



◀ **INNERWEAR:**

The full-figure bra business booms, page 8.

EYE: Karen Elson on songwriting, modeling and music, page 4. ▶



▶ **ACCESSORIES:**

Isabel Toledo to do handbag and shoe line for Payless, page 2.

NEWS: The debate goes on over the future of the Garment Center, page 10. ◀



Women's Wear Daily • The Retailers' Daily Newspaper • March 22, 2010 • \$3.00

WWWD MONDAY

Accessories/Innerwear/Legwear

The Look Of Glove

NEW YORK — Designers took gloves far beyond their practical dimension this season. Case in point: Carolina Herrera's elbow-length woven suede versions, worn with a long, cozy scarf, fur collar and hat. For more cool handwarmers, see pages 6 and 7.

Web's Next New Wave: Brands Moving Beyond Facebook and Twitter

By Cate T. Corcoran

AS THE SOCIAL MEDIA LANDSCAPE changes faster than Lady Gaga's wigs, fashion companies on the hunt for customers and buzz are looking beyond Facebook, Twitter and blogs to new emerging platforms.

There is no lack of sites and applications to try, as the weeks and months bring scores of copycats or, in some cases, completely new concepts that use the Internet in previously unimagined ways, from the controversial Chatroulette to Foursquare to Foodspotting, a visual and local food guide and game that debuted at the South By Southwest conference in Austin this past week.

While the variety of collaborations and

See **The Next**, Page 12

NRF Unites With eBay To Battle Retail Crimes

By Kristi Ellis

WASHINGTON — The National Retail Federation and eBay, long at odds over the scope of legislation cracking down on organized retail crime, are changing course and forging a strategic alliance to go after the bad guys.

Retailers, who lose an estimated \$30 billion a year in organized retail crime theft, according to the Federal Bureau of Investigation, are hopeful the alliance will lead to a dramatic reduction in criminal activity, either through legislation or new joint strategies.

In an NRF survey conducted last year, 92 percent of retailers said they were "victimized" by criminal gangs and 73 percent reported an increase in the level of retail crime activity.

"This gives us an opportunity to work in partnership, versus at odds, with eBay, which is obviously a very important player in online marketplaces," said Joe La Rocca, senior adviser of asset protection for the NRF. "Now, rather than working independently with each party...we can work together [with law enforcement] and collaborate on sharing information and go after criminal enterprises."

As part of the partnership, which is being unveiled today, the retail trade and lobbying group and the online marketplace will enhance their information-sharing in organized retail crime investigations, set up working groups to develop strategies for targeting crimes, identify technologies to assist law enforcement in tracking the criminal gangs, strengthen collaboration with the FBI and work closer on legislative proposals that have divided them in the past.

“This gives us an opportunity to work in partnership, versus at odds, with eBay, which is obviously a very important player in online marketplaces.”

— Joe La Rocca, National Retail Federation

"Through this partnership, NRF and eBay are putting criminals on notice that they will no longer be able to steal from retailers and abuse the online marketplace for profit," said Paul Jones, global director of asset protection at eBay.

La Rocca said the biggest challenge retailers faced in the past in trying to work with eBay was the lack of receptivity in taking direct queries from merchants about an investigation that was taking place.

"The policy [on the part of eBay] historically was, 'Call law enforcement and then we'll deal with you,'" he said.

The alliance with eBay is designed to close that communication and cooperation gap, he said, and intensify the collaborative efforts to track down criminal operations.

The retail industry has addressed the growing problem of organized crime on several fronts. It launched a collaborative database called the Law Enforcement Retail Partnership Network, or LERPnet, in 2007 that connects retailers with each other and law enforcement officials sharing statistics on suspected thieves and criminal activity. It also started the Coalition Against Organized Retail Crime that includes members such as Target Corp., Macy's Inc., Wal-Mart Stores Inc., the NRF and the mass merchant-based Retail Industry Leaders Association.

