

CRAIN'S

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Trio of prime NY retail spots up for grabs

The demise of womenswear chain C. Wonder creates pricey vacancies in the Time Warner Center, Flatiron District and SoHo.

BY ADRIANNE PASQUARELLI

A handful of prime Manhattan retail sites are up for grabs. C. Wonder, the four-year-old womenswear chain from entrepreneur Chris Burch, is shuttering all of its remaining 11 stores, including three high-profile sites in Manhattan.

That trio includes about 5,100 square feet at 72 Spring St., which C. Wonder leased in 2011 in a 10-year deal; 4,500 square feet at 155 Fifth Ave., and roughly 7,000 square feet in the Time Warner Center, which formerly housed a Borders bookstore. All three sites stand in high-traffic shopping neighborhoods that command pricey rents—costs that could have contributed to C. Wonder's demise.



"All of their locations are prime and in the best neighborhoods and on the best blocks," said Faith Hope Consolo, chairman of the retail group at Douglas Elliman, adding that Time Warner "is a home run for any retailer."

She noted that a number of athletic-wear companies are hunting for retail space, as are several menswear stores and makeup brands such as Ulta. Microsoft is also seeking out city locations after opening its first store here last year. Though the C. Wonder sites are larger than boutiques, they could still be subdivided for smaller brands.

After months of rumors that the company was struggling, C. Wonder filed a WARN notice with the New York State Department of Labor announcing layoffs on Monday. The filing reported that all 79 C. Wonder employees, housed at the company's 1115 Broadway headquarters, would be dismissed.

"Due to the highly competitive nature of the current retail environment, C. Wonder will be closing its remaining stores," said a company spokeswoman. "The company continues to evaluate its best alternative to maintain the C. Wonder experience for its customers." She declined to comment on a timeline for store closures. On Tuesday afternoon, the C. Wonder e-commerce site advertised a semiannual sale of 50% off all products.

Mr. Burch made headlines in 2011 when he launched C. Wonder, selling colorful accessories and home goods that bore a striking resemblance in look and price to the namesake fashion label operated by his ex-wife, Tory Burch. Many months of legal battles between the former couple were eventually resolved in 2013. Later that year, Mr. Burch reportedly sold a 10% stake of C. Wonder to Fidelity Investments for \$35 million.