

- NEWS RELEASE -

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Leather for luxury and fashion Industry: TANNERIES ROUX sold to LVMH

LVMH acquires TANNERIES ROUX

By Elizabeth Paton in New York

LVMH has announced the acquisition of TANNERIES ROUX, a quality leather products manufacturer, in a move that has reinforced the group's intentions to consolidate control of key supply chains in raw luxury goods materials.

Founded in 1803 and based in the south of France, TANNERIES ROUX has worked with some of the world's best known fashion and accessories houses, including Louis Vuitton, Christian Dior, Loewe, Céline and Moynat. The company, led by Jean-Claude Ricomard, is known for pioneering the use of calf leather for products such as shoes, belts and handbags thanks to its smooth and supple quality.

Since 2009 and the creation of Tanneries de la Comète, LVMH has publicly committed itself to the sustainable procurement of skins and leathers as well as in-house development of finishing and protective techniques.

Motivation for the decision is clear – the group's most profitable sector across all brands is apparel and leather, or "soft luxury" products. In Q1 results for 2012, the sector was the single biggest sales contributor across the LVMH portfolio, accounting for 37 per cent of sales last year and with a growth rate of 12 per cent like-for-like. Overall sales stood at a total of €6.6bn for the first three months of the year.

This is not the group's first acquisition of a major supplier – a growth strategy that has also been seen as an attempt to gain leverage over rival luxury brands...

LINKERS, advisor to the Seller

financial: LINKERS (Philippe Laurent)
legal: Cefides (Valérie Giet, Yves Conan)
comptable: Finot-Alpes-Audit (Alain Lombard)

Buyer:

LVMH Fashion Group Industries (LVMH Group)

Advisors to the Buyer:

financial: PWC
legal: De Pardieu Brocas Maffei

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