

COMMERCE

## Global fragrance force Creed acquired by Kering

June 26, 2023



*The corporation's all-cash transaction is expected to close in the second half of 2023. Image credit: Kering*

By LUXURY DAILY NEWS SERVICE

French luxury conglomerate Kering is building out its beauty division with the announcement of a new acquisition.

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The corporation has signed an agreement initiating the purchase of Anglo-French fragrance multinational Creed in an all-cash transaction expected to close in the second half of this year. Buying 100 percent of the company from funds jointly controlled by current chairman Javier Fern and BlackRock, the world's largest asset manager, a recently-founded Kering Beaut remains strategic in establishing itself amid an enduring market.

"The acquisition of Creed represents Kering Beaut's first strategic initiative and demonstrates our commitment to developing a strong position in the luxury beauty segment," said Francois-Henri Pinault, chairman and CEO of [Kering](#), in a statement

"I am thrilled that today our stories and values come together around this spirit of family entrepreneurship and excellence to accelerate our journey in beauty, and I am delighted that the brand is joining Kering's collection of luxury houses."

### Expanding heritage

Established in 1760 by James Henry Creed as a tailoring house serving Europe's royal families, Kering will soon be able to call the largest independent global high-end fragrance player a subsidiary, and its brands members of the Beaut portfolio.

Viewed as a solid fit when compared to an existing luxury apparel and accessories roster, officials will focus on leveraging Creed's centuries-old heritage and brand image as part of the transition.

One of the last-standing independent luxury fragrance operations, the house will now serve as a launching point for Kering's beauty endeavor, launched in February 2023 ([see story](#)).

Kering Beaut acquires [@creedfragrances](#), the high-end luxury heritage fragrance

house.#KeringBeaut #HouseOfCreed pic.twitter.com/Y2IDMbZfnm

Kering (@KeringGroup) June 26, 2023

Moving forward, the firm's leaders seek to uplevel Creed's potential across geographies like China, as well as within channels and categories, travel retail included. Kering will also further expansion of Creed's women's fragrance portfolio, in addition to its body and home categories.

Of importance to the purchaser is the production scale now made possible via the acquisition, cementing plans to piggyback off of Creed's existing global distribution network.

"Creed has a unique positioning in the fragrance market," said Raffaella Cornaggia, CEO of Kering Beaut, in a statement.

"We see a very compelling rationale and mutual strategic benefits in terms of expertise, network, and geographical footprint," she said. "We look forward to working with CEO Sarah Rotheram and her passionate team to continue to drive Creed's success worldwide."

The fragrance giant was obtained in a deal between Kering, Mr. Fernin and BlackRock's Long Term Private Capital Europe entity, a function that makes control-focused investments of high-quality companies across North America and Western Europe worth \$500 million or more.

"It has been a privilege to build on the Creed family legacy and to have partnered with such a dedicated and talented management team, led by CEO Sarah Rotheram, to further strengthen Creed's iconic standing," said Dag Skattum, head of the European office of long term private capital at BlackRock, in a statement.

"We are confident that Kering is the right home for such a unique heritage brand, and that it will continue to thrive under their stewardship."

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