Pepe Jeans appoints Marcella Wartenbergh as new CEO

By Triana Alonso - 4 September 2019

Denim brand Pepe Jeans is boosting its board with the appointment of Marcella Wartenbergh as new chief executive officer. The Mexican executive, who forged her career at PVH Group, is replacing Carlos Ortega, founder and shareholder of Pepe Jeans Group.

Marcella Wartenbergh joined the Pepe Jeans team on Monday and will report directly to the company’s board of directors. Carlos Ortega announced her appointment to staff via an internal memo following a successful debt refinancing in July. The agreement signed with 14 financial entities, including BBVA, Santander and Caixabank, covered a €230 million debt. Additionally, the company’s shareholders approved a capital increase of €25 million “to improve the group’s financial position and the financial capacity required to execute the growth plans of its different brands," the brand explained.
Wartenbergh was most recently chief merchandising officer at Calvin Klein, a role she took up just four months ago. But she spent many years at PVH, the American group behind global brands including Tommy Hilfiger, Arrow, Van Heusen, Izod, Speedo and Calvin Klein. Before being promoted to chief merchandising officer, Wartenbergh held many roles at the retail group, including group president of global licensing and strategic initiatives at Calvin Klein. A graduate from St. Mary’s University in San Antonio, USA, she cut her teeth in the merchandising division of Tommy Hilfiger in the Netherlands in 1999. Sixteen years later, the executive returned to Mexico to lead the direction of the brand in the country.

Her new employer has a link to PVH, as Pepe Jeans Group not only owns the Pepe Jeans London, Hackett and Façonnable brands, but also distributes Tommy Hilfiger and Calvin Klein in Spain. The group is majority owned by L Capital Asia, a private equity unit backed by LVMH, and M1, a subsidiary of Lebanese investment firm M1 Group. The management team has an 8% shareholding in the company, while the remaining 22% is controlled by former CEO Carlos Crespo.

In 2017, Pepe Jeans swung to a loss despite revenues increasing to €531 million. According to Spanish newspaper El Confidencial, the company ended 2018 with revenues of €566 million and an EBITDA loss of €12.72 million.

Industry sources said that the company is looking at withdrawing from the Indian market and closing a number of Façonnable stores as part of a wider restructure to turn around its finances. According to data released on 31 March 2018, Pepe Jeans Group has 355 stores, including 219 Pepe Jeans locations, 105 Hackett shops, 29 Tommy Hilfiger outlets, two Norton stores and 16 Façonnable sites.

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