

APPAREL AND ACCESSORIES

LVMH backs LA-based streetwear brand

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LVMH Luxury Ventures is investing in streetwear DTC label Madhappy. Image credit: Madhappy

By STAFF REPORTS

French luxury conglomerate LVMH Moët Hennessy Louis Vuitton has invested in Los Angeles-based label Madhappy as it continues to court Generation Z consumers.

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The direct-to-consumer brand was founded in 2017 and has established a dedicated following with biweekly limited drops and pop-up shops. LVMH Luxury Ventures also has minority investments in French beauty retailer Officine Universelle Buly and luxury ready-to-wear brand Gabriela Hearst.

Madhappy

Madhappy describes itself as an “inclusive community of local optimists” that aims to contribute to the conversation surrounding mental health. It also caters to both female and male consumers, differentiating it from other more male-oriented streetwear brands.

The streetwear label retails casual staples such as vibrant, tie-dyed hoodies and sweatpants at high-end price points. Many feature upbeat messages, such as a strawberry pink hoodie with the phrase “So Sorry, No WiFi” priced at \$180.

Madhappy has resonated with younger shoppers and counts model Gigi Hadid and basketball star Steph Curry among its fans. Generation Z and millennial consumers often prefer shopping with brands whose corporate values align with their own personal views.



Madhappy recently hosted a pop-up in Soho. Image credit: Madhappy

LVMH launched its Ventures program two years ago, in an effort to support emerging brands. According to the LVMH Luxury Ventures Web site, the group looks to invest in luxury brands with growth potential who have demonstrated “a commitment to innovation, defining new uses and trends and paving the way for the business models of tomorrow.”

In January, LVMH made an investment into fashion label Gabriela Hearst, which will support the brand’s global growth. The investment is one of many LVMH has made recently in sustainable initiatives, as the brand focuses on sourcing materials while knowing where they have come from and who has made them ([see story](#)).

Globally, LVMH recorded a 17 percent year-over-year increase during the third quarter, with revenues totaling 38.4 billion euros, or about \$42.1 billion. Apparel and leather goods saw the steepest growth in the first nine months of the year, with revenues for the fashion houses rising 22 percent over 2018 ([see story](#)).

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