

1. "STATISTICS = WEALTH/MILLIONAIRES"

SLIDE (Exhibit 1)

- The 'World's Richest', **just got even Richer** last year; now owning almost 50% of the Global Economy. These **select few** are often the Clients commissioning work from Architects.

SLIDE (Exhibit 2)

- There are many *factors* that are attributed to this *tremendous* Financial Growth, but one thing is clear: " Many recent "*Economic Trends*" were highly driven by **Existing Assets** (such as utilizing **Existing Buildings, Machinery, Materials and Inventory**).
- So, if the relative **Increase in Value** in the coming years, is to be found in '**Existing Assets**', then Companies and Clients should be guided to **Invest in their Existing Buildings, Machinery, Materials & Inventory, instead of Creating New Ones.**

SLIDE (Exhibit 3)

- In 2018, the Asia-Pacific Market, (Anchored by China) and its '**New Wealth**' will account for about **half of the growth** in '**Global Wealth**', with North America and Western Europe trailing behind.

SLIDE (Exhibit 4)

- The United States, China and Japan had the most **Millionaires in 2013** who exhibit **Great Purchasing Power**, which Governments and Businesses catered to; by building more and more '**Luxury Residences, Hotels and Malls**'.

Today we are going to **Explore** the following as they pertain to 'Hospitality & Retail':

- **Urban Development and Retail Trends** in China & Hong Kong
- **The Over-Saturation** of the **Luxury Market...**
- **Trends in Fashion**, and how they are "**Indicators of Change**" regarding the Perception of 'Luxury'.
- **Then Conclude**, by taking a quick look at the **New,--- (Unexpected) Building-Types**, recently taken over by "**Luxury Hospitality & Retail Operations.**"

2. CHINA

SLIDE (China Title Page)

SLIDE (China's GDP per Capita)

SLIDE (China's Luxury Goods Consumption)

- Since so much of the *Global Economy* is riding on China these days, let's take a moment to dig a little deeper into their **spending habits**.

SLIDE (Top 3 Buying Factors in Luxury Purchases)

- **China is the Global Leader in consuming Luxury Products.** Interestingly enough, in a recent report regarding "What mattered most to the Chinese Consumer since 2008", "**Superior Craftsmanship**" and "**Internationally, Well-Known Brands**" was on the rise in 2010.

SLIDE (Shanghai Title Page)

(Shanghai)

Let's use Shanghai as an example to focus on some Real Estate *trends* in the '**Asian Market**' as it applies to **contemporary Retail and Hospitality**.

- Shanghai is China's Financial, Commercial, and Industrial Center, as well as it's most "*Cosmopolitan City*" that is affected by a unique **Culture of Nostalgia**, today.

SLIDE (Shanghai Colonial Map)

- "**Shanghai Nostalgia**", many Cultural Anthropologists say, is not for its recent Revolutionary past, but rather oddly, for its '**Colonial Heritage**', which was a counterpart to "**Mao Nostalgia**"; prominent in other parts of China.

SLIDE (Nanjing Road, Then)

SLIDE (Nanjing Road, Now)

(Nanjing Road)

- i. The history of Nanjing Road in Shanghai, can be traced back to 1845; where *in Manderin*, it was referred to as ***“the Main Road”*** (大马路)
- ii. At the beginning of the 20th century, 8 Department stores were established along the street.
- iii. It is the ***Worlds Longest Shopping Destination***, running almost 4 miles long and sees **1 million visitors** per day.
 - It is often distinguished between it’s East and West End.
- v. Today, **Nanjing Road West** is defined by ***New Mixed-Use Developments***, catering to the ***“Status-Conscious, Luxury Shopper”***.
- vi. Historically, **Nanjing Road East** --- was the ***‘hub of European-style Shops, Restaurants and Cafes’***, although in the past decade; these have become less of ***‘a Destination.’***

SLIDE (Shanghai Nostalgia)

SLIDE (the Bund X-Change)

SLIDE (the Bund X-Change)

(the Bund X-Change, Nanjing East due to open 2016)

- Recently, a group of US Investors including *Robert De Niro*, plan to redevelop 4 Colonial buildings in Nanjing Road East, that date from the 1930’s into ***High-End Retail, Including the Typical line-up of:***
 - *Fine Dining*
 - *a Cinema operated by Tribeca Films*
 - *a Performing Arts Center*
 - *a Members-only Club*
 - *and a Boutique Hotel*

SLIDE (Hermes Original Colonial House)

SLIDE (Hermes Drawing)

SLIDE (Hermes At Night)

SLIDE (Hermes Interior)

(French Influence in the French Concession)

*The Government of Shanghai, is looking at Master Plans to redevelop Nanjing Road, which will include **renovating 13 Colonial Buildings** near the old Central Market, in the coming years.*

In the French Concession, a committee from Paris's **Champs-Elysees** reached out to the government of Shanghai proposing a '**Friendship Agreement**' between both famous Shopping streets, and in support from their past history.

