

Mr. E-commerce

Federico Marchetti, inventor of YOOX, has found the way to bring the fashion houses on the web, creating a company with a turnover growing by 50% per year and that is now ready to go public on the Stock Exchange.

The office is white, the desk is practically empty, the boss' custom-made bike – a white Graziella – is leaning on the wall. The evolution of the Italian entrepreneurial species is called Federico Marchetti.

He is 40 years old and has been running YOOX for nine years. YOOX is an online portal dedicated to fashion: 250 employees (primarily women, with an average age of 30) and, starting from 2010, quoted on the Stock Exchange.

Our shared origins (we are both from Emilia Romagna) and the same years spent in New York allow me to be on first-name terms with him, to piece together the story of an "Italian miraculously saved", as he defines it himself.

Birth place?

Ravenna.

Mother and Father?

Office-workers. My father at Fiat and my mother, just like my grandfather, at Sip (at that time named Timo).

Why didn't you end up at Telecom?

Because, since I was a child, I have always thought of big things. I used to read the *Topolino* comic books and imagine myself like Archimedes - with the only difference that I wanted to sell what I created.

Like what?

I had focused on reinforced socks. I couldn't understand why you should buy socks that hole. Then I realized that it was convenient for the seller, but at that stage I had already moved on to the idea of the wildebeest mozzarella, which was not bad...

Did you have a plan B, just in case you had not become an entrepreneur?

Actually I have never been able to imagine a different future for me, although I had no money to begin with. For this reason I had to "go underwater" and prepare myself by doing other things.

What did you get up to during the years you were in apnoea?

First at all, Bocconi University. I would have liked to study psychiatry: it was period of *One Flew Over the Cuckoo's Nest*, a film I loved. But I could not afford it, so I studied business administration. I had to. Top marks. At that point, a second dive without breathing: a job in an investment bank, Lehman Brothers. Now many people just smile, but I am talking about 17 years ago, long before the fall: a top bank, where I learned a lot. Then the Master's degree at Columbia in New York, in '98.

I was there: the years of Clinton and Monica Lewinsky. You didn't spend time studying, did you?

That was the nice thing about it: everyone imagined me isolated and suffering, over there, while I went to parties until four o'clock in the morning. But it was a great school, America taught me a lot. There, it could happen that you bumped into the manager of Gap: maybe instead of praising him you pointed out something negative and he even listened to you.

What did you say to the manager of Gap?

That he should not come to Italy.

Why?

I also submitted him a study, considering he was curious: it would not have worked. His product was the classic product that Italians like to buy abroad.

So it is your fault if we have to go abroad to buy a sweatshirt?

There have been many managing directors at Gap since then. Perhaps my study is still on someone's desk, who knows. I know that, today, I would offer a different view.

But, in your opinion, if an Italian guy stops Benetton on the street and gives him an idea, would he listen him even if he isn't the "son of the cousin of the minister"?

Yes.

I think you are optimistic.

Always. Otherwise I wouldn't have done it, I wouldn't have dared to start YOOX.

How did you choose what to bet on?

I looked around me: we were in the years of the Internet boom. Even the poor could get money, it was enough to present a plan for an online business. I became a magician of the business plan, the only thing I had to do was to choose the subject of the e-commerce. I had always interested in fashion. Fashion and Internet were a perfect fusion: exclusive marries accessible, the opposites meet.

Who financed you?

Elserino Piol from Tiscali.

He didn't ask you how you hoped to persuade people to buy something without touching it?

Him and other two thousand people. But it is not like that: you can touch. The only difference is that you can do it two days later at home. Where you can try on what you ordered when you want, for all the time you want. And, if you're not satisfied, you can return it: you don't need to go back to the store and face the shop assistant again – maybe that same one who took half an hour to convince you to buy.

How did you find the name YOOX?

The male and female chromosomes and the binary code: I thought of 2001: A Space Odyssey.

Do you watch a lot of films?

Yes, I also create them. I have a drawer full of ideas: some are drafts of screenplays.

