

**COMMUNICATION
AND
MANAGEMENT**



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PART ONE

The firm :
GLAMADDICT



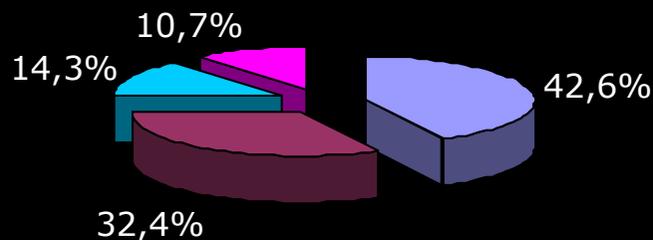
THE MARKET

In 2004, the expenditure of underwear carried out by the Frenchwomen of more than 15 years reaches 2,6 billion euros. The share of the underwear in their expenditure of clothing records a light fall: 18,8 % in 2004 against 19 % in 2003, but remain higher than 2002 (18,1 %).

The Frenchwomen affirm their taste for the bras even if their relative share in the expenditure of underwear drops with the profit of the panties, strings and breeches and of the slumber wears. They represent 42,6 % of the expenditure of underwear against 42,8 % in 2003 and 45,7 % in 2002.

A Frenchwoman buys more than two bras, nearly six panties, breeches or string a year, slumber wear every 16 months, bathing suit every two years and eleven months.

Sharing of French market of the underwear by product in 2004 (sum spent)



- BRA
- PANTIE, BREECHE, STRING
- SLUMBER WEAR
- OTHERS



In 2004, the variations of budget per age bracket tend to be tightened around the average.

The young women between 15 to 24 years remain an interesting target: they generate 18,3 % of the sales turnover of the underwear whereas they represent only 15,1 % of manpower

But for the first time, the women seniors from 55 to 64 years have the highest budgets per capita with 123,2€ (122€ for the 15-24 years).

Distribution of the purchases of underwear per age bracket in 2004 (in value)



The employees are most consuming underwear with 29 % of the expenditure of underwear in 2004 (34 % in 2003).

The largest basin of consumption is located in Paris area: 537 million euros is 21 % of the expenditure of underwear carried out in France. In second position, one finds the area the Mediterranean (352 million €), followed by the East South (331 million euros).

What is the budget?

The Frenchwomen belong to the largest consumers of underwear at the world with an average budget by woman into 2004 of 100,4€ (in fall of 1,2 % in value over 2003), behind the English ones and before the other European consumers.

Average budget underwear by woman in 2004



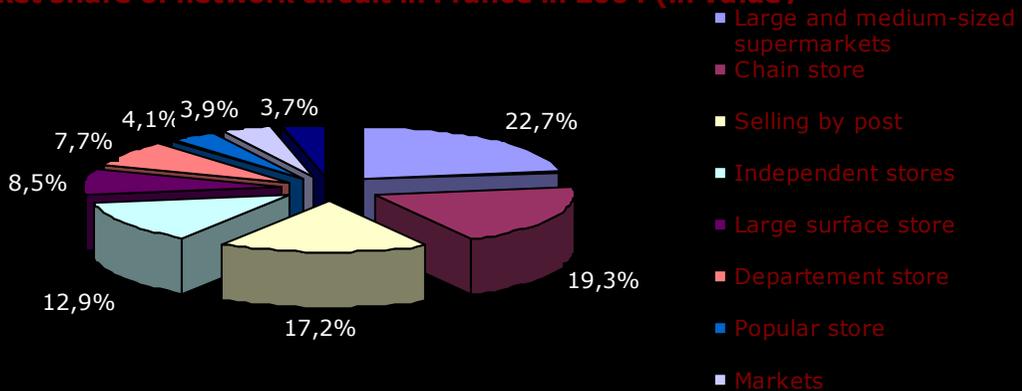
If it the purchases are broken up, it's the Frenchwomen who grant the largest budgets to the underwear of day and the corsetery (80,5€) and the English ones with the slumber wear and interior (36,2€).

The share of the budget devoted to the underwear of day and the corsetery is 80,5€ for the Frenchwomen, 72,3€ for the Englishwomen, 60,5€ for the Italianwomen and 59,4 € for Germanwomen.

Where are the purchases of underwear carried out?

The chains of clothing and underwear again gain ground in 2004 with 19,3 % of the sums spent. Since 2001, they gained 3,6 points of shares of market (in value), which makes of it the most dynamic circuit of the female underwear.

