



Pitti Filati runs through June 28.

FASHION

Pitti Filati: Will Italian Yarn Makers Be Able to Up Their Game?

- Domestic and global uncertainties are hampering the business of Italian spinners, which continue to invest in innovation and sustainability.

BY SANDRA SALIBIAN

MILAN – Quality, yes. Innovation, sure. Sustainability, of course.

The recipe served by Italian textile houses is a tested one: often passed by parents to children and perfected through the years, it guarantees a certain outcome every time. But is it enough to feed their businesses?

The domestic political difficulties, uncertainties linked to Brexit and the commercial tensions between the U.S. and China, as well as the increasing costs of raw materials – especially wool and cotton – are among the elements adding bitterness to spinners' tested formula.

According to projections released by industry association Sistema Moda Italia earlier this year, revenues for the fashion and textile sector are expected to gain only 1.5 percent in the first half of 2019 compared with the same period in the previous year. In particular, the textile area is forecast to grow only 1.1 percent.

In the January-June 2019 period, exports are listed to be the industry's driving force but apparently growing at a slower pace, gaining 1.8 percent compared with the 2.6 percent increase registered in the same period in 2018.

It's no surprise then that exhibitors at Florence-based Pitti Filati textile trade show, opening today and running through June 28, will be sporting a cautious approach.

"It's a little bit more complex...we have a slight slowdown in orders," said Botto Giuseppe's chief executive officer Silvio Botto Poala. The company's strategy for this edition is to keep focusing on its successful Naturalis Fibra sustainable collection, introducing the new Green

Cashmere and Natural Born cashmere yarns, but also to offer new blends enhancing comfort and technical features. "Sporty apparel goes to the detriment of formal wear; this is a trend registered several seasons ago and at this point I think it's irreversible," said the executive.

Zegna Baruffa's chief executive officer Paolo Todisco agreed on the industry facing "a less favorable situation compared to the recent past," pointing both to the increasing costs of raw materials and geopolitical tensions "that are slowing down consumption in important markets."

This is reflected in the company's performance in the first four months of 2019, as the turnover at the end of April decreased 5.8 percent, "but without particular influences on profitability." The trend contrasts with Zegna Baruffa's positive results in the full year 2018, when net revenues increased 12.5 percent to 113.7 million euros.

Improving the performance of the yarns is key to meet clients' demands, according to Todisco. Therefore, at Pitti Filati the company will showcase Merino Tech, a wool thread that has undergone the H2Dry treatment that enhances its natural properties.

Zegna Baruffa's extrafine Merino Fenis yarn.

"In some markets, even the weather didn't facilitate sales," noted Lanificio dell'Olivo's chief executive officer Fabio Campana. For the company, whose majority stake was acquired by the Gradiente Sgr fund in 2015, the business in Europe is suffering the most, while the "scene in the Far East is more positive."

According to Campana, the solution is still betting on sustainability, as the evolution of said topic is what interests most to the clients, who "try to better understand which are the implications on the product and the pricing."

In the case of Lanificio dell'Olivo, the green approach not only informs the processes but also the finishes of the upcoming collection, inspired by landscapes, stones and bars.

For Tollegno 1900, sustainability sparked the company's creativity in introducing innovative treatments. After the Virtual Yarn project, presented at the last edition of Pitti Filati, the company has implemented new technologies to ensure washing and finishing procedures have no impact on the environment.

In the "Washing Balls" treatment, small, self-cleaning spheres containing high-magnetization neodymium move in the washing water to generate – without any additive – carbon bicarbonate, a natural deodorant and detergent. Therefore, less detergent and lower temperatures are required for the washing process, while no chemical acids are needed to clean the tumbler.

In a similar move, the "Brushing Balls"

system also uses small spheres to save water and energy during the brushing process. The two methods have been applied to most of the Tollegno 1900 collection that will be presented at the trade show, including the new yarns of the "Harmony" family.

A Harmony 4.0 yarn by Tollegno 1900. "As part of our company's evolution, we've also just completed a round of investments to renovate all of our machineries," said Lincoln Germanetti, chief executive officer of Tollegno Holding, comprising Tollegno 1900 SpA and Manifattura di Vaiduggia SpA.

Also showcasing a sustainable line in its offer but sporting a far more optimistic approach on the state of the industry was Cristiana Cariaggi, the managing director of the Italian company Cariaggi. Based in Cagli, in Italy's Marche region, the textile house registered a positive performance in the first half of the year and "expects to end 2019 with a revenue increase of 4 percent," said the managing director.

