

FOX

Group

FOX

FOXhome

AMERICAN EAGLE
OUTFITTERS

aerie

LAline

SACK'S

 BILLABONG.


LICENSEE

FOX

Vision

To be the leading Retail group in Israel, providing solutions to the widest clientele possible, with a variety of fashion products.

Strategy

To be the leading player in every category we take place in.

The strategy is based on expansion in both activity and profit, while using existing resources and adding only marginal costs.

FOX Group

FOX

FOX International

FOX Home

Laline

Billabong

Sack's

AMERICAN EAGLE OUTFITTERS

FOX Company Profile

- FOX was established in 1942.
- FOX is the leading fashion retailer in Israel.
- The company designs, manufactures and markets casual collections under the following brands:

FOX WOMEN

FOX MEN

FOX KIDS

FOX BABY

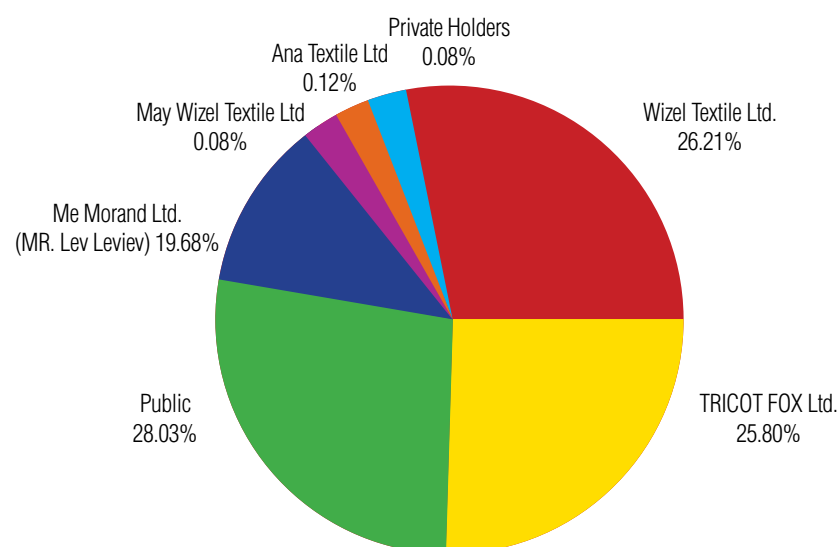
- 150 self-managed and self-operated chain stores within leading shopping malls, in prime locations across the country.
- In the last 7 years, FOX corporation has expanded globally into 15 countries around the world (12 franchisees, 3 wholesale operations), with over 268 points of sale.
- Estimated annual turnover of over \$250 million.
- FOX has begun to develop retail operations for additional leading brands, acquiring 50% of: Laline, Billabong Board Shop and Sack's, all under the FOX Group Company.
- In 2010, FOX has launched the FOX HOME brand.
- In 2010, FOX became the exclusive franchise of AMERICAN EAGLE OUTFITTERS in Israel.
- 2012 – 15 stores of AMERICAN EAGLE OUTFITTERS were launched in Israel.

FOX Company Milestones

- 2012 FOX launched **AMERICAN EAGLE OUTFITTERS** in Israel.
- 2010 FOX becomes the exclusive franchise of **AMERICAN EAGLE OUTFITTERS** in Israel.
- 2010 FOX Home is established.
- 2010 FOX operates in **15 countries worldwide** - With over 400 FOX chain stores (including Israel).
- 2007 FOX enters partnership - with Billy House, Laline and Sack's.
- 2006 FOX enters the Russian market.
- 2004 FOX enters the International market.
- 2003 FOX **BABY** brand is launched.
- 2002 FOX goes public.
FOX **MEN** brand is launched.
- 1999 FOX **KIDS** brand is launched.
TRICOT FOX Ltd. and **WIZEL TEXTILE** Ltd. is merged.
- 1992 **WIZEL TEXTILE Ltd.** is established as a wholesale marketer and opens the first FOX store.
- 1942 TRICOT FOX Ltd. a textile factory, is established by the Fuchs family.

