

CONFEDERATION OF INDIAN APPAREL EXPORTERS

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“Quote”

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US apparel retail chain Steve & Barry's eyeing Indian market

America's fastest-growing apparel retail chain Steve & Barry's University Sportswear is contemplating entry into the Indian market. Plans for the foray are, however, still on the drawing-board stage and details are likely to be finalised only by the middle of this year.

For Steve & Barry's which started operations in 1985, this foray, if it happens, will be its first overseas foray.

The US apparel retail major will enter into a joint venture with its affiliate company, 4004 Incorporated India, in which it holds a majority stake.

4004 Incorporated India is the sole procurement and retail solutions provider to Steve & Barry's with operations in India, China, Pakistan and Jordan.

Presently Steve & Barry's, which sells low-priced apparels like T-shirts, jackets and personal accessories, has 128 stores with a sales of 100 million units per annum across the US with plans to ramp up the store network to 226 by end-2006.

retail explosion in India will becoupled with other favourable factors such as a growing middle-class and a large segment of population with a surplus, disposable income with a penchant for spending on clothing and personal accessories are the main influencing factors for this proposed foray.

"Given the high-quality of Steve & Barry's products coupled with its low-pricing (the maximum price of a S&B product is USD 9.98), we should have no difficulty in penetrating the Indian market," he asserted.

Steve & Barry's which caters to a customer segment ranging from children to 80-year-olds will be eyeing the same segment in India as well, Mr Sonpal revealed, adding that "it is the budget customer who comprises our largest segment." 4004 Incorporated India which is the sole global procurer for Steve & Barry's, presently supplies 35 per cent of the American major's requirements from India -- mostly knits, accessories and other usables such as furniture and flooring materials, light-fittings, hangers and cleaning equipment.

"More than 50 per cent of their procurement is done from Tiruppur, Coimbatore and Bangalore in the south," .

Procuring through 4004 Incorporated ensures a savings of nearly 70 per cent for Steve & Barry's and the same will be effectively leveraged in India as well, he added.

4004 Incorporated, which has grown phenomenally since its inception in 2001, has evolved from a virtual one-man operation to a 500-strong entity in just four-and-a-half years.

“Unquote”

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