

Fur World

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The Newsmagazine of Fur and Better Outerwear

Fur World Retailer Poll: **How Are You Coping with Higher Mink Prices?**

by RICH MARCHIONE

Fur World is introducing a monthly poll in which retailers will be asked a single question that's pertinent to the industry. We begin this feature with the question above.

Ken Ferber, Jacques Ferber Furs, Since 1879 Delaware

"We intend to raise prices and aren't at all sure of how customers will react. Anybody who's in this business has already accepted lesser margins over the past few years, gotten more creative in their manufacturing and become better merchandisers."

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Global Auction House Seminar

On Monday, June 13th the leading auction houses held a two hour seminar in New York for retailers where three industry notables – Charlie Ross, Steve Gold and Joe Morelli spoke.

CHARLIE ROSS

Charlie Ross – Saga Furs/Finnish Fur Sales

Ross addressed the success they have had in the global retail markets particularly in China and Russia. He attributed in large measure the price increases the higher demand has caused.

He believes that American retailers should be confident that the new prices are here to stay.

He also spoke about Saga's fashion

schools programs that are designed to introduce a new generation of young designers to the benefits and uses of fur in their creation.

"These programs create an atmosphere where younger people and new companies can enter the trade. Saga's global retail programs are opening up new distribution channels so the new designers can reach the consumer in both department stores and textile boutiques," he said.

STEVE GOLD

Steve Gold – NAFA (North American Fur Auctions) USA Marketing Director

Gold spoke about the origins of fur farming and trapping in North America and the rich heritage that NAFA enjoys.

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News in brief

Turkistuottajat Oyj's (Finnish Fur Sales) name will be changed to Saga Furs Oyj

This name change is prompted by an ambition to clarify the company's identity and strengthen the Saga brand. Combining the auction operation with product development and fashion expertise under the Saga Furs brand will help the company to make better use of the brand's value that has accumulated over the decades.

Finnish Fur Sales June Auction Sales Report

Mink sales started with slightly increasing prices. The offering of 55,000 Saga® finnraccoon opened the recent Finnish Fur Sales auction. The collection was 80% sold with 15% easier prices. Main buying went to Turkey and Italy.

The mink auction started with the selling of Saga® Sapphire, Silverblue and Pearl mink. The collection of 300,000 skins was 100% sold at 5% increasing prices compared with recent international levels. Main buying to Hong Kong and China with good support from Europe.

The offering of 360,000 various Saga® mutation mink was 100% sold mainly with slightly increasing prices.

The offering of 800,000 Saga® Scanblack, Mahogany and Scanbrown mink was 100 % sold under strong competition at very firm prices compared with recent international levels. The best velvet-type skins brought considerable price premiums.

Finnish Fur Sales' June 2011 auction concluded with the selling of Scanglow® mink. The offering of over 650,000 skins was sold at very firm prices compared with recent international levels. Hong Kong/China continued to be the main buyer today with good support from Greece.

Finnish Fur Sales for the financial year hit new record

The final auction of the financial year from 1 September 2010 to 31 August 2011, which will conclude shortly, was successfully executed in a way that reflected the favorable condi-

tions currently prevailing in the industry. The value of the auction sale was US 224 million, and sales over the whole financial year hit a new record at US 843 million.

Almost 2.2 million Saga® mink, 600,000 Saga® fox and 55,000 certified Saga® Finnraccoon pelts were on offer at the six-day auction. More than 550 buyers from all market areas attended the auction. The average price fetched at the auction for normal-quality male mink pelts was EUR 54, and for female mink pelts EUR 36. 100 per cent of the mink pelts were sold, and the price level was on average slightly higher than recent international quotations. The average price of Saga® fox pelts offered at the beginning of the auction amounted to EUR 115, with almost 80 per cent of the pelts being sold.

The price level for blue fox pelts – the cornerstone of Finnish fox fur farming – fell 15-20 per cent from the record level set in March's auction.

Fendi to Open More China Stores

Fendi plans to increase the number of its stores in China to 20 from 16 by the end of 2012, the company's chief executive officer Michael Burke said. The new stores include one in Beijing; one in Tianjin, to the east of Beijing; one in the northeast industrial city of Shenyang, and a second store in the southern city of Guangzhou, said Burke. The stores will be probably no more than 6,500 square feet in size, he said. "Size for the sake

of size is passé," Burke said in an interview with WWD in Seoul. "More and more it's about service, special products."

