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Spring/Summer



Illustrator: Lidwine Grosbois

Fashion Entrepreneurs' Runway to Success

With your head buzzing with innovative and creative ideas welcome to the **Fashion Entrepreneurs'** world of glamour, style and wealth. From concept to creation, from the fashion catwalk to the street, fashion entrepreneurs are continually looking for marketable opportunities to exploit and start a new business venture.

Who Is This Book For?

Fashion Entrepreneur - *Starting Your Own Fashion Business* is aimed at emerging fashion entrepreneurs; students, graduates and those already in industry who have a keen interest in fashion and want to set up their own fashion businesses. They might be from the creative industries; fashion designers, fashion illustrators, fashion marketing; or the commercial sector, but will have the passion and determination to drive them forward to achieve success.

Fashion Entrepreneur is the third book in this *Fashion Design Series*. It focuses on the business opportunities for emerging fashion entrepreneurs and explains how to identify, manage and develop new products, new ideas and new services. It looks at the innovative, creative and entrepreneurial skills fashion entrepreneurs need to start their own fashion businesses and enter new markets - businesses and ventures that will grow and shape the future of the fashion industry.

There is an increasing recognition by the fashion industry that entrepreneurial and small business management skills are an essential component of the fashion entrepreneurs' portfolio of management skills, together with leadership, team building, communication and networking. This book will set out these key skills and traits and show how they relate to the fashion entrepreneurs' portfolio of skills. *Fashion Entrepreneur* aims to achieve three main objectives:

- Support the Fashion Enterprise and Small Business syllabus.
- Nurture and guide emerging fashion entrepreneurs to start up, survive and grow their own businesses.
- Demonstrate how fashion graduates can use entrepreneurial skills to explore work opportunities within the fashion industry.



Emerging fashion entrepreneurs need passion and determination to drive them forward to achieve business success.

Illustrator: Maria Cardelli

'It's not enough to have a talented designer, the management must be inspired too. The creative process is very disorganized; the production process has to be very rational.' Bernard Arnault, chairman and CEO of LVMH (Louis Vuitton Moët Hennessy luxury goods company).



Nike's pet pooch sits on the sales counter wearing his Nike trainers!

Fashion design does not only include womenswear, menswear and childrenswear but fashion and accessories for 'man's best friend'! Why not?!

What Is An Entrepreneur?

'Entrepreneur' is a French word dating back to the 1700s. Since then it has evolved to mean someone who undertakes a venture, particularly starting a new business, and this is central to the understanding of the word 'entrepreneur' in the English language. Apparently the French prefer to use 'créateur d'entreprise' (creator of an enterprise).

DEFINITION: An **Entrepreneur** may be defined as, *a person who identifies an opportunity or new idea and develops it into a new venture or project.*

The fashion entrepreneur is the key, innovative person managing the entrepreneurial process. This will usually involve planning, organizing, directing and controlling the input of suppliers, contractors and the design team members, together with accepting the associated business risks. The key words from these explanations are; innovation, opportunity, new venture, enterprise, management and risk.

Fashion Entrepreneur: Entrepreneurs are acknowledged as being the driving force behind innovative change in our society and the fashion and textile industry is no exception. Using the above definition, a fashion entrepreneur can, therefore, be defined as someone who sets up a new fashion venture, or starts a new fashion label. To achieve this, the fashion entrepreneur needs to be able to spot commercial opportunities and determine customer needs by co-ordinating resources to design, manufacture and supply fashion products or provide a service.

Fashion Design Entrepreneurs: According to US Government statistics, fashion designers are **five times** more likely than any other profession to start their own businesses. This is partly due to; a low barrier to entry (starting with a sewing machine at home); the fashion industry's acceptance of fresh, creative ideas; and that fashion designers are able to offer a product or service (fashion collection, fashion illustration, fashion design, pattern and garment making).

Employment: Gone are the days when an excellent CV was all that was needed to find a job in the fashion industry - you now need entrepreneurial skills as well. In Britain, the government reported that 25% of all graduates were doing a job that did not require a university qualification. To overcome this weak link in the education process, fashion entrepreneurs need to develop their entrepreneurial skills to help them establish a network of useful contacts and to help them identify career path opportunities. This includes, not only starting their own businesses, but finding a job within the fashion industry as an **intrapreneur**.

Fashion Intrapreneur: Large companies are increasingly recognising that they need entrepreneurial spirit from their employees to keep their company at the leading edge of technology and prevent their organization becoming overloaded with head office bureaucracy. Hence, many fashion intrapreneurs work within a fashion company using their entrepreneurial skills before leaving to start their own fashion ventures.