FOX Company Shareholders

A family business since 1942, FOX went public in 2002



FOX Group 2013: Added Values

Strategic partners

- Established strategic partnerships with strong, leading Israeli business corporations as well as leading international liaisons.
- Strong business strategic relations with leading shopping malls and prime location real estate holders across the country; thus acquiring the most desirable locations.

Financial abilities

- As a public company, FOX has strong financial resources.
- Purchasing Power (service, real estate, media, etc.).

Knowledge

- Broad knowledge of the market and experience in doing retail business in both local and international markets.
- Professional and Creative Design Teams.
- Ability to maximize turnover and profit per sq. meter.

Advanced platforms

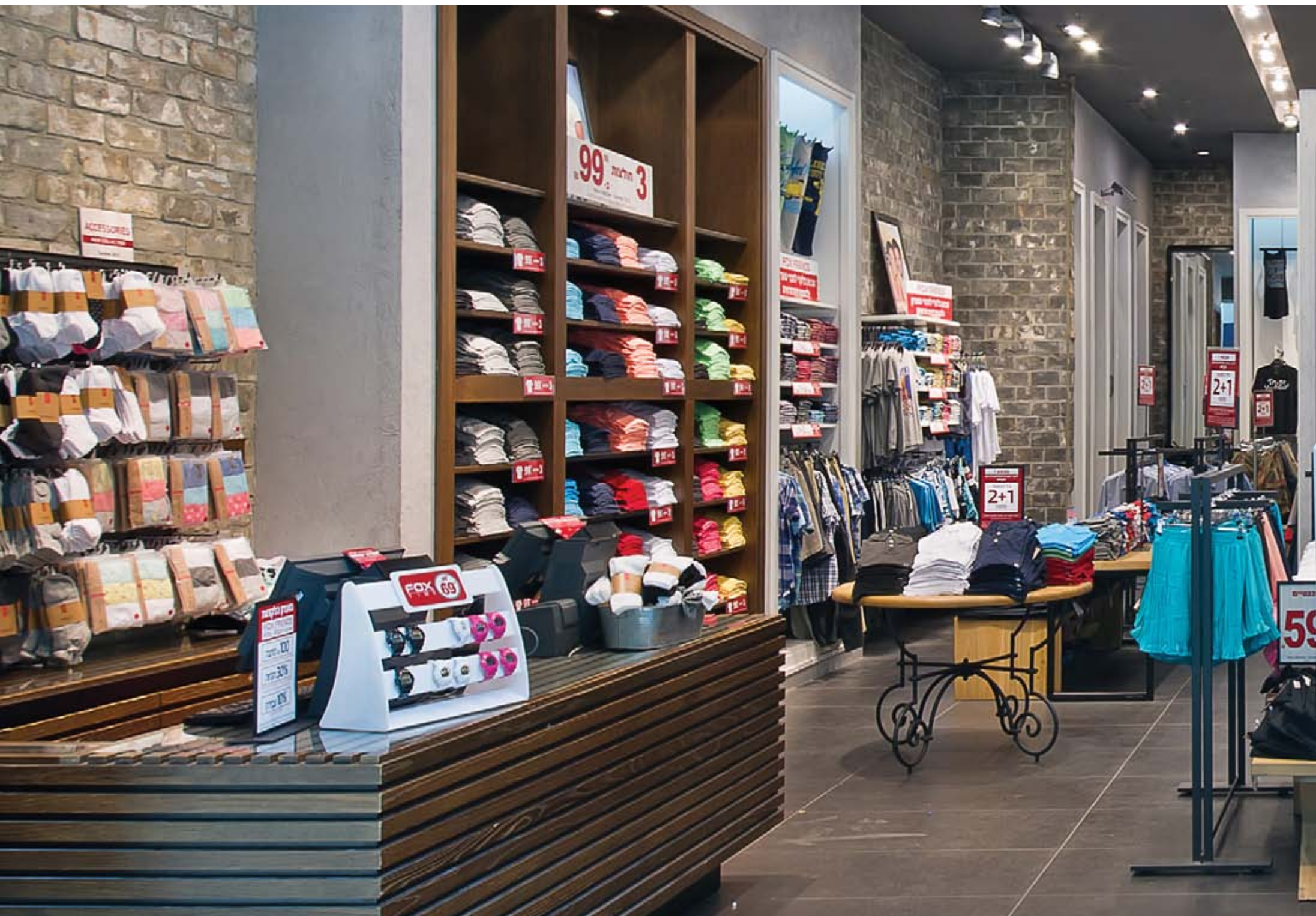
- Strong and stable logistic operational platforms, which service and ship merchandise, nationwide and worldwide, leaning on advanced logistic facilities, both in Israel and China.
- Well established advertising and PR Platforms.