Fur auction raised a large sum of money for children in Namibia

Kindergarten children in Namibia can have seven new playgrounds for the money that mink skins, donated by Danish fur breeders, raised at Copenhagen Fur's auction in June where 419 of just under 4,000 mink skins, donated by Danish mink breeders to Copenhagen Fur Charity, were sold.

"It is going to make a difference to a lot of children, because the 16,000 USD can take 500 children on a week-long camping trip, build seven new playgrounds or one and a half kindergartens," says Inge Østermand, who is coordinating the kindergarten project.

Fashion Group International Gala to Honor Saks Fifth Avenue CEO

On Oct. 27, the Fashion Group International will stage its annual Night of Stars gala, and this year's Superstar Award honor will go to Stephen I. Sadove for Saks Fifth Avenue.

Sadove is president and chief executive officer of Saks.

The retailer is joining a list of previous recipients of the award, which includes Karl Lagerfeld, Donna Karan, Giorgio Armani, Valentino,

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Fur World, 213-37 39th Ave., Suite 228, Bayside, NY 11361
Tel: (718) 606-0767 x 206
E-Mail: fharrow@creativemarketingplus.com
www.creativemarketingplus.com
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Fur Imports Drop Slightly in April

Both units and dollar value of mink and non-mink products fell slightly in April, while the value of mink in US dollars dropped by 16.2% with non-mink US dollars rising 5.6%. Traditionally April is the smallest month of the year and these figures shouldn't be of concern. China, Canada and Italy con-

tinue to be the top three import leaders for mink.

Note: These figures do not include customs, insurance and other fees associated with the import of fur products.
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April 2011/April 2010 and Year to Date, Sorted by Year to Date US \$

Mink apparel, clothing and accessories

	For the Month of April					Year to Date				
	Units	US\$	Units	US\$	% Change	Units	US\$	Units	US\$	% Change
	Apr-11	Apr-11	Apr-10	Apr-10	US\$	Apr-11	Apr-11	Apr-10	Apr-10	US\$
CHINA	2,527	1,455,285	3,119	2,070,567	-29.7	6,750	3,806,787	7,941	4,809,004	-20.8
CANADA	146	132,429	79	95,999	37.9	1,084	1,073,073	674	1,225,709	-12.5
ITALY	236	473,111	68	140,550	236.6	428	782,326	496	676,701	15.6
GREECE	554	106,295	259	93,705	13.4	1,406	508,115	1,794	715,445	-29.0
HONG KONG	98	101,233	46	16,849	603.1	821	247,831	104	52,752	369.8
FRANCE	36	28,613	3	5,722	500.0	69	114,602	88	133,364	-14.1
OTHER (13 countries)	6	17,350	44	30,607	-43.3	134	116,024	271	316,655	-63.4
TOTAL	3,603	2,314,316	3,618	2,453,999	-5.7	10,692	6,648,758	11,368	7,929,630	-16.2

Non-mink apparel, clothing and accessories

ITALY	801	726,147	676	267,118	171.8	1,701	1,592,271	1,884	1,052,895	51.2
CHINA	6,049	545,640	11,996	895,444	-39.1	23,831	1,560,050	49,835	1,898,759	-17.8
CANADA	484	167,588	390	156,134	7.3	2,871	1,446,379	2,807	1,291,469	12.0
TURKEY	237	59,267	821	145,325	-59.2	4,020	1,014,725	3,763	853,548	18.9
FRANCE	69	28,800	45	21,428	34.4	284	161,731	509	268,370	-39.7
HONG KONG	28	9,658	297	47,375	-79.6	3,024	124,677	846	92,071	35.4
POLAND	41	21,577	3	2,971	700.2	245	91,348	95	53,928	69.4
UNITED KINGDOM	17	19,270	9	9,676	99.2	109	30,905	10	10,713	287.1
SPAIN	12	6,860	1	1,077	604.0	20	8,412	2	1,554	541.0
OTHER (21 countries)	169	29,320	301	71,804	-59.2	2,446	561,086	2,995	716,078	-21.6
TOTAL	7,907	1,614,127	14,539	1,618,352	-0.3	38,551	6,591,584	62,746	6,239,385	5.6
GRAND TOTALS	11,510	3,928,443	18,157	4,072,351	-3.5	49,243	13,240,342	74,114	14,169,015	-6.6

News, continued from page 2

Tom Ford and the Lauder family.