Work Experience: Emerging fashion entrepreneurs will benefit hugely from the experience of working within the fashion industry before they start their own businesses. Apart from the 'hands on experience', the potential for establishing a network of contacts will be invaluable. Even as a student, work experience is essential and students can achieve this through the fashion internships (industrial placements) that many fashion designers and fashion companies offer.

Young Rich List: A recent *Business Review Young Rich List* revealed that 37% of the top 100 young millionaires made their fortunes in the creative industries, the fashion industry being one of them. This is encouraging for all fashion entrepreneurs as it shows there is a 'pot of gold' at the end of a successful business.

Entrepreneurs Throughout History: There have been endless accounts of fashion entrepreneurs starting successful fashion ventures; in the 60s Carnaby Street, a small back street off London's then highly fashionable Regent and Oxford Streets, became the epicentre of the *World of Fashion* due to many young, innovative design entrepreneurs starting their own fashion businesses and making it the 'hippest' street in London.

Fashion Entrepreneurs' Portfolio Of Skills

Fashion entrepreneurship has been the driving force in developing the fashion industry but, as a profession and an academic syllabus, it is still relatively new and has yet to formally establish a defined *Portfolio of Skills* (*Body of Knowledge - syllabus*).

The *Fashion Entrepreneurs' Portfolio of Skills* is an inclusive term used to describe the sum of the knowledge of the industry; the skills, traits, tools and techniques within the fashion profession.

Fashion Entrepreneur			
Fashion Industry	Entrepreneur Traits	Starting Your Own Business	Small Business Management
Technical Skills	Creativity, Innovation, etc.	Business Plans	Sources of Finance
Opportunities	Spot Opportunities	Registration	Accounts
Design and Manufacturing	Networking Skills	Market Research, Trend Research	Small Business Management Skills
Retail and Distribution	Risk Management	Marketing and Branding	Project Management
Supply Chain Management		Sales and Negotiation	Leadership and Teamwork

Figure 1.1: Fashion Entrepreneurs' Portfolio of Skills – shows a structured subdivision of the key fashion entrepreneurship topics subdivided into their component parts.

Entrepreneur Traits: To become a successful fashion entrepreneur you need innovation to be able to identify opportunities in a climate of ambiguity and chaos, together with passion and enthusiasm for your products to encourage you to constantly improve your products' features. You also need determination and persistence to drive your ideas through the many obstacles and challenges you come up against. In a competitive market, it is not sufficient to only be creative, you also need to be entrepreneurial with small business and project management skills and to be able to build a network of useful contacts.

Technical Skills: The technical skills refer to the technical knowledge you need to design and make your products. Every profession has its unique range of technical and trade skills and, as a fashion apprentice, you will need to learn your trade to be able to produce professional products so that your venture and products are commercially viable. Training courses will help you 'fast track' up the learning curve (university/college, fashion schools, short courses).



In the early 1900s, Coco Chanel (Gabrielle Bonheur Chanel), acquired experience in sewing and millinery before she opened her own hat shop in Paris. She was to become one of the world's most influential fashion designers. Long after her death in 1971, Coco Chanel's signature pieces, the Chanel suit, gilt bag and string of pearls, are regularly being revamped, copied and reintroduced into fashion collections as the 'must have' of the season.

'When we started we never thought about making money; a lot of creative people don't. We wanted to create beautiful things,' Sarah-Jane Clarke, made it to the Business Review Young Rich List as co-founder of the fashion label Sass & Bide.



Successful fashion entrepreneur Hannah Marshall advises, 'Do all your groundwork prior to starting a business.'

Fashion Designer: Hannah Marshall

Photographer: Victor de Mello

'Life is an adventure, so I make clothes to have adventures in.'

Vivienne Westwood

What Is In This Book?

The chapters are set out in a logical learning sequence to present the entrepreneurial and small business management skills you will need to run a creative company on a day-to-day basis. It is enriched with case studies, illustrations, photographs, graphics and exercises.

Chapter 2: Opportunities in the Fashion and Creative Industries - Statistically 80% of entrepreneurs start their first ventures in their field of expertise. It is therefore essential that, as an emerging fashion entrepreneur, you have a clear understanding of the extent of the fashion industry and where you can find business opportunities. This chapter uses the **fashion and textiles industry supply chain** to subdivide the industry into its component parts and identify these business opportunities.

