Italian fashion group OTB sets up metaverse company BVX

By Dominique Muret - 1 December 2021

While many luxury labels, as shown recently by Gucci, Balenciaga and Moncler, are venturing into the virtual world via new presentation formats, the sale of NFTs and partnerships with the online videogaming sector, OTB has raised its game to another level. The Italian fashion group led by Renzo Rosso, owner among others of Diesel, Maison Margiela and Jil Sander, has made an emphatic entrance into the metaverse by creating a dedicated company to operate within it, a fashion industry first.

The new company is called BVX (Brave Virtual Xperience), and will act as “a new competence centre exclusively dedicated to the development of projects and content destined for the virtual world,” as OTB indicated in a press release, adding that “BVX will work transversally with all the group’s labels and with the leading players and platforms in the gaming and metaverse industries.”

OTB also stated that “the goal [of BVX] is to connect and involve younger consumers with fashion and lifestyle brands, and to create projects capable of accelerating the growth of OTB by generating new business opportunities in the field of digital-only products.”

The metaverse and its virtual 3D world, though still in its infancy, is heralded as a high-potential outlet for the fashion and luxury sectors. In a recent report, analysts from US bank Morgan Stanley estimated that the demand
fashion and luxury sectors. In a recent report, analysts from US bank Morgan Stanley estimated that the demand for digital products, currently still limited, is set to increase significantly, and is forecast to generate an additional revenue of $50 billion for the industry by 2030. "It will probably take a number of years for the metaverse to develop fully, but NFTs and online social gaming are two shorter-term opportunities for luxury labels," said Morgan Stanley.

According to the US bank, NFTs and online gaming are expected to grow the luxury groups' potential market by more than 10% by 2030, and to increase the sector's EBIT by approximately 25%.

"I have always believed that technology was the next frontier for the fashion industry. Through BVX, we want to lead the transformation of the fashion and luxury industry and meet the demands of current and future consumers to deliver products and experiences in the metaverse," said OTB’s founder and president Renzo Rosso.

BVX will be led by Renzo’s son Stefano Rosso, currently a member of the boards of OTB and of the Aura consortium, which OTB joined in October. Aura was set up originally by LVMH, Prada and Cartier, and uses blockchain technology to trace the provenance of luxury products and fight counterfeiting. Stefano Rosso is a videogame aficionado and is also in charge of D-Cave, the e-shop and lifestyle website dedicated to digital culture he founded last year, whose content is a blend of videogaming, fashion, streetwear and music.

“BVX has the ambition and the honour to drive the digital transformation at OTB Group and its brands towards the future of our society, which will merge the life in the real and virtual worlds,” said Stefano Rosso.

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