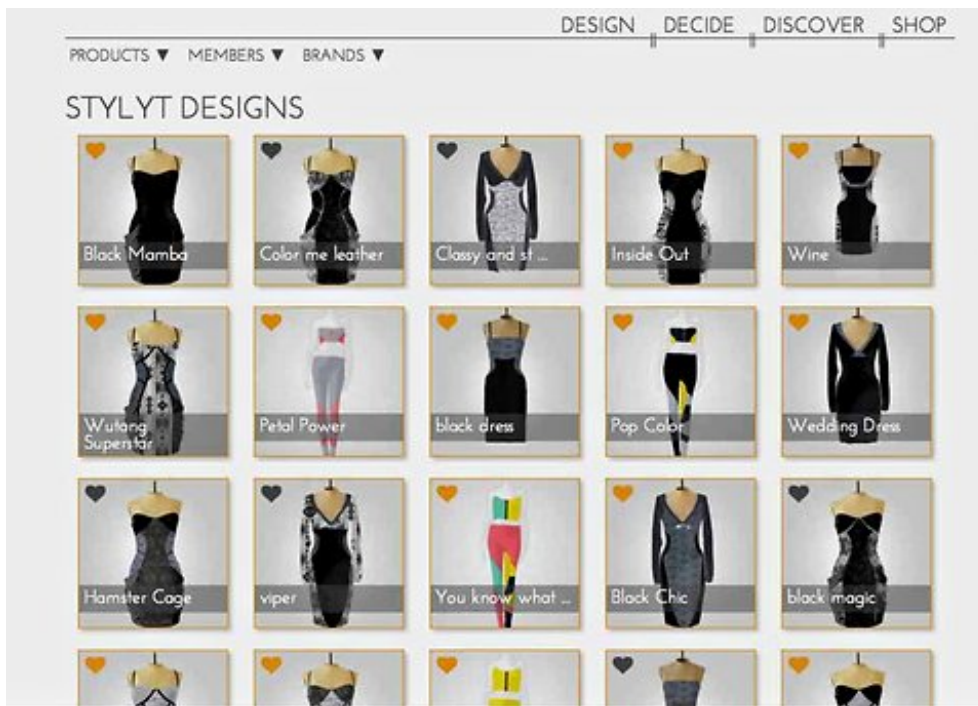


For Fashion Start-Ups, a Bridge to Investors - NYTimes.com

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December 16, 2011

December 14, 2011, 5:06 pm
By [SIMONE S. OLIVER](#)



A screenshot from the Web site Stylyt, where fashion fans can play designer and buyer for their favorite brands.

IN a setting reminiscent of a speed-dating bar scene, but with no promise of even a first date, much less a long-term relationship, more than 20 fledgling fashion companies pitched their talent, their drive and their ideas to an audience of potential investors at the Fashion Institute of Technology last week.

Fashion is fickle, making it harder for start-ups to raise capital. But [FashInvest](#), created by David J. Freschman and Karen Griffith Gryga, venture capitalists, is a platform that acts as a kind of matchmaker between seedling fashion companies and investors.

Last week, FashInvest held its second annual [Capital Conference](#) at F.I.T., a daylong event at which fashion and retail companies were given eight minutes to promote their brainchild to more than 50 possible backers. Then, in a short "American Idol"-style feedback session, an investor, a sponsor and an industry veteran vetted the pitches. Kevin Ryan, the chief executive of Gilt Groupe, was the keynote speaker, and the designer Steven Alan was among the presenters who shared their experiences.

The intersection between fashion and technology is generating increased interest, and investors are hurrying to keep up. "To the fashion world, technology is suddenly very cool," said Saleem Qadir, who works on the development side of eBay. Mr. Qadir attended FashInvest hoping to find future partners. "The shopping experience has to be personal yet social," he said. "It has to simplify the complex stuff, like fit. That is going to differentiate the winners from the losers."

Mr. Qadir, like most of the investors who attended, would not name specific companies he planned to follow up with, citing competitive reasons. He did say that he found five start-ups at the conference to be attractive, particularly one that he thought had an unusual approach to digital tailoring and brick-and-mortar.

Although fashion's love affair with technology and e-commerce is blossoming, the issue of fit remains one of the biggest hurdles for shoppers and retailers. Jamal Motlagh and Charles Tse, the

founders of [Acustom](#) (formerly Fitted Fashion), claim to have this down. They explained how their site allows users to be the fit model for their own clothing and customize their jeans, down to the stitching, all through the use of 3-D technology and pattern-making software.

“My company is going to have some type of physical retail presence, and that makes it harder,” Mr. Motlagh said of his company, which has a few private investors. “Tech is an enabler of our process, but it’s not just a Web site or mobile company.”

Much like the [Council of Fashion Designers of America Fashion Incubator](#), a support system for new designers in New York, FashInvest fosters the same kind of growth for designers whose roots are as deep in technology as they are in design. “New York is a leader in the fashion industry,” Mr. Ryan said. “We want to keep building that ecosystem. It used to be just someone designed clothes, now the elements and value have changed.”

Fashion’s democratization has helped disrupt the relationship between designers and consumers. Online community-based fashion Web sites, virtual experience and e-commerce sites are becoming a dime a dozen, minus a few dimes. “Branded goods, fashion and retail are an underserved segment of entrepreneurs who need money,” Ms. Griffith Gryga said.



Jenny Wu, a founder of Stylyt.com, talks up her company at the FashInvest conference.

On [Stylyt.com](#) fashion fans are invited to play designer and buyer for their favorite brands. Then, users vote on which designs will be produced as a limited edition under real designer brand names.

After Jenny Wu and Nina Cherny, founders of Stylyt, pitched their company, they said they were approached by Daniel Schultz, a founder and managing director of DFJ Gotham Ventures. He said that Stylyt was one of the companies that leverages technology to enhance the consumer experience.

Michael Wolf, a founder of Blazer Ventures, an angel investor firm that focuses on technology, said there were multiple companies his firm wants to meet with. “For me, getting 20-plus companies in the same room, all in the same vertical, is pretty powerful,” he said. He was on one of the feedback panels, and said he saw two themes crystallize by day’s end. Companies like Acustom, Stylyt and [BeSpeak](#) embody a new wave that promises personalization or proper fit, while companies like [Fashion Forward Maternity](#) and [The Real Real](#) fall under a niche fashion umbrella.

Ella Gorgla, the founder and chief executive of [i-Ella.com](#), described her site as “the fashion insider’s eBay.”

“It’s a curated marketplace where you can buy, sell, borrow and swap, all on our platform,” she said. The members-only site is all about sharing what’s inside your closet for fun or for profit. Ms. Gorgla did not make a presentation, but plans to next year. “One of my friends from Yale presented, and I haven’t seen her in years,” she said. “And after she presented, people wanted to do deals. That told me I want to present next year.”

Not every attendee had deal making in mind. The dean of [Savannah College of Art and Design](#), Michael Fink, at the conference for a second time, said he planned to construct class projects around some of the big ideas that emerged. “If you can’t back up your design with a sound business plan,” he said, “you ain’t got a chance.”

This post has been revised to reflect the following correction:

Correction: December 15, 2011

A previous version of this article incorrectly referred to Michael Schultz as the marketing director of DFJ Gotham Ventures. He is managing director.

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