Chapter 3: Fashion Entrepreneurs' Traits - Would you be able to recognize an entrepreneur if you met one in the street? According to research by the BBC, if you know what to look for, the entrepreneur's actions, behaviours and traits could give them away. So by identifying these people, and their traits, you can use them as role models. This chapter will outline the traits you can use to spot innovative opportunities, 'make them happen' and take 'calculated' risks.

Chapter 4: Networking - Networking skills are one of the most important entrepreneurial traits that enable you to develop a network of useful business contacts. This chapter will explain how to identify and analyse your key stakeholders' needs and expectations, together with the benefits of working within a fashion cluster and working with a mentor.

Chapter 5: Competitive Advantage - Competitive advantage goes right to the heart of fashion entrepreneurship - this is the underlying reason why someone would buy your garments in preference to another brand. This chapter will outline how you can achieve competitive advantage, particularly how you address barriers to entry, niche markets, outsourcing and the SWOT analysis.

Chapter 6: Business Plan - As creative ideas and opportunities evolve into marketable products, at some point, you need to develop a coherent business plan to outline where you want your business to go and how you plan to get there. This chapter will explain how to develop a business plan using seven key subheadings; *Executive Summary, Product/Service Plan, Organization Plan, Sales and Marketing Plan, Production and Distribution Plan, Financial Plan, and Risk Management Plan.*

Chapter 7: Starting Your Own Business - Before rushing out to start a new business you should be aware of the benefits and problems associated with starting a new venture. This chapter will discuss the advantages and disadvantages of starting your own business and the steps you need to take to get started, including; company registration, intellectual property, budgets, setting up your premises, buying equipment, the design and production cycle, and the triggers that encourage you to start your own business.

Chapter 8: Market Research - Behind every successful fashion story is an innovative product, and behind every successful product is market research. This chapter discusses how to conduct market research to determine your target market and includes; trend research, competition and pricing strategy.

Chapter 9: Marketing and Branding - Creating the 'right' image has become a key factor when producing a marketable product. This particularly applies to the fashion and creative industries as consumers have become much

more conscious of brands, and their perceived status and reputation. This chapter will discuss how to develop and implement a marketing and branding strategy to advise your potential and existing customers of your products and 'create an interest'.

Chapter 10: Sales and Negotiation - Generating sales is the reality test of your business. Convincing your potential customers that your business and your products will satisfy their needs and are better than the competitors' is the key to your success. This chapter will discuss the sales function; where to sell, how to present your products to the potential customer, and how to close the sale.

Chapter 11: Design and Production Cycle - Whether you produce one fashion collection every year, every season, or every month, you will go through a design and production cycle. This chapter will outline the key topics in this cycle; the design and production brief, the production plan, research and sourcing, design development, selling your collection, pre-production, production, distribution and shipping.

Chapter 12: Sources of Finance - Ready cash and seed money are the life-blood for starting your own business. Without sufficient funds your new venture's success will be self-limited because there simply will not be sufficient resources available to produce your products. This chapter will demystify the financial requirements needed to run your fashion business.

Chapter 13: Small Business Accounts - If your business is to become successful and expand, you will need more than a 'shoebox' accounting system. Accounting terms guide you in your choice of accounting system and demystify some common reports. This chapter will explain how to produce and manage; the cash book accounting method, the profit and loss statement, the cash flow statement, the breakeven analysis and the balance sheet.

Chapter 14: Project Management Skills - Project management is recognised as a key skill within the fashion entrepreneurs' portfolio of technical and small business management skills. This is because fashion tasks and events have all the characteristics of a project; starting your own business, designing new products, putting on a fashion show. This chapter will show how you can use a range of special project management techniques to plan and control your projects so they are produced and delivered on time, within budget, and meet your clients' goals and objectives. It will also discuss small business growth phases and how you need to develop leadership and team building skills.

Case Studies/Interviews: To support the text and present examples from different sectors of the fashion industry there are case study interviews with fashion entrepreneurs who have developed their own successful fashion businesses .

The *Appendices* contain useful fashion industry documents; the *Glossary* helps you learn the language of fashion entrepreneurship and small business management; *Internet Resources*, *Further Reading* and the *Index* include useful websites, company names, trade publications, text books and key words.

Exercises:

1. Define entrepreneurship in your own words.
2. Give examples of entrepreneurs in the fashion industry.
3. Discuss your entrepreneurial career path.



Top: Many emerging fashion entrepreneurs enter fashion competitions/contests which help them gain exposure to the fashion industry. If they win they generally receive a substantial monetary prize and/or an internship to help them 'kick-start' their fashion entrepreneurial careers!

Hannah Hoyle awarded 'Young Designer of the Year'.

Above: Image, glamour, lights - your fashion runway to success!

