

Naga Takes Controlling Stake in Glam California Brand Naked Cashmere

● Naga invested alongside Blue Sentinel and plans to take the brand, which has worked with models including Kate Moss, further upmarket.

BY SAMANTHA CONTI

LONDON – The Hong Kong-based Naga Group is adding a California brand to its luxury lifestyle portfolio, acquiring a controlling interest in 360Sweater Co., which owns the knitwear brands Naked Cashmere and 360Cashmere, WWD has learned.

The terms of the deal were not disclosed.

Founded in 2009 by Bruce and Leslie Gifford, the Santa Monica, California-based Naked Cashmere had around \$40 million in sales last year.

Naga plans to boost that figure to \$150 million by 2025, by taking the label further upmarket, putting an even stronger emphasis on sustainability and further cultivating Naked's robust consumer community, according to Damien Dernoncourt, founder and chief executive officer of Naga.

Bruce and Leslie Gifford will remain as shareholders and as non-executive chairman and president, respectively.

Naga Group is an investment holding company that builds and expands upmarket consumer brands. It has bought and sold the German fine jewelry brand Tamara Comolli, and the French beauty brand Talika.

It remains a minority shareholder in the jeweler John Hardy alongside owners L Catterton.

Naked Cashmere is known for its enveloping, sensual knits and for picking a

new model to feature in its campaign each month, starting with Kate Moss in 2016.

Since then, high-profile names such as Irina Shayk, Carolyn Murphy, Candice Swanepoel, Nadine Leopold and Camila Morrone, have appeared in campaigns. Laís Ribeiro was the face of the campaign last November.

In an interview, Dernoncourt said his team met with hundreds of brands ahead of this investment, but chose Naked Cashmere because of its strong product, DNA, and respect for the founders.

Naga made the investment alongside Blue Sentinel's Legatus I fund. Blue Sentinel is an advisory and fund management group with headquarters in Milan and New York.

Dernoncourt said Naga's priorities are to "build a community around Naked Cashmere – although the brand already has a lot of die-hard fans." He also plans to elevate the product and brand message, bring Made in Italy cashmere into the mix "and double down on sustainability."

Naked Cashmere does 99 percent of its business online, so Dernoncourt sees a big opportunity in retail and wholesale, too. "Wholesale is definitely not dead," he said.

Naked's pop-up shop in Aspen, Colorado, last year was a big hit, he added. The brand has also made strides in sustainability, introducing a line of 100 percent recycled cashmere in spring 2020.

Dernoncourt also noted that prices can, and will, go higher. Prices range from \$100 to \$1,500 with the average selling price approximately \$300.

On the sustainability front, Dernoncourt plans to increase traceability

Kate Moss in a campaign for Naked Cashmere, shot by Peter Lindbergh.



and transparency in the sourcing and supply chain.

"Leslie and Bruce did great work giving birth to this brand, which has a unique opportunity to become a leader in the cashmere category," he said.

He added that Naga's financing and operational support will help Naked increase its market presence, especially in the U.S., and introduce its first Made in Italy line.

The company has also launched a search for a CEO and chief marketing officer with experience in luxury, fashion and e-commerce.

Bruce Gifford said the investment "unlocks new opportunities that we are very excited about. Naga and Blue Sentinel will support our vision to build the Naked Cashmere brand into a global business."

Naked Cashmere made a powerful debut with an inaugural campaign that featured Kate Moss shot by the late Peter Lindbergh, under the creative direction of David Lipman.

Blue Sentinel and Naga were advised by LPA-CGR in Hong Kong and by Gordon Rees Scully Mansukhani and Brown Rudnick in Los Angeles. 360Sweater Co. was advised by Buchalter.

In an interview in 2018, after Naga acquired Tamara Comolli, Dernoncourt said his investment strategy is to work with creative entrepreneurs and designers in need of management expertise.

He said he's interested in sharing a long-term view with the entrepreneurial businesses in which he invests and stressed that he's not looking for any "quick flips" of companies.