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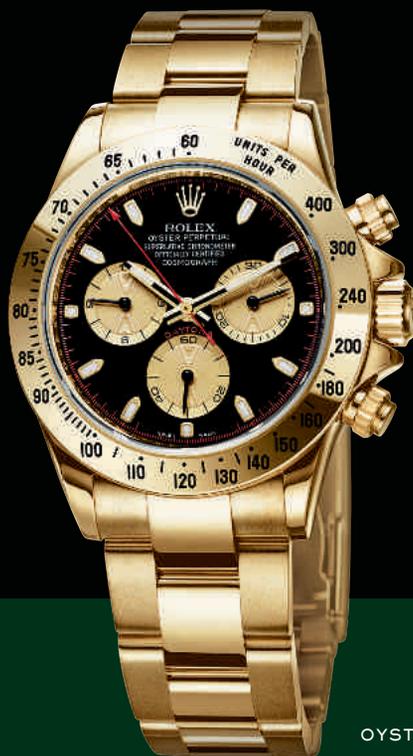


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Inside the bubble...

Images obtained by Hubble Space Telescope of erupting star V838 Monocerotis on 20 May, 2 September, 28 October and 17 December, 2002.

V838 Monocerotis erupted in January 2002 when in a few weeks its brightness increased by a factor of ten thousand. This enormous amount of energy suddenly produced by the star was observed shortly afterwards as an expanding giant light bubble. The phenomenon, called 'light echo', is an extremely rare event. During a light echo we can see directly the motion of light as it expands away from the star and illuminates all the matter it encounters in its amazingly fast (300,000 kilometres per second!) journey.



One of the things to be expected (among others) about economic crises is that the abundant commentaries they incite are discredited nearly as soon as they are uttered. In fact, while everyone puts forward their predictions and prophecies, no one, in the end, really knows what is going on. While liberal ideology has based its economic approach upon a sort of hypothetical market 'wisdom', a wisdom that would always succeed in auto-regulation (helped behind the scenes by hordes of mathematicians), economic performance still remains subject to 'irrational' winds. As these

winds blow and swell, they transform themselves into bubbles, which then end up bursting and devastating entire territories.

But we might ask if this is as irrational as all that? The problem with bubbles is that they can only be seen from the outside. When we are calmly settled inside our own bubble, we are comfortable. We do not notice when the walls begin to stretch and distend in a very disturbing manner.

The rational warnings that are sent to us from the outside arrive muffled and muted. From the inside, we get only a blurry vision of the signs on the exterior of our bubble. We think people are greeting us when actually they are trying to warn us. But it is only a waste of their time.

Greed is blind, that is well known. Greed hampers not only the view, but it also limits the horizon, reducing it to a very short term, until finally it bangs into the wall.

Metaphorically speaking, the watch bubble, inside of which we have all been living during these last few years, has taken on the form of those watches that, season after season, have become overdeveloped. Overdeveloped is perhaps an understatement. They are no longer watches—they are 'Hummers' for the wrist. You only had to observe their evolution to know that the bubble was going to burst sooner or later. This design in testosterone—always becoming more muscular, whether in watches, cars, yachts, or CEO bonuses—certainly could not endure. "In 2006, a record year, the 170,000 employees at Morgan Stanley shared US\$36 billion in year-end bonuses, with more

› **Pierre M. Maillard** Editor-in-Chief

than US\$100 million going to a few of the firm's star traders," reports *Le Monde*. How could this continue? Yet, it was imbedded in the 'DNA' as the marketing consultants like to say.

The other day, I went to visit a dendrochronologist. This has nothing to do with any type of sect. No, no. This man is a very serious scientist who 'reads time in the trees'. Not in their DNA—in their rings. He showed me a diagram of the continuous curve of oak tree rings going back over the last 10,000 years, without interruption. Thanks to this curve, he can date the year and the season of any piece of oak you bring him. You see, trees maintain the memory of time. They record the slightest variations. Trees know much more than humans do about the cycles of expansion and extinction.

Are we heading straight into the wall? "It doesn't matter", answers my dendrochronologist, who is used to a much longer time scale. "Only 10 per cent will remain, but life will continue." Now, that is the advantage of crises. They sometimes provide an indispensable cleansing and clearing out of things. Let's hope, however, that more than 10 percent will remain!





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THE SUPERLIGERO SKELETON TOURBILLON FVANO.6 BLUE LIGHTINIUM by Franc Vila

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How Franc Vila built his identity



› Pierre Maillard

W

When people tell Franc Vila that he started his brand 'at the right time', the 36-year old Spaniard just smiles and nods his head. At BaselWorld 2005, the date he introduced his timepieces to the public, he had already placed the bar very high with his very first



Franc Vila

watch, the *FV01*, a perpetual calendar minute repeater—quite extraordinary!

He launched his brand that same year, at a time when a new wave of watch companies came into existence, created not by independent master watchmakers but rather by entrepreneurs. Since then, many people have tried to emulate these ventures, so much so, that this year alone, some 20 new brands began their careers in the *haut de gamme* sector. For many of them, however, we might fear that it is not, in fact, 'the right time' to enter a market that is both saturated and weakened by the global economic downturn.

But let's return to Franc Vila. Not only did he start his brand at the right time—during a period of full economic expansion that allowed him to 'consolidate' his activities before the current turbulent times—but he also found the means to achieve his goals.

This dynamic man, full of ideas and energy, carries on with exceptional perseverance. He wagered everything on just one design, which he created, called 'Unique Spirit'. He has never varied from this design, and today his watches are highly identifiable and recognizable—and yet they are nearly all different in one way or another.



FVa7 MASTER AUTOMATIC CALENDAR
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PERPETUAL CALENDAR

Taking a chance on a single design

The major advantage of the very recognizable design of Franc Vila's figure-eight shaped case is that it frees up space on the lower part of the dial. This lets the watchmaker add various complications, a tourbillon, additional functions or specific counters. In addition to this benefit, however, the design expresses the very essence of Franc Vila's approach to timekeeping. Starting with his first steps into the world of watches, Vila wanted to create very contemporary pieces while still remaining true to the great traditions of the art of watchmaking.

Inspired by the design of the most traditional dial—where the small seconds hand is displayed below the hour and minute hands—and then pushing this reasoning even further, Vila arrived at his own special design. Since then, he has never wavered from it. The result is a fully integrated and highly architectural piece with a very complex case that lends itself to all types of materials and textures. Flirting with dimensions as large as 52 x 45mm, the watch is contemporary yet draws on its 'classical roots' in terms of readability, distribution of functions, choice of complications and decorative refinement. In short, Franc Vila pieces are typical of watches crafted in the great tradition of the art of timekeeping.

The choice of the open manufacture

The balance between traditional and the contemporary is also expressed in an extreme demand for quality. "I have always required—and paid for—my pieces to have the best degree of finishing as the most expensive watches in the marketplace, those that come from the most traditional brands," affirms Franc Vila. "And this is true for my entire collection, from the entry level watches (for example, a big date chronograph selling for 19,000 Swiss francs) to those in the very

haut de gamme sector (for example, a tourbillon minute repeater whose price tag is in the neighbourhood of 500,000 Swiss francs). In this regard, I am totally uncompromising."

These demands also led Vila to work with the model known as the 'open manufacture', instead of the procedure used by others, who he says waste time, energy, and resources in wanting—at all cost—to become autonomous in terms of production. While all his watches (at the current rate, this means between 500 and 1,000 pieces per year) are assembled and controlled in-house at the brand's head-

FV8Qa AUTOMATIC GRAND DATE
PERPETUAL CALENDAR



FVa N° CUATRO TOURBILLON DIAL-SIDE COLUMN WHEEL MONOPUSHER CHRONOGRAPH

quarters in the old town of Geneva, all the rest are developed and produced by a selected group of suppliers that work with him as a team. "It is nonsense to want to become a manufacture," insists Vila. "Moreover, historically, Switzerland did not develop its watch industry in that manner, apart from a few notable exceptions. It is the artisanal and industrial fabric that provided—and continues to provide—the richness of Swiss time-keeping. What is the use of wanting to produce everything yourself when you can work with the best independents in the world? I also want to emphasize that all my watches

are 100 per cent Swiss, including the bracelets and straps. Even better, almost 90 per cent of my components are made in Geneva."

A gradually developing concept

How did the Franc Vila adventure begin? The young Spanish collector, Franc Vila, set off in search of the 'ideal' watch, one that would match his own taste and specifications. Not finding it, however, he decided to create one. In the beginning, his goal was not to start a watch business but his friends became very interested in what he made. So, little by little, the personal adventure turned into a commercial venture.

FVa 9 "EL BANDIDO"



Right from the start, Franc Vila knew precisely what he wanted to create. Based on his clearly defined ideas, he worked to develop each strongly characteristic detail. Whether the case or the movement, he looked for new solutions, forms, and types of materials. His objective was not to cause a 'revolution' but rather to incorporate the great classics of *haute horlogerie*—the tourbillon, minute repeater, perpetual calendar, and chronograph—into his own concoction, somewhat in the manner of a great chef combining specific ingredients. As expected, his route quickly crossed that of the constructor, BNB Concept, founded in 2004, with whom Franc Vila developed a number of his movements, beginning with the tourbillon. Thus, at BaselWorld 2006, Franc Vila was able to present—not even two years after the brand's creation—his own movement, the *Five-day Tourbillon Planétaire* that equipped the *FVN°1* watch (not to be confused with the *FV1*—at Franc Vila, the names of watches equipped with original movements are indicated by *FVN°*, while other movements are listed as *FV*). We can easily imagine that the young Spaniard, who had no hesitations about upsetting a few codes, would get along perfectly well with a constructor such as BNB Concept, a company also seeking to push the limits. Since the beginning, a similar team spirit also connects Franc Vila to Dubois-Dépraz.

The SUPERLIGERO SKELETON TOURBILLON FVaN°6 BLUE LIGHTNIUM



A programme for the long term

Besides his own tourbillon, Franc Vila also presented a series of watches in 2006: the *FV5*, a universal time zone, the *FV8*, a large date chronograph, and the *FVa8QA*, a perpetual calendar with large date.

Looking at all these numbers, in no seemingly consistent order, you might wonder what his rational is in naming them. For example, his first collection, in 2005, included the *FV9* a chronograph with a complete calendar, the *FV11*, a perpetual calendar flyback chronograph, the *FV10*, a GMT perpetual calendar and the *FV7* a complete calendar with lunar phases.

Anticipating our question, Franc Vila explains: "Right from the beginning, I knew exactly what I wanted to do, which pieces would be in my collection. I imagined it so that a collector would be able to find everything that he was looking for. Thus, the numbers of my products correspond to their specific place in my collection. However, I created them and introduced them one after the other, in no special order, as my own programme advanced," He goes on to add, "And if I never varied their shape or design, it is because I did not inherit an age-old tradition, but rather I had to create a strong identity from scratch. To do so meant being creative, innovative, luxurious, and therefore exclusive."

His progress thus led him to present his

FVN°2—his second original movement—in 2007, which is a five-day planetary tourbillon with GMT indication. That same year, he also presented his *FVN° Cuatro*, a single pushbutton chronograph tourbillon.

A lesson in adaptation

His recent incursion into the arena of the sports watch with, for example, his very black collection, *El Bandido*, in 'black diehard extreme steel', demonstrates that his strict concepts are nonetheless perfectly adaptable to the codes of the most contemporary sports timepiece and to the various mixtures of materials that are so much in demand today.

A very spectacular demonstration of adaptability is the recent *Blue Lightnium* version of his *SuperLigero* skeleton tourbillon (the picture on the Cover). The timepiece's *FVaN°6* movement is made—for the first time—of an a colored alloy based on lithium. Its very low density combined with its particular solidity allows for the construction of a skeleton mechanism that is very resistant to shocks.

An additional virtue of the 'open manufacture' is being able to collaborate with a flexible constructor who is willing to deeply reflect on the problem at hand. The result is a skeleton movement whose transparency comes as much from the high degree of simplification of the movement as from the sophisticated forms of the var-

ious bridges and plate. Regulated by a flying tourbillon equipped with an 'Inertial Moment Control', Franc Vila's latest watch is already indicative of the road that the brand intends to follow in the near future. Thus, we are told that the upcoming products will include new versions of the tourbillon chronograph, a new tourbillon minute repeater, and a collection specifically intended for women that will maintain the same iconic Franc Vila shape. Other projects in the pipeline include a new tourbillon and a big power reserve watch.

Step by step distribution

When asked about the distribution of his watches, Franc Vila is quite pragmatic in his approach. "We are moving ahead step by step because I do not want to open a market without knowing that we are able to deliver. And, I want to build a network that is as exclusive as possible—like our watches. For our simplest models, we produce 88 pieces, while for our perpetual calendars, we make just 48. For the tourbillons, production is limited to eight pieces.

At the moment, the Franc Vila brand is particularly well positioned in Russia, the Ukraine, the Middle East, Singapore, Malaysia, Mexico, the United Kingdom, Spain, France, and even Australia. Obviously, there is a lot of room for expansion. The brand has just started a formal distribution programme in the United States, via the WLuxury Group headed by Michael Wunderman of Corum. That also leaves Hong Kong and China in the brand's sights.

There is no lack of opportunity but Franc Vila must concede, as have many others, that "today in Switzerland, the problem is with the suppliers. There are still too many bottlenecks." Although this is a recurrent complaint, the situation may become less critical in the months ahead.

Yet, after only five years (in 2009), the timepieces of Franc Vila—reasonable by their high quality, bold by their contemporary design—should be able to withstand the turbulences affecting the watch sector today. His potential for development is certainly an argument in his favour. <

For more information related to Franc Vila, click on Brand Index at www.europastar.com



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In search of the magic formula



› Pierre Maillard

T

The excellent Swiss essayist, Christophe Gallaz, recently re-examined the word *glamour* and recalled its original definition that signified 'sophisticated charm', characterizing notably 'the world of entertainment and fashion'. Gallaz quickly went on to point out, however, that the 'sophisticated charm' of yesteryear has undergone considerable transformation. When, in an earlier time, the image of Humphrey Bogart would have unquestionably evoked the film *Casablanca*, the image of George Clooney today definitely brings to mind *Nespresso*. Good for Nestlé, a company that has perfectly understood how to capture the glamorous aura of an actor to attribute this *glamour* to the brand. But, if we might suggest, this is also too bad for *glamour* itself, which thus loses a little of its substance.

Let's take another example, Charlize Theron, one of *glamour's* major ambassadors. While she is still in the midst of a lawsuit with her former mentor, Raymond Weil, for having ostensibly worn a Dior watch in public while under contract with the Swiss brand, Theron is nevertheless already lending her image to Breitling. This example, reaching near absurdity, demonstrates that *glamour* can also blur the message and thus lead to confusion. In this regard, let's look again at George Clooney—his nearly identical appearance in the advertising campaigns of *Nespresso* and *Omega* might lead some inexperienced consumers to think that the watch brand actually belongs to the food giant!

This evolution in the perception of *glamour* is the exact reflection of an era where the brand triumphs, becoming a little like the tree that hides the forest of products rather than the tree on which the products sprout forth. As George says in the advertisement: *What else? What else* than the brand?

By attracting the spotlight to itself, the brand thus tries to capture the essence of *glamour*, and to make its logo a symbol of magical powers. As we mentioned in a previous article (*Glamour, grammar and sorcery in Europa Star* No. 05/2007), *glamour* is closely tied to the indescribable, to the magical. Its linguistic origin is directly linked to the 'curse or spell' cast by a sorcerer, to the *charm* (which in the beginning literally meant 'magic formula') that carries you away, that bewitches you.

When Dior introduced its *Poison* perfume a few years ago, or even before that when Yves Saint-Laurent came out with its *Opium* potion, didn't these examples represent a type of homage to the magical powers of the most bewitching scents? Weren't they a sort of spell—or *glamour*—cast on consumers?

In search of this magic formula, brands are using their ambassadors as a way to create an aura of *glamour* around the companies themselves. But *glamour* cannot be explained so easily. It is derived from an almost chemical distillation of a person's face, voice, and way of moving.

There are also various degrees of *glamour*. When the charm is accompanied by contemplation or a certain consciousness, then we go beyond the simple role of a cardboard woman or man. We acquire a commanding presence—a sort of magical power - a true *glamour*.



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The reawakening of glamour

Walking through the galleries of the Château des Monts watchmaking museum in Le Locle, the rich display of timepieces favoured by ladies from the 15th to 19th centuries is astounding. Beautifully crafted enamel pocket watches on chatelaines and sautoir necklaces with jewels and pearls reveal the exquisite history of women's watchmaking. It is too bad that no one makes watches like this anymore...Or do they?

