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WWWD FRIDAY

Beauty

High Notes

With their upcoming women's scents, two fashion houses are attempting to distill the distinctive style of their namesakes. A Scent by Issey Miyake is keyed to the designer's mission of essential and simple luxury, while Viktor Horsting and Rolf Snoeren's Eau Mega is a bold juice with a patented oversize gold atomizer they've dubbed the Megamizer. A Scent will hit Saks Fifth Avenue in August, while Eau Mega bows in September. For more, see pages 4 and 5.

Tory Burch Says 'Hola': Designer Sells Minority To Mexican Equity Firm

By Julee Kaplan

TORY BURCH HAS FOUND A NEW partner.

After a yearlong search for additional financing, the designer has sold a minority stake in her more than \$200 million firm to Tresalia Capital, a Mexico City-based family-owned and -operated investment company known for investing in Mexican projects from young entrepreneurs.

Tory Burch executives declined to divulge the final price and the percentage stake they sold to Tresalia, but industry sources estimate it at between 20 and 25 percent.

Burch and her ex-husband, Christopher Burch, who cofounded Tory Burch five years ago, still jointly own the majority stake in the firm, which now operates 18 freestanding

See **Burch**, Page 12



Cosmoprof Offers Solutions to Fix S

By Andrea Nagel

LAS VEGAS — The time is ripe for a makeover.

Reinvention — as the term is more commonly called — is the strategy many businesses are embracing in these tough times, and was the recurring theme at Cosmoprof North America, the trade show for the professional beauty market held at the Mandalay Bay Convention Center here from July 19 to 21.

As the economy continues to pummel the salon industry — recent figures track the market as down 5.4 percent to \$37.5 billion — attendees of the show talked mostly about how to best drive consumers back into salons and stores: create value, offer promotions, establish magic price points and perfect the art of service.

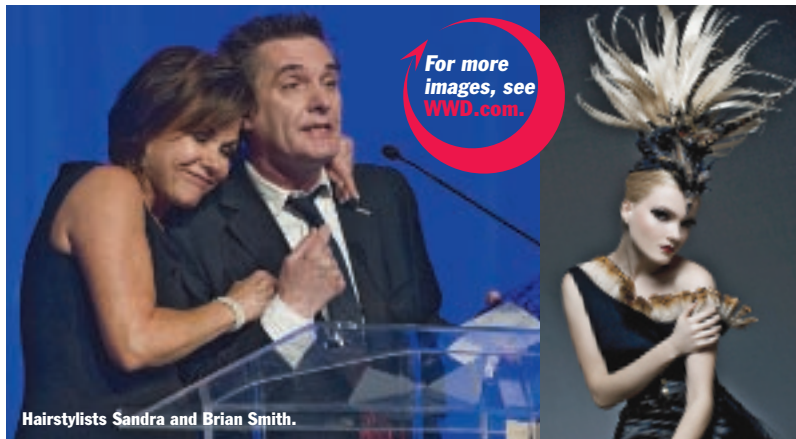
"It's a tough time to have to reinvent yourself, but it's the right time," said

almost as many attendees (22,500 this year versus 25,000 last year) and people were busy, surprising even show officials.

"I have to say I was surprised, because we were foreseeing not a lot of people and a lack of business on the show floor," said Auraliana De Sanctis, the head of SoGeCos, which operates Cosmoprof. "Yet in reality, exhibitors said they met with high-quality distributors, the international area was happy and everyone told me that the image of the show was higher and that this was important to them. In the past, I didn't see the show's [upscale] image as important to them."

Next year's show looks to put more of a focus on skin care and cosmetics, she added, as well as new international beauty companies. Typically, the show strongly centers on hair care items. "The market is ready to do something different," she said.

Indeed, the professional beauty spirit is a hard one to break. On Saturday,



Hairstylists Sandra and Brian Smith.



The show floor at Cosmoprof.

Steven Brooks of Diva Studio in Las Vegas, who spoke on the Professional Beauty Association's Defining the Future of Beauty Retailing panel Monday morning.

Procter & Gamble Salon Professional's Reuben Carranza, who also sat on the panel, said, "The industry will continue to be under pressure. If past trends hold, it will be down anywhere between 2 and 5 percent for the year."

The panel broke down eight different strategies of how businesses could best grow sales. Norma Knudsen of Regis Corp., who sat on the panel, talked about the importance of building a salon's retail section. At Regis, she said, the chain looks to refreshen its retail area this year by instituting a trends section, which will be changed out quarterly. Goals also include growing the average number of items sold per customer per visit from 1.6 to three. Retail sales for the firm overall, she said, are 19 percent. The industry average is 7 percent.

But by weaving a retail-centric culture into a salon, sales can grow, said Jennifer Lynn of Mandarin Oriental, who also served on the panel.

