

PRESS COVERAGE

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Headline : Tecnica Group hires Palazzari & Turries to find JV partner in China

Tecnica Group, a private Italian sportswear and outdoor products maker, has appointed Palazzari & Turries to seek a joint venture partner to develop the distribution of its brands Blizzard, Nordica, Rollerblade, and Tecnica in mainland China, said Remigio Brunelli, managing director at Tecnica Group China.

Ideal partners would be strategic players such as traditional sportswear and outdoor products retailers or e-tailers with a strong online-offline strategy, Brunelli said. Tecnica Group would also be open to considering partnerships with lifestyle apparel companies to develop a new all-year-round lifestyle apparel product portfolio, he added.

Discussions with interested parties will also include exclusive or non-exclusive sales license as well as terms for geographical extension – whether Tecnica will be limited to mainland China or expand to Greater China, Tecnica Group's CEO Antonio Dus said.

The amount of investment in the next two years in large-scale ski resorts in China would exceed numbers over the past 20 years in total, said Berlin Bao, general manager of Tecnica Group China, without disclosing figures.

The mainland Chinese market already accounted for over 2% of Tecnica Group's revenue, and is expected to reach, with the anticipated support of the partner, 3% during the first year of the JV's operation and 5% in three years, Brunelli said.

Main body : Established in 1960 and controlled by the Zanatta family, Tecnica Group generated turnover of EUR 365m with an EBITDA of EUR 32.3m in 2017, according to a company presentation.

As Beijing has been elected host city for the 2022 Winter Olympics, the Chinese government has proposed a pivotal initiative towards the development of the winter sports industry in China, according to a report in China Daily.

General Administration of Sport of China, China National Tourism Administration, and other Chinese government authorities co-issued Development Guidelines of Winter Sports in China (2016-2025), forecasting 50 million Chinese nationals to engage in winter sports activities, and the winter market size in China to reach CNY 1tn (USD 155.8bn) with 300 million users by 2025, quoting China Internet Watch data.

Besides the winter sports industry, Tecnica Group also sees opportunities in China's outdoor market – estimated to reach CNY 118bn by 2021, according to a company presentation quoting a report by PRNewswire – and in-line skate market in which Tecnica's Rollerblade brand is one of the most competitive players.