›Sophie Furley

A

A decade ago you would have been forgiven for thinking that the artistry of former times had long been extinct, that we would never see the same workmanship again, but amazingly artisans the world over are starting to awaken after a long hibernation. Jewellers, gem-setters, engravers and enamellers are joining forces with today's leading horological masters to rekindle these ancient crafts and bring back all the glamour of watchmaking history.

A quick look at women's watchmaking history

Women's watches first appeared at the end of the 15th century and were miniature versions



↑ Ladies pendant watch by Jaeger-LeCoultre from 1890.

Watch with chatelaine by Philippe Dufalga Paris, circa 1780. Photo courtesy of La Musée de l'horlogerie, La Chaux-de-Fonds.

of the spring-driven table clock. They were worn as adornments in the form of a sautoir necklace or on a chatelaine, a set of small ornamental chains that were suspended from a lady's belt. Such objects were highly sought-after as they were a perfect accessory to communicate a lady's status, wealth and intellect. One of the first female watch aficionados, and probably the most renowned, was Queen Elizabeth I (1533 – 1603) who had an extensive collection of timepieces. The Queen's Equerry, the Earl of Leicester, was recorded as having presented her with a jewelled watch suspended from an 'armlet', the first known



Ladies pendant watch, circa 1700, signed 'C. Cabrier London', painting on enamel by Hnaud.

Ladies pendant watch, 19th century, gold, enamel, pearls, enamel medallion with field scenes.

Ladies bracelet watch, signed 'Capt et Freundler Genève 1813'. *Champlevé* enamelled gold bracelet with links in the form of snakes with two small rubies for the eyes.

Photos courtesy of La Musée d'horlogerie du Locle

reference to the ancestor of the wristwatch. The Queen also owned a ring watch that not only told the time, but also served as an alarm with a small prong that came out and gently scratched her finger!

Nearly two centuries later, Marie Antoinette, the Queen of France (1755 - 1793), who was notorious for her love of all things extravagant, was busy acquiring her own collection of fine timepieces. She owned an array of watches and was even painted wearing two watches at the same time. In 1783 one of the Queen's admirers ordered a spectacular watch for her from Breguet's Quai de l'Horloge work-

shops in Paris. He commissioned a pocket watch with all the complications known to man. The piece was to be crafted in the finest metals at any cost. The timepiece took 44 years to produce and was sadly finished 34 years after the queen was beheaded. The story behind this incredible timepiece has become quite a thriller (see Malcolm Lakin's article *From Imperia to Versailles* in this issue).

Come the 19th century, women's watches had become more practical and comfortable to wear. They were often worn on simple chains around the neck or around the waist, in a brooch or on a snuffbox. It was at this time that it became popular for women to wear their watches on the wrist with a delicate gold bracelet or ribbon. This new wrist format was ardently explored by the artists of the time, although men were still reluctant to adopt the wristwatch, saying that it was just a female fad that would die out! Men did finally adopt the wristwatch, as we now know, but it wasn't until much later, at the end of World War I.

During the 1930s and 1940s, bracelets were very popular as a jewellery item and jewellers began to create watches in the form of bracelets with hidden dials. Women's watches needed to be discreet as it was considered the height of impoliteness for a woman to look at the time on her wrist in public. After World War II, mass consumption and luxury returned as women desired more fashionable, feminine watches after being deprived of stylish clothes and jewellery for so many years. However, it was the introduction of quartz in the 1970s that resulted in the biggest change to the women's watch industry as ladies' watches could be made even smaller and cheaper than before. Women's watches became mass-produced consumer goods and women's mechanical watches almost died out forever. But, in the 1990s mechanical watchmaking made a remarkable comeback, albeit only in the men's watch sector. Women were left with either the choice of a quartz watch or a man's model. As more and more women started to choose a man's mechanical watch over a quartz wrist-



Pansy Watch by Joseph Chaumet. Circa 1900. Gold watch with pearls and a pansy flower on a guilloché mauve enamel background. Collection Chaumet Paris.

watch, the watch brands realized that the women's market was ripe for a change too and that's where history ends and where we find ourselves today – in the midst of the most glamorous women's watch revolution.

A change in the wind

The women's mechanical watch segment has exploded these last few years as women search to make a statement with their watch as much as men do. Chronographs, perpetual calendars, world times, tourbillons and even minute repeaters are now also being designed for women. But on the whole, these complications are men's watches that have been feminized – a mother-of-pearl dial, a diamond bezel, an elegant strap and so forth. Retailers are reporting that such models are extremely popular with the ladies, but there are a small number of women who want more – they want a watch specifically designed for them, a watch that celebrates their femininity at the same time as showing their knowledge for fine watchmaking, a watch that reveals an appreciation for the arts, success, status and intelligence. Like the timepieces of the queens and nobility of times past, it is possible to have it all and a few brands are now creating some incredibly glamorous watches that combine the finest mechanical movements together with a multitude of different artistic forms, marking a new era of timepieces for women.

Dôme Carré Angel Heart la Nuit



Amazon Feuille de Houx



Amazon Fleur de Lys



DeLaneau – a niche among niches

Shadowed by Geneva's grand cathedral, a small brass plaque informs the passer-by of the workshops of DeLaneau. The building could be a lawyer's office or the workplace of a notary, and yet, behind this unassuming old town house lays an inexhaustible talent for creating mechanical watches especially, and only, for women. In a world where timepieces are predominantly created by men for men, this relatively unknown company has found a tiny niche in the mighty world of horology, much to the joy of a very select number of knowledgeable and fortunate women.

The company's CEO and Artistic Director, Cristina Wendt-Thévenaz, dedicates as much of her time to the aesthetics of the company's timepieces as she does to the technical side. Each complication is created with women specifically in mind. There are no complications for the sake of complications, nothing masculine dressed up with diamonds, each movement is studied and created for women. When coming up with ideas for a new complication, "I start by thinking about what would trigger women's emotions, trying to understand how they relate to time and their timekeeper, trying to cater to their pragmatic approach of how to use a timepiece, how to read time, how to interact with it," explains Wendt-Thévenaz.

DeLaneau presented two beautiful women's complications this year, the 1608 and the Angel Heart, which join a series of mechanical timepieces for women that range from moon complications to tourbillons. The 1608 is not a reference to a date, but rather the number of times



Dôme Rectangle Soleil

this mechanical 'digital' watch jumps every single day. "It was a challenge to do a jumping hour with an additional jumping minute complication, but it was important because today we read digits as fast as, or faster than, we read the traditional hands on the watch," she explains. But as the minutes jump, keeping today's busy women on top of their schedules, the artistry and craftsmanship of the dial and case, in contrast, have a calming and peaceful influence over the wearer.

The 1608, with its discreet windows at 3 o'clock leaves the rest of the dial free for endless creativity. "I can play around with the design of the dial of the watch because I don't have the limitation of the hands," explains Wendt-Thévenaz. (Photographed here is the *Dôme Rectangle Soleil* with its diamond rays of sunshine and ebony dial.) The decorative options are infinite with three different case

shapes – round, square or rectangular – 12-hour or 24-hour clock, different precious metals, gem settings, enamel and more.

The second collection introduced this year was the romantic *Angel Heart*. The dial features a heart that opens into two angel wings revealing a small seconds display beneath. The wings open via a mechanical system linked to the crown and the movement is a limited edition automatic calibre. Dials come in enamel, set with precious stones, on ebony wood or with hand engraving, although the client can choose any kind of execution she falls in love with.

Each DeLaneau piece is an individual work of art that is a combination of crafts meticulously executed by the company's various partners - movement designers and manufacturers, stone setters, enamel artists, miniature painters, engravers and more. DeLaneau works with the very finest of Geneva's master craftsman outside of the company, but is one of the rare watch companies that has its own high fire enamel workshop in-house that uses the age-old Geneva technique, a skill which almost died out and is still only known by a very small handful of people. "DeLaneau is really a patron of these artisans," says Wendt-Thévenaz. "We are committed to keeping these traditional arts alive, and using them to benefit feminine horology... I believe that rare arts and crafts kept the real notion of luxury alive"

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Van Cleef & Arpels' – poetry of time

There are a number of companies that are probably more esteemed for their jewellery skills than their interest in *haute horlogerie*, but that are now investing as much energy in mechanical timepieces as they are in their jewellery creations. One such company is Van Cleef & Arpels, which over the last few years has created an array of feminine complications combining the finest craftsmanship with first class watchmaking.

Van Cleef & Arpels is definitely not a newcomer to the women's watch market. The company has been creating beautiful and original watches for women since 1910. In 1935, the



Tourniquet bracelet watch by Van Cleef & Arpels, 1937

Cadenas watch by Van Cleef & Arpels, 1939



Montre Clipfleur by Van Cleef & Arpels

Tourbillon Cadran Unique Cashmere by Van Cleef & Arpels with hand sculpted gold base and enamelling on several levels.

Tourbillon Cadran Unique Colibri by Van Cleef & Arpels with Chinese lacquer and precious stone setting by hand.

padlock-inspired watch called the *Cadenas* was unveiled, with its unique clasp and snake-chain band that was to become one of many iconic collections for the brand. Its *Tourniquet* bracelet watch followed in 1937 with its yellow gold case and bracelet star set with rubies. Both are beautiful examples of Van Cleef & Arpels' flair for combining the watch and the bracelet, which was to become so popular for the brand. However, it wasn't until the company's centenary in 2006 that Van Cleef & Arpels decided to combine its expertise in design and jewellery with *haute horlogerie*. The first movement, called the *Quantième de Saisons* or perpetual seasons calendar in English, was a unique and exclusive complication showing the passage of the seasons and was designed specifically for women. Why a complication for women? "The first objective was to work on the Poetry of Time and mechanical complications were simply the best way to do this," explains Louis de Meckenheim, Marketing Manager of Van Cleef & Arpels' watch department. "Today, the indication of time is everywhere, from cell phones to the oven door, but paradoxically people do not take time to think of the value of their time. Our creations offer far more than the indi-

cation of time or extraordinary craftsmanship, they tell a story."

This first complicated timepiece, named quite simply the *Lady Arpels Centenary*, has a dial made up of two sections. The bottom section is fixed and made out of white mother-of-pearl, and the second section is an enamelled disc which rotates behind the mother-of-pearl section, depicting a fairy tale garden through spring, summer, autumn and winter. Each dial is hand painted by a master enameller and takes more than fifty hours of painstaking work to produce. The inventive movement



Lady Arpels Centenary



Lady Arpels Féerie by Van Cleef & Arpels equipped with a mechanical retrograde movement.

turns the disc imperceptibly in pace with the change of the seasons.

The Centenary was not to be a one-off mechanical creation for women, as the following year saw the launch of the *Lady Arpels Féerie*, an equally enchanting mechanical timepiece for women. The dial depicts a fairy with wings set with round diamonds and a face represented by a pear shaped diamond. Her magic wand jumps from hour to hour and one of her gossamer wings indicates the minutes thanks to a retrograde movement – no easy feat considering the considerable weight of the diamond-set wand and wings. Behind the fairy is a dial of the richest blue enamel that has been hand engraved with a lozenge patterning or *guilloché* effect.

Some watch companies start with a movement and then incorporate the design; at Van Cleef & Arpels, the opposite is true. "Once we have defined the design that suits the House DNA and universe, we then search for the best technique to give life to this design," shares de Meckenheim. "Some of our lacquered pieces, for example, are made by master lacquers in the Wajima village in Japan. Since the 16th century the artists from this village are producing the most extraordinary Japanese lacquer – true pieces of art."

Van Cleef & Arpels has a network of artisans with whom it has been working for many years.

"We are always very faithful to our existing partners as long as they remain the best in their field... But we are always looking for new artisans, and I must say that over the years we have met some extraordinary people capable of realising our dreams. The recent boom has given light to new artists and this is certainly one of the main achievements of the success of this industry," states de Meckenheim.

Since 2006, the company's desire to unite the work of exceptional craftsmen and watchmakers has been going from strength to strength. The brand's recent Tourbillon Collection is a perfect example, with each and every piece exhibiting the finest artistic crafts - mother-of-pearl inlay, high-fire enamelling, *cloisonné* enamelling, *champlevé* enamelling, lacquer work and the finest gem setting. All these works of art bring the beauty seen in historical timepieces back to the present day.

Jaeger-LeCoultre's garden of creations

Jaeger-LeCoultre dazzled the watch industry and the film industry last year with the presentation of its *Montres Extraordinaires - La Rose* and *La Tulipe* at the Venice Film Festival (See *Europa Star's* article *Watchmaking and the cinema, united by art and glamour* - 05/2007 issue). These two fabulous timepieces highlighted the amazing *savoir-faire* of the manufacture's jewellers and setters. Jaeger-LeCoultre's master watchmakers normally steal the limelight with their creations and inventions, but this time, it was the manufacture's artisans' turn to take centre stage, confirming the all-round talents of one of Switzerland's oldest watch companies.

This year Jaeger-LeCoultre's artisans have outdone themselves with their *Parure Extraordinaire Le Lierre*. The set is made up of a cuff watch, a necklace, a ring and a pair of earrings that all follow an ivy theme. 12,000 precious stones totalling 160 carats were used to finish the creation including two exceptional yellow diamonds – one on the necklace (5.19 carats and internally flawless) and one on the ring (2.32 carats).

The cuff watch is an incredible work of art featuring a partially black, rhodium-plated, 18-

La Tulipe



La Rose

Parure Extraordinaire Le Lierre



carat yellow gold case cleverly concealed beneath one of the ivy leaves. Every detail faithfully replicates nature using an assortment of tsavorites (stones from the garnet family), yellow sapphires, emeralds and diamonds. The stones depict intertwining stems of ivy and the delicate nerves in the individual leaves that wrap themselves around the watch itself. The majority of *haute joaillerie* watches are equipped with a quartz movement due to the advantages of size, but not for Jaeger-LeCoultre, which has used its tiny 846 mechanical, manual winding, movement to discreetly register the time. For lovers of watch trivia, Jaeger-LeCoultre broke the record for the smallest mechanical movement, the famous Calibre 101, back in 1929 and still holds the record today. Jewellery expertise is nothing new at Jaeger-LeCoultre. From 1925 onwards, the Manufacture's tiny diamond-pavé rectangular

watches were quite the 'in thing' during the Roaring Twenties. "Jaeger-LeCoultre has a real legitimacy in gem-setting," shares Janek Deleskiewicz, Artistic Director. "We have our own integrated gem-setting workshop and have been specialized in this craftsmanship for many years." These latest, one-of-a-kind creations take Jaeger-LeCoultre's expertise to new heights. Not content with using traditional setting techniques, the Manufacture's gem-setters invented two new setting techniques – the snow-setting and the rock-setting. The snow-setting is unique in that the tiniest diamonds nestle against each other to merge elegantly into the watch case, while the stones in the rock-setting are packed together so tightly that no trace of metal can be spotted between them. Only the lines that link the various elements of the case and the centre of the crown are visible. There couldn't have been a better place for

unveiling the *Parure Extraordinaire Le Lierre* than the glamorous Venice Film Festival. Not only did this beautiful jewellery creation reflect the magic of the film world, but it was also displayed on the red carpet on the wrist of Jaeger-LeCoultre muse, the German actress Diane Kruger.

These incredible pieces are the brainchild of Richemont's Artistic Director, Giampiero Bodino who wanted to follow the theme of nature. "Nature is a masterpiece of perfection that Jaeger-LeCoultre sublimates with its masterful technique," he explains. Bodino chose ivy because he was seduced by the gracious lines of this eternal green plant, its strong symbolic power and its femininity.

What does the future hold for women's watchmaking at Jaeger-LeCoultre? "Beauty will always come first, with authentic, legendary timepieces such as our Reverso, but also powerful women's complications and creative, thematic dials and pieces of jewellery that show the time," adds Deleskiewicz. "Just wait and see!" he concludes enticingly. Roll on the SIHH!

The return of decorative arts

The return of the decorative arts and horology shows that women's watchmaking is certainly awakening. Beautiful timepieces with complications for women will most certainly remain a niche among niches, mainly due to their high price and limited availability, but that's OK, as glamour wouldn't be glamour if it was available to the masses, now would it? <

The jewellery watch boom brings newcomers to Geneva

The lack of qualified watchmakers is a real problem in the Swiss watch industry, not only to ensure the supply to demand, but also to guarantee quality after-sales service in the future. But, it isn't just the watchmakers that are in short supply - the recent trend for jewellery watches has also sent watch manufacturer's scrambling in search of skilled jewellers and gem-setters to set their watches, both in-house and even abroad.

One such supplier to the Swiss watch industry is DJ Sertie, a French gem-setting workshop based in Lyon, France. The company's order book has expanded exponentially with orders from watch companies over the last few years, so much so that the company has just opened a second workshop in Geneva to cater specifically to the watch industry. The company was created in 1993 by Jean Danielian and has 25 qualified gem-setters in Lyon and benches for a further 16 in Geneva.

