

Parcel FORCE

Corporate kingpin or man of the people? Federico Marchetti, the self-confessed "geek" behind luxury discount site Yoox, was thrust into the spotlight during its merger with Net-a-Porter. He opens up to Christa D'Souza

Photographs by Pierpaolo Ferrari

"Luck always comes from taking huge risks..." Federico Marchetti in his apartment on Milan's Piazza Castello. Grooming: Lorenzo Zavatta



There are two film characters that Federico Marchetti, CEO of the Yoox Net-a-Porter Group, identifies with. One is Pinocchio, and the other is Hrundi V Bakshi in Blake Edwards's cult Sixties comedy *The Party*. If you're too young to remember it, it's the one where Peter Sellers plays a klutzy Indian film extra invited to an exclusive Hollywood event by mistake. To illustrate what he means, Marchetti recalls the time he went to visit Francesca Belletini, the CEO of Saint Laurent, at the company headquarters in Paris. Not realising there was a glass partition between him and reception, he managed to walk straight into it. "Luckily I was fine," he chuckles. "This is one of the few advantages of having a big nose, I think."

It's a hot, late-spring afternoon in Milan, and a little over a year since Marchetti triumphantly effected the merger between Yoox, the vast discount luxury-goods site he founded in 2000, and Net-a-Porter, the luxury fashion e-tailer launched by Natalie Massenet in the same year. It's the middle of the Salone del Mobile, the week the world of furniture design descends on

He sees himself as an "enter-tailer", a word he made up and has actually trademarked

Milan, and Marchetti, 47, has myriad events to attend later today – most notably the one he is co-hosting at the Pinacoteca Ambrosiana, which was lovingly renovated a few years ago courtesy of Yoox. First, though, he wants to give me a guided tour of the company's airy, minimalist headquarters in the city's trendy Naviglio district. A trim, boyish figure in a Hedi Slimane suit, he bounds ahead across a manicured lawn from one building into another, pointing out how nothing really looks that different since the merger, except perhaps for the new signage. "But Yoox to YNAP – it's not so hard, eh?"

We begin on the top floor: an open-plan, democratic situation, I notice, no separate office for the boss, but a canopy of *commedia dell'arte*-style red velvet curtains around his desk which can be mechanically drawn for privacy. Marchetti may be known as the man who turned the luxury-goods industry on to digital but he has a flair for old-style theatrics, too. His favourite film is 1973's *Amarcord* (he and director Fellini both grew up in the province of Emilia Romagna), and last year Yoox co-sponsored its restoration. This year he is in talks with Romeo Gigli and Barnaba Fornasetti (Fornasetti products are big sellers on Yoox) to work on a new production of *Don Giovanni*. It all fits

with the concept he has of himself as an "enter-tailer", a word he made up and has actually trademarked for future use. "I love the creative side of the job," he explains in his fluent but heavily accented English. "It's a good balance for me, it stops me from getting too involved in the corporate side. After the merger I was presented as this tough businessman and, you know, I admit I'm not bad at the corporate stuff, but I don't think I am only that."

As the new boss of Net-a-Porter, Marchetti is now the global leader in online fashion and, as such, a kind of great white hope in his native country, "which is not exactly known for its 'unicorn' companies." (When YNAP was listed on the Italian stock exchange in October last year, the Borsa was wrapped in mock black grosgrain ribbon, and Italy's prime minister, Matteo Renzi, tweeted his personal congratulations after the merger was announced.) Here in Britain, though, he's more of an unknown quantity. Who was this man with a background in end-of-season clothing taking over the world's most glamorous online boutique, people wanted to know. And what were the implications of that? Would it mean that those exciting purchases

of ours from NAP would arrive wrapped in one piece of tissue paper instead of five?