But what do you do with the ideas that you do not use?

I give some of these ideas to people who have the time and the desire to accomplish them, for example.

Ever happened?

We were close.

Here I can see open space, white everywhere, young people, happiness. What is the model: Google?

No. I don't believe in the pinball in the office, to the importation of the American dream. It must be the Italian one. The key ingredient: common sense.

Did you select all the 250 employees?

Yes, I always do the last interview.

Have you ever gone wrong?

Sometimes.

Why?

Because I didn't study psychiatry. No, only joking, it's like what happens with girlfriends: at the beginning they seem perfect and enthusiastic, only after 6 months you realize who you have in front of you. This is when all troubles begin.

Are you in trouble with your girlfriend?

No, in this field I am calm and peaceful.

What about your job?

No, I have a lot of things to do. I believe that, even after considering the mistakes and wrong recruitments, I have created a perfect team - but we can do better. To be part of our team, it is necessary not only to be good at your job, but also to be a good person.

Do you do "ethic" economy?

In some ways, yes. Do you see that? I go around with a Graziella bike. And for long distances I call the eco taxi. These are at zero emissions. What you have to understand is that ecology can become a business. Just as many other things. People used to speak of the three "I's": Impresa (company), Internet, Inglese (English), and then nobody heard anything more about it. What about the Ministry of Innovation? There would be many resources. 40% of the YOOX market is in the South. Do you know what it could mean for the South to bet on the Internet without the necessity of structures and "protection money" to pay?

The game is clean?

From my experience - yes, it is.

Politic support is important?

From what I see, it is not. We have offices in Milan and the warehouse is in Bologna. I wrote two letters for Christmas to Sergio Cofferati, when he was mayor, to say: we're here, we are town entrepreneurs, maybe you're interested in discovering us. I didn't receive any reply, not even from the secretary with a pre-printed ticket.

What about the disease of Italian capitalism, business kept in the family? With the company that passes to not-so-clever sons who destroy everything?

It is not only an Italian sickness, it is inevitable.

Did you have children?

No, I haven't.

When these young employees will be 56 years old, will YOOX be a third age holding?

I hope the company will have ten times more employees and that the average age will be the same.

Will you step aside, at a certain point?

Yes. Maybe I'll pull out a new project from the drawer.

Forever young?

I've got a little bit of a Peter Pan syndrome. You know, when I walk on the street, children smile at me as if I was one of them.

But you're going public on the Stock Exchange...

It's done by Mediobanca and Goldman Sachs.

Would you recommend me to invest on YOOX?

If you ask me if the company will grow, I will tell you yes, that's for sure. If you ask me if the stock will do the same, I cannot say - , there are so many variables.

Why does a man with a Graziella bike go to Piazza Affari? Was it inevitable?

Having reached the tenth year, yes it was. It is like an exam, it's necessary to do it if you want to grow even while keeping young.

BOX – ALL YOOX ACTIVITIES

THE GROUP

YOOX Group is the global Internet retailing partner for leading fashion & design brands. It has established itself amongst the market leaders with the Multi-brand stores yoox.com (launched in 2000) and thecorner.com. The Group has logistic centers and offices in Europe, the United States and Japan and delivers in 50 countries in the world.

POWERED BY....

Since 2006, YOOX Group designs and manages Mono-brand Online Stores for fashion brands. The "YOOX package" offers a flexible technological platform, innovative interface design, global logistics, excellent customer care and international web marketing

THE COSTUMERS

The brands who have entrusted to YOOX their business online:

marni.com (September 2006)

emporioarmani.com (August 2007)

diesel.com (November 2007)

cpcompany.com (February 2008)

stoneisland.com (March 2008)

valentino.com (April 2008)

misssixty.com (September 2008)

costumenational.com (September 2008)

energie.it (October 2008)

emiliopucci.com (November 2008)

moschino.com (February 2009)

bally.com (February 2009)

dolcegabbana.com (June 2009)

dsquared2.com (September 2009)

jilsander.com (September 2009)