Italian fashion group OTB keen to upscale

By Dominique Muret - 15 December 2020

OTB, the Italian fashion group owned and led by Renzo Rosso (among its labels Diesel, Marni and Margiela) has never concealed its aspirations and its plans for establishing an extensive fashion and luxury hub in Italy. OTB has now confirmed it is evaluating acquisition opportunities on the market, while rumour has it the group is surely interested in Jil Sander, the label bought in 2008 by Japanese group Onward, whose style has been the responsibility of Lucie and Luke Meier since 2017.

According to sources cited by US magazine WWD, Onward has entered into exclusive negotiations with OTB for the sale of Jil Sander. The Italian group has not confirmed this, but has told FashionNetwork.com that it is looking closely at market opportunities. “It's true that we are assessing various opportunities and companies currently available on the market,” said OTB.

“We want to increase our critical mass, and we want to do so in a modern, sustainable manner. Above all, we want to bolster the fashion supply chain in Italy by making it stronger, doing the same for Made-in-Italy [fashion] in general. And we want to do this, as we did during the pandemic, in accordance with the strategic vision of our group and of our founder,” said OTB in a communiqué, referring to Renzo Rosso.

The Italian market is buoyant, in the wake of Stone Island's recent acquisition by Moncler and that of Hermès's Chinese label Shang Xia by Exor, the holding company of the Agnelli family, owners of automotive group FCA. And OTB surely ranks among the players in Italy with the prerequisites for carrying out a new acquisition. In October, the group received a €50 million loan from state-controlled investment bank Cassa Depositi e Prestiti (CDP) to support its expansion and development plans.

Last year, OTB acquired a minority stake in Californian luxury denim label Amiri, and increased its stake in Viktor & Rolf from 51% to 70%. In summer 2019, it was also rumoured the group was in the running to buy Roberto Cavalli. Eventually, it was Dubai billionaire Hussain Sajwani, founder and president of property giant Damac, which acquired the Florentine luxury label.

In addition to Diesel, Maison Margiela, Marni and Viktor & Rolf, OTB also owns childrenswear specialist Brave Kid and Staff International, the company that produces and distributes Marni and Margiela, as well as a series of licensed labels like Dsquared?, Just Cavalli and Koché.
After a few lacklustre years, OTB is back on a growth trajectory. In 2019, OTB was the fourth-largest Italian fashion group, after Prada, Giorgio Armani and Salvatore Ferragamo. Last year, the group recorded a revenue of €1.540 billion, growing 6.4% over 2018, and EBITDA worth €190 million, while its net cash position as of December 31 2019 was €124 million.

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