

SANDRO

Sandro founder Évelyne Chétrite and her son Ilan, in their rue François 1er boutique. Ilan, an economics graduate with no design experience, turned the brand's menswear offshoot into a €35m business – almost 20 per cent of Sandro's turnover – in just a few years



PHOTOGRAPH BY
LUCAS CHATELAIN
STYLING: ANNE
MORIN

MAJE

Maje founder Judith Milgrom in her Parisian showroom. She is the sister of Sandro's Évelyne Chétrite (see opposite); both brands are part of Groupe SMCP, which also owns womenswear label Claudie Pierlot

French revolution

France's 'luxe' fast fashion brands have been seducing the home audience for years – and now they're beginning to charm the rest of the world

PHOTOGRAPHY: ARNAUD LAJEUNIE WRITER: ELLEN GROVES



MAJE ▶

Like its competitors, Maje likes to work with high-fashion stalwarts such as photographer Craig McDean, who has worked for Jil Sander, Calvin Klein, *Harper's Bazaar* and *Vogue*. He shot British fashion star Alexa Chung for the French brand's S/S 2013 campaign



To the passing shopper, this store on rue François 1er, perpendicular to Paris' avenue Montaigne, looks much the same as its upscale neighbours - Nina Ricci is next door, Céline is opposite. Floor-to-ceiling mirrors and a marble cash counter whisper luxury. But all is not exactly what it seems: the store in question is Sandro, one of an aggressive new wave of French brands going global with a fresh take on affordable luxury. Sandro, alongside stablemates Maje and Claudie Pierlot, and The Kooples, are just the latest labels in a charge led by Zadig & Voltaire and Comptoir des Cotonniers.

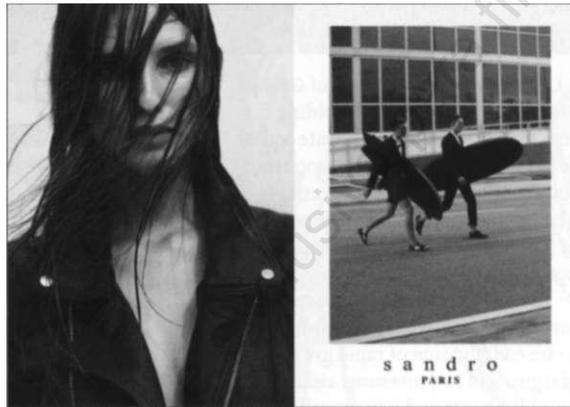
Sandro's incursion into the famous Golden Triangle, Paris' most prestigious shopping district, will soon be followed by two Zadig & Voltaire stores on the Champs-Élysées. Backed by sophisticated marketing, these domestic advances are being repeated along the world's prime retail strips, from New York's Madison Avenue to Hong Kong's Paterson Street.

But these brands are also moving out into unclaimed territories: Sandro and Maje, owned along with Claudie Pierlot by Groupe SMCP, each plan 100 openings across North America this year, including 15 Maje and 15 Sandro own stores and two new 250 sq m flagships for each brand in New York's SOHO. The Kooples envisages some 40 US openings, of which around half will be own-brand boutiques.

Next up is China: Sandro and Maje's first Shanghai own stores open in April, with eight each planned in Chinese cities through 2013. Comptoir des Cotonniers will also inaugurate its first Chinese location by the end of the year. Hot on their heels, The Kooples is in talks with local partners in both China and Korea.

This is the latest push in a rapid retail expansion that has seen these brands grow into multimillion euro businesses. Their success is based on a firm grip on seasonal trends matched with a distinctly French lightness of touch. What sets them apart from other French brands such as APC, Agnès B, Isabel Marant and Vanessa Bruno is their business model. These are brands that shift stock in volume while adopting the airs and graces of their 'betters'. And it's a success story that few saw coming.

