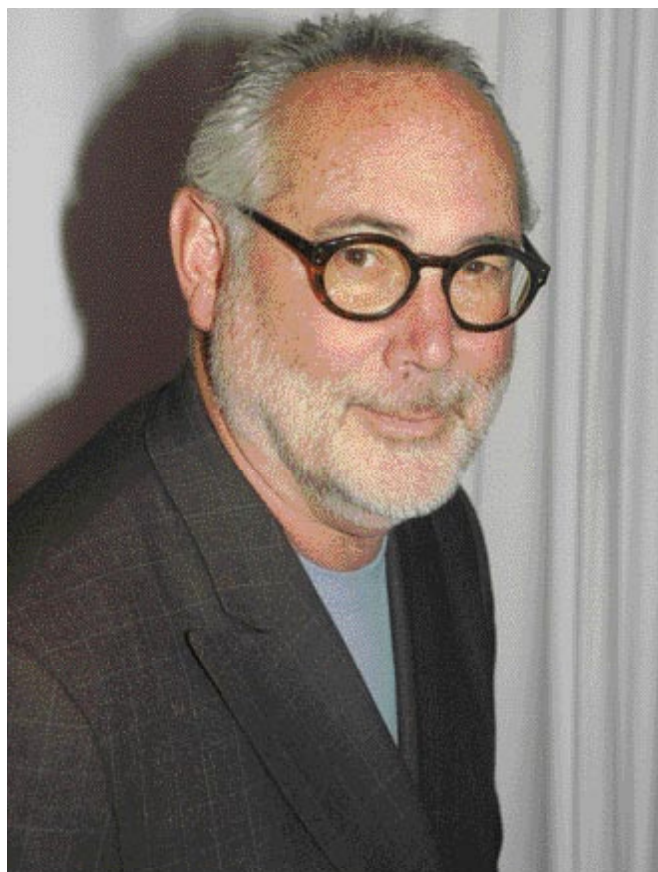


Exotics Dancing

Zelli Shoes looks to longtime designer Gary Wasserman for buzz-worthy styles. << By Jocelyn Anderson



Zelli Shoes has brought in the big guns.

The small Fort Worth, Texas-based men's brand recently hired footwear veteran Gary Wasserman to boost its style quotient and create a strong signature look. Wasserman, former lead designer at Cole Haan, among other brands, is also well known for opening Garys, a high-end men's shop in Newport Beach, Calif., which he sold in 1984 to Cole Haan founder Dick Braeger, who was already a partner in the business.

Now Wasserman is working to move Zelli beyond its niche as an exotic shoemaker, introducing more materials and casual styles. "Zelli is a well-kept secret," Wasserman said about the company founded in the mid-1990s by President Tom Mantzel. "The shoes are ridiculously well priced. I used to sell \$2,500 skin shoes at Garys. These are all shoes that are considered more classic and still very original in style, but now they compete on a much broader platform."

Zelli footwear opens at \$295 for leather and suede styles, and tops out at \$995 for exotics. The Italian-made collection comprises at least 100 styles each season, with fall '10 focusing on restrained bursts of color and combinations of suede and leather. "We also believe that hybrids between dress and casual shoes haven't been developed at all," Wasserman said, "so we're launching three of them for fall."

Here, Wasserman discusses his design goals, the evolving market at Zelli and how the Internet is changing things.

1. What were your goals for evolving the brand's design?

GW: I'm trying to create modern classics. Tom [Mantzel] doesn't want to be in the high-fashion business, and he shouldn't be. His philosophy about the footwear comes from his knowledge about exotic skins and footwear manufacturing. But I could use my experience in the contemporary classic world, where I've spent more than 40 years, to bring originality.

2. What changes have you made so far?

GW: We've added more opening price point shoes because of the economy, in really great calfskins, nappas and some with exotic trim, so everybody gets the best of both worlds at very advantageous prices. And of course, I'm doing full exotics too. Zelli has a good share of the exotic market, but it's still small. So I've been putting together shoes that are more commercially viable at this luxury level.

3. How aggressive have you been with changes?

GW: I wanted to be quite aggressive. I've added a lot of color instead of hiding under a rock the way so many companies are right now. I've also added fun colors on trims, still tasty and wearable. I started the driving shoes for Cole Haan a million years ago, so I did an English suede in a nougat color, trimmed with a matching crocodile penny strap. Then around the top I applied a gorgeous orange crocodile strip that I tanned myself. It was quite a showstopper.

4. What has been the reaction to going more edgy?

GW: This is no white-and-purple python cowboy boot from Dolce & Gabbana, but it's more original and certainly more modern. [The reaction] was very good. We picked up lots of new luxury accounts. And a good portion of the existing accounts — not all — really liked it.

5. Was it important to branch out with more casual product because Zelli is known for being traditional?

GW: Absolutely. [Zelli doesn't] sell \$95 shoes made in places you can't pronounce. It's only an expensive shoe out of Italy. Today, you have to give a person a reason to buy.

6. How does a poor economy change your designs?

GW: You just have to be mindful of value. People

who like quality or luxury are not necessarily going to start shopping for secondhand clothes. As it relates to design, you start to think of ways of getting the very best prices for the best value for the customer. In the case of Zelli, that would be the growth of exotic trimming of shoes versus always doing almost totally exotic skins.

7. Will Zelli remain a niche brand?

GW: More than likely. The way the business has been conceived, it won't be a broad international line, but I believe retailers need to seek out products that are fresh and new, products that inspire their customers. Not everyone will agree with me, but now is the time to bring more inspired product to the consumer. This could be exclusivity, originality, attention to detail — and then you have a shot at keeping your customers.

8. What kinds of challenges does Zelli face as a niche brand?

GW: One of the challenges any product faces when you're marketing in the U.S. is that we have very specific areas — almost like separate countries. The south has very specific sunbelt weather that the north just doesn't have. The west has a continuum of well-balanced weather, which [precludes the] need for winter clothes. So it's a little bit tricky when you're trying to be a niche brand to be able to deal with all of that.

9. Are there particular markets that are really strong for Zelli?

GW: For Zelli, it's more defined by who likes to wear more unusual uppers or skins. We're in the process of appreciating but not abandoning that. In the past, one reason exotics didn't have the broadest appeal is that they've been [associated with] a rather fast kind of European styling that didn't appeal to everybody. We are working to make sure the Zelli line has a sense of style and taste that redefines exotics.

10. With Zelli on Zappos.com, Endless.com and other e-tailing sites, has the Internet changed your approach?

GW: No, my role is to build the brand's image, create a signature for the brand. I believe that intelligent merchants are going to do interesting business on the Internet, and if you don't pay attention to that, you will be left in the dust. I don't think a lot of retailers have figured it out. For Zelli, it's being utilized well, but there is a whole new level that we — and other brands — will have to take a look at.