

## France

## Brief encounters: the man changing Europe's underwear

Parisian who gambled on premium 'made in France' products has a loyal following



Guillaume Gibault, founder of Le Slip Français, at his Parisian office © Magali Delporte/FT  
Harriet Agnew in Paris YESTERDAY

Guillaume Gibault owns €2m-worth of men's underwear. Le slip — or brief — is the humble item on which his seven-year-old company is founded.

Le Slip Français was born out of a bet made by a friend in 2011, who wagered that Mr Gibault would never be able to sell a pair of briefs online.

But Mr Gibault, who was 25 years old at the time, thought otherwise. After graduating from HEC Paris, France's leading business school, with a masters in business, then working for a year in business development at the French organic supermarket Bio c' Bon, he was convinced that just like food, organic fashion could turn mainstream.

Social media, he anticipated, would transform the fashion industry. He settled on selling underwear because, as he explains while sitting in a small café across the road from his Paris office, "it's small, easy to sell online, easy to post, you don't need to try it on and you're loyal to your underwear brand".

## I had nothing to lose . . . If it all went wrong I would have underwear for life

Guillaume Gibault

Armed with €10,000 of savings, Mr Gibault ordered 600 pairs of briefs to be made at the Moulin Neuf Textiles factory in the Dordogne. He filled the boot of a red Citroën Picasso rental car and drove them back to Paris. In September 2011, *Le Slip Français* was born. “I had nothing to lose,” Mr Gibault recalls. “If it all went wrong, I would have underwear for life.”

The concept of “made in France” is central to the company. Mr Gibault says: “French brands like Louis Vuitton and Hermès that last over the long term are deeply rooted in their made-in-France craftsmanship and *savoir faire*. I wanted to take that idea and modernise it.”

But the past three decades have been difficult for the French — and wider European — textile industries: retailers have outsourced production to emerging markets, lured by cheap labour and raw materials, wiping out thousands of jobs and entire businesses. In France, the textile industry has shrunk from 451,000 jobs in 1990 to just over 58,000 in 2016, according to the [Union des Industries Textiles](#), the sector’s trade body. Of the 100m pairs of briefs bought by French men every year, just 5 per cent are produced domestically, says Xerfi, the market researcher.

### Recommended

Mr Gibault wanted his briefs, the cheapest of which he sells for €29 a pair, to be 100 per cent handcrafted in France, from the cotton thread to the packaging. He says: “Instead of outsourcing production thousands of miles away only to sell products just around the corner, maybe we should invest in production locally.”

To start with, it was difficult — and expensive — for *Le Slip Français* to convince French suppliers and producers to work with them. But many took a risk with the start-up, at times even lending the business money.

The company landed a break in the run-up to the 2012 French presidential elections. “One of the key focuses of the campaign was how to make French industry better, how to localise, how to make more products in France,” explains Mr Gibault.

*Le Slip Français* capitalised on media attention. In March 2012, Mr Gibault came up

## Le Slip Français was trying to prove that there was still life in the French textile industry

with a social media campaign that parodied the socialist party election campaign slogan: “*Le changement, c’est maintenant*”, or “change, it;s now”, as promised by presidential candidate François Hollande. “*Le changement de slip, c’est maintenant*”, declared the young company, in a campaign

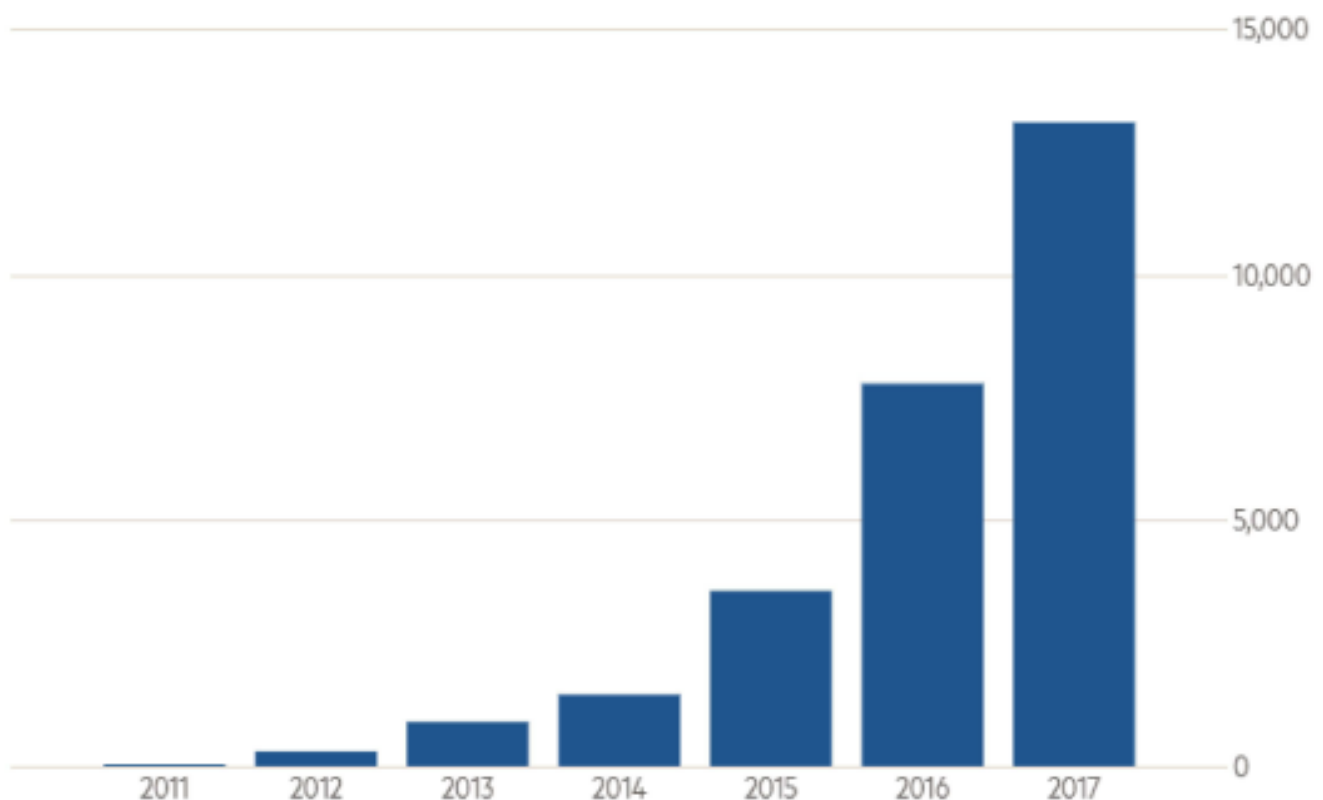
covered by the French press more than 30 times.

