

# WWD



## Gloomy Outlook

Luxottica slashed its full-year outlook in half after sales fell in the first six months. **PAGE 8**

## Fab Forty

The CFDA has tapped 40 new members, including Jeremy Scott, Stuart Vevers of Coach, Brandon Maxwell and Nasty Gal's Sophia Amoruso. **PAGE 3**



## Tough on Green

A U.K. parliamentary committee blasts Sir Philip Green over the BHS affair, pressuring him to pump almost \$750 million into its pension fund. **PAGE 8**

Fashion. Beauty. Business.

## THE MARKETS

# G-III Welcomes DKNY Onboard, Sets Goal of \$1B

● G-III looks to double the size of DKI in less than three years.

BY LISA LOCKWOOD AND VICKI M. YOUNG

**G-III Apparel Group** believes it can realize Donna Karan's potential at last – but Wall Street isn't so sure.

Viewing the acquisition of Donna Karan International as a “transformative event” for the company, Morris Goldfarb, chairman and chief executive officer of G-III, expects DKNY to become a \$1 billion brand and Donna Karan to reach more than \$300 million in wholesale volume over the next several years.

As reported, G-III – the \$2.4 billion diversified apparel company – has entered into a definitive agreement to acquire DKI from LVMH Moët Hennessy Louis Vuitton for \$650 million. The transaction is expected to close in late 2016 or early 2017.

“The \$1 billion trophy for us, I believe will be DKNY,” said Goldfarb, on a conference call Monday – a number that would be more than triple DKNY's current revenues of \$300 million. He foresees huge opportunities for the brand in women's and men's footwear, handbags, intimates, jeans and resurrecting DKNYC, as well as home and cosmetics. Some of these lines the company will manufacture and others will be licensed.

He also anticipates a robust licensing program for Donna Karan.

In the short term, Goldfarb told analysts he expects to double the size of the overall business in less than three years.

“There's no secret that some of the power brands in our universe are contracting distribution, either voluntarily or designed by the retailer, and it's a perfect time to buy into the real estate that is going to be available,” Goldfarb said.

Despite Goldfarb's enthusiasm for the deal, Wall Street wasn't applauding the acquisition, sending G-III shares down 14.5 percent to close at \$42.91 in Nasdaq trading Monday. Investors were more excited for LVMH, viewing the sale as the end of what has been a 15-year headache, and rare misstep, for luxury titan Bernard Arnault. Shares of LVMH closed up 1.5 percent to 144.45 euros, or \$158.77 at current exchange, on the Paris Bourse.

Goldfarb was undeterred about the hit to his stock.

“That's expected. We've never made an acquisition that really had the emotions of Wall Street in consideration. We bought a business that's clearly dilutive to our earnings. It loses money. So we didn't buy the brand for its earnings. We bought the brand for everything we've just described to you and the future of the brand. We can effect the future in a short period of time. It will be dilutive the first year that we own it. It will be accretive the second year, and the third year it will be extremely accretive,” Goldfarb told WWD.

Goldfarb believes the \$650 million price

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MEN'S

# A New Child

Robert Childs has spent most of his career helping realize other designers' visions, including Thom Browne. But now the 30-year-old is focused on growing his own men's wear brand, Childs, and has unveiled his second collection, for spring 2017, seen here. The line combines his love of tailoring with his Key West, Fla., upbringing.

For more on Childs, see page 7.



MEN'S

# Thom Browne Alum Robert Childs Introduces Men's Wear Line

● The designer, who also worked at Opening Ceremony and Adam Kimmel, is stepping out on his own with his brand Childs.

BY ARIA HUGHES

**NEW YORK** — As evidenced by New York Fashion Week: Men's, the city has become a hotbed for young men's wear brands with big ambitions. Robert Childs is part of this crowded group, but his background lends him a special distinction: He's one of the first designers from Thom Browne's studio to create his own label.

With help from brand director Matthew Foley, who also used to work for Browne, the designer is solely focused on realizing his own vision with Childs, his self-funded men's wear line that's in its second season.

"I feel like I'm really good at interpreting other people's ideas and I really wanted to do that for myself," Childs told WWD. "I wanted to test myself and find my voice and see if I could get other people interested in it."

Childs' voice started to form in Key West, Fla., where he was raised by his mother, who was an artist, and his father, who worked in general construction. He spent his childhood and teenage years playing sports, primarily soccer, and spending a lot of time surfing or wakeboarding.

"I've always really liked clothes, but I never thought about the idea of becoming a fashion designer," said Childs, who initially wanted to work for a surf brand like Volcom. "Key West is an island in the middle of the ocean and we are kind of cut off from everything. Once I moved to New York I became interested in more elevated, elegant pieces."

After graduating from high school in Florida, Childs enrolled in business school — he eventually dropped out — before moving to Manhattan to attend the Fashion Institute of



Technology. During his last year in the men's wear program he interned for Adam Kimmel before making his way to Thom Browne's headquarters, which was located in the same building as Kimmel's office.

"I kind of just went downstairs, knocked on the door and handed over my résumé," said Childs. "I remember opening the door and just seeing a bunch of people in suits and I thought, 'Wow. This is new and interesting.' He gave me a call and we set up a meeting

and he hired me."

The 30-year-old spent four years working as design director for Browne, which meant helping him articulate his very specific brand ethos. Childs said Browne taught him the importance of producing quality clothes and sticking to a vision, which, funnily enough, Browne noticed in Childs early on.

