

Men's Week
FAMILY TIES

Fifteen-year-old Vineyard Vines, led by the Murray brothers, has grown into a \$100 million-plus brand. Pages MW5 to MW10

BANKING ON ITALY
RENZO ROSSO'S NEW INITIATIVE WILL PROVIDE ITALIAN SUPPLIERS BETTER ACCESS TO CREDIT. PAGE 3

WWD

THURSDAY, JULY 25, 2013 ■ \$3.00 ■ WOM

Cool Breeze

Airy, languid dresses — usually a staple when temperatures soar — made a statement for resort with ample chic, as in Crippen's linen and viscose dress. Sunglasses by Karen Walker and sandals by LD Tuttle. For more, see pages 4 and 5.

PHOTOGRAPHED BY GEORGE CHINSEE; STYLED BY KIM FRIDAY

MODEL: LAURA HALL/WM/HELMUT LANG; HAIR: BY MARCOS DIAZ; MAKEUP: BY ANNE KOHLHAGER FOR CHANEL; PHOTO ASSISTANT: ZHE ZHU; FASHION ASSISTANT: RACHEL BARE

INNERWEAR MEGADEAL

Hanesbrands Acquires Maidenform for \$575M

By KARYN MONGET and VICKI M. YOUNG

THE WORLD OF INTIMATE APPAREL is headed toward further consolidation.

The newest acquisition to rock the \$14.5 billion innerwear industry in the U.S. is Hanesbrands Inc.'s acquisition of Maidenform Brands Inc. in a cash transaction valued at \$575 million.

The combined entity has projected annual revenues of more than \$5 billion on a pro forma basis. That compares with various analysts' revenue estimates of \$5.5 billion for Coach Inc., \$7.4 billion for Ralph Lauren Corp., \$8.7 billion for PVH Corp. and \$11.5 billion for VF Corp. among the U.S. global apparel powerhouse firms.

Innerwear giant Hanesbrands is a \$4.5 billion firm with a portfolio of heritage brands including Hanes, Playtex, Bali, Just My Size, Barely There, Wonderbra, Champion and Leggs. It has about 51,500 employees in more than 25 countries. Maidenform, a \$573.9 million company, maintains a roster of well-known brands including Maidenform, Flexees, Lilyette, Self-Expressions and Sweet Nothings, as well as the licensed Donna Karan and DKNY intimates labels. It has 1,250 full-time employees in 62 countries.

Hanesbrands said the deal is "expected to be accretive to earnings per share in the first 12 months after closing and is projected to deliver full benefits within three years of more than \$500 million in incremental annual sales, 60 cents in EPS, \$80 million of operating profit and \$65 million of free cash flow."

The boards of both firms have already approved the transaction. It still is subject to the approval of Maidenform shareholders. Presuming no glitches, the deal is expected to close in the fourth quarter.

A proxy will be sent out to Maidenform shareholders in about 15 days. Guggenheim Securities served as financial adviser to Maidenform, while Goldman, Sachs & Co. was the adviser to Hanesbrands.

Credit ratings agency Standard & Poor's said Wednesday that Hanesbrands' "BB" corporate credit

SEE PAGE 8

Hudson Yards Offering Fashion Week a Home

By DAVID MOIN and LISA LOCKWOOD

HUDSON YARDS is pushing to be the next home for fashion week and has Diane von Furstenberg and the Council of Fashion Designers of America supporting its cause.

"In all likelihood, fashion week will come to Hudson Yards. It needs a permanent home," said Jay Cross, president of Hudson Yards, during a preview of the massive West Side mixed-used development on Tuesday at the New York Center for Architecture in Greenwich Village.

"I am superexcited about the Culture Shed," von Furstenberg, chairman of the CFDA, said Wednesday, in reference to the new multipurpose center to be built at Hudson Yards. "It will be a huge cultural center, and yes, a wonderful place for fashion week."

Cross and other officials of Related Companies, which is developing Hudson Yards, said the Culture Shed component of Hudson Yards is being created with four runways, studios, exhibition space and a dramatic 140-foot-high canopy that slides along tracks to create indoor and outdoor space. The Culture Shed is being privately funded, with von Furstenberg on its board and spearheading the drive to raise money to build it.