"With this year's theme, 'The Luminaries,' Fashion Group has selected individuals and companies who reflect the very definition of the word luminary," FGI president Margaret Hayes said. "Each of our honorees are clearly brilliant achievers and stars. Steve Sadove's leadership at Saks Fifth Avenue has transformed the company into a retailing superstar."

Andrew Rosen will pick up the night's Corporate Leadership Award, while Lauren Bush will be bestowed the Humanitarian Award. FGI is also honoring Wanda Ferragamo with the Board of Directors Legend Award. **FW**

OBITUARY Frédéric Castet, 1930-2011

Frédéric Castet, who designed furs for Christian Dior for more than three decades, has died in Paris at the age of 81, the French fashion house said.

The Frenchman joined Dior in 1953 and inaugurated its ready-to-wear fur division in 1973. He left the company in 1988, opening a store in Paris' Golden Triangle and going on to launch his own collections in Asia.

Though little known by the general public, Castet was highly respected by his peers and had a star-studded client list including Sophia Loren, Elizabeth Taylor and Marlene Dietrich. "Frédéric Castet was an extraordinary man with a unique sense of style," said Dennis Basso. "He was a pioneer in designing fur always in the most creative manner. He clearly set the trend of the modern use of fur — a true talent." Castet, is survived by two sisters.

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Mike Hening, Henig Furs, Alabama **Five generations, more than 20 retail stores**

"We won't present any changes to our customers. Our prices have been reasonable all along and we plan on keeping them that way. Whereas a given item might have cost us \$600 a few years ago and now that same item costs us \$1000 we can still keep our prices reasonable without giving the item away.

"We also have to be smart about merchandising and let the customer know that coats and jackets are still very affordable. We can make and sell jackets from pieces for \$1,100 or so and that's a very good value for the customer."

Richard Swartz, Mano Swartz Furs, Maryland **Since 1889**

"We are looking at alternative furs and lessening our reliance on mink sales."

Arthur Bricker, Bricker-Tunis Furrier, Michigan **Since 1916**

"We have diversified our business quite a lot over the past few years. The old mink coat sales aren't anything like they used to be and although we may sell an expensive piece now and then; we have always, in our 95 years, changed along with the times.

"Today we buy in Hong Kong and Turkey and because our customer base has changed, we offer them a large variety of sharper, younger items. It is for these reasons that the higher mink prices haven't affected us as much as those who rely heavily on mink sales."

Carl Herrmann IV, Carl W Herrmann, Pennsylvania **Since 1900**

"We are a middle to better end store and our business is moving along nicely. By and large customers don't track mink prices year to year, although there'll always been an astute few who note that prices have gone up. We believe if you present a quality garment in a store with a great reputation, those garments will sell regardless of the price of components.

"And as a result, we haven't encountered much price resistance in the past few years although I can see where lower end and department stores might be having problems."

Pam Ferber, Jacques Ferber Furs, Wisconsin **Since 1879**

"We are still maintaining a high quality in mink. However, we are also bringing in other furs that will fill in the lower price points that won't compromise our quality standards and reputation. And that's a challenge."

Note: If you would like to comment or be included in our future polls, please send email to fharrow@creativemarketingplus.com or call 917-828-6382. FW

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The talk went on to describe their mink and wild fur products and their new Black NAFA label system which identifies the farm origin for the top quality Black NAFA lots.

"Just like descriptives for fine wines from a specific vineyard, Black NAFA can now be characterized by the unique characteristics that each farm breeds into its mink," he said.

He finished up his talk by outlining the marketing objectives of NAFA and their Designer and Northern lights programs with some discussion of about Studio NAFA, the only design center for fur education and development in North America.



Charlie Ross

JOE MORELLI

Joe Morelli –American Legend, President.

Discussed using the equity that exists in Blackglama and moving it from being an ingredient brand to one that consumers will recognize as a luxury brand. He cited Loro Piana as an example of what's possible.

Loro Piana started from a family of wool fabric merchants, later became a high end ingredient brand, similar to Blackglama. "They, like we, exported product to international markets and became a leader in their sector. They opened Loro Piana subsidiaries in the US and Japan for finished products. Today, they are organized in two divisions, luxury goods and textiles with 132 stores worldwide. My vision for the future is to be perceived like LV or Gucci," he said.

The strategy is to generate a lot of consumer demand for Blacklama pelts. Consumers have always been willing to pay more for luxury brands and higher consumer demand and prices will generate premiums for every link within the supply chain.

