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Fiorelli targets global growth

By Jessica Price Brown

Handbag brands Fiorelli and Modalù will expand into global markets under new owner Synova Capital – but the message to UK stockists is that it is “business as usual”.

Private equity firm Synova, which bought the brand's parent company The Lunan Group (TLG) for an undisclosed sum earlier this week, said it planned to expand Fiorelli and Modalù internationally, after overseas orders at both brands rose 400% year-on-year.

TLG co-founder Stuart Lunan will remain as chief executive of the group and will retain his focus on the UK market. Leo Gestetner, founder of Brands etc, which owns lingerie brand Myla, swimwear brand Zoggs and activewear brand PureLime, has joined the company as executive chairman and will take charge of the export business.

Lunan said: “We are already seeing huge growth overseas.



In the bag: Fiorelli's sales are up

We are building a whole infrastructure in Germany and, at some time, international orders will overtake UK sales. But we will ensure the UK market is well looked after.”

He added that Fiorelli's UK sales were up 20% this year and that Modalù, the group's more upmarket leather bag brand, would achieve 100% growth

year-on-year by the end of 2008 in the UK. He said group turnover would hit £20m next year.

Fiorelli has about a 13% share of the branded handbag market in the UK, according to TLG, with about 500 indie and department store stockists.

“We have a good existing account base in the UK and we will be nurturing our existing stockists. We will look at other categories to grow – we're still quite weak on belts and luggage for instance,” Lunan said.

“We have already licensed jewellery, which is doing well, and we have also licensed sunglasses, which are doing quite well. We could look at footwear but would need to find the right licensee.”

Separately, Marlies Spiekman, who has previously worked as finance director of LVMH's UK leather business, will join TLG as chief financial officer.

Fiorelli will be showing at womenswear and accessories show Pure at Olympia in London from August 3-5.