Moschino to take direct control of China retail distribution

By Dominique Muret - 17 November 2021

Aeffe is currently very busy with Moschino. In July, the Italian fashion group took full control of its leading label by acquiring the 30% stake still held by Sinv Holding for €66.5 million. The operation was finalised last month, a prelude to Moschino managing its young line, Love Moschino, internally. And in the wake of this, Aeffe announced it is taking direct control of Moschino’s distribution in China.

Moschino, now successfully styled by designer Jeremy Scott, has signed a letter of intent with Scienward Fashion
Moschino, now successfully styled by designer Jeremy Scott, has signed a letter of intent with Scienward Fashion and Luxury (Shanghai) Co. Ltd., a luxury goods distributor in China, which has been spearheading Moschino’s expansion in this market for over 10 years. A deal was struck to establish a transition period, at the end of which, “from June 2022, [Moschino] will take charge of managing its monobrand stores in China, which are currently run by a local partner.”

Moschino currently operates some 20 stores in China. It is planning to open more in the near future with a franchising partner, and its goal is to reach a total of about 50 addresses in the country within the next five years, between directly owned and franchised stores.

“Acquiring the Moschino distribution organisation in mainland China is one of the mainstays of Moschino’s repositioning strategy, in the wake of the total acquisition of the label that [Aeffe] announced in July,” said the group’s executive president, Massimo Ferretti, in a press release.

“We are now able to control the label’s entire value chain, from production to quality control, from distribution to advertising. Considering the importance of this market, managing [Moschino’s] distribution in China directly will enable us to define the label’s brand image with precision, offer dedicated care to our clients and above all to accelerate [Moschino’s] commercial penetration, based on an expansion plan that includes new store openings,” added Ferretti.

Asia is Aeffe’s third-largest market behind Italy and the rest of Europe. It accounts for a 20% share of revenue, and in the first nine months of 2021 it generated a revenue of €50.1 million. The group grew by 26.9% in the period in Asia, driven chiefly by China, where revenue was up 35%. In other words, Aeffe has a significant opportunity in a region with huge potential where it currently has a limited presence.

By Dominique Muret
Translated by Nicola Mira

Copyright © 2021 FashionNetwork.com All rights reserved.