

BUILDING HIS TEAM

MARCO BIZZARRI ADDS TO HIS NEW CREW AT GUCCI GROUP. PAGE 2



WEE SMALL HOURS

THE OSCARS ARE FINE, BUT IT'S THE AFTER — AND AFTER-AFTER — PARTIES WHERE THE REAL ACTION LIES. PAGE 12



THE RUSH TO CONTEMPORARY HANDBAGS, THE LATEST LOOKS IN SUNGLASSES, HONG KONG'S NEW HUB AND MORE. SECTION II

WWD

TUESDAY FEBRUARY 24, 2015 \$10 WOMEN'S WEAR DAILY

The Beat Goes On

London designers are on a Seventies high. Burberry's Christopher Bailey tried his hand at beatnik-chic, showing a fall collection bursting at the seams with handmade, hippie-inspired swagger. Here, his fringed patchwork poncho wraps the Burberry girl in a pattern other than plaid. For more from London, see pages 4 to 6.

COLLECTIONS
LONDON
FALL 2015



RAISING FASHION PROFILE

As Milan Shows Loom, Italy Steps Up Backing

By LUISA ZARGANI

MILAN — "A mayor must be wherever there is Italian beauty."

So said a proud Giuliano Pisapia, Milan's top elected official, earlier this month during the presentation of the city's fashion, held under the grand stuccoed vaults of the stately town hall, Palazzo Marino. With his presence and comments about one of Italy's main industries, Pisapia marked a stronger collaboration between Milan and the fashion world. Italy's national government is also paying more attention to fashion. The country's deputy minister of economic development Carlo Calenda has said the government plans to pump 40 million euros, or \$45.5 million at current exchange rate, into the nation's fashion industry in 2015, up from an average of 5.2 million euros, or \$5.9 million, a year for the past five years.

Milan Fashion Week starts Wednesday amidst positive economic trends. The weaker euro is expected to boost exports while lower oil prices will help the nation's economy. Industrial production has risen in Italy for the last two months in a row, the first time that has happened since 2013. Earlier this month, the Bank of Italy raised its economic-growth forecasts for the country following the quantitative easing unveiled by European Central Bank president Mario Draghi in January. Despite a slowdown in Russia and emerging markets, the fashion industry's exports in 2014 are expected to grow 4.8 percent to 47.4 billion euros, or \$54 billion, according to the most recent Fashion Economic Trends study by the country's Camera della Moda, and Italy's fashion industry is expected to log 1.6 percent growth in the first half of 2015. Sales in 2014 are forecast to increase 3.7 percent to 61.6 billion euros, or \$70.2 billion.

Ahead of the international expo in May, a certain degree of anticipation and excitement is running through the industry as observers wait to see the first women's

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Judging Apple Watch: Jewelry or Tech Toy?

By RACHEL STRUGATZ

NEW YORK — The global watch industry is about to get an Apple in its eye.

The long-awaited, and much-dissected, Apple Watch is due to appear in April. While initially dismissed as a novelty by traditional watch brands, the product now has many of them — such as Swatch Group and Tag Heuer — rushing to introduce their own smart-watches. The change of heart comes down to one simple reason: numbers. Projections are that Apple could sell up to 20 million Apple Watches this year alone, with about five to six million of those ordered even before the product goes on sale.

Such is the power of Apple, and the question on many minds is whether the watch industry will ever be the same again.

"There's no question that the industry is looking over its shoulder and wondering what the impact will be," said Howard Feller, a partner at MMG Advisors. "The luxury purveyors are selling a different thing in terms of craftsmanship, and they'll be affected less so."

Apple is offering a different value proposition than, say, Patek Philippe — the former's technology-constraining design flexibility, according to Feller, who sees the Apple Watch as a real threat only to the high-end of the fashion-watch business and the opening price point of luxury brands. He cited Michael Kors "or any licensed designer brand that sits on a Bloomingdale's, Macy's or Saks counter" as those that will be most affected by the Apple Watch.

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PHOTO BY GIOVANNI GAMBONI



Apple Watch: Luxury Piece or Gadget?

(Continued from page one)

This is the first new category Apple will launch since the death of Steve Jobs, in 2011, and a key test of whether the company will be able to continue to innovate under Tim Cook. Presentation will be key — not that Apple has had a problem with that in the past — but selling a mobile device is a different animal than timepieces with 18-karat-gold hardware that can climb into the few-thousand-dollar range (entry price points are said to be \$349).

