

# The World of Kate Spade

## **WHOLESALE**

2007E Sales: \$35M

210 Doors

## **FULL-PRICE RETAIL**

2007E Sales: \$35M

26 Stores

360°  
EXPERIENCE

## **E-COMMERCE**

2007E Sales: \$10M

## **OUTLET**

2007E Sales: \$10M

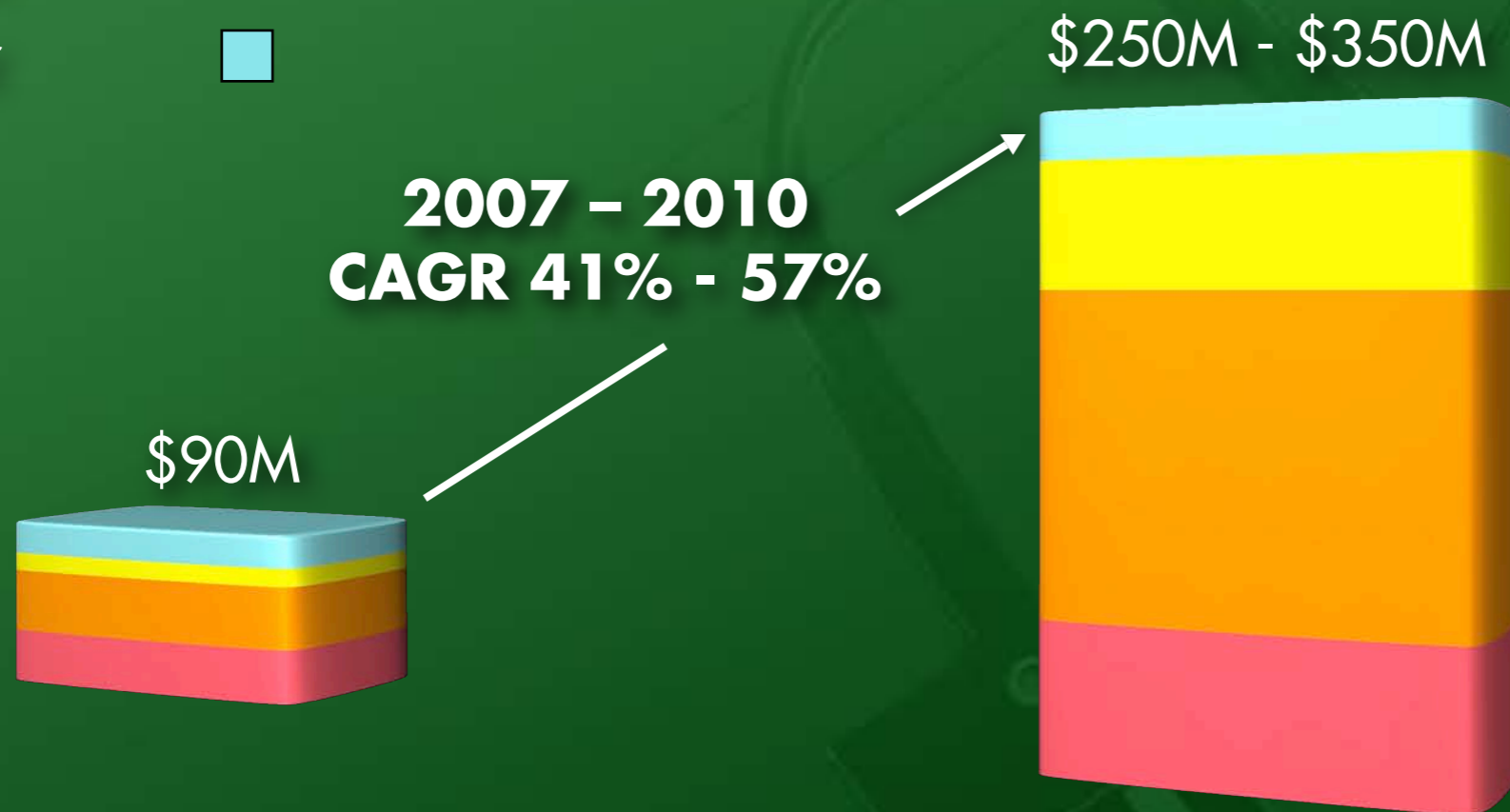
14 Stores

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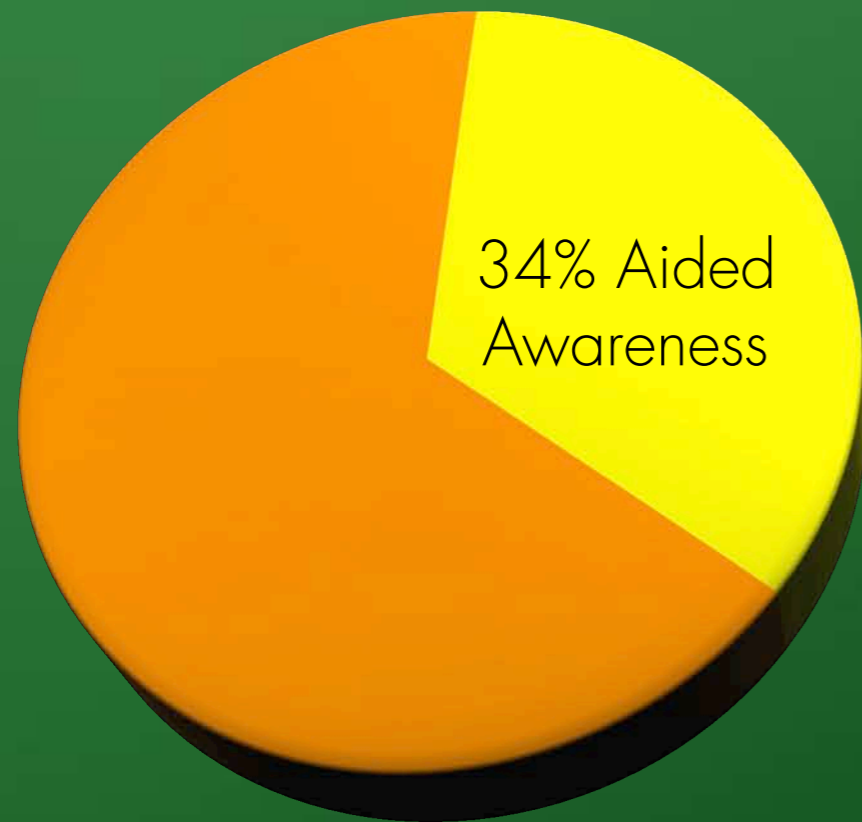
# Projected Sales Growth

- Wholesale ■
- Retail ■
- Outlet ■
- Other ■



'07 - '10 CAGR
