

In Focus: Business Insights

TRADE SHOWS

Shoppe Object Spotlights Artistic Edge

- The new independent show for home and gift is held semiannually – in February and August – with its anchor location at Pier 36.

BY KALEY ROSHITSH

While **Shoppe Object**, which wrapped up earlier this week at Pier 36 Manhattan's Lower East Side, parallels its closest competitor, NY Now at the Jacob K. Javits Convention Center, the presentation veers into territory that is more intimate between shoppers and exhibitors.

The show made its debut last August, under the combined forces of Aesthetic Movement, an agency and showroom which represented many of the brands who signed on to show, and trade show Capsule, which was acquired by Liberty Fairs last year.

Many of the exhibitors were new to Shoppe Object, such as artists Sophie Lou Jacobsen and Anahit Pogolian, both were looking to dabble in wholesale without losing the integrity of their fine art clientele.

Whether navigating the carpeted aisles and discreetly labeled, minimal booths as a solo shop owner or accompanied by a team of buyers from a department store, Shoppe Object showed a range of attendance the final day. Even the entrance badges of Shoppe Object were more discreet: a tiny round magnetic clip bearing no titles. Those who wore the

usual lanyard and name badge had come directly from the Javits Center.

Exhibitors cited a heavy representation from "California brands this time around" or the sentiment "toward zero waste brands." A word that Shujan Bertrand, founder and chief executive officer of Aplat, a San Francisco-based zero-waste culinary and home brand calls: "brandsparency," educating consumers and buyers alike on the origami construction principles her brand uses to leave no waste. Diem Boyd, brand coordinator at Orež Lifestyle, which operated a pop-up at Maman café in SoHo, believes Gen Z pushes a more informed, "conscious" preference. Speaking on her daughter, a Gen Zer, "She could care less about going to Zara and H&M," Boyd reiterated.

For Shoppe Object it may be the feeling that "exhibitors and shoppers are both celebrated," said Flannery Cronin of Friend of All Glass, a stained glass light fixture brand based in Brooklyn, N.Y. Uniquely, the show included a dedicated section curated by the Japanese External Trade Organization, or JETRO, for "highly designed goods," of which highlights included vintage-inspired handkerchiefs, resin-coated bread lamps and "Zero" bags from Wincess Corp., which appeared invisible and weightless despite its strength.

Sarah Murphy, owner of Austin, Tex.-based decor brand Hey Murphy, said she finds Shoppe Object "refreshing," as a



first-time exhibitor. during raw material production through reducing water usage.

The Far Eastern New Century Corp. presented its Fenc TopDry Zero, which is the first PFC-free durable water-repellent polyester filament, according to the brand. Its effectiveness derives from a water-repellent polymer that offers "permanent" protection. Another new material, the Fenc TopClean, has a "nylon-like" texture and is the first PFC-free polyester filament that enables swift soil and stain removal. The firm also introduced its Fenc DynaFeed, a smart textile that measures real-time performance during athletic training through a durable, ultrathin organic matrix.

Two fabrics were introduced by QMI Industrial Co.'s Vast Tech arm: Aqua Terra and Roam Anywear Hood, which are sustainable, transitional fabrics for wear in the office or the outdoors. Each is equipped with a variety of functions, which include the Roam Anywear Hood's feature that enables it to inflate and become a pillow.

Joseph C.L. Ma, the director general, said "[considering the] global growing trend in eco-friendliness, Taiwanese suppliers have devoted research and development to green technologies to meet customer demands and achieve goals of sustainability and corporate social responsibility."

TECHNOLOGY

Usizy Creates 'Smart Business' Tool



- Madrid-based Usizy serves brands such as Calvin Klein, Nike and Lacoste – reducing returns, on average, by 25 percent.

BY KALEY ROSHITSH

To remedy retailer pains, including returns and stock breaks, Madrid-based size recommendation technology, Usizy, publicly launched its "Smart Business" tool for retailers. Usizy is a platform for retailers to make data-driven decisions "based on their pains, needs and feedback," according to Iñaki Garcia, cofounder and chief executive officer of Usizy.

Citing data from Statista, the U.S. returns problem will surmount \$550 billion by 2020, up 75 percent from 2015. With Usizy Smart Business, companies can see on average, returns rates reduced by 25 percent, conversion rates boosted 20 percent, as well as customer loyalty lifted by 3 percent.

Of that is the ability, Usizy informs, for the retailer or brand to "measure and correct" major losses – such as restocking out-of-stock sizes or adjusting pricing mishaps in line with industry trends or sector-specific data.

Servicing more than 315 brands including Nike, Levi's, Calvin Klein in 100-plus countries, Usizy touts the strengths of its team – comprising data scientists and engineers – and algorithms, which predict stock breaks, profitable price points and returns at the product and size level. Clients can access tools such as size adviser, smart stock, smart logistics and smart pricing to better tailor their e-commerce strategies with data, while aiming to eliminate hidden costs.

According to Newmine, a developer of an AI-powered returns reduction platform technology, every \$1 million in returns reduction adds 500,000 in earnings before interest, tax, depreciation and amortization.

RESALE

Charles Gorra on 'Opaque Market' and Opportunity

- As founder and ceo of Rebag, Gorra sets an ambitious brick-and-mortar strategy, leaning into luxury resale's "white space."

BY KALEY ROSHITSH

Luxury handbag owners have a few choices when it comes to letting go of their valuable investments. One of which is Rebag.

Rebag was founded in 2014 by chief executive officer and founder, Charles Gorra. Its first store opened in 2017 in SoHo, beginning as a pop-up. In February, the company announced \$25 million in its Series C funding round, and four months later, the company opened its largest store yet – at 2,800 square feet – in Miami.

Embarking on an aggressive conquest, Gorra has repeatedly said he wants 30 stores in the next few years. Seated confidently at the helm of it all, in his SoHo store on a leather couch in the "men's corner," (a pleasant seat for

accompanying a perusing shopper or awaiting appraisal at the counter a few steps away). Gorra shared more of the luxury resale industry with WWD

He calls it an "opaque market," referencing Rebag's development of its unique pricing software over the last year as a way to bolster the "level of conviction" in pricing accuracy that fuels how quickly handbags trace the curve of luxury resale, (too fast and it was arguably underpriced, too slow, and the market demand may have dropped on a particular item – perhaps better to hold).

All of these convictions are, for better or worse, marketplace defined. Usually, each player either builds out its own software, AI-powered pricing tools and authentication methods, or enlists a third-party solution provider. But while proprietary technology seems to reinforce each marketplace's competitive advantage, surprisingly, competition isn't a deterrent to these players.

"Over the last 12 months, something

happened," said Gorra. All the activity, with Farfetch launching its program, The RealReal going public – "it legitimizes what we've been doing."

The mainstreaming of the resale market has been credentialed by retail analysts, media and industry thought leaders, with reports released this year from Coresight Research, Fashion For Good, ThredUp and authentication solution, Entrupy, among others.

"In the short-term future, every retailer, every department store and brand will be invested in the resale market," reiterated Gorra, who isn't the only "canary in the coal mine" sounding alarm for traditional retailing. As pop-ups shored directed newfound foot traffic, while serving as a crutch to vacancies and higher rents, perhaps resale opens new customer streams for brands and retailers, by essentially "creating liquidity for customers," in the words of Gorra. He believes the act of "consuming" is swapped with "investing," especially among Rebag customers.

With its newfound credibility through its mainstreaming moment, the luxury resale industry determines the enemy is not its marketplace competitors, rather "the main competition is [consumer] idleness," as Gorra said.