To combat the increase in sales of stolen property on its Web site, eBay created the Partnering With Retailers Offensively Against Crime and Theft, or PROACT, program in 2008. The company said it helped in the arrest of 237 people for selling stolen merchandise in 2008 and assisted law enforcement in some 7,400 stolen property investigations. Major retailers have signed on to take part in PROACT and pledged to work with eBay in cracking down on the sale of stolen merchandise.

Despite those inroads, retailers and eBay were still at loggerheads over several legislative proposals, differences La Rocca said he hopes will be lessened by the new alliance. There are three pending bills in the House and one pending in the Senate that confront criminal activity, from strengthening the federal criminal code and increasing resources for law enforcement to creating new civil fines and imposing policies and information-sharing requirements on online auction sites and in flea markets and pawn shops that are often used to fence the stolen goods.

eBay voiced strong opposition to the legislative proposals that targeted online marketplaces and imposed new restrictions on them, rather than focusing on the criminals themselves. La Rocca said the alliance will not negate the need for legislation and could provide momentum for further cooperation between eBay and retailers in finding a compromise.

Strong Lineup Set for Beauty Summit

BEAUTY BEAT

By Pete Born

DESPITE THE TENACIOUSNESS OF THE GLOBAL recession, the WWD Beauty CEO Summit will get under way in Palm Beach, Fla., on May 10 with an unusually rich roster of top executive speaking talent.

The theme of this summit, the eighth in succession, is A Fresh Start, and the speeches have been organized in groups forming phases of renewal — reboot/reframe, innovate/incubate, understand/engage and evolve/expand.

The program will kick off Monday evening with Fabrizio Freda, president and chief executive officer of the Estée Lauder Cos. The summit will shift into high gear Tuesday morning with a speech by Edward D. Shirley, vice chair of Global Beauty & Grooming at Procter & Gamble Co.

Other morning keynote speakers will include Carmen R. Bauza, vice president of beauty at Wal-Mart Stores Inc.; François-Xavier Fenart, president of L'Oréal Brazil, and Muriel Gonzalez, executive vice president and general merchandise manager of Macy's Inc.

Philip Shearer, ceo of the Paris-based Clarins Group, will give his keynote, then turn the stage over to a group of product innovators. These will include Armand de Villoutreys, vice president of Fine Fragrance Worldwide at Firmenich Inc., and Marcia Kilgore, founder and creative director of Soap & Glory and FitFlop, who created brands for different channels in different product worlds. These leaders will be joined by Ido Leffler, co-founder and chief carrot lover of Yes To Inc.

The final session of the morning will be a panel discussion aimed squarely at ground-breaking innovations within the fragrance category. A discussion will be led by Steve Stoute, chairman and lead investor of Carol's Daughter; recording superstar Mary J Blige, who, as an investor in Carol's Daughter, is launching

her first fragrance, and Mindy Grossman, ceo of HSN Inc., who is pioneering new techniques for selling fragrance via TV.

After the lunch break, Paco Underhill, founding president of Envirosell and a global expert on retailing, will give a presentation. He will be followed by a panel discussion led by Virginia C. Drosos, president of Global Female Beauty at P&G. Her group will tackle the subject of communicating with the consumer in the digital age. Kevin Kells, national director of Consumer Packaged Goods at Google Inc., and Fred Mossler of Zappos.com will be on that panel.

The evening address will be given by Mikhail Kusnirovich, founder and chairman of Bosco di Ciliegi, which owns Articolli Gum and the Articolli-Vesna megastores — two of Moscow's top fragrance and luxury accessories retailers. In 2004, the company bought a controlling stake in Gum, the historic department store on Red Square.

The program will open Wednesday morning with an address by Lyn P. Kirby, president and ceo of Ulta Salon, Cosmetics & Fragrance Inc. She will be followed by a Polish specialty store retailer, Wojciech Ingnot, president of Ingnot, an international chain. A perspective from India will be provided by Gaurav Mahajan, chief operating officer of Trent Ltd.