No, no, no, it doesn't mean that at all, Marchetti insists. In no way does he intend to "Yooxify" Net-a-Porter – or, for that matter, "Net-a-Portify" Yoox. And there won't be a YNAP carrier bag, either. "In fact, the strategy is to keep the storefronts of each culture the same," he says, the pair of us now standing in the Yoox "museum" on the ground floor, a display of all the company's milestones since its inception: the year "Yoox" became a crossword clue, the year it penetrated China, and so forth. "It's simple, you never change anything that is already successful, and both Net-a-Porter and Yoox are each already very successful. What we are going to work on a lot is the... How you call it? Back end? Behind the scenes? Now we are a bigger company we have money to invest in better technology, more logistics centres around the world, more means to serve the customers better."

"My biggest quality is actually not technology or logistics," he carries on, "it is understanding the customer. That's what I have been doing for the last 16 years. I'm the same as you in the end, and every day I ask myself the same question: If I were a customer, what would I want?" Online >

purchases that arrive late or are the wrong size – these are the kinds of issues that keep him up at night. As he proudly pronounces, after 18 million orders, Yoox now has 99.5 per cent promptness. (Its “back end” is indeed impressive, as anyone who has been to its super-high-tech warehouse in Bologna knows. With its army of giant robots programmed to sort and place items in big black container-loads – Fornasetti plates alongside cashmere sweaters, Yayoi Kusama tea-towels alongside Marc by Marc Jacobs bags – via some brilliantly random yet precise algorithm that ensures no piece of stock ever, ever gets misplaced, it’s a futuristic nightmare – or wet dream, depending on which way you look at it.) “People have this image of Italians working little hours, taking long lunches and being unreliable. But that’s just not true. Take Alitalia. In my experience there has never been one delay, but does anyone know this? Us Italians, we are the worst marketeers of ourselves...”

As anyone who is even remotely connected to the retail industry will tell you, the merger between Yoox and Net-a-Porter, which Marchetti had been gunning for as far back as 2009, wasn’t exactly born out of love. Well, not on Net-a-Porter’s side, anyway, with its founding shareholders incandescent about their stakes being undervalued and Natalie Massenet abruptly resigning just months after Richemont, NAP’s Swiss-based parent company, announced the deal. Because she was such a massively popular figure on both the fashion and social circuits (the lavish, tequila-fuelled 50th birthday party she threw herself in Positano a couple of months before she resigned is still being talked about as the event of the century), and because she had been so much the pulsing heart of the business she’d launched, many found it hard to understand what on earth Richemont was doing. They still find it hard, in fact.

“Natalie Massenet started the fashion e-commerce revolution – she built the chocolate factory,” says one industry observer who has known Massenet for years. “In that respect she was like Steve Jobs. It’s widely accepted that without Jobs’s vision Apple is struggling to innovate, to believe in itself. The same is happening at Net-a-Porter. Marchetti hasn’t put the fire in anyone’s belly. He’s just fine-tuning what she created.

“The big mistake investors make is believing that they can do without the creative visionary who lured them in the first place,” he continues. “I wouldn’t be

surprised if in a couple of years they go begging back to Massenet.”

Meanwhile there are rumours of discontent among the staff. One employee at the Westfield headquarters (who prefers to remain anonymous) describes how tense the atmosphere is under Marchetti, compared with the rah-rah, sisterhoody vibe when Massenet was at the helm. Another tells of how a meditation expert had to be called in to “diffuse the atmosphere”. But that image of the “man with big balls” taking “the little lady’s start-up” to the next level, as a piece in the *Sunday Times* read last October, doesn’t square with everyone. “One of the gauges I often use when I have visitors to my studio in London is how they interact with the people I work with as they walk around the building,” says Paul Smith. “Whether they speak to people in a kind way and say



Marchetti with his partner Kerry Olsen at a dinner for Gucci's Alessandro Michele

hello or not. Federico absolutely did. I can tell you, a lot of people don't.”

