

APPAREL AND ACCESSORIES

## Michael Kors aims to grow Jimmy Choo into \$1B brand

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*Jimmy Choo Romy shoes, pre-fall 2016*

By STAFF REPORTS

U.S. fashion company Michael Kors has completed its acquisition of footwear label Jimmy Choo.

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The transaction, which was approximately \$1.35 billion, has turned Michael Kors into a multibrand group. As the two companies come together, Michael Kors has ambitions for its new asset, including raising its sales to \$1 billion.

Coming together

Jimmy Choo's former owner JAB entered into an agreement to sell the brand to Michael Kors in July. The sale includes a payout to Jimmy Choo investors of 230 pence, or about \$3, per share ([see story](#)).

The newly formed group is expected to help Jimmy Choo expand its presence internationally, including in Asia.

Jimmy Choo also plans to grow its positioning in men's footwear and expand its overall product offerings.



*Jimmy Choo's men's collections are a growing share of its revenues. Image credit: Jimmy Choo*

"We are thrilled to have completed the acquisition of Jimmy Choo, which brings together two iconic brands to create a global fashion luxury group," said John D. Idol, chairman and CEO of Michael Kors Holdings, in a statement.

"Jimmy Choo has a rich history as a leading global luxury house, renowned for its glamorous and fashion-forward footwear, and is an excellent complement to the Michael Kors brand.

"We believe this combination further strengthens our future growth opportunities while also increasing both product and geographic diversification," he said. "We look forward to partnering with chief executive officer Pierre Denis, creative director Sandra Choi and the rest of the team as we grow the business globally while continuing to support the strong brand equity that Jimmy Choo has built over the last 20 years."

Footwear label Jimmy Choo said its investment in its store network and omnichannel services helped its revenues rise 16.5 percent in the first half of 2017.

Despite challenges such as reduced tourist traffic in Europe and softened demand in the United States, Jimmy Choo recorded growth in retail revenue and profit before tax. Ahead of Jimmy Choo's acquisition by Michael Kors, which is expected to close in the fourth quarter, the brand is projecting continued growth for the rest of the year ([see story](#)).

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