



TWO-MINUTE TOUR:
São Paulo, Brazil

The Numbers

HOME TO MORE THAN 20 MILLION PEOPLE, AND the world's 13th-largest city by population, São Paulo, Brazil, screams "big!"

The metropolis is the commercial, financial, cultural and artistic center of Brazil. Its GDP, the 10th largest in the world, is in excess of \$450 billion, as reported in 2011. Twenty-six billionaires claim residency in São Paulo, with a combined net worth of more than \$120 billion.

The Pulse

Like other massive cities, it is a combination of wealthy and impoverished, beautiful streets and dusty slums, teeming populations and garden spots.

It's also Brazil's most cosmopolitan city, featuring many diverse communities, including expansive populations of Italian and Arab expats. Its Japanese diaspora of 1.5 million people is the biggest outside of Japan; and its Gay Pride Parade in the spring is the world's largest.

São Paulo's Fashion Week has been ranked the fifth largest in the world, and Paulistanos are devoted to design and fashion. Most

residents are familiar with European brands, though they support local designers, as well.

The Hot Spots

Rua Oscar Freire, in the upscale Jardins (Gardens) District, is São Paulo's equivalent to Madison Avenue, Rodeo Drive or Union Square. International fashion brands like Giorgio Armani and Carolina Herrera vie for attention with popular local designer names like Alexandre Herchcovitch, Reinaldo Lourenço and Glória Coelho.

Because of the street crime and subtropical climate, fashion retail in other parts of the city is nestled in secure covered malls like Iguatemi, Morumbi, Cidade Jardim and the new JK Iguatemi.

JK Iguatemi is home to Hermès, Pucci, Giorgio Armani, Valentino, Cartier, Jimmy Choo and Dior. It's so exclusive that it's not unusual for it to close its main street entrance to pedestrians.

"The ceo of the Iguatemi mall told me rental rates are up and companies are not leaving the mall," says *Forbes* contributor Kenneth Rapoza,

who follows South American trends. "So there are definitely green shoots here and there, as is the case with all economies in turmoil."

Obstacles/Opportunities

The Brazilian economy is in free-fall, its credit rating down to record-low levels and its national oil company, Petrobras, is involved in a huge corruption scandal.

On the other hand, the country has great potential to bounce back. Rio de Janeiro will host the Olympic Games next summer, and Brazilian life is optimistic and upbeat.

"Despite its current economic, political and social problems, the long-term prospects in Brazil are tremendous," says Phil Harrison, president and ceo of Perkins+Will, the international architecture and design firm that recently integrated a São Paulo office into its global brand. "From a design industry perspective, Brazil has an extremely rich tradition of architectural design excellence and appreciation. We are already seeing strong signs of increased activity in the design and construction market." —*Steve Kaufman*