

# Furla nets \$585m annual sales as travel retail 'shines'

Italian leather goods company Furla Group increased its turnover by 5% to €513 million (US\$585 million) in 2018.

During the fiscal year, the group strengthened its supply chain and technology, and began 2019 with the launch of its new sneaker collection.

Over the past four fiscal years, Furla has doubled its turnover, hitting €513 million in 2018, a 5.2% increase at constant exchange rates over 2017 (or a 2.8% increase at current exchange rates).

Analyzing sales by geographic area and at constant exchange, the Asia Pacific region "shines", the company said, with an 18.2% year-on-year upswing in 2018; it now accounts for 26% of total turnover.

The US saw an increase of 13.2%, and makes up 8% of turnover.

Japan remains the brand's leading market (22% of turnover), and sales there were up 3.6% compared to 2017. The EMEA region, which represents 44% of global turnover, maintains its market position, the group reported.

Furla Group is continuing to seek direct control of its brand distribution through a strengthening of its monobrand stores, which produced 70% of turnover in 2018.

Direct distribution, combined with multibrand sales points and franchising, allows Furla to have a far-reaching presence in 98 countries worldwide: its 490 monobrand stores (285 directly owned, 163 franchisees and 42 travel retail doors) are in the most prestigious international shopping locations.

The travel retail sector, which in 2018 climbed 16.2% year-on-year, accounted for 7.3% of the group's turnover through its sales at 293 doors, spanning boutiques, corners, shop-in-shops, aircraft and cruise ships, across 64 countries.

The company invested in its direct e-commerce platform, where turnover jumped 45.7% over the previous year, at constant exchange rates.

After years of geographic expansion across the globe, the group is now focused on a more selective development and on categories of merchandise that are complementary to its core business, Furla said.

In February 2019, during Milan Fashion Week, it introduced its new sneaker collection, supported by 360-degree marketing.

Furla has boosted investment in its marketing, particularly digital communication and social channels, which have shown a large increase in followers (+64% versus 2017 on Instagram and WeChat), while maintaining one of the highest engagement rates (1.59%) within the fashion luxury category.

"We are highly satisfied with these financial results, which we achieved at a challenging time for the international market," said Alberto Camerlengo, Chief Executive Officer of Furla Group.

"We've invested significant financial resources in managing the unrestrained growth the company has

experienced over the last several years, from acquiring total control of our retail distribution network in China, Hong Kong, Macau and Singapore, to strengthening our supply chain. Our single, fundamental goal has always been to guarantee continuity and excellence in all of Furla's creations," he concluded.