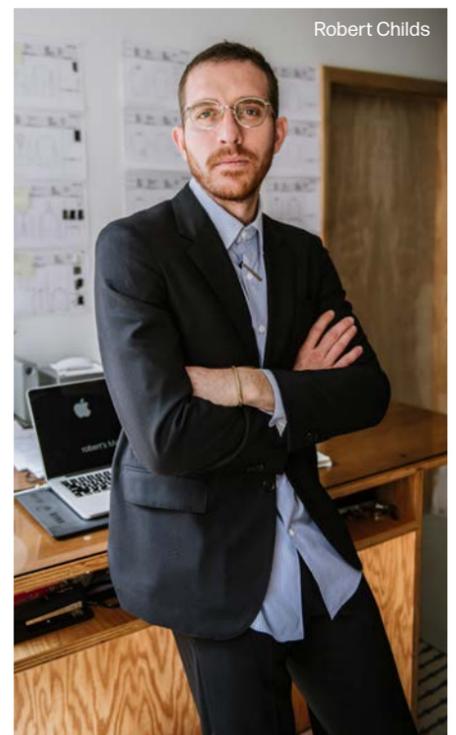
"Robert is a really good designer who has a specific point of view. And I think that his point of view is true to who he is as a person, which makes it strong," said Browne. "I am really proud of Robert just as [I am of] any employee of mine who goes on to do his own thing." Post-working for Browne, Childs rejoined the design team at Adam Kimmel, and once Kimmel stopped producing his men's wear collection in 2012, he moved on to Opening Ceremony, where he was head of men's design.

Childs is now attempting to hit that sometimes-hard-to-achieve sweet spot in men's wear. He wants his collection to be palatable enough for many guys to wear and understand, but special enough for a fashion-forward consumer to appreciate. He's a stickler for tailoring, but is also concerned with comfort.

"I don't want anything to be too oversized or too tight," said the designer when asked about the premise for his collection. "The line isn't based on vintage pieces, but I want it to feel recognizable. At the same time it's not a futurist collection. It's meant to be current and classic so you don't feel weird about pairing it with crazier things or basic things. But it shouldn't be too trendy."

According to Childs, his process begins with creating a uniform for an archetypical guy. Last season it was Robert Redford's character in the spy movie "Three Days of the Condor," and for his spring offering, which he presented in his Lower East Side studio and apartment, he created his take on a sailor's uniform.

"I'm trying to imagine what that uniform



would be instead of looking at what it is," said Childs.

In his view, a sailor wears well-constructed T-shirts and sweatshirts along with cropped parkas, Hawaiian shirts, translucent rain jackets, shirts with removable collars, slightly shrunken suits and a one-piece reminiscent of fishermen's overalls. Childs also collaborated with artist Zoe Barcza on the prints for the line, which call to mind ripped sails. The collection, which is made in Japan and the U.S., retails from \$200 for a T-shirt to \$2,000 for outerwear.

So far Childs' concept is winning over retailers including Totokaelo, Neighborhood in Japan and Contraband in Canada, who have each picked up his fall collection. Childs said he's launching an e-commerce site before the year is over, but, similar to how Browne's career evolved, he has no interest in a rapid rise to the top.

"I respect Thom so much for what he has done and where he has gone and the path that he's taken," Childs said. "I think my path might be tougher, but who knows. I want to be a household name, but I don't want to peak too early."

THE MARKETS

## Denim Première Vision Returns to Paris

● The organizer of the trade show said its next edition will be held on Nov. 2 to 3 at Paris Event Center.

BY LAURE GUILBAULT

**PARIS** — Denim Première Vision is moving back to Paris.

The organizer of the denim trade show said its next edition will be held Nov. 2-3 at Paris Event Center, where Kenzo, Lanvin and Thom Browne have staged fashion shows in the venue in the past. This comes after five editions held at Barcelona's Montjuïc exhibition center. The show, created in 2007, was previously held at La Halle Freyssinet in Paris until it moved to Barcelona for its May 2014 edition, partly because Halle Freyssinet no longer hosts events but instead was transformed into a start-up incubator.

The November 2016 edition has been moved 15 days ahead of the scheduled dates, originally Nov. 16-17, 2016 at Fira



Montjuïc center. "The growth of midseason collections — capsule collections, limited editions — and the increase of seasonal development ranges around brands' main collections have changed

the timing of design and product development," explained show director Chantal Malingrey about the earlier dates.

"If this announcement seems sudden,

it's because it's all about the question of opportunity," Malingrey also stated. "We are constantly thinking of possible strategic developments for Denim Première Vision. As a part of our thought process, there is always the underlying question of a change of venue and date. But this requires finding an available space which best meets our requirements and the right schedule. We maintained the dates of the exhibition in Barcelona until today as this great opportunity could not, until now, be confirmed."

Organizers also said that booths will be limited in size — from 172 square feet to 1,076 square feet maximum — and while exhibitors will be allowed to personalize the internal space of their booth, the external structures will all be the ones provided by Denim PV.

The visitor count at the May edition of the fair dropped 8 percent from May 2015 to 3,803, with attendance from North America decreasing 20 percent to represent 3 percent, according to show organizers. Twenty-seven percent of visitors came from Spain and the balance, 73 percent, from other countries. The show gathered 95 exhibitors, versus 97 in May 2015.

The following 2017 editions are set for April 25-26 and Nov. 8-9, also at Paris Event Center.