Forever 21 Owner Authentic Brands Maps Out Mexico Expansion With Partner IB Group

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19 hours ago
Key insight:

- The Mexico partnership is the first step by Forever 21's owners to convert the retailer's international operations to a licensed model.

Brand management firm Authentic Brands Group is partnering with IB Group to expand fast-fashion retailer Forever 21 across Mexico, the two companies announced today.

Mexico is a first step in the Forever 21 ownership group's efforts to convert the brand's international store operations to a licensed partnership model, the company said in an email to Adweek. Authentic Brands told Adweek it has similar plans for Central America, South America, the Philippines and the Caribbean, which are next on its list.

As part of the deal, IB Group has formed a newly-created entity Forever 21 Mexico under it and retail and real estate company Grupo Cojab, which will assume the operation of 37 Forever 21 stores under a licensed model.

Under the new entity, IB Group will distribute Forever 21 merchandise and has plans to open new shop-in stores in the regions under the brand name.

“Our partnership with IB Group serves as a new launching point for Forever 21 in Mexico,” said Jamie Salter, CEO of Authentic Brands, in a statement.

“The brand has an incredibly loyal following of fashion-forward, female customers in the region who identify with its unique offerings and collaborations. In recent years, Forever 21 has also seen consistent growth across the men’s category,” he said.

Authentic Brands was already partnered with IB Group on the Aéropostale brand in Mexico, according to the announcement.

Meanwhile, Forever 21 said after recent store closures due to the Covid-19 pandemic, it is gradually reopening doors across the U.S., Mexico, Europe and Southeast Asia in compliance with the safety guidelines and recommendations by the Centers of Disease Control and Prevention (CDC).

The retailer said it will continue to offer on-trend merchandise for women, men and kids at its 590 stores around the world and through its ecommerce platform. The owners are working with landlords around the world to maintain Forever 21 store operations and expand the brand in key regions including Brazil, Latin American, Canada, Western Europe and China.

Forever 21 filed for bankruptcy last year and then was subsequently acquired by Authentic Brands in partnership with Simon Property Group and Brookfield Property Partners.

https://www.adweek.com/retail/forever-21-authentic-brands-mexico-expansion-partner-ib-group/