

Contemporary Boom Tightens Showroom Space in Dallas

The contemporary marketplace in Dallas is growing. In fact, it's busting at the seams. That has put the pressure on the city's real estate options for wholesalers, many of whom are from the West Coast. Showroom space has practically dwindled to nil over the past 18 months and left building owners scurrying for options.

The **Fashion Industry Gallery (FIG)** in the downtown arts district, which opened in 2004 as Dallas' answer to **The New Mart** in Los Angeles, is now fully leased with about 50 showrooms.

During last month's market, organizers of the **SHOP** show had to turn down reps looking for temporary space because there wasn't any.

Meanwhile, the **Dallas Market Center** is capitalizing. The DMC's contemporary showcase, called **District**—or **D15** because of its location on the 15th floor of the **World Trade Center**, within the DMC campus—is also nearing capacity, with more than 90 percent occupancy.

DMC officials enhanced the area earlier this year by opening a 3,000-square-foot lounge with sweeping views of the downtown Dallas skyline. The lounge has been a hit since opening in January, hosting industry and buyer parties, as well as other events.

At least two dozen showrooms in the District area are either new or have expanded within the past year, said Cindy Morris, the DMC's chief operating officer. Among them are a number of Los Angeles companies, including **Johnny Was**, **BCBG Max Azria**, **XCVI** and **Bernadette Mopera**.

In addition, the DMC has lured FIG tenants such as the **Launch** showroom, which is opening a second showroom in the DMC to handle more-moderate lines, Morris said.

"There's a renaissance, a resurgence of lines coming back here. There's lots of movement," Morris said. In 2004, when DMC officials opened up a new fashion venue at the World Trade Center, several tenants who sold contemporary lines at the old **International Apparel Mart** opted not to move with the bulk of tenants and instead established their own home in downtown with the help of developer **Brook Partners Inc.**, which developed FIG.

DMC Chief Executive Officer Bill Winsor said in the current economic climate, sales reps are being challenged to keep costs down and become as efficient as possible. Cutting down on road trips has been one area of contention, and Winsor said the DMC is an answer because of the centralized shopping area with 250,000-square-foot plates and the larger buyer base. During busier markets, the DMC will receive between 8,000 and 10,000 buyers. The DMC's 15th floor also shares space between contemporary lines and better and bridge labels.

"This is a more durable option," he said.



NEW LOOK: The Dallas Market Center added a new 15th-floor lounge to host market events and parties.

That has lured showroom owners such as Mopera, whose primary base of operations is at the **California Market Center** in Los Angeles. She signed a lease at the DMC in January. She had been showing in Dallas on a temporary basis off and on for about 10 years and finally made the move to be there permanently.

"The way the economy is going, I wanted to be in a place with a more general population [of buyers]. Stores in that region are more departmentalized," she said.

Mopera said she sees lots of stores from Colorado and the Midwest that don't usually come to Los Angeles.

With demand for contemporary showrooms strong, DMC officials are looking at opening up the 12th and 13th floors, which are usually reserved for temporary space during shows.

The building's management wants to sustain the interest at the DMC. At March's market, "Project Runway" winner Chloe Dao was on hand to launch her first wholesale collection, called **Dao Chloe Dao**, in the **Colletta** showroom. The market was also paid a visit by the **!IT Jeans Makeover Tour RV**, which appealed to denim buyers with a number of events.

FIG Chief Executive Officer John Sughrue said the building will undergo an expansion in 2009, adding between 11,000 and 20,000 square feet. He added that he would like to see the competing Dallas marts work together much like the buildings in Los Angeles' "The Intersection" have.

"We need to learn to work together to expand the fashion industry in Dallas just as different market venues now do in L.A. The fact is that the offering to the fashion industry in Dallas is now

greatly superior than a few years ago due to the establishment of FIG, which is now nearly 5 years old; the establishment of the DMC's **Fashion Center Dallas**; and the cultural renaissance of downtown Dallas."

Meanwhile, business remains strong at the FIG. The most recent apparel mart posted record attendance, Sughrue said. The Dallas economy is countering downtrends in other parts of the country because of its oil-based economy. So retailers are eager right now, he added.

"It's an exciting time to be in Dallas," he said.—**Robert McAllister**



FIG GUEST: Los Angeles designer Meghan Fabulous with FIG's Marlene Fogarty and John Sughrue at Market Week in March.