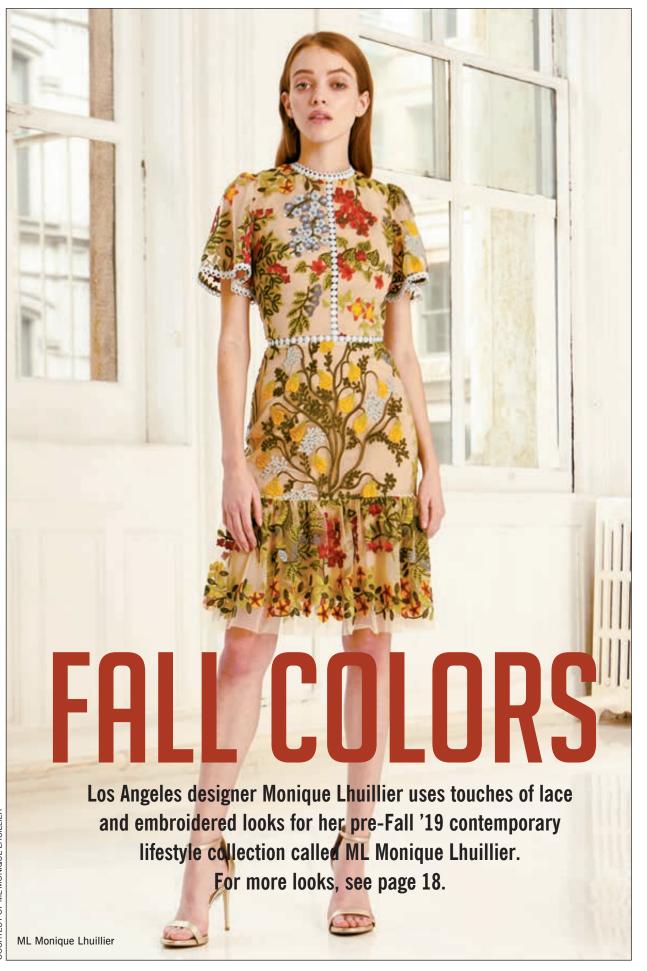
CALIFORNIA \$2.99 VOLUME 75, NUMBER 5 FEBRUARY 1-7, 2019 THE VOICE OF THE INDUSTRY FOR 74 YEARS



INDUSTRY FOCUS: FINANCE **How to Tackle the China Trade-War Challenges**

By Deborah Belgum Executive Editor

In the past year, it has become increasingly more challenging to be an apparel manufacturer, importer or retailer in the United States as uncertainty surrounds trade with China.

Ten percent tariffs on Chinese imports have raised the price of bringing in fabric, handbags and fur into the United States from that country. Now there is a threat that Chinese apparel imports could be subject to a 25 percent tariff starting in early ➡ Finance page 25

FOCUS ON FASHION

The Ins and Outs of **Fashion Designers' Innovations**

Creativity in the fashion industry comes in many forms. It pops up when a designer sees an incredible movie or travels to an exotic destination. It emerges when they look at old photos or see someone walking down the street in a vintage dress.

For years, Los Angeles' designers have been trendsetters when it comes to ideas and fashion. The premium-denim trend started in Los Angeles as did streetwear, activewear and, of course, swimwear.

California's sun-splashed climate and beach scene give designers a different perspective on fashion, fabrics and colors that are often mimicked around the world. Is it a coincidence that some of the most sought-after celebrity influencers reside in the City of Angels?

The California Apparel News touched base with some of Los Angeles' up-and-coming designers and asked them to share their road to success and how they create their fashions. Our interviews begin on page 20.



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Guess CEO Unexpectedly Steps Down

After four years as the chief executive of **Guess?**, **Inc.**, it was announced that Victor Herrero would be stepping down from the Los Angeles lifestyle-clothing brand on Feb. 2.

Taking over the top position will be Carlos Alberini, who left the company in 2010 to work for **Restoration Hardware** and **Lucky Brand Inc.**, where he most recently was the chairman and chief executive.

Calls to Guess to comment on the executive changes were not immediately returned. But Maurice Marciano, the co-founder of the company, said in a statement that he was "excited to have Carlos coming back as CEO. He was instrumental in building the international business in Europe and Asia during his 10-year tenure with the company."

On Jan. 25, Guess and Alberini agreed that he would take over the top executive position upon his separation from Lucky Brand, which Lucky Brand said was on Jan. 28.

On Jan. 28, Guess issued a succinct press release announcing the executive change. While Guess is waiting for Alberini to join the company, Maurice Marciano will step in as acting CEO.

It was also announced that Paul Marciano, Maurice's brother and another co-founder of the brand, would stay on with the company as chief creative officer. He resigned as chairman last year amid a sexual-harassment probe and was to leave his chief-creative-officer position in January. But the company said his employment now will be "at will."

Guess, in filings with the Securities and Exchange Commission, said Herrero would receive a \$2.4 million separation agreement, which is equivalent to two years' worth of his monthly \$100,000 salary plus his bonus for fiscal 2019. He will also have his life-insurance and health-insurance costs covered for a two-year period and receive full vesting of his equity awards.

Once Alberini steps in, his annual base salary will be \$1.2 million, and he will receive a \$1 million signing bonus. Alberini was president and chief operating officer at Guess from 2000 to 2010.

Herrero, who had worked for a decade at Spanish company **Inditex**, parent company of **Zara**, came on board in 2015 to turn

things around at Guess. He launched an aggressive campaign to hire influencers and celebrities such as Jennifer Lopez to publicize the product. He also started shuttering U.S. stores as sales in Europe and Asia grew and U.S. sales languished.

During fiscal 2015, Guess's earnings were \$867.9 million on net revenues of \$2.4 billion. During fiscal 2018, that had not improved. Earnings during 2018 were \$828.8 million on \$2.36 billion in net revenues.

Particularly painful was the third quarter of fiscal 2019, when the company experienced a \$13.4 million loss on \$605.4 million in revenues. During the same period in 2018, net loss was \$2.9 million on \$548.9 million in net revenues.—Deborah Belgum

Poshmark Report Examines Trends Toward Growing Social Commerce

Social-commerce company **Poshmark** released its first review of the social-retail environment in a report called "A Year in Social Commerce."

By studying online interactions and transactions that occurred on the Poshmark platform, where people can buy and sell new and used clothing, footwear and accessories, the e-commerce company was able to identify the most important social-shopping trends and forecast how these consumer habits will affect the future of retail.

"Retail is not an isolated activity. Human interactions and socialization are the foundation of it.

Social and commerce are scaling together," said founder and Chief Executive Officer Manish Chandra, whose company is

headquartered in Redwood City, Calif. "That is what prompted us to research our own system, but also massive transaction volume, and combine it with some of the research in our industry data."

With its users spending from 23 to 27 minutes each day on the platform, Poshmark has found that social interactions are involved in 78 percent of its transactions. Visitors to **Instagram** devote 28 minutes to the application, and **Facebook** and **Snapchat** users visit those sites for 27 minutes daily. Whether Poshmark members contribute to the platform's 1.2 million likes, 18 million shares or 350,000 comments, these new online social cues help drive commerce.

"Generations of customers who have been part of Poshmark over the last sevenplus years—each generation is more loyal than the next," Chandra said. "The loyalty is exponentially increasing, not just because of the merchandising but because of the social human relationships and connections that form on the platform."

For retailers who have not yet invested in cultivating a social-commerce presence, Chandra outlines the opportunities for businesses to ease the shopping experience for customers who prefer different purchasing options.

"You could discover a product anywhere—a physical store, on Instagram or on Poshmark," he said. "You should have the option to buy it when you discover it, buy it later on from the comfort of your home or buy it in the store and have fulfillment at your home or vice versa—buy it at home and fulfill it at the store."

Current numbers from the report show that 40 percent of the world's population uses social media and 69 percent of Americans are using these types of applications. As these numbers grow, Poshmark forecasts that approximately 70 percent of retail ecommerce sales will come through mobile by 2021, and Chandra believes this should inspire retailers to devote more resources to increasing social-commerce initiatives.

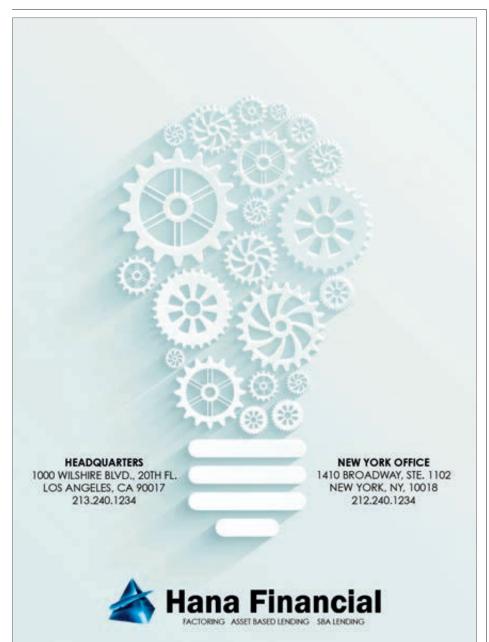
"Human interactions are absolutely critical to scaling commerce," he explained. "By removing them from your experience and making it more sterile, while you might achieve a certain level of efficiency, it comes at the price of loyalty and engagement."

Through social commerce, consumers are returning to the more traditional shopping experiences, during which they would shop at bricks-and-mortar locations with friends. Now, according to the report, friends take the form of other online users who are engaging through these platforms, as 74 percent of millennials say social influences shopping, 72 percent of shoppers buy due to inspiration from Instagram and 56 percent of buyers examine product reviews from other buyers prior to making a purchase.

These consumers also want more assistance from brands through social platforms, with 59 percent of shoppers expecting greater customer service than a year ago and 48 percent of consumers reporting that they would like brands to help them discover products.

"In a world where you have one online giant dominating the market, human interactions give you specific, long-term competitive advantage," Chandra said.

—Dorothy Crouch



Calendar

Feb. 4

Kid's Hub Las Vegas by Playtime Planet Hollywood Las Vegas

Through Feb. 5

WWINRio All-Suite Hotel & Casino

Sourcing at MAGIC Las Vegas Convention Center

Footwear Sourcing at MAGIC Las Vegas Convention Center Curve Las Vegas

Mandalay Bay Convention Center Las Vegas Through Feb. 7 Feb. 5

Londonedge Las Vegas Flamingo Hotel & Casino Las Vegas Through Feb. 6

<u>Feb. 5</u>

FN Platform WWDMAGIC

Las Vegas

Las Vegas Convention Center

Las Vegas
The Tents
Project, Project Womens, Stitch

@ Project Womens

MAGIC Mens Pooltradeshow Mandalay Bay Convention Center **Agenda Las Vegas** World Market Center Las Vegas Las Vegas Through Feb. 7

Liberty Fashion Fairs Las Vegas,

Quest, Assembly, The Pillars,

Indigo, The General Store,



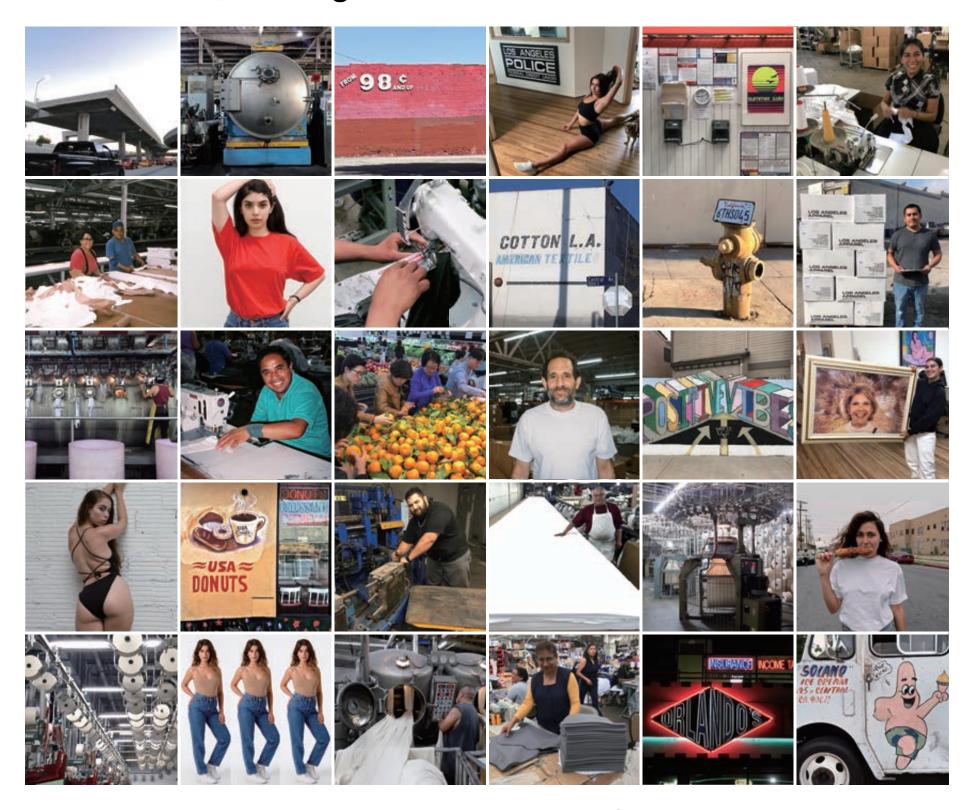
For calendar details and contact information, visit ApparelNews.net/events.

