

APPAREL AND ACCESSORIES

## Can cryptocurrency disrupt luxury fashion retail?

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*FashionTV is the latest group to accept bitcoin. Image credit: RYB*

By DANNY PARISI

As cryptocurrencies such as bitcoin continue to grow in prominence, more members of the fashion world are beginning to accept them, potentially leading to a significant change in how luxury items are purchased in the future.

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The latest group to accept bitcoin is FashionTV, the digital television channel focused on fashion news and insights. As cryptocurrencies continue to take hold among wealthy consumers, particularly newly wealthy people in the tech industry, luxury brands are beginning to embrace cryptocurrency as a legitimate tool.

"Fashion TV's coins are ERC20 tokens based on the Ethereum blockchain," said Michel Adam, president of **FashionTV**, Paris. "The coins can be used by owners as corporate currency for various FashionTV products.

"On one side, these are the classic services of the group such as TV, streaming and video on demand services," he said. "In addition, FashionTV wants to offer the blockchain community its own platform for luxury goods and services, and aims at bringing the blockchain technology closer to the fashion community.

"To this end, FashionTV is developing a blockchain-based solution to have transparency for models and their parents in the model business, to ensure they get more money and are treated fairly."

### Crypto changes

On March 9, FashionTV announced that it will begin accepting bitcoin for all of its services, including at its cafes and hotels, as well as allowing customers to purchase products from FashionTV with bitcoin.

The announcement came at an event hosted by FashionTV featuring music performances and appearances from some of the company's models.

Additionally, FashionTV will be introducing its own form of cryptocurrency called FTV Coins, a move that the group said was made under the advisory of the House of Nakamoto, a retail group focused on bitcoin and other cryptocurrencies.

The initial coin offering, or ICO, for FashionTV's crypto currency will occur on May 15, 2018. This will connect customers with some of the many brands that FashionTV works with including Chanel, Lamborghini, Dior, Ferrari and more.



*Denison has begun selling yachts for Bitcoin. Image credit: Denison*

But even for luxury brands and companies that do not want to do something so drastic, embracing and accepting bitcoin and other cryptocurrencies can be incredibly valuable.

Some have wondered if bitcoin and other cryptocurrencies are too chaotic and fluctuate too wildly, but overall this does not seem to bother luxury investors too much.

Just as the luxury world was beginning to embrace bitcoin, the cryptocurrency began experiencing wild swings in value.

At the end of 2017, bitcoin's value fluctuated severely, dropping 50 percent in one day only to rebound to a greater price than ever before. While continued fluctuations may make some wary of investing, luxury brands seem to be confident in the use of bitcoin no matter what the headlines say about it ([see story](#)).

#### Luxury confidence

While FashionTV is focused on bitcoin's potential for personal luxury goods, it has already made a big splash in areas outside of fashion such as real estate.

As bitcoin continues to disrupt the market, giving big returns to early investors, its impact is being felt across the luxury real estate industry.

While bitcoin did see a recent dip with a drop below \$6,000 for the first time since November, investors are still confident as CNBC reports the cryptocurrency market could reach \$1 trillion this year. A property sale in Miami is exhibiting just how far bitcoin can go, with the transaction happening through the cryptocurrency ([see story](#)).

Bitcoin's valuation recently rose significantly to more than \$10,000 per "coin," a growth spurt of 1,000 percent in just 11 months after beginning 2017 at \$963 each. According to the International Business Times, at the start of the year, the cryptocurrency market was valued at \$18 billion, but it is now worth a reported \$300 billion, with bitcoin

representing more than half of that figure.



## THE WHITE COMPANY

Purveyors of luxury to the cryptocurrency world

*"Select A Victim" by Mark Flood sold by The White Company for Bitcoin. Image credit: The White Company*

Even the luxury travel industry has gotten in on the trend, as Royal Yacht Brokers is now accepting these digital payment methods for rentals and sales.

Global currencies such as bitcoin and Ethereum and national currencies such as CryptoRubles, can now be used to charter or purchase the service's mega yachts. Due to the anonymity associated with these forms of payment, a number of luxury categories that cater to the well-heeled have adopted these currencies ([see story](#)).

While bitcoin and other cryptocurrencies can be confusing or intimidating, it is clear that some luxury brands are diving head first into this complicated new world.

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