At the time Mr Gibault was working out of his grandmother’s Paris apartment. They would find television journalists waiting outside, eager to hear the story behind the start-up’s advertising campaign, and why Le Slip Français was trying to prove that there was still life in the French textile industry.

With media attention came growth. Sales at Le Slip Français rose from €40k in 2011 to €300k in 2012; and €900k in 2013.

### Sales are soaring for Le Slip Français

€ '000



Source: Le Slip Français

© FT

The success of the social media campaign around the French election led to a revelation. “That’s when I understood that we could and should go into a content

strategy,” says Mr Gibault. “It’s tough to get people’s attention. I realised that you need to tell stories and not just talk about the product. Since then we started to think like a media company.”

Now Le Slip Français has an editorial team, who are constantly on the lookout for opportunities to provoke and amuse with a subversive take on national events or news stories. This has included the unveiling of President Macron’s official portrait, the annual Cannes Film Festival, and the return to Earth from space of French astronaut Thomas Pesquet.



Le Slip Français uses popular culture references in its advertising

In 2014, Le Slip Français opened to external investors, raising €2m from the venture capital firm 360 Capital Partners. It used this injection of capital to grow the team, push further into online sales and to open its first physical store, in Paris. It has since added six more stores in France, concessions in three department stores, and has plans to open five stores across France this year.

“Shops reassure people,” says Mr Gibault, pointing out that in France, internet sales account for just 16.7 per cent of overall clothing sales, according to the industry trade body. Sales at Le Slip Français have continued to rise: from €1.5m in 2014, to €3.6m in 2015, €7.8m in 2016 and €13.1m last year. Crucially, 2017 was the year the company broke even. The group now employs 62 people and works with 42 suppliers across France.

# 90%

The percentage of company sales made in France

Next is international expansion. Currently 90 per cent of sales are in France, but Le Slip Français has a following in the UK, the US, Germany and Japan, where it wants to expand. At the end of 2016 it raised an undisclosed amount from Experienced

Capital, a venture capital firm specialising in retail and digital brands in the affordable luxury sector.

Le Slip Français, for its part, has set out to redefine the French fashion and textile industry. “You want to change the world? Start by changing your briefs!” it declares. Its founder’s intuition about consumers’ interest in the provenance of the products they buy has become the company’s *raison d’être*.

Now the seven-year old group is working on a project, financed by the French government, to develop new production processes for the country’s textile industry. Mr Gibault is plugged into circles at the Elysée Palace and was recently elected as a board member for France Digitale, a lobby group for entrepreneurs.

“Companies are not just economic agents,” he says. “Start-ups can change the way we produce, consume and do good.” One pair of briefs at a time.

## Young brands buy into traditional caring values

Le Slip Français fits into a growing category of retailer known as DNVBs, or digitally native vertical brands, a term coined by Andy Dunn, co-founder of men’s clothing company Bonobos. That company, itself a DNVB, was founded as an exclusively online retailer with the goal to provide men with better-fitting clothes. Its first

DNVBs are brands that are born on the internet (although need not end up digital-only) and are characterised by their single-minded focus on the customer experience, of which content and social media are key pillars.

Perhaps most importantly, many of these brands believe in their social purpose and are targeting consumers who can afford to think that the ethics and values of a brand are just as important as the price of its products alone.

Other examples of DNVBs include online clothing retailer Everlane, prescription glasses maker Warby Parker and Dollar Shave Club, a mail order company for razors and personal grooming products.

“We believe we can all make a difference,” says Everlane’s website, which breaks down the cost of all its products and claims to make modern essentials without traditional mark-ups. “For every pair sold, a pair is distributed to someone in need,” is the motto of Warby Parker, a group that set out to offer designer eyewear at a revolutionary price, while leading the way for socially conscious businesses. Meanwhile, Dollar Shave Club first launched its membership service in March 2012 via a YouTube video. It attracted such an unanticipated amount of traffic that the company’s server crashed in the first hour. In 2016, Unilever paid \$1bn for the company.