“He’s definitely not your average business guy with his eye on nothing but the bottom line,” offers Holly Brubach, the former fashion writer for *The New Yorker* who advised on vintage collections and special projects for Yoox in the mid-Noughties. She recalls the Pac-Man children’s line that the late Malcolm McLaren designed to mark the company’s fifth anniversary. “These scarves came in from the manufacturers and they must have been 6ft long – for kids who were 3ft tall. Most CEOs would have hit the roof and cancelled the project. But Federico took it in his stride and gave them as Christmas presents to adults. You know, a lot of corporate executives have an inability to comprehend creative types. They regard artists – including the ones in their own companies

– as lazy, immature, undisciplined, extravagant. That’s not the case with Federico. He really admires creative people and he understands them. He also has the capacity to connect with people of all ages.”

“Look, I’m usually bored by people, but I’m never bored by Federico,” says Luca A *Bigger Splash* Guadagnino, who is about to start filming a remake of the horror classic *Suspiria*, and is a great friend of Marchetti’s. “I would say we share some general characteristics,” he adds. “We are both fiercely independent, we have extraordinary ambition, and we are very competitive.”

For his part, Marchetti has had to go on a bit of a charm offensive since the merger, staging roadshows at office headquarters around the world from London to Shanghai to Tokyo so staff can get to know what their new boss is like as a person, and so forth. But then at heart, he’s just an ordinary guy, as anyone who follows him on Instagram will know. Interspersed between snaps of him hanging out with Naomi Campbell and Philippe Starck and throwing shoes out of Lapo Elkann’s boat in Venice, there are pictures of his Easy Jet boarding pass from Paris to Milan, him celebrating his birthday with his childhood buddies from Ravenna, him picking persimmons from a tree and collecting them in a crumpled Yoox carrier bag. A real *uomo del popolo*, in other words, and not at all the corporate raider who doesn’t need his staff to like him, as a piece in the *Financial Times* quoted him as saying last year.

“Ah, what I meant there was I don’t need to be venerated like a king,” sighs Marchetti, patiently. “We’re no longer in the 18th century. Yes, I need respect, I need ethics; I need fairness and hard work. And yes, I need results. That is a different thing to my staff not liking me. But I can be very naive, sometimes, with journalists. This is what my partner, Kerry [Olsen, the Yorkshire-born journalist and mother of his five-year-old daughter, Margherita], tells me. She tells me I’m too romantic, that I fall in love with people and then get deluded. I guess I’m a little childish like that. It’s why I am often let down.”

Whoever the real Federico Marchetti is, he sure knows how to turn a profit, as the latest YNAP figures prove. In 2015, the company had combined sales of €1.7 billion (half of which were on mobile phones), up 31 per cent on 2014. That same year there were 2.5 million active customers compared with 2.1 million; 7.1 million orders compared with 5.8 million. Under Marchetti’s aegis, Prada, Moncler and Pomellato have signed up with Net-a-Porter and Gucci’s Alessandro Michele has designed the site its very own capsule collection – the first of many designer

collaborations, Marchetti and NAP's new president, Alison Lochnis, hope. Let's not forget, either, the 40 inhouse online designer boutiques powered by Yoox, Marni, Bottega Veneta and Saint Laurent among them – an "aside" that makes up 10 per cent of YNAP's overall turnover.

For Marchetti, the merger is just the beginning. In April, Alabar Enterprises – the conglomerate behind the Dubai Mall – invested €100 million in exchange for three per cent of the business to help with the integration of the two companies and develop YNAP's business in the region's lucrative luxury e-commerce market. The Middle East (particularly Iran), Africa, South America: these are all markets Marchetti is keen to penetrate.

The real challenge for the future, though, is creating the perfect smartphone app, of synthesising all that content and commerce he's now in charge of into one easy icon – because smartphones (he is absolutely messianic about this) are the future. Of the approximate €2 billion total revenue generated by YNAP, he points out, €1 billion of it comes via not iPad or desktop but mobile (especially when we watch television, apparently – oh, boy, when the ads come on do we get shopping on our phones). "And it's only 2016. What's going to happen by 2020?"

