

APPAREL AND ACCESSORIES

Ferragamo ushers in new CEO alongside H1 profits

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Ferragamo fall/winter 2016 ad campaign

By STAFF REPORTS

Italian fashion house Salvatore Ferragamo's CEO has stepped down after a decade with the brand.

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Michele Norsa exited Ferragamo as CEO today, but the impending departure was announced back in April. At the time of Mr. Norsa's announcement, Ferragamo expressed interest in Eraldo Poletto, who was still serving as the CEO of fellow Italian accessories brand Furla through June.

New in town

Ferragamo had confirmed rumors May 5, saying that the brand had a board meeting scheduled for May 12, where first quarter results would be reviewed. During the meeting the transitional process to incorporate Mr. Poletto into Ferragamo would be discussed.

Under the agreement, Mr. Norsa decided to stay on at Ferragamo until the CEO position was filled by Mr. Poletto.

There are a number of similarities between the two businesses that make the move a natural fit. For one, both Furla and Ferragamo's labels are heavily concentrated on accessories. Both the Ferragamo family and the Furlanettos are still overseeing their family-owned companies ([see story](#)).



Ferragamo menswear fall/winter 2016

As Mr. Norsa departs Ferragamo he is expected to sell his 50,000 shares to holding company Ferragamo Finanziaria, who will purchase the stocks by Aug. 31. Mr. Norsa does not have a non-compete clause and will continue his relationship with Ferragamo as a strategic advisor for Ferragamo Finanziaria.

It has been reported that Mr. Norsa will receive a \$2 million compensation package.

Mr. Poletto will take the helm at Ferragamo during net profit gains of 2.3 percent for the first half. The gain increases Ferragamo's net profits to 90 million euros, or \$100.8 million at current exchange, compared with 88 million euros, or \$103 million from the year-ago.

During the first half of 2016, Ferragamo recorded growth in the Americas and Japan, which helped to balance challenges presented by Asia Pacific and Europe.

Ferragamo's sales in Asia-Pacific dropped by 4 percent to 255.6 million euros, or \$286.2 million. Similarly, Europe sales were down 3.3 percent for a total of 189 million euros, or \$211.7 million due to the region's slumping tourism.

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