- a. Well-known Parisian brands now located on Nanjing include: **Printemps Department Store**, Louis Vuitton and the new **Hermes Maison**; located in a *heritage-listed* building from the 1920's, which opened this past September **after 6 long years of Renovation**.

SLIDE (Twin Villas prior to Restoration)

SLIDE (Twin Villas as Dunhill Flagship)

(Dunhill Sets the Tone for Adaptive Re-Use)

- a. Not to far from the new Hermes Maison, are the Twin **Dunhill Villa's** designed by Italian firm Kokai Studios in 2008, which spearheaded this relatively new initiative, for **Adaptive Reuse** of Colonial Buildings; in Shanghai for Luxury Retail.
- b. Building like these **often sat in disrepair**, hidden by New Towers or behind Commercial High-Streets.

SLIDE (Entry Foyer dedicated to Vacheron Constantine)

SLIDE (European Barber Shop/Hot Shave)

SLIDE (Member's Only 'Kee Club')

- a. As lovely as these Master Plans and Flagship Stores may be....Outdoor, Pedestrian-friendly Roads like Nanjing, are *becoming Less and Less common*, destinations for **Affluent Shoppers in China**, who prefer the **Convenient, Air-Conditioned Environments of new Luxury Shopping Centers** --- such as **Plaza 66** and **IFC Shanghai**, not far from the pedestrian street.

SLIDE (Plaza 66 Photo)

(Plaza 66 Luxury Shopping Complex)

- a. Plaza 66 at Nanjing Road West, is a gleaming office tower complex, connected to a Luxury Mall at it's foundation; with easy access via the Subway System....*featuring Valet Parking and Concierge Services*.
 - Plaza 66 is a good example of New Chinese "**Transit Oriented Developments**" taking over the country.

SLIDE (IFC Shanghai Complex Photo)

(IFC Luxury Shopping Complex)

- **IFC** on the other side of town, has many of the same conveniences as *Plaza 66*, but also features a **Ritz-Carlton Hotel** occupying one of its towers; and boasts the **Largest Apple Store** in Shanghai.

SLIDE (IFC Shanghai Exterior Photo)

(Luxury Shopping Complex overtake China)

- Construction of Luxury Developments, similar to Plaza 66 & IFC is well underway in **3rd & 4th Tier Chinese City Centers**.
- These Developments are viewed as integral to the infrastructure of their future **'blank slate'** Consumer Power-house Cities.
- That is because in the coming years, the **'Spending Power'** of 3rd & 4th Tier Chinese cities, is expected to **surpass the 'current value' in Global Wealth** of 1st & 2nd tier Chinese Cities like: Chengdu, Beijing and Shanghai.

SLIDE (Hong Kong Title Page)

SLIDE (Hong Kong Historical Photo)

(the Hong Kong Market Today)

- ii. Hong Kong, like Shanghai--- also had a **Colonial Past** that resulted in "hybrid Asian-European style buildings" along its ports; and up its steep hills.
 - Most of these **Structures were Demolished**; in favor of dense, Mixed-Use towers...commanding the most **Expensive Real Estate Prices** in the World.
- ii. The **few Colonial-era buildings that remain**, are often overshadowed by new Luxury Towers.
- ii. Today, one can often witness in **Central, Hong Kong**, as well as in the other shopping districts, **Tourists from Mainland China** wheeling around suitcases of cash, to quickly exchanged to **fill their luggage with Luxury Products** ... that **they may not yet have access to**, in their Developing City Centers.
- iii. Compared with the Yachts, Top-End Cars, and Art Collections that "**Ultra-Rich Hong Kong Natives**" have been buying in recent years; **Luxury Goods are a bargain for the 'Newly Minted'** — and still the best way of showing one's Wealth to the General Public.

SLIDE (Monclair)

SLIDE (Givenchy)

SLIDE (Balenciaga)

SLIDE (Max & Co)

SLIDE (Dior)-----I saw 8 Dior stores in one day travelling around Hong Kong!? Subway, Office Tower, Mall, Ads...

SLIDE (Chanel)

SLIDE (Louis Vuitton)

SLIDE (Gucci) -----Exterior by James Carpenter

- These are just **some Examples** of what **High-End Retail** looks like in Hong Kong today.
- **'Pretty Generic'... in my opinion.**

(Asian Markets are Over-Saturated with Luxury Products)

- The Chinese Consumer is **increasingly exposed to Luxury Goods** through Retail Stores, the Internet, Overseas Travel, and Social Media. As a result, they have become **more-discerning** in how they spend their money.
- Chinese Consumers are **now familiar with nearly twice as many International Brands** as they were in 2008.
 - A. China's interest in *Luxury Goods* is moving beyond handbags, jewelry, fashion, and the like...
 - B. A growing number of "Chinese Luxury Consumers" are also **splurging on Spas, Fitness** and other Wellness Activities.
 - C. Consumption is now growing faster for **"Luxury Services";** rather than for **Luxury Products:**

SLIDE (Luxury Experiences Title Page)