Jay Hartington, owner of Marissa Collections, the 40-year-old Naples, Fla., boutique that specializes in fine jewelry, believes it will definitely take finesse to sell an 18-karat-gold version of the Apple Watch. But selling the device might be tricky for these independent retailers, whose staff are trained and knowledgeable in traditional timepieces, not software and technology. “Just because you’ve been successful and know the ins and outs of a \$20,000 watch doesn’t mean you can correlate that to explaining how to sync your iPhone to your watch,” Hartington said.

Other than the aesthetics, little else is known about the timepiece.

Apple has kept mum about how it will sell the watch and what channels of distribution it will employ — but the tech giant has already been creative in that regard, linking with Colette for an Apple Watch event during Paris Fashion Week in September.

“(It) certainly set a luxury footprint to build upon,” jewelry designer Paige Novick said of the watch’s impending arrival. “I envision the stores keeping this designer halo by adding dedicated watch departments with glass-enclosed display cases modeled after jewelry and concept stores.”

Jewelry designer Jennifer Fisher said that with any tech product, the consumer must be able to touch and feel, and that the Apple Watch must by no means be kept inside a locked display.

“I think there should be a test demo on top of the case, and any other specialty color or upgraded finished should be displayed as fine jewelry,” Fisher said, adding that this will give the product an air of exclusivity. “When it’s harder to touch, it gives the

product an elevated appeal. And for wearable tech, I feel that is an element that is missing.”

Alex Nemiroff, director of Phillips House, the jewelry brand that has more than 60 points of distribution, agreed with Fisher. The traditional fine-jewelry retail practices that call for presentation in high-end locked cases and showing product on an individual basis will prohibit Apple consumers looking to touch and feel the new watch.

stark white retail spaces — or upgrading to packaging with velvet accents, according to Nemiroff.

Joanne Teichman, managing director of Dallas, Texas-based jewelry store Ylang 23, is more excited about the prospect of Apple Watch dabbling in design collabora-

ing her firm spent 14 years at jewelry brand Judith Ripka, believes there is a significant opportunity for independent jewelry retailers to attract a different shopper with the Apple Watch — whether they’re younger or just not the typical technology consumer — as well as increase foot traffic into their stores (that is, if Apple even sells the watch via this channel). She compared the Apple Watch launch to TechnoMarine, the Swiss timepiece brand that paired diamond-encrusted watch faces with rubber straps in the late Nineties.

“When it launched, people said, ‘What is this?’ because it’s a fine watch but it had this rubber band. But it took over and found its seat in the fine, independent jewelry world,” Winter said of how TechnoMarine changed the timepiece game through the early Aughts. The brand allowed these boutiques to attract a younger customer who might not have otherwise walked in until they planned to make a serious diamond purchase.

“It might not be the customer who is buying the most expensive diamond, but you would splurge on this the same way you would buy the \$2,000 Mac instead of the \$500 Dell,” Winter said. “The jewelry industry needs a boost of cool. It won’t take luxury to a stuffy place, but to a real place that you can have fun with. It’s not flashy, but it’s fine.”



Apple is seen selling up to 20 million watches this year.

There’s no question that the industry is looking over its shoulder and wondering what the impact will be.

— HOWARD FELLER, MMG ADVISORS

The consensus among the design set is that Apple must find a way to bridge the accessibility of a wearable with the luxurious presentation that goes alongside selling traditional jewelry. Differentiating the presentation of the watch is key, and this could mean a new black or other dark color platform for selling — a sharp deviation from Apple’s

tions with of-the-moment jewelry designers such as Jennifer Meyer or Irene Neuwirth. She is confident that Apple will have no problem selling the basic version of the watch through its stores, but when it comes to the versions comprised of gold, she sees ample opportunity to work with established talent in the space to appeal to her fine-jewelry customer.

“It’s not going to be on the Best Buy table with the iPhone,” said Janice Winter, ceo of Janice Winter Inc., a consulting firm that specializes in luxury branding. “It’s luxury because of the high price, and it belongs in a place where design is celebrated, but you [also] aren’t going to sell it next to Rolex or Audemars [Piguet].”

Winter, who previous to open-

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