Cross said it was about a \$300 million project, separate from Related's involvement with Hudson Yards, though Related is providing "bits and pieces" so the

SEE PAGE 3

MAN OF THE WEEK

Hi George!

The newest Royal (and his Dad) know how to put an ensemble together. Page MW2



FAMILY TIES

Fifteen-year-old Vineyard Vines, led by the Murray brothers, has grown into a \$100 million-plus brand. Pages MW5 to MW10



July 25, 2013

MensWeek

Stars and Stripes

Project, MRket, Capsule and the new Liberty show have turned New York Market Week into a very well-segmented — albeit frenzied — assortment of the finest premium and moderate sportswear and tailored clothing. At Liberty, Japanese-inspired workwear and niche European denim brands were among the key driving trends, as seen here. For more on the trade-show market, see pages MW3 and MW4.



Original Max's Garments' jacket, One's Stroke's shirt and K.O.I kings Of Indigo's denim jeans, all in cotton.

PHOTO BY GEORGE CHINSEE

MARKET MOVERS

Merchants Upbeat About Fall Prospects

Updated clothing, unusual items draw orders at New York market.

by JEAN E. PALMIERI

NEW YORK — The summer doldrums have hit the men's retail business, but merchants in town for New York Market Week are expecting sales to heat up when the temperatures drop.

With the Fahrenheit hitting triple digits in many parts of the country over the past several weeks, retailers have seen their sales slip as shoppers were more likely to hit the beaches or mountains than their local stores. But some early-fall goods have begun to garner interest among more fashion-conscious men, leading stores to be upbeat about their prospects for fall.

Many independent retailers were in New York this week to shop the trade shows, including Project, MRket, Capsule and the newest addition, Liberty, for spring goods. And they found plenty to buy. From soft sport coats and colored pants to unusual accessories such as silver-handled umbrellas and slim backpacks, buyers left plenty of paper.

For Ken Giddon, president of New York City-based Rothmans, the key to bringing in business during the summer is to "create events." The store recently installed a pop-up shop for Rebecca Minkoff, followed by another for Rodd & Gunn. In September, Herschel bags will replace that. "It creates noise and business," he said. "It's been a lesson for me — we have to give people a reason to buy."

Giddon said sale merchandise at his store has been selling well. "We beat last year even through the heat wave because we had a lot of stuff going on. I can't believe people were buying suits when the temperature was 100 degrees. So the macro picture may not be tremendous, but you'll do well if you're on your game."

Giddon said he's confident that fall sales will be strong. "The economy is certainly stronger than this point last year," he said.

A trade show junkie, Giddon said he hit every show in New York by riding a Citi Bike between the venues, where he uncovered lots of interesting product. "The T-shirt companies went through a slump, but now they're back," he said, singling out Tailgate, Retro Sport and Sportif as among the most interesting. On the other extreme, he liked the tailored clothing offerings from Jack Victor. "The line looked really strong," he said. "And with the whole situation with Joseph Abboud and Men's Wearhouse, somebody has got to step up." As reported, Men's Wearhouse last week acquired the Joseph Abboud brand from its private equity owner and will take it out of the wholesale market after this season.

Giddon also liked the offerings at Peerless Clothing, which has its own Tallia label in addition to licensed products from Tommy Hilfiger, DKNY and others, and singled out Camplin, a line of Italian outerwear. (Continued on page MW4)

MODEL: JACOB SCOTT; AT NY MODELS; GROOMING BY ANDY STARKWEATHER AT LW; ARTISTS: STYLED BY ALEX BADA

Vineyard Vines' Roots Run Deep

Shep and Ian Murray have created a multimillion-dollar business with their lighthearted sportswear over the past 15 years.

by JEAN E. PALMIERI

STAMFORD, Conn. — Shep and Ian Murray learned early on that they aren't the buttoned-up corporate types.

They were only 27 and 23 — just starting out in their careers — when they realized there had to be something more in life than riding the train from Connecticut to Manhattan every day for their 9-to-5 jobs in advertising and public relations.

So they came up with an idea: create neckties “so we don't have to wear them anymore.”