DJ Sertie has an impressive operation that includes some of the latest technological equipment that the company uses hand-in-hand with the finest traditional craftsmanship. Each of DJ Sertie's gem-setters is trained in-house over a period of five years, an enormous investment for the company, but one that has certainly paid off. The company is also very focused on its customer relationship management with a system that allows clients to follow the progress of their orders via Internet – something that will surely interest Switzerland's watch manufacturers. A company to watch – no pun intended!



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Chanel, Hermès, Givenchy: Swiss Made is not eternal



›Antoine Menuisier reporting from Paris

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The watch towns located in the Jura region cannot, strictly speaking, talk about *glamour* per se. Readers in Dubai or Rio de Janeiro don't really know about the areas of Val-de-Travers or Vallon de Saint-Imier. These industrial and Protestant zones—making up the homeland of timekeeping—are frozen in an austere landscape of prairies and pine trees, half-way between the plains and the mountains. Bienne, the capital of the Swatch Group, has more finery in its industrial complex than the charms of Portofino. But it is in Portofino—

where the yachts of the Russian and Arab billionaires are anchored—where you see the very rich sporting their priceless Swiss Made watches, timepieces that are the ambassadors of a *savoir-faire* that is both illustrious and modest.

Affair of conviction, affair of marketing

You get the picture. Some watchmakers—at the summit of their art—are fighting over manufacturers in much the same way that the perfume industry fights to get the most discerning 'noses'. The Swiss watch—whose crazy ride seems to be continuing in spite of the dramatic fallout from the sub-prime crisis—is not exempt from having a certain arrogance. But it is a discreet arrogance. And,

above all, these timepieces have a high level of technology behind them. Theirs is a specialized world of gear trains and lab coats.

As it turns out, the large French fashion brands have become infatuated with this particular world. We can count Hermès, Chanel, Dior, and Givenchy among them. They have all set their watches to Swiss time. An affair of conviction, an affair of marketing. And, to repeat the well-known coffee commercial: 'What else?' Yes, what else, indeed, than Swiss Made? With the exception, however, that the Panzer-couturier at Chanel, Karl Lagerfeld, would not think for even one second about 'Swiss Made' when he designs his collections. But that is alright, since it is not his job to think about the very expensive watches that are destined for the luxury brand's future clients.



A separate activity

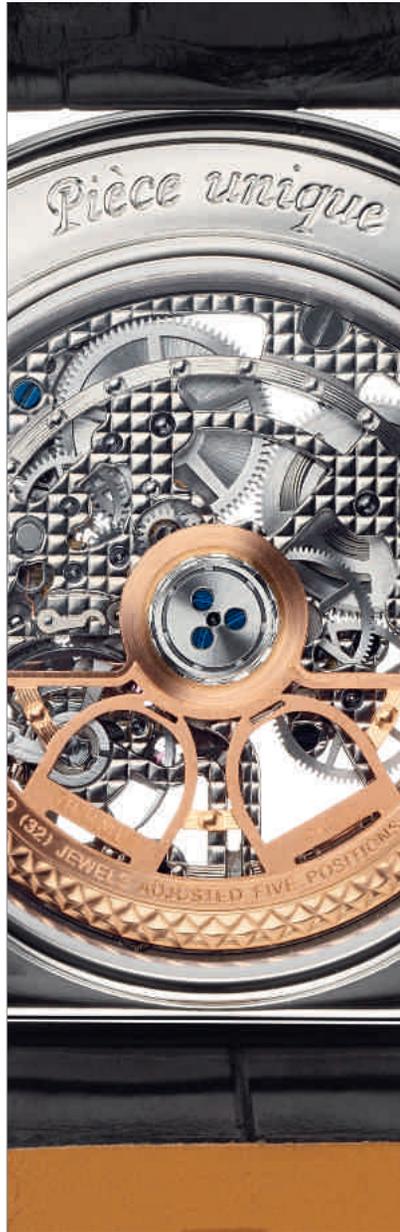
"The jewellery and watch activities are separate from the *couture* and accessories sectors," explains Nicolas Beau, International Director of Chanel's watch division. The great *couture* house, founded by Miss Coco Chanel, only ventured into the luxury watch market some 20 years ago. Yet in two decades, it has carved out an illustrious place for itself thanks to its Artistic Director, Jacques Helleu, who unfortunately passed away a year ago. It was Helleu—the creator of the simple and the sublime 'Première' and the recent (actually

now eight years old) 'J12', available in men's and ladies' models—who raised ceramic to the rank of the diamond, and who saw his creations become wildly successful. Put on a Chanel watch and you will seem like an oligarch. Give it back and you will understand what separates you from an oligarch.

Chanel does not communicate information about its turnover or its sales volume. But we do know that business is good. The French brand's watch division has a factory on the Jurasian plateau in La Chaux-de-Fonds. "If we want to make fine watches, we must be in Switzerland," says Nicolas Beau. "About 99 percent of the necessary skills and competencies are found there. I don't see where else our watches could be made. But there is nothing to prevent other countries from one day being able to offer the same services." Should this last statement be construed as a threat by the Swiss watch—and financial—marketplace? In a capitalistic world, nothing is eternal.

At Chanel, the watch is thus not a reflection of the creativity of Karl Lagerfeld. Naturally, however, he can offer his suggestions. "Designers think about 'design.' The location where the product is made is the last thing on their mind," adds Beau. Yet, fabricating the brand's watches in Switzerland entails higher production costs. "This is a perfectly acceptable choice," continues the international director of the watch division. "Switzerland, as in the rest of Europe, has a more expensive work force, but certain regions in that country are better able than others to protect us against counterfeiting." Oh, really? The J12 is, without a doubt, one of the most copied watches in the world. In fact, Paris is swarming with fake J12s—in black or white plastic—that their owners don't hesitate to proudly show off. It is interesting that Chanel is so reassured!

The luxury brand—Nicolas Beau emphasizes the world 'luxury'—is banking on a type of 'patrimonial' marketing. "Our policy is not to come out with new models every year like we do for our *couture* collections," he explains. This is the same reasoning that we see at Patek Philippe—their watches are meant to



Emmanuel Raffner

be handed down from father to son. For women—sorry ladies—it is a very different matter. Each generation wants her own watch, and will even purchase several watches in the same year. In fact, if this were not the case, how would business keep going?

The most French of the Swiss watches

With Hermès—a part of the LVMH group—we find the most French of the Swiss watches in the fashion sector, unless, of course, we would categorize it as the most Swiss of the French watches. The former harness maker, whose primary business still is leather goods, *prêt-à-porter*, and silk, has its image to uphold. Commercially speaking, the brand is active in a niche market. Hermès' niche is high quality craftsmanship for a discreet bourgeoisie—quite different from the trends we see at Dior or Chanel, for example, which are caught up in the constellation of 'bling-bling'. If you are looking for a flashy tourbillon timepiece, you won't find it at Hermès.

It was only in 1978 that the luxury brand set up its own manufacturing facility in Switzerland. Entitled La Montre Hermès SA, it is located in Bienne. The company had, however, already established connections earlier with Swiss technology, and its first watch dates back to 1928. Today, La Montre Hermès employs approximately 100 people in the town of Bienne. And, in a continuing effort to affirm its reputation as a watchmaker, it introduced its own movement this year, created by the Vaucher Manufacture. Located in Fleurier, in the Val-de-Travers region, Vaucher sold 25 per cent of its capital to Hermès in 2006. Last year, the brand's watch division realized a turnover of 105 million Euros.

The label Swiss Made is seen as an obvious necessity for the French brand. "The importance of this appellation is what made the watch division relocate to Switzerland. Swiss Made is an important element of the brand," explains Emmanuel Raffner, Managing Director of La Montre Hermès. So, we see that not only "What else?" is important but also "Where else?"



“The Swiss Made label appeals to women,” insists Raffner. Apparently, Swiss quality speaks to the feminine epidermis. “It is the excellence of the *savoir-faire* that makes us forget the *savoir-faire*,” he continues, inspired by the maxim. “The watches that sell well are those that do not have any problems. This is what women appreciate in the notion of Swiss Made.” The feminine clientele of La Montre Hermès make up 80 per cent of watch sales. The director is obviously pleased with the brand’s achievements: “We are considered to be Swiss watchmakers by the Swiss themselves.”

Hermès is very proud of its ‘Grandes Heures’ collection—presented on its ‘Cape Cod H1’ model—that was launched at BaselWorld this year. The watch lets the time be read as a function of the day’s calm periods or its rush hours. Equipped with a mechanical movement—*noblesse oblige*—it represents a big departure from the all quartz ‘Kelly’ watch of the 1970s, which accompanied the legendary handbag of the same name, created as a tribute to Princess Grace of Monaco.

For GivENCHY, ‘the Swiss Made label is not essential’

We change dimensions as we change worlds. GivENCHY is another brand belonging to the LVMH Group. The young Italian designer, Riccardo Tisci, has taken the place of the founder, Hubert de GivENCHY. “The Swiss Made

label, for us, is important but it is not something essential,” bluntly declares Raphaël Vieux, head of the fashion brand’s division of men’s accessories and watches. Contrary to how watches are designed at Chanel and Hermès, the watch at GivENCHY does not lead its own life. Rather, it is Riccardo Tisci who decides the models. While using the word ‘accessory’ to describe a watch at Chanel is definitely forbidden, it is quite acceptable at GivENCHY.

“We also produce some of our accessories in China,” explains Vieux, who goes on to emphasize that this is, of course, not the case for the brand’s watches—or at least not yet. “As for our watches,” he adds, “they are fashion oriented, rather than watch-art oriented. For our high-end models, such as the *Dorsale* in crocodile, having it be Swiss Made is obvious, but we do not exclude the fact that other models may be manufactured in Asia. The Swiss Made label is not, for us, a sales argument. It is more of a concern for achieving quality. If a high-quality production facility were available to us elsewhere, we would not be concerned if our watches did not carry the Swiss Made label.” For the time being, however, even at GivENCHY, the ‘Swiss quality’ appellation preserves its appeal.

The watch is being produced again at GivENCHY after an absence of two years. They are sold in only three boutiques in France, all of them in Paris. Plans to expand outside of France are in the works, and they are targeting

the markets of Britain, Italy, and Russia, for now. Prices range from 390 Euros to 1,390 Euros, with the exception of the *Dorsale* crocodile model, which sells for 5,000 Euros.

GivENCHY does not have its own watch factory, but rather sub-contracts out production to an Italian company, which also manufactures for Gianfranco Ferré. GivENCHY is, above all, a fashion brand with a Swiss Made movement.

‘Swiss Made’, an island in a sea of globalization

The positioning of GivENCHY watches for the “young, technical, gothic, and romantic” consumer, as chosen by Riccardo Tisci, means that the brand does not need to depend on the Swiss Made label to sell its timepieces. This should give Swiss watchmakers pause for thought.

The young occidental generations, growing up with their iPods and mangas, may be less concerned, when they become adults, with where their consumer goods are made. The brand name and image will count for more than the place of fabrication. The Swiss Made label—an island in a sea of globalization—may very well become inundated over time. This is why the Swiss industry is currently trying to build even higher and thicker dikes to protect itself. But is this really the right strategy? <

For more information related to Chanel, Hermès and GivENCHY, click on Brand Index at www.europastar.com


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Perrelet - new means to carry out new ambitions

› Pierre Maillard



Marc Bernhardt



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Since 2004, Perrelet has belonged to Miguel Rodriguez, who also owns the Festina Group, which includes Candino, Lotus, Jaguar, and Calypso. Also in the group is L. Leroy (originally from Besançon and known, above all, for 'the most complicated watch in the world') as well as two other small but dormant brands formerly active in high mechanical timekeeping, Joseph Chevalier and Berney Blondeau. Given the name of Group H5, this small contingent of brands is at the forefront of a strategy to gradually carve out a share of the *haut de gamme* market. As evidence of this, we are seeing a new dynamism in Perrelet—which we will examine in this article—and the re-launch of the L. Leroy brand announced for BaselWorld 2009 with its very high-end timepieces. Continuing to prove the seriousness of his endeavour, Miguel Rodriguez recently acquired STM Holding from Peace Mark. STM includes, besides the large manufacturers of mechanical movements Soprod and Indtec, a

DIAMOND FLOWER

major player in the production of quartz calibres with its some 90 million pieces per year. Obviously, a surprising and bold move on the chessboard of time.

Major marketing research

In this evolving context, it is important to understand the activities undertaken by Marc Bernhardt who manages Group H5 and who is also CEO of Perrelet watches. Appointed by Miguel Rodriguez in 2007, this young man, who comes from the financial sector, entered the watch industry with full force in 1995 when he joined IWC. Later he was recruited to manage the United States market for this brand, before being called back to Schaffhausen by Georges Kern when IWC was acquired by the Richemont Group. He remained with IWC until 2004, when he went to work for a year at Bertolucci, which was sold to Dixon. Bernhardt also worked on the re-launch of Wyler Genève before Miguel Rodriguez convinced him to join his team at Perrelet.

"When I arrived," explains the young man in his office in Bienne, "it was as if they had just carried out a 'real' marketing research project with real products. With this information, I had all the elements necessary to justifiably reduce our range and concentrate on the strategic heart of the brand." In fact, great strides towards a re-launch had already been accomplished by Rodriguez's teams beginning back in 2004. The main idea was—and still is—to capitalize on Perrelet's historic watchmaking authenticity, in other words, to focus on the automatic movement, of which Perrelet is credited as being the inventor (see sidebar). While keeping the famous double rotor model in the collection, of which one rotor is on the dial of the watch—the way the brand was launched in 1995—Rodriguez's team created more than 300 new references and developed 17 different movements for a series of round, tonneau, and cushion watches. "There were way too many models in terms of production, logistics, and image," adds Marc Bernhardt. "But this extensive exercise permits me to design our offer so that we can better meet the expectations of the market-

place. If I had to define our positioning, I would categorize it as *smart luxury*, which is a term that I prefer to the expression, *accessible luxury*, to denote a range of products whose retail prices range from around 2,700 Swiss francs (for a steel watch with power reserve, large date, and off-centred hands) to approximately 11,000 francs for one of our best sellers—a 42-mm skeleton chronograph with dual time zone. In terms of sales, our great strength resides in the segment that is priced from 5,000 to 10,000 francs, where we offer quite a number of special items.”

A privileged position

Perrelet is not looking to become an integrated ‘manufacture’. Yet, thanks to the synergies developed within the constellation of brands and production units under the leadership of Rodriguez, Perrelet finds itself today in an excellent position. The brand has directly mastered (using a unit installed at Candino) what it calls the T2, meaning the encasing of 5,000 pieces currently produced per year. Moreover, the design is essentially carried out in-house, as well as the construction of the case and the additional mechanisms attached

Perrelet—did he invent the automatic movement?

Most watch historians credit Abraham-Louis Perrelet, born in 1729 in the Swiss town of Le Locle, with the invention of the automatic watch. However, a long-standing debate among experts as to whether he did or did not create this mechanism remains unresolved to this day. Without a doubt, as is true for many scientific inventions, a number of watchmakers of that era worked on similar designs. Whatever the case, the watchmaking legitimacy of Perrelet is irrefutable and his name figures among the greatest inventors and pioneers of the art of timekeeping. Abraham-Louis thus gave birth to a veritable watchmaking dynasty that most particularly includes his grandson, Louis-Frédéric, born in 1781, who is considered the inventor of the flyback chronograph that he patented in 1827. His own son, Louis, followed in his footsteps and became the watchmaker to the King of France.

to the movements. These are generally created using an ETA base—while waiting, of course, to strengthen relations with Soprod. Some of the exclusive models are produced by DTH Dubois Technique Horlogère, which since 2003, also belongs to Miguel Rodriguez, and whose stated objective is to manufacture not less than 50,000 *haut de gamme* mechanical movements per year! This privileged position of Perrelet, which is surrounded by high performing production poles,

permits Bernhardt to affirm that he is not interested so much in “increasing the quantity of the pieces produced as in continually improving the quality, without however falling into the trap, especially in the current economic context, of a move upmarket that is too abrupt.” Citing the successes of Frédérique Constant or Louis Erard, Marc Bernhardt believes that there is a real space for luxury that remains within reach, a *smart luxury*.

On the distribution level and in the markets, a similar effort of rationalization and expansion is being carried out. “In the beginning, distribution was built in an opportunistic manner,” continues Bernhardt, who clearly wants to remedy the situation. The brand’s strongest markets for now are: Russia, with 35 sales points, Eastern Europe; Asia, with a good presence in Singapore and an expected launch in China in 2009 (with an original ‘peripheral’ strategy that will first target cities in the provinces); the Middle East, with 150 sales points and the United States which has a local branch office in the state of Florida. Europe remains a vast potential market and the brand has just taken over its distribution in Switzerland. >

POWER RESERVE



DOUBLE ROTOR



CHRONO BIG DATE



What about the essential—the product?

