

history and development

THE GROUP TODAY

"An Enduring Passion for Fabric, Innovation and Quality Since 1910"

The **Ermenegildo Zegna Group** today is one of Italy's most famous family driven enterprises. Over the last century the **business gene** and **entrepreneurial spirit** has been passed down through the generations, ensuring that the name Zegna remains synonymous with pioneers of business. Growth has been possible through shrewd diversification of the offering, which now ranges from clothing to accessories, and strategies which have enabled the Ermenegildo Zegna brand to grow successfully throughout the world.

There is far more to Zegna's success than this though: a strong and consolidated business culture that allows young talents to emerge in the company-wide quest for quality, and a constant focus on customers and people.

Zegna Group's philosophy is based on three principles:

- long-term objectives;
- family ownership to ensure continuity;
- a sound ethical commitment enshrined in a rigorous corporate governance system.

Today the company is led by Gildo as CEO; Paolo is Chairman, Anna is Image Director and President of the Fondazione Zegna, Benedetta is Talent Manager, Laura who is Head of the Oasi Zegna and Renata who sits on the Board of Directors of the Group.

"A great family makes a great company, a great company makes a great family."

Gildo Zegna



Gildo Zegna and Paolo Zegna

Ermenegildo Zegna

HISTORY / BEGINNINGS

As a family business, Ermenegildo Zegna goes back to the second half of the 19th century. **Angelo Zegna a watchmaker by trade**, started weaving wool from four looms. Of his ten children it was the last, **Ermenegildo born in 1892**, who took over what was to become one of Italy's best known and most dynamic family businesses.

It was the young entrepreneur; Ermenegildo aged 18 that founded the **Lanificio Zegna (wool mill) in 1910, in Trivero**, in the Alpine foothills near Biella. Ermenegildo began to produce fabrics using four looms. In his own words, these fabrics had to be "the most beautiful in the world." Today, **Zegna fabrics** are still one of Italy's most acclaimed exports, identified internationally by a red seal.

Ermenegildo had an international vision, ahead of his time, to source the best quality **natural fibres**, directly from their country of origin innovation in product and in the production process and promotion of the brand. This vision laid the foundations for a fully vertically integrated company and one of Italy's most acclaimed family driven enterprises.

Before long, Ermenegildo's strategies proved a success. His international vision led to exportation of fabrics to as far a field as America in 1938, and by 1945 Zegna fabrics were sold in over 40 countries.

Ermenegildo's brilliant business mind was not limited to his particular industrial field. He understood that the quality he sought for his products couldn't be separated from a **positive relationship with the local territory and the community**. He understood that the beauty of the natural environment and people's well being – and not just that of his own employees – were indispensable for a company aspiring to long term success.

In 1932, Trivero already had a meeting hall, a library, a gym, a cinema/theatre and a public swimming pool. In the space of a few years, he built a medical centre and a nursery school. In the meantime, he was dedicating himself to the local environment and landscape, planting thousands of trees and building the "Panoramica Zegna" road a 14 km route linking Trivero and Biellmonte, a tourist resort 1,500 meters above sea level.

Angelo Zegna, current Honorary Chairman of the Group, describes his father's achievements as: "I see four forces acting throughout my father's life. First of all, he was born in the right environment to develop his business aptitudes. There were various small firms competing in a small area. Secondly, he was always determined to get the better of his British rivals, by offering creative Italian fabrics with unbeatable quality. The third force was an exceptionally open mind, especially regarding the social welfare of the territory and redistribution of value to workers. Lastly, there was his fundamentally important relationship with nature, his awareness that natural resources are limited and that we must protect them. He was an ecologist long before the term even existed!"

"The citizens of Trivero didn't know whether to consider Ermenegildo Zegna a madman or a dreamer but they all agreed he wasn't in that category of people said to have their feet on the ground. In practice, however, Ermenegildo Zegna's feet were planted far more firmly on the ground than the good inhabitants of Trivero were willing to believe".

Aldo Zegna



Ermenegildo Zegna – The founder

CURIOSITY

Ermenegildo Zegna immediately understood the importance of advertising for making a name and turning it into a real brand. His company was the first to be advertised on trains in Italy.

Ermenegildo Zegna

HISTORY / EXPANSION

The founder's sons, Angelo and Aldo, soon learnt the Company's secrets from their father. They both started working as adolescents while studying.

