To paraphrase Tolstoy’s famed opening line, sustainable companies are all alike, but anti-sustainable companies are very different in their own way. Case in point, the house of Karl Lagerfeld, whose drive to sustainability reflects the brand’s extended clan approach.

Herr Lagerfeld always stressed how important it was to work with friends. He had no offspring but named four gallant models and brand ambassadors “his sons,” and worked with many people for literally generations.

That’s still the true today. When one visit’s the brand’s headquarters in Amsterdam three years after his passing, Caroline Lebar, Karl’s right-hand woman since 1985, is one of the first to welcome you. Lagerfeld’s former chauffeur Sébastien Jondeau is a brand ambassador and designer; and two models who were pals, Amber Valletta and Cara Delevingne, have both created capsule collections.

These days, it is practically impossible find a fashion press release that doesn’t include the word sustainable. But despite all the talk, worldwide the fashion industry is still guilty of causing an estimated 10% of all global gas emissions and releasing 1.2 billion tons of carbon dioxide annually.

That said, few countries have been as ecologically committed as the Netherlands, which is where Lagerfeld has been headquartered for the past decade. Located in a grand, former banker’s mansion on the storied Herengracht canal. A building Lagerfeld personally inspected and approved, just three months before his passing in February 2019.

Which is where we sat down with Pier Paolo Righi, the German-Italian CEO of Karl Lagerfeld, in an office overlooking the dappled light of canal bank elm trees. Righi was appointed shortly after the acquisition of the Lagerfeld brand by a mixed group of highly experienced fashion investors led by Silas Chou, and including Tommy Hilfiger, Fred Gehring and G-III, the brand’s North American licensor.
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Though Lagerfeld built Chanel into the most profitable and influential luxury fashion brand on the planet over almost four decades, his own brand had a far more mixed history. It changed hands four times, and eventually was sold back to Karl by Richemont, the world’s third largest luxury conglomerate, for one symbolic franc in 1997. That has all changed under Righi, who harnessed the celebrity value of Karl’s iconic image; targeted a sweet-spot of mid-range pricing; built a dynamic presence on the web and worked with Karl’s clan consistently.

So, here is Righi’s take on sustainability; maintaining growth; clan gatherings and a possible investor exit strategy.

Fashion Network: Why is sustainability important to the house of Lagerfeld?

Pier Paolo Righi: Well, when we embarked with Karl Lagerfeld a decade ago it was really a start up, a hand full of people. So, we saw a chance to create its own culture. A business with a key element - togetherness. A group of like-minded people working passionately. Today I see a team that has embraced this idea of caring. And you cannot intrinsically care about people unless you care about the planet and how you work and live and treat each other.

FNW: Why is this a real project and not green washing?

PPR: Well, we have joined the Fashion Pact. And, initially, I was super scared as there we were with all the big boys. And we had to ask ourselves, how do we support this initiative? We needed to address the key areas: knowledge; benchmarking what others had done; and make a roadmap. We built corporate responsibility stakeholders in each function. Picking people inside to drive the whole agenda. And this office became a starting point for that push.

FNW: In what way?

PPR: This building is pretty historic. It dates from the 1500s, and was once owned by a banker, who built a ballroom inside, that was also chapel blessed by the Pope! We addressed energy consumption and made all the lighting LED. All our electricity is wind craft; we use no gas, which is rare along this canal. We have a climate control system that recycles the warmth produced by of our bodies, computers and appliances. And we have a waste management system. You have no choice other than to walk the talk.

Also, about 80% of our stores are ecologically responsible. We also created a green hang tag. Eventually, every single product will get one. A year ago, about 25% of our products had hand tags, today we passed 50%, a quantum leap. It’s more a point of us to be proud than a question of communicating to the outside world.
Another key question is packaging. All our paper is FSC (Forest Stewardship Council) paper – to show it does not come from rain forests. We removed stuffing out of most bags and use flat transportation to save space when transporting.

**FNW: What role does Amber Valletta play as chief sustainability ambassador?**

PPR: Eight years ago, Amber approached Karl saying she wanted to work on a sustainable collection. Karl like the idea and we discussed some approaches and sources. But the company was still very young. To be honest, I did not know how to properly pull it off, and make it was it was supposed to be. We needed time to get it right. But we kept on meeting in LA and Paris and then two years ago it felt the right time. I have to say, we are all very impressed at how knowledgeable Amber is, and how much she had learned about key elements of sustainability.
impressed at how knowledgeable Amber is, and how much she has learned about key elements of sustainability: from collection points to key partners.

**FNW: What led you to name Amber ambassador?**
PPR: We kept the idea focused, but quickly learned it had to be so much more passionate on both sides. So, we said, let’s aim for something that goes beyond product. It’s very nice and beautiful to work with her, but also stressful, as she pushes us to the best of our ability. We began with individual products; and then our full product cycle. Now, we are looking at the idea of taking back product or renting product out, she keeps triggering our thinking.

**FNW: What sort of year are you having?**
PPR: For the fiscal year end of March, we will be up over 40% in annual turnover. I pinch myself when I say it. It’s very comforting. We had no real retraction in pandemic, just 4% down. So, we are now 35% above pre-endemic level. And we are hoping for over 20 to 25% growth next year.

**FNW: What is your annual turnover?**
PPR: Let me put it this way: the aggregate of all our sales, at retail, is close to one billion dollars.
FNW: What was that figure when you became CEO?
PPR: A decade ago, a couple of tens of millions of euros.

FNW: How many licenses do you have?
PPR: We have about 15 – regionalized. Like GIII, who is also one of our shareholders, and they license many important categories in the US, like women’s wear, bags and footwear.

FNW: G-III just bought Sonia Rykiel. What do they plan to do?
PPR: I am not involved, but I believe Rykiel is blessed with a great heritage and soul. And it would be a great pity if it could not be accelerated into the future.

FNW: How have you reacted to the Russian invasion of Ukraine?
PPR: Our direct-to-consumer business through Karl.com is not delivering to Russia. All our stores in Russia are operated by our franchise partner, we do not own any boutiques directly ourselves.

FNW: When will the house of Karl Lagerfeld go public?
PPR: Chuckles. Of, that’s very difficult for me to say, as we have a very diverse group of shareholders. That’s up to them. But it’s fair to say at some point there will be a consolidation of shareholders.

FNW: What are your next biggest projects?
PPR: Looking forward to launching a capsule with Cara Delevingne. She was part of the family, and Karl really liked her. A whole lot. I like the idea because it's in the DNA of Karl, to be quite gender fluid. Which this collection is. KL often said we have to do a gender free collection called KGB – Karl Girls and Boys. I would see Cara’s collection being in 100 doors worldwide, in our stores and some selected retail partners. Amber’s distribution, off the top of my head, a couple of hundred sales points, because it’s more focused on bags.

FNW: What's the next step with Sébastien Jondeau?
PPR: He is also part of the Karl family. When Karl was alive Sébastien was already an ambassador and he have taken him into the development process. As part of the menswear, particularly when it comes to sportswear. He has plenty of insight and practical and functional ideas. He is literally designing product and sketching.

FNW: Any chance of a Karl museum?
PPR: We’re not excluding that, especially if you look at the archive. We brought the whole archive to Amsterdam and placed it in a special vault. It’s all been digitalized, and the garments archived. So, a museum should be done in future.

By Godfrey Deeny

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