Submissions to the calendar should be faxed to the Calendar Editor at (213) 623-5707. Please include the event's name, date, time, location, admission price and contact information. The deadline for calendar submissions is the Tuesday prior to Friday publication. Inclusion in the calendar is subject to available space and the judgment of the editorial staff.

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LOS ANGELES APPAREL

In the Factoring Landscape, Milberg Factors Is a Breed Apart

When Dan Milberg, president of New York-based Milberg Factors, one of the country's largest and oldest factoring companies, ponders the question of how his family's privately held business has managed to last so long, he doesn't go back to its founding in 1937 by his grandfather Ben. He refers to the late 1950s, when his father, Leonard, and college classmate Joe Golden took the reins. "They met as freshmen at Princeton and were business partners for 50 years and never fought about money," says Dan. "Not many partners in any business can say that. They built the bones of the business and set the benchmark for how to do things the right way, and we have never lost sight of that.

With this 85-year legacy, Dan is justifiably proud of the firm's continued growth and success and the expansive range of services the company provides. "Everyone thinks of factoring as it relates to the apparel world. That is true, but today our portfolio includes apparel, textiles, accessories, shoes, home furnishings, furniture, and food companies. Diversifying the portfolio has undoubtedly contributed to the longevity of our firm." Factoring services are now more vital than

ever with the vast amount of retail bankruptcies and closures that have rocked the middle market.

Adds Dan, "Everyone is concerned about customer credit risk; it has only gotten more relevant due to the many retail leveraged buyouts that have gone bad over the last 10 years. Milberg Factors has always had a great appetite for underwriting risk—and this has allowed us to add many terrific companies to our portfolio."

With client sales volume of more than \$5 billion and the apparel-client business running from \$5 million to \$600 million, Milberg has the financial depth to take on underwriting at every level of the apparel industry. Unique in its field, Milberg can do so while maintaining the personalized touch and individualized decision-making of a much smaller firm.

With the complexities of today's marketplace, that ability to work directly with a decision-maker is a competitive advantage. "Banks are increasingly bureaucratic, and their internal compliance continues to be challenging. Dealing with an owner-operated, privately held finance company is a heck of a lot easier and a good business decision," says Dan. "We have many clients that require funding outside of a traditional asset-based formula. Due to our structure, we can react expeditiously."

With Milberg's clients, "it's an individual relationship to begin with," Dan explains. "People have normal ups and downs in business, but in a typical banking environment there is not a lot of elasticity for losses. If you've lost money, it may be a challenge to stay at the bank, even if you have been with the bank for many years. We can see through that. There may be mitigating reasons for the losses. We can sit with the owner and see if the deal makes sense, in spite of a 'tough year.'"

For every client, Milberg provides

a three-member team—an account executive, a credit analyst, and a receivables collector. All is done in house. "Most of our competitors outsource all or some of their operations." Milberg believes it is strategically important to have all functionalities in-house. Milberg has offices in Glendale, California, and Winston-Salem, North Carolina, in addition to its New York headquarters. It has made a substantial investment in its IT department and makes available a suite of information to its clients via its "Milberg Client Information Systems," otherwise known as MCIS.

Dan's father, Leonard, who is CEO, made him start in the collections department and work his way up. "It wasn't exactly his idea of how things



Dan Milberg

would work," Leonard says with a quick laugh. But he knows how all these functionalities work because he did them himself." "It's really been a 30-year progression of understanding what we do and how it's done," adds Dan. "If you know your craft well enough, you can sell it in a way that's not mechanical."

Another critical legacy from his father and Golden is how Milberg treats its executives. "They wanted senior management to have an ownership stake in the company," says Dan. "That is something none of our competitors ever dreamed of doing. The fact that there is an opportunity for an ownership stake is a great incentive and was a very smart decision by my father and Joe."

While "most of our competitors have grown through acquisition, we've grown organically," he says, "by maintaining strong relationships with longtime clients and fostering loyalty among the employees, many of whom have worked for the company upwards of 20 years. I am very proud that we have many long-tenured individuals but am just as proud that we continue to attract a new generation of younger employees. There is a lot of pride around our company, and we are excited about our opportunities," says Dan. That is saying something with the steady change in the factoring landscape, which has seen dwindling numbers of factoring firms.

"This is how we've grown it. This is why we're thriving," Dan says. "The lack of bureaucracy and our ability to respond in a timely way—maybe it's a lost art. I judge it by the people coming to us. People want this."



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Ashley Mason Rolls Out a New Denim Line

By Andrew Asch

Retail Editor

Michelle Mulleneaux started her Ashley Mason clothing company more than three years ago with her sights set on growing the venture with new lines and innovations.

With that in mind, Ashley Mason introduced a new women's denim line in January called **Made in Blue**, a blue-jeans line with simple and clean looks retailing for \$49 to \$59.

Made in Blue is the latest in rapid-fire releases ever since the Ashley Mason juniors line was introduced in October 2015. Since then, the Huntington Beach, Calif.—based company has introduced the **Prosperity Denim** line in 2016, followed by the kids' line **Gloss & Glit**-

ter Girls. And a premium-denim line called **Prosperity Premium Denim** will be coming out in April.

In February, the company is scheduled to unveil its first direct-to-consumer channel,



Made in Blue

prosperitydenim.com. Mulleaneaux noted that wholesale will remain a core part of the company.

Mulleneaux started Ashley Mason after 27 years of working in fashion sales. Her last sales job was as a senior sales executive for the clothing company **Topson Downs**, headquartered in downtown Los Angeles.

Mulleneaux's previous relationships with retailers and manufacturers were key in rolling out her company. But there was nothing to prepare her for making the transition from being an employee to running a business.

"The best analogy is like when you get



Michelle Mulleneaux with models wearing Prosperity Denim

into a cold pool," Mulleneaux said. "It's so cold, you wonder, 'Why did I get in?' Then you jump all the way in. I didn't look back. I had people doubting me, though."

Mulleneaux took the big jump when she

wanted to make a few changes in her daily life. She was tired of commuting from Huntington Beach in Orange County to downtown Los Angeles. She also wanted to control her schedule, so she invested her savings in her first company.

There have been some changes. Currently, she has a two-minute commute by car. Sometimes she walks to work at her new head-quarters located a few blocks from the ocean. But there have also been costs. When she worked as a sales executive, she made a six-figure salary. She declined to state what she currently makes in a company that has not yet reached its five-year mark.

While it may not match what she used to make, she says, "I am happier. I am building a business. I am helping people create lifestyles of freedom," she said of her 10-member staff, who also make their own schedules.

A building block in Ashley Mason's rollout was listening to what retailers were looking for, Mulleneaux said.

"They would tell me, 'I need a better price point. How fast can you get this style? What will be the color for next season? I need more of this style," she said.

The upcoming Prosperity Premium Denim line will focus on offering tailored looks in a wide range of sizes with retail prices ranging from \$100 to \$150. It will be offered in petite sizes as well as plus

Directing a company also has given Mulleneaux the chance to flex her design muscles for the first time in her career. She works with her staff on shaping the look of her styles. The scope of her responsibilities is reflected in her job titles. She is founder, chief executive officer and creative director. "I feel like I'm just beginning to take the company to bigger heights," she said.





NEW

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2019



Amour Vert Brings a Green Side to Local Manufacturing

By Dorothy Crouch Associate Editor

Before domestically made, sustainable apparel manufacturing became a major trend, San Francisco–based **Amour Vert** provided women with well-made clothing that combines style with sustainability, and it has ever since it was founded in 2010.

Along with its womenswear, the company now offers clothing for babies. A men's capsule collection will debut at a yet-to-be-determined date.

"We launched in San Francisco with the idea that a woman shouldn't have to choose between sustainable, ethically made clothes and clothes that are flattering, durable,

long-lasting and fit into her aesthetic," said Amanda Salinas, Amour Vert's head of marketing.

Since its launch nine years ago, the company has retained its commitment to sustainable, domestic manufacturing. Most of its 10 domestic manufacturing partners are companies owned by women and located in the Bay Area. With 97 percent of its goods made in the United States, the brand only makes its sweaters overseas but emphasizes that its foreign manufacturing partner must commit to the Amour Vert mission.

"We made sure it was a factory that has ethical working conditions and meets our sustainability standards," Salinas said.

While interest in apparel made in the United States has grown, and many advancements in sustainable apparel production have been made since Amour Vert's founding, the company was already ahead of these trends when it shifted its business model in 2016 under the leadership of Chief Executive Officer Aaron Hoey.

The move from a wholesale business to a direct-to-consumer model has proven successful for the company, which added a catalog and has opened four bricks-and-mortar locations in Northern California, two stores in Southern California and, most recently, its first out-of-state location, in Atlanta.

"The idea is that we have this amazing story, and when you sell through other partners you don't get to tell that story," Salinas explained. "Now that we control the entire brand experience with our customers, we are able to teach them

about sustainability and Amour Vert in a more thoughtful





way.'

A worker at one of Amour Vert's Bay Area factory

partners creates pieces for the brand.

That story in-

cludes the details of its relationships with local manufacturers and the people behind the factories. For Salinas, her perception of today's consumer is someone who is thinking about every step along the supply chain—how apparel is made, where it's produced and who is making it. As consumers desire to know more about the origins of their clothing, Amour Vert is happy to share the details of the businesses

that help make the brand's apparel.

"They want to make sure that their goods are being made ethically and that they understand the supply chain, which is something that five or 10 years ago consumers weren't really thinking about," Salinas said.

Through a February 2018 partnership with denim brand **Agolde**, Amour Vert launched a domestically manufactured, sustainable line of jeans. The **AGOLDE x Amour Vert** collection came about through Amour Vert's search for a Los Angeles—based denim brand.

"It is a premium product without the environmental impact," Salinas said. "We were able to come in with our sources and bring in organic cotton and recycled cotton. We were able to partner with them to create a unique product that is sustainable and didn't exist before."

Working together, the two companies felt a camaraderie to create clothing with a positive impact. The resulting handcrafted product uses only one-tenth of the water required in traditional denim manufacturing.

"We've always been admirers of Amour Vert and their devoted efforts toward sustainability," said Jessica Bowler, senior public-relations manager at Agolde. "With the introduction of our organic denim collection, we felt it was the perfect time to work with them on something bigger."

At Amour Vert, the mission to support its community doesn't end with apparel production. Through its collaboration with

American Forest, a partnership that started five years ago, Amour Vert launched its "Buy a Tee, Plant a Tree" initiative. Every time an Amour Vert T-shirt is sold, the company plants a tree. To date, the partnership has planted more than 200,000 trees.

Available in stores and online at *amourvert.com*, retail prices run \$30 to \$300. ●





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Fashion Market Northern California Runs Into Some Competition

By Deborah Belgum Executive Editor

SAN MATEO, Calif.—A confluence of trade shows and an early date for the apparel and textile trade shows in Las Vegas put a damper on the latest edition of Fashion Market Northern California.

The approximately 200 exhibitors that normally would

have attended the Jan. 27-29 show at the San Mateo County Event Center dipped 10 percent over last year, organizers said. But there were 14 new exhibitors—mostly manufacturers—who signed up for the show.

"We felt we were slightly off from last year because of the proximity of all the other trade shows," said Mary Taft, executive director of the five-times-a-year event where apparel, footwear and accessories representatives exhibit their latest collections. "I had some Southern California reps who said they didn't want to drive up to San Mateo, then drive back to Los Angeles, break down their collection and repack to go to Las Vegas [where shows are scheduled to run

While Fashion Market Northern California took place, Las Vegas Market, a gift, home décor

and furniture exhibit, was being held Jan. 27–31, attracting a lot of buyers that normally would go to Fashion Market Northern California. In addition, CALA San Francisco, a show for contemporary fashions and accessories, took place

Consequently, buyer attendance, Taft said, was down a bit. In addition, an alarm on Sunday, the first day of the show,

went off in the event center's kitchen, causing the entire building to be evacuated between 2 and 2:30 p.m. It turned out that there was only carbon-dioxide gas escaping from a soft-drink machine, which turned out not to be dangerous, but firefighters evacuated the whole hall anyway.

> "We got a little vitamin D by going outside for a half hour," Taft said with a laugh.

Exhibitors had various feelings about this January's show. Some picked up new accounts and saw existing

customers. Some were reevaluating the show. "It has been worthwhile for us. This is a tricky time of the year," said Jeff Gutmann, a sales representative for footwear manufacturer Fortune Dynamic Inc., based in City of Industry, Calif. "We did our homework and made it work. I called my accounts and sent out an e-blast. It makes a difference. You can't just show up and say, 'I'm here."

Gutmann said he acquired five new accounts, including from

small towns that are difficult and time-consuming for sales representatives to visit. "Sometimes at this show you get people from the boondocks, which is a good thing because these are places that are hard to visit."

Nancy Provda, who represents womenswear lines such as Fridaze, Dairi, Inside Out and Yasuko, had several existing buyers who attended the show and bought goods for the



beginning of Summer and Fall. "The good news is I opened a few new accounts, one from Oregon and another from Northern California," Provda said. "I had a pretty good show. There is a real loyal clientele who comes here."

