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Accessories/Innerwear/Legwear

Jung Fever

Intermix Expanding Across U.S. and the Web

By Sharon Edelson

Intermix is growing its footprint in the Northeast, South, Midwest — and on the Web.

Undeterred by the slowing economy, the specialty retailer plans to open four units this spring in East Hampton, N.Y., Orlando, Fla., Charlotte, N.C., and Chicago. The launches will bring Intermix's store count to 24, said chief executive officer Khajak Keledjian. Stores average 2,500 to 4,000 square feet and some have more than 300 vendors. Sales average \$2,000 a square foot, he said.

The company is also taking its Web site international in the next three or four months to test overseas demand.

"We're up to 20 stores, 21 if you count the Web site," Keledjian said. "We went from Boston to Miami and Costa Mesa, Calif., to Los Angeles. Now we're filling the pockets in between."

The Orlando unit at the Mall at Millenia and the Charlotte store at the SouthPark Mall may be considered fill-in stores. The

East Hampton unit at 87 Main Street will be the company's eighth in New York, and its store in Chicago's Bucktown district, at 1633 North Damen Avenue, will be Intermix's third in the city.

"Our concept is an international concept," Keledjian said. "The opportunity is still big in the U.S. The demographics of a lot of markets are changing and becoming more of a fashion destination. A few years ago people said, 'What are you doing in a conservative town like Washington, D.C.?' The demographics are changing."

The Internet and television, which delivers fashion images and news to consumers at warp speed is heightening awareness of designers and creating demand in places previously considered off the fashionable track.

"Fast-fashion information is opening a lot of markets for us," Keledjian said. "There are pockets of net worth individuals and women who want to be noticed."

Intermix offers the apparel to get them noticed: jewelry, denim and contemporary looks from

Diane von Furstenberg, Kenneth Jay Lane, Stella McCartney, Chloe, Jay Godfrey, J Brand, Hervé Léger, Nina Ricci, Missoni, Proenza Schouler and Zac Posen

In August 2007 Goode Partners LLC, a New York private equity firm, made a minority investment in Intermix. "We wanted to grow the concept into a wider market," Keledjian said. "We've always grown the business out of existing cash flow and wanted to make sure we had the right financials in place to get us to the next level. They know the nuts and bolts of retail."

Intermix, which expanded its Madison Avenue flagship to 5,000 square feet last year, plans to open four to eight stores in 2009. "You've got to think long term," Keledjian said. "This is an aspirational customer. We also have a luxury customer who may not buy another yacht or another home, but comes to our store and spends \$2,000 and feels great. Besides, national companies aren't expanding so there's more of an opportunity to get real estate at a good value."

Darkening clouds return outdoor dining as economy tumbles

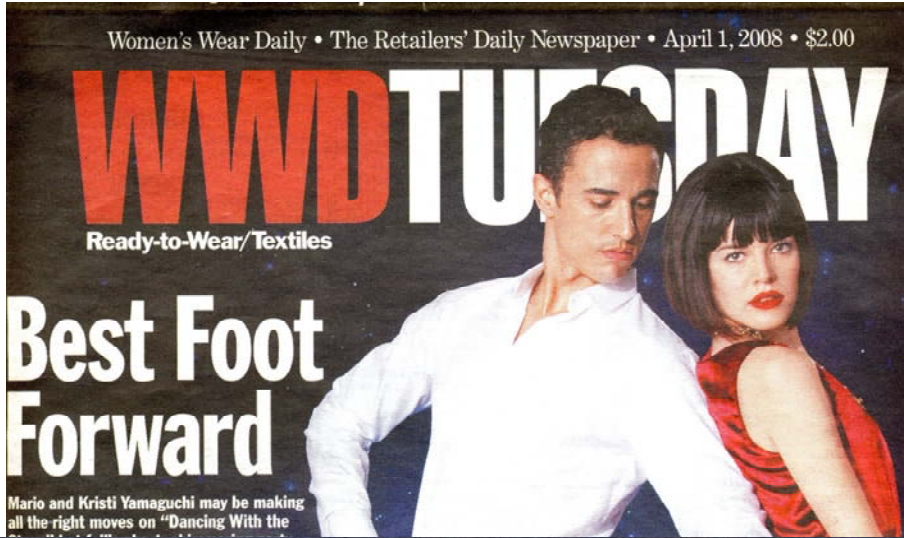
By Evan Clark
HOLD ON TIGHT

proverbial wall is just ahead.
While retailers have been dancing

the subprime mortgage crisis
continues to unravel, confiden

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