

Style Capital invests in fashion again, and ups its stake in forte_forte.

A wholly Made in Italy operation, in which the private equity fund Style Capital (managed by the asset management company of the same name) has initialled an investment agreement aimed at taking a majority stake in forte_forte srl, owner of the exclusive forte_forte brand of contemporary womenswear.

Milan, 27 April 2017 – Style Capital, the private equity fund set up and run by Style Capital SGR, is signing an investment agreement to take a majority stake in the Venetian firm forte_forte srl, owner of the exclusive forte_forte brand of contemporary womenswear.

The firm was established in 2001 at Sarcedo (Vicenza), the brainchild and initiative of the Forte brothers. Under its own forte_forte brand it produces and markets upmarket (high contemporary) women's clothing, catering to a sophisticated, romantic-modern taste and with a carefully crafted use of shape, design and material.

forte_forte's Financial Statements for 2016 show a turnover of some €15m, over 70% of which is export thanks to a well-established presence abroad. The brand's main markets apart from Italy are France, the USA and Japan. At present its business model depends entirely on wholesalers, with 500 multi-brand customers including some of the world's best luxury boutiques which it services through showrooms in Paris, Milan, New York and Tokyo.

Style Capital's investment operation and its equity stake in forte_forte has the aim of further bolstering the brand's business by injecting capital to support its communication strategy, more international expansion and above all the firm's development of retail marketing, with the first single-brand forte_forte store due to open soon (end of 2017) in Paris.

Over the coming three-year period there are plans for single-brand store openings in the most important international centres, together with carefully-chosen commercial partnerships to boost sales volumes and raise the brand's profile. On the wholesale front there will be a broadening of the present distribution structure, with extra attention to the Asian market.

"forte_forte may still be small, but it's a brilliant firm with good international distribution including America and Japan as well as Europe. At present its wholesale distribution is very well selected and provides an excellent foundation for further development in the wholesale channel as well as for the launch of its retail operation. Also, the marque's highly recognizable style gives it a powerful brand identity, one which has always kept the consistency that is essential for growth that is rapid but sustainable over time. The guidelines for a retail concept are already there in the brand's image; they just need converting into a real retail project. Deploying our strengths to help firms take exactly that step is one of the specialties of our approach to private equity", says Roberta Benaglia, CEO of Style Capital SGR. "We mean our investment in forte_forte to support the firm and its leaders Paolo Forte and Giada Forte (who is also the house's Creative Director) in pursuing their growth strategy both in terms of strengthening its international presence and in creating a network of single-brand stores in the main international luxury marketplaces (not as an alternative to the wholesale channel, but to support its consolidation by enhancing its brand recognition)."

"Style Capital taking a stake in forte_forte is another important step forward in the firm's growth and the development of the forte_forte brand," adds Paolo Forte. "For my sister and me, and for all of us who work here, this is a turning-point of fundamental importance, an essential evolutionary step in which we've agreed a development plan and finally worked out our retail project with a special partner capable of understanding and sharing the spirit, the values and the passion which have always been and will always continue to be the distinguishing feature of the house for all its customers".



forte_forte

Style Capital SGR is a private equity fund management company that specializes in investing in Italian luxury fashion firms. Following successful operations in Twin-set and Golden Goose, Style Capital SGR has recently finished gathering a further €103m in resources for its Second Fund, to be invested in the next three to five years. The portfolio is expected to contain some five or six investments, each stake being between €15m and €25m, and the investees will be companies with turnovers ranging from €15m to €50m.