But she did admit that the Las Vegas gift show cut down on the number of buyers who would normally attend the San Mateo show. "The shows this year are condensed together a lot," she noted.

Stuart Marcher, who with his wife, Julie, have a showroom at The Gerry Building in downtown Los Angeles, representing seven lines including Nally & Millie, Translation and Unwine Sweaters, said he is reevaluating how often he attends the show. "We have seen more than 34 stores, so I can't say the show was terrible," he said.

But he noted that packing up his collection to get to San Mateo and then coming back down to Los Angeles to get ready for the Las Vegas shows is challenging. "Normally we have a very busy Sunday, and this year we had an okay Sunday, which was not normal. But Monday was better. I think we are a little out of rhythm," he said. "So I am going to reevaluate for next January."

Sustainability Dominates Texworld USA and Apparel Sourcing USA

By Karen Rose Stave Contributing Writer

NEW YORK—Sustainability and ethical production were key themes at Texworld USA, held alongside Apparel Sourcing USA, at the Javits Center.

The shows, which took place Jan. 21-23, hosted 330 exhibitors from 18 countries and welcomed 4,100 attendees.

"We've developed an incredible educational platform on sustainable topics," said Jennifer Bacon, Texworld USA's show director. The show had standing-room-only attendance at the textile talks and seminars presented at the show.

These included "The Social Impact of Sustainability," "Reducing Water Consumption in Textiles," "Achieving Sustainability Through Fibers and Materials With Textile Exchange" and "What's Next In the World of Textiles for Recycled and Upcycled Materials?"

Austrian fiber producer Lenzing was on hand promoting its environmental responsibility with products such as Tencel Lyocell fibers, derived from sustainable wood sources, using a closed-loop production process that transforms wood pulp into cellulosic fibers. Among Lenzing's newer developments is Refibra, which turns cotton fabric scraps recycled from garment makers into pulp.

Portuguese manufacturer Scoop, whose core business is technical wear.

was displaying striking original designs made from leftover materials from its warehouse. "We hired a group of designers to come and look at our 93 miles of stock and come up with a collection called 'I Used to Be, Now I Am," said Chief Executive Mafalda Pinto. "We're not trading the collection. We are just showcasing that upcycling can be fun and creative." Scoop has also created a line of upcycled loungewear for client **Tommy Hilfiger**.

With uncertainty surrounding more possible U.S. tariffs on Chinese goods, Yan Yan, director of the Office for Social

Responsibility of the China National Textile and Apparel Council, said China is in the midst of a remodel. "We are facing the challenges of environmental protection, of increasing costs and how to make our production more people oriented," she noted. "We have taken sustainability as our industry strategy. Over the past five years, our laws [have become] more strict for water, for chemicals, for pollution. Now it is time for us to reshape the industry in a more sustainable way.'

which highlighted sustainable-apparel manufacturers. And

Offering options to China was the Sri Lanka pavilion,

Attendees register for Texworld USA and Apparel

Sourcing USA.

Mauritius, after several years away, made its return to Texworld USA with a dedicated country pavilion. Joyce Lo, marketing manager for the Mauritius-based Karina International, which specializes in childrenswear, said her company is still looking for its first U.S. customer. "We are here

to make ourselves known to the U.S. market," Lo said. The Korea Federation of Textile Industries organized 34 Korean textile companies to attend the show to meet new and current buyers, including Gap, Old Navy and JCPenney. "Our main competitor is China, and their main strength is quantity, but their quality is also increasing," said KO-FOTI's Deok-Cheon Chu.

A few U.S. businesses were on hand at the shows' Local Loft space, including AGH/Trimlab, the largest YKK zipper distributor in the Western hemisphere, as well as the last remaining zipper-assembly unit in New York City. "This is the second year we've been at the show," said company representative Thomas Lacari. "We've picked up a lot of startup companies."

Likewise, Chung Yu of Brooklyn-based, family-owned manufacturer MCM Enterprise, said that 10 years ago his

company had no need to attend trade shows. Now he is finding more of his customers among smaller startups. "I don't work as much with the bigger clients anymore," Yu said. "They're higher risk, and they don't put investment into their product.'

One such startup resource is the Brooklyn Fashion Design Accelerator, featured in the shows' Resource Row. The Accelerator has a production facility to give emerging designers access to manufacturing services, houses young businesses and sets them up with mentors, while the tech department develops ways to integrate technology into fabric, such as knitting conductive threads and LED lights into materials.

Other Resource Row booths included Queen of Raw, an online marketplace

where factories, brands and retailers can post their unused fabric to sell, and Helpsy, a for-profit clothing-collection company based in the Northeast with 700 clothing-collection containers in New York City alone.

"We have a strong environmental mission to keep clothes out of the trash. Last year we collected 25 million pounds of clothes," said owner Rachel Kibbe. "We also want to work with the fashion industry directly. Instead of shredding or incinerating, there are ways those clothes can be redistributed into other markets and resold."



Apolis: Common Gallery to Reopen Its Arts District Flagship

By Andrew Asch Retail Editor

Apolis: Common Gallery, a pioneer of high-end retail in Los Angeles' Arts District, is scheduled to reopen its flagship store this summer, which might further cement the district's reputation as a place to shop.

The menswear retailer will open in a new loft building called **Third & Traction** at 806–820 E. Third St., which should open its doors in March on the district's main drag.

The flagship will be a return engagement to the Arts District for Apolis, which makes denim, outerwear and accessories with a sustainable and fair-trade edge. A pair of the

Los Angeles' Arts District is much different than it was more than a decade ago when it was a blighted, sparsely populated area. The artists living there were more like homesteaders in an urban landscape of warehouses and empty buildings rather than gentrified residents. The area contin-

Big residential buildings are popping up everywhere. The 472-unit **Aliso Apartments**, up the street from Third & Traction, recently opened.

In 2017, designer **Phillip Lim 3.1** opened a flagship store down the street from Third & Traction. Boutiques including Wittemore, Hatchet Supply Co., Shinola, H. Lorenzo Lucky Brand denim label.

Warner Music Group also is scheduled to eventually move into At Mateo, said commercial-real-estate agent Andrew Turf of CBRE. Soho House, a members-only club for high-flying creatives, is scheduled to open at 1000 S. Santa Fe Ave. in the Arts District. The more-than-six-story club will feature hotel rooms, a gym, a music-performance area, screening rooms, a pool, as well as bars and restau-

These new places will give the area a special momentum, said Christion Lennon, who founded the clothing brand Brotherhood with Tommy Zavala. In July, he opened a



Christion Lennon and Tommy Zavala of Brotherhood



The Third & Traction building



Lucky Brand is located at the edge of the Arts District.



Spotify and Warner Music will be moving into the At Mateo campus down the road.

brand's chino pants retail for \$98.

In 2011, Apolis opened at 806 E. Third St. and was one of the first high-end shops to test the retail waters in the Arts

When the Third & Traction building started its renovation in 2017, Apolis had to close its doors but maintained a long-running pop-up shop up the street in the Alchemy Works boutique.

Apolis co-founder Raan Parton, however, said he remains bullish on the district's potential to become a vibrant retail center. "The Arts District is our home," Parton said. "We have seen steady growth for the last eight years, and I think it's just the beginning."

Archive and Rogue Collective all moved there in the past few years. The opening in November of Dover Street Mar**ket** garnered headlines from national newspapers and glossy magazines when the edgy, high-end emporium took a bow.

Art gallery **Hauser & Wirth** and attractions such as the Museum of Ice Cream also brought affluent people to the once-tough neighborhood.

In addition, a slate of high-profile creative companies are scheduled to move into the Arts District in the next year or so. Music and video streaming service **Spotify** is scheduled to open a regional headquarters this year at a new office campus called At Mateo, at the corner of Mateo and 6th streets, a couple of blocks away from the headquarters of the 570-square-foot Brotherhood store at 1325 Palmetto St.

"Once Soho House comes in and a couple more retail centers move in, it will be a retail center," Lennon said. Tourists and downtown Los Angeles locals shop the neighborhood. But Lennon estimated that the majority of consumers dropping by his shop are people working at local offices that house companies such as rideshare concern Lyft and Califia Farms, whose almond-milk beverages are sold at supermarkets such as Whole Foods.

Lennon said the growing momentum of businesses with a hip edge will guarantee that the Arts District will continue to enjoy a reputation as being a haven for cool for a long

SUPPLY CHAIN AND TECH

Wiser Wash Provides Cleaner Production Opportunities for Denim Brands

By Dorothy Crouch Associate Editor

While Los Angeles apparel-industry veteran and Tortoise **Denim** founder Kevin Youn is now dedicated to cleaning up the jeans-manufacturing industry, his long-term plan after graduating with a degree in Latin American literature from the University of California, Berkeley, didn't include denim.

"When I first worked in the denim industry, my intention wasn't to work for a long time," he said. "My intention was to only stay for six months, but after working with denim—especially on the wash side—it was very interesting."

Developing a love for denim manufacturing, Youn became fascinated with washes. Initially, he didn't realize these processes were creating an awful problem for the environment.

"At the time, we only knew the beauty of stone wash and bleaching, all of which were almost magical," he said. "When I visited big factories overseas and recognized the river-pollution issue, it was serious, but we didn't have any alternative for washing the denim."

Approximately 15 years ago, Youn encountered ozone methods for denim processing, and seven years ago, while working with an ozone machine to create a variety of samples, he discovered the slow-moisture-transfer method.

When I found the method, we applied for a patent [in the United States] and started a brand called Tortoise Denim," Youn explained, noting that the industry was interested in but skeptical about—a more ecologically sound denim.

"When I first went to Liberty Fairs four or five years ago with Tortoise Denim and mentioned that I didn't use any chemicals, stones or hot water, a lot of people loved the concept but I don't think they believed me," he said.

The shift came when Youn partnered with Fuat Gözacan—entrepreneur and founder of Turkey's **FG Group**—in 2017. After Gözaçan founded Wiser Globe, a sourcing business based in Amsterdam, the pair launched Wiser Wash, a patented, clean denim-wash technology whose development center is in Paramount, Calif.

"With Wiser Wash, not only do we use fewer chemicals and less water, but visually it looks much better and the garment is much softer," Youn said. "Since we don't use hot-water chemicals, we don't damage the cotton. The work environment is also better for employees than a traditional laundry."

This technology relies on a formula that includes water recycling, which reduces usage by 90 percent. It doesn't require pumice stone, nor does it include the hazardous chemicals prevalent in traditional denim-washing processes.

"We perfected the relationship between the moisture and ozone with slow-motion transfer to the garment," Youn said. "That was the concept of our patent."

Major names in the industry are taking notice, evident by Wiser Wash's collaborations with companies including Pepe Jeans London. After working with J Brand, Levi Strauss, Ralph Lauren and Earl Jean, Mary Bruno discovered Wiser Wash before launching the sustainable Los Angeles label Life After Death Denim.

"The Wiser Wash technology is amazing," she said. "When I gave them the challenge to completely eliminate all chemicals, stones, enzymes and everything, they were able to do that and also develop a cool-looking product quite



Tortoise Denim

Despite Youn's experience with skeptics in the past, Bruno sees potential for adopting a cleaner denim process as consumers gain more apparel-sourcing knowledge.

"It's completely unnecessary to keep developing denim the same way that we did 40 years ago in terms of wash development," Bruno said. "Consumers are more aware and care now. This is the time to seize the opportunity to start making sustainable apparel."

