

JULIE FRANCE COMMITS TO PROTECTING RETAILERS

With a blast of press releases, Georgian company Julie France has decided to promote its commitment to “saving” lingerie shops. Their target: brands that sell directly to consumers and that condemn, according to the brand, local shops that can’t compete with their low prices. “When selling directly to consumers, manufacturers also have the option to sell their merchandise at a significantly lower price than the retailer can afford,” explains the press release. “Then, consider the fact that online sales often offer big discounts, free shipping, and free returns. Manufacturers who sell directly to the consumer do not factor in a wholesale price point for the retail store, nor do they need to pay sales commissions. Therefore, they can price their merchandise in a way that the retailer has no room to compete. If the consumer can purchase a product online directly from the manufacturer at an overwhelmingly lower price, I must ask, why would they bother shopping at a local retail store? Within this ethical dilemma, we find yet another problem. Simply stated, manufacturers who are selling directly to consumers as well as to retail stores are positioning themselves to receive higher profit margins at the retailers’ expense. This business activity forces many retailers to close their stores.” Based on this reflection, Julie France pledges that it will never take part in direct sales, and that its site encourages clients to visit local retailers.