8% - 12%
65% - 110%
55% - 73%
31% - 36%

# The Consumer Opportunity



**86%**

**Stylish Brand**

**84%**

**High Quality Brand**

**60%**

**Favorable Brand Perception**

**41%**

**Own Kate Spade**

“Classic, but up-to-date”

“Kate Spade is sophisticated and practical – with a fun flair”

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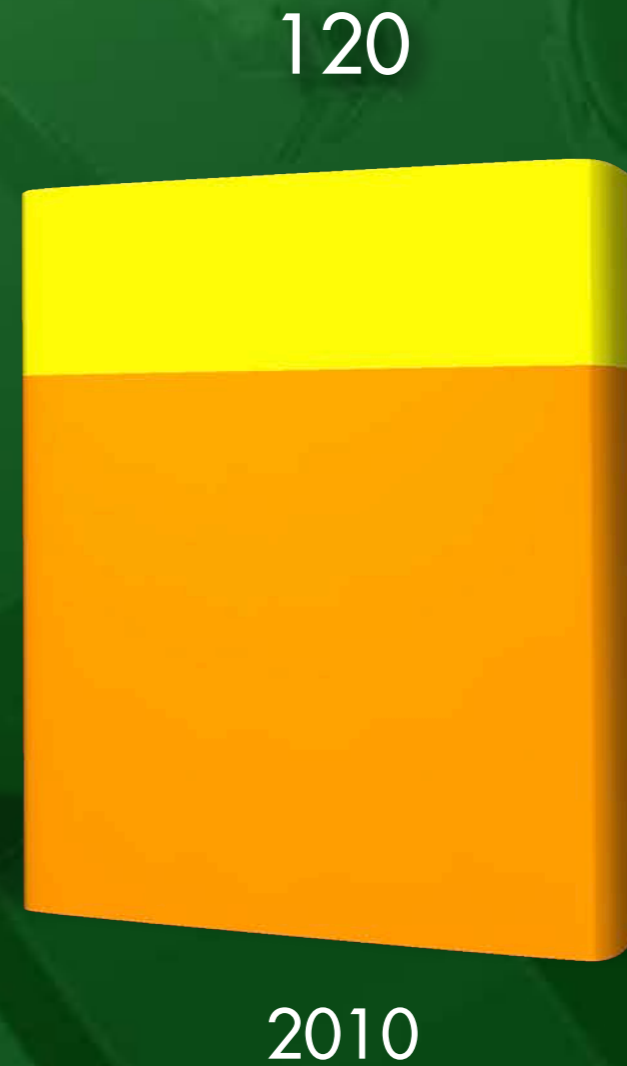
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# Projected U.S. Retail Growth