Summary: FOX Group

- FOX Group is the leading fashion retailer in Israel.
- FOX Group is a public company with strong and steady financial resources.
- FOX Group is the leading fashion retailer with the largest selling floor; 293 stores spread across approximately 30,000 sq m.
- Strong business strategic relations with leading shopping malls and prime location real estate holders across the country.
- The most sophisticated and advanced Logistic Center in Israel.
- Powerful worldwide franchisees; FOX exports to 15 countries worldwide through the largest, leading franchisees in the world.
- A vast training and store establishing experience; training courses designed to provide FOX Group employees with the ability and knowledge needed to establish newly opened stores and existing stores.
- Proven ability to empower various brands in the Israeli market, perfectly adapting each brand's structure and manual book.







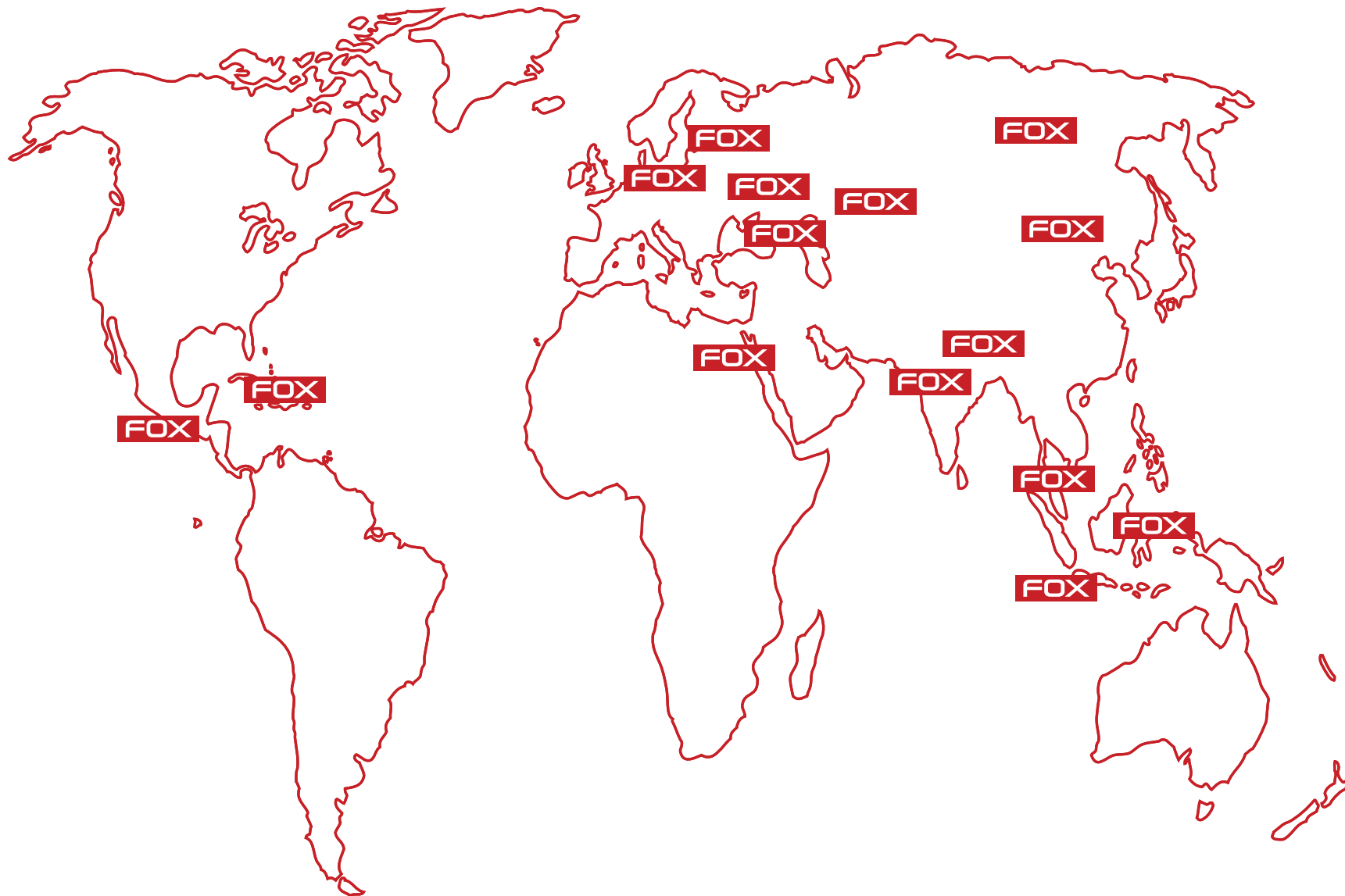






FOX International

- Since 2004, FOX has been penetrating the international market through franchising.
- The target is to become a leading successful brand worldwide.
- To implement the FOX concept, we choose partners with a proven operational and logistics infrastructure, as well as managing experience and abilities with other international brands.
- Our stores share an identical store design concept, operational guidelines and advertising strategy all around the world.



International Franchisees Chain Stores Operation

	Market	Opening Year	Stores Status September 2013
1	Thailand	2004	124
2	Romania + Moldavia	2006	28
3	Singapore	2006	25
4	Panama	2008	33
5	Philippines	2008	17
6	Puerto Rico	2009	4
7	Cyprus	2009	6
8	Kazakhstan + wholesale	2009	11
9	Russia + wholesale	2009	5
10	Serbia	2010	5
11	Mongolia	2012	1
12	Georgia - wholesale	2012	2
13	India	2012	3
14	Burma	2012	3
15	Germany	Online store	1
	Total		268





FOX Showroom

- Twice a year, FOX organizes and conducts a showroom for its worldwide franchisees.
- At this showroom, FOX presents the new collections and provides all required information to the franchisees for them to set their orders.