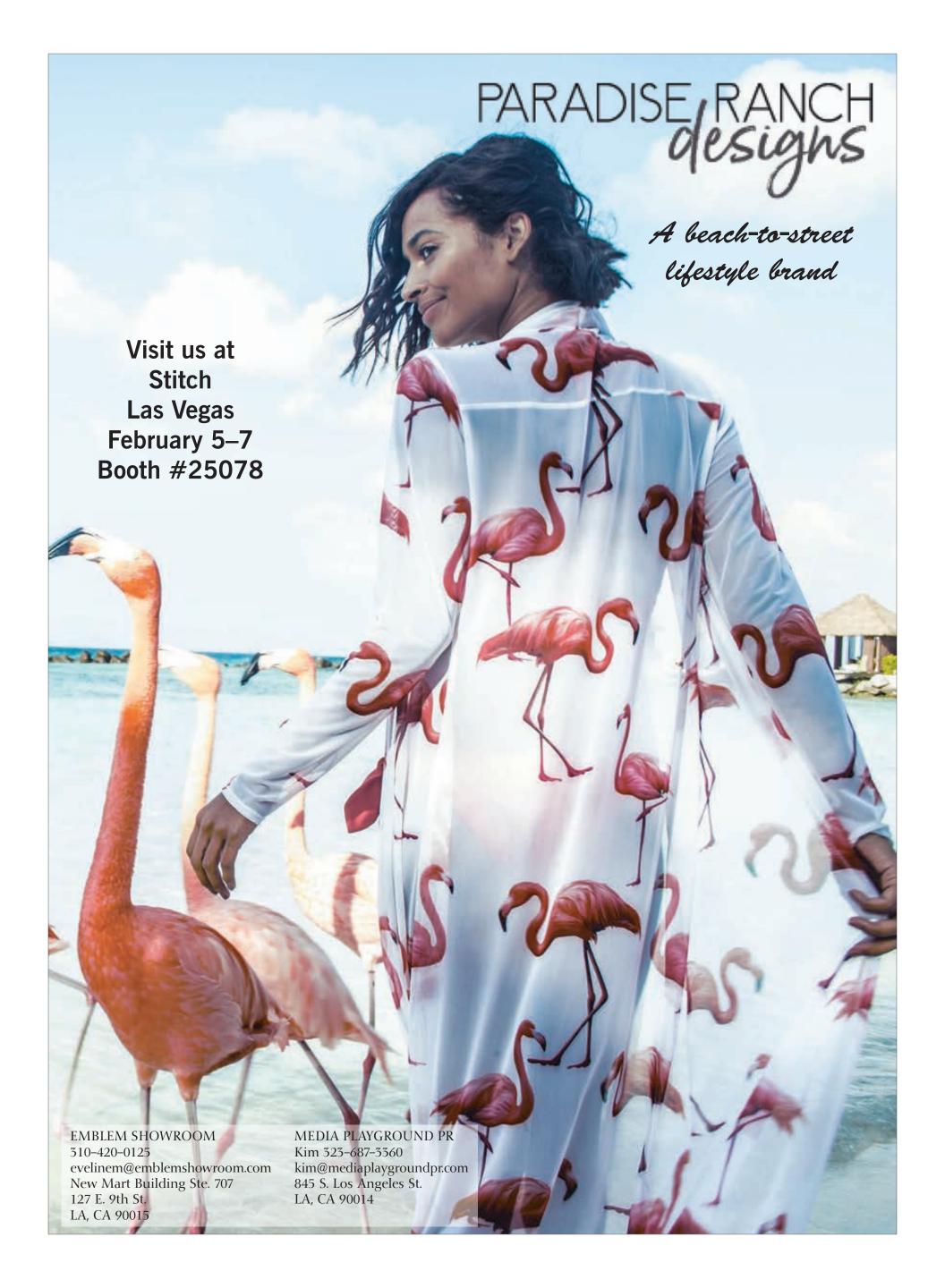
At Wiser Wash, Youn feels there is more work to be done in the name of creating a cleaner denim by uncovering more washes and offering affordable, sustainable denim.

"We can produce a lot at a reasonable price," he said. "We are now trying to meet the regular consumer's needs for a reasonably priced, ethical product."

In addition to a Wiser Wash production center in Turkey, Youn revealed that a site in Portugal is scheduled to open during the

second quarter of 2019. Negotiations regarding a potential third-quarter opening of a center in South Asia are also tak-

"Our goal is that we can develop in L.A. and they can repeat it anywhere in the world," he said. "That is our tar-











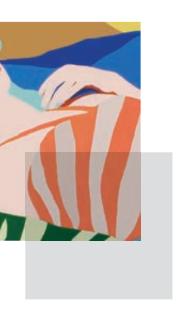




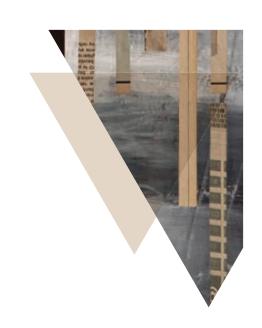














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The Arts District Keeps Its Roots in Independent Fashion

By Andrew Asch Retail Editor

No place in downtown Los Angeles' Arts District has changed as much as the space that is now the Rogue Col**lective** boutique.

From 1979 to 2001, the boutique was the site of Al's Bar, a dingy, graffiti-scarred space that was the site of the first gigs for some of the most popular West Coast rock bands including Beck, Los Lobos, Red Hot Chili Peppers and Nirvana. Surrounded by a decaying neighborhood of artists' lofts, the club developed not only a regional but also a national reputation as a place to take musical risks.

But the stage where musical careers were launched has a much different use now. In 2017, it became Rogue Collective, a space to display jeans and leather jackets. Rogue Collective moved into Al's Bar just a few years after boutiques such as Apolis: Common Gallery and Guerilla Atelier started selling high-end clothing in the Arts District.

During the past few years, the neighborhood, lodged between Los Angeles' Little Tokyo and Skid Row, has been the site of a construction boom for lofts and creative office space.

Art lovers attend openings at the **Hauser & Wirth** gallery and dine next door at the critically acclaimed restaurant Manuela. Last year, famed fashion retailer Dover Street **Market** opened an emporium in the Arts District. For an Al's Bar regular, the neighborhood might be unrecognizable. Colin T. McCarthy, Rogue Collective's vice president and creative director, said that he has no doubt that the place will continue to change.

"A Verizon or a Pinkberry may move here someday," Mc-Carthy said of the mobile-phone shops and the frozen-dessert franchises seen in suburban neighborhoods. But right now, the Arts District continues to be a place where people with independent outlooks gather to buy their clothes.

Departamento

1820 Industrial St., #230 https://dpto.la

On the second floor of an art-studio building, Andrew Dryden and Joseph Quiñones have run a digital shop for Departamento since 2017. In July, they opened a bricks-andmortar shop for unique looks from designer brands such as

Marni and Lanvin, as well as from brands not well known in the United States such as Camiel Fortgens.

The shop's customers come from around the world. are devoted fans of niche brands. Sales conversion many of these



Los Angeles and Many of them is high because Departamento interior

brands don't have wide distribution. Finding a point of sale for these brands is a big deal, said Dryden, who worked as an architect before starting in retail.

Popular items at Departamento include shirting from Spanish label Lowe, which is owned by LVMH. The brand's signature is shirting that mixes contemporary design with traditional craft. Retail price points range from \$590 to \$1,500.

East London style has been influential in global fashion in the past decade. The casual, street but fashion-forward style of London's East End is a focus of English designer Martine Rose. The label's hoodies have been selling from \$400 to \$500 at Departamento.

Camiel Fortgens, an Amsterdam-headquartered label, is using suiting fabric to make bottoms retailing for \$440 in a sweatpants silhouette.

Rogue Collective

305 S. Hewitt St.

https://theroguecollective.com

Independent and ethically made fashions have been the focus of Rogue Collective. Local labels also are very important.

The shop's house brand, also called Rogue Collective, is made in Los Angeles. Bestselling items from the brand include the Marco polo shirt, which retails for \$88 and comes in several color ways including navy, olive and black. The polo's fabric feels soft, but the fabric of the shirt's collar

has a raw edge, which gives it a bohemian, threadbare look. The Rogue Collective brand also makes women's styles. A popular look includes the City Walker pant. It's made with

Tencel linen, features cropped ankles and retails for \$128. The Laer label produces limited-edition and custommade leather and motorcycle jackets in a Los Angeles

atelier. One of its motorcycle jackets has been retailing at



Los Pepes

Rogue Gallery for \$895. Los Pepes is another downtown Los Angeles brand with a motorcycle-lifestyle influence. Rogue Gallery sells the brand's Concept #1 jacket for \$298. This chore

jacket features special zip pockets sewn into the front and the back of the jacket.





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WHAT'S CHECKING

Commonwealth

2008 E. 7th St.

www.commonwealth-ftgg.com

More than a decade ago, Omar Quaimbao and Larry Incognito opened a couple of high-end streetwear shops under the nameplate Commonwealth in Washington, D.C., and Vir-



Commonwealth interior

.

ginia Beach, Va. In November 2017, they opened a 1,500-square-foot boutique at the edge of the Arts District, around 7th and Mateo streets.

This corner of the Arts District has attracted more boutiques. Korean women's label **Arch The** recently opened a store a block away. Another streetwear store, **Juice**, opened down the street in August.

Commonwealth distinguished itself through projects such as developing a limited-edition, co-branded shoe with **Adidas**. The shop also produces a self-named house label. A top-selling item is the Commonwealth core logo lightweight hooded fleece. It retails for \$120 and is made in Los Angeles

Another top-selling item is the polar-fleece Blocked Hoodie by New York-headquartered **Aimé Leon Dore**. The fleece hoodie, which comes in green, red, blue and gray, retails for \$220



Aimé Leon Dore



Commonwealth Wacko Maria



While hoodies are big at Commonwealth, they are not the only story. A reimagining of the Hawaiian shirt by Japanese brand **Wacko Maria** has been selling well. The long-sleeve shirt features graphics of 16th-century Japanese art. It retails

Hatchet Outdoor Supply Co.

941 E. 2nd St., #101 https://hatchetsupply.com

Gene Han hoped to give the Arts District a serious alternative when he opened Hatchet Outdoor Supply Co. in 2016. The 1,800-square-foot boutique sold clothes and gear for camping. Opening a camping store in an arts-loving, urban area is not a wild idea, Han said. He opened the first location for Hatchet Outdoor Supply Co. in Brooklyn, N.Y., in 2013.

The store sells lanterns for the campsite, backpacks, flasks, hiking footwear and even hatchets. A strong focus for the store is clothing. Some of the shop's bestselling item are T-shirts and sweat-

shirts from workwear brand **Carhartt**, said Kai Lee, the store's manager. In the past few years, Carhartt has enjoyed a fashionable cachet beyond its roots as an outfitter for manual laborers. At Hatchet, retail price points for the tees range from \$40 to \$60. Prices for sweatshirts range from \$90 to \$100.

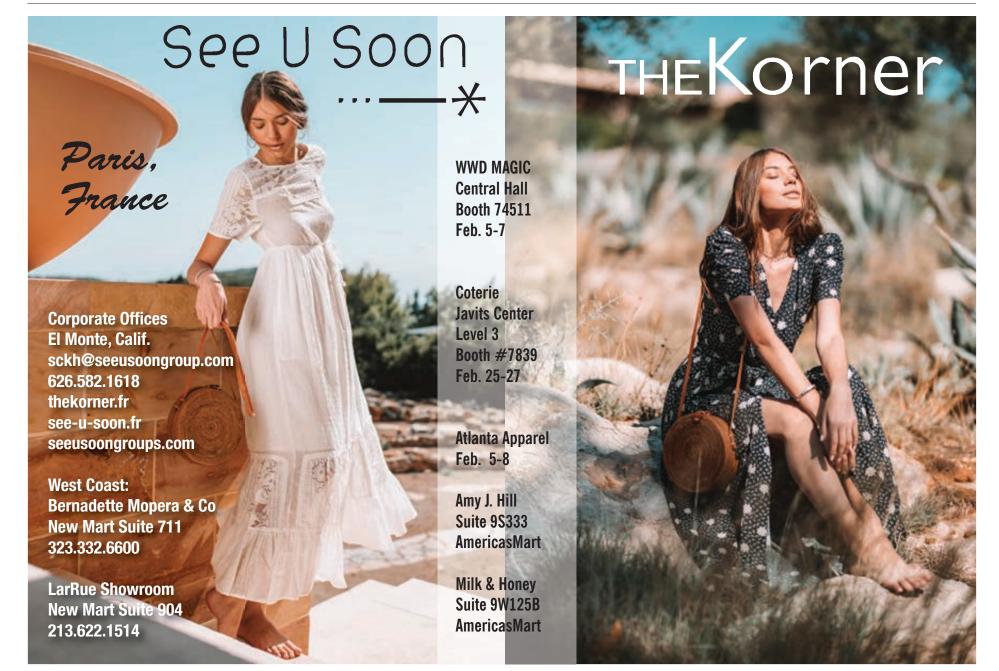
Also popular are field jackets from **Topo Designs**. The jackets feature camouflage designs, but they also offer a sleek, fitted silhouette. They retail for \$129. Another bestseller is the Kyle wool-felt jacket from the **Norse Projects** label. Inspired by military jackets, the Kyle comes in various colors including mustard.



Norse Projects



Carhartt







Monique Lhuillier Unveils Pre-Fall for Her Ready-to-Wear Collection



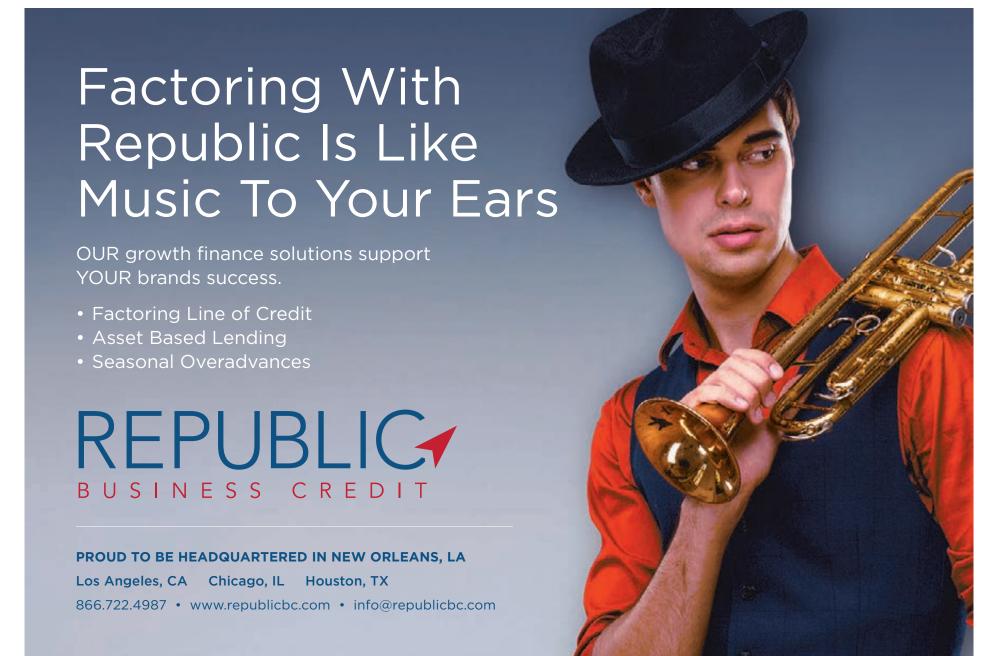
In 1996, Los Angeles designer Monique Lhuillier launched her self-named company with a line of wedding dresses that had a more modern feel to them. The wedding-dress idea was hatched when she was looking for her own wedding dress and couldn't find anything that didn't have oodles of lace. She wanted a more modern gown.

