

APPAREL AND ACCESSORIES

Aeffe takes full control of Moschino

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Aeffe, which previously held a 70 percent stake in the brand, has taken complete ownership. Image credit: Moschino

By LUXURY DAILY NEWS SERVICE

Italian fashion group Aeffe has acquired the remaining 30 percent stake in Italian fashion house Moschino, taking full ownership of the brand.

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The transaction is part of the strategy related to the Moschino brand, which aims at the process of future integration of the women's apparel collections into Aeffe Group to enhance their potential. The consideration for the purchase of the shares, equal to 66.5 million euros, or \$79 million at current exchange, was paid at the same time as the transfer of the shares, while the remaining amount of \$36.5 euros, or \$43.4 million at current exchange rate, will be paid to the sellers by Nov. 30.

"The operation we have just concluded has long been considered an important step in our medium-long term growth strategy," said Massimo Ferretti, executive chairman of Aeffe, in a statement. "With full control over the Moschino brand, we are now in the best condition to manage all activities related to the brand's value chain, from product to quality and with positive effects on image, distribution and communication."

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The Moschino company is a prt-porter brand founded by Franco Moschino in 1983. Since then, the license for the production and distribution of women's and men's collections has been entrusted to Aeffe.



Rainie Yang for Moschino. Image credit: Moschino

Following the death of the founder in 1994, Aeffe tightened its bond with the house by taking over 70 percent of its shares in 1999.

In 2013, creative director Jeremy Scott introduced the distinctive and successful features of the brand: irony, fun and provocation, in a language understandable to the new generations, especially those across Asian markets driving growth today.

The latest agreement provides an "anti-embarrassment" clause aimed at guaranteeing the sellers payment of an additional amount in case of a transfer of Moschino shares in the 24 months following the transaction that involves a higher value of Moschino compared to that negotiated between the Sinv Group and Aeffe in the context of this transaction.

To pay the fee, Aeffe will use cash on hand, existing credit lines and new medium- and long-term loans.

Earlier this year, Moschino made substantial headway in China by leveraging its collaboration with Alibaba's Tmall Luxury Pavilion to reach discerning and tech-savvy affluent consumers.

Speaking at the National Retail Federation's Big Show on Jan. 14, senior executives from Alibaba and Moschino discussed strategies for brands to widen their appeal in what will soon be the world's largest luxury market ([see story](#)).