- The orders are based on a calculated budget which includes: rate of sales, growth ratio and forecasts for new store openings.



Logistics Infrastructure | Israel

Sophisticated Advanced Logistic Center

- Designed to a daily process of over 170,000 items.
- Shipping to clients worldwide.
- The largest fashion warehouse in Israel with a wide growth potential on the existing platform.

Logistic Center Management

- Automated, computerized process, synchronized with other business systems.
- WMS (Warehouse Management System).
- Daily replenishment of every item.

One Point of Contact

- IT supported process: Monitored System, online control.
- Experienced Management Team.
- Supporting the procedures from Suppliers to Consignees.
- Planning and Control.
- Overseeing issuing orders, production process, forwarding, shipments up to delivery to end destination.

Logistics Infrastructure | China

New Established Logistic Center

- 3 Main Hubs - Hong Kong, Shanghai, Qingdao.
- Consolidating shipments from Greater China.
- Shortening Lead-Time aiming for higher efficiency.
- Issuing shipments under one B/L.
- Reducing costs at destination.
- Global forwarder.
- Issuing one set of invoice and packing list.

Marketing & Advertising

Dynamic, Innovative and Daring

- Fox is a casual brand for all: women, men, kids and babies, offering basic, casual clothes at affordable prices.
- Just like our collections, FOX advertising is always surprising, breathtaking and exciting.
- With FOX advertising, one always sees something innovative and fresh.
- Specialized Visual Merchandising Department.
- Television, Outdoor Billboards, Print, Social Networks, Internet and intensive PR all play a significant role in creating and establishing the exposure of the FOX brand.
- In addition, in 2009, FOX has launched the “FOX FRIENDS” membership club which today includes about 700,000 members (about a third of Israeli households); FOX friends has a daily interaction, special offers and strong relations with all FOX customers.