They quit their jobs on the same day in June of 1998 and launched Vineyard Vines, a company offering whimsically designed neckties inspired by the lobsters, boats and street signs of Martha's Vineyard, where they loved spending time.

“We left the daily commute to New York City and our corporate jobs in pursuit of the American dream,” Shep has said in relating the company's background. “We wanted to pursue the things we love, enjoy life and spread the island state of mind by making ties that represent the finer things and places that life has to offer.”

Fifteen years later, that dream has become a multimillion-dollar reality. The company has volume of more than \$100 million with a goal to reach \$500 million in the near future, and its signature pink whale logo is found on everything from men's, women's and children's sportswear to coozies, coasters and tumblers. There's a Vineyard Vines-designed line for the Kentucky Derby, and they've even created hotel rooms for a boutique New England firm, Lark Hotels.

But getting to this point was hardly a day at the beach. When the brothers started out, they were unable to secure a loan, so they applied for as many credit cards as possible, maxing them out and rolling the debt over from month to month for the first few years. They peddled their silk ties on Martha's Vineyard, sometimes off their boat and other times out of their Jeeps and backpacks at local bars. Although most people were not interested, they persisted, offering a no-risk, money-back guarantee that the ties could be returned if someone didn't like them.

They finally got a few local stores to agree to test the ties, and they were in business.

But on July 3, 1998, the day before the company would officially launch, disaster struck. It's memorialized on the Vineyard Vines Web site as “The night Shep forgets the ties.”

As the story goes, with the first day in business only a few hours away, Ian was on the Vineyard, waiting for his brother to join him with the first batch of ties for the local stores. Shep's job was to gather the product from the family's home in Greenwich, Conn., and fly up. Later that day, when the duo were assembling the orders, they realized they were missing the red Martha's Vineyard Street Signs ties. Shep had forgotten them in Greenwich. “Calls are placed to the dog walker, neighbor, anyone and everyone that might be of some help in getting the ties up to the Vineyard in the next 24 hours,” the Web site relates. “As luck would have it, Shep and Ian's neighbor on Martha's Vineyard was a pilot, and when he heard the predicament the guys were in, he volunteered to fly to and from Greenwich, that is, if Shep kicked in for gas. Shep gladly agrees and at sunrise the missing ties arrive and the last order is prepped for sale. They learn one of the most important rules in business — do whatever it takes to make the customer happy, no matter what.”

In an interview in their low-key offices in Stamford, Shep, now 42, and Ian, 38, still live

by that rule. But in addition to keeping their customers happy, they have another goal: to keep themselves and their 500-plus employees happy as well.

The company's motto is “Every day should feel this good” — and this has remained the underlying motivation for Vineyard Vines throughout its history.

“I can't believe it's been 15 years,” Shep said, shaking his head. “We've been living the dream.”

They admit when they hatched the idea everyone thought they were crazy. That includes Dan Farrington, general merchandise manager of Mitchells Family of Stores. “When they started in 1998, the tie business was terrible, but they had a simple idea, the ties were well done, and it was just Shep and Ian. They'd answer the phone, put the ties in the back of a truck and drive them to the store. I think we were their second customer. They made personal appearances, hosted trunk shows. It's astounding how much business we did with them. And it's been fun watching them grow.”

The brothers are proud that despite the trials and tribulations that come from launching and growing a business, the company remains private and has no investors. And everything they've done, they've done “because we felt it was the right thing to do,” Shep said. “Since day one, we've created

“SINCE DAY ONE, WE'VE CREATED A CULTURE AND A BRAND THAT FIT OUR LIFESTYLE. WE DO THINGS BECAUSE WE DON'T WANT TO DISAPPOINT THE TEAM OR OUR CUSTOMERS.”

— SHEP MURRAY



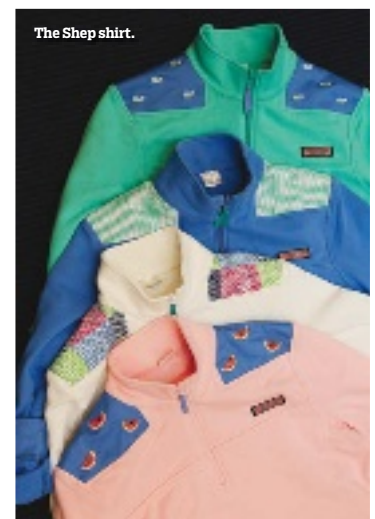
Ties helped launch the business in 1998.



