



Life-changing
moments pepper the
universe of OTB's
Renzo Rosso.

BY LUISA ZARGANI

RenzoWorld!

PHOTO BY ANDREA DELBÒ

Multitasker doesn't even begin to describe Renzo Rosso.

As he builds his OTB SpA Italian fashion empire, he invests in a number of projects—ranging from e-tailer Yoox Group to an organic food retail chain (through his family-owned Red Circle Investments). He also funds socially responsible initiatives with a focus on Africa through his Only the Brave Foundation, and he produces wine and olive oil on his Diesel Farm.

"The world is full of ideas, you need to be hungry for them and understand what people do," says Rosso, 58, giving a visitor a tour of the group's modern and sprawling headquarters in Breganze, about an hour's drive from Venice.

"I'm partly moved by instinct, but I always try to visualize the project. This is the same way I approach everything. How can I transform the idea that someone has shared with me into the best thing for both of us, and quickly?" he says, mimicking the thinking process with his fingertips propped against his temples, framed by his unruly salt-and-pepper curls.

The RR tattoo of his initials stands out on his knuckles and his blue eyes are matched by his aqua-colored sweater by Viktor & Rolf, one of the brands under the OTB umbrella, formerly known as Only the Brave. "They will be happy to see this," says Rosso about the garment, posing for a photo and referring to designers Viktor Horsting and Rolf Snoeren. Besides the Dutch duo's label, the 1.57 billion euro, or \$2.07 billion at average exchange, OTB group comprises Diesel, Maison Martin Margiela, Marni and production arm Staff International, which manufactures and distributes brands including Dsquared2, Just Cavalli, Vivienne Westwood and Marc Jacobs.

His day job almost came to an end in 2007, if it had not been for a chance meeting with the Dalai Lama, Rosso recalls. "I was thinking of giving it all up, I wanted to work less and devote my time to social projects until I met the Dalai Lama on a flight from Edinburgh to Rome. He told

me that people would want to imitate me if I continued to do my work as an entrepreneur and that I had a responsibility toward the families of my employees. It was a fundamental day for me," says Rosso, who is not a Buddhist. "After all, this is very RR.

"I had a very simple education about dignity and life values," he adds, referring to his growing up on a farm in Brugine, near Italy's Padua, the youngest of three children. At the urging of his parents, Rosso enrolled at a textile school. It was a game-changer, and led to a job with Adriano Goldschmied managing a small production plant in nearby Molvena. He became a partner and eventually bought out Goldschmied in 1985, becoming sole owner of Diesel.

Rosso's ambition to develop OTB stands out in a country that has a bumpy history for fashion conglomerates. In the process, he has nourished profitable relationships with designers, both established and budding—also a distinction in this industry.

"My passion is talking to designers. I find a way to talk to them and I work to earn their respect," says Rosso. "I relate to them to understand them and make myself understood. I know now how to make myself clear."

He lets slip that this has not always been the case, admitting to past moments of "going crazy." Today, he says he deals with designers "in an intelligent way when they sound off. I have learned to manage them with diplomacy. The personality of the entrepreneur behind it all is very important, but with designers I am crazily sweet—there is not one designer in the world I don't get along with," he says with some pride.

Keeping each brand separate is a priority, as is reining in his design input—except for Diesel, and less so since Nicola Formichetti's arrival last year as artistic director.

"I never stick my nose in the designs of other brands, I don't want to, as a basic [premise]. Each has its own lifestyle and they need to be

kept distinct," he stresses.

Diesel unveiled its first full collection under Formichetti's watch on April 3 with a fall show in Venice. "He has brought freshness and youth to Diesel, which needed it—it needed a lift," says Rosso, admitting he had been spending more time on building OTB than Diesel. "We are repositioning Diesel at a more premium level. We had 35 years of success and growth. That's a lot of years. But the rest of the group is very high end and I want Diesel to be on the same level."

Rosso believes both Diesel and OTB reflect his persona. Asked to define himself, he quickly responds: "A creative entrepreneur. I have always been an entrepreneur, and have grown over time both my creative and entrepreneurial traits."

He recalls recruited managerial talent outside the fashion world from early on, for example, Armin Broger from Disney, Luca Fuso from Danone, and Giovanni Pungetti from Unilever, who is still chief executive officer at Maison Martin Margiela.