“In our current phase of development,” adds Bernhardt, “the product must be the absolute star. It is at the centre of our attention and our communication. Perrelet has historical and timekeeping credibility in the automatic movement, as well as credibility in terms of manufacturing and quality. On this basis, by working on the notion of the automatic movement itself, of the *power*, as well as on the design, aesthetic, and construction of the calibre, we will bring a new dynamism to our products.”

In looking closely at the current collection, we notice that the promised energy or *power* is already there. Throughout the models, the same strong identifying elements can be found: ergonomic case, grooved edges, curved horns, sapphire case back and decorated rotors in cases varying in shape from round to tonneau to cushion.

The exclusive and patented line based on the synchronized double rotor (technically modified in 2007 with a complex and direct bore through



SKELETON CHRONO DUAL TIME



JUMPING HOUR

the movement and a supplementary gear train that replaced the original design comprised of a peripheral gear train) will be continued and diversified. We observe this notably in the very successful feminine line where the rotor

becomes one of the petals set with a ‘diamond flower’ that turns on the mother-of-pearl dial. But the double rotor is not the only star of the brand. Perrelet is also proposing an inventive *Retrograde Hour* line with a regulator display and date hand—an automatic, of course—and a very lovely *Grand Lunar Phase* with central moon phase display and date hand. We also must mention the brand’s bestseller, a beautiful skeleton timepiece with dual time zone that skilfully combines a Valjoux ancient-style movement with a very contemporary case.

An additional step towards the contemporary is seen in the *Titanium Collection*, a resolutely sporty line that reinterprets the double rotor or the retrograde display with their powerful stylistic codes, as well as the case and its materials—titanium, rubber strap, polished and satin-finished steel, carbon fibre dial—in totally renewed symbols that nonetheless remain completely identifiable.

This offers ample demonstration that the future of Perrelet does not lie—and far from it—in a single model. In fact, the brand certainly seems to have the means to carry out its ambitions. <

For more information related to Perrelet, click on Brand Index at www.europastar.com

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From Imperia to Versailles

In a world of changing values, it is reassuring to see two successful watch brands, Panerai and Breguet, both custodians of an intriguing history, maintaining a close liaison with their origins.

›D. Malcolm Lakin

B

Blue skies, a healthy breeze and a make-you-feel-good September sun was the setting for the Panerai Classic Yachts Challenge 2008 (September 10 – 14) in Imperia, Italy. In an effort to keep those forthcoming winter blues at arms length, I joined a small group of journalists there and soon found myself aboard a motor launch following the regatta in a sea with waves that varied between slightly choppy and 'I'd better go below and change out of these wet clothes'.

Out of interest, Imperia hasn't always been Imperia. Sounds odd that, but Mussolini created the city of Imperia on October 21st 1923 by unifying Porto Maurizio, where the Panerai regatta was held and Oneglia and nine surrounding villages. Oneglia dates back to pre-Roman times and Porto Maurizio was a Roman settlement. The result is a dazzling town nestled between Ventimiglia and Savona on the *Riviera dei Fiori*, where the main occupations are agriculture, olive oil, tourism, national and international yachting events and a source of great *gelati*.

The regatta

The *XV Vele d'Epoca di Imperia* had 101 participants from Italy, France, Monaco, the UK, USA, Switzerland, Germany, Ireland, Spain, Holland, Malta and Antigua, thus making the event truly

international. There were four races over the five days in winds that varied from 15 to 25 knots, offering the yachtsmen and spectators a thrilling spectacle. There were only two glitches at the event, the first being the cancellation of races on the Saturday because of too strong winds and rough seas, and the announcement of the death of Olin Stephens in the USA at the age of 100. Olin Stephens was a world-renowned yacht designer who designed more than 2,200 yachts over a career that spanned five decades and whose brilliance at the drawing board created a whole host of racing yachts - eight of which won the America's Cup and at least ten of which were participating in the Imperia regatta. Along with his brother, he also designed the famous DUCK vehicles that were used in the D-Day landings during World War II. The final race on Sunday was dedicated to his memory.

Officine Panerai

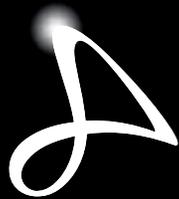
Panerai was founded in 1860 by Giovanni Panerai in Florence and remained a family company until 1972 when it became Officine Panerai s.r.l. The company's business, in addition to the assembly of watches, was the supply of underwater instruments, torches, wrist compasses and depth gauges, but in 1936 the Royal Italian Navy asked Panerai to develop a watch capable of withstanding extreme conditions and the Radiomir was born with its wire loop attachments welded to the case, screw down crown, luminous dial and a hand-wound mechanical movement supplied by Rolex. This was followed

much later by the Luminor in 1949. The rest, as they say, is history – with the Richemont Group now ensuring that the Panerai name remains a leader in the finest watchmaking tradition.

During a brief respite in the proceedings, Angelo Bonati, the CEO of Officine Panerai, who was an active participant in the Panerai Classic Yachts Challenge 2008 regattas, told me that the Panerai brand will remain faithful to its origins: format, spirit and its close association with maritime life. He also stressed that the strength of Panerai is its fidelity to its origins and that not only is it important to stay with the 'big is beautiful' concept but also it is expected of the brand by both retailers and watch connoisseurs. Additionally, Panerai would not be Panerai in any other form other than Radiomir and Luminor. Bonati did admit that the brand had thought about a smaller version aimed at the ladies, but because of the various changes that had to be made, it simply lost its Panerai look.

The Luminor Regatta Chronograph

Finally, a word about one of the other important participants in the regatta: the Luminor Regatta 2008 Chronograph. A Limited Edition watch (500 pieces) in stainless steel (44 mm) with a hand-wound OP XXVI movement with a power reserve of 46 hours. This stunning timepiece (Reference PAM00308) has a black dial with Paris hobnail decoration, luminous Arabic numerals and hour markers, a minute counter at



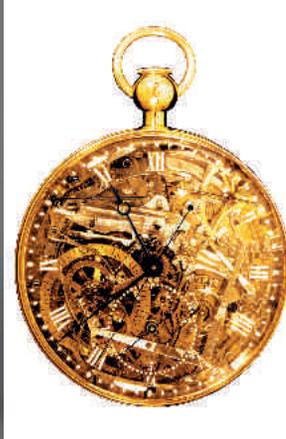
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3 o'clock, small seconds at 9 o'clock, a central chronograph hand and a tachymetric scale on the bezel. There is a Panerai personalized rubber strap and an accompanying second interchangeable strap and the watch is water-resistant to 100 metres.

This particularly handsome timepiece was on show in the Panerai hospitality tent at Porto Maurizio and many of the lucky winners received one as their prize. We, the press, were allowed a mere fondling of what looks like becoming a cult object for watch enthusiasts. However, I can assure you that 'Big' remains as beautiful as ever.

The Petit Trianon at Versailles

Wednesday, September 24 saw me arriving for a 10 a.m. press conference at the Petit Trianon, Versailles, where the surrounding countryside was slightly veiled in a very light drizzle. But an hour or so later, whilst Nicolas G. Hayek was addressing a couple of hundred journalists from around the world about his and Montres Breguet's participation in the renovation of the Petit Trianon, the sun broke through and the magnificent building and the surrounding gardens were revealed in all their splendour. A tour of the interior a little later revealed the extent and beauty of the restoration and redecoration work. It was a genuine feast for the eyes.

The Petit Trianon was built between 1762 and 1768 by Louis XV's architect, Ange-Jacques Gabriel, for the Marquise de Pompadour who died before its completion. Although the first occupant was another of the King Louis' mistresses, Madame du Barry, the exquisite building and gardens are irrevocably and mythically associated with the ill-fated Marie Antoinette, Louis XVI's wife.

A genuine *chef-d'oeuvres* of French neo-classi-

cal architecture and decoration, Marie-Antoinette spent much of her time developing the vast gardens into a lush paradise of peace away from the main chateau and court life. Later, Napoleon I refurbished the Petit Trianon but over the next sixty-odd years the building was hardly used until empress Eugénie ordered the preservation of the estate.

Breguet and the 'Marie-Antoinette'

Abraham-Louis Breguet's timepieces were all the rage during Marie-Antoinette's lifetime and the queen had several of his pieces including the '*perpétuelle*', a self-winding repeater watch fitted with a date calendar and numbered 210/82. In 1783, Breguet was asked by one of the queen's admirers to create a watch for her that incorporated all of the complications then known to the master watchmaker. The result was his watch numbered 160 and henceforth called the 'Marie-Antoinette', but neither the queen nor Breguet himself saw the completed timepiece since it wasn't completed until 1827, by which time both of them were no longer in the land of the living.

To quote the Breguet documentation, the 'Marie-Antoinette' was 'a masterpiece of watchmaking conceived in Paris by a Swiss watchmaker for an Austrian archduchess who had become Queen of France [and] ended up in 1974 in the collections of a museum in Jerusalem.' But on April 10, 1983, the museum had its entire watch collection stolen and the 'Marie-Antoinette' disappeared from the face of the earth.

Montres Breguet's patronage

In 2004, Nicolas G. Hayek, the man behind the resurgence of Montres Breguet, decided to con-

struct a new 'Marie-Antoinette' watch based on some old descriptions, plans and incomplete archives that were on file. During this process, the company learned that a 322 year-old oak tree in Marie-Antoinette's gardens had succumbed to old age and Hayek immediately asked if he could have a piece of the tree to create a box for the yet to be made watch. The Versailles authorities agreed and suggested that Montres Breguet in return underwrite the restoration of a statue, however, in his infinite wisdom and generosity, Hayek decided to finance the restoration of the Petit Trianon and the Pavillon Français. A philanthropic gesture that cost more than five million Euros.

The 'Marie-Antoinette' watch was completed this year and saw the light of day for the first time at BaselWorld and was presented, along with the exquisite marquetry box made from the old oak tree to the assembled journalists at the Petit Trianon. The original 'Marie-Antoinette' has since mysteriously re-appeared in the Jerusalem museum and can be seen here alongside the 2008 masterpiece.

The day in Versailles ended with an excellent dinner, nay make that a feast which was then completed by a magnificent firework display in the grounds behind the Petit Trianon – yet another feast for the eyes.

The event underlined Montres Breguet's inevitable association to Abraham-Louis Breguet, Marie Antoinette and the Petit Trianon and emphasized the brand's close relationship to its historical roots. Just as an afterthought, it also proves that Nicolas G. Hayek, the CEO of Montres Breguet, is not uniquely interested in the brand's bottom line. Bravo! <

For more information related to Officine Panerai and Breguet, click on Brand Index at www.europastar.com

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Glamour by association



Glamour is an elusive thing. By definition, glamour is something that attracts attention (Miriam-Webster defines glamour as 'an exciting and often illusory and romantic attractiveness; alluring or fascinating attraction'. Understandably, it's difficult for timepieces to capture this ephemeral quality, so brands often use associations of one kind or another to capture the attraction, the allure, and the glamour.

› Keith W. Strandberg

Ambassadors

One of the time-tested ways for brands to associate with glamour is to work with an ambassador. Look at Omega with Cindy Crawford, TAG Heuer with Tiger Woods, Rolex and Roger Federer and Breitl Milano with Charlize Theron. The brands gain a spokesperson - whether it's an actress, an athlete or a celebrity - and, they hope, the attention of the millions of fans who admire that person.

"TAG Heuer developed during the past decades a real point of view about human achievement and inner strength," explains Jean-Christophe Babin, President and CEO of TAG Heuer SA. "We love the idea that there is no finish line, and we love people who think the same way, and products proving that limits can always be pushed further. We like people who learn from success as well as from failure, people who always try to improve and think forward. It is this philosophy Maria Sharapova, Tiger Woods, Brad Pitt, Lewis Hamilton and Uma Thurman share together.

"Altogether, our ambassadors are the epitome of mental strength and energetic passion, like TAG Heuer," he continues. "Knowing that, TAG

Heuer has assembled the most charismatic dream team ever put together by a luxury brand. By bringing together Hollywood stars and charismatic sports champions, we are reinforcing our glamorous values year after year."

Citizen has been using ambassadors for some time and the current roster includes NFL player Eli Manning, golfer Paula Creamer, tennis player Nicole Pietrangeli, NASCAR's Matt Kenseth, NHL star Dion Phaneuf, cricket star Kevin Pietersen and Chemmy Alcott, a British star in downhill skiing. "We are in our third

round of ambassadors, and the premise is that the people we pick are really unbeatable," Laurence R. Grunstein, President, Citizen Watch Company of America, Inc. says. "Our brand ambassadors represent youth and energy with invincible character. The future is to capture the younger audience between 18 and 25, because once they are familiar with the brand, they will become loyal to it. Our ambassadors are also successful, and they have the attribute of unstoppable that connects to our product and the Eco-Drive technology."

Charlize Theron for Chopard and Breitl Milano



Patrick Dempsey for JeanRichard



Tiger Woods for TAG Heuer

Maria Sharapova for TAG Heuer

Tom Brady for Movado

Stéphane Peterhansel for Wyler Genève



Breil Milano has two worldwide ambassadors: Charlize Theron for women's watches, jewels, leather and glasses and Edward Norton for men's watches and jewellery. "Ambassadors essentially represent a brand's values and offer notoriety to a brand," details Marcello Binda, CEO of the Binda Group. "In our case, we chose international celebrities in order to build a stronger global image. We think that international brand ambassadors will give major glamour to our Breil Milano brand, will help us build a stronger luxury image and will support our entrance into new markets."

Celebrity associations and ambassadors have worked for a long time and continue to work today, despite the number of celebrities who run into trouble along the way. "Celebrity can get you instant credibility," acknowledges Tom Sloan, VP/Creative Director, Henderson

Advertising. "The use of a celebrity can create an aspirational quality or mindset and it can attach you to an attitude or a personality or even other products. You do run the public relations risk should that celebrity do something detrimental and fall from public grace. You also run the risk of that celebrity's fifteen minutes being up. If that happens, from an advertising standpoint you can come across as 'been there done that' if you aren't fresh with your approach."

Sporting events

Sporting events are an area where brands can associate themselves and access a 'captive' audience. Some brands go for worldwide exposure, like Omega and the Olympics or Hublot and the Euro 2008, while other brands are much more targeted, like Jaeger-LeCoultre

(and Hublot, again) with Polo, Panerai with classic yacht racing, Wyler Genève and the Dakar Rally and more.

"Being associated with a sporting event offers us dreams, emotions, beauty, success, courage and endurance," says Jean-Claude Biver, President, Hublot. "All these values can be transferred to our brand and product provided we have a product with a high quality, strong innovation and creativity and deep emotion. We hope to make the understanding of our message and product easier through the transfer we get from the event."

Omega, in addition to the Olympics, also sponsors golfers and golf events. "We are the official sponsor for the Omega European Masters," says Stephen Urquhart, President, Omega Worldwide. "It's so difficult to put a figure down regarding what an event like this is worth

Daniel Craig for Omega

Nicole Kidman for Omega

Michelle Wie, Michael Schumacher for Omega

Polo and the King Juan Carlos for Hublot



Citizen and the US Open



to Omega. One of the first rules of advertising is that half of what you spend is wasted, you just don't know which half. The Omega European Masters is the most important sporting event in Switzerland, so it's a high profile event for our brand. Golf is the fastest growing sport in Europe and it's moving away from its image of only for the wealthy and the privileged and it's becoming more mainstream, like in the US, which is perfect for Omega. We have a long history of being involved with golf. We have Ernie Els, Michelle Wie and Sergio Garcia as ambassadors. We use this event as an opportunity not just to build our image but also to entertain our worldwide friends of the brand - customers, retailers, friends, press and more."

Panerai is involved in classic yacht racing because its legacy comes from the sea, according to Angelo Bonati, CEO, Panerai. "In my opinion, being involved with the classic yachts is better than other ocean sports because the regatta is not extreme, it's classic and it's about art as much as it is about speed," he says. "Like watches, these boats are appreciated for their lines and you need passion to own and operate them."

"There is a positive image for Panerai through our relationship with the classic regatta," Bonati continues. "The regatta is about respect for tradition, respect for style and performance and it's a gentleman's sport, which makes it perfect for Panerai."

Parmigiani Fleurier isn't the biggest brand and the company can't compete with bigger companies' marketing budgets, so traditional sponsorship of events like Formula One racing, golf or even tennis was out. Michel Parmigiani, the brand's president, got hooked on ballooning

Nicky Hayden (Tissot), Danica Patrick (Tissot) and Valentino Rossi (Jaeger-LeCoultre)



from his very first ride and decided that ballooning would help his brand be seen in a very crowded marketplace.

