

COMMERCE

Capri Holdings, Tapestry abandon plan to merge

November 14, 2024



Capri Holdings owns Versace, Jimmy Choo and Michael Kors. Image credit: Capri Holdings

By LUXURY DAILY NEWS SERVICE

U.S. fashion groups Capri Holdings and Tapestry Inc. are terminating their merger upon mutual agreement.

Both companies are dissolving the union as it appears unlikely that U.S. regulatory approvals will be obtained before the deal, which was initiated last August, expires in February 2025. Tapestry will reimburse Capri Holdings' expenses, amounting to \$45 million.

"With the termination of the merger agreement, we are now focusing on the future of Capri and our three iconic luxury houses," said John D. Idol, chairman and CEO of **Capri Holdings**, in a statement.

"Given our company's performance over the past 18 months, we have recently started to implement a number of strategic initiatives to return our luxury houses to growth," Mr. Idol said. "Across Versace, Jimmy Choo and Michael Kors, we are focused on brand desirability through exciting communication, compelling product and omni-channel consumer experience.

"While our strategies are tailored uniquely for each brand, our overarching goals are similar."

A promising future

Capri Holdings announced the update on Nov. 14, sharing growth strategies for Michael Kors, Versace and Jimmy Choo moving forward, with a focus on four areas communication, product, omnichannel and wholesale.

Its executives will expound on these plans during a live investor webcast that will be held today at 11 a.m. ET.

"Looking ahead, I remain confident in Capri's long-term growth potential for numerous reasons," Mr. Idol said, in a statement.



Capri Holdings is detailing growth strategies for Versace, Jimmy Choo and Michael Kors. Image credit: Capri Holdings

"First, we have an incredible portfolio of luxury houses, each with [its] own rich heritage, exclusive DNA and strong consumer loyalty," he said. "Second, we have a solid distribution network to build upon."

"With over 1,200 directly operated luxury retail locations globally combined with our robust digital platform we have a strong framework for the future."

The Federal Trade Commission managed to procure a ruling blocking the megadeal, per antitrust worries, last month ([see story](#)).

"Additionally, our extensive wholesale network serves as an important channel to reach consumers in areas where we do not have our own stores," Mr. Idol said, in a statement.

"Third, we have the management team, design talent and a global workforce of 15,000 employees to successfully execute our initiatives," he said. "Fourth, we have the financial strength to implement our strategies."

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