

APPAREL AND ACCESSORIES

Prada, Zegna Groups jointly acquire cashmere company

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Filati Biagioli Modesto S.p.A. is a cashmere company in the Tuscany region of Italy. Image courtesy of Ermenegildo Zegna Group

By LUXURY DAILY NEWS SERVICE

Italy's Prada Group and Ermenegildo Zegna Group have partnered to acquire a majority stake in a cashmere company in a new effort to protect the country's supply chain.

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Under the new agreement, Prada Group and Zegna Group will each have a 40 percent share in Tuscany's Filati Biagioli Modesto S.p.A. Through the partnership, the two independent Italian luxury groups are prioritizing preserving "Made in Italy" craftsmanship.

"This acquisition is in line with the philosophy that the Prada Group has always pursued: direct control of the entire supply chain to ensure uncompromising quality at every stage of the production process," said Patrizio Bertelli, CEO of Prada Group, in a statement. "It represents a further strategic investment that allows us to preserve the know-how and century-old tradition of an Italian excellence in the production of fine yarns; it also proves the cooperative attitude between two Italian groups, part of the much hoped-for goal of a teamwork approach in the Italian fashion industry and Italian manufacturing."

Made in Italy

Filati Biagioli Modesto specializes in the production of cashmere and other fibers, including silk, angora, alpaca and merino wool. Founded in 1919, the company also does its own yarn dyeing and uses 100 percent renewable energy.

The Biagioli family will retain a 15 percent stake in the company, while the newly-appointed CEO, Renato Cotto, will hold a 5 percent share.

Mr. Bertelli and Franca Biagioli will join the board of directors, while Gildo Zenga, CEO of Zegna Group, will be chairman.

Earlier this June, Zegna Group also acquired a majority stake in high-end fabrics company Tessitura Ubertino, a boutique weaving mill that specializes in premium quality fabrics for women. Zegna's textile division also includes silk manufacturer Tessitura di Novara, textile manufacturer Bonotto, hatter Cappellificio Cervo and jersey fabric

maker Dondi, along with the Lanificio Zegna wool mill ([see story](#)).



Gildo Zegna, CEO of Emmenegildo Zegna. Image credit: Zegna Group

These acquisitions allow Prada and Zegna to assure continuity, preserve know-how and create value for the "Made in Italy" philosophy.

"The acquisition of historic Italian companies, each specialized in its own product sector, has enabled Zegna over the years to establish a true luxury textile laboratory with the aim of producing the highest quality fabrics and at the same time safeguarding the uniqueness of the Italian supply chain," Mr. Zenga said in statement. "I am particularly proud of this new acquisition today because, in adding another prestigious company in the field of fine yarns to our textile division, I am joined in this journey by a great entrepreneur of the Italian fashion industry."

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