-month period after it started in April 2017. At pop-up shops on Los Angeles' Robertson Boulevard; Melrose Place in West Hollywood, Calif.; in Aspen, Colo.; and the Williamsburg section of Brooklyn, N.Y., Madhappy produced free events with DJs and an open



Madhappy brand's partners. From left, Noah Raf, Joshua Sitt, Peiman Raf and Mason Spector

bar. There were displays of Madhappy tees and hoodies, but their focus was on the parties. Raf and his partners did not make a big deal about selling clothes at the events.

The hospitality paid off. Many of the partyers searched for the label's online direct-to-consumer channel, where they paid \$60 for a T-shirt bearing the Madhappy logo. In September, the company opened a 1,500-square-foot office in downtown Los Angeles' Arts District. The label's partners are pitching the company for what will be its first round of capital funding. Seed money was raised from friends soon after Noah Raf started the company with his brother Peiman Raf, Mason Spector and Joshua Sitt.

Madhappy's group of entrepreneurs are all in their early 20s. Through social media, parties at their pop-up shops and what they believe is good design, this group has made a splash.

Noah Raf's first fashion line ended with a flop in 2016 after he and Spector designed a high-end menswear collection that failed. Despite this unsuccessful venture, the duo decided to make another attempt at fashion.

Instead of high-end styles, they planned to go for something with a more popular edge: tees, hoodies and sweats. It's something everyone could share, Noah Raf said. "We wanted to create a community. We wanted to build a community-driven lifestyle that promotes mental health, optimism and inclusion."

Madhappy manufactures tees and hoodies for women



A T-shirt rack at the brand's Aspen pop-up shop

and men in Los Angeles. For tees, it offers several silhouettes including shirts with a boxy fit. It also offers more-fitted styles and crop-top T-shirts. Many of the tees are plain, except for the Madhappy logo on the top left-hand side of the shirt. Other tees feature a graphic of the peace sign.

The T-shirts go through a high-enzyme wash to make the garments soft to the touch. Retail price points for the tees range from \$60 to \$70.

The hoodies feature the brand's most fashion-savvy element. The seams of the garment's hood bear unique hand stitching. Due to this, Peiman Raf said that no two hoodies are alike. The brand currently only sells

fashion on its direct-to-consumer channel. Yet, for one of its few forays into wholesale, it placed some goods at Parisian specialty store **Colette**. The prominent store closed at the end of 2017, but before it closed Madhappy produced a commemorative hoodie bearing the words "Au Revoir Colette." Colette chief Sarah Andelman reportedly wore the hoodie on the week of the acclaimed shop's closing, Noah Raf said. Retail price points for the hoodies range from \$120 to \$150.

Eventually, the brand will explore wholesale again, according to Noah Raf. It also plans to produce more pop-up shops. Along with parties, the pop-up events will offer panels and speakers on mental health, he said. "Whether you are a celebrity or an average person, everyone is going through something. We want to create an atmosphere where everyone can talk on the issue."—Andrew Asch

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Eco-Aware Consumers Value Sustainable Options, CGS Report Reveals

The mission-driven shopping trend among consumers is growing, according to a new report from **Computer Generated Solutions** (CGS), a business-applications provider that counts **Tommy Bahama**, **Vix Swimwear**, **Tea Collection**, **Velvet by Graham and Spencer**, **Paige Denim** and **Livie and Luca** among its clients. As more consumers are making purchasing decisions guided by their principles, many are considering the impact of buying from companies that engage in sustainable practices.

For its “2019 Retail and Sustainability Survey,” CGS received feedback from more than 1,000 consumers across the United States between the ages of 18 and approximately 65. The New York City-based firm queried respondents about the importance of sustainable products and business practices when these individuals make purchasing decisions. Regardless of age or gender, 68 percent of those consumers surveyed felt sustainability influences their spending to some degree.

“Today’s buyers are driven by more than price—they’re looking for brands that align with their own values and needs,” CGS President of Business Applications Paul Ma-

gel said in a statement.