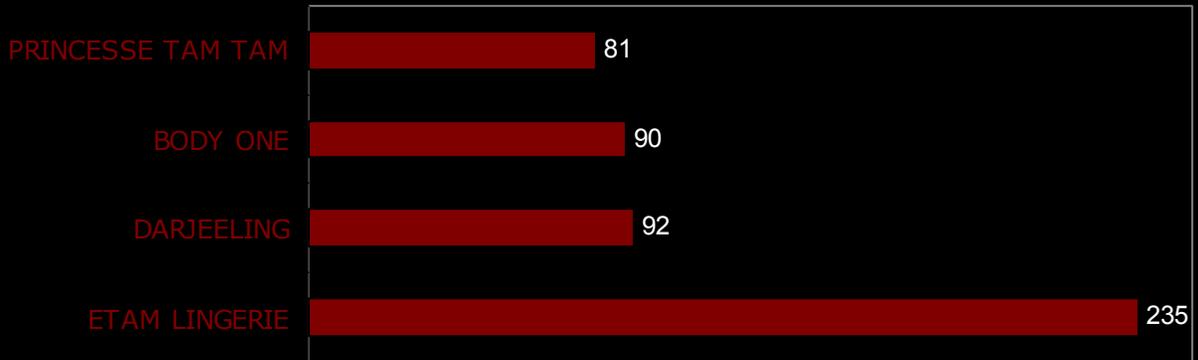
Market share of network circuit in France in 2004 (in value)



The food distribution, first distribution system in France, undergoes a new retreat of 0,8 point of share of market and is made catch up with little by little by the specialized chains.

The remote sale, with a progression of 0,6 point of market share in 2004, posts good results on the market of the underwear of day and the corsetery.

Prize lists of the chains, close-fitting and balneal present in France in a number of stores in 2004





THE ACTIVITY



GLAMADDICT is a company created in 2002, by 4 women. It is specialized in the corsetery, the underwear of day, the shirt woman and the male underwear.

Its registered office is located at BOIS D'ARCY in Yvelines, because this city is placed around many motorway axes, which makes it possible to facilitate the departures of delivery of the company.

At the beginning, the company is found with 20 employees, the brand is distributed only in traditional stores type MONOPRIX, the products are carried out for the majority with the hand

After the first 2 years, the company realizes that it can invest in machines and beyond a new era for the mark starts.

The market of the underwear remains carrying but knows breathlessness. The pressure exerted on the prices is very strong because of the competition and the irruption of positioned brands hardware discount and entry of range, which limits the growth potential in value.

Target:

Our company is placed on medium-high of range. Our prices bracket for the panties, breeches or strings between 30 and 50€ and between 60 and 100€ for the tops. Our principal competitors are AUBADE and LISE CHARMELE. The men and the women from 25 to 55 years are our main target.

PRODUCTS



This sample was an example to GLAMADDICT'S Collection 2004-2005. It shows all the possibilities to 1 product. In underwear, which is interesting is to find the colour which will make it possible to construct the unit which could be appropriate. It is necessary to take care on competition and to try not too much to be inspired and create its own style by it.

COMPETITORS

Independants specialist



LISE CHARMEL.

Multi-brands textile groups



Brands which integrate the distribution network



Specialized distributor





EVOLUTION

After having acquired a more important notoriety and thus more acquired of market share, the company could create a new mark, derived from the first for that the customers disperse, not intended for younger customers.

Indeed, the "lolitas", the 12-18 years, represent a very attractive sector for the brands.

This new range would make it possible to diversify the activities of the group, to be able to increase the collections and to become a reference of the female and male underwear.

Moreover, it will be necessary to think of investing abroad to have an international recognition, to try to copy itself on the models of the shops of luxury and to be established in the principal cities of the world which are dependent of mode.

SEXTOYS



PART TWO

Visual Audit

AUDIT

In the world of the mode in general, as much as for the undergarment more particularly, two representations of the visual identity are opposed. One being worked in the context of total refinement and sophistication in black or white achromy (sometimes declined pale pink) being able to change into object jewels gilded or silver plated. In this way the name of the mark is picturesque and writing of only one name such: Aubade, Chantelle, Barbara, Wonderbra... etc, either a compound name representing the name and first name of the creator of the mark such Chantal Thomas, or two initial worked such D and G of Dolce Gabanna. Here the will for the mark is to fit in the universe of top-of-the-range and luxury.

The other is a work based on the color where the name becomes more complex, more picturesque. It transports us in a specific universe and strongly identitaire such Princess Tam Tam, Petit Bateau: the logo symbolizes the name of the mark, this sailing ship included in a circle, is colored in yellow and in blue is redundant the name petit bateau writes in navy blue. The creator of the mark had chooses the name " petit bateau " because it adored the children's song "il était un petit navire" which represented for him its childhood. Here the insertion of a logo or the presence of polychromy in the visual identity of the brand ,ink in a strong personality having a connotation low and average range.