After designing her wedding dress and the attire for her en-

tire bridal party, the designer, who studied at the **Fashion Institute of Design & Merchandising** in Los Angeles, got busy building a large celebrity clientele for her new bridal line, which was worn by Reese Witherspoon, Carrie Underwood and Avril Lavigne, among others But that wasn't enough. Lhuillier, who grew up in the Philippines, decided to branch out into ready-to-wear, which in recent years has been seen on

the runway during New York Fashion Week.

For her pre-Fall 2019 collection for ML Monique Lhuillier, she was inspired by the carefree spirit of summer, capturing the feminine essence of walking barefoot through wild-flower meadows. Beautiful, multicolored laces; soft, floral georgette tops; and embroidered dresses translate this imagery into a must-have for warm weather.—Deborah Belgum



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FOCUS ON FASHION

Michael Costello Goes From 'Project Runway' to His Own Design Studio

Michael Costello

By Andrew Asch Retail Editor

Fashion designer Michael Costello is known for his elegant evening gowns, which have been worn by the likes of Beyoncé, Lady Gaga, Jennifer Lopez and Katy Perry.

Costello, with a design studio and store

in downtown Los Angeles, first became a household name when he participated in season 8 of TV's "Project Runway" in 2010, coming in fourth. He then returned in 2012 for "Project Runway: All Stars," placing third.

Costello sat down with the *California Apparel News* to explain his background, inspiration and design concepts.

When did you decide you wanted to be a fashion designer and why?

From a very young age, I saw my mother designing and sewing, and that sparked my interest. Eventually, she would teach me how to make my own pieces. I saw how much work was put into making these amazing garments and how happy it would make women feel to wear something that was created just for them. I thought, "I want to do that!"

How did you make that happen?

I opened my first boutique at a very young age and created dresses and other garments for women in Palm Springs, Calif. With the help of my mom and our passion to dress these wonderful ladies-through word-of-mouth and my clients' loyalty-I was able to be a successful designer and boutique owner in this small desert town.

Who was the person who helped you the

most in becoming a fashion designer?

My mother played the largest part in my success as a fashion designer. I also interned for Bob Mackie, a major celebrity fashion designer, at a young age, which put me ahead of a lot of the designers who were in my position.

Looking back on your first collection, what was it like and how would you change it now?

My first collections were the most authentic and most me. I think when you're just starting off, you haven't been influenced by the big and bad and you're truly able to be yourself and just create. After being in the industry for so long, it's hard not to take business essentials and ideas into consideration when starting a new collection. But at the end of the day, I wouldn't change any of my collections or past creations

What are the biggest challenges you find in creating a collection and how do you overcome them?

One of the biggest challenges I face is the feeling of needing to please everyone before me. There's always that voice in the back of my head saying, "What if they don't like it?" or "What if it's not what they want to see?" I am lucky to have a great support system and team that motivate me to be myself and just to create for me.

Where do you get your inspiration?

I am inspired by all essence of beauty. I think women from all walks of life are beauty. When I design a dress, I like to first envision the woman wearing it—who she is, what her story is, where she's going, etc. To me, I al-

ways get a sense of fulfillment not when a piece is complete but when I see a living and breathing human being wearing my collection.

What is your favorite part of being a fashion designer?

It is the freedom to show my genuine self through this intricate method of art. Many of my pieces are filled with time, love and hard work.

What skills are necessary to be a good fashion designer?

You need passion, motivation, creativity, discipline, self security and time management. It's not all glamorous, celebrities and parties. This business and profession take so much time and focus to finally reach a comfortable state, and even then you have to find the next thing to push you and get you out of your comfort zone.

How would you describe your personal style?

I would describe my style as very cool and edgy. I'm almost always in black. I'm usually wearing my favorite denim—black jeans and a nice jacket. I love to dress up in a crisp, fitted suit when it's called for, but I'm always looking for ways to edge up a casual look.



What is the best and worst feedback or critique you have received and from whom?

The best feedback I have gotten was from Diane von Furstenberg. She

told me to listen to myself and continue to do what I'm doing because she knows I was born with this talent. Oprah said something similar to me. Nina Garcia gave me my "worst" feedback on my first "Project Runway" experience when I presented a look that was "too matchymatchy" for her taste. I hadn't had much styling experience at the time. But overall, there is no bad feedback.

How has the Los Angeles fashion industry changed since you started?

The Los Angeles fashion industry has evolved into trend makers and followers, and I'm not the biggest fan. Luckily, this city is full of originality, and with my showroom set in the heart of downtown I am able to meet so many designers, artists and creatives that it excites me when I meet someone who is so different from everyone else.

What advice would you give to emerging designers?

I would tell those designers to keep doing what they're doing but with even more force than they are comfortable with. Go outside of that comfort zone and reach for new elements to bring to the table. The world is filled with creators and non-creators (cough cough, knock-offs), but you have to find what makes you different and roll with it.

The Wolk Morais Designers Get Their Inspiration From California

Claude Morais and Brian Wolk

By Andrew Asch Retail Editor

It was five years ago that Brian Wolk and Claude Morais made the move from New York to Los Angeles to find more creative freedom.

Their collections have a distinctive California-artist influence that relies on mid-century art and color. They are definitely in the vanguard, with actress Jessica Chastain sporting their latest designs. Recently, they had a shop-in-shop open at **Fred Segal** Sunset.

The design duo talked with the California Apparel News about their careers and creative work.

When did you decide you wanted to be a fashion designer and why?

Wolk: I decided after I saw Stephen Frears's "Dangerous Liaisons" and fell in love with the transformative fashion of the 18th century.

Morais: I decided when I saw my first Paris haute-couture show by Chanel.

How did you make that happen?

Wolk: I took weekend classes at FIT [Fashion Institute of Technology] in high school, and my dad bought my first Singer sewing machine and lessons.

Morais: I modeled, then apprenticed in Paris fashion studios, became a stylist and ultimately a designer.

Who was the person who helped you the most in becoming a fashion designer?

Wolk: My parents. Morais: Brian.

Looking back on your first collection, what was it like and how would you change it now?

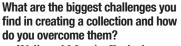
Wok and Morais: The world was smaller. There was no Instagram, and people looked at the show with their own eyes, not through the screen of their phone. We wouldn't change anything about our first or any of our shows except weather conditions

the day of a show. Our first show in New York in September there were monsoon-like conditions and nonstop sideways rain that delayed the show by an hour. This scenario recurred many times in our career, including a nor'easter where we had to transport our collection the night before the show to the Lin-

coln Center tents and a hailstorm that forced us to organize last-minute buses to transport editors and buyers to our show location in midtown New York. For a time, we thought about a second career as rainmakers. When we presented our first collection in

> L.A. at the Gavlak Gallery on Highland Avenue, we thought we were safe as California was experiencing a statewide drought. But as life would have it, a water main exploded in front of the gallery an hour before our show, which turned Highland into a nonnavigable river. Nonetheless.

the show started on time and that was the last of our water-related calamities (fingers crossed!).



Wolk and Morais: Each show presents it own unique set of challenges—fabric, location, mood, models. We are like fashion firemen, constantly putting out fires and navigating through unknown fantasy landscapes.

Where do you get your inspiration?

Wolk and Morais: Travel, art, film, our library and archives,

the city of Los Angeles, and our daily meditative hikes and walks.

What is your favorite part of being a fashion designer?

Wolk and Morais: Getting to show the world what we are thinking twice a year.

What skills are necessary to be a good fashion designer?

Wolk and Morais: Keeping your eyes open at all times, and resilience.

How would you describe your personal style?

Wolk and Morais: Modern bo-

What is the best and worst feedback or critique you have received and from whom?

Wolk and Morais: Generally, our reviews have a cornucopia of feedback, some of which is informed and constructive, some of which has no foundation, but generally we trust our creative team including our everpresent friend, collaborator, mentor and stylist Elizabeth Stewart.

How has the Los Angeles fashion industry changed since you started?

Wolk and Morais: We were the first and still are the only designers who belong to the Council of Fash-

ion Designers who show seasonally in Los Angeles. We hope more of our peers will embrace the city they gain inspiration from and show here as well.

What advice would you give to emerging designers?

Wolk and Morais: In the words of Bette Davis, "Take Fountain."





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FOCUS ON FASHION

Heidi Merrick Develops Her Own Formula for Fashion Success

By Dorothy Crouch Associate Editor

Los Angeles-based Heidi Merrick was known from the start as an artist who envisioned designs that were far beyond popular

The designer—whose H. Merrick of California shop is located on West 9th Street in downtown Los Angeles—hails from the family that started Channel Island Surfboards in Santa Barbara, Calif. It was founded by her father, Al, and mother, Terry, in 1969. Beginning her career as a stylist in New York, Merrick

took art classes at night and supplemented her income by teaching chess. The designer now breaks fashion rules by following her instincts and explains her style in this interview with the California Apparel News.

When did you decide you wanted to be a fashion designer and why?

After my wedding-I made my wedding dress—everyone said, "You're wasting your life, you should be making



of ready-to-wear. That has been my journeymaking something that feels bespoke in readyto-wear.

What are the biggest challenges you find in creating a collection and how do you overcome them?

With every collection there is an 11th hour when you say, "Nothing is working. This is not good." Now, I am on my 45th collection and I say "I am at the 11th hour, and I am not going to over-make the collection. It will sell or not, but it will not change my life."

Where do you get your inspiration?

This is a funny collection. While at our family's pool party, a girlfriend of mine kept saying, "Now that I summer in Europe..." or "Next year, when I summer in Europe..." So I named my collection "Now That I Summer in Europe." This collection, which is coming out in a month reflects a California girl in Europe. It's always a little cheeky but from a real

What is your favorite part of being a fashion designer?

Any hobby or sport, when you get into the work of it, it's meditative and profound. It takes so much time that it shapes the way you think about the clothes.

What skills are necessary to be a good fashion designer?

You need to be tenacious and have a strong head. You need to know that you have a vision, even if you can't articulate it. If you're limited by what you've told someone you're going to do, you're done before you started. You have to be able to let your mind wander to be successful.

How would you describe your personal

A grown-up surfer girl who has done well for herself and dresses well but still wants to look cool.

What is the best and worst feedback or critique you have received and from whom?

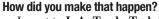
The best feedback always comes from the women who wear the clothes—"I kept it. I've worn it for 10 years. I'll wear it forever." The worst comes from your sales team bringing back what buyers say to you.

How has the Los Angeles fashion industry changed since you started?

It ebbs and flows. There have always been great designers in Los Angeles, going back to the designers and skilled artisans working with the movie stars in the 1950s. In my opinion, people who want a really nice lifestyle and love fashion live in L.A. It's a glamorous community.

What advice would you give to emerging designers?

Don't lend your magnificence to an institution that doesn't recognize you as equal.



I went to L.A. Trade-Tech [Los Angeles Trade-Technical College] to learn how to make patterns and sew. When I was graduating, one teacher said, "No one is going to hire you. You have a really strange thought process." I burned the hems on some of my

dresses. I liked to do what I liked to do. The teacher was right. She said, "I think you can start your own collection." So I did.

Who was the person who helped you the most in becoming a fashion designer?

My husband endured me working really hard. I've been in this studio for 10 years, before I had kids. I would be here until 12 at night. It was my passion.

Looking back on your first collection, what was it like and how would you change it now?

I would change fits because I know more now. I used to make dresses that

had an almost couture fit, not with ready-towear in mind. Coming out of design school, I think it takes a long time to grasp the concept



From Colombia, With Love, Nathalia Gaviria Rediscovers **Herself in Los Angeles**

By Dorothy Crouch Associate Editor

Never forgetting her Colombian roots, Nathalia Gaviria now calls Los Angeles home, where she has a flagship store called Nathalia Gaviria: Black on Melrose Avenue. Facing many challenges along the way to fashion-design success, Gaviria has allowed hardship to fuel her desire to achieve greatness and guide the members of the next generation of Los Angeles designers toward

fulfilling their goals. Gaviria talked with the California Apparel News about reclaiming her original style of festive clothing and her journey to becoming a fashion designer.

When did you decide you wanted to be a fashion designer and why?

As a kid, I always liked clothing and found it very interesting—colors, textures and how you can mix them together to create unique pieces.



Nathalia Gaviria

How did you make that happen?