Retail   
Outlet 



**+80 Doors**



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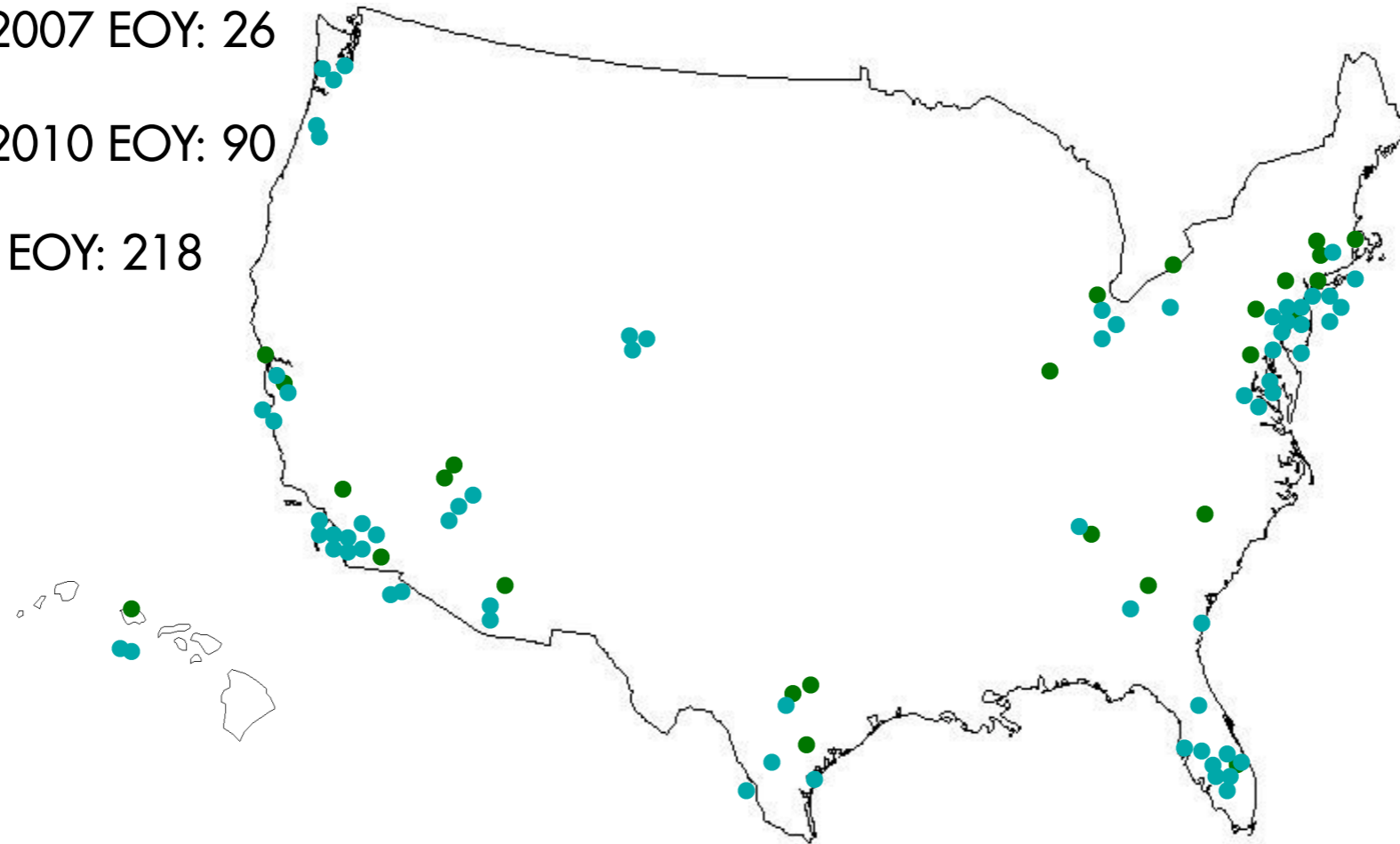
# Real Estate Growth: Full-Price Retail