Consumers surveyed ranked the apparel industry as the third most critical for sustainable and eco-friendly options, following behind paper goods in the top spot and toiletries in the second. A major challenge faced by manufacturers of sustainable goods has been convincing shoppers to pay higher premiums for these items.

While 62 percent of overall respondents felt that price is still the most important factor influencing their buying decisions, they are willing to consider paying more for sustainable options. Of the consumers surveyed, 35 percent would pay 25 percent more if they were offered a sustainable version of a product, while 7 percent would pay up to 50 percent more, and 5 percent would pay a markup of 100 percent. When looking at Generation Z—defined as respondents ages 18 to 24—the survey found that this group is more likely to spend 50 percent to 100 percent more for sustainable goods than other age groups.

In the report, CGS also revealed the company values that most resonated with respondents. While the term “sustainable” can be broad, respondents to the survey were asked to clarify

the areas of sustainability they felt were most important. Thirty-one percent prioritize brands that manufacture goods using eco-friendly materials when defining practices as sustainable. Other areas of sustainability that ranked as important to consumers were following ethical practices (15 percent), philanthropic efforts (8.8 percent), rejection of animal testing (8.8 percent) and having a strong purpose (8.4 percent).

“To create a loyal customer base, brands must be transparent about the materials and development behind their products,” Magel explained.

When asked to name apparel brands consumers connect most with sustainability, 11 percent mentioned **Nike**, 8 percent named **Toms**, and 4 percent thought of **Patagonia**. Despite the shift away from brand loyalty in consumer buying habits, manufacturers do have an opportunity to capture the interest of shoppers and retain their business over time. While consumers value a brand’s higher quality as the most important reason to return to a label, according to the survey, the second most important factor these consumers consider is a company’s sustainable or ethical practices.—*Dorothy Crouch*

TRADE SHOW REPORT

L.A. Market *Continued from page 1*

here,” she said. “January is our smallest [market] of the year, but it was what we were expecting.”

Showrooms at the CMC reported a nice stream of traffic that allowed buyers to enjoy an intimate atmosphere while shopping its brands. At the showroom **Perlman Rep** and **International Brands in America**, which carries **Molly Bracken**, **Desigual**, **Matt & Nat** and **Tolani**, representatives saw buyers looking for a calm environment to enjoy the market experience.

“It was a good market, but it wasn’t crazy, so they can spend a lot of time here compared to when they’re in Las Vegas or on the road,” Chief Executive Officer of Perlman Rep David Perlman said.

With an emphasis on carrying trusted brands, the showroom’s representatives saw buyers from sellers of luxury goods, including local boutique **Boulmiche Beverly Hills**, who wanted to secure finely made goods at an excellent price.

“Buyers are looking for later Spring deliveries,” sales manager Felicia Klunk said. “The young contemporary market seems oversaturated now, so they are looking for a competitive price point but really nice quality and stuff they’re not going to see anywhere else.”

Many showrooms reported sales for Immediates and Spring, while others were pleasantly surprised when buyers showed up to order for the second half of the year. At United Kingdom-based brand **Superdry**, Edward McNaboe said that new clients were placing orders for Autumn/Winter 2019.

“Outerwear is our bread and butter, but a lot of people are excited for our premium line, The Edit Collection. One of our local buyers from **707** stopped by yesterday,” he said. “As big as L.A. is, this market is quite small, so it’s a nice, condensed show. Our meeting yesterday was three hours—at MAGIC, I would never get that amount of time with a customer.”

In town from Bermuda while visiting a friend in the Los Angeles area, Sharon Bartram, who owns the **27th Century Boutique**, decided to shop at the CMC. She placed orders with **Sympi** and **Adore** searching for Immediates and Fall to suit her clientele of businesswomen ages 30 and above.

“My clientele is 95 percent locals,” she said. “This is the first time I’ve been here. My friend just moved to Los Angeles from Philadelphia. I will return to this show in October.”

