



## Happy spring! Luxury rules as winter wanes

March 25, 2013 - New York City

Happy Spring! Luxury still rules - at least that's the story of New York City retail in the last month.

It's no secret that high-end retail survived the last downturn better than any other sector, and continues to drive the economy both nationally and here in New York. We've certainly seen the influx of ever more luxurious brands to Madison Ave. and Soho. So it isn't surprising when Vince Camuto's new store at Cole Haan's location at Madison and 61st St. will be its VC Signature label. It is, however, a reversal of the usual designer expansion plan: normally a brand makes its name in luxury, then creates bridge lines at a more affordable price point (that usually are more profitable). Camuto's new store is an investment in the sector of retail that seems immune to economic ups and downs, in the perfect location: not as pricey as stores farther north, and accessible to Midtown's daytime office population. Bravo!

Economic reports for the city were a bit of a mixed bag for February. The March Beige Book from the Federal Reserve Board noted that retail sales were a bit slow early in February, not surprising given the weather. Discounting was significant, which also isn't much of a shock as stores continue to clear out their last winter inventory. Tourism remained strong, with Manhattan hotel revenues up 10% to 15% from 2012 - which also helps boost retail sales! I expect this trend to continue, and with spring weather coming in, shoppers will be out in force.

More new retailers will be around to serve them. Valentino's shop on Madison Ave. should be ready this summer. Reports say that the designer also is considering a second store at 693 Fifth Ave., the former Takashimaya/Forever 21 space. Look for Lanvin Men's to open downtown at 144 Spring St. soon. Meanwhile, Alexander McQueen is still under construction at Valentino's old home at 747 Madison. Joe Fresh's unit at 215 West 34th St., originally a pop-up shop, is being renovated and will reopen in June. Barney's Co-op at 2151 Broadway is being renovated and rebranded as Barneys New York. Berluti will bring even more luxury menswear to Madison Ave. next to Brunello Cucinelli. DKNY is popping up at 168 Fifth Ave. Equip your home office at the new McNally Jackson Store: Goods for the Study, at 234 Mulberry St. Sweden's Gudrun Sjödén made its U.S. debut this month at 50 Greene St. Urban Outfitters will open several locations around town: 180 Broadway, 3 Herald Square and 102 North Sixth St. in Williamsburg. Sister store Anthropologie also is coming to Brooklyn, at 242 Bedford Ave. Patagonia is entering Brooklyn through an in-store boutique at Something Else, 144 Smith St. Lululemon's seventh location in the city opened at 408 West 14th St. We're continuing to plan for an exciting panel at the Women's Special Industry Group session at the International Council of Shopping Centers' annual RECon meeting, the largest gathering of retail real estate professionals in the world. I'm thrilled to announce that I will moderate "Retail: The Next Wave," an overview and discussion of some of the latest trends in our industry, from e-tailers testing brick and mortar, to downsizing prototypes to globalization. Already set to join me at the session, being held Sunday, May 19th from 3 to 4:30 p.m. at the Las Vegas Convention Center, are Jennifer

Rondholz, director of real estate for Gap Inc., James Tenser, a member of the board of RetailWire, and Marianne Wilson, editor-in-chief of Chain Store Age magazine. This is a discussion that definitely is not for women only! ICSC and I will be announcing another panelist or two in coming days, so please check back at <http://www.icsc.org/2013RECON/index.php> for more information.

Happy Shopping!

Faith Hope Consolo is the chairman, The Retail Group, Douglas Elliman Real Estate, New York, N.Y.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540