Cerruti 1881 continues trading, awaits potential buyer

By Dominique Muret - March 30, 2022

Nothing has truly changed for Cerruti 1881 after its owner, Trinity Limited, went into liquidation in January. The luxury menswear label is still waiting for a decision from the Hong Kong court authorities, and continues in business through its licenses, which have always been the linchpins of its business model.

Trinity Limited, a distributor specialised in high-end menswear, was formerly owned by Li & Fung, belonging to Hong Kongese conglomerate Fung Group. In 2017, Chinese textile giant Shandong Ruyi bought a 51% stake in Trinity Limited, but is now crippled by debt. Owing to Shandong Ruyi’s financial problems, Trinity went into liquidation at the start of 2022, and the future of the brands in its portfolio is now in question. Besides Cerruti 1881, Trinity owns long-established tailoring label Gieves & Hawkes, a supplier to the British royal court, and men’s shirt brand Kent & Curwen, which has closed down its business in the UK.

Cerruti 1881 was founded in Paris in 1967 by Italian designer Nino Cerruti, who passed away in January, and was successful notably in the 1970s and 80s. Since 2001, when Cerruti sold his label to Italian holding company Fin.Part and retired from fashion, the brand has changed hands a number of times. After various setbacks, Cerruti 1881 was taken over by US investment fund MatlinPatterson Global Opportunities Partners, and was sold in 2010 to Trinity Limited, which was in turn acquired by Shandong Ruyi.
Claire Landrau, global vice-president marketing and communication at Cerruti 1881, told FashionNetwork.com that the label now finds itself in a situation that is “by no means exceptional,” and is “a typical stage in the process.” Landrau stated that “we are still the property of Trinity Limited. The liquidation process is under way in Hong Kong and we are awaiting the liquidators' decision. But there ought to be no concern for the future of Cerruti 1881. The brand should be put up for sale shortly.”

Cerruti 1881 is still led by Laurent Grosogogeat, who took the helm in 2016, and the business is centred around product licences, enabling the company to stay afloat during this transition phase. The label’s most important licence is for fragrances, granted in 2018 to British company Designer Parfums, followed by that for leather goods (bags and shoes for men and women). Cerruti 1881’s leather accessories have been produced under licence for 18 years by Italian manufacturer Principe, and are distributed via 2,000 retailers in 40 countries between eastern and western Europe and the Middle East.

Watches are another important source of business for the label, especially in France. They are produced and distributed by International Luxury Group, based in Switzerland. Another licence covers ties and scarves, and is managed by French company Anthime Mouley. Underwear, nightwear, socks and loungewear are produced by Malu NV.
The men's ready-to-wear line was instead put on hold shortly after the departure of creative director Jason Basmajian in July 2019, and this was followed by the closing down of the label's Parisian store in boulevard Haussmann. The latest Cerruti 1881 campaign that can be seen on the Trinity website dates back to Fall/Winter 2020-21. "We have been unlucky. Before the Covid-19 pandemic hit in the last two years, operations at our Hong Kong headquarters were badly affected by the demonstrations in the city," said Landrau.

"Fortunately, we do not have to depend entirely on our parent company. Our licensing business is very well established, and this allows to bide our time until the liquidators' decisions. We can't wait for things to go back to normal, so that we can announce our next new projects," she added.

Trinity's other brands, Gieves & Hawkes and Kent & Curwen, are also waiting to learn their fate, and the same goes for other assets owned by Shandong Ruyi. At the end of 2021, the Chinese group was ousted by its creditors from SMCP (owner of Sandro, Maje, Claudie Pierlot and De Fursac), of which it was the majority shareholder. The same group of creditors is also trying to take control of the Lycra Company.

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