

FRAGRANCES AND PERSONAL CARE

Majority stake in Coty goes to long-time investor

April 29, 2019



Marc Jacobs fragrances are produced by Coty. Image credit: Marc Jacobs

By STAFF REPORTS

Beauty group Coty has seen the majority of its shares go to JAB Holdings after the former agreed to an offer.

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JAB Holdings now controls the majority stake in Coty after purchasing 150 million shares for \$11.65 each, totaling more than \$50 billion. Coty has had a difficult stretch after its shares dropped significantly in the past year.

Majority shares

The investment group is looking to back up Coty as it faces uncertainty. JAB Holdings has a long history as an investor for the beauty group.

This transaction will take JAB's shares from 40 percent to 60 percent, giving it the majority stake.

The beauty group, known for its licensing of beauty products for major brands such as Gucci, Hugo Boss and Stella McCartney, has received a new management team to better steer the company. Coty is hoping to see its business turn upwards this year.

Prior to the finalized deal, Coty saw its shares fall 60 percent in the past year, according to *Financial Times*.



Coty's latest collection from Calvin Klein

Coty accepted the offer on April 26, in line with JAB's deadline of 5 p.m. on that day, and released a statement announcing the acquisition.

The beauty group also just announced that it has renewed its licensing agreement with fashion label Marc Jacobs, extending their more than 10-year relationship.

During their partnership, Marc Jacobs has launched a number of fragrances, including the fast growing Daisy collection of scents. From Coty's perspective, there is a natural synergy between the licensor and licensee, which will continue with the inking of a new long-term agreement ([see story](#)).

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