
How Cathay Capital helped a family-owned and -operated wholesale fashion brand transform into a global, direct-to-consumer business



Moose Knuckles is a leading brand of luxury outerwear, sportswear, and accessories based in Montreal, Canada. Today, Moose Knuckles’ products are sold through over 30 retail locations, wholesalers in over 25 countries, and through ecommerce. The brand’s differentiated products are ethically sourced, highly functional, and fashion-forward, delivering streetwear, fashion, and culture. The company has offices in Montreal, New York, Milan, London, and Shanghai.

The company was family-owned and operated until 2019, when it was acquired by a Cathay-led investment group to accelerate its global expansion - particularly in China - professionalize its organization and support the transition of the company into a multi-channel fashion business with a focus on Direct to Consumer (DTC), with a strong ecommerce presence.



of employees



DTC Revenue growth



of stores
(as of July '24)



Sector:	Consumer / Fashion
Country:	Canada
Fund:	Mid Cap 2
Status:	Current portfolio
Investment Date:	June 2019

Challenge

When Cathay became the first institutional investor in 2019, Moose Knuckles was an emerging luxury outerwear brand selling primarily through the wholesale channel, including high-end department stores. The company had 70 employees, three owned stores and limited ecommerce activity.

The business sought a partner to help support its high growth, including building a professional, stand-alone organization, as it had historically been operated as a brand inside the founders’ family-owned apparel group. Moose Knuckles needed to quickly evolve its talent, systems, and processes to address its ambition of becoming a global, multi-channel fashion business with a key strategic focus on China.

Solution

Post-acquisition, the Cathay Capital team developed a plan with Moose Knuckles’ co-founders –to build the needed infrastructure to accelerate the growth of the business. A broad management incentive plan was implemented to allow key employees to participate in the value creation of the business and align interests with Cathay. A plan was developed to bring in a new CEO to fully transition to new leadership. Cathay assisted with recruiting key positions (e.g., CFO, Head of Retail, Head of China, CTO). The team also brought in fashion veteran and Cathay Operating Partner Daniella Vitale as an independent director to guide the founders in the first phase of the company’s transformation. Thanks to Cathay’s support in quickly adapting to the “new normal” of fashion retailing during the Covid shutdowns, the business continued to grow at 25%+ CAGR.

Now, with over 300 employees, the company has increased its brick-and-mortar footprint globally and made significant investments behind its ecommerce

flagship, focusing on a more meaningful direct-to-consumer experience. The company’s DTC sales have grown over 300% in the first four years of Cathay’s investment.

In September 2021, and consistent with the original transition plan agreed upon with the company’s founders, industry veteran and ex-Tapestry (Coach, Kate Spade, Stuart Weitzman) CEO Victor Luis was appointed CEO and Executive Chairman of Moose Knuckles, ushering in the next phase of the company’s growth plan.

In August 2024, Bosideng, a Chinese-based major player in the outerwear space in Cathay Capital’s network, was brought in as a strategic and significant minority investor in Moose Knuckles. Thanks to its long experience and vast resources in the industry, Bosideng will accelerate the evolution of Moose Knuckles into a major global premium outerwear brand. This strategic collaboration underlines the continued belief in China as a key strategic market for Moose Knuckles.



Cathay Capital's support has been instrumental in transforming the Moose Knuckles brand from a single-channel wholesale brand to a global, multi-channel direct-to-consumer business. The Cathay team has given the company unparalleled access to their global network, helping the Company make key hires to scale the business while bringing in a key strategic partner in Bosideng to accelerate the brand's potential internationally as we continue to deliver innovative products and experiences to Moose Knuckles' fans across the world."

VICTOR LUIS
EXECUTIVE CHAIRMAN OF MOOSE KNUCKLES