Ian and Shep Murray on Ian's boat in Greenwich, Conn.



Whimsical patterns are found in all kinds of product.



The Shep shirt.

a culture and a brand that fit our lifestyle. We've passed on a lot of opportunities, but we do things because we don't want to disappoint the team or our customers.”

They joke that when they started, they knew nothing about gross margins or fashion week. “We didn't have a merchant inside this building until two years ago,” Shep said. “We

don't consider ourselves to be in the fashion world.” In fact, one of the company's printed T-shirts shows a seaplane landing on the water and the words “We don't do runways.”

But they knew enough to recognize that ties were a “high-margin product that didn't require having a lot of sizes or space on the floor,” Ian said. The brothers credit Mike Gaumer, em-

ployee number one and Ian's fraternity brother, as a key cog in the Vineyard Vines wheel. “Mike is our behind-the-scenes guy,” Ian said. “He's a great leader and a great listener and a good mediator between the two of us. And he's good at getting things done. His job is doing everything we don't do.” (Continued on page MW6)

(Continued from page MW5)
want to do or don't know how to do."

Seth added, "He was a football player in college, and so he knows how to coach people." Up until a couple of years ago, Gaumer didn't even have a title, another indicator of the laid-back attitude of the company, but he was recently named president, a nod to his invaluable contributions to the company over the past 15 years. "The biggest decision Ian and I make is what to have for lunch," Seth said with a laugh.

His brother, the more serious of the two, said, "Everybody reports to Mike operationally and to us creatively." Seth added, "Not everyone likes him, but everyone respects him. He's like our brother, father, grandfather — we adore him."

By giving Gaumer carte blanche, the Murrays also show their unwavering belief in their employees. "Ian and I step away and empower people to do their jobs," Shep said. "We have teams that can do the whole job here, so we shape things and they execute it."

That's one reason the company has been growing at 35 to 40 percent annually during the past couple of years.

"We've learned a lot over the past 15 years," Shep said. "And we believe in putting the money we make back into the business. We're simple people. We're not bachelors in our 20s anymore, but we're still 20 years old at heart. Our spouses and kids don't understand what going to work is."

But, he stressed, that doesn't mean they don't take their jobs seriously. "We're really just now beginning to ramp up and capture the low-hanging fruit," Shep said.

The brothers recalled that during the recession in 2008, Vineyard Vines' business was impacted along with everyone else's. "But that was the best thing that happened to us," Shep said. "We matured as managers, looked closely at our business and made sure that we not only would come out of it, but come out and be successful."

And through the tough times, they remained true to their roots. "We didn't compromise who we are," Shep said. "Our line is exclusive but attainable. So often in fashion, people are excluded. But Vineyard Vines is a club to which everyone is invited."

When asked to describe their unique strengths, Ian said he and his brother are "passionate about the business, but I do ridiculous stuff like wrapping trucks in patchwork and making sure there are whale stickers in the stores. Growing up as children of travel writers, it's all about the details."

And he said Shep is the more buttoned-up of the two — comparatively speaking. "Shep is talented at making sure the woven shirts and ties are updated so the gentleman is dressed appropriately. I'm more about the kids in college and making sure they have graphic Ts and iPhone cases. It's a great entry point for the brand."

Wholesale, the cornerstone of the brand since the beginning, today represents one-third of sales. "We are committed to building our relationships with our department store partners and supporting the loyal specialty shops that have helped grow our brand," the brothers said. A new shop-in-shop at Bloomingdale's 59th Street, which the company said has "far exceeded everyone's expectations," is evident of this commitment.

Ties remain a hallmark of the label, along with sport shirts. And the Shep Shirt, a quarter-zip polo that mimics a model Murray bought in Switzerland and wore every day in college, has also been a phenomenal success. "The original was purple and green," Shep said, although there's a rainbow of colors offered now.

"Our bottoms business is also huge," he continued. "Our shorts and pants, our wovens and knits and bathing suits — we dress people for every event."

