

BUSINESS

Fred Segal Tops List of Retailers Moving Into The Shops at Sportsmen's Lodge

Redwood trees and bodies of water create an outdoor effect at The Shops at Sportsmen's Lodge.



- A neighborhood shopping center taps the great outdoors to appeal to customers where fishing ponds once attracted Hollywood celebrities.

BY DEBORAH BELGUM

What used to be a fishing hole for old Hollywood celebrities is now an upscale neighborhood shopping center not far from some of the more important movie and television studios in Southern California.

The Shops at Sportsmen's Lodge in the Studio City area of Los Angeles debuted last November as a \$100 million project with a handful of store openings. Now that the venture is 100 percent leased, more outposts are building out their spaces with plans to open by September or beyond.

Fred Segal is probably one of the most recognizable names in the clothing store lineup. It is a longtime Los Angeles luxury retailer with few stores in Southern California. There is one shop in Malibu and another in West Hollywood. This will be the famed store's first location in the San Fernando Valley – known for its Valley girls

and nearby locations for CBS Studio Center, Warner Bros. and Universal Studios.

Other clothing concerns coming to the 95,000-square-foot shopping center are Reformation, the Los Angeles label praised for its sustainable apparel and accessories lines, and The Great, the women's ready-to-wear collection created by Emily Current and Meritt Elliott, best known for starting the popular Current/Elliott contemporary denim label in 2008 with designer Serge Azria. Current and Elliott left the denim label in 2012 to launch new projects.

Other stores opening later this year are Madewell, part of J. Crew; Stevie Sister, an independent multibrand clothing store with one other outpost in Newport Beach, California, and Allbirds.

Currently open are Vuori, which sells its performance apparel online and at 19 stores across the country, and Free People Movement, the athletic apparel venture by Free People.

"We were focused on bringing a mix of tenants that, number one, served the neighborhood," said Ben Besley, senior vice president of development for Midwood Investment & Development, which owns and operates the shopping center.

The shopping center, dominated by four historic redwood trees on the property, is a mix of clothing companies, restaurants, wellness ventures and an Erewhon Market, which right now is the shopping center's anchor tenant. The upscale natural foods grocery store with only seven locations in Southern California is so different it was extensively profiled in a New York Times article last year when the pandemic made it a popular hangout spot for health-conscious L.A. foodies looking for an alternative to closed restaurants.

Development of the shopping center, designed by architectural firm Gensler, focused on bringing in stores that were unique. Vuori has been very particular about where it plants its retail pole, and Stevie Sister, a multibrand women's clothing shop, is independently owned and has only one other location in Newport Beach, California.

Fred Segal is also a brand with limited locations with only five stores in Los Angeles, Las Vegas and Seoul, South Korea. The Great has only three stores in Southern California – in trendy Venice, West Hollywood and Newport Beach.

"Our team has been constantly sourcing to find the best retail, lifestyle and food and beverage brands to bring to The Shops at Sportsmen's Lodge ever since development of the center began," said John Usdan, chief executive officer of Midwood Investment & Development, based in New York.

In 2017, Midwood acquired the property where the shopping center now stands. It used to be a 70,000-square-foot events center that was a popular place for weddings and other family celebrations. At times there were as many as three weddings a day.

The events center sat next to the Sportsmen's Lodge, located in an area once famous for its fishing trout ponds dating back to the 1880s. The ponds went commercial with the founding of the Hollywood Trout Farms in 1913. In 1945, at the end of World War II, the property was renamed the Sportsmen's Lodge with a restaurant and cocktail lounge.

Guests were given fishing rods and bait to catch their trout dinners. Because it was located near Republic Studios, where movie filming took place, it attracted a celebrity crowd including Bette Davis, John Wayne, Lena Horne, Tallulah Bankhead, Clark Gable, Humphrey Bogart and Lauren Bacall.

In 1962, a modern Sportsmen's Lodge Hotel was built next to the original lodge and trout fishing ended in the early 1970s when an earthquake diverted the natural spring that fed the ponds.

Midwood became an investor in the lodge in the '60s and owns it today. The 190-room hotel has been closed to tourists since the pandemic. It will be torn down to make way for construction of the Residences at Sportsmen's Lodge with 520 apartments next to the neighborhood shopping center that soon will be housing an Equinox fitness center.

One of the shopping center's attractions is the well-designed landscaping that design firm Olin created around a meandering body of water made to resemble a stream in a park-like setting. Nearby, a raised wooden deck underneath old redwood trees overlooks the plantings of coast live oak as well as California sycamore and Golden Rain trees. Drought tolerant plants and boulders complete the natural look.

"This is a place that people can come not just to shop but to spend time appreciating the environment," Besley said. "This is a unique property because it is so large."

BUSINESS

Delta Galil Acquires Apparel Brand Organic Basics

- The deal allows Delta Galil to play off the brand's digital expertise as well as its sustainable ethos.

BY KELLIE ELL

The shopping spree continues at Delta Galil.

On Tuesday, the Tel Aviv, Israel-based apparel and innerwear manufacturer revealed it had acquired Danish innerwear and activewear brand Organic Basics for an undisclosed amount.

"Organic Basics is a digital brand with sustainability and ethical production at its core and these values align perfectly with Delta Galil's focus on creating a more sustainable fashion industry through innovation," Isaac Dabah, chief executive officer of Delta Galil Industries,

said in a statement. "We see a significant opportunity to grow the Organic Basics brand globally, particularly in the U.S. and [in] Europe and to expand the product line to include items for the whole family. Our goal is to sell affordable, sustainable, organic product direct to the consumer."

The benefits of the acquisition are meant to be twofold: the added funds will help Organic Basics – which was founded online in 2015 – grow internationally, while expanding the brand's assortment to include apparel for children and babies. It's also the latest in a string of acquisitions and licensing deals made by Delta Galil in recent years, helping strengthen the firm's position in the global innerwear market, both on and offline.

In November, Delta Galil – which counts Seven For All Mankind, Splendid, Bare Necessities, Schiesser, Eminence, Delta,

P.J. Salvage, Karen Neuburger, Nearly Nude and Fix in its portfolio of brands – signed a long-term global licensing agreement with Polo Ralph Lauren for women's intimates and sleepwear. The partnership came on the back of two additional, separate, licensing agreements – one with Adidas, and the other with Italian innerwear brand Wolford – both of which were announced just days apart in June 2021.

In addition, Delta Galil purchased lingerie start-up Brayola in January 2020 for more than \$1 million. That year in August, Delta Galil acquired lingerie and swimwear e-tailer Bare Necessities for an undisclosed amount.

"This transaction reflects our strategic growth objective to diversify our distribution channels," Dabah said at the time.

Then in June 2021, Delta Galil revealed

plans to merge Bare Necessities and Brayola, allowing Brayola to scale, while Bare Necessities benefited from Brayola's e-commerce expertise.

The manufacturer declined to comment on the financial terms of the Organic Basics deal. But the arrangement allows Delta Galil to play off the brand's digital expertise as well as its sustainable ethos. The men's and women's innerwear business is a certified B Corp. It is also Global Organic Textile Standard-certified and uses more than 75 percent plant-based manufacturing materials.

"The brand has built a strong reputation and following for its use of responsibly, ethically sourced and certified materials, including organic cotton and natural dyes, and its commitment to minimizing its carbon footprint and impact on the planet," according to Delta Galil.

So far the investments seem to be paying off. Both revenues and profits rose in the most recent quarter, despite continued supply chain issues and macro inflationary pressures. But investors seem unconvinced. Despite the acquisition news, shares of Delta Galil closed down 8.62 percent Tuesday.