

Money-ish

[Ivanka Trump's Brick-and-Mortar Boutique Play is as Unorthodox as her Dad's Presidency](#)

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There'll soon be more retail jobs to pad daddy's employment count.

About two years after quietly closing her boutique in New York's SoHo neighborhood, Ivanka Trump is opening another brick-and-mortar destination for her eponymous fashion line. The daughter of President Donald Trump is set to launch a new store this fall in Trump Tower, the Midtown Manhattan skyscraper that was her father's longtime abode.

A physical Ivanka Trump location may have been motivated by Nordstrom's announcement earlier this year that it would stop stocking the brand. The department store chain said that it made the decision after conducting a sales performance review, although some believe that it was pressured by #GrabYourWallet, a campaign to boycott businesses that Donald Trump and his family work with.

"Whether her new boutique is because the U.S. distribution for her brand has shrunk dramatically in the last ten months or is simply yet another vanity project, [the boutique] is ultimately none of our concern," Shannon Coulter, co-founder of #GrabYourWallet, tells Moneyish. "It's like Pete Coors opening a MillerCoors gift shop at the beer factory. It's not relevant to most shoppers."

A representative for Ivanka Trump didn't immediately return a request for comment.

But Coulter's prediction may not apply to foreign customers. Despite her father's constant criticism of the Chinese government, the Ivanka Trump boutique is likely to see footfall from mainland Chinese tourists who admire the First Daughter. Trump Tower has become a mecca of sorts to curious foreign vacationers and according to the Associated Press, Ivanka Trump brand exports rose 166% in 2016— almost all of which went to China.

"If she's putting it in Trump Tower, she's catering to a foreign person," says Ronald Friedman, retail analyst and partner at Marcum LLP. "Just walk around Vegas or look at the people who come to Trump Tower and are spending money like crazy. It's not the Americans."

The new Ivanka Trump boutique comes at an unusual time. Faced with headwinds as customers turn to online shopping, American brick-and-mortar stores are closing at a historically unprecedented rate. Credit Suisse estimates that retailers will shutter 8,600 physical stores this year, more than during the Great Recession.

Still, Ivanka Trump could also benefit from a prime retail location at a sweetheart deal. Indeed, Tiffany & Co. and Gucci both have flagships in the building, which is owned and managed by the Trump Organization. "Most likely she doesn't have to pay rent," says Chuck Welch, founder and chief strategy officer at Rupture Studio, a lifestyle consultancy. (That said, the likes of Tiffany's have indicated a drop in footfall due to the increased security presence at 725 5th Avenue.)

But that alone won't be enough. "People who have done high-end apparel well continue to expand and grow," Friedman says. "She can't make cheap junk and hope it sells. She has to cater the clothes to people who are more sophisticated and spend more money."

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