



WIDER CIRCLE

E-COMMERCE SERVICE FIRM SHOPRUNNER ADDS RETAIL PARTNERS, FROM BERGDORF GOODMAN TO TORY BURCH. PAGE 2

DABAH DABAH DUO

HAIM DABAH LAUNCHES HDS CAPITAL WITH HIS SON TO INVEST IN TECH START-UPS. PAGE 3



JEWEL TONE

JEWELRY DESIGNER BAO BAO WAN UNVEILS A COLOR COSMETICS COLLECTION WITH MAC. PAGE 2

WOMEN

THURSDAY, NOVEMBER 6, 2014 \$3.00

Powder Coated

A good classic needn't be typecast. The trenchcoat is everywhere for spring, but not always in "Casablanca" khaki. Rebecca Taylor gives the ultimate no-nonsense outerwear piece a feminine turn in powder blue, highlighting the power of pretty. Her linen and cotton trench tops a cotton T-shirt and polyester skirt with a flirtatious pleated hem.

MODEL: GIACONE MANAGEMENT; HAIR BY MARCEL DAGELMIS USING ORIBE HAIR CARE; LVA ARTISTS; MAKEUP BY SOPHIE HUG FOR DIOR BEAUTY/BA-REPS.COM; FASHION ASSISTANT: MILTON DIXON

PHOTO BY THOMAS IANACCONE; STYLED BY MAYTE ALLENDE

BRANDS RUSH IN

Oil-Rich Kazakhstan's Growing Luxury World

By JOELLE DIDERICH

ALMATY, Kazakhstan — High above the smog of Almaty stands the 37-story Esentai Tower, providing unparalleled views of the snowcapped Tien Shan mountain range that borders Kazakhstan's most populous city.

Central Asia's tallest building, which sits in an area often rocked by earthquakes, reflects both the ambitions of real estate developer Capital Partners and the country's thriving market for luxury goods. The tower was designed by Skidmore, Owings & Merrill, the American architects behind the Burj Khalifa in Dubai.

The mixed-use Esentai Park complex has brought an unprecedented level of opulence to the former Soviet city, from the Esentai Mall and its gleaming Louis Vuitton, Prada and Dior stores to the year-old Ritz-Carlton, Almaty hotel, not to mention the luxury condominiums that sold for \$15,000 a square meter, rivaling real estate prices in the most coveted neighborhoods of Paris.

The mall, which celebrated its second anniversary late last month with a glittering party, is about to undergo a further upgrade as the battle for the local luxury customer heats up against a backdrop of economic uncertainty in neighboring Russia.

Capital Partners, which has invested \$1 billion in the tower and mall so far, plans to spend an extra \$30 million to increase its offer of luxury brands and upgrade key elements of the mall, which is anchored by a Saks Fifth Avenue store.

Spaces that previously housed more accessible labels, such as Mango and Promod, have been boarded up as the mall prepares to welcome a cache of fresh luxury brands. The project also includes a new ground-floor jewelry and watch area with its own VIP entrance.

"We realized the mall is not big enough to accommodate two different concepts: luxury and mass

SEE PAGE 4

Martin Greenfield: Men's Wear Maestro

By LORNA KOSKI

MASTER MEN'S wear maker Martin Greenfield knows better than just about anybody that clothes create the man, so that's why it's not surprising his new autobiography, "Measure of a Man: A Memoir, From Auschwitz Survivor to Presidents' Tailor," begins with a view of highly polished men's footwear.

"I could see my picture in the boots," he recalled. The boots were more elegant than any Greenfield had ever seen, and they belonged to Josef Mengele, the Nazi doctor infamous for his grotesque, criminal medical experiments. Mengele, who was also handsome and impeccably dressed, was about to do a selection on Greenfield's family at Auschwitz.

Unlike most of the other high-ranking Nazis, who avoided the duty, Mengele enjoyed doing selections, eagerly seizing the opportunity to choose the subjects he was most interested in and who included identical twins, dwarfs and those with eyes of different colors. Greenfield, then called Maximilian Grünfeld, his father, Joseph, and sister Simcha were sent to the right — which meant life, at least for a time — while his mother, Tzyvia, sister Rivka and baby brother, Sruel Baer, were sent to the left, which meant immediate death. Of course, they had no idea of this at the time.