Marketing & Advertising: Leading Spokesperson

- **Bar Refaeli** is the spokesperson of the FOX brand worldwide.
- Bar is an International supermodel with an extensive modeling experience both in Israel and worldwide.
- Refaeli has been featured in campaigns for some of the leading brands in Israel and worldwide, including "Victoria's secret", the Italian jewelry line "Marco Bicego" and the French "Garnier" beauty products.
- Refaeli appeared on the covers of various worldwide magazines such as "Elle", "Maxim", "Paris-Match", "GQ Italy", "Tatler" and "Arena", which named her "The Best Body of 2008".
- Bar Refaeli is the first and only Israeli model to have been featured in "Sports Illustrated" magazine – Three Times!!!







- Fox cooperate with The Walt Disney Company as a fashion licensee since 2006 both in Israel and main Fox franchisees around the globe.
Along the years we had shown significant YOY growth, our collections and retail execution won prizes and the cooperation became strategic and global to both sides.
- Fox collections became good practice presented to Disney offices around the world and follow that came the approval to become a Private Label Disney collections supplier to other Disney retail partners in other countries.
- We offer the unique, commercial design "hand write", the fast and quality sourcing and uncompromising quality, licensed and generic to a fast growing circle of chosen customers from the leading retail brands in Europe.

FOX Group

- Over 293 FOX group stores across the country.
- Over 2,500 employees.





Company Profile

- Established in Israel in 2010 with the intent to create something fresh in the Israeli home product market.
- Offers a diverse assortment of fashionable home products, while providing the consumer with a unique shopping experience, a large variety, value for money, accessibility and quality.
- Key success factor-large stores, at minimum 500 Sq m, that enables to impressively display the entire range of products, and generates a unique shopping experience.
- The chain operates 24 stores.
- The target is to reach 32 stores within 3 years.

Unique Design Concept

- Use of special materials and impressive display methods.
- Design of 'Power Walls' in store to highlight the variety of colors.
- Use of stages to display promotional items.
- Wide cashier check-outs for the convenience of our customers.
- Unique appearance: display of variety in a prominent, accessible & inviting way.

Vision

To lead the market within 3 years.

FOX Home Store Design Concept









Company Profile::Laline Story

- Laline was established in 1999 as a boutique store offering soaps, candles, fragrances, oils, bath accessories and gifts.
- Today, Laline is a chain of stores operating 76 boutique stores in shopping malls in Israel, and 18 additional stores abroad.
- During 2011 Laline worked in Switzerland, U.S. West Coast, Caribbean, and Japan. By 2012 Laline expanded to Singapore and Italy.
- Stepping into a Laline boutique store is like stepping into a dream: An atmosphere, full of fragrances and tempting products, which invites you to feel and touch everything.

Vision::Our Goals

- In Israel: Laline will continue developing its chain of stores.
- Worldwide: Laline will continue its development as the trendiest boutique in town, locating its stores in prime locations in the best shopping malls and street malls in the world.
- As Laline grows and develops, our aim is to reach every member of the family (women, men, youth and babies) and to give each one of them exactly what they need.

Global Marketing Concept

Family Oriented

Pampering products from creation to the wrapping

Product

- Based on natural ingredients, unique fragrances.

Place

- Only central malls and high street locations.

Promotion

- Innovative membership club.
- The business market-companies and organizations who use our products as gifts for employees and clients.

Price

- Value for money, suitable for everyone.

Products: Product Lines

About 60 product lines and approx. 300 different items.

product volume division:

- 70% body, bath and skin care.
- 15% candles.
- 15% accessories.

Each line is characterized by its special fragrances, mostly available between 1-3 sizes and between 3-6 scents.

The products are enriched with natural ingredients, essential oils and herbs.

Some products are hand Crafted.

