

# THE LUXURY BUSINESS GAZETTE

Monthly business news, analysis & views from the global luxury industry

## Top EU Court Gives Broad Protection to 'Champagne'

➤ As reported by [Reuters](#): “the top European Union court backed French champagne makers who had argued that their protection under EU law should extend far beyond banning rival sparkling wine producers from putting the word “champagne” on their bottles.” The champagne industry group is also aiming at making the Russians producers stop using their term “shampanskoye”.

## Bill Gates' Investment Firm is Taking Control of Four Seasons

➤ Bill Gates' private investment vehicle [Cascade Investment](#) will increase its existing 47.5% stake to 71.25% by purchasing 23.75% stake more from an affiliate of its long-term investment partner Kingdom Holding Company for \$2.2 billion, valuing Four Seasons at a \$10 billion enterprise value. Will other tech tycoons make bigger investment in the luxury industry too for the post-pandemic boom?



## ITALIAN LUX BRANDS INVEST IN VITICULTURE

Italian luxury and fashion brands have been investing in preserving the Italian viticulture. This move has holistic implications as they are also setting an example for other countries' brands. It's win-win when global luxury invests to preserve boutique or heritage luxury.

There needs to be the realization that the global economy seeks a creative solution that can be found only within cultural policymaking and outside economic policymaking frameworks. It is wasteful to continuously make failing attempts to solve macroeconomic and microeconomic issues using economic policy as the main means if economy is nothing more than an outgrowth of culture.

## Xi Jinping's Speech - a Threat to European Luxury Brands?

➤ According to WSJ, “a speech on wealth inequality by the Chinese president has wiped 60 billion euros off the value of Europe’s top luxury stocks.” Such anti-luxury and anti-Western influence speeches may affect semi-luxury brands that sell on masstige but do they pose a real and durable threat?

## Italy to Protect Its Luxury Car Brands From the EU's Bans

➤ Italy aims to prevent damage to its Lamborghini and Ferrari brands and protect them from the EU's upcoming 2035 ban on combustion engines. The minister for ecological transition Roberto Cingolani said: The proposed exemption “is something we are discussing with other partners in Europe,” (...) “I am convinced there will not be a problem.”

## Chinese Venture Capitalists Are Betting More On Luxury

➤ Chinese venture capital firms have expanded their portfolios by investing more in fashion and personal luxury startups. As Jing Daily wrote: “Even before the pandemic, Venture Capital funds were betting on the personal luxury goods market. And the post-pandemic resilience of the luxury industry is making this bet even more appealing.”

## ROYAL WARRANTS FOR LUXURY

When a good or service is appealing for a royal, then it must surely be one of the very best available in the market. Functioning as a kind of official certificate, a legitimate endorsement or a stamp of approval the Royal Warrants add value and credibility to the select brands they are given to.

In fact, one could even propose that the countries that don't have monarchy would be economically and culturally better off re-establishing monarchy purely for the awarding of Royal Warrants and for other kinds of support in preserving talent, heritage, culture, craftsmanship, know-how and tradition among luxury SMEs. This is because there are more direct and indirect benefits of such high class and meaningful signifiers for society, economy and culture.

## THE FUTURE OF HAUTE COUTURE

Haute couture can be considered the only true and absolutely luxurious dimension of the fashion industry. It makes more sense to put it in the luxury category than in the fashion category. The educational, artistic and cultural value it contributes cannot be underestimated. Many of the luxury and high-end

fashion brands have been aware of this meaningful power it carries and so they've been continuously producing and presenting haute couture to be able to increase or keep their brands' prestigious status. As Claudia D'Arpizio, a consultant on the luxury markets from Bain&Co., said: “Haute Couture only means something if it's authentic and faithful to the brand's DNA. Few Houses have the necessary authority and heritage.” What does the future hold for haute couture?

