

Inside:
Section II
Domestic Trade Shows

WWD WEDNESDAY

Sportswear

Freeze Frame

**They
Are
Wearing®**

NEW YORK — It takes more than a little nip in the air or a bit of the white stuff to slow down a New Yorker, especially when she's got the subway to get her from point to point. WWD checked out several major subway stops to see how women were braving the chill. While big coats and sturdy boots seemed a no-brainer, all those bright hats, scarfs and mittens brought cheer to winter's drear. Here, a young lady who popped out of the N, R, W station at Astor Place. For more, see pages 4 to 7.

Handover at Gap Inc.: Fisher to Step Down, Son to Take New Role

By David Moin

NEW YORK — Donald G. Fisher, who launched Gap Inc. in 1969 because he found it difficult to buy jeans at department stores and had a vision for a simpler shopping alternative, will step down as chairman of the Gap board after the company's annual meeting in May.

However, industry sources pointed out that Fisher and his family continue to control the board and remain the major shareholders, owning an estimated one-third of the stock. In addition, Fisher's son, Robert, has been elevated to non-executive chairman, effective in May as well.

See **Gap**, Page 16

COMPLIMENTS OF WWD



Flying Colors for Three Custom Growth

NEW YORK — Three Custom Color Specialists' cozy New York laboratory is producing some worldwide growth.

From Paris and London to Kuwait and Tokyo, the company has attracted so many customers that it rolled out to 35 additional doors this year, nearly doubling its distribution. It is now available in a total of 75 high-end boutiques worldwide.

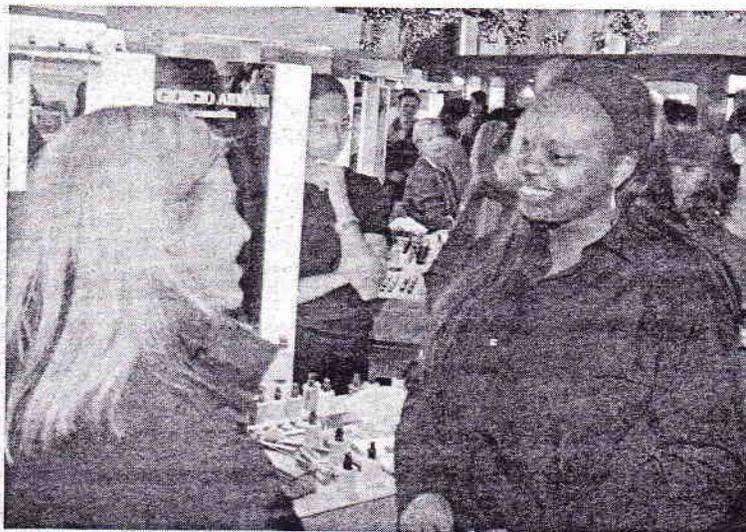
Future plans for Three Custom Color include steadily building its domestic and Internet business, as well as increasing distribution in Japan and the U.K. It also intends to expand into Australia, Belgium, the Netherlands, India and Qatar.

Product sales for the company's more than 200 stockkeeping units are projected to reach \$1.7 million by the end of the year and \$2.3 million in 2004, according to industry sources. The brand will also launch a brow gel, mascara, clear and colored lip balms and a new foundation formula for both its Ready To Wear and Custom Color lines next year.

Why call the company Three Custom Color Specialists? As the name suggests, it offers a custom color blending service where it re-creates by hand almost any color within its five makeup categories: lips, cheeks, eyes, face and brows. For the custom blending service, the customers provide samples of the colors to be duplicated. Then, the custom-blended products are shipped to customers within three to five business days, while a color sample remains in the company's permanent archive for trouble-free reordering. Mascara, brow gel and lip and eye pencil colors are excluded.

Just last month, the company added face powders in both loose and pressed form to its Custom Color and Ready To Wear lines. Ready To Wear loose powders come in 0.6-oz. and pressed in 0.08-oz. containers for \$36.50 and \$19.50, respectively. Custom Color loose powders retail for \$47.50; the pressed powder is priced at \$34.

Three Custom Color's Ready To Wear collection is based on the color wheel and offers all of its colors in "warm" or "cool" shades. The line includes brow powder, eye shadow, eyeliner, crème concealer, crème powder blush, bronzer, translucent



Pat McGrath of Giorgio Armani Cosmetics, with a customer at Saks Fifth Avenue.

makeup brushes.

"We're color experts taking an out-of-the-box approach, but we're not outrageous," said Trae Bodge, a founder of Three Custom Color Specialists. "We're a great resource for unusual requests. We tweak other brands of makeup with our tried-and-true

BEAUTY BEAT

ingredients, and our loyal customers never feel rushed with us or sold on our products." Bodge develops new colors and products and serves as media liaison for Three Custom Color, while Scott Catto operates the company's business side and works as the liaison between the company's select team of graphic designers, printers and Web site designers. Chad Hayduk is the resident training director, makeup artist and a spokesman for the brand. He also aids in color and product development. The trio combined their talents and initiated this self-funded firm in 1997.

— Andrea Zarczynski