

COMMERCE

G-III ups Karl Lagerfeld stake to bolster North American market

February 26, 2016



Video still of Tiffany Cooper for Karl Lagerfeld

By STAFF REPORTS

Karl Lagerfeld's namesake apparel label is speeding up its global development with an increased stake in the brand by G-III Apparel Group.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246** ▶

The joint venture between Karl Lagerfeld and G-III began last year, working to introduce the new Karl Lagerfeld Paris range for the North American market. While financial terms were not disclosed, Women's Wear Daily reports that G-III now owns a 19 percent stake in the label.

Expansion plans

Karl Lagerfeld Paris has a focus on women's apparel and handbags with an additional men's outerwear offering, all of which is positioned as "affordable luxury." Shipments of the collections to retail partners such as Lord & Taylor and Dillard's began in November 2015.

Given Mr. Lagerfeld's high-profile as the creative director behind Chanel and Fendi, many consumers are familiar with the man and less so his designs for his namesake label. The relationship with G-III aims to increase visibility especially in North America.

In an interview with **WWD**, Morris Goldfarb, chairman, president and CEO of G-III, said, "We think we can contribute to the business in many ways, distribution in North America being a key component.

"We see this as having potential within five years of being a \$300 million to \$400 million business at wholesale. That's without opening stores and without opening online components of the business."

//

Micah Gianneli from head to ... cat in #KARLLAGERFELD ! Choose your favorite piece now on www.KARL.com

Posted by **KARL LAGERFELD** on **Thursday, February 25, 2016**

G-III is Karl Lagerfeld's first licensee with the agreement being a renewable five-year pact for the aforementioned apparel and accessories categories. The joint venture agreement covers all consumer products and apparel in the

U.S. and Canada, but not those held by Karl Lagerfeld, including its eyewear, fragrance, watches, jewelry and hospitality services.

Additional shareholders of the Karl Lagerfeld brand include Fred Gehring, vice president of PVH, the family of Silas Chou and private equity fund Apax Partners. It was with Apax Partners in 2011, that Karl Lagerfeld began focusing on online selling, a strategy that has continued through Yoox Net-A-Porter Group ([see story](#)).

As for G-III, the firm operates a number of licensees including PVH-owned Calvin Klein, Cole Haan, Guess, Vince Camuto and Ivanka Trump.

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.