It's the following morning, and I have just arrived for a late breakfast at Marchetti's opulent, art-filled apartment overlooking Milan's Piazza Castello. With its labyrinthine passageways and cardinal-red hallways, it's a far cry from the bachelor pad he lived in before, so tiny that baby Margherita had to sleep in the cupboard. There's a John Currin, there's a Lucian Freud, there, my goodness, is a Chagall – "Bella, eh?" – although it's the little Morandi he bought at auction to celebrate the merger that's probably the most "important" piece in his collection right now. Given equal prominence are pictures drawn by "Maggie", who is quietly colouring away at the dining-room table with Kerry, a tall, elegant, instantly likeable woman, dressed this morning in Balenciaga and "man repellers", as she calls her Marni sandals.

Over fruit kebabs and a pot of fresh coffee (Marchetti only ever drinks decaffeinated), she jokes about how they first met and fell in love – at the time she had just come back

from Japan, quit her career as a lawyer and was working in PR – how it took him three attempts to get her to come out and when she finally agreed, it was on Valentine's Day, though he had no idea. She jokes, too, about his almost pathological need to be on time, meaning they often arrive at people's houses for dinner when the hosts are still in the shower, and his impatience at airports. "Whenever we travel, I feel like a traditional Indian woman walking behind him with Margherita, and even when Margherita isn't there, and we've got plenty of time, I'm still not allowed to browse in Duty Free." She tells me, too, how tricky it was assimilating into Milanese culture, of "giving birth in Italian; did you know a natural birth was called *un parto spontaneo*? It made it all sound so volcanic, somehow", of getting the clothes thing down pat.



"I'm told I'm too romantic, that I fall in love then get deluded"

"It has been a kind of finishing school in that respect," she giggles in her faint Yorkshire accent. "There I was, this London girl, wearing my rabbit fur over my vintage dress, working this whole Courtney Love thing. I didn't realise all the different dress codes, how I needed all these sophisticated 'at home' clothes. Oh god, and the beach thing. The worst was when Fede took me to these beautiful Sicilian islands and there were all these tanned Italian women in sarongs, elegantly draped on rocks. I didn't do tans! I was from Redcar so that was hell on earth! I'm older now, but when I was younger all I wanted to do was fit in, and I know when I first arrived I made a lot of gaffes."

"Oh, Kerry is a dream," enthuses Laudomia Pucci, who is friends with the

couple and holidayed with them last summer in the Peloponnese. "We make jokes about her English manners all the time. I think it was at Pitti Uomo, there was this line of people wanting to get in and there she was obediently waiting at the very end of it, even though Federico and I were walking straight in. We said, 'What are you doing?' She said, 'No no, I've got to queue.'"

"I met Kerry after I met Federico, and that really filled the picture in for me," offers Margherita Missoni, whose online children's boutique is powered by Yoox, and who is also a friend. "I liked him even more because he liked her. She comes across as naive but she's actually got quite a wicked sense of humour."

One of three, the son of a Fiat warehouse manager and a call-centre operator, Marchetti grew up in Ravenna, best known for being Dante's burial place and the seat of

the Roman Empire in the fifth century. A classic geek who wished he weren't – "I tried not to get good marks but I always did!" – he spent his teens hanging out in the town square with the cool surfer kids, longing to be one of them and obsessing about becoming an entrepreneur. As an economics student at Bocconi University in Milan he had a sketchbook of "silly" ideas – a portable phone that could take pictures (this in 1989), a forehead-and-chin headrest to be used when flying economy. Then there was the inspired idea to make mozzarella using wildebeest. ("I wanted to save Africa. I overlooked the fact that wild animals wouldn't stand still to be milked.")