- B. Sales in Cartier jewelry, Hermes handbags, and Rolex watches are now being eclipsed by **"Exclusive Getaways to the Maldives!"** and **"Helicopter-Ski Vacations in the Alps"**.
 - i. Spending large sums of money on Expensive **Experiences now accounts for more than half of the Luxury Market;** and is growing 50% faster when compared to the sales of Luxury Goods

SLIDE (Alpine Ski Vacations)

SLIDE (Alpine Ski - Interior)

SLIDE (Glamp-ing in Africa)

- C. The Business of "Luxury Experiences" is by no means limited to **"Exclusive Safaris and Spas"...**

- i. **More and more Hospitals now offer Deluxe Accommodations**—with Butlers, Specialty Chefs, and Marble bathrooms—
- ii. Most **Airlines** now offer Private Suites, Concierge Services and Elite Lounges.
- iii. **Even Luxury high-rise Apartment Buildings in middle –America feature Movie-Screening rooms, Fitness Centers and Virtual-Golf Facilities.**

SLIDE (Luxury Hospital Suites)

SLIDE (Luxury Condos in Middle America)

SLIDE (Luxury Condos In Room Parking)

SLIDE (Luxury Condos Pool)

- **With this consistent Exposure to a “Luxurious Lifestyle”, what is a Brand to do in order to set themselves apart from the rest?!**

4. LUXURY SALES ARE PLATEAUIING!

- Consultants recommend expanding into the realm of **“Experiential Luxury”**—boosting Experiences as part of the overall product image ... **“identifying with the “Emotional Levels of the Customer” will matter more, in the years ahead.**
- Brands will need to **Develop and offer Rich, Exciting, and Consistently Satisfying Experiences to “Stay Relevant”.**

SLIDE (Luxury Lull)

- As Consumers experienced **“Logo Fatigue,”** in China and around the world, financial growth for brands including **Gucci, Prada and Vuitton** have **significantly slowed down.**

SLIDE (Luxury Lull Graph)

A) **GUCCI (owned by the Kerring Group)**

SLIDE (Gucci – Via Condotti, Rome)

- Gucci’s slump in sales hits me very close to home, *Not because I am invested in it financially...*
- But, rather because I was part of the team (over a decade ago); that created the original **‘Kit of Parts’** for it’s Flagship Stores, which we see still in-use today, **all over the world:** on City Streets, in Malls, Airports and even at Macy’s in Herald Square...

- The Team never really knew how quickly these designs would become widespread. We thought we were doing something unique...

SLIDE (Gucci 1)

SLIDE (Gucci 2)

SLIDE (Gucci 3)

SLIDE (Gucci 4)

SLIDE (Gucci 5)

SLIDE (Gucci 6)

SLIDE (Gucci 7)

SLIDE (Gucci Archive Photo – Handbag Factory)

- Within the Fashion Industry, Gucci's ***distribution strategy*** has raised some eyebrows.
 - The company has opened new stores at a rapid clip, for a ***total of about 480 today*** world-wide.
 - As a result, some Retail Executives and Consultants complain that certain Gucci products, particularly it's handbags, are ***over-distributed***.
 - Loyal Customers say, ***"Gucci's Products are not as "Unique" as they were before."*** (This is true according to the metrics.)
- A few weeks ago in the Wall Street Journal an article stated that, The struggle at Gucci "whose Sleek Stores and Coveted Goods helped fuel the Rise of Luxury Mega-Brands 15 years ago, illustrate some of ***the problems facing Fashion's Iconic Brands today***:

SLIDE (Gucci Archive Photo – Shoe Factory)

- Luxury shoppers are a fickle bunch; and nearly every Brand, at the high-end of the spectrum, faces the challenge of keeping its products both ***Exclusive and Readily Available*** —(concepts that seem to be less and less compatible.)

SLIDE (LVMH Title Page)

B) LVMH Sales are Down:

- A NYTimes article quoted LVMH owner Bernard Arnault saying that ***"The Sophisticated Consumer became disappointed in 'Luxury' as it strove for Ubiquity... in recent years"***
 - ***"Brands can't keep opening stores," critics say "as it dilutes their perception of Exclusivity'.***

- LVMH, for example, had **33-hundred stores** around the world (across all of its brands) at the end of 2013, **up from 16-hundred 10 years ago.**
- ii. Arnault believes that, ***“The new Luxury Business Model is about representing something a whole lot deeper and much more meaningful to Consumers.”***

SLIDE (Louis Vuitton Workshop)

C) LVMH Repositioning

Michael Burke, the CEO of Louis Vuitton recently noted regarding concerns for his Brand’s **recent Financial Plateau:**

- ***“If the 20th century was about Manufacturing, the 21st century will be about Intangibles”***
— concern for **Preservation, Heritage, and the Environment** will be tied to future Consumption.