"Ballooning lets us stand out - it's not like other kinds of sports sponsorship, it's very different," he says. "The concept for us is nature - nature is my life. I live in nature and nature is important for my creativity, for my life, for my family. As a result of the exposure from the balloon, many people are talking about Parmigiani and are discovering the Parmigiani brand. It's good for marketing, advertising, for articles, because it makes people talk."

It's tough to ignore a huge orange balloon with a Parmigiani watch on the side, and that's what the brand is counting on. When a balloon is up in the sky, people stop and wave, follow it in their cars, talk about it to friends, and that word of mouth is invaluable for any product and especially for watches.

"People look at the balloon and it makes them smile." Parmigiani, who is learning to pilot his own balloon, explains. "It's a sport that is open to everyone."

Citizen is the timekeeper of the US Open tennis tournament and uses the venue to gain exposure and to entertain clients. Citizen is the Official Timekeeper and Official Watch of the US Open. "Our involvement with the US Open gives us a unique association with a world class event that no other brand in our category

can claim," explains Stuart Zuckerman, SVP Merchandising, Citizen Watch Company of America, Inc. "It also gives us a way to entertain our customers in one of the most popular venues in the country. Citizen is an active sponsor, actually responsible for something within the rules of the game: keeping time. Clearly, the visibility as an active sponsor lends a certain credibility and prestige to the company and the brand, since if we're going to be involved in a sponsorship; it has to be something where we can take an active role."

Case in point: Tissot and MotoGP

Tissot has been the official timekeeper of MotoGP for ten years and this association has given the company incredible exposure. Tissot benefits from the MotoGP's emphasis on precision and high technology with its signage on the track, branding on television whenever the timing is displayed, on billboards around the track and as well as point of purchase materials in the local watch stores selling Tissot. "MotoGP gives us recognition," says François Thiébaud, President, Tissot worldwide. "The emphasis on technology and precision helps get the message across that our watches are precise, reliable and cutting edge. We are in many sports, supporting the younger generation."

Tissot makes MotoGP themed watches as well as a limited edition watch that comes in a

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helmet-shaped package, with interchangeable casebacks with the different MotoGP circuits engraved on the backs. Tissot also makes a Nicky Hayden limited edition MotoGP watch.

At the same time, Tissot mixes its timekeeping with ambassadors, using Nicky Hayden, a previous MotoGP champion, as an ambassador. Tissot also works with Danica Patrick, the first woman to ever win an IRL race, to promote Tissot in the US."

Tissot is the official watch of MotoGP and also presents special watches at the Tissot Pole Position Awards at every race. Riders covet the pole position, because it gives them the best chance to take an early lead, and the fact that they get a watch for pole position is an added benefit. Tissot also sells on-site at MotoGP events, an effort that has been extremely successful for the brand.

Other brands

Brands who work with other well-known brands, accessing the glamour of an existing company and their customer base, is another association worth mentioning. By working with a brand with an already loyal customer base, watch companies can leverage that customer base, while also adding immediate legitimacy to their own product.

Nick Faldo and Audemars Piguet



Breitling has a very successful partnership with Bentley, Panerai works with Ferrari, Jaeger-LeCoultre with Aston Martin, Audemars Piguet has a partnership with Maserati, JeanRichard and MV Agusta, the Binda Group and Ducati, Hamilton and Riva boats, Krieger and Bertram yachts and many more.

These associations work for both companies, introducing each brand to the customers of the other one, and if the association makes sense – same values, same pricing structure, similar production or attention to detail and so on – it can raise the awareness and the profile of both brands.

Case in point: Parmigiani Fleurier, Pershing Yachts and Bugatti

Parmigiani Fleurier recently announced a partnership with Italian yacht-maker Pershing to produce several limited edition Pershing-themed and styled watches.

"To us, it was important to have a partnership with someone who like Parmigiani, is very exclusive," says Tilli Antonelli, the President and Founder of the Pershing Company. "Their need was to promote a sport line of watches, not just a classic. Parmigiani is a very exclusive, niche, which is really in line with Pershing. We are very exclusive for a special target, so we match very well."

Parmigiani also works with Bugatti on a limited edition timepiece associated with the Supercar. The brand really turned heads with the stunning, unique timepiece it introduced and it has recently introduced another version for the latest Bugatti, which also involves long-time Parmigiani partner Hermès.

"Bugatti asked us to develop a watch six years

Pershing Yachts and Parmigiani



ago. We did a special movement," says Jean-Marc Jacot, CEO, Parmigiani Fleurier. "We developed the watch with Hermès and Bugatti. We are producing very limited watches connected with the car, we decided to produce the same number of watches as the number of cars."

Music

Music is one of the joys of life and often has glamour associated with it. Some brands choose musical events to spread their brand message, bringing customers, retailers and press to these high profile music events. Parmigiani Fleurier and the Montreux Jazz festival is one example, while many brands fund and support orchestras all around the world.

Case in point: Carl F. Bucherer and the Moon and Stars Festival

The Moon & Stars Festival in Locarno, Switzerland, one of the most unique music festivals anywhere in the world, attracting fantastic rock and roll acts to this beautiful part of Switzerland, is now being sponsored by watch brand Carl F. Bucherer. A deal has been signed that guarantees Carl F. Bucherer as the exclusive timepiece VIP sponsor for the next two years.

"We got involved with the Moon and Stars because we were looking for a platform that fits the brand philosophy," Thomas Morf, President, Carl F. Bucherer. "Our generation all grew up with rock and pop music, so it fits our brand very well. This is a fantastic festival – it's a great location, it's a wonderful organization. Locarno has the Mediterranean climate and not many people have been to the Italian part of Switzerland before. The plan next year is to invite people from around the world.

B O S



The image features two Bell & Ross watches. The top watch has a gold case and a white dial with gold hour markers and hands. The bottom watch has a silver case and a yellow dial with silver hour markers and hands. Both watches have a sub-dial at the 6 o'clock position and are set against a black background with large, stylized letters 'B', 'O', and 'S'.

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The Cannes Film Festival



The Vienna Design Week



"I am very pleased that Carl F. Bucherer is involved," says André Béchir, Executive Director, Good News Productions, AG. "It's a great watch and it's perfect for us. We are looking for partners that fit our festival perfectly, from the products to the clientele and the people behind the company. Carl F. Bucherer is just such a company."

This year, more than 86,000 people attended the festival over its ten days. Next year, the festival runs from July 9th to the 19th.

Art and cultural events

Art and cultural events have a glamour and sophistication surrounding them, so it's a natural place for brands to be involved. Piaget is involved with restoring clocks in Venice, keeping this art form alive within some of the most famous buildings in the world, while other brands support artists, museums and film festivals.

Jaeger-LeCoultre is involved with the Venice Film Festival, while one of the most famous associations is Chopard and the Cannes Film Festival. "Caroline Gruosi-Scheufele and the family originally decided to support the film festival because it was a way to support the arts and emerging artists, who don't typically have the studio financing," explains Mark Hrushka, President, Chopard USA. "It was a great way to support the arts and get our name out there in a more public way. You have a tremendous amount of companies looking for that philanthropic connection. This gives me a great sense of pride that we have been doing this for ten years, long before it was chic. It's important to talk about what we have been doing to understand what it has morphed into - the Cannes

film Festival, where before it was very European, it is now international, and we have benefited from its growth and the coverage it gets. It's not just a European application anymore, it's now a global effort."

Rado is involved with many design and art initiatives, like Vienna Design Week and events with the Design Academy Eindhoven. "Art and design are so fundamental to what we do that we feel that we belong to the contemporary art and design community," says Roland Streule, President, CEO Rado Watch Limited. "Watches like the Rado Ceramica are considered to be icons of modern design, and like many creative artists we continue to challenge expectations and the limits of the possible. Our work with world-class designers like Jasper Morrison says a lot about our approach.

"As part of this world, we believe that art and design are important," Streule continues. "In our experience, people who are open to the role of art and design in life will recognize and appreciate what we are trying to do. They perceive the importance we assign to design and this enhances the value they find in our products. Art and design represent an attempt to bring beauty into people's lives, and that is what we do, too. We try to reach people through their appreciation and need for beauty."

Case in point: Baume & Mercier and photography

For Baume & Mercier, photography has become the brand's emphasis.

"It was clear and immediate to me because photography is about time and photography is linked to emotions, so it works for Baume & Mercier," says Michel Nieto, CEO, Baume &

Mercier. "It's about creativity as well, it's open to everyone and everyone can take pictures of special moments. The connection has been very good with everyone - press, retailers, customers. We have been working together with some photographers, to help them create something special. It's a very nice field to develop. Baume & Mercier believes both art forms, watchmaking and photography, share the search for real and unforgettable moments that make the life of each and every one of us unique."

The brand is working with new photographers, while at the same time developing exhibitions with some of the best names in the business, like Magnum. Recently, Baume & Mercier and Magnum held an exhibit event in Houston, Texas to celebrate photography. The exhibition, Moments In Time, consists of thirty images embodying the historical importance of Magnum Photos as a documenter of history.

How retailers can leverage these associations

The associations that the brands work so hard on are fantastic opportunities to reach customers that wouldn't otherwise know about the brand. At the same time, however, brands and retailers have to work together to leverage this exposure into sales. While some brands have retail presences at events – Tissot at the MotoGP, Omega at the European Masters, for example – it's important for retailers to help firm up the association with displays, information and education in the store.

In addition, brands very often use these associations to invite retailers and their customers to special events. "The retailer can invite customers



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to our events and entertain its customers at the events," says Hublot's Biver.

Parmigiani uses its balloon at many of its events, including coming over Lake Geneva to the Montreux Jazz Festival. "It's a real benefit to have the balloon, because it's a great experience for clients, partners, employees and journalists to go up in the balloon," says Michel Parmigiani. "If we were involved with another sport, it might not be possible to have these people so involved. For example, clients can't go on an America's Cup boat, but the balloon is interactive and experiential. At the end of the ride, I even give first time flyers a certificate of completion."

Carl F. Bucherer invites its customers, brand ambassadors, retailers and press contacts to the Moon & Stars Festival. "It's a great chance to mingle with the important people," says Carl F. Bucherer's Morf. "It's a great platform to spread the name of the brand within our country, because we have never done this kind of thing before."

According to TAG Heuer's Babin, the brand's ambassadors offer a big advantage to retailers. "A watch is a highly emotional and intimate object, like a sports car for a man or a piece of jewellery for a woman," he says. "Associating it with a person personifying a strong character and providing a dream potential, like Brad Pitt or Maria Sharapova, merely enhances the emotive content and humanizes the product by contextualizing it in a real but aspirational world. TAG Heuer sells the dream!"

These associations can raise the awareness and perception of a brand and it's up to the brand to keep its end of the bargain by developing product that is on par with the level of its associ-

ations. "Breil Milano is a luxury brand," Marcello Binda says. "Our Breil Milano watches are all Swiss Made, the jewels, in pink gold, silver and precious stones, and the leather bags, made of the higher quality materials, are all made in Italy. It means that our retailers end up with a product of excellence, which is also linked to a major representative of today's cinema. Our retailers receive point of sale materials of our advertising campaign featuring A list Hollywood stars. This glamour should make things easier also for our retailers, I believe."

Some retailers don't take advantage of the associations the brands offer, perhaps because they are so busy and the brands are doing so many things. Leveraging an association, however, can help increase exposure for both retailers and brands and build loyalty.

"Incredibly, most retailers do not get actively involved in our associations," says Citizen's Zuckerman. "However, our retailers are in the position of being able to offer their customers a pair of tickets to the US Open, courtesy of Citizen. A promotion in which a customer buying a Citizen Eco-Drive becomes eligible to enter and win a pair of tickets to the US Open could provide a retailer with a unique opportunity to create some business during the summer, typically a slower time for watch sales."

Glamour by Association is common in the watch industry and beyond and it can really help raise awareness and increase sales. Most brands do a mixture of associations (e.g. ambassadors, sponsorship and other brands) with straight brand marketing, hoping that this mixture hits all the right segments to get the word out about the brand. <

The anti-association - Instruments & Mesures du Temps supports Switzerland's Xavier Rosset '300' Adventure

Xavier Rosset, a 31-year old Swiss adventurer working with the Instruments & Mesures du Temps watch brand, is voluntarily isolating himself on a deserted island in the South Pacific for 300 days. In fact, his first act upon arriving on the island (a volcanic paradise named Tofua, belonging to the Tonga archipelago) was to bury his Instruments & Mesures du Temps timepiece.

"When I get to the island, I will literally stop time," he said in an interview just prior to heading off. "I will bury the watch in the earth and at the end of the experience, I will get it out again to represent that I will be coming back into the world.

"The target is to live like people who were living 10,000 years ago," he continued. "I will have to make my own fire, I want to relearn many things that we knew before, but that we forgot. My target is to adapt myself to nature, not the other way around." Rosset is taking three things with him on his adventure – a Swiss army knife, a machete and the Instruments & Mesures du Temps watch.

"Xavier came to us and showed us what he was doing through his adventure – that he is trying to show children how you can go beyond your limits and survive for 300 days with only a knife and a machete," says Pablo V. Dana, Founder and President of the board, Instruments & Mesures du Temps. "The message behind his adventure, which will be shown in a documentary series, is that there is a different approach to nature. We loved the idea, we loved the approach, and we thought it would be a great opportunity to show children that you can go back to the basics."

Rosset is taking solar-powered equipment to do a video blog every week from the island, but other than that, he is completely cut off from civilization. It should be an interesting experiment to see how he survives, how he is put to the test and what he learns. Not many watch companies would sponsor an adventure like this, only to have the watch buried in the sand for the entire 300 days.

Here's hoping the watch works when he digs it up!

For more information: www.xavierrosset.ch (where you can get updates on how Rosset is doing on the island)
www.imtwatch.com





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Women of significance – the feminine side of the watch industry

Following the success of Europa Star's '80th Anniversary Portraits' column that we ran in 2007, we have decided to feature an exceptional portrait section in this issue as part of our special glamour section. The particularity about these portraits is that there isn't a man among them. From Germany to Japan, Italy to Australia, France to the United States and the United Kingdom to Switzerland, there are some incredible women moving and shaking the watch business. Europa Star's network of international correspondents decided to talk with some of the industry's most talented women to find out how they have succeeded in the male dominated world of horology.



Anna Bolletta – Lorenz

With a diploma in languages and post-graduate courses in business management under her belt, Anna Bolletta did not immediately join the Italian company, Lorenz. It was actually her uncle, Tullio Bolletta, who founded Lorenz in the 1930s in Milan on the Via Montenapoleone.

After her studies, Anna preferred to gain experience in the world of advertising, first with an agency in New York (in 1987 with the BBDO Group), then with a company in Milan (in 1988 with the Production House, BRW). Finally, she joined Lorenz in 1989, where she created, staffed, and organized the department of Communication and External Relations. She remains in charge of this department today, holding the title of Chief Communication Officer.

Anna Bolletta is now a shareholder in Lorenz SpA, which, in addition to manufacturing and marketing its own products, also distributes the Casio brand on the Italian market. Thanks to her creative ideas, she has brought

new vitality to Lorenz, as exemplified by the creation of the Time Library in 2002, and the re-opening of the design division in 2005. In the past, the design division was well-known for its collaboration with famous professionals in the sector such as Richard Sapper, among others. The author of the Static table clock project during the 1960s, Sapper was honoured with the Golden Compass Award in 2008 for a new Neos Collection. (PDV)

Barbara Monti – President of Eberhard Italy



At the end of the 1980s, having just barely finished her studies, Barbara Monti—born in 1965—entered the employment of the Swiss watch brand, Eberhard. She never left the company, and successfully held a number of important posts before becoming deputy adminis-

trator and then finally president of Eberhard Italy.

From her first days at the Italian company—at the time guided by her father, Palmiro Monti—Barbara took care of the financial dealings, audits, and administrative relationships with the parent company. Later, she became involved in logistics and planning, and personally followed the development of the brand's products from their conception to their realization.

Currently, her attention has turned towards strategies and investments that can ensure Eberhard, in a brief time period, a stronger level of independence in terms of production and allowing the brand to develop its own movement. During 2007, Barbara Monti celebrated the 120th anniversary of Eberhard by creating a limited series of a commemorative chronograph with a platinum case. (PDV)

Cinette Robert – President and CEO Dubey & Schaldenbrand



There are few visionaries in the watch industry, but Cinette Robert, President and CEO of Dubey & Schaldenbrand, is definitely one of them. In the late 1970s and 80s, when most people were concentrating on quartz, Cinette Robert was buying up all the old movements that no one wanted. At the time people probably thought she was mad – not now!

All these vintage movements are now being restored and redecorated for Dubey

& Schaldenbrand's limited edition timepieces that have become the signature of the brand.