"Culture and service is what will set you apart. It cannot be an afterthought," she said.

The tough environment affected Cosmoprof's exhibitor attendance, with 625 exhibitors at the show this year, down from 740 last year. But overall, there were

more than 2,000 people attended PBA's annual hairstyling competition awards ceremony, North American Hairstyling Awards, which was judged by industry influencers, including top beauty editors. Among the winners were: Brian and Sandra Smith, Master Stylist of the Year, of Matrix C.R.A.F.T. Global Academy, based in Dalton, Ga., and Janell Geason, Make-Up Artist of the Year, of Eden Prairie, Minn. Also at the event was Nancy O'Dell, co-anchor of "Access Hollywood," who was presented the inaugural PBA Beautiful Humanitarian Award for her continued support for charities such as March of Dimes, Child Help, Best Buddies and American Red Cross.

Reinvention was being taken seriously by many companies at Cosmoprof.

Kicking off the show was an event by Tigi Saturday night featuring its makeover of Catwalk, which is now taking on a strong fashion positioning. Your Highness, a volumizing line, is the first range to receive the new sleek look (packaging features script writing, jewel-toned bottles and hair tips). The range includes a shampoo and conditioner under Prep It, a root boost and gel cream under Work It and a hair spray and shine spray under Perfect It. Products ship to salons in September. A Catwalk Curl line and a Smooth collection are planned for the first and second quarters of

Joico Targets Color-Treated Hair With Therapy

JOICO IS EXPANDING ITS BEST SELLING K-Pak brand to target those with color-treated hair.

K-Pak, Joico's leading brand for damaged hair, is introducing K-Pak Color Therapy this September. Color Therapy consists of a shampoo, conditioner and restorative styling oil.

According to Joico officials, K-Pak Color Therapy restores the outermost layer of the hair — or b-layer — which is meant to protect the hair, but is often compromised after color and all other chemical processes, according to Sara Jones, senior vice president and general manager for Joico, ISO and Senscience brands.

"Products aren't refined enough to protect the b-layer," according to Jones, which is said to lose a significant amount of color within the first two to three weeks of shampooing.

Using an altered version of the K-Pak technology, Color Therapy now includes Quadramine PEP, a polymer system designed to protect the hair by attaching to "the potholes in the b-layer." It also uses arginine, an amino acid said to help shine, and African manketti oil, said to help

moisturizing. According to Jones, K-Pak Color Therapy "can double the life of the color in the hair" and is weightless.

The shampoo, priced at \$13.95, is said to gently cleanse without stripping color in the b-layer. The conditioner, priced at \$15.95, is said to defrizz and remove tangles. The Restorative Styling Oil, priced at \$19.95, has been designed to be weightless and to nourish the hair cuticle. It can also be used as a styling aid.

The line will be available at all Joico salons, about 60,000, this fall. Industry sources expect K-Pak Color Therapy to generate about \$2 million in first-year retail sales.

Joico is also making some "green" changes. Anthony Perdigao, vice president of operations of Zotos International, Joico's parent, said Joico will be one of the first in the industry to have a wind turbine producing energy for their manufacturing site, which is based in Geneva, N.Y. The turbines will be built within the next year. Also, K-Pak Color Therapy containers are made out of recycled materials.

— Alissa Cherry



K-Pak Color Therapy

CND Overhauls Nail Polish Ranges for Salons

CREATIVE NAIL DESIGN INC. IS CHANGING ITS COLORS.

CND, as the firm is now known, has stopped production of all its original nail polish colors and, starting Sept. 1, will begin distributing a new 50-color polish line. According to CND, the change for the brand "allows salons to offer clients more choices while [stocking] fewer total sku's [stockkeeping units]."

The colors fall into one of four categories: Crèmes, including 40 shades in sheer, semi-sheer and opaque shades ranging from Brilliant White to Blackjack; Primaries, including Bicycle Yellow, Relay Red and Anchor Blue; Secondaries, including Electric Orange, Greene Scene and Electric Purple; and Chromes, such as Gold, Copper and Silver.

Along with the new colors, CND is also launching 15 new clear-based nail color shades that are meant to be applied on top or underneath a high-pigment polish, which create a whole new rainbow of hues. Effects, as they are called, fall into three categories: Shimmers, Sparkles and Pearl. CND officials said nearly 5,000 color combinations are possible when combining Effects with CND's polish line. All of the polishes are said to have competitive quick drying qualities and are free of toluene, formaldehyde and dibutyl phthalate. Along with the new colors and Effects, CND is also launching its newest top coat, Super Matte. The new top coat is said to "give a modern matte finish to any color polish."

All new items are packaged in flat-back bottles with a rubberized, no-slip top. Brushes will have triangular shaped bristles, which are said to create a smooth stroke for the polish. The colors will be sold for \$9 per bottle, Effects for \$11 and Super Matte will sell for \$8.