SLIDE (LVMH Les Journees – Open Studio Days)

- The conventional wisdom at LVMH, was that consumers only cared about **Obvious Aspirational Signifiers** like *“Name and Price”*; the new view is that **they now care about the less apparent marks of Connoisseurship**, those being: **“Handwork and Craft”**.

SLIDE (Craftsmanship Title Page)

- Foreseeing this change in brand perception, LVMH hosted **Les Journées** – or **“Open Studio Days”** last year in Paris letting the public behind closed doors of many of their Brand’s Ateliers to see how their Products are Made. **100,000 tickets were available** (first come, first served)...and they sold out immediately.
 - Now in its second year, **Les Journées** opened **workshops in six European countries** to **highlight the Skills** of the thousands of Craftsmen employed by LVMH brands.

SLIDE (Craft 1)

SLIDE (Craft 2)

SLIDE (Craft 3)

SLIDE (Craft 4)

SLIDE (Craft 5)

SLIDE (Craft 6)

- iii. **Hermes** also produced a **Documentary** that debuted on the Sundance Channel called '**Hearts and Crafts**' focusing on the premise that:

"A good Craftsman can create a world, that a Machine's incapable of..."

5. FASHION TRENDS

SLIDE (Vintage Product Title Page)

- A. **Trends swing like a pendulum**, creating waves of Fashion, Art, Culture, Business, Economics, you name it...there is a cycle to trends worth being aware of.
 - i. **The Past** pulls on the pendulum, informing trends with **Histories** that have happened before, seeking to bring us back to 'the Way Things Were'.
 - ii. **The Future**, which has a stronger pull towards **Innovation**, drives us Forward into **the New, the Cool, the Hip, and 'the What's Next'!**?

SLIDE (Hermes Boxes)

6. PRODUCT AS AN INDICATOR OF CHANGE

- o **If Financial Statistics, Patterns in Real Estate and Urban Development were hard Trends to Predict, one could just look at the Products themselves, as an indicator of change on the Horizon...**

SLIDE (Club Monaco Vintage Case)

- A. **"The popularity of 'Vintage Luxury' has been developing in a "major way" since 2007,"** said Cameron Silver, owner of **Decades...** the world-renowned Vintage Boutique on Melrose Avenue
 - i. He continued to say, **"Vintage Hermes, Chanel and Gucci handbags were, in my opinion, the Recession's answer to the 'It Bag.'** **Conspicuous Consumption** was no longer **'In Style'** — nor was it very appropriate at that time —

SLIDE (Club Monaco Vintage Case – Close-up)

- C. Knowing the **History of a Piece**, its **Lineage**, perhaps, the fact that it may very well be the **"last of its kind on earth"**, and an appreciation for the blood, sweat and tears that went into it's design **makes Vintage so Valuable.**
- D. **"To some people, the Wear on the Piece is quite important; it has to show an interesting, unique Patina that shows it has been Well-Travelled, but also Well Cared for,"** added Matt Rubinger, director of Luxury Accessories at Heritage Auctions.

- i. *This is the Magic of Vintage Products.* It's **what makes pre-owned Hermès bags go for double their Traditional Value** at Auction and specialist Vintage Stores.

7. THERE IS A GROWING DEMAND FOR VINTAGE

SLIDE (Existing Assets are Trending Title Page)

- o What everyone seems to agree upon these days is that '**Vintage Fashion**'; has never been as **sought after** as it is today.

SLIDE (Street Style 1)

- i. Many enjoy the special **Feeling of Discovery** that goes 'hand-in-hand' with buying Vintage Products.

SLIDE (Street Style 2)

- ii. Others see vintage as an opportunity to **make a Statement Against the Artificiality of 'Modern Consumerism'**.

SLIDE (Street Style 3)

- *These consumers* **Crave the 'Authenticity'** that comes with owning an item from the Past.

SLIDE (Street Style 4)

- iv. Of course, there is also a certain **Feeling of 'Exclusivity'** that comes from wearing a "**one-of-a-kind**", **Rare---piece**.

SLIDE (Horology Title Page)

A. Horology

- o **"There is also something deeply, Sentimental about watches."**

SLIDE (Rolex Close-Up)

- Watchmaking has always had a loyal following of **Connoisseurs and Collectors**, but it is also picking up a '**cult following**' in many '**Sartorial Men's Groups**' and on-line.
 - ii. Nick Foulkes author & editor of Vanity Fair's watch magazine '*On Time*' says:
 - "Classic watches associate men not, just with their **Ancestors**, but with their **Heroes...** as well.
 - As he interestingly puts it, "to see Steve McQueen in a Tag Heuer watch is very powerful. **What guy doesn't want to be Steve McQueen?"**

SLIDE (Steve McQueen)

- iii. An interesting thing about a **Rolex** according to Horologists; is that although the price tag is quite high, it could be argued that **the cost of owning a Rolex** actually pays **you back over time...**
 - That's because **Rolexes tend to Appreciate in Value over the years**, mainly because the style hasn't changed drastically since Inception, making a 40-year-old watch look '*Roughly New*'.