Cinette Robert started working in the watch industry at the tender age of 16 as a commercial apprentice at the Manufacture Martel Watch in Les-Ponts-de-Martel where she was born. During the quartz era she was convinced that she should stay in the mechanical watchmaking domain. In 1985 she set up her own business, Horlogerie Ancienne, restoring old timepieces. Ten years later, in 1995, she bought the Dubey & Schaldenbrand company and turned it into the successful business that it is today with distribution in over 50 countries worldwide.

When asked about the secret to her success, "It is sometimes difficult and in my experience you have to make sacrifices if you really want something" she says. "When you are young, you need to have goals. It helps to be passionate about something. The main thing is to have perseverance and to work hard. It isn't easy, but if you find something that you love, it is pure happiness." (SF)

Joanna Gribben – Director of the ‘Lange Academy’ at A. Lange & Söhne



Joanna Gribben is young, competent, charming, attractive and modest. Her outstanding competence, talent for languages and organizational skills have taken her to the head of A. Lange & Söhne’s Academy where foreign watchmakers and sales people are trained to be experts in the Glaschütte watch manufacturer’s high-end products.

“I came to Germany right after I had finished my studies in Belfast” says Gribben, who grew up in Northern Ireland. “I worked at the VIP-Customer Care department of Daimler-Chrysler, where I stayed for one year”, she shares “I was always interested in mechanical instruments. Since I was a child, I dismantled things in order to understand them”.

No wonder, that she was drawn to an advertisement from A. Lange & Söhne, Germany’s most prestigious brand for mechanical watches, who were looking for an employee with Joanna’s skills. There was no question mark about whether the company should employ her.

In 2005, while Joanna was working in the Lange events and marketing department, she was asked to come up with an idea for a training centre for the company’s business partners. It took her roughly two years to work out a concept, develop an educational guideline, organize the academy physically with the necessary equipment, and outline an agenda with the most important business partners. In August 2007 the Lange Academy was presented to international retailers and journalists. Joanna Gribben, of course was present, like always competent, charming and modest. (GC)

Jessica Thakur – Watchmaker, Melbourne, Australia



Jessica Thakur responded to an advertisement in the newspaper for a watchmaker because it sounded intriguing and to her delight went straight into an apprenticeship in Melbourne.

For the first part of her formal qualification Jessica concentrated on servicing quartz calibres subsequently working with Cartier to Piaget – Richemont brands – where she mastered troubleshooting and assessment through to work on the more complex quartz calibres.

A year later she moved to an independent service centre, working for master watchmaker Michael Presser, a talented teacher who turned her focus to mechanical watch servicing.

Concurrently Jessica studied with Trenton Firth at the Watchmaking School of the Sydney Institute who trained her in the intricate art of hairspring manipulation, escapement diagnostics, efficiency, dynamic poising and development of an instinctive awareness of how a watch functions.

She achieved her full four year formal qualification certificates and continues today working for Michael Presser at Precision Timing.

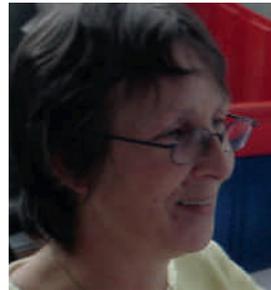
Unusually, Jessica started her apprenticeship after studying at university followed by work in management and customer service and considers this has enhanced her success today. She believes that maturity and a well developed work ethic have been invaluable in communication with customers, to inform them about their timepieces, why they should be maintained or perhaps just explaining how they work. This allows her to share her knowledge and at the same time gain customer loyalty through a deeper appreciation of their fine, high-end watches.

Of her future Jessica observes “The watch industry is constantly changing and it is vital to keep advancing, always heeding the latest technical advances balanced with discarding old practices as they become redundant. I look forward to further development in my field and I will attend WOSTEP training in Switzerland as the opportunity arises.”

Jessica Thakur emanates the finest watchmaking ethos. She believes it is a constantly challenging exercise in creative thinking.

Here is indeed a very talented, widely qualified woman on the move. (MF)

Joëlle Degron – CEO Heurrequal



Joëlle Degron is one of the rare women in France, perhaps even the only one, to manage a watch-related company. Her company is named Heurrequal, and is headquartered in Pulnoy, a commune of 5,000 inhabitants situated in the department of Meurthe-et-Moselle, well away from the hustle and bustle of Paris.

Heurrequal has sixteen employees and is specialized in after-sales service. Approximately 99 percent of its customers are retail stores, while the remaining handful are private clients. The brands that pass through the repair shop are well known and include the likes of Omega, Tissot, Longines, Rado, Certina, Calvin Klein, Seiko, Pulsar, Dolce & Gabbana, and Nike, among others.

There is certainly no shortage of work at the atelier. “Every kid who doesn’t know what to do in life should learn watchmaking. This is a metier with a future,” says Joëlle Degron. The 48-year old woman learned her profession by simply working in it. Her father, Gérard, was a watchmaker, and was President of the Association of Métiers in Meurthe-et-Moselle. He created the company in 1960.

“He quickly put me to work on the bench,” she remembers. “I was only 19 years old, and I was not what you would call a hard worker. At school, I wasn’t very serious.” Her passion for watches, however, came little by little. In the beginning, she repaired Atmos pendulum clocks but today she no longer has the time for this kind of activity. Just managing the company takes all her energy. One day, her son, Stéphane, will take over Heurrequal, if he should so desire. Now, he works with his mother in the business. “He has a diploma in watchmaking, but I sent him back to school. I want him to take courses in business management,” explains Joëlle Degron.

“When a person is the daughter of the owner, like I am, people think that I earn three times more,” she continues, “but in fact, the opposite is true. We are underpaid and work twice as hard! “I love my job,” she insists, “but my dream is to be able to take a week of vacation—just me alone—in 2009.” (AM)

Ileana Pisa



The personal life of Ileana Pisa and those of her own family are all closely intertwined with the very existence of the family business, Pisa Orologeria. This very important retailer, whose windows are devoted to watches in the *haut de gamme* sector, is located in the historic centre of Milan. Its origins date back to the 1940s to a small watch repair workshop managed by her father, Ugo, in association with his brothers, Divino and Osvaldo.

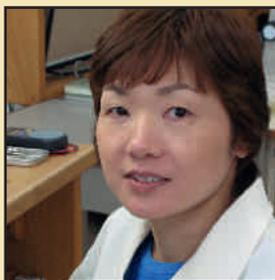
Today, Ileana (born in 1944) personally manages Pisa Orologeria, which she co-owns with her sister, Maristella (born in 1949), with the active support of the Director, Fabio Bertini. Recently, the third generation of the Pisa family has entered into the family business. Stefania, Ileana's daughter, takes care of external relations, and Chiara, Maristella's daughter, handles the firm's administration.

For Ileana and Maristella, the strength of their company and the great reason for their pride in it resides in the strength of the family tradition. Yet, they are also proud of having made Pisa Orologeria not just a simple sales outlet where products pass from the window to the wrist, but of turning it into a space of true creativity and research, where they

continue the 60-year old tradition of offering the best and latest products from the watch industry, both from a technical and a design point of view.

The most recent accomplishment of Pisa Orologeria is the opening—on May 20, 2008—of the first Rolex Flagship Store in Europe. Located on the Via Montenapoleone in Milan, this boutique was realized in close collaboration with the parent company, Rolex, in Switzerland. (PDV)

Chitose Masuda – Watchmaker, Seiko



Chitose Masuda, 40 years old, has been working for Seiko for more than 22 years and she has been a watchmaker in the prestigious Mastery Workshop, producing the complicated 9T mechanical movement and the Spring Drive movement, since 1998. She joined the company as part of the production staff and then developed an interest in watchmaking.

"I have been focused on the assembly of the 9T and the Spring Drive movement," she says. "I am very proud of my work, because I have a great deal of responsibility. In the Mastery Workshop, a watchmaker assembles the movement from the beginning to the completion. While I am working, I like to imagine who the customer is that buys the watches I have assembled." Masuda is one of the few watchmakers at Seiko qualified to assemble the cutting edge Spring Drive movement. "I love that it is just simple, without a battery and with high accuracy," she says. "I feel an emotional value in the glide motion of the Spring Drive's second hand."

Masuda feels that women are more suitable for watchmaking than men, because women generally have more patience and a character capable of concentrated work. "In watchmaking, there is no unfairness between men and women," she says. "In other words, if women can become highly skilled in watchmaking, they can work with honour."

As the leader of the Mastery Workshop, Masuda's challenge today is to pass her experience and knowledge on to the younger generations of watchmakers. The next step, according to Masuda, is to increase the watchmaker's responsibilities. "We need to do more in the workshop, for example, have one watchmaker assemble everything, from movement to casing," she says. "Now, movement assembly and casing are separated. It may make the watchmakers more motivated and feel the end customer better."

She is proud to work for Seiko, which, for her, is unique in the entire watchmaking industry. "Seiko is the only company that has mastered the four technologies of watchmaking - mechanical, quartz, kinetic and Spring Drive," she says. (KWS)

Chris Aebi – General Director of Rodania



"The day my father retired, I had nothing to prove," says Chris Aebi, the General Director of Rodania. Originally created in Switzerland in 1930, this watch company today has its headquarters in Belgium—more precisely in the Brussels neighbourhood of Wemmel. "It is a simple story," Aebi says about her company. "My father was originally

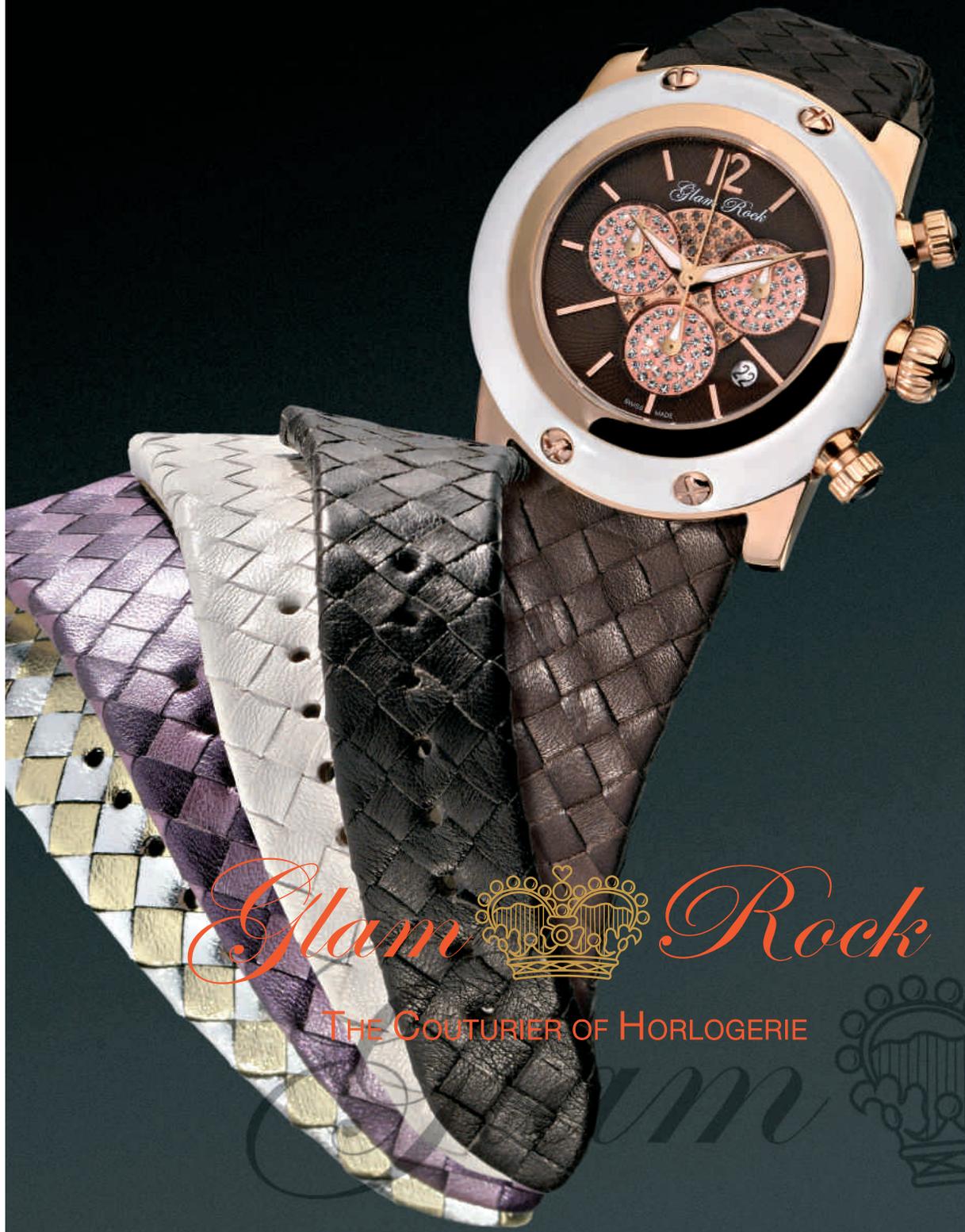
from the German-speaking part of Switzerland. He worked in Granges, at the Rodania company, but then moved to Belgium as part of the company's expansion efforts. He learned French, and decided to stay there. We then made the decision to take over the brand. It has now been 33 years that I am here."

Rodania has 60 employees including six watchmakers. One part of the workforce is in France, at Moirans near Voiron, in the department of Isère. But it is at Wemmel where everything is decided—the brand's strategy, marketing, sales, design, and fabrication. In terms of production, everything is conducted "with a rigour and a sense of quality that are typically Swiss," insists Chris Aebi.

At the last BaselWorld show, Rodania presented a collection of Swiss Made watches and the company has now gone international. "We are currently present in more than 20 countries, notably in the former Eastern bloc nations," explains the General Director. "We have also just opened a new office in Utrecht, in the Netherlands."

Rodania is truly a family affair. "My father, Manfred, had a very strong character. Today, I work with my brother, Dany, and my sister, Belinda. I myself am not a watchmaker by training, although, of course, I understand the basics of the metier. My brother takes care of the technical side of things."

Business is good and the company has taken on investors. While the Aebi family is no longer the major shareholder, it continues to hold the reins of Rodania. In addition to its own brand, the company includes another brand, the fashion label, Olivier Strelli, a Belgian couturier. Obviously a good move. (AM)



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Arlette-Elsa Emch – The Swatch Group



Arlette-Elsa Emch is, without a doubt, the Wonder Woman of the watch industry. Her various titles read like super powers: Member of Swatch Group's Executive Management Board, President of Calvin Klein watch & jewellery, President of Léon Hatot, President of Dress Your Body, Member of Breguet's and Glashütte Original's Board of Directors, Country Manager for Swatch Group Japan and she is also responsible for Swatch Group South Korea.

A Swiss citizen, Arlette-Elsa Emch holds a degree in ethnology and history and has a certificate in journalism. She joined the Swatch Group as Communications Manager in 1992 before being appointed President of ck watch in 1997. In 2002 she added the management of the companies Dress Your Body SA (DYB) and Léon Hatot to her responsibilities, while also joining Swatch Group's Executive Management Board and the Boards of many of the Group's brands.

What is the secret to her success? She says there isn't really a secret, but there are a number of factors that can be found among successful people from all fields. "Firstly, there has to be a strong will and desire to succeed, to go to the top, even if there are - and there are - sacrifices that need to be made," she explains. "Secondly, 90 per cent of success is hard work - really hard work. Of course, there is a small percentage of luck, being in the right place at the right time, and the rest is ability." For women to be successful in business, "It is important to remain a woman and not become a copy of men," she says. "In today's world, 80 per cent of purchases, whether necessities or luxury goods, are bought or influenced by women. So women definitely have something to bring to business". What advice does she offer for other women? "Women today need to do what they want without being scared and questioning everything. Business needs women and women need to be able to access managerial positions for the harmony of all."

Arlette-Elsa Emch may not possess Wonder Woman's bullet-deflecting bracelets, truth lasso or invisible airplane, but she certainly has super powers within the powerful Swatch Group thanks to her dedication and sheer hard work. (SF)

Kim-Eva Wempe – Shareholder and Head of Gerhard D. Wempe KG



"The brown eyes of this petite lady sparkle when she talks about her work" reads the press release of Germany's most prestigious and only internationally working watch and jewellery company - Wempe. It is true that Kim-Eva's eyes do frequently sparkle because she is

enthusiastic about a lot of things. She has a kind of positive energy that is contagious. But don't be fooled, Wempe is charming, but also tough. For example, if any of her male employees forget their positions, she makes it very clear who is the boss.

Born in 1962, Kim-Eva visited the language school in her hometown Hamburg, right after she finished public school. After one year as a trainee in the watch and jewellery centres of Switzerland and Italy, she started her business studies in Hamburg, while, at the same time, taking her first steps into the family business, which was founded by Kim-Eva's great-grandfather.

