

CLOTHED IN SUCCESS

Throat Threads handles just about everything an apparel retailer needs

BY MEREDITH MacLEOD

Russ Fearon seems less like the owner of a multimillion-dollar fashion importing company and more like a kid in a candy store.

His enthusiasm and sense of fun is contagious and Fearon says that's one of the secrets to his success. Burlington-based Throat Threads Apparel Inc. holds the exclusive rights to sell designer brands Tommy Hilfiger, Chip & Pepper, Guess, DKNY and Swiss Army's Victorinox brands in Canada.

His young company was recently recognized by Profit Magazine as one of Canada's 200 fastest growing companies. It's the third consecutive year the company Fearon founded in 1993 has achieved the distinction. The magazine ranks companies according to revenue growth over the preceding five years.

This year, the company ranks at 123, with revenue growth of 502 per cent to reach into the tens of millions of sales in 2004.

It's an impressive hat trick but Fearon says the company is far from resting on its laurels. It has hired 11 people this year alone and is taking over a large attached office space to make room for more staff.

Throat Threads handles all the sales, customer service, marketing campaigns, merchandising and logistics for prestigious lines of high end men's and women's clothing, sportswear, denim, dress shirts, ties, accessories and travel gear.

That means everything from developing sales strategies to showcasing seasonal lines to buyers from 500 individual vendors across the country, to creating in-store promotional campaigns, to handling the shipping and distribution from offshore manufacturers through a warehouse in Oakville.

"We do it all for them. We completely handle the Canadian marketplace," says Fearon, who calls his services a vertical solution.

Throat Threads vendors include everything from high end boutiques to department stores and mass retailers. The company has focused on landing great companies with great products that fit well with the culture of Throat Threads, says Fearon.



CATHIE COWARD, THE HAMILTON SPECTATOR

Russ Fearon's company Throat Threads has been chosen by Profit Magazine for three years running as one of Canada's fastest growing firms.

That includes working with long-time friends Chip and Pepper Foster, Burlington twins who built their own multimillion-dollar clothing empire. Fearon got his fashion start with the pair, handling their Toronto operations for six years before striking out on his own.

Pictures of the three friends, who met as children, dot the shelves in Fearon's office. He speaks with obvious pride about the success the two brothers have earned. Their \$200 jeans are being worn by celebrities in all the top fashion magazines.

Throat Threads is constantly surveying the Canadian retail scene for opportunities to fill a need, says Fearon, whose rapid-fire storytelling is punctuated by frequent bursts of laughter.

"People always say opportunity knocks but opportunity doesn't knock. You knock and it answers. The harder I work, the luckier I get."

Throat Threads began in 1993 when Fearon just couldn't find a tie to match his jeans and sports jacket casual business attire.

"I didn't want to wear my

dad's tie but I couldn't find anything else out there."

At 27, Fearon left Chip & Pepper and sank all his savings in "a hare-brained great idea" to design and manufacture laid-back ties from his basement.

A turning point was getting the backing of a mentor and former boss, Terry Hopkins, who invested in the dream "when there was nothing but what I believed in."

Hopkins, owner of Burlington robotics company Aisco where Fearon worked after graduating high school, remains the only other principal owner in Throat Threads. Fearon came up with the catchy name and began peddling his funky creations. Within a year, he convinced 170 stores to sell them. He obsessively researched and studied the industry. A second turning point came in 1995 when he met Mervyn Mandelbaum, president of one of the largest tie companies in the world.

He impressed Mandelbaum enough that Throat Threads became a distributor for Superba, which handled brands like Hil-

figer but had little market penetration in Canada. Mandelbaum has been an inspiration and source of advice for Fearon ever since.

The meeting took Throat Threads in a whole new direction. Fearon decided to stop manufacturing his own line to concentrate on distributing the best known brands. By 1999, Throat Threads had become the third biggest neckwear supplier to The Bay.

Throat Threads is now located in a huge century home in Fearon's native Burlington. Inside, candles burn and fresh flowers greet visitors in the reception area. The home's century features - hardwood floors, ceiling mouldings and original banister - are all intact. But black wainscoting and trim and modern furniture give an edgy, contemporary feel.

Alongside showrooms with the spring collection of Hilfiger and Swiss Army, work Throat Thread's sales, marketing, graphics and administration staff. "I wanted a place that made me feel like I was working

from home," said Fearon. "We spend most of our lives at work. I want it to have character and ambience and I want everyone here to have fun when they come to work."

Fearon, who drives a Mercedes SUV with licence plate 2 TIE 4 given him by his staff, values being a good employer. His staff of 40 enjoys profit sharing, generous benefits, frequent company parties and get any schooling paid for by Throat Threads.

His hiring process includes having applicants take an interpersonal style test. The goal is to make the most of each individual's skills and strengths.

"Everybody is happy at what they are good at," says Fearon, who says his energy, adventurousness and ability to lead make him perfect for entrepreneurship.

"I want people to get here and think this is the best job they ever had. I want people to build their careers here."