LVMH denies rumors that creative director may change at Louis Vuitton

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It was reported earlier on Tuesday that LVMH boss Bernard Arnault is considering a change of creative director at Louis Vuitton with the up-and-coming Jonathan Anderson, now at sister brand Loewe, viewed as the best candidate to replace Nicolas Ghesquiere, according to three sources with knowledge of the matter.

The timing and the terms under which the reshuffle would happen have not yet been determined, the sources said. However, they added the matter was being actively discussed at LVMH.

Initially, LVMH declined to comment, but later denied the "erroneous information that Nicolas Ghesquiere might soon leave as artistic director of Louis Vuitton". Ghesquiere's contract is not due for renewal until the end of 2018, a spokesman said.

Louis Vuitton is the world's biggest luxury brand, generating nearly 8 billion euros ($8.8 billion) in annual revenue and accounts for the bulk of profit at parent LVMH, owner of 70 luxury brands and businesses, ranging from fashion and wine to jewelry and hotels.
"People in the studio are expecting him (Ghesquiere) to leave, possibly as early as after the October collection," one of the sources said.

Ghesquiere, 45, told French TV channel Canal Plus in early June that we wished to create his own label and would be in a position to do it very soon but he did not provide details.

Designers at big brands including Louis Vuitton, Balenciaga and Hermes - Marc Jacobs, Alexander Wang and Christophe Lemaire, respectively - have left in recent years to develop their own labels.

ARNAULT 'ADORES' ANDERSON

The sources said Arnault and his daughter Delphine, No.2 at Louis Vuitton, were big fans of 32-year-old Anderson, known for his playful designs and contemporary art inspiration.

They said executives at LVMH believed Louis Vuitton would give him a bigger platform to express his talent. LVMH recruited the prize-winning Northern Irish designer in 2013 after taking a minority stake in his brand J.W. Anderson.

"Arnault is very fond of Anderson, everybody knows he adores him," a second source said. "As of now, he is the best positioned to replace Ghesquiere."

The luxury goods industry downturn has prompted a series of high-profile management and designer reshuffles, aimed at giving brands a creative and strategy reboot to perk up their sales.

Burberry last week poached Celine's boss Marco Gobbetti to be its new chief executive, becoming the latest major luxury label to announce leadership changes after Dior, Chanel, Cartier, Balenciaga, Yves Saint Laurent and Lanvin.

Ghesquiere worked at Balenciaga before joining Louis Vuitton. By October, he will have been at the French label for three years.

Three years has become the standard length of time for designers to stay at a fashion label, though there it no set formula as some have worked at brands for more than a decade.

It is possible that Ghesquiere may not leave Louis Vuitton until next year as his departure is likely to be a lengthy, complex and delicate matter to negotiate and plan internally, the sources said. "It is a sensitive issue which could take time to solve," a third source said.

Ghesquiere's razor-sharp modern style has played out well at Louis Vuitton's core leather goods business for which he created a popular new range of handbags and the "V" logo.

However, his experimental, warrior-style silhouettes in ready-to-wear has not yet lived up to commercial expectations, several sources said.

LVMH, due to publish half-year results on July 26, does not disclose separate sales figures for any of its brands.

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