Greenfield, now 86, was also in the slave labor camp Buna and in the concentration camps Gleiwitz and Buchenwald. He managed to survive the war, the only member of his immediate family to do so. He last saw his father on his second day at Auschwitz, when Joseph,

SEE PAGE 8



The escalators at the new store.



The women's department of the H&M store on Boulevard Saint-Germain.



The men's department.

FOR MORE IMAGES, SEE
WWD.com/retail-news.

H&M Unveils Its New Paris Flagship

By JOELLE DIDERICH

PARIS — Hennes & Mauritz has a new beacon on the Left Bank, a burgeoning district for fashion retailers.

The Swedish high-street retailer today opens a new flagship at 77 Boulevard Saint-Germain, a stone's throw from the tourist and student enclave of Boulevard

Saint-Michel, which it hopes will become one of its top revenue drivers in France.

At around 27,000 square feet, the unit is the retailer's second-largest in Paris. It also has one of the largest product offerings of any H&M store in France, with collections for women, men, juniors and children spread over three floors, and an expanded shoe selection for women and men.

Thomas Lourenço, managing director of H&M France, said the store aims to attract local residents, students and tourists. "It's an important store for us in terms of image, because it really represents the best of H&M," he said.

"We have invested even more resources and energy in this store because, in addition to selling clothes, it needs to project a positive image of the brand and to inspire

visitors, who may then return to their local H&M, whether in England, Japan or other cities in France," Lourenço added.

The store features a new design concept in a palette of stone, beige and white. Lighting fixtures include an LED screen above the main entrance; a ceiling covered with exposed light bulbs in the trend section of the women's department and a large light box over the escalator banks, which are flanked by a glass wall featuring a design by illustrator Lovisa Burfitt.

Groups of mannequins are dotted throughout the store and a greater proportion of the merchandise is hung facing forward. The unit will test new service concepts such as greeters, and its 86 staffers will be more clearly identifiable. "We want customers to be able to choose the level of service they want," the executive said.

The store will also be one of the first in France to offer its department heads and visual merchandisers training programs that result in official qualifications.

H&M has more than 200 stores in France, including 191 H&M units, 14 COS stores, one & Other Stories unit (with a second to open in Paris on Nov. 14), and one each for its Monki and Cheap Monday banners.

Lourenço said the fast-fashion giant plans to open additional H&M stores in larger cities next year, including a new flagship in Nice in a space formerly occupied by a Virgin Megastore. It also plans to enter medium-sized cities including Dax, Millau, Vichy, Lens and La Rochelle.

As it continues to expand its range of concepts, such as its beefed-up H&M Sport collection, the retailer is targeting spaces that average 16,000 to 21,500 square feet, versus 11,000 to 16,000 square feet previously, Lourenço said. H&M is also looking for additional locations in the French capital.

"I'm thinking for instance of the Bastille and République areas. We think there is still quite a lot of potential in Paris," he said.

Haim Dabah Getting Technical

By DAVID MOIN

FOR HAIM DABAH, a pioneer in apparel manufacturing and brand building, technology is his next frontier.

Dabah and his son Mac have formed HDS Capital to invest in tech startups. So far, they've invested in six, including Linc Global, Stylictics and Cosmic Cart. HDS also targets venture funds and "accelerator" companies that work to grow other companies. HDS has stakes in the Elevator Fund, an accelerator in Tel Aviv, and in two big venture funds, Greycroft Partners and Metamorphic Ventures.

"It's a very unusual model," said Dabah, who left his job at Global Brands Group a month ago for his career switch.

The entrepreneurial Dabah is known for his private-brand projects and for developing Gitano along with his brothers Ezra and Isaac, which peaked into a major denim label for the mass market in the Eighties. Dabah later founded Regatta USA which has developed labels for retailers including the Simply Vera by Vera Wang and Daisy Fuentes lines for Kohl's and Ellen Tracy and Karl Lagerfeld for Macy's. In 2007, Regatta was sold to LF USA, which earlier this year spun its Global Brands business, including Regatta, into a separate public company.

