



AISHTI

71 EL-MOUTRANE STREET, BEIRUT

Fashion Victor

Trend-conscious entrepreneur transforms shopping in downtown Beirut

Browsing the website of Aishti, Beirut's luxury department store chain, is like wandering through a "who's who" of the fashion world.

All the big brands are there: Armani shirts, Alexander McQueen dresses, Prada shoes, Zegna ties and furniture by Rausch and Minotti. It is modern, sophisticated and easy to navigate.

In these respects, it bears more than a passing resemblance to its bricks-and-mortar business. But the latest Aishti store, built in downtown Beirut, has far more to recommend it.

Occupying six floors and 65,000 square feet of space, this flagship store offers fashion for men, women and children, sporting goods, cosmetics, accessories and "art de la table", a restaurant and lounge bar, a forthcoming spa, and a bookstore.

It has attracted top European and American fashion companies to become the luxury "vitrine" of Beirut and the Middle East. Names like Chloe, Zegna, Dior, Fendi, Dolce & Gabbana, Brioni, St. Laurent, Gucci and Prada fill the shelves alongside some new market entrants like Estée Lauder, Crème de la Mer and Clinique.

The store joins a chain of six other Beirut Aishti outlets, owned by Tony Salame. His group also includes sister stores Noni, Aishti Home Collection and SIT in Milan, although all will soon be amalgamated under the Aishti brand.

"We have the highest-end brands, which are sometimes hard to find under the same roof, on an exclusive basis, in the same market. That is why we are expanding as we try to give to every brand that we represent the right place and volume within the store," he says.

Located on Moutrane Street, which is becoming the Avenue Montaigne of Beirut, in the city's reconstructed central Solidere district, the store was renovated by an international team of architects and consultants and inaugurated in style with a glitzy guest-list of politicians, diplomats, models and local celebrities.

The launch marks a key achievement for its owner. After setting up business in 1989 selling imported and discounted labels to the Lebanese market, Mr. Salame has seen a steady

climb to success.

Following a period of expansion and diversification, the chain has been built into a brand of its own as a purveyor of luxury goods.

Mr. Salame says, "Branding is very important for us and for the customers as well. But branding does not mean only advertising and a good location. It begins from a culture, even from the salesmen in the store."

But the launch also marks a turning point for the regeneration of downtown Beirut. Mr. Salame hopes it will trigger new growth, bringing more development and shoppers to the area.

"It will fast become the trendiest



Tony Salame

consumer spending being a key indicator of economic recovery, this is promising.

The government has also pledged other measures including structural reforms, a modern tax system, privatization and liberal trade.

Despite the economic downturn, Mr. Salame thinks the signs are good. "We still feel that the country is growing," he says.

He not only believes in the future of Lebanon; he expects it to be wearing designer jeans, Gucci shoes and trailing Estée Lauder fragrance in its path. But he is not getting complacent. "We cannot dream we used to be the best area in the region in retail, before the war, we have to understand that right now we have competitors."

So Aishti is investing in advertising and has retained the New York agency, Madoff, which has worked with Victoria's Secret and Ralph Lauren, for its TV ads. Competitors will also have to face an ambitious program of Aishti expansion. The group plans to open a second speciality store of 70,000

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place, as the routes and the memories of the Lebanese are still linked to this area. People like to change and to see something new and it will soon attract new offices and shops. It is not an artificial area," he says.

Built as a one-stop shop for discerning customers, the store is already attracting both locals and wealthy tourists.

Certainly, the tourists are filling Beirut once more to visit the historic sights, the mountains, waterfront cafés, restaurants, lively nightlife and shops.

Although the economy is still sluggish and tempered by a global slowdown, European airlines fly into the new airport terminal. Restored hotels bustle with business, new highways dot the landscape, while battle-worn avenues are transformed into chic fashion boulevards.

And it's not just the streets that the city is restoring. Beirut is also rebuilding its image to claim back its crown as the region's shopping capital.

But in a flat economy reeling from recession, will this be enough to get the tills ringing? The statistics are positive: the retail sector is the fastest growing in the economy, helped by government incentives such as lower taxes. With

square feet in Spring 2003 on the seashore of north Beirut and open a number of franchises within the Gulf region, combining international brands with local tastes. Eventually it plans a flotation to help finance expansion into Europe and the development of an international brand.

Until that happens, everything a shopper could desire is available at www.aishti.com. ■



Aishti downtown Beirut: the closest thing Beirut has to Barneys or Bergdorf Goodman, NY.