"I was young and 'in love' with them, I learned and assimilated their managerial mentality," he says.

Discussing OTB, his mantra is: "It's more important to be cool than to be big." Rosso believes this is "the only weapon" he has facing large and powerful groups.

"Our strategies are mapped out based on our means. I can't go against groups such as Kering or LVMH." He believes OTB offers an alternative of *simpatia*, which translates as "endearing." Japan is the main market for both Diesel and OTB, with 20 percent of sales, followed by North America, with 16 percent.

His goal is for OTB to be "a group alternative to the world of fashion, fresh and modern. I talk to our

Olive oil and wine produced by Diesel Farm.



customers. Young people like my style."

And Rosso enjoys working with young people because they keep *him* young, he says. "They help me understand their needs. This way, it's easier to produce what they need."

His newest acquisition is Marni, which OTB took over at the end of 2012. Rosso has been working to restructure management at the company founded by Gianni Castiglioni and his wife, creative director Consuelo Castiglioni. "We

are focusing on the signature line and eliminated the Edition line, which meant cutting sales by 30 percent," says Rosso. "It was a brave choice, but it had to be done."

He says the overall restructuring of OTB is going well, as he fine-tunes the organization, with communication, business development, finance, legal, human resources and information technology servicing all the brands.

"This expertise is added value and power, we can write out global contracts and exploit synergies, with less costs and more efficiency," he says.

Rumors constantly swirl around Rosso and his next potential acquisition. He still speaks wistfully of the missed opportunity to buy Valentino, which was unexpectedly snapped up by Mayhoola for Investments in July 2012.

Rosso confirms he had been interested in taking a stake in Stone Island last year. Talks broke down at one point, and in January owner Carlo Rivetti decided to pull back on his search for a business partner.

Asked what kind of labels, designers or companies trigger his interest, Rosso says he looks for "an alternative to a luxury brand. Stone Island is a good example, with one iconic product—the jacket that combines technology and treatments, in line with my own denim."

As other examples of the types of houses he'd want to look for, he cites Stella McCartney, Alexander McQueen and Alexander Wang as ►



“perfect brands and not established.” His interest in Valentino was piqued because “while an iconic label, it had a style that was already in an evolution phase and right for the modern world, with fantastic designers and an excellent ceo,” referring to Maria Grazia Chiuri, Pierpaolo Piccioli and ceo Stefano Sassi.

The names of Nicolas Ghesquière, before his move to Louis Vuitton, and John Galliano have also been associated with Rosso. “There’s nothing to it. It would be a dream to work with either one. But I think Galliano is more focused on the U.S. now.”

He waves away any notion of a backlash, following the designer’s anti-Semitic comments that led to his firing at Dior. “It would be good for both of us,” says Rosso.

His thirst for new creative talent led him to set up ITS, the International Talent Support contest, in Trieste in 2002. Rosso was also a mentor for the 2013 French fashion prize ANDAM.

He joined the board of Italy’s Chamber of Fashion last year and is deeply involved in the reorganization of the association with the likes of Prada’s Patrizio Bertelli and Tod’s Diego Della Valle. “This is the first time that there is an accord between the members,” he says. “We want for Italian fashion to become increasingly more important.”

While fashion is clearly Rosso’s bread and butter, his creativity finds another outlet in Red Circle Investments, his family’s private investment holding company. In January, it invested in organic food retailer EcorNaturaSì, with its namesake 113 sales points throughout Italy and another 300 Cuorebio doors.

“There is a huge interest in bio. To be able to eat well is the real luxury of the future,” he says, adding that he is contributing to packaging, interior design and marketing. His aim is to inspire young people to start working the land again. “I hear this is happening in San Francisco.”

Rosso is in the midst of transforming his Diesel Farm, which produces wine and olive oil, to an eco-friendly farm. “It will take almost



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three years,” he notes.

The entrepreneur bought Diesel Farm, located in Marostica, on the hills close to Vicenza and Molvena and not far from Breganze, in 1994 and restructured it, launching the first limited-edition bottles of his wine in 2003.

