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## Echo boomers driving wedding business

By Steve LeBeau

The percentage of households in America may have fewer married couples, but the amount of money spent on weddings is growing 25 percent faster than the gross domestic product. That's one of the findings in a report on the wedding industry by **The Mercanti Group**, a Minneapolis-based financial advisory firm.

The average cost of a wedding has nearly doubled since 1990, from \$15,000 to more than \$27,000 -- and that doesn't count the honeymoon, rings and gifts.

The \$100 billion wedding industry is expected to grow, said the report, partly because a new demographic bubble is about to reach marriageable age: the Echo Boomers -- the offspring of the baby Boomers.

Newlyweds these days tend to be older and more affluent. The average bride is 27 and the groom is 29. Their average household income is \$74,000.

The Mercanti Group said the investment opportunities of the wedding industry are problematic because the segment is fragmented into small companies that handle various facets of the wedding: Caterers, dress shops, photographers. The report said that "pure-play" opportunities are scarce -- i.e. there are not a lot of companies that specialize in the wedding industry as their major source of revenue.

A few "pure-play" companies are exceptions to that trend:

Conde Nast, owner of Fairchild publications, which publishes magazines such as Bride's, Elegant Bride and Modern Brides;

The Knot Inc. owner of Web sites Knot.com , WeddingChannel.com and thelilaguide.com ;

Federated Department Stores' Bridal Group -- David's Bridal stores, After Hours formal-wear and Priscilla of Boston.

The report suggested that companies can adapt themselves to capitalize on the growth in the wedding industry. One example is Men's Warehouse, which has seen substantial growth in its tuxedo rental business, bringing in an additional \$45 million in revenue between 2003 and 2005.

The Mercanti report was written by Dave Remick, a principal in the firm.

Mercanti has offices in Minneapolis, Los Angeles, New York and Seattle.