

APPAREL AND ACCESSORIES

## Are Kering and Stella McCartney parting ways?

January 26, 2018



*Stella McCartney's new campaign has strong environmental undertones. Image credit: Stella McCartney*

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By STAFF REPORTS

French conglomerate Kering is reportedly in talks to sell its 50 percent stake in fashion label Stella McCartney to the brand's eponymous founder.

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According to a report in [Business of Fashion](#), Stella McCartney and its parent company were planning to make an announcement in January, but have postponed it. The vegetarian label has been a key player in Kering's sustainability and social efforts over the years, helping to acclimate the luxury audience to materials such as vegan leather and faux fur.

Expected split

Ms. McCartney first entered a joint venture with Kering's then subsidiary Gucci Group 17 years ago.

The 50-50 partnership is understood to give the designer the chance to buy back shares from Kering.

In a statement issued to Business of Fashion, Kering said, "Ms. Stella McCartney and Kering have been operating and growing the Stella McCartney brand since 2001 as a 50/50 joint venture. As often between stakeholders there are regular discussions about the future of the partnership.

"Any significant change to the current relationship would naturally be made public at the appropriate time."



*Stella McCartney is said to be ending her joint venture with Kering. Image credit: Stella McCartney*

According to an unnamed source, an announcement could come in the next few months.

Stella McCartney's annual sales are estimated to be between \$150 million and \$200 million. The label also has licensing deals for fragrance and lingerie and has an activewear line with adidas.

Over the years, Ms. McCartney has served as a spokesperson for Kering's social causes, such as its White Ribbon for Women campaign ([see story](#)).

Aside from this reported move with Stella McCartney, Kering is also looking to streamline its portfolio with another sale.

Kering Group has proposed to distribute approximately 70 percent of its shares in athletic brand Puma to focus more heavily on luxury goods.

Kering currently owns 86.3 percent of Puma shares, but is looking to offload the majority of its holdings to free up the group, allowing for more focus on its status as a leading pure player in luxury. Post transaction, Kering would retain about 16 percent of Puma shares ([see story](#)).

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