



Lori Weed moves a rack of clothes at the Tommy Bahama clothing showroom at the new Fashion Industry Gallery, a smaller fashion center in Dallas' arts district.



John Sughrue, left, heads the real estate firm developing Fashion Industry Gallery. With him are J. Gavin Smith, center, the gallery's director, and Lyle Burgin.

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A smarter mart

Tenants of a breakaway wholesale fashion venue believe smaller may be better

By **HEATHER LANDY**
STAR-TELEGRAM STAFF WRITER

DALLAS — As the Texas sales representative for more than a dozen contemporary designers, Stacie Fox made an unusual decision when it came time to court buyers from clothing boutiques across the Southwest.

Instead of leasing a showroom at the Dallas Market Center, the campus of immense buildings where \$7.5 billion in wholesale transactions are conducted each year, she displayed her wares in a rented suite at the nearby Hotel ZaZa.

Findings, the Los Angeles firm through which Fox represents high-fashion labels such as LoyandFord and Rozae Nichols, was not the only

wholesaler looking for a fresh idea.

Last year, a small group of unsatisfied Dallas Market Center tenants decided to break away from the 40-year-old mart on Stemmons Freeway and form a smaller fashion center in the city's arts district. They say the new space, owned by the same real estate firm that developed Dallas's popular Magnolia Theatre, has a sharp focus on upscale labels and a provides a hip setting befitting the urban image of the contemporary collections they sell.

Their efforts will be realized this week with the grand opening of Fashion Industry Gallery, which will bring wholesale buyers to its showrooms for the five annual women's apparel markets that draw retailers to

Dallas. Among the initial 35 tenants: Findings, which decided that the new mart could easily replicate the plush surroundings and quiet atmosphere at the Hotel ZaZa.

The new venue may cause confusion for those accustomed to the one-stop-shopping experience of the Dallas Market Center, which also holds large wholesale shows for gifts, accessories and furnishings. But supporters of Fashion Industry Gallery say the boutique-style mart should help Dallas regain some of the cachet lost in recent years to fashion marts in New York, Los Angeles and even regional venues such as Atlanta.

More than a dozen agents and designers who had not been participating in the Dallas apparel shows

have signed leases with Fashion Industry Gallery, which is housed in the Southwestern Plaza building at 1807 Ross Ave, near the Nasher Sculpture Center and the Dallas Museum of Art. The arrival of different brands means that consumers soon may find a broader array of designer clothing at shops that buy wholesale in Dallas.

"New and upcoming lines have been very difficult for me as a buyer to find at Dallas markets," said Fort Worth merchant Amy Hooper, who scours New York for most of the items she sells at her A. Hooper & Co. boutique in the Chapel Hill shopping center. "I'm excited just to have more of a selection of contemporary clothes now" with the opening of the new Dallas mart, she said.

Popular designers represented at Fashion Industry Gallery include Garfield & Marks, Jack Spade, Nanette Lepore, Paul Frank, Tracy Reese and Trina Turk.

The second phase is under construction. It is expected to hold between 80 and 100 showrooms, plus space for new designers to hold temporary exhibits showcasing their products.

The Dallas Market Center still plans to house more than 12,000 apparel lines, including Dana Buchman and Oscar by Oscar de la Renta. But it, too, is making changes. After the January apparel show, the campus's 1.8 million-square-foot International Apparel Mart will close, and tenants will move to a revamped portion of the World Trade Center, another building on the property.

Critics of the Dallas Market Center say the huge Apparel Mart stopped resonating with contemporary clothing buyers over the past five to 10 years as boutique-style marts in Los Angeles and New York gained more appeal.

Suzanne Collier, a Dallas Market Center leaseholder for 11 years, said she could not accept the growing number of vacancies and declining reputation of the Apparel Mart and did not think management could reverse the trends by moving tenants to the World Trade Center, which is known for its gift markets. After spending several years pressing for change, she decided to leave.

"I really feel like the gift business had been a more lucrative business for them during that period, and the wholesalers in the clothing business became basically stepchildren," Collier said. "I thought [the World Trade Center relocation] was an answer to empty floors in a gift market."

Dallas Market Center managers do not deny that recent retail trends have made it difficult to keep the Apparel Mart full and vibrant.

Between the consolidation of retail chains, a move toward centralized purchasing systems and a growing emphasis on private-label brands, many traditional sources of the wholesale clothing business have dried up.

"Obviously we saw the need to make changes and reinvent the apparel industry in Dallas," said Cindy Morris, chief operating officer of the Dallas Market Center. The Apparel Mart building had become "much larger than what was needed to serve the industry," she said.

For buyers attending both venues, Fashion Industry Gallery will provide transportation for the short ride to the Dallas Market Center. But Morris warned that the splintering in Dallas still may be troublesome for clients.

Buyers "don't want to have to drive around and source product out — they want to go to one venue," she said. "What we see the retailers wanting and what Fashion Industry

Gallery maybe sees the retailer wanting are two different things."

John Sughrue, who heads the real estate firm developing Fashion Industry Gallery, recognizes that the multiple-venue scenario will not be as simple as it is in Los Angeles, which has four marts directly across the street from one another. But he said he suspects that buyers will still appreciate having an alternative to the big venues and large-scale hotels along Stemmons Freeway.

"Those are big boxes, big hotels — everything is big," he said. "Then came the boutique hotels, the boutique airlines, the boutique art house theaters. And now we've got a boutique fashion merchandise mart."

Sughrue's firm, Dallas-based Brook Partners, initially redeveloped Southwestern Plaza as a hub for technology firms. But after the tech bust, Sughrue needed a new tenant base for the former insurance company building, which was erected in the 1960s.

Last May, he was approached by Collier and other Apparel Mart tenants who thought that the property might be a good site for a new mart. Soon after, Brook Partners committed \$6 million to redesign a portion of the 5-story building as a fashion center, and former Apparel Mart tenant Gavin Smith was hired as director.

The new showrooms have the feel of a loft, with sliding mesh-steel doors and artistic touches. For example, mosaic tile panels that decorated the building for decades hang in the tenant lounge. The project will also include a courtyard park and a cafe open to tenants and the public.

"My space will be a little bit SoHo-looking," said new tenant Greg Mider, a former Apparel Mart leaseholder. "My entire wall is red brick, and I have a big window that overlooks the park, so I have all the natural light."

The boutique atmosphere should go far with buyers of contemporary apparel.

"Clothing markets are all about aesthetics," said Drea Ranek, co-owner of Lusso, a clothing and furnishings boutique in the St. Louis area. Lusso has not yet sent buyers to Dallas — most of its merchandise is pressing for change in New York and Los Angeles — but Ranek said the opening of Fashion Industry Gallery has piqued her interest in coming to Texas for a wholesale show.

Monica Zionce, a buyer for the Barbara Jean fashion boutique in Little Rock, Ark., has made reservations for the January show in Dallas.

"I'm only coming for the day, and I'm going to have to start out at the gallery and make my way over to the Dallas Market Center," she said. For the March show, which is larger than the January show, Zionce may have to extend her trip by a day to cover all the bases.

But Zionce has few concerns about the inconvenience of visiting two sites, saying that the extra time would be well worth the opportunity to find new lines that might otherwise never have come to Dallas.

If Fashion Industry Gallery flourishes, buyers eventually may have more than just two venues to stroll through during the Dallas wholesale shows.

"There are now four buildings in Los Angeles," Sughrue said. "So there's a precedent to think that if we're wildly successful, which we think we will be, then other boutique marts will open" in Dallas with niches that go beyond contemporary apparel.

Heather Landy, (817) 390-7725
hlandy@star-telegram.com