But there are no plans to go into more tailored offerings. "We do ties and blazers, and we invite you to take a relaxed state of mind with you when a tie is necessary. We'll get you to the country club, but that's it," Shep said.

Men's continues to represent 55 percent of sales, but women's wear, now 35 percent, is definitely on the upswing since a new women's designer, Meg Velleca, came on board last year to revamp the line. Kids and "other," a term that includes home and the other logo products, account for the remainder.

In addition to its wholesale collection, the company also has a big retail presence. Vineyard Vines operates 35 full-line and outlet stores, six with retail partners and retail also represents one-third of sales.

Fittingly, the first unit opened on Martha's Vineyard in 2005 and the next year, another made its debut in their home town of Greenwich, in partnership with the Mitchell family. The first West Coast unit opened at Fashion Island in Newport Beach, Calif., in 2011. Three stores have already opened this year, and another three are expected to open in the third quarter with potentially more in the fourth quarter. In fact, this marks the biggest year of retail growth in the company's history.

"We think we can easily have a couple of hundred stores in the U.S.," said Ian.

The brothers credit the Mitchells with "helping us launch our retail platform." Because the Mitchells are considered specialty store royalty and are also a family business, there was a lot they could teach the Murray brothers. "Russ and Bob [Mitchell, copresidents of Mitchells Family of Stores] are a prime example of the next generation of a family-owned company making the business even better. They're both extremely good at



The Greenwich store.



Here and right: The redesigned store is bright and airy.



The Murrays behind the cash wrap.

“WE THINK WE CAN EASILY HAVE A COUPLE OF HUNDRED STORES IN THE U.S.”

— IAN MURRAY

what they do, and they're brothers," Ian said. The Mitchells ran the Vineyard Vines store in Greenwich for three years until the Murrays bought it back in 2009. "It could have gone badly, but it didn't," Ian said. "We're still great friends."

The Murrays continue to have partnerships with the Levy family of Memphis' Oak Hall fame for its stores in Birmingham, Ala., Nashville and Memphis.

"We were lucky," Ian said. "We started our business with the old-school haberdashery men's stores, and we've learned a lot from them."

Vineyard Vines is also focused on building its e-commerce business, which has grown to account for the remaining one-third of the company's sales. In April, the company moved to Demandware, a cloud-based platform, and business this year is up 58 percent. In December, the firm rolled out the second phase of its omnichannel program, which allows online orders to be fulfilled from retail store inventory, and enables store customers to place Web orders on iPads within its retail locations.

Other avenues for expansion include golf wear. Vineyard Vines sells to 500 green grass shops nationwide, including 50 of the top 100 courses, according to Golf Digest. It has been featured at the U.S. Open for seven years, and the brothers see "great potential" for further growth in this channel. "It's a very labor-intensive business," said Ian of the custom products the company produces for the pro



Nautical references abound in the retail stores.

shops. "There's not a lot of volume in each one, but it's the right audience." For spring, the brand will expand into the technical side of the business for the first time.

Earlier this month, the company signed a three-year contract renewal with Churchill Downs to be the "Official Style of the Kentucky Derby" through 2016. "We're always looking for new opportunities for people to come to the brand," said Ian. "And this is like Christmas in May. It creates a need to shop Vineyard Vines. There are frat boys in the infield sliding in the mud and high society in the luxury suites. It's opened up a lot of doors for us."

The brand also has deals with Major League Baseball, the National Football League, the National Hockey League and collegiate licensing.

And down the road, international expansion is also in the cards. "Not now, but we're definitely looking into it," Shep said.

Would the Murrays ever consider selling their brand or going public? The answer is that they don't have an answer. "At some point, we're going to have to figure it out," Ian said. "We're starting to have those internal discussions and talking about what we want for our families. This is no longer a bootstrap business."