In the '60s they gradually took over from their father in the management of the Wool Mill.

It was during the third generation of Zegna's that the full vertical integration of the company was completed, through the launch of ready-to-wear collections and made-to-measure, the internationalization of production and distribution, and with the openings of the first mono-brand stores in Paris and Milan.

In 1968, they opened a factory in Novara, Italy, to produce a collection of sleeve-units and trousers that was immediately a great success, mainly due to the reliability of the fabrics. The two brothers soon started to expand abroad, first in Spain and Switzerland and then practically worldwide. In the meantime, they diversified production to include accessories and sportswear.

1972 saw the launch of the Made to Measure service.

Following in the footsteps of their father, Aldo and Angelo completed the creation of the **Panoramica Zegna**, a 14km road which linked Trivero with Biemonte, in the Italian Alps. Understanding that the welfare of the workers was of high importance, they built a residential housing estate in 1963, and ski resort alongside further residential housing in Biemonte in 1965.

"Style and innovation for strong, distinctive identity"



*Aldo and Angelo Zegna
at Pitti Uomo, 1986*

CURIOSITY

The fame of Zegna fabrics continued to grow, even in a difficult period like the second world war. High quality, in fact, enabled tailors to remake the suit by turning inside-out the fabric. Customers could thus get a "second life" out of their wardrobe.

Ermenegildo Zegna

HISTORY / CONSOLIDATION

As Ermenegildo had done with them, so Angelo and Aldo Zegna helped **Ermenegildo, Paolo, Anna, Benedetta, Laura** and **Renata** to make their way in the business and prepare to take up managerial positions. The current generation have accelerated Zegna's global expansion.

At the end of the 90's a comprehensive strategy of verticalisation, shrewd diversification, brand extensions and licensing was implemented; creating a **Global Luxury Brand which now ranges from clothing to accessories**.

The company has focused on retailing, pioneering early entry in emerging luxury markets, BRIC in particular. Zegna was the first luxury mens brand to open a fully owned store in China (Beijing 1991): Greater China is now the biggest market for the Zegna brand worldwide with over 70 point of sales across the region. Today worldwide there are 555 Ermenegildo Zegna points of sale in over 80 countries, of which 311 are direct operating stores. In 2002, Zegna took over the Longhi brand, the luxury leather apparel manufacturers, later in the same year, a joint-venture – ZeFer – with Salvatore Ferragamo Group was established, to develop a global scale footwear and leather goods business.

Brand diversification was extended further with the launch of the first **Ermenegildo Zegna Fragrance**: *Essenza di Zegna*, distributed by YSL Beauté in 2003. A successive three other fragrances have since been added, including *Z Zegna* and the most recent *Zegna Colonia*. **Ermenegildo Zegna Eyewear** was then realised in 2004 with De Rigo with the first collection of sunglasses and optical frames. And then in 2006, **Ermenegildo Zegna Underwear** Collection with Perofil was created. Architecture and design have been important pillars of brand expansion, led in 2007 by the launch of the first **Global Store** design concept created by acclaimed architect Peter Marino. Global Stores in Milan, New York, Shinjuku Tokyo, Dubai and Hong Kong have since opened; Shanghai Lippo and Las Vegas will open later in 2010. Within the same year (2007) the 8000m² Global Headquarters in Milan, designed by architect Antonio Citterio, was opened. The building blends Zegna's understated elegance with classic modernity, housing the Group's global showrooms, product development, store planning, sales and marketing teams.

Ermenegildo Zegna and **Z Zegna** Milan fashion week shows commenced in 2008, and have enriched the world of "Zegna Style" by combining style, excellence, quality and tradition, with the sophisticated and cosmopolitan tastes of diverse Zegna customers today. These strategies have together laid the foundation for the next chapter in Zegna history.

One of the objectives of the fourth generation is to ensure continuity for the values that stem from the founder's philosophy, which are the heritage not only of the family but of everyone working in the Group. The mission to keep alive the idea that product quality can only flourish where there is a "culture of beauty", a culture that must also respect the environment and local communities, is carried forward by the **Fondazione Zegna**, set up in 2000, and in the establishment of the **Oasi Zegna** in 1993.

"Our mission is to look to the future and turn our tradition to good account".

Gildo and Paolo Zegna



Gildo and Paolo Zegna