



Jem Sportswear: Into the Spotlight

*By Erin Barajas
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Jem Sportswear, the 35-year-old maker of licensed and private-label T-shirts that stock the racks of retailers from discount giant Target to Los Angeles contemporary boutique Lisa Kline, is set to step out from behind the scenes next season with a trio of new Jem-branded lines, a new logo and a revitalized corporate identity.

The brand, which started as a men's and boys' sportswear company in San Fernando, Calif., has until now maintained a low profile, even as it helped shape the licensed T-shirt landscape. Since the early '90s, the bulk of Jem's offerings have been value-priced, mass-market, private-label and licensed T-shirts for men, women, juniors, girls and boys.

Deals with Disney and brands including Ford, Barbie and Coca-Cola combined with private-label contracts with mass-market and department store retailers have helped grow Jem's business—but kept the company's name out of sight. That's quite a feat considering Jem's T-shirts account for a large portion of the juniors back wall at mid- and mass-market retailers (including Target and Wal-Mart) and that it manufactures private-label apparel for Macy's INC brand as well as most other major retailers. The company, which employs some 700 individuals, maintains an office in Laguna Beach, Calif., staffed with 20 designers who focus exclusively on Jem's private-label business. Tom Hancock, who also designs Jem's vintage-inspired Well Worn collection, manages the Laguna branch. "In the past, we always promoted our clients' brands—now the Jem name will appear, too," said Jeff Marine, the company's president and chief executive.

The company took its first step toward branding itself in 2000, when Jem launched its Awake division, which debuted with a line of Awake-branded but license-heavy high-end women's T-shirts. "We were the first company to really take character licenses, fashion bodies and trends that were happening in the market and created a new category for the buyers in women's," said Randi Spieker, vice president of marketing and licensing. The success of the high-end line, headed by Orna Stark, inspired the launch of little sister brands Cold Crush and Awake Girls, which target juniors and girls, respectively.

Inspired by the success of its women's high-end offerings, Jem is gearing up to launch Jem Lab, Jem and Little Jem, a new division to design and manufacture high-end Jem-branded licensed T-shirts for men and toddlers. "This is our way of stepping up and saying, 'Here we are' as Jem Sportswear, as a company," said Andrei Najjar, the recently hired senior vice president of men's and boys' who was brought in to steer Jem's newest division.

When Jem Lab and Jem debut for Spring 2007 in February at the Project Global Trade Show in Las Vegas, they will be the company's first venture into upscale T-shirts for men.

Jem Lab will feature fashion-forward graphics on organic cotton bodies. So far, Coke, Elvis, Ford and Disney have signed on to the project, which takes an abstract approach to the iconic brands. Elvis' face is rendered on a white T-shirt in a Lichtenstein-like style. A Coke bottle appears in contrasting stripes against a striped background. "Fashion is cleaning up and getting more

sophisticated. It's less 'L.A. street style' and more 'New York noir.' Jem Lab reflects that change with futuristic designs and a nod to modern art," Najjar said. "It's for the thinkers."

The Jem brand, which will be the men's flagship brand, takes a trendier approach to its licensors, which include McDonald's, NBC and Bon Jovi. "It's more casual, more humorous," Najjar said. Designs for the Jem brand are street-inspired, vintage and '80s-inspired. Retail prices for Jem hover between \$24 and \$38.

Rounding out the new upscale division is Little Jem, which features designs from the Jem and Jem Lab brands shrunken to fit on baby onesies and T-shirts.

With retail prices ranging from \$78 to \$98 for Jem Lab, the brand's T-shirts are priced competitively with designer T-shirts, but are higher priced than most licensed men's tees. Cara Bernosky, president and co-founder of IMC Licensing in Louisville, Ky., said Jem is entering some rarified air with its upscale venture. "It'll probably appeal to a niche market or—if they get celebrities to wear it—it'll be more for buzz factor. It's not something we see as a trend for the overall market," she said.

Still, there are several companies that have found success with high-end licensed T-shirts for men. Trunk Ltd. is selling licensed T-shirts for musicians such as David Bowie, Willie Nelson and Bruce Springsteen for upwards of \$100 at Lisa Kline Men and Barney's Co Op. Designer brand Anzevino & Florence started out making Andy Warhol-licensed T-shirts and is getting ready to launch a Coke-branded line of men's T-shirts, jackets and hoodies that will retail from \$40 to \$180. Denim maker Chip & Pepper is selling men's vintage college-logo T-shirts from \$75 to \$80. Steven Trussell, owner of the upscale Naked boutique in Los Angeles, is no stranger to high-end licensed T-shirts for men. His shop is home to 181 Martel, a store within a store that is home to the work of designer Darren Romanelli's Dr. Romanelli brand, which often collaborates with such brands as Hurley International, Looney Tunes and Black Sabbath. "For the last 10 years, we've been selling \$150 to \$225 designer tees. There is certainly a customer for it," Trussell said. Some licensed T-shirts start at \$35, but Romanelli's Looney Tunes T-shirts sold for \$175.

Fred Levine, owner of the M. Fredric chain of upscale boutiques, said he does a lot of business in men's high-end T-shirts, including licensed goods. But just any old thing won't sell. "It has to be the right licensor, and they have to have the right artistic approach to the brand. Guys are very particular about what they wear on a novelty tee," he said. Retro-inspired sports themes, whether for professional or college teams, he said, will be big for Spring. Levine, who sells T-shirts "like crazy," is hopeful Jem's newest division will be a success. "We did very well with Jem's Coca-Cola products for women. There's not a company that is better at production than Jem. They have a great fit, excellent quality and they ship on time. The new stuff could be great—it's just a matter of getting the art and licensors right."

Name game

To complement its new brands and its new focus on branding, Jem has created a new logo. Now its tags will read "Coca-Cola by Jem," for example. "It's a whole new strategy for us. We've never really maximized the Jem name before," Spieker explained. The company is hoping a two-year, Jem-branded deal with the Grammy brand, which is sure to get lots of celebrity press, will help launch its name into the public's consciousness.

Marine adds that beyond spreading the Jem name, the new Jem divisions and branding are tools for strengthening and diversifying the company's business. "That's really the goal with the branding and expanding the brand portfolio—it's to build Jem Sportswear as a company," he said. "We've always been diversified, we've always been versatile. We never keep our eggs all in one basket. We try to spread our business out, and I think that's one of the reasons why we've been around for 35 years."

As fashions veer from the ultra-casual to the more dressed up, Marine said Jem will respond. "At one point we were doing boxy tees. Now we're doing slim-fit T-shirts that are washed and have a great hand. The trends change, but at the end of the day it's a knit top that 100 percent of the population wears. We just have to figure out what the variation of that knit top is."

Having upscale brands for both men and women will help Jem predict what will sell to its core, mass-market customer. "We need to figure out how to outfit the entire country in T-shirts. We learn a lot by having those upstairs brands, which really translate down into the mass market

eventually. We see where the trends are going, which helps our mid and mass business,” Marine said.

Next up for the brand is a collection of Awake and Jem-branded wovens. “As fashion evolves, the good thing about being an apparel company that’s been around for 35 years is I’ve done all that,” Marine said.



pop and art: With subversive and modern art-inspired takes on classic icons—here, Elvis and Coke—Jem Lab pushes the envelope on licensed apparel.