“It’s [35 miles] from the sea and [31 miles] from the Alps, so there’s a microclimate, and clay in the land. It’s a unique territory,” he explains. It generates around 500,000 euros, or \$688,000 at current exchange, and comprises production of about 15,000 bottles a year. The vineyards produce the following: Bianco di Rosso, at 88 euros a bottle (\$121); Rosso di Rosso, at 110 euros (\$151); Nero di Rosso, at 95 euros (\$130), and Olio di Rosso at 21 euros (\$29). There is also an Olio di Rosso Riserva at 22 euros (\$30). Smiling, he says he enjoys selling the bottles himself to top restaurants. His own favorites beyond Diesel Farm’s production include Chateau Cheval Blanc, Brunello di Montalcino di Soldera, Opus One Mondavi, Chateau Margaux and Romanée-Conti Petrus.

Rosso supports another sustainable business: electric cars. Through Red Circle Investments, he owns 30 percent of Estrima, which produces electric Birò cars. “They are small and fantastic, I use mine every weekend,” he enthuses.

Rosso also uses Red Circle to acquire minority stakes in “small companies we believe can become important.” He was an early supporter of the

publicly listed Yoox Group, founded by Federico Marchetti, and, as of a September filing, he held 8.6 percent of the Italian online fashion retailer.

Giving back—and his promise to the Dalai Lama—remain priorities for Rosso. Main projects of the Only the Brave Foundation include a partnership with Millennium Promise for the sustainable development of the Only the Brave Millennium Village of Dioro, in Mali; donations to the Ethiopian Education Foundation, and the construction of schools in Sierra Leone. The foundation paired with Edun and its founders, Ali Hewson and Bono, and the Conservation Cotton Initiative for a co-branded Diesel and Edun collection to promote trade and development in Africa. It launched last year. With the Foundation’s support, the FIABE association, an organization that helps Ethiopian children, is developing a project to bring clean water to the Southern Ethiopian communities of Oromia, Kembatta and Wolayta.

Part of the Foundation, the Brave Circle Fund has already distributed more than 2 million euros, or \$2.7 million, to help restart activities locally. Ten percent of the foundation’s funds are aimed at the territory, to buy “church bells,” for example, Rosso reports. Last year, Rosso marked Diesel’s 35th anniversary by donating almost \$750,000 to the foundation.

Separately, last year Rosso launched C.A.S.H., a facilitated line of credit. The entrepreneur has also pledged

to donate 5.5 million euros, or \$6.9 million, to restore Venice’s Ponte di Rialto. “Companies that are profitable have an obligation to support the public administration, which is generally overburdened with costs,” says Rosso. “I hope work will begin in three or four months. It will take three years for the restoration to be completed.” He is also supporting work on the main bridge in Bassano, where he lives.

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He also owns a boat, Lady May, which he considers his second house, but he is not keen on indulging in homes around the world. “I like a lived-in house, with a full fridge and a fireplace going. I don’t believe in those houses where you go just now and again, I would rather stay in beautiful hotels—and in the same room,” he says, citing the Mercer Hotel (room 610) and the Chateau Marmont (room 29) as two of his favorites. Incidentally, Rosso owns a hotel in Miami, the Pelican, and he is a partner in André Balazs’ latest project, the Fire Station Hotel in London, which officially opens May 1. Rosso bought the 1929 Lady May at the end of the Eighties, as his friend, the late Stefano Casiraghi, husband of Monaco’s Princess Caroline, bought Pacha, its twin boat.

“It’s not a big one, it’s a bijoux, all in wood and I feel pampered in it,” says Rosso of Lady May, which he sails in the Mediterranean during the summer—although this is one place he doesn’t take the helm. “I am not afraid of flying or sailing, but I leave that to professionals,” he laughs.

Rosso counts a helicopter and a company plane, a Falcon 7, which “can fly to Los Angeles or Japan, customized with a special color. I was the first to do a metallized plane and the first to have Wi-Fi in a helicopter,” he says.

Despite his whirlwind calendar and dizzying number of projects, Rosso, who has six children—Stefano is co-ceo of OTB and Andrea is creative director of all Diesel licenses—doesn’t stray from Italian tradition. When asked about his free time, his responds: “I play soccer every Sunday morning in Bassano.”