

# Gucci to Operate Independently in Russia

By [The Moscow Times](#)

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A woman with a Gucci belt in Moscow. The Russian market is growing too fast to leave sales to intermediaries. **Denis Grishkin**

Recognizing the local market's potential, Italy's luxury powerhouse Gucci will begin managing its operations and development in Russia without intermediaries, Vedomosti reported Wednesday.

As Russia has become an increasingly important market for high-end luxury goods, many major Italian firms have decided to develop independently.

For many years luxury brands like Gucci, Prada and Tiffany & Co. were represented in Russia by the local luxury giant Mercury, which owns some of the country's high-end department stores: TsUM in Moscow and DLT in St. Petersburg.

Gucci is currently looking for a 1,000 square-meter retail space in central Moscow and has already rented a 200 square-meter office at Bolshaya Dmitrovka Ulitsa, a spokesman of a real estate consulting company said.

Gucci's competitor, Prada, has recently set up nearby, opening its own directly operated 1,700 square-meter store on Stoleshnikov Pereulok, the heart of Moscow's luxury shopping district.

Russians spent \$7.3 billion on Italian luxury goods in 2012, a 9 percent increase in the previous year, according to SMI Sistema Moda Italy.

New York's Tiffany & Co. announced in June that in early 2014 it would open its own store at GUM on Moscow's Red Square.

Other brands as Hermes, Chanel and Louis Vuitton have each decided to manage the Russian market directly rather than franchising.

Mercury currently manages six Gucci stores in Russia. It is unclear who will operate them following the Italian company's decision.

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