SLIDE ("I Can't Afford That!?" Title Page)

*I know that all of these talk about **Well-Established, Expensive 'Luxury Items'** is a stretch for most consumers of fashion trends, but even products with '**lower price-points**' possess similar '**Indicators**', regarding the **Changing Perception of 'Luxury' today.***

SLIDE (Selvage Denim Title Page)

B. Japanese Selvage Denim

SLIDE (Selvage Denim Image)

- **Say "Blue Jeans", and many will think of the 'U.S.A.'**

SLIDE (Levis Factory Image)

SLIDE (Cowboys Image)

- But it's Japan that keeps the "**True Spirit of Denim Alive**".
 - i. This pure "Selvedge Denim", produced on '**Age-Old Looms**'; often feature: '*Traditional Rivets*' and '*Hand applied Pocket-Stitching*'.

SLIDE (Machinery Matters Title Image)

- ii. Japan's ***strict Adherence to Low-Technology***, that elsewhere in the world no one wanted to use anymore, has made the country "***the World's Leader in Denim Production***".

SLIDE (Toyoda Loom in Japan Image)

- ii. ***Centralized Fabric Production*** in Europe and China, doesn't really exist in Japan as they have ***tendency to weave Small Quantities of Exclusive Fabrics for Local Brands***,
 - Japan's Denim, inherently has ***Unique Characteristics*** when compared to standardized textiles from Levis' "***Modernized, Cone Mills***" in North and South Carolina.
- iv. And what about the small details in the product, like ***stitching?***
- v. Apparently, this ***Union Special*** (pictured above) is a tool for hemming, which the ***Japanese scoured America*** and then the World for; starting in the early 1980's. It is "***the Holy Grail***" for many 'Denim Heads'.

SLIDE (Union Special Image)

- The Japanese wanted these tools in their factories, which reproduced ***Vintage-Styles of "American Jeans"*** from the 1950's and before.
- Often-scraped during the time ***of converting to "Newer Technologies"***, These ***Tools*** produced "Unique, Quality Stitching" not available on today's *hi-tech* machines.

SLIDE (Union Special in Use Image)

- iii. No word as to how much the owners of Self-Edge in San Francisco paid for this unused model... with original tags, and a test strip still attached, but I'm guessing it's somewhere between the cost of a ***Rolex Submariner and a Royal Oak (approx. \$15,000 USD)***

SLIDE (Heritage Style Title Image)

- *The Japanese's love of Denim, doesn't only exist in the 'Small Batches of Local, Selvage Brands'; but also in the 'Rare Originals' themselves.*

SLIDE (Coal Miners Image)

- i. According to Marvin's a Japanese Vintage Market in Tokyo, "**Military and Denim have been a trend since the 80's.**"

SLIDE (Marvin's Shop Image)

- These items have always been viewed as something "Cool"
- It's the types of clothes Japanese think of when they aspire for "**Cool American style**".
- Recently the owner says, there's been a **Noticeable Increase in Wealthy Customers** from South Eastern Asia, especially from **Hong Kong** looking to purchase their first pair of "Vintage Denim".

SLIDE (Marvin's Denim Image)

- ii. The **most- Rare, and Expensive denim models** are often **found in Coal Mines** where people used to work.
 - At that time, **denim was pure 'Work Wear'** used only '**on-site**'; rather than a piece of clothing worn at home or on the street.
 - These pieces are very hard to find as the American family at that time, didn't view Denim as something needing to be taken care of; it was **something to be disposed of eventually** ...as opposed to Watches, that one **tended to keep, in order to pass down in the family.**
 - **The boutique owner keeps a long roster of Client Names to contact for when an item has been located... and a bidding war begins.**
 - *Marvin's also features a room filled with **Never-Worn Jeans from the 1950's thru the 1980's**, which were considered '**Dead Stock**' years ago, but are now a 'Hot Commodity'.*

SLIDE (Dead Stock Title Image)

C. Dead Stock

- The **Process of Curating** 'Dead-Stock' and Vintage is **Critical** as there is an **Endless Supply of "BAD" Vintage Fashion and Dead Stock**...which is often '**Vintage and Unused**' for a reason.

SLIDE (Marvin's Dead Stock Image)

- i. **Made in the World** (not far from Marvin's) is another Tokyo-based vintage shop, that features a ton of American products. Word's gotten out that the shop actually has '**Dead Stock**' **Red Wing Shoes dating back to the 1950's**.

SLIDE (Redwing Shoe Image Close-Up)

SLIDE (Made-in-the-World Display)

- ii. The Red Wing Shoes Heritage Team, states that the original brown leather oxfords from the 1950's called: '**101 Postmans**' (worn by actual American Post-Men), can now be had at the **\$1,000 prices range (compared to their original \$5 price)**... if they have the right Characteristics.
 - That is a remarkable **Increase in Value** for a Company's long-forgotten Assets.