Veteran retail consultant Robert Burke has watched first Zadig & Voltaire, then Comptoir des Cotonniers, then the rest of



the French new wave break in New York. 'Few people expected these brands to become so dominant. They've tapped into a void in the market and are very smart from a design, retail and business standpoint. Not only have they created a distinct look, but they use all the best elements from fast fashion to gain traction.' This is fast fashion nous served with all the trappings of luxury. Elie Kouby, COO at Groupe SMCP, says: 'We're a mix of two things: a luxury brand with the fastest logistics, deliveries and restocking times.'

This sort of back-end sophistication is not simply a matter of aping Uniqlo or Zara. For many of the brands, it is the evolution of the hardscrabble tactics learned on the home front in the Sentier district, the former heart of the Parisian rag trade. This is where Sandro's founder Evelyne Chetrite, and her younger sister, Maje's Judith Milgrom, launched their brands after each married Sentier businessmen. The area had a reputation for copycat subcontracting and sweatshop conditions, but the Sentier was also a competitive world where one learned, as Milgrom puts it, 'to fight, to be reactive'.

Chetrite founded Sandro as a wholesale business in 1984, only opening her first boutique in 2004. Milgrom created Maje in 1998, opening the first department store account in 2001. Both later sold part

SANDRO A

The S/S 2013 black and white campaign. Francesco Carrozzini, son of *Vogue Italia* editor-in-chief Franca Sozzani, photographed the label's A/W 2012 campaign, while Terry Richardson shot S/S 2009. Models have included customers selected at impromptu castings in the shops

of their businesses to Frédéric Biousse and Kouby, formerly of Comptoir des Cotonniers. The group became SMCP when the Claudie Pierlot label was acquired in 2009. Rivalry is strong as younger, edgier Maje closes the sales gap with its preppy older sibling. 'There are businesses that look for a sales motivator - ours is genetic,' says Chetrite.

If sibling rivalry motivates Sandro's womenswear, being the boss' son drives the menswear designer. Scrutiny was intense when Ilan Chetrite, a 23-year-old economics graduate with zero design experience, launched his 12-piece line for Sandro Homme in 2008. 'Given my position, I was under the magnifying glass. I struggled a bit at first, but I don't think anybody has any regrets,' he says. Menswear now brings in sales of €35111.

Where Maje and Sandro are a tale of two sisters and one son, The Kooples is a story of three brothers and their parents. Georgette and Tony Elichea founded Comptoir des Cotonniers in 1995 and sold it 11 years later to Japanese retail giant Fast Retailing, owner of Uniqlo. Laurent and Alexandre Elichea were working in the family business at the time, and spent the next two years (a non-competition requirement of that deal) plotting the launch of The Kooples. With brother Raphael on board, the brand grew at an accelerated rate and last year generated sales of €140m from a network of 316 stores. But the Elichea brothers recognise Comptoir des Cotonnier's place in their success. From the marketing - the mother-and-daughters ads are replaced by moody couples - to their business approach, the brand's mark is everywhere. 'We're where we are today because of our experience with Comptoir,' says Alexandre.

Where they are today is at the leading edge of one of fashion's fastest-growing segments, with a defined look - Hedi Slimane-style androgynous silhouettes - and a brand identity tied to traditional British tailoring. The Elicheas collaborate >>>



on suit design with Patrick Gtant of Norton & Sons, a 192-year-old tailoring business on London's Savile Row.

That kind of luxury connection is one these brands make over and over again. Be it the photographers who shoot their campaigns (Craig McDean for Maje, Terry Richardson for Sandro) to links with fashion aristocracy in their choice of model muses, these new-wave brands push the same levers as the luxury goods groups in everything from design to store concepts, service and marketing. Everything, that is, but price.

As Kouby sees it, the luxury market today is essentially an accessories industry - clothes are 'too pricey', which is where these brands come in. These are not 'basics' businesses, though. 'It's never just a black jumper. It's a black jumper with white edging or an embroidery detail,' points out Tancrede de LaLun, merchandising manager at department store Printemps.

