

Missoni's Michele Norsa Outlines Growth Strategies

A year after the sale of a 41.2 percent stake in the brand, the executive discusses store openings, governance and product development, reiterating the IPO objective.

BY LUISA ZARGANI

With a new governance in place and retail and product development strategies set in motion, Michele Norsa, vice president of Missoni, is taking stock of the progress made a year after the sale of the Italian label.

"M&As of this kind sometimes create some unnecessary anxiety over promises and plans, while I believe it's important to frame the point of view of the buyer and its investment," Norsa said in his staple no-nonsense manner in the run-up to the company's spring men's show here. "I think there should be strong harmony within the company and in the growth of the brand. There must be a growth of the product, of the structure and of the distribution, measured with one's own strength. If you have 20 or 30 directly operated stores, you can't go and open 10 in a year."

In June last year, Missoni revealed it was selling a 41.2 percent stake to FSI Midmarket Growth Equity Fund for 70 million euros. Norsa, who is also an industrial partner of FSI, said the fund is investing 10 million euros in the areas that Missoni needed to develop: the U.S. and Asia.

The funds are being channeled into boosting Missoni's retail network, which counts 20 directly operated stores and 50 units operated by third parties.

A 1,836-square-foot unit in Bangkok opened in May and another boutique will open in Singapore this summer at Marina Bay Sands.

Expected to be a jewel in the crown, a concept flagship will be unveiled in New York in September on Madison Avenue between 61st and 62nd Streets. "It's an extraordinary position, and this must be a flagship for the whole world," Norsa pointed out. "New York remains the meeting point of all cultures, from South America to Asia."

The blueprint is once again being conceived by Missoni's go-to architect, Patricia Urquiola, along with president

and creative director Angela Missoni. As the brand grows, the flagship will be able to display the range of categories, from women's and men's wear to accessories and home. "The creative force of colors and furniture is very important, as is functionality, with comfortable armchairs to welcome customers," said Norsa. "You

can't have clients sit on poufs," he said, shaking his head.

In Florida, in the second half of the year, a Missoni store is slated to open in Bal Harbour and a dedicated M Missoni unit at the Aventura Mall.

Also, a store and a pop-up will be unveiled in Hong Kong by the end of the year and before the Chinese New Year. "The goal is to continue to open six or seven stores per year," said Norsa.

As for online sales, the brand is not lagging, as the channel accounts for 8 percent of revenues – a "very interesting percentage," noted Norsa.

Missoni sales last year totaled 150 million euros. Upon the acquisition, Norsa and Angela Missoni said the objective of the transaction was also to eventually launch an initial public offering – a goal the executive stands by. "There is no set date, but, conceivably, we could be looking at 2023," mused Norsa.

To further boost revenues, the executive is leveraging the Missoni Home line, which includes new projects such as condos in Miami, Portugal and Mexico. "This is a very relevant business for the brand, with sales of around 20 million euros," he said.

He also plans to bulk up the accessories and shoe division with in-house production in 2021. "We are working on the first bags, we know it's necessary, especially in Asia," he said.

New potential licenses – including fashion watches, as well as the development of perfumes and the gifts category – are also seen as key. Missoni in December inked a renewable five-year licensing agreement with Safilo Group

for the production and distribution of prescription eyewear and sunglass collections for Missoni and M Missoni, with the new products available beginning in January 2020.

The executive underscored the aim to create a strong structure for the company and ticked off the hiring of a new commercial director, an operations director and a director of human resources, among others. "We are doing what a fund should do, implementing a good governance."

This includes emphasizing the role of third-generation Missonis.

As reported, Margherita Maccapani Missoni last October returned to the



company as creative director of M Missoni. The designer, daughter of Angela Missoni, has been tasked with further differentiating, repositioning and expanding Missoni's sister brand globally. Her first collection will be for spring 2020. She returns to the company after her own personal projects, ranging from

an independent children's line, which is now closed, and collaborations with the likes of Splendid for sportswear, Yoox for children's sleepwear and Away for luggage. "There is a lot of natural creativity here that will help set the foundations for the future," **Norsa** noted.

To be sure, the brand has also launched capsules that target a younger consumer, such as the Ultraboost sneakers in collaboration with Adidas last April, which quickly sold out, he added.

Other new entries include Margherita's cousin Jennifer, daughter of Luca Missoni, who is in charge of relationships with celebrities and socialites from Los Angeles, where she is based, and leveraging her experience as an actress in Hollywood.

Giacomo, son of Vittorio Missoni, is vice commercial director, and his brother Ottavio is president of Missoni USA.

Norsa, a longtime friend of the Missoni family, relies on a well-honed experience working with Italian fashion families, ranging from the Ferragamos and the Marzottos to the Benetton. He left his position as chief executive officer of Salvatore Ferragamo in 2016.

Norsa hinted at a "new innovative communication approach," and a special event in Asia by the end of the year. He also touted additional visibility the brand is enjoying thanks to the endorsement – "spontaneous," he underscored – of the Duchess of Cambridge and the Queen of Spain Letizia Ortiz, photographed wearing the brand's designs.



The Missoni boutique
in Bangkok



A rendering of the Missoni Bal Harbour boutique.