



First Anniversary Celebration

The end of September will mark the first anniversary of Santangelo & Sandridge. Georgia, Linda, Sue-Sue and I have had a ball. (I'm Rod Porter, the neglected silent partner.)

Sue-Sue has her Pucci scarf and is ecstatic to have her own brand of soap with her picture on the label.



Sue-Sue, Linda Sandridge, Georgia Derrico and Rod Porter



The rest of us have been fascinated by things we didn't expect to find about the fashion business.

First, the designers are critical to the products you ultimately see on our racks. However, the buyers are **more** critical. When we go on a buying trip it's not a question of taking one from column A and one from column B like in a Chinese restaurant. At ETRO, for example, we were there last week to buy for the 2007 spring/summer season. They had 500 samples, many of which were available in half a dozen fabrics. We're there to buy maybe a hundred items. Its mind

boggling, particularly when you have to decide what sizes you want. As a result, what Santangelo & Sandridge has is unlikely to resemble what Neiman Marcus or any other store has.

Last year in New York we went on a spying expedition to Barney's to see how they were presenting Luciano Barbera which, as you know, I am particularly partial to. Barney's had grey pinstripe suits on plain pipe racks. But the Santangelo & Sandridge Luciano Barbera inventory was wonderful.

Georgia and Linda are our buyers (they won't listen to me at all). Everything you see at Santangelo & Sandridge either Georgia or Linda or both liked a lot. If you don't like what you see in our store its Georgia and Linda's fault.

Second, and this is much more difficult. The designers' collections vary over time in quality. Georgia and I were in Naples last week and the Livio de Simone collection was stunning. It has gotten better

every time we've seen it. We spent two hours with Graziella de Simone and she exuded energy and confidence. When we finished buying for spring/summer our only concern was that we didn't buy enough.

We've had the opposite problem with St. Johns Knits.

Georgia has been buying St. John for herself for at least ten years. Her sisters, her mother and legions of successful women also buy St. John. It used to exude conservative good taste and success. Unfortunately, in 1999, the Gray family sold out to Vestar Capital Partners. Richard Cohen from Ermenegildo Zegna was brought in to run the company and Marie Gray left. They brought in a new designer in an attempt to reach a younger clientele and began experimenting with new fabrics, patterns, and slimmer silhouettes. They hired Angelina Jolie to be their "spokesmodel". She unfortunately got pregnant. She is still beautiful but the ads only show her face. Worse, they changed the look of the collection. Many of the newer styles met resistance from St. John's longtime, loyal customers.

Last spring Georgia and Linda and I went to New York to buy St. John. We didn't like enough things to buy their minimum for the season. They offered to reduce their minimum. We ultimately told them that we'd continue to buy their basics but wouldn't buy the fall/winter collection.

Richard Cohen, former president and CEO, resigned in last April. His interim successor, Phillip Miller admitted there were some "fit and quality" issues this past spring that the company was working to resolve.

Now Kelly Gray is back. We'll look at their spring/summer 2007 collection.

The good news is that David Cenci introduced us to Stizzoli, an upscale women's knitwear line from Verona which leaves St. John in the shade. We hope to have them in the store in November for a trunk show and then to carry their 2007 fall/winter collection.

The Davide Cenci menswear collection has incidentally been a great success. His taste is perfectly aligned with what men in Middleburg, including me, want.



David Cenci

All this is a long winded introduction to the fact that we'll be having our first anniversary party on September 22nd and 23rd. We'll have most of our fall and winter collections on display and as usual we'll have music, champagne and hors d'oeuvres.

We'd love to see you.

Rod (with Georgia, Linda and Sue-Sue)