

## Jeans' genes part of price tag formula

November 8, 2006

BY BLANCA TORRES

Barbara Miller says she "lives in jeans" when she's not at work and has a collection of about 15 or so pairs. She isn't loyal to a particular brand, but for the right fit and look, she's willing to spend.

"I wouldn't go over \$300," the Danville woman said. "Most jeans are \$200 anyway."

Although Miller doesn't seek out pricey jeans, she is no stranger to them, and neither are millions of consumers who have invested in premium denim.

Priced in the three digits and up, premium denim is like the Lexus of the jeans market, a segment where practicality once ruled over luxury.

Now, as the market for high-end jeans continues to grow, the term "premium" is attached to denim at a variety of retailers from Sears to Bloomingdale's, and the number of companies trying to become the next bestseller has exploded.

"The term 'premium denim' can be abused and that's where the saturation is going to happen," said Teresa Gay, a personal stylist and shopper based in San Francisco. "It's going to plateau and then the good brands will last and the poor brands will die off. I don't think we've gotten to the plateau."

In 2005, jeans selling for more than \$100 accounted for about 18 percent of the women's denim sales compared with 12 percent in 2004, according to NPD Group, a consumer and retail research agency.

Total sales of women's denim for 2005 was \$7.6 billion and about \$1.4 billion for high-end jeans.

"The consumer is very willing to spend over \$150 for a pair of jeans, they are viewing fashion jeans not only for the fit, but the quality of the jean," said Ellen Basilico, a San Francisco-based consumer business partner with Deloitte and Touche. "Premium denim caters to the more fashion-forward and quality-conscious consumer. As it becomes more available to the broader population, it begins to lose its appeal."

The trend toward premium denim took hold about two years ago when a few key players such as 7 For All Mankind, Citizens of Humanity, True Religion, Joe's Jeans and Paige Premium Denim became hot brands.

The market is full of names and brands that all have one thing in common: high price tags, making it harder for consumers to know whether they are paying for a premium product or an overpriced item.

A decade ago, expensive denim included items that had a designer's name on them such as Ralph Lauren or Prada, but they weren't that different from less expensive brands, said Brigitte Segura, a fashion expert and retail consultant based in New York.

Now, premium brands are supposed to offer better materials and styles, but some companies use the term to justify charging higher prices.

"Sometimes (the jeans) are special, sometimes it's just the price they decide to set," she said. "Lower-priced retailers wanted to respond to trend of real premium so they offer a jean that's better than the average jean, but it's not as expensive of the real premium."

Many consumers are left to using trial and error, Segura said, to find out which jeans will work for them in the long run.

"There's only a handful of brands that truly represent high-end denim ... the rest are wannabe pretenders," said Jason Trozduk, owner and founder of Fidelity Jeans, a two-year-old premium denim company based in Vancouver, Canada. "Largely, what's happened is that retailers started out with a few great denim brands and here came another 400 brands. ... The weak are getting weaker and the strong are getting stronger."

Many industry experts credit 7 For All Mankind, which launched in 2000, for jump-starting the premium denim craze. The brand was known for its stylish bootcut and lowrise fits and high-quality denim.

"You will pay anything for a pair of jeans that make you look good," said Michelle Madhok, a San Ramon native and shopping expert who now writes the blog, Shefinds.com, from New York. "I would rather try on swimsuits than jeans. If you find a pair that fits you right, the cost becomes less of a barrier to entry."

Trozduk, whose products retail from \$160 to \$200, said his jeans qualify as premium because of what he calls the Three Fs: fabric, fit and finish.

"It's science meets design," he said. "You want a jean that is slimming in the thigh and cradles your tush and holds on to it nicely."

Many companies, such as Los Angeles-based Kasil Jeans, import fabric from Japan and Italy, two countries known for making some of the world's best denim.

David Lim, president and founder of Kasil, said a lot of companies can claim to be "premium," but only produce one style or fit that is trendy for one year or one season.

He says his strategy is to design products that will appeal to his customers longer than fleeting trends.

"There was a time when people were coming out with so many embellishments -- bling -- to catch your attention," he said. "If you keep it basic enough and keep it sophisticated, then it's never going to lose its timelessness."

The idea behind premium denim is that the denim is of high quality and durable, said Elizabeth Wen, owner of Elisa Wen, a boutique in Walnut Creek.

Wen sells jeans starting at \$80, but her premium lines such as Paige and True Religion start at \$169. Some of her highest priced jeans, such as a pair of \$395 embroidered capris, come from D & G, a line produced by couture design house Dolce and Gabbana.

"Premium does mean something," she said. "The feel is different, the quality is different. It's supposed to keep looking good for a long time."

Durability is important because a good pair of jeans is a wardrobe staple.

"You can wear jeans to parties, to work, out to dinner," Wen said. "The use of denim has broadened. It is more usable now than ever before."

Even with dozens of brands alleging to offer the best fit, finding the right pair is still a challenge.

For Cassidy Gunter of Moraga, jeans from Citizens of Humanity always seem to fit just right, making the price tag irrelevant.

"I work, so I have money to buy them," Gunter said. "I think they're worth it."

Copyright CONTRA-COSTA TIMES 2006