Brunello Cucinelli, Monografico
Monday interview
Brunello Cucinelli, Founder and CEO, Brunello Cucinelli

The Italian believes his beneficent feudalism is the best way forward for luxury businesses, writes Rachel Sanderson

It is a degree course in etiquette and Brunello Cucinelli, Italy’s most charming “King of Cashmere”, has just run up the stairs to his office in the Umbrian hills. He is in the middle of an interview when he suddenly turns off the microphone, apologizes and asks to have the tape turned off. His smile is warm. “I want to talk about something important to me,” he says.

“I am an Emperor,” he says. “I have to be responsible for the beauty of the world.” He Cucinelli uses the word “emperor” with a smile, raising the eyebrows of his shirt — his own design — as he said. He is 60. “I don’t know if there is an air conditioner. Or if there is any heating. Yes, I suppose. Beauty will save the world.”

In the realm of Italian emperors, entrepreneurs and luxury goods, Mr Cucinelli holds a special place. As it, with banquets and international excursions, Mr Cucinelli built a customer base of high-end retailers in the US and Europe. He is now the owner of a company that sells high-end cashmere for a new generation of customers.

Mr Cucinelli wants to be the first on the block of the Italian economy. He calls it “beneficent capitalism” and believes that it is “the only way” to build a business that is not only profitable but also benefit society. “We are consumers, not customers,” he says. “We are human beings, not just numbers.”

Mr Cucinelli puts a lot of emphasis on the people who work for him. He says that he has built his business on a network of relationships and a deep understanding of his customers. “They come to me when they need something,” he says. “They come to me when they want to be seen. They come to me when they want to be heard.”

For Mr Cucinelli, this is not just about being a successful businessman. It is about being an enlightened one. “As an entrepreneur, you have to be a philosopher,” he says. “You have to understand the world you live in and how you can make it better.”

The evidence of Mr Cucinelli’s belief can be seen in the way he runs his company. Mr Cucinelli looks up and grins, something he does a lot. “We are not just in the business of making clothes,” he says. “We are in the business of changing the world.”

The CV
- Born: Cortina d’Ampezzo, Italy, 1953
- Educated: University of Florence
- Career: 1987 Solomeo becomes company headquarters
- 1996 First store in Paris
- 2002 First store in China
- 2003 First store in India
- 2005 First store in Russia

For people who want to stay and work with me and build their skills, they have to be offered something more

The workroom using magic wands to sew buttons or starch the cloth.

At Solomeo’s centre, Mr Cucinelli runs the brand’s Villa Astronomia, having recently restored this and Solomeo’s dressing rooms and workshops. Mr Cucinelli says he likes to think of it as a “philosophical laboratory”, a place where the company can use the expertise of the local people to create a new generation of fine Italian clothes.
Brunello Cucinelli, an Italian luxury cashmere retailer, has appointed bankers to list a third of the company on the Milan stock exchange next year. It is the latest move among Italy’s privately owned luxury goods companies to seek extra funding to expand into Asia.

The company, which is based in a hilltop hamlet in Umbria, sells cashmere sweaters and leather jackets for upwards of €1,000 ($1,430), mostly in Europe and North America, and has emerged as a leader in the luxury niche in the past decade. The move by Mr Cucinelli follows the successful listing of Italian luxury goods companies Prada and Salvatore Ferragamo on the stock exchange this year and the sale of Moncler, a maker of pricey sportswear, to private equity as they raise funds to reach consumers in China and South America.

Brunello Cucinelli, who has masterminded the expansion of his eponymous company over the past three decades, said he wanted to list “around a third” of the business in order to raise funds to expand into Asia, Brazil and into perfumes and watches. The business is almost equally split geographically between Italy, the rest of Europe and North America. China accounts for just 2 per cent of sales.

Merrill Lynch and Bank of America Merrill Lynch have been appointed to handle the listing of as much as 25 per cent of the company, together with a small capital increase.

Cucinelli made a turnover of €300m in 2010, a yearly increase of 28 per cent. That is forecast to rise around 20 per cent this year to €425m. Mr Cucinelli, told the Financial Times. Pre-tax profit is expected to rise to €90m, up 65 per cent, a sign of the resilience of the spending of the wealthy even amid a pullback in consumer spending. In Italy, as opposed to France, Europe’s other fashion hub, many luxury goods companies including well-known names Armani, Dolce & Gabbana and Versace, have remained in private hands. Bankers say the pressure of requiring funds to expand, together with generational change is forcing them to consider sales.

Mr Cucinelli, 57, said he wanted to list because “I think the stock market helps companies to live longer”.

Italy’s stock exchange, Borsa italiana, is also promoting itself as a destination for luxury goods as it is one of the largest untapped sectors in the Italian economy.