In 1998 he went to New York to study for an MBA at Columbia Business School with a view to living there and working in the film industry. But not one of the companies he wrote to – Sony, New Line, Paramount among them – would give him a job. So the following year he went back to Milan, disappointed but by no means broken. Within three months he had come up with the idea of selling end-of-season Italian fashion brands via the internet – this when the dotcom bubble was just ready to burst. He had absolutely no contacts in the luxury fashion industry, and he was broke because he'd just resigned from his job in consulting. "Actually I had less than zero because I'd spent it all on a trip to Polynesia and I owed back my student loan, but I had lunch with a friend and he said to me, how much do you need to give them? I said €50,000, and he took out his wallet and he wrote the cheque. I said shouldn't we go to a lawyer > 187



"An exquisitely crafted book that goes right to the heart of Vogue. This will be an anthology like no other"

ALEXANDRA SHULMAN
EDITOR-IN-CHIEF

VOGUE

VOICE OF A CENTURY

100 years of British Vogue

Celebrating *Vogue's* centenary with a spectacular collection of classic photographs, illustrations and covers, alongside personal insights from the people who helped to create them. Hand-bound in sumptuous leather, *Vogue's* signed limited-edition book will be a collector's item for generations to come.

VOGUE: VOICE OF A CENTURY IS LIMITED TO JUST 1,916 NUMBERED AND SIGNED COPIES WORLDWIDE

BUY ONLINE AT
VOGUE-CENTURY.COM

<161 FEDERICO MARCHETTI

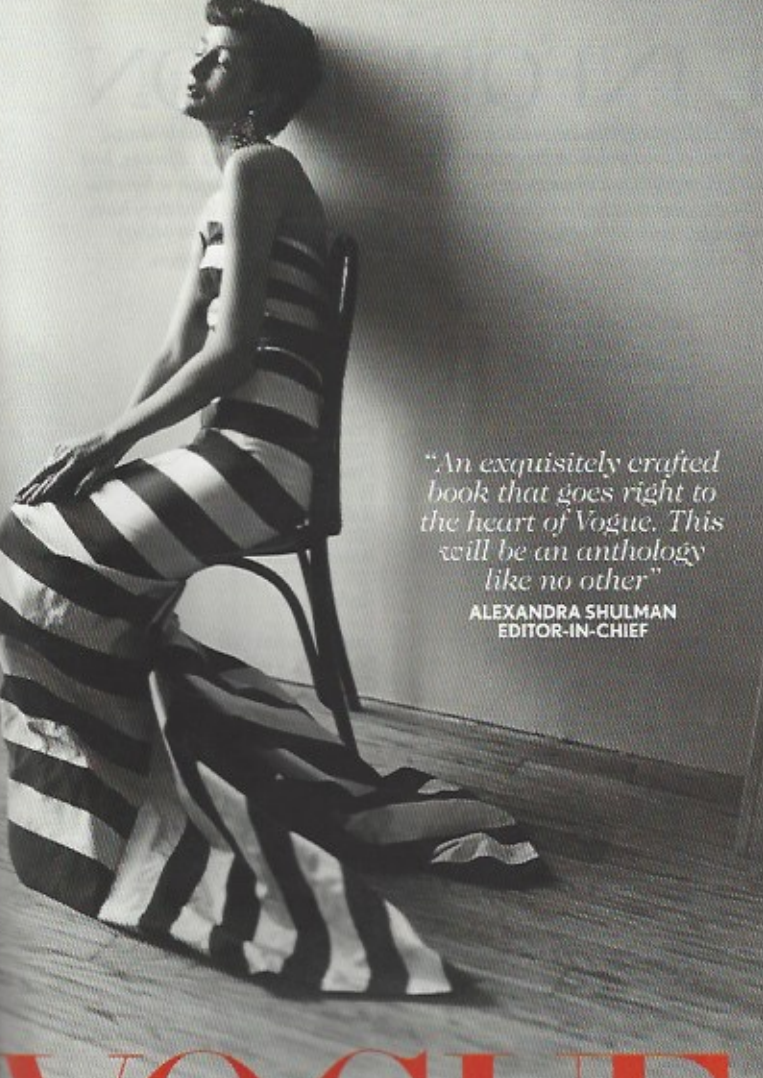
and he said no, I know you, it's going to be fine, and that, really, was the beginning of Yoox. I gave him stock options and now he has a huge boat in Sardinia that he enjoys every summer with his family..."

