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Bal Harbour Shops 50 years on

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The chicest, most successful mall in America is celebrating its 50th year. But can retail group keep up with the new kid on the block?



The walkways and luxury outlets of Bal Harbour Shops today

If you want to call it a mall, it's the most beautiful mall in America," says designer Tomas Maier of the near-legendary Miami Beach retail complex Bal Harbour Shops. The antithesis of most people's idea of a shopping centre, Bal Harbour is open-air, with ponds of koi fish among breezy walkways and palm trees.

"It has that indoor/outdoor feel so you don't feel like you're in a shopping centre," continues Maier who, with the opening of a boutique showcasing his eponymous sportswear collection, will join the 100 luxury brands including Chanel, Dolce & Gabbana and Miu Miu at the complex (although as creative director of Bottega Veneta, he already has a large boutique there.) It's a formula that seems to work. In the 50 years since it opened, Bal Harbour has consistently enjoyed full occupancy. Sales have been up in all years except 2001 (post-September 11) and 2009, with last year's averaging \$2,854 per square foot, about six times the American national average.

Opened in 1965 by Stanley Whitman on a stretch of land that was once army barracks and a second world war prisoner-of-war camp, the mid-century modern Bal Harbour is still family-owned, now in its third generation. "It has been taken care of so well — the lush planting, the nice restaurants and [the fact] that you don't see any cars once you're in the mall," says Maier. "It has the reputation and has always tried to have the best stores."

Recently, though, keeping these stores hasn't been easy. The Design District, a new luxury shopping area only 20 minutes' drive away, has lured retailers including Hermès, Lanvin, Céline and Louis Vuitton (in Vuitton's case, the move is about more than just a change of geography: the brand's parent company LVMH is an investor in L Real Estate, a partner with the Design District's main developer, Craig Robins).

But the more genteel atmosphere of Bal Harbour still appeals to out-of-towners, who make up about 65 per cent of its clientele in a city that hosts more than 20m visitors a year. "For luxury retail to thrive . . . nothing is more important than a healthy tourist base," says Stanley Whitman's grandson, Matthew Whitman Lazenby, who is president and chief executive of Whitman Family Development, which owns Bal Harbour Shops. "Our store mix has evolved to meet the needs of our now overwhelmingly international customer."

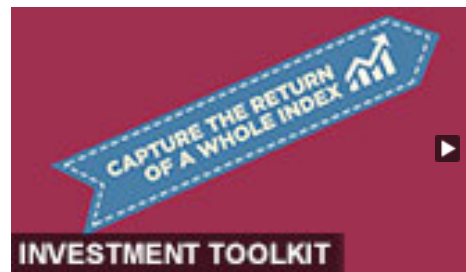
Although Bal Harbour isn't based in the coolest of neighbourhoods (it lacks the Design District's colourful edge), the mall is starting to attract more fashion-forward customers. At its men's-only branch of The Webster, a tastemaker-approved boutique that opened last year, there are pieces by designers such as Raf Simons, Junya Watanabe and Thom Browne. Stock along these lines has begun to arrive at its neighbouring women's boutique also. "I wasn't sure if the clientele would respond to the direction we are taking," says Laure Heriard Dubreuil, the store's chief executive office and co-founder. "But there is a wave of clients who are more daring. I think it's the children of the people who used to be the Bal Harbour clients. We've changed generations, which is very encouraging."



How the mid-century modern mall was envisioned 50 years ago

To further reach its evolving client base, Bal Harbour plans to grow, increasing the square footage of its department stores, Neiman Marcus and Saks Fifth Avenue, and adding about 40 new boutiques, a cinema, and a branch of Barneys New York. Although the village of Bal Harbour has not yet officially agreed to the project, Lazenby is confident it will be in motion later this year. "All these steps have taken longer than you would imagine, but now we're in the home stretch and expect to have final approvals within the next few months," he explains.

While its footprint will increase, the feel of luxurious understatement will remain. "It is mid-century modern and was intended to be invisible," Lazenby says of the shops' design. "The structure is not supposed to take centre stage, and it does not. It has withstood the test of time. We aren't referring to our forward plans as an expansion as much as an enhancement and renovation."



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