

# Steve & Barry's

## Vertical Integration is the Key

AVIRAT SONPAL, VP, INDIA OPERATIONS



In a year of consolidation, Steve & Barry's has expanded its business three fold, both in the number of

stores and sales. Driven by expansion, the company plans to add 100 more stores over the next year with an aim to triple sales further. Correspondingly, the Indian sourcing operations, headquartered in Mumbai, have also experienced a steady growth. To feed the growing demand from India, the company had organised road shows last year in all major sourcing destinations to identify serious vendors.

As the company has shifted considerable business from other countries to India, Avirat Sonpal, VP, India Operations, foresees more business from India. "A lot of business from major American retailers will be focussed on select sized factories, which are vertically integrated, having facilities like

embroidery, knitting, dyeing, etc. in-house, as these factories have better control on their production and are able to give better pricing as well," says Avirat.

In the post quota regime, the India sourcing office sees a lot of movement in categories like sportswear, outerwear and sweaters. Says Avirat, "With the exception of lingerie, I feel India is a good source for most of the said products, though knits will be her biggest strength." The agency sees 10-15% price reduction in the future and Avirat believes small and medium size exporters will survive only when they venture into niche products with more markets and bigger set ups.

Steve & Barry's University Sportswear has a long standing presence, not just in top US universities, but also in high-end shopping malls. The company has diversified from college wear to include popular categories in womens, mens and kid's wear.