Comptoir des Cotonniers collections are displayed only in one size, usually 36, and in one colour, lending an air of exclusivity. Sales staff are trained like personal shoppers, holding forth on the merits of raccoon versus rabbit fur, or pointing you toward the capsule collection. And with mirrors outside the changing rooms, customers check their reflection with the sales assistant on hand. This is definitely not self-service. 'It's not Zara,' says Kouby.

Yet when it comes to logistics, the brands operate with speed, responsiveness and flexibility. With sales data collected daily, plus quick and cheap production largely in Asia, eastern Europe and north Africa, their operations have more in common with fast fashion's giants than their prices suggest.

The model's success is supported by the global investment community. Sandro and Maje caught the eye of LVMH's Bernard Arnault, whose investment fund

L Capital bought 51 per cent of Groupe SMCP in a joint deal with holding company Florae in 2010. Private equity funds LBO France and TA Associates respectively acquired 20 per cent of The Kooples for €80m and 30 per cent of Zadig & Voltaire for €180m in the last couple of years.

Burke, who advised TA Associates, says the brands' attractiveness lies in a rare combination of rapid growth, high margins and low inventory risks. And, he adds, the US and Asia are still largely

THE KOOPLES

Above, Raphaël, Alexandre and Laurent Eliche, who founded The Kooples in 2008. Alexandre and Laurent learned their trade working for their parents' label, Comptoir des Cotonniers

THE NEWEST NEW WAVE

The French brands revolutionising the global fashion market

SANDRO

Established: 1984
Fashion ID: Preppy with a modern twist
2012 sales: €182m
Number of stores/concessions: 248

COMPTOIR DES COTONNIERS

Established: 1995
Fashion ID: Casual chic
2012 sales: about €206m
Number of stores/concessions: 386

ZADIG & VOLTAIRE

Established: 1997
Fashion ID: Casual rock'n'roll
2012 sales: €250m
Number of stores/concessions: 215

MAJE

Established: 1998
Fashion ID: Sandro's younger, edgier sister
2012 sales: €135m
Number of stores/concessions: 250

THE KOOPLES

Established: 2008
Fashion ID: British tailoring meets offbeat Parisian chic
2012 sales: about €140m
Number of stores/concessions: 316

'The new brands offer what diffusion lines once did but with greater charm'

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untapped markets, so the potential for growth is huge. But when each brand is selling a version of contemporary Parisian chic, there is also the risk of homogeneity. They're all watching the same brands - Isabel Marant and APC - says de LaLun. 'It risks becoming fashion where everyone is saying the same thing, with only a little bit of their own personality thrown in.' There have also been problems with the price-quality ratio. A cashmere sweater by Zadig & Voltaire was last year rated poorer quality than supermarket Monoprix's by France's fashion institute L'Institut Français de la Mode.

These are problems the brands have recognised and looked to address as they make moves to upgrade and upscale - in everything from boutiques to design to image. Intent on positioning itself on the fashion calendar, Zadig & Voltaire staged its first catwalk show during Paris Fashion Week last season, at the site of a boutique hotel it will open next year. The competition isn't far behind, though. The Kooples' brothers, whose HQ is on the prestigious place Vendôme, view runway shows as a natural evolution, while future brand extensions include everything from childrenswear to furniture and perfume.

While these ambitious new brands still lack the prestige, service levels and marketing muscle to pose a real threat to the luxury houses, they could hurt designers' secondary lines, according to Jean-Jacques Picart, a Paris-based fashion consultant with 40 years in the industry. 'What the diffusion lines once offered is today provided at the same price levels but with greater integrity, authenticity and charm by these new brands. The secondary lines no longer have much reason to exist.' Much, of course, will depend on how these brands now fare in the US and China. For now, the French new wave keeps rolling on. ★