It's a misty late morning, and I have just driven 90 minutes out of Milan to Lenno on Lake Como to see the renovations to Marchetti's new home, housed in a former silk mill – a massive, industrial, lozenge-shaped space on two floors overlooking the lake. Donning hard hats, we pick our way through the scaffolding and army of specialist builders from Bergamo to a balcony. Marchetti bounds ahead in his immaculate Dries Van Noten sneakers and black jeans, giving the guided tour of Kerry's huge dressing room, the "canteen" for the wine, the room that may become a disco for Margherita ("So she'll never have to go outside to party when she is a teenager!") and perhaps the pièce de résistance, the 19-metre-long heated indoor pool where he can indulge his obsession with swimming.

We finish with his oversized bathroom at the top, overlooking the lake and, to the right, surrounded by a wall of topiarised cypress trees, Villa del Balbianello, the magnificent "big house" in *Casino Royale* and *Star Wars: Return of the Clones*. To our left, right on the water, is La Cassinella, a palatial four-house compound accessible only by boat, on sale, Marchetti has heard, for €200 million. "Nice," he shrugs, "but I prefer mine." (About nine miles away is Laglio, where the Clooneys live – no, Marchetti hasn't bumped into them yet, but a buddy from his days in New York, Alec Ross, former senior advisor for innovation to Hillary Clinton, knows Amal very well and is keen to get them all together.) Surveying the view across the green-blue lake in which the mountains are reflected, he sighs dreamily. "You know, when it snows, with the palm trees in the garden down there... I'm telling you, it's just like Beirut."

Back at the rental – a modest but super-comfy little house up a cobbled hill with beaded curtains, old-style speckled mosaic floors and a garden full of Margherita's playthings – Kerry is eating a delicious lunch of homemade spinach gnocchi and fresh fruit salad prepared by their housekeeper, Aurora. The mill caught Marchetti's eye because of its long, narrow proportions, perfect for the indoor pool he always wanted, but the sale nearly didn't go through because two people who hadn't spoken to each other for 20 years owned the property. "In a way I didn't mind because I like it when things are difficult. It's terrible, really terrible, but I enjoy finding solutions to complicated things." He draws a parallel with the merger, how touch and go it was, how stressful it was for Kerry, too, not being able to say anything to anyone, and how although he thought of himself as lucky – "because luck always comes from taking huge risks" – he had his doubts. "I mean, I was hoping it was going to happen, but I didn't know for sure. This was the third time round I had tried to buy it. I said to my board, if I fail, I am going to resign."

A week later, Marchetti and I meet in London at the Westfield headquarters of YNAP. It's been a whirlwind visit of back-to-back conference calls and meetings. It's only a matter of hours since the deal was sealed with Mohamed Alabbar, and despite having done his laps this morning (he always stays at the Café Royal on Regent Street because he loves the pool), Marchetti looks a little ashen. He's as charming as ever though, welcoming me into his windowless glass cubicle of an office – Massener's former, much larger office he thinks ought to go to the PR department – and asking how I enjoyed my stay in Milan. This afternoon he has lunch with Bella Freud, then it's back to Milan before leaving for the YNAP headquarters in Singapore, and then on to Silicon Valley. There he will meet with Netflix founder Reed Hastings, speak at the Microsoft summit for CEOs and have a meeting with his hero Bill Gates, something he is still slightly pinching himself about. "I mean, in Italy he's such a big deal. He's an adjective, as in... that's so Bill Gates! For someone who came from nothing, like me, this is a really big, big, big thing." ■



"An exquisitely crafted book that goes right to the heart of Vogue. This will be an anthology like no other"

ALEXANDRA SHULMAN
EDITOR-IN-CHIEF

VOGUE

VOICE OF A CENTURY

100 years of British Vogue

Celebrating *Vogue's* centenary with a spectacular collection of classic photographs, illustrations and covers, alongside personal insights from the people who helped to create them. Hand-bound in sumptuous leather, *Vogue's* signed limited-edition book will be a collector's item for generations to come.