LALINE Store Design Concept













SACK'S

Company Profile

- Sack's was established in 1984 as a prestigious designer boutique.
- Today, Sack's is a leading brand, known for its fashionable and unique designs, its innovative, high quality products and its emphasis on every small detail.
- Sack's uses only high quality fabrics and raw materials, which meets high international standards.
- In Israel: Sack's is a chain of stores, operating 15 boutique stores, mainly in shopping malls. More stores will open during the year of 2013.
- Worldwide: Sack's exports its designs to about 500 boutique stores in 15 countries, such as: Germany, Spain, Italy, England, France, Holland, Greece, Switzerland, Japan, Norway, Denmark, Sweden, Austria and more.

Vision

- To establish a unique contemporary look that integrates prestige, success, confidence and freshness.
- To design a young fashionable line for women who love & appreciate high quality and trendy fashion.
- To offer excellent shapes and cuts, fitting every client's individual needs.
- To create a unified shopping experience; special design, welcoming atmosphere and outstanding service.

Store Design Concept

Sack's has a unique and refreshing store design concept, that characterizes international league designer houses.

Marketing Channels

Product

- Fashionable, unique, with high quality and meticulous designs.

Place

- Central locations – malls and high street.

Promotion

- In Israel: Boutique stores and Wholesale – tens of selling points across the country.
- Worldwide: Sack's collections are sold in boutique stores around the world.

Price

- High level.





Company Profile

- Billabong was established in Australia in 1973. Today, Billabong is the largest surfwear brand in the world.
- Billabong products are sold in more than 65 countries around the world.
- Billabong supports the struggle for nature resources' preservation and the reduction of waste. For this cause, Billabong has developed a line of environment-friendly products made out of eco-friendly fabric.
- In the past years, Billabong has extended its activity by purchasing high quality, leading brands – Reef, Element, Vonzipper & Nixon.
- Billabong was launched in Israel in 1994 and has become the leading wholesale surf brand with 40 selling points across the country.
- In the end of 2006, FOX purchased 50% of Billabong.
- Since the partnership began, 27 Billabong concept stores were launched in Israel.



Billabong Sub Brands



- Specializes in creating the best flip-flops in the world.
- Reef flip-flops have become an identifying mark for a fashionable life style.
- In the past years, Reef has extended towards the textile market and it is now offering branded garments and accessories for men and women.
- Nowadays, Reef products are sold in 15,000 points of sale in over 100 countries around the world.



- Element was established in California in 1992 as a brand for skateboarding wear and equipment.
- Today, as the leading brand in the field, Element keeps developing the art and practice of skateboarding.



vonzipper.

- Vonzipper is a sunglasses brand established in California.
- Vonzipper is mostly identified with surfing, skating, BMX and streetwear.
- The sunglasses collection is accompanied by a broad variety of cool and unique accessories.



- Nixon is a leading watch brand in the field of surfing and extreme.
- Nixon offers a variety of high quality, uniquely designed watches.

Billabong Board Shop Design Concept





AMERICAN EAGLE OUTFITTERS

Company Profile

- AMERICAN EAGLE OUTFITTERS was established in 1977 in the USA.
- Designs, manufactures and sells apparel designated to the 15-25 age group.
- AMERICAN EAGLE OUTFITTERS offers high quality, on-trend clothing, accessories & personal care products, at an affordable price.
- Over 1000 stores in the US & Canada.
- In 2012, AMERICAN EAGLE OUTFITTERS entered the to the international market: Canada, Hong Kong, Russia, China, Japan and more. In 2012 AMERICAN EAGLE OUTFITTERS was launched in Israel with opening of about 16 stores nationwide.
- In 2013 AMERICAN EAGLE OUTFITTERS will expand with about 8 more stores nationwide.

AMERICAN EAGLE OUTFITTERS





aerie

- aerie was established in 2006.
- aerie by AMERICAN EAGLE OUTFITTERS offers dormwear and intimates collections for teens.
- About 150 stores.
- Target audience is females 15-25.
- aerie is a part of AMERICAN EAGLE OUTFITTERS stores in Israel as well.