At the **Label Array** show on the building’s 13th floor, Scottsdale, Ariz., makeup artist Mary Beth York at her **M.B. York** booth was selling her colorful vegan handbag line, which launched in December 2018 and wholesales for \$60. Many of the retailers who stopped by her booth were from Oregon, New Mexico, San Diego and San Clemente, Calif.

Launched September 2018, made-in-Los Angeles women’s brand **Sur La Côte** made its first trade-show appearance at Label Array. Owner Ally Melideo received orders for her eco-friendly pieces, which wholesale from \$35 to \$63, and looks forward to the March show.

Matchmaking buyers and brands at The New Mart

Showrooms at **The New Mart** reported positive traffic, with buyers placing orders for Immediates and Spring/Summer. At the **Niche** showroom, which carries the lines **Billy T** and **Knitwit**, Suzie Hart and her business partner, Lisa Ozur, said retailers were putting pen to paper for pieces wholesaling from \$23 to \$118.

“Our buyers are looking for things that are easy and priced well,” Hart said. “That under-\$100 classification is resonating.

We’re hearing a lot about it.”

Tina Snow, who traveled down from Santa Barbara, Calif., and who reps **The Phoenix** boutique in Big Sur, was searching for boho-style pieces.

“I’ve been placing orders for Immediates all day,” she said. “I am trying to buy for the season, but I will buy out-season for something like **Johnny Was**.”

Hosted on the third floor of The New Mart, **Designers and Agents** provided a diverse mix of independent brands that attracted a steady stream of buyers from California, Colorado, Florida, Arizona, Oregon, Washington, Spain and Tokyo. Show organizer Barbara Kramer revealed that exhibitors who don’t normally show in January registered for this show, which provided more diverse options for serious buyers.

“The brands that participate have business to do and have that delivery, so they need to get the business in,” Kramer said. “The buyers are in an up-tone mood.”

For **Love Tanjane**, which is made in Ojai, Calif., by Sonia Erneux, the brand saw business from buyers hailing from **Baske**, a boutique in Santa Barbara, Calif. The brand acquired new accounts and saw existing partners, who placed orders for the high-end tie-dye designs, which wholesale from \$88 to \$174.

“We’ve had a small number of notes and a decent set of orders,” said sales representative Chris T. Wilson. “It’s been a steady flow of traffic.”

The **American Colors by Alex Lehr** booth saw buyers from smaller shops, such as Seattle-based **Red Ticking** and a buying office that represents several hotels throughout the United States. Buyers were putting pen to paper for the Santa Barbara, Calif.-based brand, which wholesales for \$60 to \$98.

“We always do October and March, but I had to be out here anyway, so January made sense to get a head start after the New Year before things really ramp up in February,” Lehr said. “We don’t do New York in January, so this was a good opportunity to get things going.”

Shopping for her Cardiff by the Sea, Calif., store **Sea + Wander**, Jackie Karnavas was pleased with the pace of the show as it allowed her to take her time. She placed orders with **Kim White** accessories and jewelry brand **Avant Garde**.

“We are shopping for Spring, Summer and Fall. I am doing chunky [accessories]—bring that back. They’re fun,” she said. “I would tell other buyers to take their time. Every line has something to offer, but if you’re in a rush you can’t take it all in. Taking your time expands your horizon and takes you into new things.”

Cooper showrooms make rain work for them

Out-of-state retailers made up a significant portion of the market’s business at the **Cooper Design Space**. Many Los Angeles and Southern California-area retailers decided they were not going to drive to downtown Los Angeles on rain-soaked freeways, said Ryan Anderson, a sales associate with Cooper’s **Focus Showroom**.

“They’re going to see us later,” Anderson said, but out-of-towners were undaunted. The Focus showroom was exhibiting the **Nicole Miller** line in addition to the debut of the **Marie Oliver** line. London-based line **Charli** also was reintroduced to the showroom after a hiatus, said Sylvana Lankshear, Focus’s owner.