One of the most talked-about developments of the last two years was the advent of drugstore chains entering prestige beauty retailing. The subject will be explored by the three top players: Shelley J. Rozenwald, president of Murale at Shoppers Drug Mart Corp.; Mike Bloom, senior vice president of CVS Caremark Corp., and Joseph C. Magnacca, senior vice president and chief merchandising officer of Duane Reade Inc.

The summit will conclude with a talk by Chris Sanderson, strategy and insight director of The Future Laboratory, and a forecast of what comes next by Karen Grant, senior beauty industry analyst at The NPD Group Inc.

Industry Meets on Revitalizing Garment Center

By Rosemary Feitelberg

WITH THE GARMENT CENTER'S REZONING STILL in a state of flux, tenants and other vested parties gathered at Yeohlee Teng's showroom Thursday night to discuss the neighborhood's inevitable reinvention.

Billed as "Urban Fabric: Creation in the City," the discussion was an offshoot of the "Made in Midtown" study, an ongoing collaboration between the Council of Fashion Designers of America and the Design Trust for Public Space. Once that research is complete at the end of April, the parties aim to have a better understanding of how integral the Garment Center is to the city and how its strengths might be best utilized to secure its future.

One of the panelists, Parsons The New School for Design's dean of fashion, Simon Collins, provided the surest sign of confidence by revealing all of his 1,400 fashion students will be based in the neighborhood as of September. Half of them are attending classes on the Greenwich Village campus, which will continue to be used by other New School students. Extending its existing Seventh Avenue location, Parsons has leased 46,000 square feet at 218-232 West 40th Street at what is commonly known as the Katherine Gibbs building, though the two schools have no affiliation. The School of Fashion is already using one of its designated four floors and the others will be occupied next semester.

In response to a question about the need for intervention to avoid urban Darwinism, Collins said: "We believe very strongly in change, but designed change so that it is

for the better."

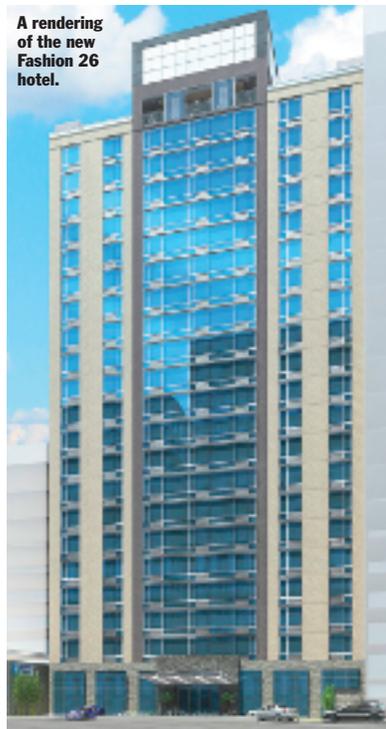
Moderator Deborah Martin, the Design Trust's executive director, noted the existing zoning that was first put into place in 1987 was supposed to secure 50 percent of the neighborhood's space for apparel production, but "that was never really enforced for various reasons."

Collins and his fellow panelists — Teng, urban designer Ken Greenberg, Newmark Knight Frank executive managing director Eric Gural and Vogue contributing editor and landscape architect Miranda Brooks — discussed a variety of ideas including encouraging major designers to return some manufacturing to New York, initiating a Made in New York program, educating shoppers about the upsides of locally made goods and using architecture to attract visitors.

"Consumers need to know that when they buy clothes that are cheap, it's cheap because it came off someone's back. There is no appreciation in this country for Made in America, and that's the bottom line," Teng said.

Gural questioned why tenants could not move a few blocks west or south, to make way for "hip and cool" destinations. While not addressed Thursday, Wyndham will open Fashion 26, a 280-room, four-star hotel with an assortment of fashion tie-ins at 152 West 26th Street April 5.

Gural emphasized the area's potential for retail development. "There is all this shopping going on in Times Square — it's the second-highest real estate in the city — and it's only five blocks away," he said. "No one comes below 42nd Street because no one has a reason to. We have to give them a reason to."



A rendering of the new Fashion 26 hotel.