

innerwear

Laura Ashley Intimates to Launch

By KARYN MONGET

NEW YORK — Laura Ashley Inc. has signed a licensing agreement with Secret Lace LLC to produce, market, sell and distribute the first collection of intimate apparel bearing the Laura Ashley Intimates and Laura Ashley London names.

Distribution will be aimed at major specialty and department stores and specialty boutiques in the U.S., Canada and Mexico and 400 Laura Ashley stores in Europe, Asia, South America, Australia and New Zealand.

The Laura Ashley Intimates line, which will be unveiled at the May innerwear market here, will be launched for fall, while the Laura Ashley London collection will be introduced at retail in early 2012.

Wholesale sales projection the first full year for the combined lines is more than \$2.5 million, said Albert Zaccai, senior vice president and chief operating officer of Secret Lace, a division of privately owned Just One LLC.

Bra and undies will be the initial product introductions followed by day-

wear, shapewear, bodysuits and baby-doll sets. Bra cup sizes will range from 34B to 38C, and a full-figure range will be sized 38D to 40DDD, while undies will be S, M and L to plus sizes XL to 3X. Suggested retail for bras by Laura Ashley will be \$36 and undies will be priced at three pairs for \$24; bras and undies by Laura Ashley London will be listed between \$50 and \$60 and panties will be \$20 to \$30.

"We are finding that the plus-size customer is having trouble finding fashion colors, prints and styles in plus sizes. So, we feel it's important to accommodate her," said Walter Osband, vice president of marketing and sales for Secret Lace.

Yelena Ploykin, design director and merchandiser at Secret Lace, said specialty fabrics are important in defining the Laura Ashley look in intimates.

"We are using a lot of novelty micro-fibers, shadow stripe effects, yarn dyes, jacquards and laces that are exclusive to Laura Ashley, as well as elastics that are very thin, comfortable but still strong enough to hold a seamless [bra] cup," she explained.

Regarding the Laura Ashley shop-



Signature-looking prints and patterns by Laura Ashley Intimates.

PHOTOS BY THOMAS INMACCONE

per, Osband noted, "The Laura Ashley customer is a woman between 30 and 50 years old with a household income of \$75,000, is educated, well traveled, home- and family-oriented, and shops both in-store and online. Laura Ashley has 88 percent brand recognition [according to Laura Ashley Inc.], and a global presence of over 25,000 retail doors in the U.S., Canada and Mexico." Zaccai added that signature prints used in the intimates line will be merchandised to create a cohesive state-

ment with the licensed line of Laura Ashley sleepwear and loungewear.

"We will be communicating with the sleepwear license at Russell-Newman on similar or coordinating prints," said Seccai.

Secret Lace also produces a line of bras by Black Fuchsia, which is sold at chains including Wet Seal and Mandy's, and will be launching a collection of young contemporary lingerie called Paris Blues on June 25. Distribution is aimed at department stores.

Q&A

Yossi Nasser, Gelmart International

AFTER NEARLY 60 years, Gelmart Industries Inc. is getting a face-lift.

For starters, the family-owned company headed by Yossi Nasser, a second-generation owner who serves as president of the \$50 million firm, has been renamed Gelmart International.

Nasser, a former analyst and portfolio manager of consumer goods companies at London-based hedge fund firm Marble Bar Assets, is no stranger to his family's private label foundations business. From age eight, he spent his summers working in the warehouse, packing, shipping and sweeping floors, later interacting with merchandisers and sales associates and preparing export documents. He rejoined the family business in mid-2009 with the intention of transforming what he described as a "traditional, family-run company" into a global enterprise.

The initial transition phase began earlier this year by realigning departments to offset duplication and eliminating several sales and design positions, as well as relocating the company's sourcing and sample operation from New York to Shantou, China. Nasser has also made a \$1.5 million investment in upgrading computer technology to enhance vendor-retailer partnerships with Wal-Mart, Kmart, Sears and Avenue stores, and the

number of factories in China was cut from eight to four to leverage Gelmart's position as a big-volume resource. Now, following the company's year-over-year sales gains in the mid-teens, the 31-year-old financial analyst-turned innerwear entrepreneur says he's poised to expand proprietary brands, as well as delve into licensing pacts. He projects doubling annual wholesale revenues to \$100 million by the end of 2013.

Here, a conversation with Nasser about his plans to grow the family business. — K.M.

WWD: What is your strategy to grow Gelmart's business?

Yossi Nasser: Gelmart is no longer just a manufacturer. Today we are a full-service vendor partner with the ability to design and develop, source and manufacture, merchandise and market the right product at the right time at the right price. We service each customer to the best of our ability. We don't just sell to our customers. There is a big difference. I believe this is why Gelmart was honored with the Wal-Mart Supplier of the Year Award [for undergarments] for 2010....Priority is being placed on product innovation and merchandising. Our designers are challenged to ask themselves, "How or why is this product relevant?" And "Does this product provide a solution, meet a need, or fill a niche or void?"

Our short-term strategy is to focus on the expansion of our core business. Leveraging our strengths in supply chain management, product design, development and merchandising, we are driving volume and sales within our established retail channels. At the same time, we are rapidly increasing our retail distribution channels by diversifying product categories and merchandising methods. The next phase of our company's growth includes the development of in-house brands and the licensing of established, nationally recognized brands. We will design, manufacture and market a comprehensive portfolio of brands in the intimate apparel, shapewear and sleepwear categories.

WWD: Please give examples of how Gelmart is operating more efficiently?

Y.N.: Since coming into this business, I have treated it as a startup.... I am involved in the front end of the business, communicating directly with our retail clients on a daily basis. Two integral members of my senior management team include Ken Parag, chief financial officer and executive vice president of the supply chain, and Eve Bastug, senior vice president of merchandising and design. With their help, we recently established a satellite office in Mainland China, adjacent to our factories, which serves as a product development and sourcing hub.... We have saved \$500,000 with the move.

To achieve our goals, first, I had to lay a firm foundation upon which we could grow. This began with the infrastructure. Internally, departments and their personnel were realigned and I took a lot of time to put together the new senior management team. I implemented new systems, including a high-tech computer system. The move of our sample room from New York to China is not only cost effective, but it also provides us with a competitive edge. We consolidated our production facilities so that our suppliers are our key partners. We now operate domestic distribution centers in both New Jersey and in Los Angeles. The West Coast distribution center [opened last week] will significantly cut our shipping lead times and save air shipment costs. Additionally, I have implemented lead-time monitoring systems to ensure our product cycle is as tight as possible.

WWD: Where do you see the company five years from now?

Y.N.: I envision a one-stop shop for our valued customers to get product innovation and differentiation at a price that cannot be beat. In terms of brands, [we are developing Body Naturals], and I expect to own a very successful in-house brand, a brand that we can license into other categories. I also see exclusive partnerships and licensing several recognizable brands, which we plan to market domestically and internationally.

WWD: How are you dealing with rising costs for raw materials and labor?

Y.N.: Gelmart, to the best of its ability, has been willing to absorb most of the cost increases from our suppliers.... We nominate a number of suppliers, so we can have much more scale, volume and balance that works with our manufacturing flexibility.... Our company works closely with our factory partners and raw materials suppliers to cost each and every style as carefully as possible, and we continually work to trim the fat. One key component is maintaining the flexibility to quickly adapt to changes in the market here and abroad.



Gelmart plans to develop lifestyle brands and Yossi Nasser (left).