The **Noella Showroom** also got a bump in traffic from out-of-state retailers. The Austin, Texas-based **Cove** and **Lovecraft Boutique** shopped the Cooper, as did **Elements** from Dallas and **Smith & Main** from Bellevue, Wash.

Heavy rain can benefit a market, said Whitney Hughes of the

2448 Agency, which made its L.A. Market Week debut at the Cooper, exhibiting the brands **NSF**, **Icons**, **Parrish** and Japanese footwear line **Suicoke**.

“People are staying in the building,” Hughes said. “They’re not in a hurry to go outside and walk in the rain. All of our appointments showed up. We also had some walk-ins,” Hughes said.

Israel Ramirez of the **Siblings Showroom** said that business at the January market was good but not as good as in the past. “It takes a lot more work. We have to offer more perks to get retailers in here.”

Perks included a free lunch—tacos from high-end downtown Los Angeles restaurant **Pez Cantina**, which is owned by Ramirez’s family.

A secret for success during a market with bad weather, or any market for that matter, is calling retailers to make sure that they will visit, Leah Gordon, sales manager for **Bandolier**, said. The accessories brand runs a showroom in the Cooper lobby. “We do a lot of outreach and legwork,” Gordon said.

Brand Assembly marked the biggest January show of its six years producing trade shows in Los Angeles, Hillary France, the show’s founder, said.

On the 11th floor of the Cooper Design Space, 95 brands exhibited, almost doubling last year’s outing of 52 brands.

Shopping this show were Los Angeles-area retailers **Boca**, **Heist**, **Elyse Walker** and **Revolve**. Retailers from outside Los Angeles shopping the show included online emporium **Shopbop**, **Pitken County Dry Goods** of Aspen, Colo., and New York City-based retailer **Olive & Bette’s**.

The week’s heavy rains did not stop business, according to vendors and retailers. “Work is work,” said Hilary Barrett, a buyer for the **Boca** boutique in Los Angeles’ Pacific Palisades area. She and Boca owner Denise Mangimelli were buying Summer and pre-Fall inventory for their shop.

Nina Frank, a sales executive for the **Minnie Rose** brand, said that the rains did not dampen the enthusiasm of buyers. “We had great appointments. Everybody came,” she said. On the last day of market, Minnie Rose took 45 appointments, Frank said.

Chris Seelig of the **Brothers & Sisters Showroom** said orders were big. “[Retailers] were writing whole collections. It was not so item driven.” Some labels exhibited at Brand Assembly’s year-round Los Angeles space, located on the Cooper’s mezzanine level. Those included **Trina Turk**, **Black Halo**, **Amsterdam Heritage** and **Amuse Society**.

Slower market for Gerry showrooms

During L.A. Market Week at the **Gerry Building**, **Karen Kearns Sales** introduced Italian women’s label **La Bottega Di Brunnella**. The linen sportswear collection had not been sold on America’s West Coast before the showroom’s debut, said Kathie Muni, manager of the showroom.

Muni and showroom owner Karen Kearns said that the rain slowed buyer traffic. Otherwise, the market felt like a typical January market with appointments coming in as the showroom opened new accounts, Kearns said.

Down the hall from Karen Kearns, at the **Julie + Stuart Marcher Showroom**, Stuart Marcher said that this L.A. Market Week was being hurt by competition from other trade shows. “MAGIC being two weeks earlier this year is sucking all the air out of the regional shows,” Marcher said. During the show, the Marcher showroom displayed lines such as **Elliott Lauren** and **Nally & Millie**. ●

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Le Frenchlab's Emmanuelle Rienda to Launch Vegan Fashion Week in L.A.