As she is a perfect communicator with a faultless temperament and an irresistible charm, speaking four languages fluently, she was especially interested in marketing and public relations. Today, the mother of two children travels a great deal between the Wempe stores in Germany, Paris, London, Vienna, Madrid and New York City and even designs her own jewellery collections.

Wempe was a founding member of the former AIHH (Association Interprofessionnelle de La Haute Horlogerie) supporting the worldwide watch culture. She has a seat on the board of several Hamburg retailer associations. In 2007 Kim-Eva Wempe was elected Hamburg's Entrepreneur of the Year. She received her prize and delivered her speech, as always, with a sparkle in her eyes. (GC)

Stacie Orloff – President, Bell & Ross North America



Stacie Orloff grew up in the watch business. Her family owned retail jewellery stores in California and it naturally became her career. After stints with Gucci and Corum, Orloff is now the president of Bell & Ross North America.

"I love the watch industry, the product, the people, the camaraderie and the competition," she says, her enthusiasm and engaging smile contagious.

Orloff says that the biggest challenge facing women is also the biggest cliché for women, "Fitting In." "I must say however, on a personal note I've never felt this to be a great challenge for me.," she explains. "I've often been told I'm like 'one of the guys'. I take this as a compliment and not as an insult or personal affront to my own strength, quite the contrary. The challenge for women is to feel confident with who you are and what you believe in. Success has no gender. It does help to have a sense of humour and I try not to take things too personally."

Orloff acknowledges that opportunities have increased for women in the watch industry. "It's an exciting time for women in the industry now," she says. "Watchmakers and manufacturers are rising to the occasion by developing more 'complicated' watches for women, thus solidifying women's place in what was once considered a male only market and securing the growth of a new and important segment to the industry. Whether this trend becomes the overwhelming theme or moneymaker for the women's market doesn't matter. It has opened the door to a new way of thinking and to a new way of doing business. This will lead to continued growth and help create new opportunities for the future."

As for advice for other women, Orloff says, "Be strong and stand firm on your own terms. Don't be afraid to be tough or demanding. Most important, be fair and honest at all times. This will always serve you well and keep you at an advantage. And remember, respect is something you earn, not something you deserve." (KWS)



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Pamela Harper – CEO Theo Fennell

Pamela Harper has a gift of a job in luxury gifts. It is hard to imagine anybody more suited to the post she took up in December 2007 as CEO of Theo Fennell, one of London's best known 'society jewellers'. Actually, the South Kensington flagship store in central London is only one outlet for Theo's dreamy jewellery (diamond-set crosses, tomato ketchup bottle tops, etc.), and, increasingly, its collection of top-of-the-range wristwatches.

Theo Fennell opens in the famous Brown & Thomas department store in Dublin this autumn. Pamela has also been busy organising Theo Fennell's new Haute Horlogerie department (opened this September) in Harrods, which will be rotating displays of brands such as Audemars Piguet, Franck Muller, IWC, Jaeger-LeCoultre and Vacheron Constantin. But there will be no exclusive Franck Muller limited edition this year.

Pamela Harper has valued experience in top UK management posts in luxury accessories companies. After five years at Jaeger-LeCoultre, she moved to Alfred Dunhill, on to Hermès for five years, then Escada, and most

recently to Burberry for nine conspicuously successful years. She comments: "I look forward to the challenge of developing Theo Fennell into one of the world's major luxury brands". And watches? "Absolutely. Look out for our new own brand range next year at BaselWorld".

And the watch she wears? A Hermès Cape Cod... and I love its articulated yellow gold bracelet. (MB)

Stephanie Sattler-Rick – Co-Owner of Erwin Sattler München

Since 2002, Stephanie Sattler-Rick holds a 50 per cent share of Erwin Sattler München, a manufacturer of top quality clocks and luxury automatic watch winders. Stephanie is one of the three daughters of Erwin Sattler, a Bavarian watch and clock maker who founded the company, along with his wife Viola, in 1958.

"When I was a child I used to go into my father's watch workshop all the time. But I didn't notice the interest that was growing inside me for watchmaking", explains Sattler-Rick, a petite woman with a calm, friendly, but reserved nature.

Actually, she did not discover her love of clocks until she started her apprenticeship and education as a saleswoman in a big Munich watch retail store. "At that time, I became addicted to timekeepers because I understood them. Working with clocks and selling them became so much fun for me".

Stephanie joined the Sattler staff in 1989 working closely with her father. "I did not think of becoming my father's successor", she says. But the more Stephanie became involved, the more the clock business attracted her.

Since the takeover of the management of the company by Sattler-Rick, which is responsible for the financial and organizational side of the business, and the arrival of her co-owner Richard Müller (who takes care of the technical and design side), the firm has changed a lot and has become the world's number one supplier of fine clocks in terms of value. 2008 was the 50th anniversary of the firm, which was celebrated discreetly. Stephanie Sattler-Rick's success is something that she can most certainly be proud of, but in her speech she only expressed her gratefulness to her parents. That's the other side of her: warm hearted, friendly and reserved. (GC)

Randi Shinske – President, Maurice Lacroix North America

Randi Shinske is the president of Maurice Lacroix North America and has been a leader in the US watch industry for quite some time, having been at Ebel and other companies in the past. "Being one of the few woman leaders in the watch industry today is quite exciting," she says. "Powerful women in all industries are on the rise and they are becoming watch customers as well. The challenge we are faced with today

is educating more and more women about mechanical watches so they feel more comfortable owning them and enjoying them.

"There are more opportunities for women today in this industry," she continues. "Opportunities for women at all levels have flourished as society has accepted and recognized women's talents and contributions. Women in the watch industry have been traditionally seen in marketing and PR positions, but today, we see a growing number of women in sales, technical positions such as watchmakers and senior level management positions, like CEOs. Women executives in the watch industry contribute attention to detail, design and beauty, combined with an appreciation of mechanical movements."

Shinske, who has received many awards and honours, has been successful wherever she has been in the watch industry. "I work really hard. That's really the truth - I have always been very disciplined and very focused," she says. "I am very direct, I don't sugarcoat anything. I go back to my people skills and the motto I live with is that we are human first and then comes business."

Her advice to other women in the watch industry? "It is a fact that this industry is still predominantly led and controlled by men today, however, women are a significant variable in the changes that will come in the future," she says. "Women, both from a consumer perspective as well as leaders in this industry, will be the ones to take what was once a male dominated industry in the past to a more balanced luxury industry for all sophisticated individuals to enjoy." (KWS)

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18 carat white gold (38 mm) timepiece equipped with a Swiss automatic movement by ETA with 42-hour power reserve. Marquetry grey mother-of-pearl dial, horns, bezel, crown and bracelet set with baguette-cut amethysts (total 17.44 carats), sapphire crystal caseback, water resistance to 50 metres and limited to 25 pieces.

HERIOS TRIETROGRADE SECONDS SKELETON HAUTE JOAILLERIE by Milus

18 carat red gold timepiece equipped with a Milus 3838 automatic movement with retrograde seconds in three sectors of 20 seconds each. Case, dial and deployment buckle are inlaid with brilliant-cut white diamonds (total 4.75 carats), polished red gold coloured Arabic numerals, curved sapphire crystals, faceted skeleton hour and minute hands, three seconds hands partially coated with white Superluminova, white alligator strap and water resistant to 30 metres.

LADIES' JULES AUDEMARS COLLECTION
by Audemars Piguet

18 carat white gold timepiece equipped with a calibre 3090 hand-wound movement. Hours, minutes, small seconds and 48-hour power reserve. Case set with 189 brilliant-cut diamonds (1.29 carats), mother-of-pearl dial with diamond pavé centre, hours circle with applied Roman numerals, sapphire crystal, black satin moiré strap and water resistant to 20 metres.

AVENUE SQUARE A2 MEN by Harry Winston

18 carat white gold timepiece equipped with a mechanical automatic movement. Hours, minutes, second time zone, night and day indications for each time zone, vertical large date, 60 baguette diamonds (9.8 carats), black dial, white indexes, sapphire crystal, 60 diamonds on the buckle (0.41 carats), alligator strap and water resistant to 30 metres. Limited edition of 25 pieces.

DIAMANT 5 by Baume & Mercier

Polished steel, rectangular timepiece equipped with an ETA F03.111 quartz movement. Mother-of-pearl dial set with 11 diamonds, case set with 26 diamonds, crown set with 14 diamonds and the bracelet set with 56 diamonds (1.48 carats in total), sapphire crystal, screwed-down caseback, deployment buckle and water resistant to 30 metres.



BRS WHITE CERAMIC & DIAMONDS by Bell & Ross

Steel and white ceramic (39 mm) timepiece fitted with a quartz movement. Hours, minutes and independent seconds, diamond-set bezel, sapphire crystal, alligator strap and water resistant to 50 metres. Also available in rose gold and white ceramic or in black.

RIVIERE D'ETOILES by Chanel

18 carat gold timepiece equipped with a quartz movement. Case set with 103 brilliant-cut diamonds with a total of 2 carats and black satin strap.

TRICKLE LIGHT by Swatch

Clear transparent plastic case equipped with an ETA quartz movement. Silver, sun-brushed dial with silver appliques and stainless steel strap with plastic charms.



ALACRIA ROYAL LIMITED EDITION by Carl F. Bucherer

18 carat white gold timepiece equipped with a quartz movement. Available with rubies and diamonds, blue sapphires and diamonds or orange sapphires and diamonds, sapphire crystal, water resistant to 30 metres and limited to 25 pieces for each colour.



PINK RIBBON by Delance

Stainless steel timepiece equipped with an ETA quartz or a Piguet 8.10 manual mechanical movement (special order). 28 pink sapphires on the case, mother-of-pearl dial, sapphire crystal, caseback fixed with five screws, pink alligator strap and water resistant to 30 metres. 10 per cent of all sales go to the Krebsliga Schweiz organization to raise awareness for breast cancer.



HEART COLLECTION by Franck Muller

18 carat white gold timepiece fitted with a quartz movement. Hours and minutes, full pavé dial with 141 diamonds (0.81 carats), red Arabic numerals, red lacquered heart at 6 o'clock, crown set with cabochon cut ruby, case set with three rows of brilliant cut diamonds (1.99 carats) and hand-sewn alligator strap. Available in five case sizes in 18 carat gold or platinum.



PALM BEACH COLLECTION by Glam Rock

Stainless steel timepiece fitted with a Swiss Made Ronda quartz movement. White mother-of-pearl dial with pavé diamonds on the indexes, 40 diamonds (0.57 carats) on the top ring, 217 diamonds (2.17 carats) on the case cover, caseback with six oversized screws and logo, personalized buckle and water resistant to 100 metres.

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Jacob Jensen and Danish Design, something timeless

There is something about Nordic design—more specifically in Danish design—that transcends fashion that continues beyond the trends. It is a type of formal classicism evoking purity and rigour and a constant concern for always closely adapting the tool to meet its function. This instils into a design something that is both timeless and contemporary at the same time.

› Pierre Maillard

To make something simple is not simple

Let's take a look at Jacob Jensen, born in 1926 at Vesterbro, near Copenhagen, who founded the Jacob Jensen Design studio in 1958. In his opinion, "constructing a watch, writing a poem, producing a play, or designing a locomotive all demand the same components, the same ingredients: perspective, creativity, new ideas, understanding, and—first and foremost—the ability to rework, almost infinitely, over and over." In this regard, what we see in a Jacob Jensen design is its apparent simplicity, but what we don't see is the extensive work and preparation that goes into creating it. In other words, to make something simple is not simple.



RECTANGULAR CHRONOGRAPH 806



RECTANGULAR 885

During the last fifty years, Jacob Jensen, who has since been joined by his son, Timothy Jacob Jensen, now director, principal shareholder, and chief designer at the studio, has produced more than 500 industrial designs and developed strategies, product lines, and specific languages for many global companies, including Bang & Olufsen, Gaggenau—the kitchen specialist—and Alcatel.

But the first product developed by the Jacob Jensen brand was, in fact, a watch—or more precisely, two watches that immediately became part of the famous collection at the Museum of Modern Art in New York. The two

watches were made of titanium and evoked the stylistic codes of the studio: the play of silver and black on the dial creates an 'association of day and night, of light and dark'. A small design detail: the hands are also coloured black and silver, so that when they move around the black surface of the dial, only the silvered part is visible, and vice versa.

Since the brand's first incursion into timekeeping, Jacob Jensen has developed a whole range of watches. The names of these collections also evoke simplicity, while clearly describing what they are: Rectangular, Square, Round, Clear, Digital, Dimension, Chronograph and Titanium.



DANISH DESIGN MODELS

Among the most recent creations is, for example, the Chronograph collection, launched in 2005. “Most chronographs made throughout history are more or less variations on the same theme: the more numbers, divisions and details, the better! But one should not forget that a watch is both an article for everyday use and an ornament. Therefore, we decided to create a different chronograph—a watch, which is simple and beautiful, regardless of time and place, but which, at the same time, fulfils most of the demands made on chronographs. I think that the result speaks for itself,” explains Timothy Jacob Jensen. For this reason, the brand’s new 37mm ultra simple and ultra readable chronograph, equipped with a Ronda movement, is so obviously amazing—and timeless since its form is the direct expression of its function.

Danish Design

In the footsteps of Jacob Jensen, the brand Danish Design (distributed by the same company, S. Weisz BV—see www.danishdesign-watches.com and www.jacobjensen.com) also proposes a type of watchmaking that definitely goes straight to the essential.

In this vein, Martin Larsen, a Danish designer born in 1970, thus earned the prestigious ‘Reddot Design Award’ in 2008 for a series of steel watches, with or without chronograph functions, that he created for Danish Design. In this series, we find the same sculptural minimalism that provides quick and easy reading of the various indications.

Larsen, in collaboration with another young Danish designer, Ana Gotha, born in 1980, has started offering more ‘fashion’ watches

under the Danish Design label. These pieces have been freed somewhat from the strict stylistic traditions of the ‘hard and fast’ Danish design. While the shapes take a certain liberty, so do the materials, namely titanium, tungsten and cases treated with anti-allergic PVD, etc. But there is certainly nothing in the way of baroque styling to be found here. Their forms remain balanced and the favoured colours are black and white, although sometimes a small touch of gold brings a little bit of warmth to the watches. But the prescribed elegance remains the rule. These designs are the mark of a very particular ‘school’, the Danish school, which continues to work in the same niche year after year—so much so that ‘Danish design’ has influenced, and continues to influence, quite a few international brands. And, it is no wonder. There is decidedly something timeless in this type of watchmaking where appearances are never gratuitous, but are always relevant to the product and the comfort of the wearer. <

For more information related to Jacob Jensen and Danish Design, click on Brand Index at www.europastar.com

MARTIN LARSEN COLLECTION



SPORTIVE MEN'S WATCHES





Coming up on 80 years - Jovial moves international

› Keith W. Strandberg

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1929 wasn't a great year in the grand scheme of things – it was the year of the Great Depression, after all.

1929 was also the year in which watch brand Jovial was formed in La Chaux-de-Fonds. Later the brand moved to Bienne, where its headquarters are now located, but even back when the brand started, Jovial was specializing in the Middle Eastern market. Jovial, now coming up on 80 years of history, is still a specialist in the Middle East, but has set its sights firmly on expanding and becoming an international brand.

"Our main branch office is in Dubai and we have a total of 55 of our own showrooms in the Middle East that sell only Jovial products," explains Jean-Claude Racine, President of the Board, Jovial. "The company's main shareholder, Mohammad Dabaan, is from the Middle East and he has developed the region he knows so well."



The 7000 SERIES DOUBLETIME

Jovial sells more than 60,000 watches a year and the company also has accessories like perfume, ties, sunglasses and some leather goods. In Jovial's Middle Eastern showrooms, this entire range is on display. As a result of this wide presence, Jovial is a major player in the region.

"In the Middle East, Jovial is extremely well known," Racine says. "We are the market leader

in the middle range segment (US\$300 – US\$3,000 retail). We design our products for the Middle Eastern and world markets. Our mission is to supply the market with high quality watches corresponding to the present and future trends at a reasonable price.

"In the Middle East, Jovial stands out because of the design and the quality, as well as the price performance," he continues. "Right now, we do over 70 per cent of our business in the Middle East. The people in the Middle East really want the Swiss Made label and our watches are 100 per cent Swiss Made. We will always respect our strategy of good quality at a reasonable price. We don't have gold watches, even though we have steel watches set with genuine diamonds, because we don't want to go to those high price points."

Jovial has an in-house team of designers, both in Switzerland and in the Middle East. More and more, Jovial's designs are expanding beyond the Middle East.

