

URBN INC: Company Profile

Past

URBN Inc. was founded in Philadelphia in 1970 near the University of Pennsylvania. The first store opened was a Free People Store, one of URBN Inc.'s five brands. The store sold used clothes, jeans, ethnic apparel and housewares. Six years later, the store's name was changed to Urban Outfitters. In 1980 a second store was opened near the Harvard campus in Massachusetts, followed by seven more stores opened near college campuses in the 80's. The company's wholesale business was opened in 1984, and the company opened its first Anthropologie store in Wayne, Pennsylvania in 1992. In 1993 the company went public, and opened two more Anthropologie stores, followed by five more in 1997. In 1998 the retailer created an Anthropologie catalog and Web site, and opened its first Urban Outfitters store in the UK. Urban Outfitters opened more than 40 stores from 2000-2002, with plans to continue openings at the same pace in the years to come, adding Free People retail stores into the mix. In 2003 it tacked on about 20 Anthropologie stores and 20 Urban Outfitters stores. In March 2003 the company launched its Urban Outfitters catalog.

Present

URBN Inc. is headed by its Board of Directors, including Chairman and President Richard A. Hayne, CEO and Director; President, Anthropologie Inc. Glen T. Senk, and Directors Robert Strouse, Joel Lawson III, Scott Belair and Harry Cherkin Jr. There are also eight corporate officers, two of which are members of the Board of Directors.

The company has approximately 12,500 employees. Not much information is available on the types of employees, however, one source says over half of these are full time employees.

The company has a total of 194 retail stores. Of these, 142 are Urban Outfitters stores with 119 in the US, 9 in England, 7 in Canada, 2 in Ireland, and one in each Belgium, Denmark, Germany, Scotland and Sweden. The Anthropologie and Free People brand stores are located solely in the US with 121 and 30 stores respectively. There is currently one Terrain garden store located in the US. The company's sales in 2009 totaled \$1,834.6 million.

URBN Inc. includes five different brand which are:

- Urban Outfitters- accessories, housewares, fashion apparel, footwear and gifts
 - Men's and women's apparel for the educated, urban-minded individual ages 18-30
 - Online, in-stores, and catalog sales

- Anthropologie- decorative accessories, gifts, home furnishings, women's casual appearance and accessories.
 - For fashionable, creative and educated women 30-45
 - Online and in-store sales
- Free People- apparel, apartment wares, gifts and accessories (also wholesale)
 - For carefree, confident and careless young women
 - Catalog, on-line, in-store and wholesale sales
- Terrain- outdoor living and gardening
 - Based on idea of merging house to garden
 - Retail sales
- Leifsdottir-wholesale apparel
 - More upscale and sophisticated
 - Strictly wholesale

The companies top competitors are Abercrombie & Fitch, BeBe Stores, and The Gap. Others include Banana Republic, French Connection, H & M, J. Jill Group, Old Navy, Zara, and Aeropostale.

URBN Inc. upholds a reputation for being urban-minded and young. The statement on the company's website sums up what the company is about:

Our established ability to understand our customers and connect with them on an emotional level is the reason for our success.

The reason for this success is that our brands — Urban Outfitters, Anthropologie, Free People, and Terrain — are both compelling and distinct. Each brand chooses a particular customer segment, and once chosen, sets out to create sustainable points of distinction with that segment. In the retail brands we design innovative stores that resonate with the target audience; offer an eclectic mix of merchandise in which hard and soft goods are cross merchandised; and construct unique product displays that incorporate found objects into creative selling vignettes. The emphasis is on creativity. Our goal is to offer a product assortment and an environment so compelling and distinctive that the customer feels an empathetic connection to the brand and is persuaded to buy.

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Future

URBN Inc. has plans to open more stores for each brand in the coming year. Also, the addition of more Terrain stores should expand their market share in the outdoor and gardening areas. Retail stores experienced record holiday sales in the 2009 season, and the company hopes to keep up growing sales with the economy coming out of recession. The apparel industry experienced negative effects from the recession over the last few years; however the market is slowly gaining strength. Analysts predict that companies with strong brands, differentiated products, superior customer service and attractive price-value propositions are likely to outperform their peers.