The Fashion and Textiles Calendar: Lists some of the key trade shows in the International Fashion and Textile calendar and their typical dates. The four main centres for fashion have been; Paris, London, Milan and New York, but events are held all over the world.

The twice yearly ready-to-wear (womenswear) fashion show schedule for buyers traditionally takes place over a four week period. For example, Spring/Summer Designer Collections usually start in the middle of September after the stores have received their Autumn/Winter (Fall) lines that would have been shown the previous February/March.

As an emerging fashion entrepreneur, you need to be aware of the industry holidays as this will influence your design and production scheduling. For example, European mills usually close for the month of August, and mills and factories in China close during Chinese New Year.

This calendar is a guide and dates do change. You also need to be aware of new trade fairs that emerge as part of the fashion and textiles calendar, such as, Bread and Butter, Barcelona. Fashion weeks are held all over the world, such as, Australia Fashion Week, Cape Town Fashion Week, Hong Kong Fashion Week. You can check all current data on the Internet (see *Internet Resources* at the end of the book).

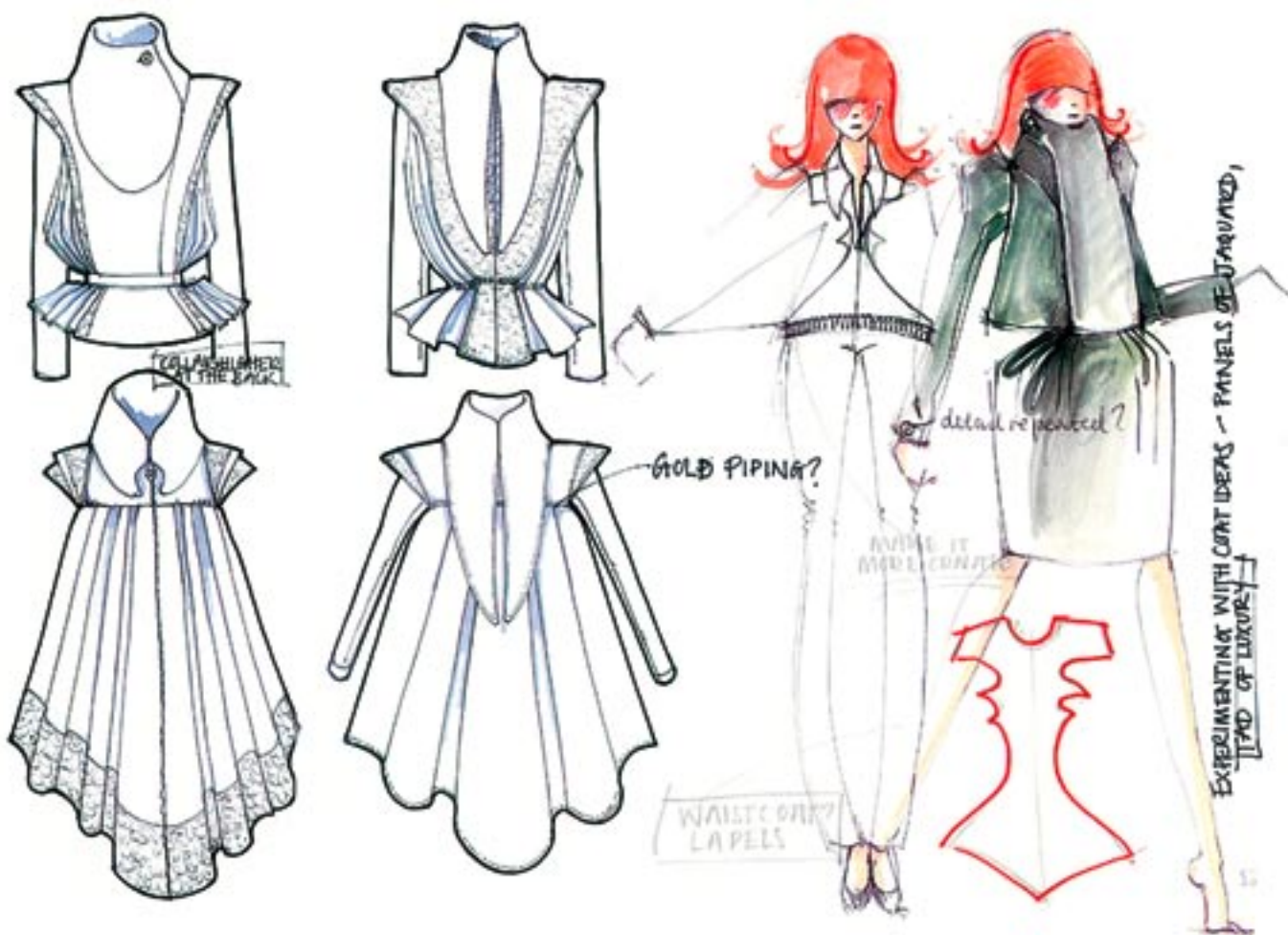
A/W = Autumn/Winter

S/S = Spring/Summer

FASHION and TEXTILES CALENDAR	
Jan	Milan Menswear Collections A/W Paris Womenswear Collections S/S, and Menswear for A/W Florence Pitti Filati Yarn Show (Knitwear)
Feb	Frankfurt Interstoff Fabric Show London Womenswear Designer Collections and Ready-to-Wear A/W Madrid Menswear and Womenswear Collections A/W New York Fashion Week and Menswear Collections A/W Milan Womenswear Designer Collections - Milano Collezioni Donna Paris Première Vision Fabric Show and Paris Expofil (Colour Trends and Yarn)