As part of the increasing attention to sustainability, this edition of Pitti Filati will feature a dedicated area to inform visitors about sustainable supply chains, organic raw materials and the recycling procedures of waste derived from the textile production.

In addition, another installation will highlight the "Young Talents for Sustainable Thinking by Salvatore Ferragamo" project. Launched as part of the "Sustainable Thinking" exhibition currently staged at the Museo Salvatore Ferragamo museum in Florence, the initiative involved international fashion students hailing from schools including New York's Parsons School of Design, Helsinki's Aalto University, Tokyo's Coconogacco, Florence's Polimoda and the London College of Fashion, among others. The installation at Fortezza da Basso will feature the work of the best eight contestants, who were asked to create projects about sustainability and recycling using materials Ferragamo donated to each school.

Last year, Pitti Filati attracted almost 5,500 visitors – up 2 percent compared with the fair's June edition in 2017 – 2,900 of whom were from outside Italy. In particular, those coming from Russia, China and South Korea increased 16 percent, 10 percent and 20 percent, respectively. Significant performances were also registered for those visiting from Eastern and Northern Europe, Turkey and Hong Kong, yet the most encouraging figure was the 5 percent increase in Italian buyers.

"In some markets, even the weather didn't facilitate sales."

FABIO CAMPANA, LANIFICIO DELL'OLIVO



Zegna Baruffa's extrafine Merino Fenis yarn.



The Sustainable area of Pitti Filati.

“New technologies, collaborations with valuable partners that share our philosophy, innovation and sustainability are the pillars we have invested in and will continue to invest in to build our future.”

LINCOLN GERMANETTI,
TOLLEGGNO HOLDING

Attention to sustainability also reached a new peak this edition, as the topic is becoming a focus in all spinners' business – and marketing – approaches.

Botto Giuseppe strengthened its sustainable offer by expanding its distinctive Naturalis Fibra line and introducing the Ecoblend yarn made of wool, silk and cashmere and the comfortable Green Cashmere thread. Additionally, the company took its long-time commitment a step forward, revamping the visual of its booth with images and data on its sustainable efforts as well as releasing a brochure explaining all the procedures behind its sustainable production and plants, details on the mulesing-free farms exclusively supplying raw fibers to the company and the certifications it got throughout the years.

“We are noticing an incredible increase in sustainable demands and curiosity on the topic from our clients. Their customers want to have more and more information about the product they are buying and its sustainable assets,” said Botto Paola, explaining the motivation behind the initiative.

At Tollegno 1900, sustainability came in many shapes, the newest of which was spherical. After introducing the Virtual Yarn project earlier this year, the yarn maker presented the Washing Balls and Brushing Balls technologies, ensuring washing and finishing procedures have no impact on the environment.

In the “Washing Balls” treatment, small, self-cleaning spheres containing high-magnetization neodymium move in the washing water to generate – without any additives – carbon bicarbonate, a natural deodorant and detergent. Therefore, less detergent and lower temperatures are required for the washing process, while no chemical acids are needed to clean the tumbler. In a similar move, the “Brushing Balls” system also uses small spheres to save water and energy during the brushing process.

Pitti Filati's organizers additionally spotlighted sustainability in a central, dedicated area showcasing a selection of eco-fabrics conceived by many of the 134 spinners exhibiting at the show.

Initiatives supporting young fashion talents further heightened the sustainable focus. These included the “Young Talents for Sustainable Thinking by Salvatore Ferragamo” contest launched by the Florence-based brand to ask fashion students hailing from international schools to create projects about sustainability and recycling using materials Ferragamo donated to each institute.

In addition, Pitti Immagine organized the 10th edition of its Feel The Yarn talent search while Lineapiù Italia hosted a capsule collection developed by emerging designer Arman Avetikyan by his Froy brand. The partnership is part of the company's Talents Lineapiù program supporting young talents, as Avetikyan won the 2018 edition.

FASHION

Pitti Filati Spotlights Cozy, Colorful Yarns

● Sustainability also took center stage at the Florentine textile trade show.

BY SANDRA SALIBIAN

FLORENCE – A sense of coziness permeated the collections showcased at the latest edition of Pitti Filati. For the fall 2020 season, Italian spinners exhibiting at Fortezza da Basso opted for voluminous and colorful yarns.