Today there is a still accessible segment. One chose to be registered there and to bore there in 2002. It is to reveal carrying. This is why we present our identitaire strategy to you which enabled us to develop in it. This segment is that which establishes a link between the two above world, i.e. the universe of the means and top-of-the-range. For this segment the visual identity was to be optimal of visibility i.e. recognizable, distinctive and easily memorable. It was necessary thus that we find a compromise which represents an identity marking quality and creating a universe coloristic and symbolic system in relation to our range of price. We thus needed a sophisticated public image accompanied by a logo and limited in the chromatic field. It is in the sense that Glam Addict was creates.

As the public image Rosy, Glam Addict chose the red and developed in parallel an identitaire brand strong and distinctive thanks to its logo a rose black on red bottom. Thus we transgress the traditional model in this exchange, between positive and negative, the black and the red. This transgression is found through the symbolic system of the adjective addict which reinforces the Glamour adjective contracted in Glam which makes our name of brand.

Glam Addict. The rose amongst other things represents the gift of the love, the pure love and femininity redundancy of the image of Glamour.

Here the white of the luxury is replaced by the red, in a certain manner our mark inscribes under same logic. The white having a symbolic system rather common to that of the red. Let us not forget that the red dress of the marriage became white only at the XIXth century only. We thus represent an image of the luxury has an accessible price.



LOGOTYPE

Our logo is the symbol of the visual identity of our house. GLAM Addict our name comes from Glamour and Addict. We are a Parisian house of luxury undergarment for man and woman. We chose a graphic design of nobly round form in connection with our undergarment and luxury trade.

The curve represents at the same time the mellow our undergarment thus their comfort and by its circle assimilation, it symbolizes the unit and the perfection.

The red is there to confirm and to intervene as redundancy. The red is the color par excellence which can be able to synonymous according to the cultures with colored, beautiful and rich. It is the color most strongly connoted culturally.

Until the XVIIIth century, it is in the range of the reds that dyers obtained most luxurious, colored, beautiful and diversified clothing. It was also the color the more precious, the more expensive and that reserved with the aristocracy. By this skew we lied our brand in a tradition at the same time well inking in the past and at the point in the air du temps.

Until the XIXth century one married with her more beautiful dress which was often a red dress. The red is the color of elegance and of modernity and it is also a signal which attracts the eye. The red is also the color of the love, of passion and of the erotism. One finds it in the make-up through the tool of seduction par excellence which is the lipstick. It is finally a color dynamic and close to us, who leaves the screen on which it is fixed.



The black is naturally present like background in complement of the red, it is the color of elegance and modernity. The ceremony dress and the luxury articles are of this color as well as the refined bags and packing. The black is the color of the packaging in the world of the luxury, it is the sign of refinement it can be ignored.



PART THREE

Sponsoring



SPONSORING

PARIS PREMIERE



Glam Addict sponsor an worship program on Paris Premiere Channel during the "fashion week". The fashion week, are the collections "haut de couture", ready to wear from Paris, Milan and New York. Our company "Glam Addict" will present each fashion show and each beginning of program. Each program begins at 20h50 and is introduced by Marie Christine Marek, specialist uncontested in the fashion business. She presents and comments each show but there is a part of the television programme which proceeds in back stage and to finish, there is an interview of the designer. Glam Addict will be presented through short spot of 10 second.

GLAM ADDICT presents the hidden side of Paris

PINK TV

pink[®]

Pink TV is a new channel which main audience of the homosexual ones. We broadcast on this channel a commercial of 10 second. This spot aims to gain a homosexual audience, which have a high purchasing power. This spot will put in scene little glamour woman who enters our shop, she decides to buy underwear to allure a man who remains completely indifferent to her charms. Following this purchase she going to a famous night club of the french capital "Queen". She sees the man and he got closer, she tears off her clothing. Everybody the nightclub look at her and do the same thing as her. The purpose is reached and the man is seduced. But suddenly she sees behind the man, a very beautiful young woman and goes away with her. The tone used is humorous because this population turns much of things in derision. Environment festive and is very sophisticated. It is an environment glamour and the message is: Thanks to Glam Addict transformed yourself and become Glamour....



