

Cucinelli IPO Planned for Early Next Month

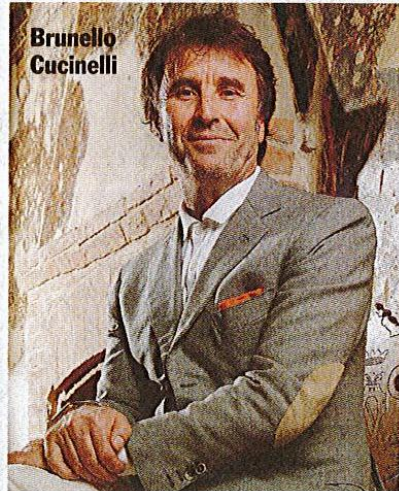
By LUISA ZARGANI

MILAN — Brunello Cucinelli SpA is expected to launch its initial public offering on May 3, according to sources here.

The Italian luxury fashion house plans to kick off its road show on April 16 and end April 27, when the share price will be determined. The company is valued at about 500 million euros, or \$650 million at current exchange, after a capital increase. Sources say the namesake entrepreneur plans to float about two thirds of the company, known for its cashmere. Bank of America Merrill Lynch and Mediobanca are global coordinators and joint book runners.

The firm, based in Italy's Solomeo, started the process to list on the Italian Stock Exchange in February and first revealed it was considering an IPO in May last year.

"The Bourse is an important step for growth, in line with our entrepreneurial philosophy," Brunello Cucinelli, founder of the



Brunello Cucinelli

PHOTO BY SAKIS LALAS

fashion house, said at the time. "My goal is to become even more international and attract managers, even those who think differently from me. The company is 34 years old and my dream is for it to last at least another 34 years. We are based in a small town, which I hope will continue to work in luxury."

Cucinelli, who is 58 and has two daughters, 20 and 29, realized he needed to release the

company from family dynamics, saying "ownership is inherited, but not the management of a company. If they will be able to manage it, they will; if not, there will be someone who can do it."

In the 2011 fiscal year, the firm's net profit is expected to reach about 30 million euros, or \$41.7 million at average exchange, up 60 percent compared with 2010. Revenues are calculated to reach about 240 million euros, or \$333.6 million, up 18.5 percent compared with the previous year. The company has registered 50 percent growth over the past two years.

At the same time as the Benetton family has decided to delist its clothing and textile group (see story below), analysts in Milan have generally praised Cucinelli's decision to go public. The consensus is that the IPO will help the firm generate further attention and add to its image.

Cucinelli has always said he was planning to go public in Milan as he feels "very, very connected to Italy and my territory, Umbria and my country."

Benetton Group Delists Shares in Milan

By LUISA ZARGANI

MILAN — After 26 years on the Milan Stock Exchange, Benetton Group is bidding it "ciao."

Parent company Edizione Srl said late Friday that it considered the result of the tender offer to buy the 25.15 percent of Benetton shares it did not already own, launched on March 5 and ended on March 30. "satisfying." Shares were priced at 4.60

acquisitions analyst, and he went on to set up the private equity fund 21 Investimenti SpA in 1992.

Benetton's real estate portfolio was at the center of ongoing speculation over the past few weeks, as analysts questioned the share price, given the value of the group's property assets, estimated at about 1 billion euros, or \$1.31 billion at current exchange. "Minority shareholders were hoping for a higher share price, but the offer was successful anyway, and there was no opposition from the board," said an an-

THE BRIEFING BOX

IN TODAY'S WWD

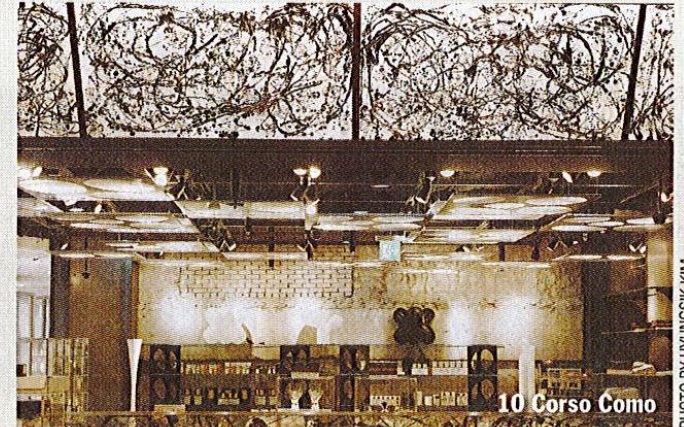


PHOTO BY HYUNGSIK KIM

Wacoal's purchase of Eveden could stimulate mergers and acquisitions activity in the intimate apparel industry. **PAGE 1**

Editors now function as "brand managers," promoting their publications through apps, TV shows and other licensing opportunities. **PAGE 1**

Dries Van Noten on Thursday was the final designer in the "Fashion Talks" series at the French Institute Alliance Française in New York City. **PAGE 6**

Chinese fashion houses must learn to build brands for customers at home, industry leaders were told at the China Fashion Forum in Beijing. **PAGE 7**

Companies exhibiting at Vision Expo East nudged the boundaries in hopes of attracting new customers. **PAGE 8**

France's Christian Dior Museum starting in May will host an exhibit that highlights the house's connection to the stars of the silver screen. **PAGE 9**

Bloomberg Businessweek's Josh Tranciel and Richard