

BUSINESS

French E-commerce Entrepreneurs To Buy Sonia Rykiel Assets

- The Paris commercial court has approved the sale.

BY MIMOSA SPENCER



Sonia Rykiel pre-fall 2019.

PARIS – A Paris court has approved the sale of Sonia Rykiel assets to a pair of French e-commerce entrepreneurs, Eric and Michael Dayan.

“The Sonia Rykiel house will return in 2020,” the brothers said in a brief statement Thursday, without providing financial details or further information.

The brothers were cofounders of Showroomprive.com, an online private sales platform for branded goods started in 2006 and listed on the Paris stock market in 2015 after expanding out of France, its home market, into other European countries.

The pair, who left Showroomprive.com two years ago, said they plan to draw on their fashion industry and digital expertise to ensure the fabled French label's presence in France and abroad.

The Paris commercial court was charged with handling the sale of the label's assets, which included the global trademark for all products and categories, and 50 years of archives and prototypes. The house went into receivership in April after luxury group First Heritage Brands, controlled by Hong Kong billionaires Victor and William Fung, who bought Sonia Rykiel in 2012, renounced turnaround efforts and abandoned an attempt at the start of this year to find a new investor.

The court opted to liquidate the company in July after no winning bid emerged from a sale process under receivership.

For the latest sale process – a straight asset sale not involving debt or any costs related to business operations – court-appointed liquidators Fides and Montravers Yang-Ting mandated Richard Morgan Advisory as their financial advisor in September.

The house's identity is closely tied to its fiery-haired founder Sonia Rykiel, known as the “Queen of Knits,” who captured the liberated spirit of the French capital's intellectual Left Bank with lively knits, stripes and sequins that carried wide appeal. Rykiel passed away in 2016 at the age of 86.

The label's struggles despite strong heritage, approval from fashion critics for collections drawn up by its last designer Julie de Libran, and resonance in its home market, highlight the challenge for smaller brands to adapt as the industry becomes increasingly digitized, requiring steep investments in technology and infrastructure.