



Fashion Retail

URBAN VIBRANCY

OVERVIEW

The city has established itself as a very successful retail hub for the region, particularly for women's fashion. Shoppers travel from Edmonton and there is therefore an opportunity to add more retailers, thereby increasing the critical mass of offerings and strengthening the already established brand.

LOCATION

Downtown Camrose is the heart of boutique shopping with a significant number of current offerings. This critical mass draws customers from over an hour away and it is recommended to operate downtown with new boutique fashion retail opportunities.

INITIAL CAPITAL "D" INVESTMENT

\$ 373,340



Market Opportunity

Table 1 shows the current list of fashion-related retailers in Camrose and the number of years they have been in business. Despite two of the businesses only being in business for a year or more, the number of years in business of the other businesses is a remarkable average of 25 years. Clearly retail in Camrose is a profitable and resilient business to be involved in.

There appears to be an opportunity for a retailer that brings in new brands, not currently being sold in Camrose and for a retailer to expand into men's and boy's fashion which is currently very under-represented in town. Another sign of how significant the market demand is, is the fact that one of the most successful retailers and one of the few that currently sells men's and boy's fashion was the retailer most strident in their opinion that Camrose needs another men's fashion retailer so as to expand the overall retail brand of the city.

From a capital perspective this business requires a small investment in terms of the lease and the payroll and the only cost of significance is the inventory required which can be bought somewhat incrementally as market demand is proven out.

Boutique	Years in Business	Year Started
Baby Love Products	41	1983
Bra Necessities	15	2009
Duff Layton's Men's Wear	75	1949
Fascination Street	0	2024
Fringe Benefits	18	2006
From Kicks to Kids	16	2008
Golden Bins	1	2023
Rejime	25	1999
Sole City Shoes	45	1979
Suzannes and Jennys	15	2009
The Essentials Boutique	28	1996
Tish's Fashion & Finery	25	1999
Trendy Walrus	7	2017
Twig	15	2009
Average years in business	25	

Table 1

The Experience

Based upon the market demand, gaps and segments already identified in this document, the following is the recommended business model and corresponding, required infrastructure recommended for the execution of a successful fashion retail business based in Camrose.

This fashion retail opportunity is aimed at both residents of Camrose and visitors. The opportunity is centered on the current reputation for women's fashion in Camrose and the gap identified by stakeholders and current fashion retailers. Stakeholders interviewed all identified that many shoppers make a special trip to Camrose, including from locations such as Edmonton, to partake in the women's fashion retail opportunities found here. One operator's business is primarily based on providing van transportation for fashion shopping experiences in Camrose with her clients spending at least \$150 each, some as much as \$700-800 per shopping trip. An interview with another successful Camrose fashion retailer indicated that she believes that there are opportunities for additional women's fashion retailers which will only serve to increase the critical mass of quality retailers that will add to the destination brand as a great unique, boutique and specialty store destination. It was also identified that some of these stores should find a market for



men's fashions that are currently severely under-represented in the marketplace.

This retail opportunity is not only a stand-alone opportunity but is also a value-added experience for any other tourism experience that a visitor to Camrose may enjoy.

The opportunity is for the development of a boutique fashion store located on or immediately adjacent to Main Street. The store needs to carry brands currently not available in Camrose to build on the current reputation as a prime destination for unique women's fashion. Financial projections for the retail operation have been based on the real, provided sales experience data from a retailer in Camrose and extrapolated to capture a six-day per week operation (plus additional days leading into Christmas). The existing 15 fashion stores have been in business an average of 25 years pointing to the strength and resiliency of the retail sector in Camrose – again a great sign for any potential new, fashion retail business.

Financial Projections

THE SEASON

The financial projections assume a 313-day operating season (6 days per week plus Christmas special hours).

CONSERVATIVE PROJECTIONS

A conservative approach to the financial projections has been utilized, including:

- Growth has been projected at 10% per year for year 2 and 3; 8% for year 4; and 7% for year 5.
- Operating expenses have been projected to increase 3% annually;
- Bank/credit card charges of 3% on all revenues have been assessed; and
- Generous salaries and wages have been projected and staffing numbers have increased as sales increase.

CAPITAL COSTS

Equipment	Number	Cost per unit	Total
Storage Racking	12	\$ 200	\$ 2,400
Display Racking Systems	40	\$ 300	\$ 12,000
Infrastructure			
Leasehold Improvements	1	\$ 75,000	\$ 75,000
Signage	1	\$ 15,000	\$ 15,000
Inventory			
Initial Inventory Investment	1	\$ 200,000	\$ 200,000
Soft Costs			
Pre-Opening Marketing	1	\$ 30,000	\$ 30,000
10% Contingency			\$ 33,940
Class "D" Capital Budget Estimate Total			\$ 373,340