

APPAREL AND ACCESSORIES

Tapestry Inc. joins other luxury groups with falling sales for FY 2020

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Stuart Weitzman recorded \$286 million in FY 2020 net sales. Image credit: Stuart Weitzman

By LUXURY DAILY NEWS SERVICE

U.S. fashion group Tapestry Inc. nearly achieved \$5 billion in net sales for the 2020 fiscal year, even as sales were dramatically impacted in the fiscal fourth quarter due to coronavirus-related store closures.

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For the year and quarter ended on June 27, net sales for Tapestry totaled \$4.96 billion, down from \$6.03 billion in the 2019 fiscal year. This figure includes \$715 million in net sales during Q4 2020, a fall from \$1.51 billion in Q4 2019.

"Our fourth quarter results reflected our effective and values-led approach to navigating the COVID-19 pandemic," said Joanne Crevoiserat, interim CEO at Tapestry, in a statement. "This performance exceeded internal expectations, demonstrating the power of our unique brands and the decisive actions taken to adapt our business to the rapidly evolving environment and enhance financial flexibility.

Tapestry tumbles

For the year as a whole, Tapestry saw a net loss of \$652 million on a reported basis, compared to fiscal year 2019's net income of \$643 million.

Over the course of Q4 2020, Tapestry was bolstered by a return to positive year-over-year sales growth in mainland China. Most of the group's directly operated stores around the globe were also able to reopen by the end of June, with enhanced safety guidelines in effect.



New global spokeswoman and tennis star Serena Williams features in footwear maker Stuart Weitzman's latest campaign. Image courtesy of Stuart Weitzman, photo by Ethan James Green

Tapestry's digital sales also grew by triple digits compared to fiscal year 2019, although the group did not release specific numbers. Similar to some other luxury groups, Tapestry also declined to comparable store sales figures due to prolonged store closures.

All three of Tapestry's brands saw declines in net sales for the fiscal year.

Coach made \$3.53 billion in net sales, down from \$4.27 billion last year. Net sales for Kate Spade totaled \$1.15 billion compared to 2019's \$1.37 billion and Stuart Weitzman's net sales totaled \$286 million compared to \$389 million last year.

Looking forward, Tapestry will continue to invest in its digital infrastructure.

The group is also dealing with recent leadership changes.

In July, Ms. Crevoiserat was named interim CEO of Tapestry after the sudden resignation of Jide Zeitlin after reported misconduct allegations. Additionally, Andrea Shaw Resnick has been appointed interim chief financial officer of Tapestry and Todd Kahn has been named interim CEO and brand president of Coach ([see story](#)).

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