VOGUE: VOICE OF A CENTURY IS LIMITED TO JUST 1,916 NUMBERED AND SIGNED COPIES WORLDWIDE

BUY ONLINE AT
VOGUE-CENTURY.COM

<161 FEDERICO MARCHETTI

and he said no, I know you, it's going to be fine, and that, really, was the beginning of Yoox. I gave him stock options and now he has a huge boat in Sardinia that he enjoys every summer with his family..."

It's a misty late morning, and I have just driven 90 minutes out of Milan to Lenno on Lake Como to see the renovations to Marchetti's new home, housed in a former silk mill – a massive, industrial, lozenge-shaped space on two floors overlooking the lake. Donning hard hats, we pick our way through the scaffolding and army of specialist builders from Bergamo to a balcony. Marchetti bounds ahead in his immaculate Dries Van Noten sneakers and black jeans, giving the guided tour of Kerry's huge dressing room, the "canteen" for the wine, the room that may become a disco for Margherita ("So she'll never have to go outside to party when she is a teenager!") and perhaps the pièce de résistance, the 19-metre-long heated indoor pool where he can indulge his obsession with swimming.

We finish with his oversized bathroom at the top, overlooking the lake and, to the right, surrounded by a wall of topiarised cypress trees, Villa del Balbianello, the magnificent "big house" in *Casino Royale* and *Star Wars: Return of the Clones*. To our left, right on the water, is La Cassinella, a palatial four-house compound accessible only by boat, on sale, Marchetti has heard, for €200 million. "Nice," he shrugs, "but I prefer mine." (About nine miles away is Laglio, where the Clooneys live – no, Marchetti hasn't bumped into them yet, but a buddy from his days in New York, Alec Ross, former senior advisor for innovation to Hillary Clinton, knows Amal very well and is keen to get them all together.) Surveying the view across the green-blue lake in which the mountains are reflected, he sighs dreamily. "You know, when it snows, with the palm trees in the garden down there... I'm telling you, it's just like Beirut."

Back at the rental – a modest but super-comfy little house up a cobbled hill with beaded curtains, old-style speckled mosaic floors and a garden full of Margherita's playthings – Kerry is eating a delicious lunch of homemade spinach gnocchi and fresh fruit salad prepared by their housekeeper, Aurora. The mill caught Marchetti's eye because of its long, narrow proportions, perfect for the indoor pool he always wanted, but the sale nearly didn't go through because two people who hadn't spoken to each other for 20 years owned the property. "In a way I didn't mind because I like it when things are difficult. It's terrible, really terrible, but I enjoy finding solutions to complicated things." He draws a parallel with the merger, how touch and go it was, how stressful it was for Kerry, too, not being able to say anything to anyone, and how although he thought of himself as lucky – "because luck always comes from taking huge risks" – he had his doubts. "I mean, I was hoping it was going to happen, but I didn't know for sure. This was the third time round I had tried to buy it. I said to my board, if I fail, I am going to resign."

A week later, Marchetti and I meet in London at the Westfield headquarters of YNAP. It's been a whirlwind visit of back-to-back conference calls and meetings. It's only a matter of hours since the deal was sealed with Mohamed Alabbar, and despite having done his laps this morning (he always stays at the Café Royal on Regent Street because he loves the pool), Marchetti looks a little ashen. He's as charming as ever though, welcoming me into his windowless glass cubicle of an office – Massenet's former, much larger office he thinks ought to go to the PR department – and asking how I enjoyed my stay in Milan. This afternoon he has lunch with Bella Freud, then it's back to Milan before leaving for the YNAP headquarters in Singapore, and then on to Silicon Valley. There he will meet with Netflix founder Reed Hastings, speak at the Microsoft summit for CEOs and have a meeting with his hero Bill Gates, something he is still slightly pinching himself about. "I mean, in Italy he's such a big deal. He's an adjective, as in... that's so Bill Gates! For someone who came from nothing, like me, this is a really big, big, big thing." ■