Bestseller increases profitability

By Olivier Guyot - December 2, 2014

The actions taken to help the employees of Bestseller’s suppliers in Asia, the assistance given to farmers that produce the cotton for its clothing, and the 5 million organic cotton items sold by Name It during its 2013-14 fiscal year show that Bestseller seems untiring in terms of the sustainable segment of its business. The Danish fast fashion giant has meanwhile just published a 112-page report focused on its efforts over the past year.

Image: Vila Clothes

Unfortunately, it’s a bit tricky to quantify the economic impact of the examples provided by the Sustainability Report. Indeed, as usual, Bestseller’s management, overseen by CEO Anders Holch Povlsen, who is also its sole owner, is not very expansive, to say the least, in terms of its financial outlook. Everything is condensed onto one single page and a few comments.

The group has posted a 5% increase in revenue as compared with last year, at 2.7 billion euros. For its 2013-14 fiscal year ending on July 31, the group, which owns brands such as Jack & Jones, Vero Moda, Only and Selected, has also increased its profitability. Before taxes, the group posted a profit of 228.2 million euros.
"A 21% increase on the bottom line indicates positive signs of improvement in our company," said Povlsen. "It's our core business that has contributed to these positive results during the past year. Through an increased focus on our operations and through an even closer collaboration with our partners and customers, we have managed to grow and create better results in a challenging market."

Povlsen foresees continued progress this year, including an increase in its brands' online business.

1 euro = 0.791851 pounds = 1.24364 US dollar

By Olivier Guyot