CONGRATULATIONS VINEYARD VINES

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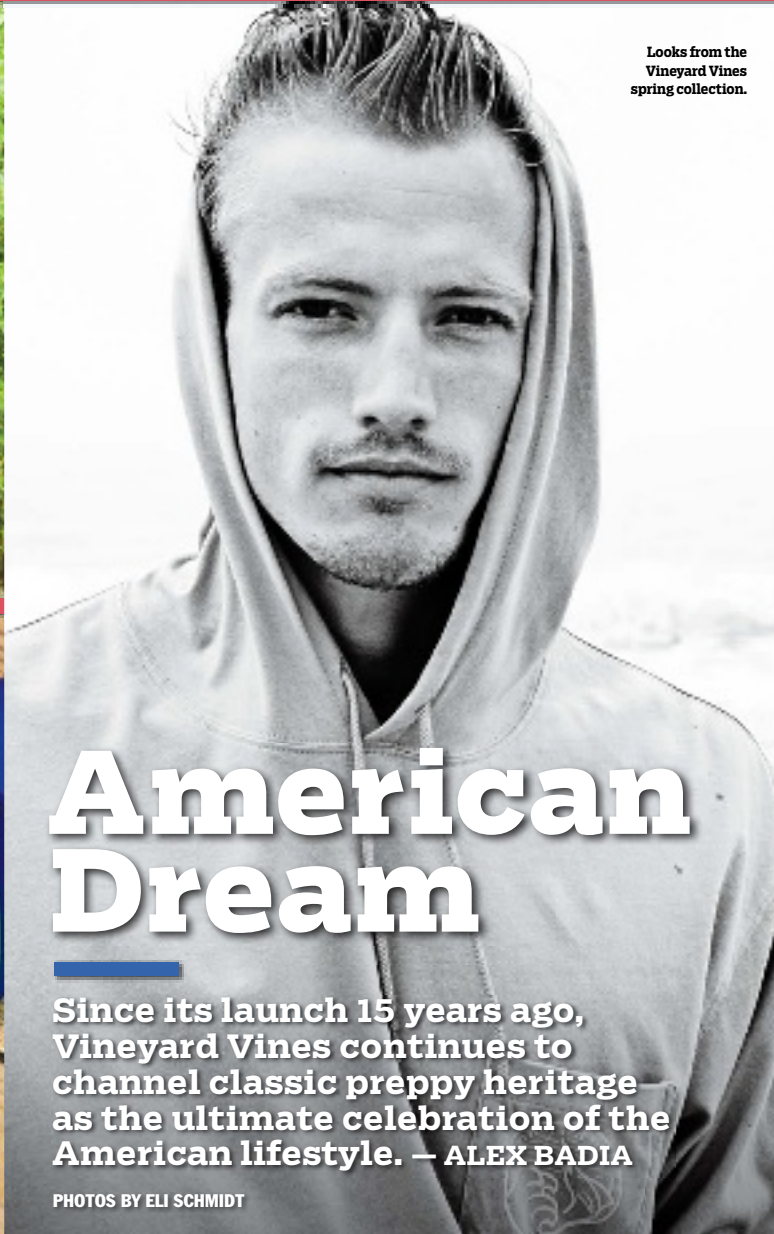


 demandware move faster, grow faster.

Enabling distinctive brands like vineyard vines to provide a seamless omni-channel experience to consumers no matter where or how they shop.



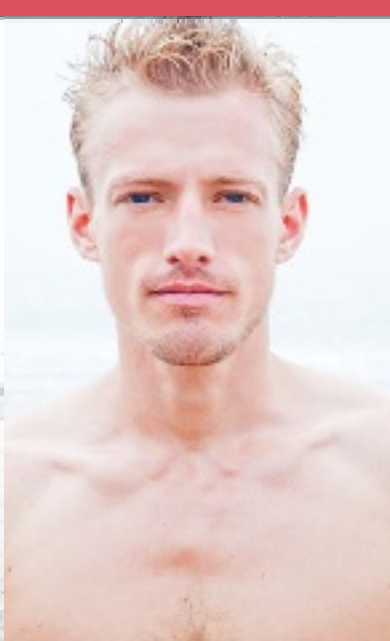
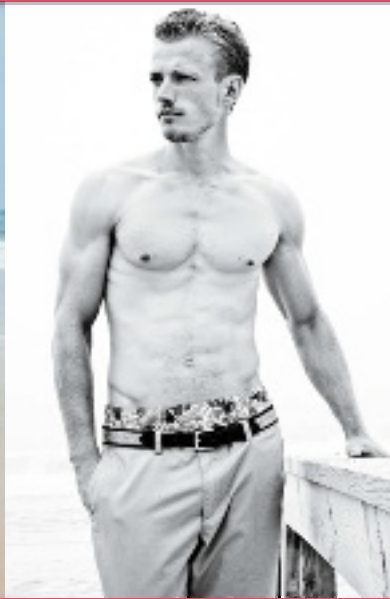
Looks from the Vineyard Vines spring collection.