Items will be sold in Ulta, Beauty Brand and high-end salons and spas. The original colors will still be available on bebeautiful.com through December.

— A.C.



CND's new polishes.

lumping Biz

2010, while a fourth range is slated for the third quarter, to be launched along with a fashion designer who will help promote the brand.

Natural beauty care maker Pharmacopia, which appeared in the Discover Beauty section of the show floor that's set aside for new exhibitors, talked about several of its endeavors, including a new line tailored for the mass market.

"Even the stores that could handle our usual price points are having trouble. The mass line may be a hit for them," said Lisa Levin, founder and owner of Pharmacopia, which has been making prestige body and skin care products for 10 years. Mass items such as hand lotions, body lotions and body washes will sell for around \$11.99, versus \$17 for their prestige counterparts. Manufacturing costs were cut by replacing essential oils with natural fragrances.

This year, Pharmacopia partnered with Hunter Amenities International as its manufacturer distributor after deals with financial investors fell apart in October. "Everyone is having to change and refocus and think of new ways to do business," said Susan Lange, Pharmacopia's director of sales. Levin is working with Excelsior Beauty to meet with retailers such as Walgreens and CVS to gauge interest on the mass line, which will be ready to ship Jan. 1.

Hair U Wear, a leading hair extension maker, is aware of the spending pressure consumers are facing and in turn has found a magic price point for all new launches.

"We made a decision in October 2008 that we need to appeal to the consumer and we are not making anything above \$99," said Michael Kleinman, executive vice president of Hair U Wear. New items feature Tru 2 Life, a synthetic fiber technology that can withstand up to 350 degrees of heat, and uses a "breadth of colors" in each hair piece. A five-piece kit launches in October and will sell for \$49; a full hairpiece will sell for \$99 and is available in December.

Value was on the lips of many beauty firms at Cosmoprof.

Zotos International, for example, was showcasing its new Diamond Shine range, a hair care and styling line with prices at \$6 an item. Products include a shampoo, conditioner, volumizing mousse, smoothing gel, hair spray and gloss drops. Zotos' various price-conscious brands are performing well in this economy.

"We are having a good year — we are well positioned as a company," said Liz Kenny, senior vice president of marketing at Zotos, which also makes the Bain de Terre and EasyStraight brands. "People are giving up things. We are seeing consumers trading down, stylists are trading down.... I think we are bringing in some new users based on the market," she added.

OPI began offering "salon stimulus" promotions beginning in January as a response to the overall slowdown in salon traffic.

"She is still buying polish, but she is doing the service herself," said Susie Fischmann, founder of OPI. However, pedicure services are up as women find doing this service at home more difficult. At the OPI salon in Los Angeles, for example, two manicure tables were taken out and replaced by a pedicure chair.

Conair, which sells value-priced hair appliances, "is having a banner year" in a segment of the market that is down 10 percent overall.

"We are driving business by giving value products for a good price. Build a product that does everything and it will sell," said the firm's Ken Russo. It's newest item is Babyliss Pro U Style Straight Curl, which straightens, curls and styles and will sell for \$200. Within Rusk, a new value line called Being Sensible is due out in salons and retail stores, such as Ulta, in October. The line targets the value seeker, said Rusk's Brooke Carlson: Each 20-oz. container retails for only \$7.99.

Essie Weingarten from Essie Cosmetics said her business experienced the best June in the company's history, after experiencing a "terrible October."

"We have reengineered," she said, mainly by focusing on smaller distributors. "We like to be the big fish in a small pond." Fewer nail services has led to trends such as more neutral nails. But other trends abound as Essie — along with CND and OPI — sees matte as a big up-and-comer in 2010. Her new mattifier — Matte About You — hits shelves in January.

Tweezerman is talking value, too, with a slew of new items that don't skimp on quality, said president Connie Wittke. Matchbox, a small box of itty-bitty nail files, is priced at \$5; a tweezer packaged with a mirror outfitted with suction cups will sell for \$20, and a nail kit, equipped with a mini cuticle pusher, a file and a clipper, is also \$20. "We are quality and we don't discount, but by doing something that is value, we are doing what we have to for the consumer," Wittke said.

DeveloPlus' New Take on Covering Grays

NEW YORK — A company that helped solve the problem of a bad at-home hair color job, with an item called Color Oops, now sets its sights on solving one of the biggest complaints with do-it-yourself products — telltale gray.

"Seventy percent of those who color their hair do so to color gray," said Edward Geopfert, vice president of sales and marketing for DeveloPlus, the firm behind both Color Oops and the latest launch, No Gray. "But many are disappointed with the products on the market. We talk to colorists and stylists and it is the number-one problem we hear."