SLIDE (Street Style Photo with Shoes)

- I hope that the previous information was able to illustrate to you **that the Landscape of Luxury in Fashion, Retail and Hospitality, is Evolving today...** into one that is more connected to it's **History, Artisans, Process and Relics...**
- This is why **Existing Assets** such as **Old Inventory, Machines and Materials** have helped the **Global Economy**; as well as **extended** their own **Useful Life and Value...to the end user.**
- The most important '**Trend in Luxury Branding**', that I find very exciting to see happening today: is Retail and Hospitality Brands **Investing** more and more **into the Communities that they are situated,**
 - most especially, in the form of taking over **long-forgotten Buildings**; Breathing **New Life** into them, and their **Neighborhoods... instead of building more hyper-efficient Luxury Stores and Hotels. Which the Market doesn't really benefit from.**

- **It is interesting to see what types of spaces many “Luxury Brands” have chosen recently...**

SLIDE (Adaptive Re-Use Title Page)

Conclusion

8. Adaptive Re-Use = the best Trend Yet!

SLIDE (Train Stations Title Page)

A. Denver Union Station: “Transit Oriented Development”

Interiors by Avroko

Opened: this September

SLIDE (Rendering of the Complex)

- The glory days of train travel peaked in the 1930s,***
 - As America dealt with urban sprawl and the increased use of Cars and Planes for commuting, ***many Train Stations stand forgotten or poorly programmed.***
- ii. Today, the 1914 Beaux-Arts-style ***Denver Union Station*** underwent a ***\$48 million dollar Restoration.***

SLIDE (Rendering of Train Tracks)

- iii. The building will continue to serve train passengers; but it will also include: ‘The Crawford’ a Local Boutique Hotel, Restaurants, Shops, and Offices.

SLIDE (Rendering of Great Hall Interior)

- iv. AvroKO was hired to design the Common Spaces:
 - The Great Hall was reinvented into ***“Denver’s Living Room” lined by Retail Shops***
 - The old Ticketing Booth became a ***“Specialty, Artisanal Cocktail Bar”***
 - The Crawford Hotel Bar on the mezzanine is a ***‘A Cool, Hip Hotel Lounge to meet with friends in Denver’s City Center’..***
- vi. ***Avroko says: Working with historical spaces is a bit limiting... but those “Limitations” really foster New, Creative Solutions.***

SLIDE (Photo of Communal Table)

- viii. Additionally, they had to be really creative about **how to attach their designs to walls and floors, since they are part of the Original, Protected Architecture.**

SLIDE (TRAIN 1)

SLIDE (TRAIN 2)

SLIDE (TRAIN 3)

SLIDE (TRAIN 4)

SLIDE (TRAIN 5)

SLIDE (TRAIN 6)

SLIDE (TRAIN 7)

B. Chiltern Firehouse:

Interiors by Studio Ko (originally Robert Pearsall-1889)

Restaurant opened in January 2014, Rooms in September 2014

SLIDE (Fire House Title Page)

SLIDE (Fire House Drawings Elevation)

SLIDE (Fire House Drawings Elevation)

SLIDE (Fire House Drawings Plan)

- i. The Firehouse itself was a **Dormant Relic...**
- ii. One of **London's first Purpose-Built Firehouses**, dating to **1889**, was sitting vacant in the Center of London when Andre Balazs and his Partners, acquired it in 2011.
- iii. They also acquired the local Corner Pub and soon to follow **a Bakery, to serve both the Hotel and the Neighborhood.**

The Group also Invested in 2 existing **Neighborhood Businesses:**

- **Mario's** Gents Hairdressers--- in business since 1935
- **Shreeji**, a Newsstand, that will provide the Hotel with Papers and Obscure fashion magazines.

SLIDE (CHILETERN STREET 7)

SLIDE (MARIO's BARBER SHOP)

- iv. Mr. Balazs told the New York Times, "**As usual, whenever we do something, Real Estate prices have gone up 80% since we opened,.... It's Crazy...but it happens all the time!**"

SLIDE (FIREHOUSE 1)

SLIDE (FIREHOUSE 2)
SLIDE (FIREHOUSE 3)
SLIDE (FIREHOUSE 4)
SLIDE (FIREHOUSE 5)
SLIDE (FIREHOUSE 6)

- v. He says he wants to appeal to **“the Locals”...**
 - But, with a Restaurant, helmed by the Michelin-starred chef **Nuno Mendes...**
 - The Firehouse seems designed to: **“Cater to members of the affluent ‘Creative Classes’** who frequent his other hotels, **arriving to the hotel in ‘Vintage Bentleys’.**
 - vi. With **only 26 Rooms (and more Public Spaces than a Traditional Hotel)**, Mr. Balazs expects Revenue from Food and Drink to eclipse that of the Rooms.
 - The Firehouse in his eyes, is not merely a Restaurant or Bar, either... **“It would be truer to call it ‘Entertainment’”**
- **“What we try to Create are Experiences,”**
 - **“It’s the Experience, ultimately, that is the Product.”**

C. Town Hall Hotel

Architect = Rare Architects (London/Paris)
Opened 2010

SLIDE (Town Hall Title Page)

The Former Bethnal Green **Town Hall is now a ‘Gateway’ to the East End** ---
One of London’s ‘Hippest’, up-and-coming Neighborhoods.

