

APPAREL AND ACCESSORIES

## How Brunello Cucinelli approaches business based on "humanistic capitalism"

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*Brunello Cucinelli's offices include views of the outdoors. Image credit: Brunello Cucinelli*

By SARAH JONES

NEW YORK A sense of community is central to the corporate culture and philosophy at Brunello Cucinelli, according to the Italian label's U.S. president.

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Since the brand began about four decades ago in Solomeo, its namesake founder has sought to do business in a way that is respectful of employees, whether gathering them for leisurely lunches or making sure they have a work-life balance. In a fireside chat at Bloomberg's The Year Ahead: Luxury conference on Nov. 21, the executive explained how the company has worked to create a more respectful, human working environment.

"[Brunello Cucinelli] grew up on a farm with his parents," said Massimo Caronna, U.S. president at **Brunello Cucinelli**. "At an early age, Brunello saw as his father left the farms and started working in a factory, and his father was humiliated by the owner of the factory.

"And when Brunello was a young kid, going home and seeing his father had tears in his eyes...his dream and his life at that point took a turning point," he said. "And he said to himself, 'I don't know what I'm going to do in my life, but everything I'm going to do is to respect humankind.'"

Sense of community

Mr. Cucinelli was inspired to create his company partly from seeing the way his father was treated at work. He set out to do things differently with his own company.

When Brunello Cucinelli was founded in 1978, the brand took up residence in a castle in Solomeo, Italy. The setting ensures that workers have windows to view the outdoors, connecting them with nature.

Workers start at 8 a.m., but they do not punch a time card. When 5:30 comes around, everyone goes home, allowing them to recharge and reconnect with their families.

During the average workday, the company serves about 800 lunches to employees.



*Brunello Cucinelli. Image credit: Brunello Cucinelli*

Mr. Caronna explained that he has tried to bring the same feeling of the Solomeo working experience to the U.S. operations.

In addition to the company's factory, Brunello Cucinelli works with satellite labs around the Solomeo area, keeping craftspeople in business. The company is also training the next generation of workers by teaching children in Solomeo schools to hand sew.

About 20 percent of the employees at the company work in quality control. Mr. Caronna estimates that only 98 percent of everything that is made ships.

Beyond employees, relationship building also extends to the company's retail partnerships. From its start up until about 16 years ago, the label was sold solely through wholesale placements.

The brand communicates its positioning in a multi-brand environment through a combination of visual merchandising and events.

Brunello Cucinelli is opening a new store in New York's Meatpacking District next year. The company is opening about one to two stores per year.

With cashmere at the heart of the company's DNA, Brunello Cucinelli is also working to become more of a lifestyle brand.

#### Employee appreciation

As brands become increasingly transparent in their business practices, employee benefit programs have been put into the limelight, with many groups publicizing initiatives intended for work-life balance.

Sustainability is as popular as ever, with luxury conglomerates such as Kering Group and LVMH emphasizing and sharing their ethical, environmentally friendly efforts to demonstrate their corporate social responsibility to consumers. Internally, employees are a brand's most valuable and vocal advocates as they live and breath the ethos of a given house, making quality of life while at work an important support factor, especially as many brands struggle to find and retain talent ([see story](#)).

Italian companies and managers tend to excel at creating a community, according to a panel at the Italy-America Chamber of Commerce's Luxury Summit 2019.

Stefano Rosso, CEO of [Diesel North America](#), who works at his family's company OTB, noted that this familiar approach means that everyone comes together to solve problems, since they are motivated by common values ([see story](#)).

"Everything that we have done is really personal," Mr. Caronna said. "It's not per se about fashion. It's very deep, it goes beyond cashmere sweaters."