DeveloPlus estimates 90 million men and women perform at-home dye jobs to cover gray. That number is mushrooming in the weak economy as more consumers forgo salon visits or extend the time between professional hair color treatments by occasionally doing their own.

No Gray was developed to mix with hair dye or tint to prohibit the gray from breaking through for up to six weeks. When mixed with conventional market items, No Gray adds pigment to the color mixture. The formula penetrates the cuticle layer and reduces the surface tension of water enabling the color pigmentation to cling to the hair resulting in more uniform penetration.

"Retail buyers have recognized this a real problem-solver for the home hair color market and believe consumers, both men and women, understand the need and how to use it," said Geopfert.

Available in three packages, the retail price for a woman's single application is \$2.99, the double package is \$5.75 and a men's version is \$2.99. Chains currently stocking No Gray include Walgreens, Duane Reade and Bed, Bath and Beyond.

Print advertising in magazines such as Marie Claire, Cosmopolitan, Woman's Day, Star, First, Glamour and Fitness will break later this year.

A buyer for a major chain said what is nice about No Gray is that it boosts the turns of hair color since shoppers buy it in addition to the hair color. "So you have more items sold and a higher ring for the two products," she said. "In hair color, you have

critical mass
by Faye Brookman



No Gray

to get people to buy more frequently, higher tickets, or multiple products."

No Gray follows on the heels of DeveloPlus' unique Color Oops, a formula that allows users to change an existing hair color. While first a hit with shoppers who were disappointed with an at-home hair color experience, Color Oops is now selling to consumers who merely want to change their hair color frequently. "It is now a fashion product and that has helped us build upon our sales from year to year," said Geopfert, who added a user could be blonde one week and a redhead the next. "We passed our sales projections for the year in June and I am sure it is because of the fashion positioning," he said. More than \$1 million is spent on print ads for Color Oops and a TV commercial is in the works.

Geopfert suggested retailers situate No Gray next to Color Oops in hair color planograms. While hair color is certainly a category undergoing stockkeeping optimization, he said both Color Oops and No Gray are "niche" products not duplicated by other brands.

The 20-year-old DeveloPlus also markets Splat, a vibrant hair color line that now also includes bright hues of hair extensions, and a hair color called Satin for professional beauty supply stores.

Although buyers note a move to more people coloring their hair at home, drugstore hair color sales for the 51-week period ended May 17 declined 1.95 percent to \$489 million. However, units sales of lower-priced products rose (Revlon Colorsilk, for example, jumped 12 percent in sales), as did the items designed to just cover roots. And, Color Oops — which is not a mainstream color product — exhibited a 21 percent jump in sales to hit almost \$2.5 million in volume. Also, in a limited, but growing number of doors and only a short time on shelves, No Gray has already cracked into the top 100 hair color stockkeeping units — a sku intensive category — ranking number 73.

EcoTools Taps 'Green' Actress for Natural Line

ONE COULD SAY ALICIA SILVERSTONE is brushing up on her beauty skills:

The actress, known for her environmental and animal welfare activism, is partnering with EcoTools, a division of Paris Presents, to launch a cosmetics brush and cosmetics storage line in time for the holidays.

"Unless you need it, it's just stuff," said a Stella McCartney-clad Silverstone during a recent interview. "I only wanted to do something that hadn't been done before. This is a conscious product line that is good for the planet."

All the bags in Silverstone's lineup are made with natural hemp materials and have a recycled PET lining. "I wanted to do something rough, so the hemp was perfect," she said. "I even spilled soy sauce on one, threw it in the washer and it turned out great."

The floral design on the bags — a mix of Silverstone favorites, including lavender, rose, chrysanthemum and thyme — is printed with nontoxic ink, and the hangtags are printed on tree-free stone paper.

The collection includes a five-piece brush set and bag, \$15.99, which includes a finishing brush, blush brush, angled eye shadow brush and lash and brow groomer; Cosmetics Brush Bag, \$12.99, which also includes a blush brush; a train case, \$14.99, with a zip top and clear removable compartment; an overnight bag, \$19.99, with two removable interior compartments, and a cosmetic bag, \$8.99, designed to be



EcoTools accessories.

thrown in a purse.

"Finding a partner to develop the concept became a key component to the launch, and Alicia was a natural fit because of her love of the environment and already established relationship with the brand," said Beth Cassidy, vice president of marketing for EcoTools. "We believe Alicia and EcoTools are a perfect match because both are so passionate about living green and increasing awareness about earth-friendly products, without sacrificing style."

The limited edition collection will be available in about 7,000 mass market doors, including Walgreens and Target, in December, and is expected to remain on counter throughout 2010.

While EcoTools executives wouldn't discuss sales figures, industry sources estimated the Silverstone collection could do \$10 million at retail.

— Julie Naughton