By Dorothy Crouch Associate Editor

The reputation of cruelty-free, or vegan, fashion has generally not been synonymous with elevated, chic textiles and designs. Now, Emmanuelle Rienda is launching the inaugural **Vegan Fashion Week** to show the mainstream fashion industry how offerings in the cruelty-free category have evolved. After a successful launch of **The Future of Fashion** conference during the October 2018 edition of the **L.A. Textile** show, Rienda wanted to build on the progress she saw being made during that event.

"The main goal [of Vegan Fashion Week] was to become mainstream and have this message reach a larger audience," Rienda, founder of the Los Angeles creative agency **Le Frenchlab**, said. "I want to get out of this vegan bubble where everyone is only talking to other people who are involved in vegan and sustainable fashion."

Launching with an exclusive industry-only party focused on the theme of "Facing Our Time," Vegan Fashion Week will begin Feb. 1 at the **Natural History Museum of Los Angeles** during an event that will invite discussion regarding ecological issues through the scope of science, nature and art. **Nobel Peace Prize** laureate and climate scientist Robert Lempert will address guests, who will be invited to enjoy a runway showcase featuring vegan designers and explore offerings from high-end, cruelty-free brands. Her choice to host Vegan Fashion Week's launch at the Natural History Museum of Los Angeles was intentional.

"It's controversial on the vegan scene, because there is a lot of taxidermy, and some vegans believe it's wrong," she said. "What I am saying is that I want to talk to the mainstream audience, and the space is a tribute to animals without exploiting them. It's similar to going to **The Louvre** and seeing the mummies."

Vegan Fashion Week will continue Feb. 2-3 at the **California Market Center** with an experience that includes more than 60 major vegan fashion brands. Every decision that Rienda has made regarding the launch of the event has been carefully considered to ensure the inclusive nature of the event.

At the CMC, Vegan Fashion Week will offer a family-friendly atmosphere structured around educating attendees regarding the industry's options, such as luxury footwear, silk alternatives, and leathers made from apple and pineapple fibers. If guests want to learn about the more controversial side of sourcing animal-based textiles, there will be a closed booth, named **The Black Box**, that will provide information regarding the processes within the industry.

"My work is to bring vegan options to mainstream fashion but in a very inclusive

way. People are scared because there is a spectrum from extremists to more-inclusive activists," Rienda explained. "Even if we have different ideas and opinions, we need to bring them together to create discussion and interact."

A fashion show held in the Fashion Theater at the CMC will showcase designs from **Ecopell**, **Matea Benedetti**, **Altair**, **Enda**, **Mink Shoes**, **Manavai** and Topanga, Calif.-based artist and designer Chloe Trujillo.

Recognizing the controversy of cruelty-free fashion's reputation for relying on pollutive sources for fabrics and textiles, Rienda is making the connection between luxury vegan fashion and sustainable resources for apparel manufacturing.

"It's not only about the animals, it's about trying to give answers about sustainability and bringing on the biggest innovators," she said. "I am bringing together all of these creative innovators in the world, who are bringing solutions for issues we are facing



Emmanuelle Rienda



right now—the environment, fair trade and animal rights."

The decision to launch Vegan Fashion Week in Los Angeles was made due to California's passage and consideration of animal-friendly legislation in recent years. Citing bans on cosmetics animal testing, fur and foie gras, Rienda felt a natural connection to the region for the launch.

"California is a more avant-garde state in the United States and the world that is really pushing animal rights very strongly," she explained. "It made a lot of sense to start here. Fashion in Los Angeles is great, but there is a gap, and I think Vegan Fashion Week could fill this gap through avant-garde yet conscious fashion."

Rienda wants to grow Vegan Fashion Week, so it is not going to be rooted in one city. To maximize exposure on a global level, she will bring the event to other major fashion cities.