Mar	New York Womenswear Market Week Fall 1 Paris Womenswear Designer Collections and Prêt à Porter Paris Exhibition A/W
Apr	
May	Midseason/Transeason Shows New York Womenswear Market Week Fall 2
Jun	London Graduate Fashion Week (Student Catwalk Shows)
Jul	Florence Pitti Filati Yarn Show (Knitwear) Milan Menswear Designer Collections S/S Paris Womenswear Couture Collections A/W Paris Menswear Collections S/S
Aug	Las Vegas Magic Show (Fashion Accessories and Sourcing) New York Menswear Collections S/S
Sept	London Womenswear Designer Collections and Ready-to-Wear S/S Madrid Menswear and Womenswear Collections S/S Milan Womenswear Designer Collections and Moda Pronta Exhibition S/S New York Fashion Week Paris Première Vision Fabric Show and Paris Expofil (Colour Trends and Yarn) Paris Womenswear Designer Collections and Prêt à Porter Paris Exhibition S/S
Oct	Midseason/Transeason Shows New York Womenswear Market Week S/S

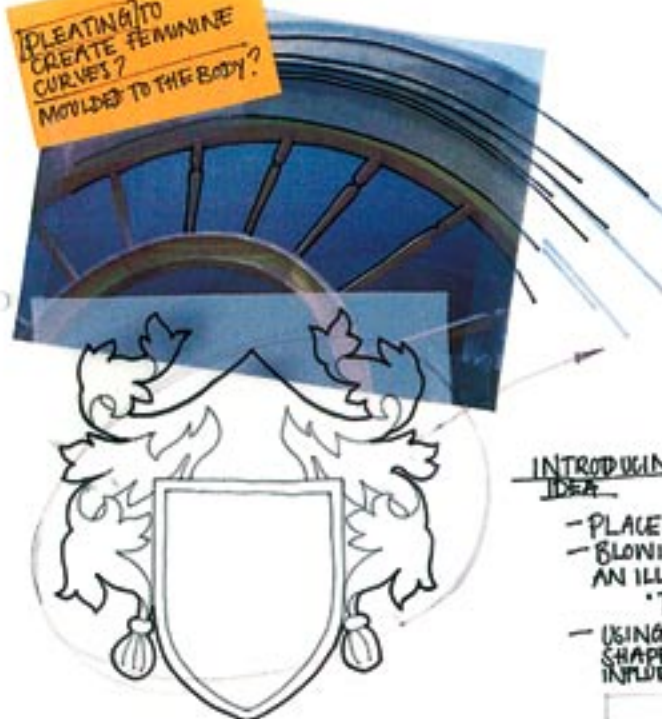
Opposite Page: Design Development example - As an emerging fashion design entrepreneur you will typically be researching new trends and sourcing fabrics and trims internationally as you develop your designs and products. This book will guide you in all these aspects.

Fashion Designer: Amy Lappin



NEED TO FIND A BALANCE OF
REGAL INFLUENCE AND CONTEMPORARY
PERSONAL DESIGN -
HOW MODERN CAN I PUSH IT?

PLEATING TO
CREATE FEMINE
CURVES?
MOULDED TO THE BODY?



INTRODUCING MY CREST/EMBLEM
IDEA

- PLACEMENT ON COATS?
- BLOWING UP TO CREATE AN ILLUSTRATION
- T-SHIRT PRINT?
- USING IT OBVIOUSLY - THE SHAPE OF A CREST AS TO INFLUENCE MY DESIGN