American Dream

Since its launch 15 years ago, Vineyard Vines continues to channel classic preppy heritage as the ultimate celebration of the American lifestyle. — ALEX BADIA

PHOTOS BY ELI SCHMIDT



MODEL: BLAINE COOK; AT SOUL ARTIST MANAGEMENT; GROOMING BY LINH NGUYEN AT KATE RYAN INC FOR REDKEN; FASHION ASSISTANT: LUIS CAMPICANO; FASHION INTERIOR: MAXIMILIANO DURON

Vineyard Vines Adds Personal Touch to Marketing

by DAVID LIPKE

The first Saturday in May is horseracing's biggest day — and it's also become a marquee marketing event for Vineyard Vines. The preppy brand signed on with Churchill Downs as the "Official Style of the Kentucky Derby" in 2011, creating a collection of Kentucky Derby-themed men's and women's apparel. It was the first time in the storied race's history that it endorsed an official fashion collection.

Apart from sales of the Kentucky Derby collection — which includes men's sports jackets, shirts, ties and belts, as well as women's dresses, tops, hats and handbags — the publicity and buzz from the Kentucky Derby collection has been a key marketing element for the brand, which eschews traditional advertising.

Earlier this year, Vineyard Vines renewed the three-year Kentucky Derby license deal, extending its sponsorship through 2016. The agreement brings the brand's marketing reach to the horsey demographic, a natural affinity group to Vineyard Vines' home-base demographic on the East Coast.

"We are pretty active guys, and for us, this was a really fun combination of sport and



A Ram truck wrapped in Vineyard Vines patchwork at the Kentucky Derby in May.

fashion coming together," said Ian Murray, cofounder and co-chief executive officer of Vineyard Vines. "We've tried to align ourselves with long-standing traditions, so to be partnered with such an iconic institution as the Kentucky Derby — which will be in its 140th year next year — is an honor and a privilege."

Other pillars in Vineyard Vines' marketing strategy include almost monthly catalogue mailings, a robust interactive social media effort and an ambassador program on college campuses. In all these platforms, Vineyard Vines incorporates its customers' own input, comments, photography and enthusiasm for the brand.

"We can't compete with companies that have massive advertising budgets," said Murray. "We feel that having people endorse us by helping tell our story rather than paying to put images in front of people is more effective for us."

Apart from showcasing its collections and driving e-commerce sales, the brand's catalogues help bring the brand to life. Each catalogue features editorial related to the Vineyard Vines lifestyle, with customers' own snapshots sprinkled throughout the pages.

For the fall 2013 catalogue, the Vineyard Vines team traveled to Maine to photograph and document the boat builders at Hinckley Yachts. Other recent catalogues have included shoots at Baker's Bay resort in the Bahamas, with related features on compelling characters from around the islands; an issue dedicated to the stories of entrepreneurs; a fall back-to-school catalogue featuring 10 college students and recent graduates as models, and a holiday catalogue spotlighting inspiring philanthropists.

The company mails out catalogues 10 times a year, with a circulation of between 400,000 and 900,000 per catalogue, depending on the season and target goals.

Vineyardvines.com spotlights a "Wedding

Wednesday" feature, which highlights the nuptials of Vineyard Vines fans, with photos that often have the groomsmen in the brand's ties and bridesmaids in the brand's dresses. "We love sharing our customer stories and how they've taken Vineyard Vines and made it part of their life," said Lindsey Worster, vice president of brand communications at Vineyard Vines.

That same approach is utilized in the brand's social media plan. The brand uses the slogan "Every day should feel this good," and it encourages customers to post photos on Twitter and Instagram illustrating that philosophy, affixing the hashtag #EDSFTG.