PART FOUR

Communication



SUPPORT OF COMMUNICATION

The various supports where our logo will appear will be the followings:

- Building of our company
- Doors signs of the stores
- On the label of the product
- On the product sometimes
- Administrative papers
- Dress of the receptionist
- Ground of our hall
- Labels of clothing, bags.
- The gifts which we distribute to the press (pins and other jewels)



PLAN OF COMMUNICATION

Glam Addict must be present in the women's magazines and the specialized one. We chose press support like:

- **Elle Paris, Italy US**
- **Vogue Paris, Italy US**
- **Official Paris, Italy US**
- **Glamour Paris, Italy US**
- **Cosmopolitan Paris, Italy US**
- **Vanity Fair US, U.K.**
- **Marie Claire France**
- **Femme Actuelle France**
- **Vogue Man Paris, Italy and US**

Glam Addict is present in these supports throughout the year but with most accentuated presence during the fashion of Paris, Milan, and New York.

The company is also very present in the French media during fashion fair "**fair of underwear**".

We also decided to communicate thanks to different ways : the public relations.

Our contact with the various female and male French magazines are excellent and the fashion editors appeal to us to dress the models or to insert our models on their fashion page.

Glam addict is often present in the magazines thanks to this means and for free. We have the same step for the male or homosexual press like: FHM, Maximum, Tetu. The models men and women are dressed by our brand on the shooting.

THE FAMOUS WORLD OF INTIMATES

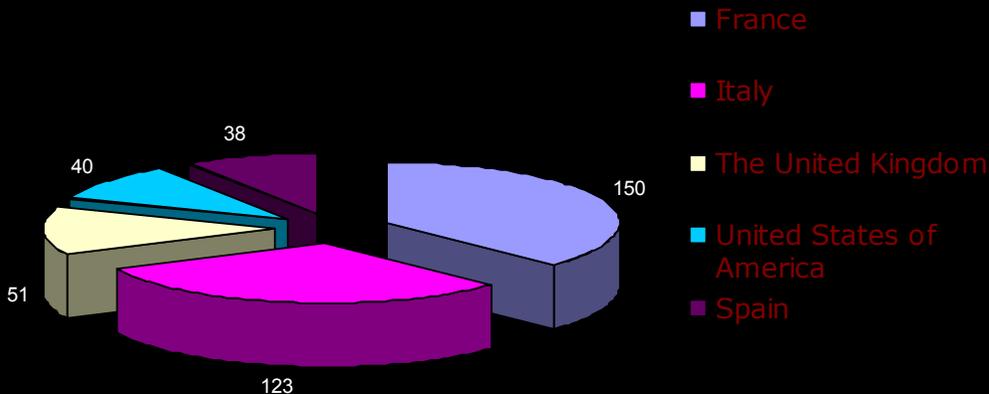


The success of the famous world of intimates

it is a world event in the sector. In 2006, it A joins together 570 brands of underclothing, that is to say more than 145 additional brands that in 2005. The French brands are represented with 150 brands. Italian is found just behind.



MAIN COUNTRIES PRESENT





The attendance of the visitors was weaker this year. They were a little fewer this year than in 2005 (- 5 %). On the 25 000 visitors awaited, only 22 784 made displacement, come in majority from Italy, of Belgium, of Spain, of the United Kingdom and Germany.

However, the assessment seems positive for the organizers of the living room "because the exhibitors all worked well and the level of the exchanges as well as the contacts were of a very good level".

Key figures

World consumption in underwear reaches the 33,5 billion dollars, which is distributed between the EU (35 %), the USA (27 %) and Japan (18 %). In Europe, it is in the United Kingdom that it one finds the greatest number of purchasers since the average budget by woman is 108,5€.

The Frenchwomen occupy the second place with, according to the French Institute of the Fashion, an average budget of 99 € in a year. It should be noted that among them, in fact the 15/24 years buy the most underwear. They spend, indeed, on average 122 euros each year.



Why is important for a brand to be present on this show?



The challenges

In France, the main objectives are to:

- Foster customer loyalty,
- Develop certain targets:

men's retailing (underwear or multi-products), ready-to-wear stores, homeware stores etc.

Internationally:

- Consolidate presence of top ten countries,
- Develop key countries like:

- USA : a market with strong potential not affected by deflationary tendencies,
- Russia, a high-potential market which this year has recorded very strong growth of 50% compared to 2004,
- Middle East, regarding countries enjoying full growth such as Saudi Arabia (up 15.6%), Kuwait (up 72.2%), Qatar, Syria etc.



A comprehensive range of visitor services:

A platform of international brands, added to each year with the development of crossover worlds and new designers...

Documentary and specifier fashion info: Conference, Fashion shows, Forum etc.

Visitor amenities which we strive to adapt and improve each year: Gold Club, Boutique Club, Relaxation area etc.