Cariaggi presented the fluffy cashmere yarn Teddy in a range of popping colors, while Lanificio dell'Olivio showcased Bene, a soft blend of baby alpaca, merino wool and silk with a bouclé effect rendered in a palette of pastel tones. Tollegno 1900 opted for a cleaner approach on the theme, revisiting its Explorer merino wool yarn in thicker fineness to deliver a boiled wool effect, aiming to leverage the Scandinavian-inspired basic design trend with a more fashionable spin.

Lineapiù Italia went the opposite direction, offering rich and eclectic options including the soft, velvety Funky yarn made of recycled cotton and polyester with textured effects to add multicolor shimmer and the Genius thread enriched with holographic effects. Another key part of the collection was given by new fluo textiles, led by the fluorescent version of the company's signature Giselle glossy rayon viscose yarn, offered in glowing yellow and green. The trend was also embraced by Cariaggi, which heightened its bright palette, including fluorescent cashmere yarns.

Elsewhere, featherweight hairy yarns blending merino wool and baby alpaca, as well as patterned yarns with textured effects occasionally enriched with Lurex blends, made an appearance.

This season the three-day Pitti Filati attracted 5,350 visitors, 2,900 of whom were from outside Italy, hailing especially from Germany, France, the U.K. and the U.S. The number of Italian buyers dropped 5 percent compared to the June 2018 edition.

Bright color palettes evoked an injection of confidence for many spinners, which

are trying to trump uncertainties related to socio-political situations worldwide and the increasing costs of raw materials.

“Last year everybody was a little bit too optimistic, so there's more stock compared to actual demands,” said Zegna Baruffa's chief executive officer Paolo Todisco. Figures confirmed the executive's words, with the company's turnover decreasing 5.8 percent in the first four months of 2019. This contrasts with the positive performance Zegna Baruffa registered last year, when net revenues increased 12.5 percent to 113.7 million euros.

“International tensions have impacted the industry: In France, the gilets jaunes protests discouraged purchases and tourists' influx; in Germany, there's an economic stagnation and they are usually very cautious toward consumption in these kind of circumstances; in the U.K. and U.S., there are still uncertainties linked to Brexit and the relationship with China, respectively. On top, the increasing cost of raw materials, especially wool in our case, has favored the rise of alternative products, such as blends of wool with synthetic fibers,” the ceo said.

This approach resonated particularly in the American market “as brands have very precise limitations in terms of prices,” said Todisco.

Lineapiù Italia's president Alessandro Bastagli agreed on the list of issues impacting the business at the moment, also admitting that “2019 didn't kick off very well.”

The executive was specifically concerned about the cost of mohair, which “continues to increase 25 to 30 percent and has grown 40 percent since last year” and represents a key fiber for the spinner.

“We have 20 mohair yarns that are the core business of this company since 40 years,” said Bastagli, who aims to end 2019 “in line with last year's result.” In 2018, Lineapiù Italia's turnover was 43 million euros.

Botto Giuseppe's has similar plans, too, as the yarn maker's chief executive officer Silvio Botto Paola forecasts to close the year “flat but positively, considering such a result

is not to be taken for granted with these market conditions.” Last year, the company totaled 64 million euros in revenues.

Tollegno 1900 and Cariaggi executives had a more optimistic approach. In the former case, results in the first four months of the year exceeded the expectations of the company, which registered a consolidated turnover of 172 million euros in 2018.

“The increase of the cost of the raw materials [is] a contingency we have dealt with by continuing to improve our performance in terms of production efficiency and services for customers,” said Lincoln Germanetti, ceo of Tollegno Holding, comprising Tollegno 1900 SpA and Manifattura di Valduggia SpA.

“New technologies, collaborations with valuable partners that share our philosophy, innovation and sustainability are the pillars we have invested in and will continue to invest in to build our future,” he added. Nevertheless, the executive shied away from providing sales projections for the year as he claimed correct evaluations could only be made after the Milano Unica textile trade show, running in Milan next week.

Cariaggi also kicked off the year on the right foot and “expects to end 2019 with a revenue increase of 4 percent,” said managing director Cristiana Cariaggi, mentioning the U.S., Japan and South Korea as best-performing markets. The projected growth would extend the bright momentum of the company, whose turnover climbed 15 percent to 101 million euros last year.

“Of course there are complexities for everybody in the industry but we have to manage them and keep targeting positive results,” said Cariaggi, listing a range of elements the firm continues to focus on. These include investments in research and development activities and machinery – which this year will be around 2.5 million euros – “operating in our core area, meaning natural fibers, not embarking in projects that we don't feel comfortable with and evolving products we already have to give continuity to what we do.”