Scrolling through social media posts with that hashtag reveals a passionate demographic of Vineyard Vines enthusiasts. Instagram alone has more than 4,700 photos bearing that hashtag. There are photos of fans creating sand whales on the beach in homage to the brand's pink whale logo, smiling coeds posing in front of Vineyard Vines stores and loads of families wearing their favorite Vineyard Vines ensembles on sail boats, on college campuses and at cookouts.

"When people ask me what #EDSFTG means...#ItsAPrepThing," wrote one whale-head on Twitter. "Is there such a thing as too much Vineyard Vines? Heck no," wrote another.

"We've always felt that social media is really about engagement with our customers and creating a two-way conversation. It's not about sales, but more about building the Vineyard Vines lifestyle," said Worster.

That kind of engagement led Vineyard Vines to create a college program for student brand ambassadors, who are unpaid but receive promotional items to distribute to friends on campus, such as stickers, beer cozies and Frisbees. For the 2013-14 school year, the company has more than 300 "whale reps," as they are known. Schools with the most reps include Notre Dame, University of Georgia, Boston College, Georgetown, Washington & Lee, University of South Carolina, University of Alabama, University of Kentucky, University of Richmond, Cornell and Middlebury.

"I think people like to be part of the brand. We send them swag to distribute. They help represent us on campus, and their friends get some benefits also," explained Murray. "We started this company with our own seed money and we don't have financial backers, so we've had to be resourceful with what we have. Rather than spending \$10,000 to rent a list of names for a mailing, we'd rather have a group of college kids help get our name out there."

Under its "Tied to a Cause" umbrella, Vineyard Vines partners with a range of charities to raise funds and awareness for philanthropic causes. The most recent partner was the Autism Speaks organization, in which a tie and a tote bag were decorated with the organization's logo, a jigsaw puzzle piece, with all sales donated to the group. Past partners include AmeriCares, the Breast Cancer Alliance, the Michael J. Fox Foundation, the Robin Hood Foundation, Share Our Strength, the USO and Waterkeeper Alliance.

Perhaps surprisingly for a brand with such an enthusiastic fan base, Vineyard Vines has not yet inked any licenses, taking a cautious approach to those potential opportunities in areas like accessories and



A look from the Kentucky Derby collection.

home. Ancillary product, such as Vineyard Vines iPhone cases from Case-Mate and beer coolers from Yeti, are made specifically for Vineyard Vines by those companies.

"We feel licensing is a great opportunity for the brand, but we're not ready yet," explained Mike Gaumer, president of Vineyard Vines. "When we are ready, we want to make sure we do it in the right way to capitalize on the opportunity, but also protect the brand."

Apart from the Kentucky Derby tie-in, Vineyard Vines has occasionally partnered with outside brands. Earlier this spring, the company helped design branded guest suites in boutique properties owned by Lark Hotels in Kennebunkport, Maine, and Nantucket, Mass. The rooms feature pillows and bed bolsters made from Vineyard Vines boardshort material and edging on window shades from Vineyard Vines belts.

In 2010, the company partnered with St. Francis Winery to produce a limited-edition tippel called A Whale of a Chardonnay, which was emblazoned with the pink whale logo and packaged in a Vineyard Vines tote. A portion of the wine's sales was donated to Waterkeeper Alliance.

At the Derby itself, Vineyard Vines has expanded its participation each year. For two years, Vineyard Vines has hosted "Whalestock" in the Churchill Downs infield — which tends to attract a younger, less moneyed crowd than the pricier grandstand seats — with concerts by Nashville-based artists. Meanwhile, up in the private boxes, the company partnered with Woodford Reserve on a \$1,000 mint julep for charity, which was packaged in a box lined with Vineyard Vines silk, along with a tie or scarf.

In May, the company partnered with another Derby sponsor, Ram, to wrap one of its trucks in the signature patchwork, which was then showcased at the racetrack throughout Derby week.

"We want to be able to cater to the Jockey Club suites that are more of a luxury experience, as well as the infield, which is more like a fraternity party," said Murray. "We may be in the fashion business, but we don't really view ourselves as a fashion company. We are in the brand business. We try to be inclusive rather than exclusive — we want the whole family and for every wearing occasion."



The boat builders at Hinckley Yachts are featured in the new fall catalogue.





HERE'S TO 15 YEARS OF CELEBRATING "THE GOOD LIFE"!

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