PART FIVE

Lobbying



LOBBYING



Context

It became difficult to speak about international trade without approaching the field of the textile and the crisis which is in hand. The industry of the textile is one of most important on the international markets. It employs in France 200 000 workers and carries out a turnover of 26 billion euros. There are approximately 2 700 companies with more than 20 workers. It's mainly of small and medium companies: 80% of the companies employ less than 500 people and only 20 firms exceed 150 million euros of turnovers.

Thus, the industry of the textile is living the most important reorganizations of its history. It began during the Uruguay Round which was unfolded between 1986 and 1994. The Member States of World Trade Organization decided to implement a right and fair trade of the textile by abolishing quotas on the importations from the developing countries. By noble intentions, the textile agreement clothing was the starting point of the way quotas on textile would be completely abolished on January 1, 2005.

China is among the winners of this release of the markets. Indeed, it currently makes 17% of the production of the world industry of textile and clothing. WTO predicts that the market share of China will be of 50% by 2008.

Faced with this threat of Asian textile invasion, some regional associations were set up to try to decrease the effects on their respective economies.

Since its creation in 2002, Glam Addict works mainly with the company of clothes industry De Fil en Aiguille, located at Tarbes, for the manufacture of its underwear. This company currently has 110 employees.

The underwear is a sector which suffers from the competition of the cheap foreign home-workers: indeed, this one lost more of third of its manpower in fifteen years. The abolition of the quotas of importation of the textile products on January 1, 2005 does not arrange the situation.

Some companies of clothes industry start to delocalize in Thailand or in Sri Lanka.

The closing of the workshop in Tarbes would involve the equivalent of almost a thousand of dismissals on a average Frenchman department scale. Without counting that the prospects for reconversion in the area are weak.

One of the prospects for the activity at the national and European level is to centralize their activities in the production of fabrics and clothing the top-of-the-range one.

To make hear its voice

Because our activity is governed by standards and regulations at the local, national, European and world level, the adoption of a new rule can put in danger or, on the contrary, develop some sides of our activity. That's why, we must make hear our voice. It is all the stake of the lobbying

The rise of countries with low wages finally succeeded in defeating the last fighter of the French clothes industry. Labour is 3 times less expensive in Tunisia, 6 times less in some countries of Eastern Europe and 20 times less in China, first exporter of underwear.

The end of quotas on textile and clothing was dreaded by several countries and associations throughout the world.

Because union makes the force, even if we are not from the same countries, Glam Addict joined the Union des Industries Textile (UIT), a group of trade associations, representative of a big part of the 1 280 textile companies of France.



Lobbying is one of the reason of the UIT, mainly since January 1, 2005, date on which the European Union stopped applying quotas on the importations of textile and clothing, thus opening its market to the Chinese manufacturers. The UIT built a defense strategy of the interests profession, by basing its action on a small group of elected officials - at the French National Assembly and the Senate - which are committed following closely all the questions related to the textile activity.

They developed the same type of unofficial structure at the European level because it is in Brussels that 80 % of the French legislation is now prepared. In addition, the UIT is a part of Euratex, which gathers all the European federations of the textile and clothing, representative of 170 000 companies and more than 2,6 million of workers in the EU.

The results of the action

The textile industries of the European Union denounced the unfair and aggressive export's policy of the chinese companies to the European Commission. Unfair character expressing various ways :

- China practises copy and counterfeiting, reducing the efforts carried out in the field of creativity and innovation. However, it is precisely thanks to the creativity and innovation that the Western textile companies try to compensate their high production costs by manufacturing products with a greater added value.

- the Chinese economic system forsee a lots of of helps which make that the Chinese products are sold at dumping prices which not reflect the real economic cost price. The consequence of these dumping prices is that China sells on the Western markets finished products whose price is less high than the cost price of the raw materials





That's why, EURATEX and the professional organization representing the Belgian textile companies, FEBELTEX, introduced a safeguard's file of to the European Commission. Following the pressure exerted by these 2 organizations, the Commission opened an investigation on April 29, 2005 on nine chinese textile products. This one declared that its investigation had revealed a spectacular degradation of the production, profitability and employment in Europe in the studied categories (pullovers and trousers for man).

The European Union and China concluded Friday June 10, 2005 in Shanghai a negotiated arrangement which will make it possible to limit in volume the imports of chinese textiles on the European market until the end 2008. This agreement will allow a reasonable growth of chinese textile exports towards the EU over the period 2005-2007 whole while giving time necessary to European industry textiles to adapt.

The agreement fixes different ceilings for the various categories of textile products.

The limitations accepted by China only give a reprieve to the European textile industry. According to this one, 2,5 million employment is threatened.



PART SIX

Commercial
documents