Neighborhood features:

- Art Galleries
- Hip Weekend Markets: like *Brick Lane* and the *Columbia Flower Market*
- Fine Dining

SLIDE (Town Hall Exterior)
SLIDE (Town Hall Exterior Detail)

The Original Town Hall opened in **1910 in the heyday of Edwardian Architecture**, and an extension was added **in 1930's; which gives the interiors and Art Deco Flair.**

Town Hall Hotel mixes **Architectural Styles** like the **"Multicultural Residents"** walking outside.

SLIDE (Town Hall 1)

SLIDE (Town Hall 2)

SLIDE (Town Hall 3)

SLIDE (Town Hall 4)

SLIDE (Town Hall 5)

Hotel Features:

- **Generously Proportioned** Apartment Style Rooms made with **"Original, Existing Materials"**
- Nelson and Nancy (the Town Hall's resident goldfish), can stay in your room for a small fee.

Restaurants:

- The Corner Room
- Bar 'Peg & Patriot'
- Typing Room – Aptly Named After Its Previous Identity As The Town Hall's Typing Room, which is now *A Buzzing Contemporary Style Restaurant*

SLIDE (Public Pool Title Page)

D. Hermes Maison (Pool)

17 rue de Sèvres, Paris
1930's Municipal Pool
Architect RDAI

SLIDE (Historical Photo 1)

SLIDE (Historical Photo 2)

SLIDE (Historical Photo 3)

- Hermès's **Profit Margins** are among the ***highest in Luxury Goods***, and the company—whose ***Customers tend to be among the World's Wealthiest***—has been ***more insulated against Economic Downturns*** than ***rivals such as LVMH.***
 - i. ***"The store itself is a design wonder!"***...customers exclaim.
 - ii. Paris-based architecture firm **RDAI** transformed the '30s-era municipal swimming pool, ***which in the last few decades has served as a Sportswear***

Boutique, a Mattress Store, and a Clothing Outlet, into a soaring Contemporary Space.

- iii. To brighten the entrance corridor, they installed **Florist** and a **Bookshop**
- iv. On the former pool deck, under a **skylight ceiling**, freestanding counters display Hermès's acclaimed silk scarves, handbags, and perfumes.

SLIDE (Pool 1)

SLIDE (Pool 2)

SLIDE (Pool 3)

SLIDE (Pool 4)

SLIDE (Pool 5)

Café: Le Plongeur (Diving Board)

A 30-seat café, aptly called wraps along the balcony where the diving board used to be. "

Ashe Huts (Yurt-like Structures)

- And, down a wide staircase--- in the deep, mosaic-floored pool basin, three giant ash-wood lattice huts house the '*Maison*'-line **(all finished with a penchant for artisanal perfection that borders on pathological.)**
- These 'Huts' also display **Petit H(ache)**, a collection of quirky pieces made of Hermes product rejects, like a tube lamp of imperfect porcelain espresso cups.

Petit H: (Luxury waste-reused)

SLIDE (Petit h 1)

SLIDE (Petit h 2)

SLIDE (Petit h 3)

- Petit H(ache) is a **unique "Recycling Program"** initiated by Pascal Mussard, one of the Hermes family members.
 - ii. Each shard, strip and skin comes from an Hermès product that failed to make it through the Company's famously persnickety **"Quality Control"** is reimaged into **pricey "Objets d'art" ...**
 - iii. Storage rooms filled with **boxes of belt buckles, zippers, luggage tags, rope and other materials that would no longer be used as originally intended are given a new lease on life.**
 - Artists are set loose, amid this waste stream to conceive of ideas for the small Hermes Atelier to develop.
- **"We don't throw anything away!"**

We don't think of this as a **"New Store Concept,"** says Hermès chairman, and CEO Patrick Thomas. "We're saying, **'Welcome to our Home.'**

SLIDE (Pool 1)

SLIDE (Pool 2)

E. Apple Flagship – l'Opera (Paris)

12 Rue Halévy

Opened 2010

Architects: Apple

SLIDE (Bank Title Page)

SLIDE (Bank1)

SLIDE (Bank 2)

- Apple gets much scrutiny about the **sustainability of their products** and **Chinese Factory Operations**, but despite the critiques, they also have the ability to perfect *"Sustainable Innovation"* in both their products and their stores.
- One Step in the right direction can be found at their Flagship across from the Paris Opera House, housed in a "Grand Old Bank".
 - i. Dubbed the **"most-un-Apple Apple store"**, Architects dropped the company's usual glass-and-steel aesthetic in trademark elements like the staircase **in favor of wood and wrought iron**.
 - ii. **Restoration efforts took over a year**, — **a deft juxtaposition of old and new** that Customers say was well worth the wait for this unique Apple Experience in Paris.