"In September we envision New York. Next February, in 2020, we envision Paris. We want to bring Vegan Fashion Week to all fashion hubs around the world," she said. "It has become its own entity traveling the world until vegan fashion is the norm." ●

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Products and Services: Fashion Market Northern California is the largest open-booth format show on the West Coast. It consistently offers choices from 2,000 apparel and accessories lines in every category: European, contemporary, updated, casual, and juniors, plus a wide range of jewelry, bags, and shoes. Buyers love the complimentary continental breakfast, coupons for lunch options, and afternoon treats. FMNC continues to offer free parking on Monday and Tuesday mornings for arrival before 10 a.m. and late-night Monday with complimentary beer and wine. First-time buyers may qualify for one free hotel night during the show. Check out *www.fashionmarketnorcal.com*, Facebook, and Instagram.

Finance One, Inc.

801 S. Grand Ave., Ste. 1000
Los Angeles, CA 90017
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Fax: (213) 283-3896
Contact: Sean Kim, FVP & Team Leader
Direct: (213) 534-2919
Cell: (323) 509-8292
seankim@finone.com
Products and Services: Finance One, Inc. is a commercial finance company specializing in creating unique financial solutions for small to mid-size businesses. We offer full-service factoring and receivable management services at the most competitive rates, all while maintaining premium quality. By offering a wide array of services, our experienced staff assures our clients' assets are secure. We are undaunted by any challenge, and with a 20-year track record of success, there's no doubt as to why our motto is "Win/Win Factoring."

Hana Financial, Inc.

1000 Wilshire Blvd., 20th Fl.
Los Angeles, CA 90017
(213) 977-7244
Fax: (213) 228-5555
www.hanafinancial.com
Contact: Kevin Yoon
kevin.yoon@hanafinancial.com
Products and Services: Established in 1994, Hana Financial is a specialized nonbank financial institution that offers factoring, asset-based

lending, SBA lending, home mortgage banking, investment banking, wealth management, and insurance services. Hana Financial evolved from a local startup serving a niche market of Southern California to a top 10 factor in the U.S. and a member of Factors Chain International, with offices in Los Angeles and New York.

Jerian Plastics Inc.

(Global Head Office)
1000 De La Gauchetiere West Ste. 2400
Montreal (Quebec)
Canada H3B 4W5
(514) 448-2234
Fax: (514) 448-5101
info@jerianhangers.com
www.jerianhangers.com
Products and Services: Jerian Plastics Inc. is a global hanger manufacturer and a premium store fixture distributor where you can source all your hanger store fixtures and garment packaging needs through our worldwide network facilities. At Jerian, we always have in mind to provide our clients with cost-effective plastic hangers and top-quality personalized custom-made wooden hangers specially designed to enhance the highest standards of the fashion industry and to fit the latest trends in the store interior-design market.

Merchant Financial
Group

800 S. Figueroa St., Suite 730
Los Angeles, CA 90017
(213) 347-0101
Fax: (213) 347-0202
merchantfinancial.com
Products and Services: Merchant Financial Group, located near the garment center in downtown LA, offers non-recourse factoring, asset-based loans, inventory financing, purchase-order financing, letters of credit, and revolving lines of credit against other tangible assets, such as commercial real estate, trademarks, and royalty income. Our local management team offers quick responses, hands-on personalized service, and flexibility to meet all our clients' needs. Established in 1985, Merchant Financial Group has become a leader in the industry, satisfying the needs of growing businesses. Merchant services the entire United States, with offices locally in Los Angeles, Fort Lauderdale, and New York.

Progressive Label Inc.

2545 Yates Ave.
Commerce, CA 90040
(323) 415-9770
Fax: (323) 415-9771
info@progressivelabel.com
www.progressivelabel.com
Products and Services: Progressive Label is dedicated to helping companies develop and showcase their brand identity. From logo labels and hangtags to care/content labels and price tickets, we will develop, produce, and distribute your trim items worldwide. We specialize in producing custom products that will meet your design and merchandising needs. We successfully launched production of RFID price tickets last year. This demand is being greatly driven by the big

retailers such as Macy's and Target. Our growth and market dynamics have resulted in opening up a production center in Tijuana, Mexico. We have also added advanced die cutter technology in our Los Angeles production center to streamline our production efforts and to strengthen our packaging capabilities. A very important part of our business is FLASHTRAK, our online ordering system for price tickets, custom products and care labels. Our mission is to deliver high-quality products at competitive prices, wherever they are needed for production. We understand the rush nature of this industry and strive to meet the tight deadlines facing our customers.