"At Nike I successfully licensed different product types to those companies that had the matching infrastructure, skills and reputation. We will build a critical mass assortment of products that can be merchandised together, in, at first, shop-in-shop concepts within furriers or department stores and eventually expanding into stand-alone retail shops," he said.

The organization has started up a "test store" in Moscow and has received numerous requests from around the world to become a Blackglama franchisee. He extended an invitation to the group to discuss this further with retailers, no matter where in the world they were located.

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OBITUARY Leon Ritter 1917-2010

Due to an editorial oversight,
Fur World failed to publish this
obituary in a timely manner.

Leon Ritter, 93, died Nov-
ember 16, 2010. Born August 3,
1917, in Bronx, N.Y., he was one
of five sons of the late Paul and
Molly Brender Ritter. He was
married to the late Dorothy
Ritter for more than 62 years.
For many years he was active in
professional associations and was
a WWII Army veteran of the
77th Division, serving as a
medic. For more than 60 years
he was a member of Beth Shalom
Synagogue and served on its
Board of Directors.

Surviving are his daughters
and son-in-law, Deborah Ritter of
Columbia and Elliot and Marsha
Ritter Scheck of Wayne, N.Y.;
sons and daughters-in-law, Paul
and Janet Ritter of Oradell, N.J.,
and Stephen and Frieda Ritter of
Columbia; youngest brother, Saul
Ritter of Columbus, N.J. He was
the proud Zayde of seven grand-
children.

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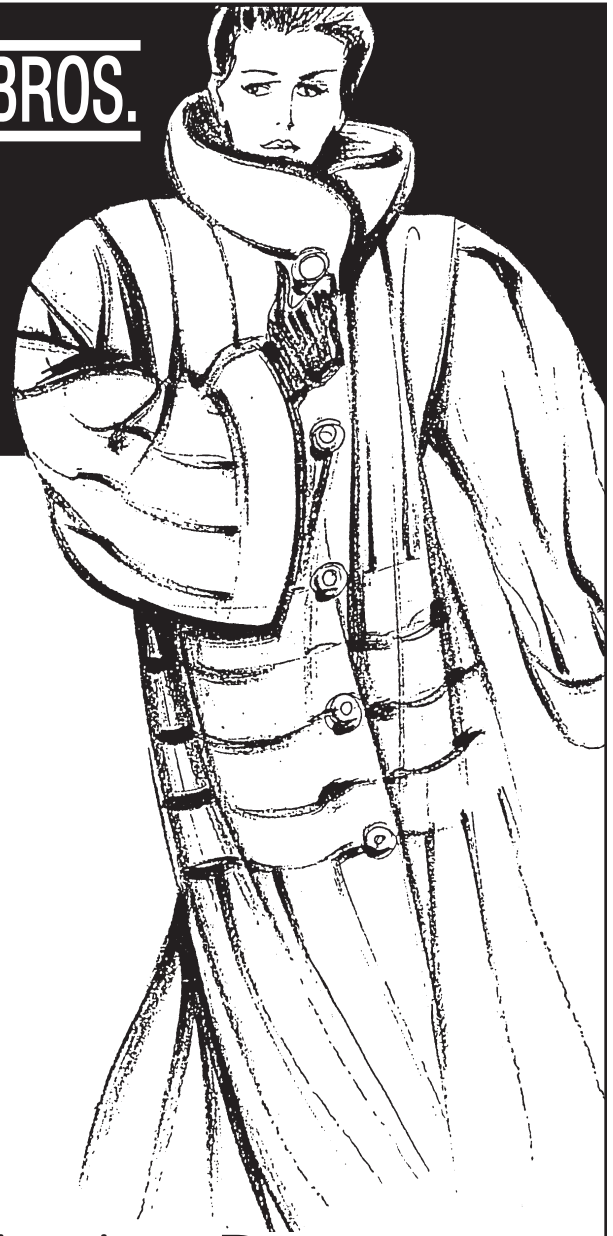


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Haute Couture Fall 2011-2012 Runway Highlights - Evening Drama



Jean Paul Gaultier



Alexis Mabille



Alexis Mabille



Dior



On Aura Tout Vu



Yiqing Yin



Giambattista Valli



Quentin Veron

Paris, July 2011 – Haute Couture isn't just for show; it is a tried and true design lab that influences the fashion pyramid for seasons to come. The major trend - Fur adds the ultimate dramatic touch to evening wear. **FW**

Photos courtesy of sagafurs.com