SLIDE (Bank 3)

SLIDE (Bank 4)

F. Stock Exchange

San Francisco

Opened 2010

SLIDE (Stock Exchanges Title Page)

- Equinox Fitness Clubs chose the Pacific Coast Stock Exchange building, a 1929 art deco jewel at the center of San Francisco's financial district, as their first Bay Area location.

SLIDE (Stock Exchange 1)

SLIDE (Stock Exchange 2)

SLIDE (Stock Exchange 3)

SLIDE (Stock Exchange 4)

SLIDE (Stock Exchange 5)

- *STUDIOS* was chosen to help bring new life and vitality to the Historic San Francisco Stock Exchange, which was out-moded for the modern needs of Stock Brokers, who moved to Office Towers near Union Station .
 - i. The soaring 45-foot-high Trading Hall with its **Ornate, Day-Lit** glass ceiling is a splendid **Environment to focus on fitness and well-being**.
 - ii. Mezzanines at either end were transformed into glass-enclosed group **fitness studios**, affording **views of several original art deco bas-reliefs**.
 - iv. The Basement directly under the Trading Hall, with its sprawling 2,000 square-foot **vault, was a natural fit for the locker rooms**.

G. Metro Theater

San Francisco
Architect: Avroko

SLIDE (Movie Theater Title Page)

- At the Landmark **Metro Theater on Union Street** in San Francisco, Equinox turned a very specific building type into a multi-story playhouse for fitness, high performance and luxe indulgences.

SLIDE (Movie Theater 1)

SLIDE (Movie Theater 2)

SLIDE (Movie Theater 3)

SLIDE (Movie Theater 4)

SLIDE (Movie Theater 5)

- i. Until recently, ***the Building looked dilapidated; bringing down Property Values*** and creating a ***Dismal Atmosphere*** on that block.
 - ii. Turning it into an Equinox Gym **helped Local Merchants** up and down the entire street.
- Avroko worked to preserve a number of the **original Art Deco elements** of the historical building, **including a restored "Metro" Theater Marquee** and **Two Art Deco murals**
 - The team also added skylights and a series of windows to offer **un-interrupted views of the Golden Gate Bridge and San Francisco Bay**.

H. Bookstore

New York City

Architect: Ernest Flag (circa 1912)

SLIDE (Book Store Title Page)

SLIDE (Bookstore 1)

SLIDE (Bookstore 2)

The Beaux-Arts style building by Ernest Flagg, in 1912 is the **only Landmark Building** in New York City **originally designed to house a Bookstore.**

- i. In 1984, declining business forced the Scribner's Bookstore to relocate to a lower-rent district in New York before it was acquired by Barnes & Noble, Inc.

SLIDE (Bookstore 3)

SLIDE (Bookstore 4)

- ii. **'Unfortunately, this is the story of New York,'** Mr. Scribner said. "My feeling is that the whole landmarks situation is a mess. I know the economics of the bookstore are crushing..."

- There ought to be some sort of **Tax Relief** for a **Landmark Bookstore.'**

- iii. The building has subsequently housed:

- Brentano's Bookstore
- Benetton
- Sephora

The Landlord of the building recently said:

- "I do hope that we can get another bookstore in there... ***If you know of any bookstore that wants to lease the space after we get it fixed up, let me know... they are hard to find***".

I. Gas Stations

RRL Store – Los Angeles

Opened 2012

SLIDE (Gas Stations Title Page)

SLIDE (Gas Stations 1)

SLIDE (Gas Stations 2)

- In the **mid-1930s** Petroleum Corporation Executives, with their Architects and Industrial Designers, began rethinking the function and organization of **'the Service Station.'**

SLIDE (Gas Stations 3)

- i. This was the Period when "Modern Architectural Styles" such as: **Art Deco, International Style** and **Moderne, surged to popularity.**
- v. All these **Design and Architectural Philosophies influenced the re-shaping of the Service Station** and yielded what is most often known as the **"Oblong Box Service Station".**
- Customers tell our employees that, it took a couple of walks up and down Melrose Avenue, to discover that what they thought was **"just a Dis-used Gas Station next to The Improv"**; had been cunningly **converted into a RRL store.**

SLIDE (Gas Stations 1)

SLIDE (Gas Stations 2)

SLIDE (Gas Stations 3)

SLIDE (Gas Stations 4)

SLIDE (Gas Stations 5)

- **The store features Ralph Lauren Products, but also Vintage Denim and Dead Stock.**

Last Words:

SLIDE (Community Service Title Page)

- **I cannot wait to see what Cast-off Structures; will be Re-Considered in the years, ahead...**
- **Creating a Physical Experience, an Emotional Experience, ... Defining Places where people are Comfortable, and Feel Connected to the People, the Product, the Neighborhood and the Past; will be important for Brands to focus on, in the years ahead... but also for Architects.**
- You can argue "these Current Trends in Hospitality and Retail" for better or for worse, but **one thing is certain, "Existing Assets Today" are certainly moving the Needle..."**