Sustainability
Resources

KINdom

info@kindomshop.com
www.kindomshop.com
Products and Services: KINdom is a brand that relies on the KIN-ship of its community. We are committed to bringing sustainable, eco-friendly fashion that focuses on a balance between materials, resources, design, and labor. We offer products using sustainable, natural, reclaimed, recycled, and indigenous materials, such as organic cotton, hemp, bamboo, and recycled polyester. Not only are the clothing items sustainable, but the bio-plastic bags we use for packaging are as well. Staying true to the concept of slow fashion, each collection is limited and exclusive, due to the finite materials available. Our mission is to create products with meaning and purpose to protect and benefit the environment and humanity for generations to come. Visit us at Stitch in Las Vegas (Feb 5–7), Booth #25078.

Sun Dragon Import Inc.

(323) 362-5505
Contacts: Qing Duncan, Irvin Ashworth, Cindy Geler
www.sundragonimport.com
Products and Services: Sun Dragon Import Inc. has been introducing sustainable and eco-friendly yarns since we started in 2005. We believe ECO system stays with what we breathe, eat, and wear. Also, what we wear reflects our appreciation to mother earth. We continue developing novelty, intimate, textured yarns with Tencel A100, Modal, linen, Supima cotton, hemp, RPET, recycled cotton, organic cotton, bamboo, silk, cashmere, and blends. Our concentrations are misses and menswear but also fashion oriented toward the juniors fast-trend market. We customize special yarns for each customer for their special needs. No customer is too small nor too big.

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Email: xiangyan_g@yahoo.com

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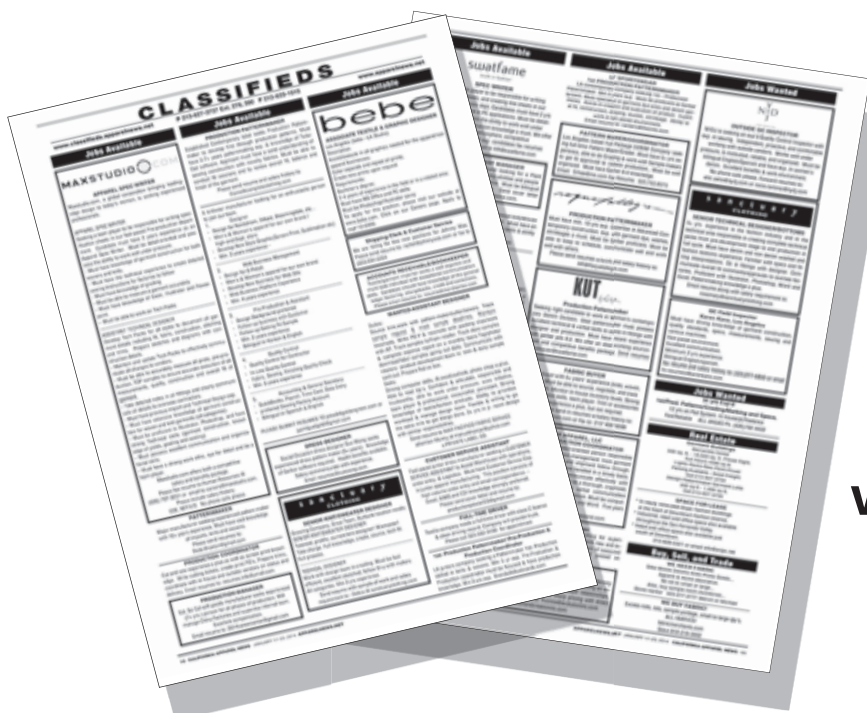
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