

luxury briefing.

issue 153 Dec 2011/Jan 2012

2012: we're here!

*Who says Italy's bust? Rubinacci, Nardi, Etro,
and the staying power of fine Italian family businesses*

Luxury structure: who owns what in the industry

*Future Laboratory: Hailo, The Upper House, BA First,
Living Architecture... all getting it right at the turn of the year*

London

New York

It's that time of year for predictions for the luxury retail market place. The imbalance of supply and demand for both occupational and investment properties is such that rents and yields have reached unprecedented levels and we anticipate continued momentum.

Bond Street

Renoir House (135-137 New Bond Street) is rumoured to be under offer to a Labelux Group brand or brands. LVMH Group's freehold acquisition of its flagship store at 17-20 New Bond Street and the investment property of Smythsons, Coach (38-41) and Browns Restaurant at a combined value of almost £300m continues the trend of retailers buying their own buildings. Yields are now fixed at 3% or below the benchmark set with the discreet sale of 178 New Bond Street (Boodles) to a private Russian investor.

Sloane Street

Cadogan Estates' redevelopment programme is now in full swing and three or four luxury brands will launch into the UK from stores attracting rental levels of over £1m per annum.

Brompton Cross

Carolina Herrera is under contract for the former Cluttons. Stella McCartney opens the main label and childrenswear, with Adidas by Stella not far behind. Anticipate further smaller boutique opportunities as new investor owners review strategy. Rents are up almost 25%.

Mount Street

Jordan bank at no 103 is rumoured to be under offer to an LVMH Group brand and watch out for the launch of an iconic US fashion house. Custodian landlord Grosvenor is now concentrating its efforts on upgrading South Audley Street (nos 29 and 43), Davies Street (29-37) and the entire block in Carlos Place facing the Connaught Hotel. In **Albemarle Street & Dover Street**, the launch of McQ by McQueen will attract attention to 'the new Mount Street'. In **Savile Row** the incongruous mix of Abercrombie & Fitch Kids and bespoke tailors has sparked interest in no 9 (formerly Evisu) and Bernard Weatherill (no 8). Pollen Estate is keen to attract new international names.

Burlington Arcade

The owners have secured planning consent for the architectural makeover of this iconic arcade which attracts over four million visitors a year.

And finally, the real ones to watch. **Shoreditch**: the opening of the new Box Park has created huge interest in Redchurch Street and surrounds, with Burberry the latest luxury brand to scope the area. **Covent Garden**: the owners have pitched at the diffusion lines of Ralph Lauren and Burberry, although the arrival of Prada in King Street could change the whole dynamic.

Keith Wilson, Wilson McHardy, London (tel: +44 (0)20 7439 1666)

JASON Wu now has a shop-in shop in Bergdorf. A **Gucci** children's boutique opens at 725 Fifth Avenue, in Trump Tower. Watch and jewellery specialist **Wempe** and chocolatier **Lindt** will both have second locations on the Avenue in the Rolex Building at no 665. **Uniqlo**, hailing from Japan, opens at 666 Fifth Avenue. Brit **Ted Baker** will open next year, 595 Fifth Avenue at 48th Street. Canadian **Joe Fresh** opens at 510 Fifth Avenue and 110 Fifth Avenue. **Guess Flatiron**, 155 Fifth Avenue, made its debut.

On Madison Avenue, Italy's **Paul & Shark** took no 667. Italian **Cesare Attolini** and English shoemaker **John Lobb** moved to no 798 and no 800. A women-only **Bottega Veneta** boutique opens at no 849. **Barney's New York** is expanding and renovating Chelsea Passage, no 660. **Robert Marc** eyewear and swimwear from **Malia Mills** is setting up shop at no 1225.

In Midtown, **Express** will be at 4 Times Square. **Dylan's Candy Bar Holiday Pop Up** opens at 42nd Street and Avenue of the Americas. **Jo Malone** opens in Grand Central Terminal alongside **The Body Shop's** new Beauty Bar.

In SoHo, LA transplant **Splendid** goes to 109 Spring Street. French contemporary label **Maje** opens at 145 Spring Street. **Samsonite** goes to 111 Prince Street. **Cosabella** luxe lingerie goes to 220 Lafayette Street. Scandinavian antiques dealer **Dienst & Dotter** goes to 411 Lafayette Street. **REI's** first Manhattan store is set to open in the Puck Building at 303 Lafayette Street. **C Wonder** comes to 72 Spring Street. An Italian **Baci** boutique took 279 Mott St. London-based **Orla Kiely** opens at 5 Mercer Street. **Erno Laszlo Institute** will have its very own brand building for the first US-based flagship at 382 West Broadway.

In the West Village, **Jo Malone** opens at 330 Bleecker Street.

In Tribeca, women's boutique **Annelore** of Malandrino fame will be opening up at 18 Jay Street.

In Meatpacking, Japanese **Moussy** opens at 72 Gansevoort Street. Stockholm's jeweler **Efva Attling** goes to 36 Little West 12th Street.

Trend-tracking from the streets of gold: musical stores

Dolce & Gabbana is moving to 715 Fifth Avenue, the former home of Escada. **Escada** is heading to 747 Madison Avenue, formerly Valentino. **Valentino** moves across the road to join the new home of **Loro Piana** at no 746: stay tuned for a spring opening. Happy New Year!

Faith Hope Consolo, Chairman, Retail Leasing & Sales, Prudential Douglas Elliman 001 212 418 2000 fconsolo@elliman.com

auto luxe

Hot soft top



Mercedes, BMW and Audi all have confusingly vast ranges of vehicles: saloons, estates, city cars, convertibles, 4x4s in large, medium and small, as well as 'crossovers' that fit between each category. However, for Mercedes in particular, ever since Bobby Ewing first stepped out of his gold one in 'Dallas' back in the early 1980s, the SL has remained a key car. There is no doubt about its purpose – a serious, top-of-the-market, continent-cruising convertible for very well-heeled (including cowboy-booted) customers. The existing model has survived a remarkable nine years with only small tweaks – a long time in auto land – but the new version brings the SL into line with current Mercedes SLS-style 'language'. And guess what? It is even longer, wider, faster and more economical. Just the thing to sweep in the New Year.

www.mercedes-benz.com