When I graduated from LCI, a design school in Colombia, in 2000, there was a fashion competition for designers from all over the country. Whoever won would win a scholarship to go to Miami to study fashion merchandising at the Miami International University of Art & Design. My inspiration for the contest design was a protest about Colombian people who were taken off of their land by a big petroleum company. The



collection was very controversial because it featured a man wearing a woman's dress. I also invited two indigenous ladies to walk the runway. The people in the audience were so excited to see that dress. That is how I

Who was the person who helped you the most in becoming a fashion designer?

My mother, Helena, was always supportive. Always by my side, always supportive, always helping.

Looking back on your first collection, what was it like and how would you change it

My first collection was inspired by the circus. It was very colorful and fun. After those early collections, I stopped doing colorful, fun clothes for many years but decided to come back to it. Looking back, I wouldn't change it. I loved it. It might be busy, but it's part of who I am.

What are the biggest challenges you find in creating a collection and how do you

overcome them?

When I am creating a collection, I can't choose a favorite. Sometimes it is also challenging to make it edgy without losing wearability. Creating basic pieces is difficult

Where do you get your inspiration?

My last collection was inspired by the Bedouin tribe in the Middle East. It was very interesting because they cover their faces,

> their heads and it's very mysterious. My inspiration can come from anywhere. My future NG Gold collection is going to be about toys from my childhood. The second is a post-punk, '80s time period. It's inspired by a song from the band Sisters of Mercy.

What is your favorite part of being a fashion designer?

Everything. Choosing the team, thinking about the theme, who is wearing it and the music. From the moment I have to create a collection, I

know what music will be played during the fashion show.

What skills are necessary to be a good fashion designer?

You need to be creative, but you should know how to sew and make a pattern—you need to know how to do your craft.

How would you describe your personal style?

I hate when people put me in a box. Sometimes I look bohemian, another day I am dark and the next I am sporty. You can have 10 styles but it's the same you.

What is the best and worst feedback or critique you have received and from whom?

In December, I was invited to Dubai to show the collection inspired by the Bedouin.

They thought it was interesting that an outsider to the culture was inspired by them. To see that they got it was the biggest compliment. A friend once asked, "I always wonder, do you laugh when you design your clothing?" She was saying my designs are ridiculous and I must laugh at the thought of someone buying them.

How has the Los Angeles fashion industry changed since you started?

I love Los Angeles to death, but L.A. is growing into a place where artists are not welcome. The rents are too expensive and big corporations are taking over. If I see a cool, young fashion designer who has a great dress, I will sell it in the store. It is so difficult to grow. I know it because I lived it.

What advice would you give to emerging

Believe in their style and ideas. It's hard for a person who has a different vision to be successful in the United States. Society is changing, so when you stick to your guns and do the work, you will see success.





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FOCUS ON FASHION

With Fashion Design in Her DNA, Theresa McAllen Elevates the Johnny Was Family

By Dorothy Crouch Associate Editor

After starting with **Johnny Was** from its inception during the early 1990s, the company's senior vice president of design, Theresa McAllen, continues to cultivate the brand.

From studying at **Brooks College** in Long Beach and New York's **Parsons School of Design** to working with Brooklyn designer Jean Betancourt and starting her own lines, all of McAllen's experiences have brought her to this point.

As Johnny Was expands into additional categories and opens 14 stores this year, the Los Angeles native discussed with the *California Apparel News* her path to becoming a fashion designer.

fashion designer and why?

When did you decide you wanted to be a

My grandmother and aunt were incred-

ible seamstresses. They had no formal

training but made all of their patterns from

scratch. For me, as a young child, to see the



Theresa McAllen

other fabrications, although that fabric has become our iconic cloth, which is still used and universally loved today.

What are the biggest challenges you find in creating a collection and how do you

overcome them?

The deadlines can seem daunting. We have so much product now because the line has grown so much. We're expanding our look to many different categories. We have a lot on our plate, but it's all very well received, and it's exciting to feel that we're going to the next level.

Where do you get your inspiration?

We have a 30-year library here because we started doing embroidery in the 1990s, but we've collected too. We have a huge collection of vintage kimonos. We also do a lot of travel, which is inspirational and important for designers to get out of the routine.

What is your favorite part of being a fashion designer?

I love working together to come up with ideas. The excitement when you look at the prototype and it looks better than the sketch or the tech pack—I still get a high from that.

What skills are necessary to be a good fashion designer?

Creativity and the ability to get excited about what is going on in the fashion world and reinterpret it.

How would you describe your personal style?

For me, I love to mix patterns. I like mixing odd combinations, even with color. I am so happy with this trend toward animal prints because I love to mix it with plaids. For Holiday 2019, we have a velvet animal print that we'll put in.

transformation of them coming back with these beautiful garments, I was completely fascinated by it.

How did you make that happen?

When I was 9, my mom started teaching me how to sew. So I started making clothes for **Barbies**. When I got into high school, I started making halter dresses and hand embroidering them. I got very into macramé, embroidery, knitting and crocheting.

Who was the person who helped you the most in becoming a fashion designer?

I believe this wouldn't have happened without my mother, Eva McAllen. She made a lot of sacrifices for me to go to fashion school. She didn't have a lot of money, but she always believed in me and encouraged me to create. All the good qualities I have come from her.

Looking back on your first collection, what was it like and how would you change it now?

We were working with one fabric, which was a rayon georgette. If I could change something, I would have added in a few

What is the best and worst feedback or critique you have received and from whom?

My mom is in a senior-living community. She has dementia, but I dress her, and she is the best-dressed woman in the place. People are constantly telling me that every day they wait to see what she is going to wear. Fashion is uplifting. It makes people happy and brings joy. The worst feedback has been, "JW is such a top-driven collection, I wish

there were more offerings in bottoms."

How has the Los Angeles fashion industry changed since you started?

It's really respected. Los Angeles was seen as more of a denim or juniors market in the past, but things have really opened up. People are in awe of L.A. right now.

What advice would you give to emerging designers?

I really believe in draping, patternmaking and

understanding the construction. It helps you fall in love and connect you with it. This ties back to my grandmother and aunt. They were—without even knowing it or having the training—draping these garments by instinct. •



Finance Continued from page 1

March. When you consider that 34 percent of all clothing imported into the United States comes from China, that's a big burden on business.

At the same time, the Federal Reserve raised benchmark interest rates four times last year, which means that interest rates went from 1.25 percent to 1.5 percent in December 2017 to 2.25 percent to 2.5 percent in 2018. No one is sure if there will be more interest-rate hikes this year or not.

With all of these added costs

piling on, the California Apparel News asked factors and other finance professionals who work with the apparel and retail busi-

With interest rates rising and U.S. tariffs threatened on Chinese-made clothing, what do apparel manufacturers need to do to make sure their revenues don't decline this year over last

Darrin Beer, Western Regional Sales and Portfolio Manager, CIT Commercial Services

Certainly apparel manufacturers are facing some headwinds, including rising interest rates and potential U.S. tariffs.

Since the beginning of 2018, interest rates have increased at least 1 percent, adding costs to apparel manufacturers who use factor financing and revolving lines of credit to fund operations. I believe a much bigger concern than interest rates would be a tariff increase of 25 percent for finished apparel imported from China. The higher costs associated with such a tariff could have a significant impact on the bottom line of companies using China as a major source of production.

Since last year's announcement of potential tariffs, some of our clients have already shifted some production away from China to countries like Vietnam and India. If tariffs are as-



Darrin Beer, Western Regional Sales and Portfolio Manager, CIT Commercial



Mark Bienstock, Managing Director, Express Trade Capital



Sydnee Breuer. Executive Vice President, Rosenthal & Rosenthal



Gino Clark, Managing Director, Originations. White Oak Commercial



Joshua Goodhart. Executive Vice President and National Sales Manager, Merchant Financial Group

This issue is not only related to tariffs. Importers must also take into account such items as political instability, labor availability, weather trends, electrical-power capacity and other things when picking a country for sourcing. Being nimble and proactive are the keys to staying alive in this very difficult industry.

Sydnee Breuer, Executive Vice President. Rosenthal & Rosenthal

Apparel manufacturers are facing pressure from many facets of the business. It is a difficult re-

tail environment as consumer preferences are shifting to moreexperiential purchases rather than apparel.

Retailers continue to require better pricing on the goods they carry; tariffs are increasing and threatening to increase on imports from China; and after a long time of steady interest rates, they have risen steadily over the past 12 to 18 months.

Therefore, it is a challenge to increase sales—or at least keep pace—and maintain profitability as margins erode. In addition to staying on top of the market and having product that consumers want to buy, many of our clients have employed a direct-toconsumer sales focus.

In addition to selling to the retailer through the traditional wholesale channel, they are selling to third-party websites (Amazon and Shopbop), subscription services (FabFitFun and Stitch Fix) and through their own websites. Some of these alternative selling channels provide better margins (albeit with higher expenses, too) and are keeping topline revenues from dipping.

Gino Clark, Managing Director, Originations, White Oak Commercial Finance

Given the substantial indications that the economy is begin-**⇒** Finance page 26

signed to the apparel sector, all parties—including the exporter, U.S. manufacturer and retailer—will likely share in the increased costs. Some or all of those costs would almost certainly be passed along to the consumer.

Apparel makers must continue to manage expenses and inventories carefully and invest in technology to better manage their supply chain and operations, which is where an experienced and agile funding source can help. Ultimately it comes down to manufacturers having innovative designs and the right merchandising programs to deliver on-trend products to the consumer at an attractive price.

Mark Bienstock, Managing Director, Express Trade Capital

We have always preached to our clients to be proactive and not keep all of their eggs in one basket. Those apparel companies that are 100 percent reliant on sourcing from China will put themselves in a difficult situation moving forward.

There is no question that China is the leader in providing production for the apparel and related industries. However, with the new and possibly additional tariffs forthcoming, those importers that have other sourcing options available will be a more desirable alternative for the retailer in choosing a supplier moving forward.

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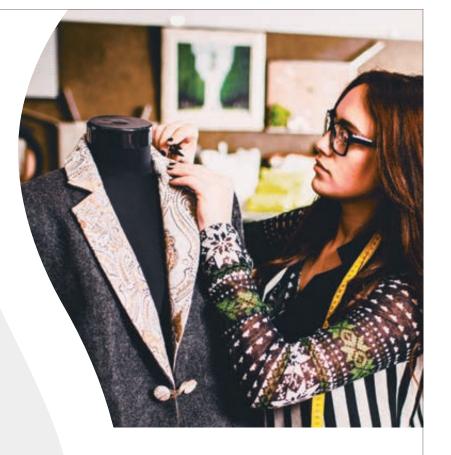
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INDUSTRY FOCUS: FINANCE

Finance Continued from page 25

ning to slow, apparel manufacturers need to focus on solid business fundamentals.

As a first step, companies should try to diversify their supply chains. It will also be important to retain profits and invest in technology that reduces expenses and expands distribution channels. With these potential economic speed bumps, top line revenue growth may be difficult to achieve, but bottom-line profitability is certainly achievable if measures are put into place quickly.

Joshua Goodhart, Executive Vice President and National Sales Manager, Merchant Financial Group

We have seen many of our clients and prospective clients reacting in different ways to



Rob Greenspan, President and Chief Executive, Greenspan Consult



Kee Kim, President and Chief Executive, Finance One Inc.

Sunnie Kim, President and Chief Executive, Hana Financial Inc.

same position. Retailers will have to pay more for their products due to the increase in prices.

The bigger question, is how this will affect the buying consumer as these costs will ultimately be passed through. Retailers and manufacturers/importers need the buying consumer to keep spending. The question becomes, will these price increases slow down consumer spending? Only time will tell, but if consumer spending slows for apparel, retailers will cut back their purchases from manufacturers/importers and everyone's top line and sales revenues will fall.

The question also becomes, what is more important—sales revenue or gross profit margin? If the manufacturer/importer doesn't pass through much or any of the increased costs, their products might become more price competitive. Therefore, the top line could grow or

at worst not decrease. But that would mean less gross profit margins.

So I am not certain just focusing on sales growth is meaningful without serious consideration being given to maintaining gross profit margins. There is a balancing act here

that each company needs to understand before it makes any significant decisions.

Lastly, remember, it's all about the product. If your product isn't right for the market, whatever else you do will not have much effect.

Kee Kim, President and Chief Executive, Finance One Inc.

This year will be a particularly challenging period for the apparel industry because business circumstances are against U.S. manufacturers and importers.

Both the rising interest rates and the continuing U.S.-China trade war will increase the cost of doing business. Tariffs are a part of the cost of importing goods, and the higher interest rates for borrowing means more financing

Since buyers will resist absorbing the additional costs, importers are likely to pass only a fraction of the increased cost to them. In addition, a trade war presents a new layer of uncertainty to both importers and retailers.

One way to keep a lid on the cost of goods sold is to find alternative sourcing other than China. This is easier said than done, however, because many non-Chinese companies do not have the technical proficiencies and resources to scale production at China's level. Sourcing the right suppliers takes time, and other Asian countries often require a longer lead time.

Nonetheless, it makes sense in the long run to diversify your production base to include Vietnam, Cambodia, India, Pakistan, Bangladesh, Indonesia or Mexico.