Kate Spade 2007 EOY: 26

Kate Spade 2010 EOY: 90

Coach 2006 EOY: 218

- Existing
- New



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# Fashion Island, Newport Beach, CA



Princeton, New Jersey



# Strong Retail Fundamentals

## Key Financial Metrics (Full-Price US Retail) New Store ProForma

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Average Annual Sales/Store	\$1.7M
Average GSF	1,800
Average Annual \$/GSF	\$950
Comp Store Growth (2007 projected)	8% -10 %
4-Wall Operating Margins	20%

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# A Solid Core Assortment



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# Wholesale Growth Strategies

- ▶ Further penetrate key accounts

bloomingdale's NORDSTROM SAKS FIFTH AVENUE

*Wendy Taylor*

- ▶ Leverage best practices to pursue disciplined wholesale growth



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# International Expansion Opportunities



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# Fall 2007 Marketing Campaign



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# Direct Brands: An Engine For Growth

- Mexx ■
- Juicy Couture ■
- Lucky Brand Jeans ■
- Kate Spade ■



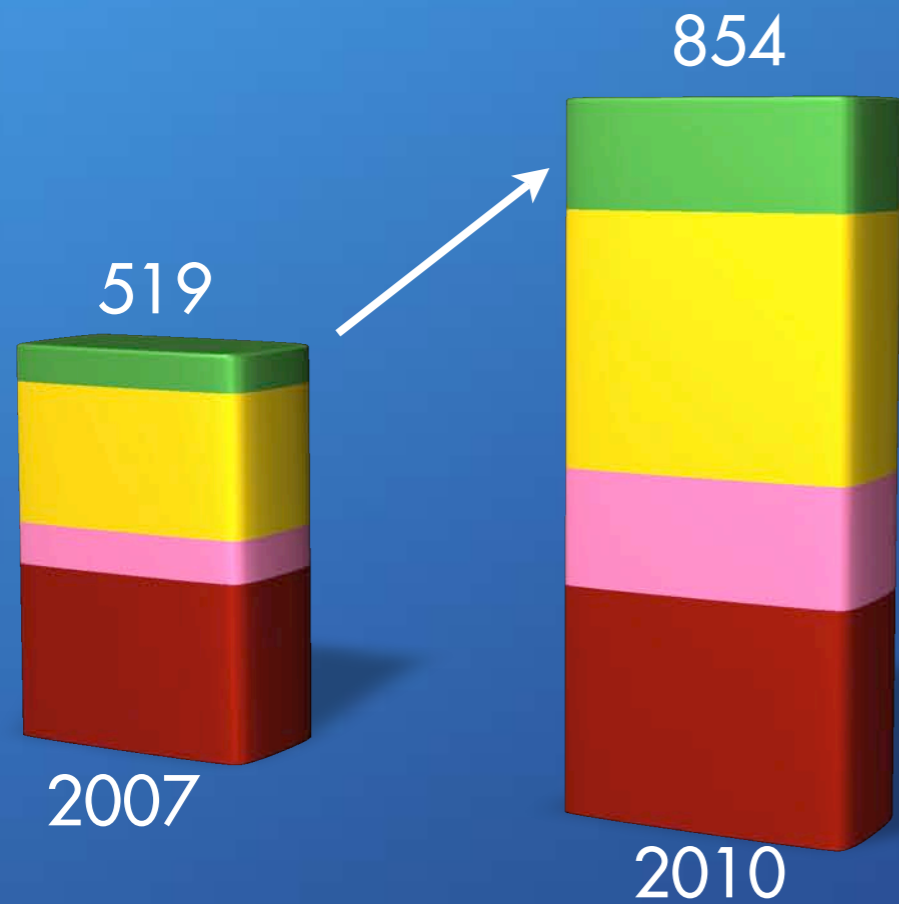
**2007 - 2010**  
**CAGR 10% - 13%**



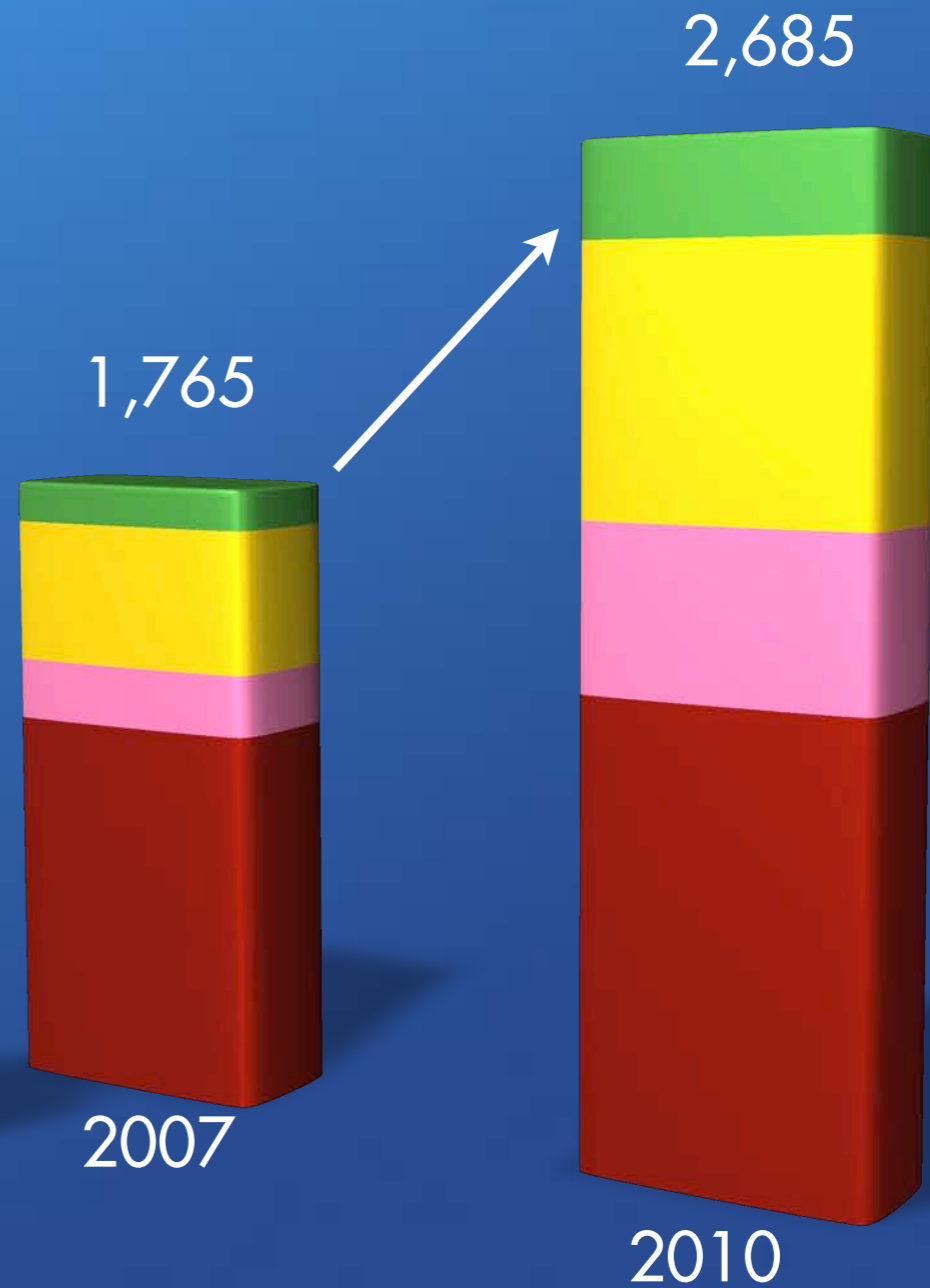
CAGR '07 - '10
41% - 57%
9% - 12%
10% - 16%
6% - 7%

# Growth of Retail Network

- Mexx ■
- Juicy Couture ■
- Lucky Brand Jeans ■
- Kate Spade ■



STORE COUNT



SQUARE FOOTAGE (000S)

# Summary of Key Growth Drivers

## Juicy Couture

- Retail Rollout
- Lifestyle Assortment
- International Expansion
- Marketing



- Retail Expansion
- Category Growth: Tops, Accessories, Kid
- Marketing



- Retail and Wholesale Rollout
- Focused Assortment: Handbags, SLG, Shoes
- Marketing



- Category Growth: Mens, Accessories, XX sub-brand
- Geographic Expansion: Germany, France, Eastern Europe
- Expanded Retail Network

What do you need to be the best?  
Concentration. Discipline. A dream.

- Florence Griffith Joyner