

# 'French Connection remains stuck in the middle'

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In the 1980s and 1990s, French Connection was right on trend with its FCUK branding, riding the patriotic wave of Britpop culture epitomised by bands such as Oasis and Blur. However, even though the brand rang true with young consumers at the time, by 2003 the FCUK campaign had lost its momentum.

Last month, French Connection reported pre-tax losses of £6.1m in its half-year results and shares have slumped to just 30p. Despite these seemingly poor results, this was a £200,000 improvement on the same period last year and some analysts have suggested French Connection could be making a comeback.

However, some challenges remain. The rise of high street fast-fashion retailers on the one hand and the UK's super-luxury brands on the other seems to have left French Connection treading water in the middle. While the target consumer in the FCUK era was the 20-something urban Brit, this young audience now prefers to shop at Zara, H&M and Topshop.

French Connection's relatively high price point may be another stumbling block for attracting this younger demographic, and older consumers who can afford French Connection often seem to prefer more luxurious brands such as LK Bennett and Burberry.

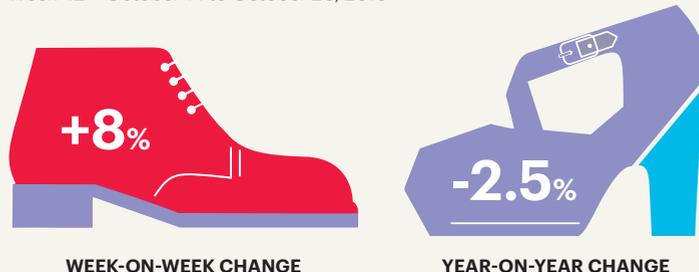
So what's next for French Connection? First, it needs to decide what it wants to be and whether it is happy being in the middle. It may be that the retailer has become accustomed to the highs and lows of retailing and will just keep trading until it gets back on a high. After all, it is possible that French Connection is just struggling in the same way as other retailers on the high street and will bounce back with the recovery.

Alternatively, it needs to reinvent itself and find its own niche. One retailer that has done just that is Whistles. Many attribute the hiring of former Topshop brand director Jane Shepherdson as a turning point for the struggling retailer. Shepherdson, who bought a 20% stake in Whistles in January 2008, has created a sophisticated business that truly understands its customers.

There are signs that French Connection may be taking a similar approach. The finance director, head of design, head of production and head of marketing have all been replaced and six new people have been employed for the women's design team. This, combined with a new marketing campaign and a store revamp on the horizon, suggests French Connection may be on the road to another high.

## WEEKLY FOOTFALL RETAIL INDEX

National UK footfall figures  
Week 42 - October 14 to October 20, 2013



Daily data shows that poor weather across the UK on Wednesday saw a corresponding 5.8% decline in retail traffic year on year. In the regions affected by teachers striking, Thursday (strike day) brought a 12% increase in footfall. This equates to a 1.6% year-on-year rise for the Index overall on this day and a significant decline for all the other days. Looking at regional variations, only the Eastern England region achieved an increase against the same week last year.

## HIGH STREET SALES TRACKER

Like-for-like sales figures across the high street  
Week ending October 20, 2013



It was a return to growth for the fashion index after four consecutive weeks of like-for-like contraction. Menswear and mainstream fashion performed particularly strongly, while more specialist retailers provided some of the weaker results. For more information, email don.williams@bdo.co.uk

## DRAPERSJOBS.COM

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1. Design 7.6%
2. Production 7.5%
3. Merchandising 6.4%
4. Sales 5.8%
5. Buying 4.5%