At HDS Capital, Mac Dabah scouts tech investments, does the initial screening and due diligence, and brings the concept to his father, who meets with the team to see if he can add value to the business. Deals also flow through the venture funds and recommendations by the founders of current investments.

"Data, along with satisfying consumers, is where the money is," Mac Dabah said, describing the HDS investment strategy. "We like game-changing technology with those who have some expe-

rience and are visionary and passionate about what they do. Two of our lead investments, Linc and Stylictics, are data driven, and we like that space."

"The key to investing is always the people," added Haim Dabah. "You've got to like the people. I love helping young people make their ideas come to life. They need guidance, access and [industry] relationships to make their ideas come to life."

"Ideally, I like to invest with people on their second go-round. Even if the first venture was not successful, it's still OK because of having had that experience. Obviously, the investment should be in something I understand and something that is compelling. I write checks between \$100,000 and \$5 million. We are giving them money and guidance," he said.

"Data, along with satisfying consumers, is where the money is."

— MAC DABAH

One of the beneficiaries is Linc, a post-purchase customer service currently in a pilot phase. "Because we are so technology-focused, we want mentorship from people who have a deep understanding of brands and how brands want to connect with their customer base. Haim sits on that side of the table," said Fang Cheng, the founder and chief executive officer of Linc. Cheng, who sold her touchscreen startup TouchCo to Amazon in 2010, said Linc provides quicker interactions between consumers and brands and is geared to help companies build loyalty and reduce their costs of conducting service.



Haim and Mac Dabah

jeans is doing well after being down for a couple of years, or that silver bib necklaces are trending," said Rohan Deuskar, founder and ceo of Stylictics. He said 200,000 people, 90 percent of whom are women in the U.S., have downloaded the app, and that a total of 1,200 brands and retailers are receiving the data.

The two-and-a-half-year-old Cosmic Cart enables shoppers to buy directly from different sites and apps with one universal checkout, and helps digital publishers, including apps and blogs, monetize their media. "We look at HDS as a strategic investor with deeply rooted fashion experience," said Alex Adelman, Cosmic Cart's cofounder and ceo.

The Dabahs said they take "a portfolio approach," anticipating that not all the investments will be home runs. "There could be some very good ideas and very good people behind them, and they may not resonate," said Haim Dabah. "Sorting through the huge volume of ideas and figuring out which will likely resonate means doing some hard homework. Even if it's a great idea, it's a question of whether the execution is right. That's two things that could go against you. That said, technology is the way consumers are living their lives today."

Dabah didn't seem particularly wistful about shifting from fashion and manufacturing to tech, though HDS keeps him at "the intersection of fashion retail and mobile," he said.

"It's been not quite four weeks since I left my day job and I don't miss it at all," he said. "For the traditional wholesale business model, the expiration date has past. Twenty years ago you could have a wholesale company with 20 labels that could be successful. It's not as exciting anymore. I need to do something more exciting. I want to be involved in something I am passionate about...I love Uber. It took an old traditional business model, the car service, and automated it in a way that is much more effective today. I wish I invested in it."

"Linc anticipates your questions. For example, you can click on a delivery widget, and it will tell you where your product is," in the delivery process. Linc also assists consumers with product assembly, warranties and other post-purchase concerns. "There's a large void in terms of how businesses are taking care of their customers," said Cheng. "They are still pretty much using what they have been using for decades — a phone number, an e-mail or a big form."

Stylictics, another HDS investment, is a personal style management platform that operates like a digital closet, helping people track their purchases, know what's in their closets, what they wore and when, and suggest items that haven't been worn in awhile. It also provides a stream of data to retailers, for trend spotting and sharing fashion information with consumers. "For brands and retailers, Stylictics provides a real-time view of the marketplace to alert them early to what's trending, like what style of

PHOTOS BY DOMINIQUE NAIÏRE

PHOTO BY KYLE ERICKSEN