On a separate front, rising interest expenses can be mitigated by managing the accounts with shrewdness. Request longer terms for fabric, trims or other vender payments and target customers with shorter payment terms. Longer payable terms or shorter receivable terms will ease the strain on cash flow and help reduce interest expenses. While retail department and chain stores have extended their payment terms over the years, some retailers with payment terms of net 45 days or less include Nordstrom, Stitch Fix, Fashion Nova and Five Below.

Sunnie Kim. President and Chief Executive, Hana Financial Inc.

these threats over the past six to eight months.

The first example, which is the most common, is that manufacturers have gone out months in advance and been proactively seeking other production sources in other countries, including Vietnam, Cambodia, Mexico and Bangladesh. We have seen an uptick in letters of credit and cash against documents requests from our clients due to these new factory relationships. Our clients also need to produce goods further in advance than they have before, which is stretching their cashflow needs. We continue to meet with clients and assist with planning and addressing these cash-flow crunches so they can hit the ground

Another scenario is that manufacturers continue to work with Chinese suppliers but develop arrangements with their suppliers to participate in these potential tariff costs. Some of our clients have met with their factories far in advance to plan for this as they don't want to lose these longstanding relationships to

We have also seen an increase in domestically manufactured goods. The timing of production is quicker and the price points are higher sometimes when working with domestic contractors and factories. This shift to a more domestically produced product has, in some cases, lowered the production costs for some manufacturers as well.

Overall, our clients need to be smarter about cutting overall operating expenses on items such as research and development and marketing. The shift to these other production alternatives has improved many clients' gross margins, which means clients don't need to achieve the same sales revenues to maintain profitably.

Manufacturers are finding that by cutting expenses and improving margins they can achieve a better profitability at lower sales rev-

Rob Greenspan, President and Chief Executive, Greenspan Consult

This is a difficult and complex question. Rising prices can make it more difficult to maintain your sales revenues. However, these rising prices are affecting the majority of apparel importers so almost everyone is in the

INDUSTRY FOCUS: FINANCE

Possible tariffs have driven many manufacturers and importers to look to other venues for production, including Latin America, Vietnam and Cambodia, while the anticipated tariff issue has been discussed within the industry for quite some time now.

It also appears that many American companies are dealing with the Chinese tariff situation in a multitude of ways, including bringing in goods earlier in order to avoid a possible 25 percent tariff, negotiating price concessions, changing product mixes, cutting orders and/or passing costs on to customers.

Even if price negotiations are successful, relief will be short-lived as pressure from higher interest rates will eventually widen the price gap narrowed through negotiations as companies tend to utilize their respective credit facilities with financial institutions to purchase



Don Nunnari, President. Flintridge Financial

goods overseas.



Dave Reza, Senior Vice President, Western Region, Milberg Factors



Ken Wengrod, Cofounder/President, FTC Commercial Corp.

Solutions

According to the U.S. Trade Representative, if the two sides cannot reach an agreement by March 1, tariffs would increase to 25 percent on an estimated \$200 billion worth of Chinese imports.

While interest rates in the U.S. have risen throughout 2018 and will probably see an additional rise of 25 basis points by the end of this year's second quarter, these cost increases in the end will be pushed down to the con-

Don Nunnari, President, Flintridge Financial Solutions

The direction of interest rates and tariffs is out of their control, so I recommend apparel importers focus on what they do best-work closely with customers to ensure they are providing the best-quality product, at the best price, along with the best service while preparing for the possibility of softening sales. Review every expense category including cost of goods and adjusting overhead and operating expenses to maximize profit.

Also, create cash. Take a close look at slow-paying customers and try to bring them in line with terms. Also, look at old inventory and make a plan to reduce it. Use the cash this brings in to reduce your liabilities, especially those you pay interest on.

Dave Reza, Senior Vice President, Western Region, Milberg Factors

The potential for additional apparel-related tariffs and increased interest rates already has, and continues to compel apparel importers to consider shifting production to other locales, negotiate lower pricing and/or to carry additional inventory in order to mitigate the negative impact of increased costs.

Of course, the challenge is to offset potential increased costs while at the same time ensuring that any adjustments to sourcing do not result in higher costs from lengthened production cycles, higher inventory levels, quality and/or delivery issues.

While tariffs and higher interest rates can hurt the bottom line, production and delivery problems can take a significant toll on revenues.

In the current environment, passing along higher costs to consumers will not be easy. But because tariff concerns have been widely publicized, consumers might be more willing to bear slightly higher prices. Prepared importers will have already made changes to their sourcing, and, in fact, may be positioned to both increase revenues and gain customer share because they have the ability to deliver product at favorable prices.

Ken Wengrod, Co-founder/President, FTC Commercial Corp.

With global slowness and low inflation (including in China and Europe), interest rates will probably increase less than 10 percent this year, and it will not have a significant impact on U.S. apparel importers.

As a matter of fact, overall import prices continue to fall, and it has been the largest year-onyear drop since 2016. According to Reuters, prices for imported goods from China fell 20 basis points during 2018. This coupled with a

strong dollar, which gained almost 10 percent to the Chinese currency in 2018, gave a strong benefit to U.S. importers and manufacturers who imported part of their cost of goods sold, such as fabric. Currently, the tariff effect has been minimal to apparel importers bringing in goods from China.

The real impact of the so-called tariff war created a wake-up call to all U.S. importers and their foreign strategic partners to review their entire supply chain. A recent McKenzie study highlighted the importance of reviewing all costs in the supply chain, not just labor prices.

For years, U.S. importers have emphasized manufacturing costs and haven't focused or included idle time, shipping time, local freight time, customs and clearance time, which also significantly impact their costs. Currently, shrewd U.S. importers are focusing on these costs and moving production utilizing near-shoring and to other global geographic areas that result in lowcost production.

Nevertheless, a potential decline in revenue could come from a shift in consumer buying trends, which significantly affected the fast-turn, low-price market. Today's Gen Z and millennials are focusing on sustainability, authenticity and value, not just low prices. Smart retailers promote their conscious manufacturing to tailor their market to these new consumers, who are purchasing less and purchasing items that are more timeless and with greater value. They recognize how "throwaway" clothes pollute our waterways.

Modern manufacturers need to focus more on changing consumer habits and adapt to changing times. The old formulas don't work anymore. Companies that are more agile and have a strong connection with their ultimate customers are flourishing. To develop that strong connection, the employment of proper social media and marketing tools is critical. This is not just about the use of "influencers," which only detracts from the authenticity of the brand. Progressive apparel companies need to delight their customers with all the right ingredients: a well-designed item at great value; an authentic, legitimate story; and fantastic customer service.



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Products and Services: California Market Center (CMC) is the hub of LA's fashion and creative communities. Located in the heart of Downtown LA's Fashion District on 9th & Main, the 1.8-million square foot complex is home to premier fashion showrooms, creative office spaces and downtown Los Angeles' second largest event venue. CMC is host to a year-round calendar of events, markets and tradeshows, such as LA Market Week, LA Textile, LA Majors Market, LA Kids Market, LA Men's Market, Unique Markets, Indie Beauty, Vegan Fashion Week and a new Farmers Market every Wednesday starting February 27, 2019.

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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.

KINdom

www.kindomshop.com info@kindomshop.com

Products and Services: KINdom is all about respect for, and harmony between, the environment and human nature. A sustainable brand, KINdom is committed to bringing ecofriendly 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, bamboo, and recycled polyester. 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 and see our bestseller convertible styles (Feb 5-7), Booth #25078.

Liberty Fashion & Lifestyle Fairs

628 Broadway, Suite 404 New York, NY 10012 (212) 473-4523 info@libertyfairs.com http://libertyfairs.com

Products and Services: Liberty Fairs, the show with the ultimate curation of forward-thinking brands, is rethinking what it knows and is encouraging brands to do the same. When we're in this together, disruption breeds new possibilities. Liberty has always been known for creating a design-driven environment for top brands, buyers, and influencers, and it leads the pack into an updated and intuitive model. Upcoming show dates are Feb. 5–7 at the World Market Center in Las Vegas, and Liberty Women's and Cabana are on Feb. 23–25 at Pier 94 in New York

National Jewish Health

www.njhealth.org www.LAPSDBlackandWhiteBall.com

Products and Services: National Jewish Health is the leading respiratory hospital in the nation. Founded 119 years ago as a nonprofit hospital, National Jewish Health today is the only facility in the world dedicated exclusively to groundbreaking medical research and treatment of patients with respiratory, cardiac, immune, and related disorders. Patients and families come to National Jewish Health from around the world to receive cutting-edge, comprehensive, coordinated care. The Los Angeles Professional Services Black & White Ball benefiting National Jewish takes place June 23 at the Langham Huntington in Pasadena, Calif. For more information contact Catherine Szyfer at SzyferC@njhealth. org or visit our website.

See U Soon TheKorner

El Monte, CA (626) 582-1618 Contact: sckh@seeusoongroups.com www.thekorner.fr www.see-u-soon.fr

www.seeusoongroups.com

Products and Services: See U Soon is a French brand that offers luxe clothing at an affordable price point. With four standalone stores in France (two in Paris). See U Soon has become a staple for their classic European aesthetic and chic Parisian girl style influence. The label was created in 2006. It is defined by subtle vintage cues blended with 1960s/70s silhouettes all while staying faithful to the sharpest trends. Currently the brand can be found in all Galleries Lafavette as well as key retailers and specialty boutiques. TheKorner is another French brand, one dedicated to invoking a notion of rebellious and inspired femininity. The label is centered on claiming an optimistic and harmonious dress code that stays efficient and accessible. Make sure to catch us in Las Vegas (Feb 5-7) at WWDMAGIC. Booth #74511. Other upcoming shows are Atlanta Apparel (Feb 5-8) and Coterie in NY (Feb 25 – 27), Booth #7839.

SHE + SKY

(Corporate Office) 1418 E. 18th St. Los Angeles, CA 90021 (323) 262-8001 www.sheandsky.com

Products and Services: She + Sky is a women's wholesale apparel company located in the heart of the Fashion District in downtown Los Angeles. Fashion is a visual representation of your personal individuality, and we design our clothes with that in mind. Our line ranges from classic staples to lively pieces, all while reflecting the latest trends. She + Sky values your satisfaction. Our team is dedicated to establishing a strong and long-lasting relationship with our customers and is happy to assist you with any inquiries you may have. Visit us at the WWDMagic Las Vegas Tradeshow, Central Hall, Booth #71921.

Showroom Five 21/Bariano/

Lumier by Bariano 127 E. Ninth St., Ste. 600, Los Angeles,

127 E. Ninth St., Ste. 600, Los Angeles CA 90015 (213) 438-0521 Fax: (213) 438-0522 Contact: Vishaka Lama Vishaka@showroomfive21.com

Products and Services: Bariano is a Melbourne-based designer dedicated to being at the forefront of global fashion trends. Escape into a world of glamour, femininity, and elegance. Our first flagship store was unveiled on Melbourne's Chapel Street in 2006, and we have since opened five more stores across Melbourne's fashion precincts. Bariano and Lumier by Bariano, a sister company that features more-casual day-tonight pieces at a lower price point, are now also stocked internationally. The brands have been distributed in the U.S., Canada, and Mexico by Showroom Five 21 (Vishaka Lama) @ The New Mart for over 6 years. They can be seen in over 500 boutiques including Bloomingdales, Lulus.com, Modcloth. com, Bostonproper.com, Fashionnova.com, Freepeople, and Simmons.

The Trends Show

(951) 821-8817 www.TheTrendsShow.com contactthetrendsshow@gmail.com

Products and Services: New in sunny Arizona: The Trends Show: An Apparel, Accessories, Shoes, and Gift show. Who wouldn't want to take in a little sun and shop your favorite lines at the same time? The Trends Show has 4 events a year: Spring, Summer, Fall, and Winter. Registration is free and convenient online at www. TheTrendsShow.com. Free Swag bags for early arrival and qualified buyers for early arrival and qualified buyers for early some show. Details are online. Interested in exhibiting? Contact show managers Jay and Kelli Johnson at contactthetrendsshow@gmail.com or (951) 821-8817.

UBM Fashion

www.ubmfashion.com

Products and Services: Uniting the most influential fashion retail decision-makers and the world's top fashion brands, UBM Fashion serves the \$1 trillion-plus worldwide fashion industry through its comprehensive marketplaces in Las Vegas, New York, and Japan, such as: MAGIC, COTERIE, PROJECT, FN PLATFORM, and more. UBM Fashion serves the industry by bringing together great brands and retailers in superbly merchandised shows while providing superior customer service and ultimately presenting end consumers with the best apparel, footwear, accessories, and fashion products

Z SUPPLY

18001 Cowan Irvine, CA 92614 (949) 236-6988 WWW.ZSUPPLYCLOTHING.COM marketing@zsupplyllc.com

Products and Services: Z SUPPLY designs with the modern consumer in mind with the belief that simplicity, comfort, and style should coexist in every closet. Featuring signature plush fabrics, timeless silhouettes, and versatile style, our collections are every-day essentials that can be worn by everyone. The collection is sold in better boutiques and specialty stores nationwide.

Supply Chain

Cinergy Textiles Inc.

1422 Griffith Ave. Los Angeles, CA 90021 (213) 748-4400 Fax: (213) 748-3400 www.cinergytextiles.com cinergytextiles@aol.com

Products and Services: For over 25 years, Cinergy Textiles has been specializing in stock and order-based programs consisting of hundreds of solid and novelty knits, wovens, and linings. Our product line provides piece goods for all apparel markets, including children's, juniors, contemporary, activewear, uniforms, and special occasions. Our fabrics are imported from Asia and stocked in Los Angeles. We have a one-roll stock minimum. Orders are generally processed on the same day and ship out within one or two business days, depending on the size of the order and availability of the particular style ordered.

Fabric Selection Inc.

800 E. 14th St. Los Angeles, CA 90021 (213) 747-6297 Fax: (213) 747-7006 www.fabricselection.com info@fahricselection.com

Products and Services: Fabric Selection Inc. is a premier wholesale fabric supplier. providing the highest quality textiles and in-house designs to designers and manufacturers in the Los Angeles area and beyond. Our assortment and specialty is vast including basics, novelties and prints in both knits and wovens. All of our print designs are copyrighted. We have polyester, spandex, rayon/spandex and more unique fabrics to inspire your next fashion collection, and will work with you to get a price that will fit your bottom line. Visit us at the Sourcing@Magic Tradeshow Las Vegas Convention Center South Hall Booth #82008

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.

Texprocess Americas

(770) 984-8016

texprocess-americas.us.messefrankfurt.

Products and Services: Once again Texprocess Americas will be co-located with Techtextil North America, making this that largest and best technical textile, nonwoven. machinery, sewn products, and equipment trade show in the Americas. Discover new products, exciting technology, groundbreaking materials, and advancements as exhibitors from around the world showcase their latest innovation in technical textiles and nonwovens. Make your plans now to join the industry for three days of education, networking and business development. Come and see for yourself May 22-24 in Atlanta.

The Button/ **Accessory Connection**

152 West Pico Blvd Los Angeles, CA 90015 (213) 747-8442 (877) 747-8442 (Outside California) www.tbacinc.com

 $\begin{tabular}{lll} \textbf{Products} & \textbf{and} & \textbf{Services:} & TB/AC & Inc. & has \\ \end{tabular}$ proudly supplied trims and accessories to small and big fashion brands for 30 years. Specialists in custom, branding (logo) trims and accessories: hang tags, tables, heat transfers, elastics, patches, tapes, zipper pulls, and more. We offer a wide variety of basic, generic trims and notions available in our catalog (tbac.com/catalog) with stock options or made-to-order: buttons, beads, hardware, studs, zippers, and more. Our product range also consists of unique, novelty fashion trims and accessories, tapes, running yardage, rhinestone/ beaded heat transfers, appliqués, and more. To learn more about our product offerings or to source specific trims or accessories, contact us directly at sales@tbacinc. com. Headquarters and showroom are in downtown Los Angeles. Global sourcing and distribution. Endless possibilities.

Trim Networks Inc.

910 S. Los Angeles St., Suite 405 Los Angeles, CA 90015 (213) 688-8550 Fax: (213) 688-8551 info@trimnetworks.com www.trimnetworks.com ae@trimnetworks.com

Products and Services: TNI is not just a button company; it's an arbiter of taste and fashion. We give designers the freedom to create freely and not have to worry about the little parts and trims. Connecting our clients with reliable and trustworthy garment factories in the world has been the foundation of our system and our networks. By joining our network, you no longer need to search for garment manufacturers. We have done the research for you. We enjoy serving all brands in different parts of the world, such as the U.S., China, Italy, Japan, Israel, Sri Lanka, Pakistan, and India, Our facility can accommodate brass, zinc, and aluminum products. Our products are constantly tested by some of the most well-known laboratories in the world. We can provide you with all types of test results within a few days. We are in touch with over 2.000 garment and denim factories. The good water quality of Canton has also enabled us to create some of the most exciting colors in electro plating. Over 300 wash-houses are scattered in this rich province, which in return can provide some of the newest colors in fashion today. In addition, our strategic location south of the Delta River gives us plenty of resources to all types of raw-material suppliers.

Finance

Finance One, Inc.

801 S. Grand Ave., Ste. 1000 Los Angeles, CA 90017 Main: (213) 430-4888 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 startun 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.

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.

Milberg Factors, Inc.

99 Park Ave., 21st Fl., New York, NY 10016 Western Regional Office-655 N Central Ave 7th FI Glendale CA 91203

www.milbergfactors.com Contact: David M. Reza, SVP Western Region dreza@milfac.com

(818) 649-8662 Fax: (818) 649-7501

Products and Services: Milberg Factors offers a competitive menu of factoring, financing, and receivables-management products for entrepreneurial and middlemarket companies with more personalized attention than larger institutional firms. A partner of our firm manages every client relationship. Our 80-year track record in the factoring industry assures our clients that they will enjoy a stable relationship supported by a mature and experienced staff.

Republic Business Credit

201 St Charles Avenue, Ste. 2210 New Orleans, LA 70170 Toll free: (866) 722-4987 Fax: (866) 925-7206 info@republicbc.com www.republicbc.com

Fred Gaylord, SVP Business Development fgaylord@republicbc.com Direct: 213-248-3977 Robert Meyers, President rmeyers@republicbc.com Direct: 630-788-5100

Products and Services: Republic Business Credit is an independently owned commercial finance company, headquartered in New Orleans, with regional offices in Los Angeles, Chicago, and Houston. Offering factoring and ABL, with seasonal over-advances, we focus on tailoring finance solutions to fit our clients' needs. At Republic, we are proud of our can-do, flexible attitude and our emphasis on responsiveness.

Sterling National

Factoring & Trade Finance Division 500 Seventh Ave., 3rd Floor New York, NY 10018 (212) 575-4415 Fax: (212) 575-3439 www.snb.com jlalota@snb.com

Contact: John La Lota, Division President Products and Services: Sterling National Bank offers clients a full range of depository and cash-management services plus a broad portfolio of financing solutionsincluding working capital lines, accounts receivable and inventory financing, factoring, trade financing, payroll funding and processing, equipment leasing and financing, commercial and residential mortgages, and mortgage warehouse lines of credit. Sterling is well-known for its high-tech, hands-on approach to customer service and a special focus on serving the business community.

White Oak **Commercial Finance**

555 West 5th Street, Suite 3380 Los Angeles, CA 90013 Contact: Gino Clark Phone: (213) 226-5201

➡ Resource Guide page 30

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Resource Guide

Continued from page 29

Fax: (213) 226-5374 www.whiteoaksf.com

Products and Services: White Oak Commercial Finance, LLC (WOCF), formerly Capital Business Credit/Capital Factors, is a global financial products and services company providing credit facilities to middle-market companies between \$1 million and \$30 million. WOCF's solutions include asset-based lending, full-service factoring, invoice discounting, supply-chain financing, inventory financing, U.S. import/export financing, trade credit-risk management, account-receivables management, and credit and collections support. WOCF is an affiliate of White Oak Global Advisors, LLC, and its institutional clients. More information can be found at our website.

Made in America

Los Angeles Apparel

1020 E. 59th Street Los Angeles, CA 90001 (213) 275-3120 Info@losangelesapparel.net www.losangelesapparel.net

www.losangelesapparel-imprintable.net Products and Services: Founded by Dov Charney, Los Angeles Apparel is a vertically integrated manufacturer of T-shirts, sweatshirts, and bodysuits produced in South Central, Los Angeles, operating with over 400 employees in a 100,000 square foot factory where millions of garments are made. We are proud to be located in Los Angeles where our experienced and dedicated workers earn the highest living wages in the country. Some of our innovations include thicker, heavy jerseys and a durable 14 oz. heavy fleece, all made of 100% US grown cotton. We also have an extensive garment dve program with over 25 stock

colors and can dye to match any color. We use the finest technology that allows us to produce rapidly and expedite turnover rates with quality unmatched by offshore producers of apparel.

Paradise Ranch Designs

Emblem Showroom The New Mart 127 F Ninth St www naradiseranchdesigns com Contact: Eveline evelinem@emblemshowroom.com (310) 420-0125

Products and Services: Kris Goddard's designs for Paradise Ranch deliver what she promises—fresh shapes with a vibrant, youthful appeal yet offering comfortable coverage on the top and bottom. Paradise Ranch goes bold with prints, an array of exuberant tropicals mainly sourced from Italy and France, with solids produced in the United States. The line's success has enabled Goddard to start buying print designs exclusive to Paradise Ranch. Beyond the bright look. Paradise Ranch is also developing a loval customer base for its smart silhouette choices and Goddard's meticulous attention to fit details. "My collection is meant to be multifaceted." Goddard notes. "It's more than just swimwear—it's wearable to many places, it's interchangeable, it makes for easy packing. That's the mainstay of what we're doing that makes us different. It's coverage but still sexy." Paradise Ranch Designs has been recently photographed on some of the brightest young Hollywood talent like Miley Cyrus in Vogue, actress Amanda Cerny, singer Ashanti, and entertainer Chloe Lukasiak. Visit us at the Stitch@Project Tradeshow, Las Vegas, Booth #25078.

SEAMS Association

3650 Rogers Road, Suite #302 Wake Forest, NC 27587 (803) 642-1111 www.seams.org Contact: Will Duncan wduncan@seams.org

Products and Services: SEAMS is the Association & Voice of the U.S. sewn products industry for over 50 years, consisting of more than 200 of America's foremost fashion brands, retailers, manufacturers, and textile providers. The SEAMS National Networking Conference (May 8-10) is the most relevant event of the year and the go-to resource for shaping the growth and resurgence of Made in America. The conference provides access to people, processes, and products to ensure optimized production the U.S. It also serves as the hub for networking, inspiration, innovation, and intelligence to enhance attendees' competitiveness, productivity, and profitability in the new global economy. SEAMS will also be in Las Vegas; don't miss the Seams Pavilion at Sourcing@MAGIC, Feb 4-7. Visit us online

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SAMPLE SEWER FOR WOMEN'S CONTEMPORARY CLOTHING LINE

Sample Sewer needed for women and men in a High End Clothing Collection in Culver City. Needs to have experienced with knits and woven's in all categories for women, including dresses/tops/pants/skirts/jumpsuits. Must be able to use single needle/cover, stitch/over lock machines as well as attachments and have detailed skills to finish high end garment. Must have 6+ years in the garment industry and be authorized to work in the US. Pls. email resumes to: Oscar@velvetllc.com or contact Oscar at: (310) 991-7355

TECHNICAL DESIGNER

Looking for a highly motivated technical designer who has current established relationship with major retailers. Strong knowledge of garment specs and construction Strong communication, management and organization skills a must.

Pls send your resume to jonathon@mikenclothing.com

MAJORS ACCOUNT SALES PERSON

Seeking Independent Experience Majors Account Sales Person for our Women's Contemporary Parisian Brand. Must have good and current relationships with Majors. Contact: Cindy Gao

626.780.5609 Cell

626.522.1611 Office cindy@seeusoongroup.com xiangyan_g@yahoo.com

PRODUCTION CLERK

Bright, organized, and energetic individual for busy Knitting Mill. Attention to detail and good communication skills necessary. Willing to train the right candidate.

Please email resume to: annat@antexknitting.com

Jobs Available

SAMPLE MAKER SEWER

*Skilled sewer with min. 5 years sample making exp. *Ability to work with all types of fabrics which include Heavy weight and Light weight Jersey, wovens, Tri-Blends, Lycra, Fleece and Poly Cotton Fabrics.

*Ability to work with all types of product including Sportswear, jackets, dresses, pants, tops.

*Experience working with Single and Double needle sewing machines, Cover stitch, Triple needle cover stitch, Overlock Machine, Cross Shoulder Tape Machine, Four and Five spool marrow, mock safety and buttonhole machines.

*Detect and advise pattern issues for correction prior to release to problem solve construction and sewing finishes and advise best garment construction alternatives. *Familiar with basic machine care.

*Accomplished pressing and hand sewing skills. Pls submit resume to: maggie@nextlevelapparel.com or call 310-631-4955.

SEWING OPERATOR

Karen Kane, a women's apparel manufacturer has immediate openings for a single needle Operator.

*Must have minimum 2 yrs experience.

*Bilingual English/Spanish

*Able to work overtime when required *Great benefits

Fax resume to (323) 277-6830, email to resumes@karenkane.com or apply in person at 2275 E. 37th St. L.A. CA 90058.

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Jobs Available

PRODUCTION MARKER MAKER

Women's Apparel Company in Downtown LA has an immediate opening for a Production Marker Maker. With a min. of 5 years experience with the Gerber System. Ability to make markers with a sense of urgency. Email resumes to: peggy@kayo.com

TECHNICAL DESIGN ASSISTANT

A Multi-Division women's sleepwear firm has an immediate entry level opening for an assistant to our Director of Product Development. Candidates must have strong Photoshop, Illustrator, Excel, & Power Point skills. Must also have good knowledge pertaining to construction of garments. Must be detailed-oriented, able to work in a fast -paced environment, with outstanding communication and organizational skills.

Email resumes to: eluna@mgtind.com

PRE-PRODUCTION COORDINATOR

Looking for a detailed, well organized person with a minimum of 2-3 years experience in Pre-Production. Knowledge of specs and garment construction required. Must have strong computer skills as well. Self motivated organized and a team player.

Pls send your resume to jonathon@mikenclothing.com

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