"We are now producing new models which are more 'international' in design and less decorative than what was the case for the Middle East," Racine details. "The Middle Eastern taste is more flashy - they want colours, they want



The 6610 COLLECTION

gold plated and they want diamonds, whereas the traditional markets are more conservative, with simpler shapes and not so flashy. Some of the new watches, like the 7000 series, fit the international markets particularly well, because they have great value for not such a high price." The challenge for Jovial is to take the success it has achieved in the Middle East and translate it into other international markets. It is not going to be easy, but it has to be easier than the uphill battle brand new watch companies face. "We are in the process of opening new markets right now, to diversify our business and to increase our volume," Racine says. "The biggest challenge in new markets is the brand name. People appreciate the quality of our watches, the price-value relationship and the design of the new collections, but the biggest hurdle is the name, which in some markets is still very little known. We definitely speak about our success in the Middle East, and this shows, especially with our own showrooms, that we have the financial capacity to expand into other markets. To a certain extent, our image in the Middle East helps us. Distributors have seen our presence and our showrooms and they are impressed by our brand and how popular we are in these markets. The biggest challenge is to inform people about the brand."

Jovial is having some initial success, opening up distribution in Portugal, France, Spain, Italy and Greece. "We have a discreet presence in the United States right now and we want to

increase our distribution there," Racine says. "We are also in the South American market. In five years, Jovial will have a more important presence in the rest of the world, especially in markets which are developing quite strongly now, such as Eastern Europe, India, China and others. These markets offer a great growth potential. We definitely see that Eastern Europe is very important; we are already in place there. Europe is a big market and we are developing that now."

Jovial is also developing more mechanical watches in their range, in response to worldwide demand. According to Racine, Jovial can ramp up its production of high quality quartz watches immediately, while the production of mechanical watches is very dependent on the availability of the movements, a problem the entire industry is facing.

With Jovial's long history and relationships with key suppliers, the brand is able to keep prices down, choosing the right components and the right people to work with in Switzerland.

Jovial sees a bright future ahead as it adapts its collection to the international market, responding to market demands with new styles, new mechanical watches, while still maintaining the price-value relationship that has defined the brand's success in the Middle East.

For more information related to Jovial, click on Brand Index at www.europastar.com



COLLECTION SPORTY 7000



The 7000 SERIES CHRONOGRAPH

Chinese persistence with exquisite high-end watches is paying serious dividends - but can they ever catch the Swiss?

› Martin Foster

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Complications in watches such as tourbillons and complex add-ons have long been the preserve of the Swiss but these specialities are now emerging from high-end Chinese manufacturers who released their new exquisite creations at the September 2008 Hong Kong Watch & Clock Fair.

What do the Chinese buy?

Recognised watch brands on the China mainland bear little relation to the brands we know from Switzerland, Europe and Japan. Mainlanders are familiar with brands such as Sea-Gull, Shanghai Watch, Beijing Watch, Fiyta, Rossini, EverBright and TianWang. Watches made in China range from €45,000 for the Sea-Gull rose gold minute repeater to glitzy funkies for under €2 each. China produces some 80 per cent of the world's clocks and watches, but the value is less than 10 per cent of the global total.

Assessing the scale of the Chinese mainland market beyond broad generalities is very difficult. Consider that Shanghai central business district on a regular working day is feeding and supporting 20 million people and this is but one of the myriad of mainland Chinese 'markets'.

Established classic Swiss brands are preferred by those who can afford them and watch industry researchers in China estimate that the market could absorb 15 million mid and high-end watches every year.



Beijing Watch, 'Swallow' tourbillon with free-sprung balance, 18 carat rose gold, sapphire crystal glass, gold hands, *cloisonné* enamel dial, padded and stitched crocodile strap, water resistant to 30 metres, special presentation box with precious metals identification certificate. Made to order but limited to 50 pieces - expect to pay €11,000.

The established Swiss brands

Given these circumstances is it any wonder that Omega, Rolex, Piaget, Tiffany and many other prestigious brands have their names emblazoned in neon over their exclusive shops on the main drag in Shanghai?

Some appreciation of the importance of China to Omega and the Swatch Group can be gauged by the fact that the company has licensed 170 stores on the Chinese mainland, Hong Kong and Macao to sell its products. Omega, by far the earliest into China (in 1895), opened its largest flagship store in 2005 in Shanghai with 450 square metres of floor space on two levels.

Further indications of the internationalisation of the Chinese comes from a spokesman at China International Travel Services who said "Chinese tourists like shopping. Every tourist, if visiting Switzerland, would buy a Rolex or Rado." According to statistics, an average Chinese tourist in 2006 spent US\$987 on shopping which is even higher than an average Japanese tourist. The increasing affluence of China's bur-

geoning middle class is a crucial factor. Luxury items are particularly popular because most travellers to Europe are more prosperous business people or senior officials who want to save 20 to 30 per cent over the price charged for these high-dutty products in China.

The special role of Hong Kong

However the Hong Kong based watch companies with their cherished Western connections identify with the markets of the United States, Japan, Asia, Switzerland and the European Union. And with the prestige deriving from this, the Hong Kong companies are trusted suppliers of quality Hong Kong watches back into mainland China even though these self-same watches were manufactured in the Pearl River delta area – the industrial engine-room of southern mainland China. This is a somewhat circular phenomenon creating an enduring statistical headache.

The size and scope of the Mainland Chinese market

The population of China is 1.3 billion people who, by average western values, would be categorized at subsistence level. Averages however are deceptive generalisations. Consider that across all China the average annual wage is a little under US\$1,000 but the average in Shanghai is US\$4,900, one per cent earn over US\$100,000 and across China more than 100 individuals own personal assets of US\$100 million or more.

The showcase of Shanghai is a glittering, charismatic city but underlying China today is a complex matrix of fantastic contradictions. Our cold war preconception of this country



has been turned on its head by the raw energy of change sweeping the mainland and Shanghai particularly.

There are 400 million Chinese living in the greater Shanghai area and as mentioned, one per cent of these (four million people) have an annual income exceeding US\$100,000. Thus a low percentage of wealthy people is nevertheless a large market for luxury goods when the sheer volume of humanity is fully comprehended. There are estimated to be more than 10,000 retail jewellers in China today and there is no concession to average incomes as prices are no less than we might expect in western retail outlets for the same branded items. Sales of watches and jewellery to mainland Chinese are estimated by the Hong Kong Jewellery Manufacturers Association to be growing at five to ten per cent per annum (2006).

Beyond all expectation mainland Chinese have adopted staunchly western commercial institutions and our classic European brand names with great enthusiasm right across the country. Examples are St Valentine's Day and Christmas Day which are considered to be days when jewellery gifts are decidedly appropriate – much to the joy of the retailers.

The first Chinese tourbillon

Kiu Tai Yu, born in 1946 in Soochow, China, discovered his talent at an early age for fixing broken watches and clocks. Entirely self-taught, he built his first watch at the young age of 23 and on his 45th birthday in 1991, Kiu Tai Yu astonished the horological world by making the first Asian tourbillon entirely on his own.

The last time China made any impact on the horological world was about 10 centuries ago when Su Song, an imperial attendant was com-



Shanghai Watch Ind Co double flying tourbillon, hand wound 21600Hz in a solid 18 carat rose gold case, blue hands over a silvered dial, Arabic hours engraved on the internal gold bezel dress-ring. Black alligator strap.

From Shanghai Watch the 'Classic Tourbillon' with clear open style, power reserve, calendar indications and steel case reflective of the current construction of high-end German and Swiss makers.

PTS Resources exhibited this self winding calibre with karrusel. The 12Hr karrusel carries the hour indications and the subsidiary hands are power reserve, minute hand and GMT/dual time.

missioned by the Dragon Throne to construct a time measuring instrument as a standard for the Celestial Kingdom. His ingenious solution was a water clock, the first timepiece ever to have a mechanical escapement and is perhaps, tenuously, the indirect ancestor of today's Rolex.

The first series production Chinese tourbillon

PTS Resources was one of the first Chinese watch companies to exhibit a tourbillon in 2003/4 and philosophically this was a real contradiction. The purpose of making tourbillons today is to exhibit the maker's skills rather than improve the positional rate of a watch.

Materials technology in relation to isochronism and dynamic balancing are now so well understood that exceedingly good timekeeping is available without recourse to such relatively crude error-equalisation devices as tourbillons. They are more demanding to make, sensitive to adjust and beautiful to observe, but like tapered mainsprings and (unmatched) fuseses they really do little, today, to assist good timekeeping. So the first Chinese tourbillons simply declared to collectors 'we can do this too!' but the finish was not in keeping with the spirit and even the untrained eye needed no assistance to make valid comparisons.



Finish and innovation

However that was five years ago – and now we are seeing the rewards of their persistence in a vast improvement of the finish of the plates and components. PTS may even be getting a bit bored with tourbillons as last year they exhibited a self winding 12 hour karrusel with power reserve and dual time indications. The 12 hour karrusel has been given the hours indication function and there is a separate minute hand. Clearly with such a long revolve time the karrusel won't be doing too much positional correction but like the tourbillon it was 'there to be done' and PTS have made a nice job of it.

Production tourbillons

Sea-Gull's double flying tourbillon of 2007 has balance wheels of different size which share the same driving train. The explanation as to why the balance wheels are of different diameter is that Sea-Gull is displaying its first and second generation tourbillon developments in the one watch and indeed this can be seen in the improved finish and fineness of the 6 o'clock tourbillon over that at the 9 o'clock position.

Also exhibiting a double tourbillon was The Shanghai Watch Ind Co Ltd which is another long established watchmaking firm which describes its manufacture program to include "automatic, multifunction, power reserve, chronograph and tourbillon watches".

Beijing Watch is claiming the first double tourbillon watch in China with "flexible moment differential".

The watches from these makers are exquisitely finished and we start to really feel they are watching the quality coming out of Switzerland and are learning the finer points along the way.



In a couple more years the differences between Swiss and Chinese craftsmanship may not be so easily seen.

Sea-Gull's minute repeater is the highlight

This year the highlight of the Hong Kong Watch and Clock Fair was the first Chinese minute repeater brought to the show by Sea-Gull, the biggest Chinese maker and reported to produce a quarter of the world's mechanical movements. 'The Chinese Minute Repeater Watch' (proclaimed on the caseback) makes a very beautiful, uncluttered, sophisticated statement. But it would be interesting indeed to see the finish of the repeater mechanism behind the dial.

What we can see through the back is a huge advance of quality and finish but lacking the Swiss understanding of class, proportion and detail. The plates are nicely decorated with good spotting but bevelling of the edges or *anglage* polishing is absent – and this may be a conscious choice, but western eyes may prefer the traditional 'Swiss' finish.

We can see the centre wheel and third wheel and the crossing-out leaves the spokes and wheel rims thicker than we might expect. And we would assume that the arbor ends should be domed and polished. Perhaps more difficult than the 'doing' is understanding the conditioning of the minds of buyers in the Swiss tradition reaching back over many generations.

Watches are bought at two levels

In past years we all had one 'Swiss Made' watch of good quality. Today many consumers still maintain one prestige quality watch but may have half a dozen others in the bureau



Sea-Gull Minute Repeater Ref. ST9100G in 18 carat gold, limited edition, gold Breguet style hands on a silvered dial, raised Roman numerals and raised small seconds at 4.30 position, Domed sapphire crystal, stitched brown alligator strap, water resistant to 30 metres, crystal see-through back. Expect to pay about €45,000.

Sea-Gull Minute Repeater Ref. ST9100G movement through the back. Note the good decorative spotting but no *anglage* and disproportionate crossing-out of the centre wheel and third wheel.

From Sea-Gull comes this 18 carat gold double tourbillon with Roman numerals on a silvered white guilloché dial. The movement is 33.8 mm diameter with a thickness of 5.9 mm, 42 jewels, frequency of 21600Hz, hour and minute hands at centre, coaxial tourbillon at 6 o'clock and off-centre tourbillon at 9 o'clock. Expect to pay about €32,000.

drawer bought cheaply at opportune moments or simply on impulse. This wide availability of inexpensive wristwatches follows the advent of the quartz revolution which has created two quite separate segments in today's global watch market.

Hong Kong, indulging its symbiotic CEPA manufacturing relationship with China, is making a huge volume of lifestyle/inexpensive watches. Switzerland for its part firmly grips the high-end 'Swiss Made' epithet of the last seven decades, setting all-time records in rising value.

Significantly, Swiss production of traditional mechanical watches accounts for only 14 per cent of the total units – but over 62 per cent of its total value – and this pattern is indicative as well, for Hong Kong and mainland makers.

Brand recognition

But Hong Kong also makes watches of high quality as does Switzerland of lesser quality. Hong Kong makers are now striving for greater brand recognition to reap some of the benefit of higher retail price points coupled with good quality manufacture – and 'China Made' is to



mainland China, the world's biggest market, as 'Swiss Made' is to the rest of the world.

Subtleties of marketing evolution

Where previously Europe imported watches bearing the label 'Made in Hong Kong' we then saw 'Made in China' and now, in the steps of the Swiss, 'China Made'.

This emulates but does not threaten the 'Swiss Made' ascendancy which has steadily built its strength on the high, up-market range of mechanical watches. If threatened the Swiss will go further up-market with mechanicals which already command breathtaking prices from makers with pedigree and a venerable reputation to entice and hold their buyers.

The Chinese are capable and dedicated but the Swiss are not losing any sleep.

The Swiss and the Chinese makers

Hong Kong suffers a mild intimidation on the one hand from Swiss companies, which are endowed with famous brand names, goodwill and expertise and on the other hand from Japanese manufacturers whose edge relies on technical reliability and large-scale automation. But these are perceptions rather than realities. The year-by-year advances in quality, finish, innovation, style and technology are completely outstripping series manufacture from Japanese, European and western sources.

There are some exquisite Chinese watches in the high-end price category and the makers have an appreciation for fine 'watch culture' but this has not yet fully matured in its translation to the immaculate finish which collectors have come to expect.

Perhaps this is only a question of time. <

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Las Vegas puts on a show

› **Keith W. Strandberg and Sophie Furley**

The Vegas watch shows couldn't be more different from the Swiss ones. BaselWorld and SIHH are held in the springtime when the weather is generally unreliable and cold, in contrast to the Las Vegas Shows - JCK, Luxury by JCK and Couture – where a heat wave is always on the agenda.

BaselWorld and SIHH are hectic, filled with back-to-back appointments, early starts, missed lunches and dinner after dinner in bustling restaurants. Not that this is a criticism – most of the industry does most of its work during these two fun and crazy weeks in spring.

The Vegas shows, however, are very different, more relaxed, with drop-bys and cocktails, motorcycle rides, theatrical shows, amazing international restaurants and, as always, some of the most beautiful watches in the world.

And, best of all, as the old saying goes, *What happens in Vegas stays in Vegas* or...at least until *Europa Star* reports on it.

So how did it all get started?

The first Las Vegas watch show was organized in 1992 by the Jewelers Circular Keystone (JCK) magazine with an impressive 1,000 exhibitors. The show was set up following a need in the marketplace to help independents and majors to find and buy product. The city of Las Vegas was chosen thanks to its variety of hotel and entertainment options. "There is no other venue in the world with over 30,000 hotel rooms within walking distance of the show," remarks Dave Bonaparte, Group Vice President of JCK Events.

16 years later and JCK is still going strong with 3,100 exhibitors from 38 countries and 600,000 square feet (55,700 square metres) of exhibition space, which is well segmented by product category to make it easier for retailers to shop. The Hall of Time houses over 150 watch brands, from fine Swiss timepieces to the fashion brands. Upstairs, in the Venetian hotel,

is the prestigious Luxury by JCK show, which is where the prestigious Swiss watch brands exhibit – including Baume & Mercier, Bell & Ross, Bulgari, Chopard, Corum, Ebel, Franck Muller, Gucci, Hermès, IWC, Maurice Lacroix, Mont Blanc, Omega, Piaget, Rado, Swatch, Longines, TAG Heuer, Tissot, Ulysse Nardin and Zenith.

This year's show was a success in spite of the economic slowdown. "The show exceeded most exhibitors expectations as there was healthy business being done," noted Bonaparte. "I am optimistic looking ahead to the end of the year. Even though the economy has had its issues, people still get married, have birthdays and anniversaries and have many special occasions to give the gift of jewellery and watches. The business is not going away and is here to stay."

The Couture Show

The Couture Show started 13 years ago in California, before moving to Phoenix, and then to Las Vegas three years ago. The show now runs almost parallel to the JCK shows with around 250 exhibitors occupying 85,000



square feet (7,900 square metres) of exhibit space. The watch brands exhibiting here include Bédat & Co., Beaudry, Breitling, Buccellati, Charriol, De Grisogono, Carl F. Bucherer, David Yurman, H. Stern, Mouawad, Milus, Phillip Stein, Salvatore Ferragamo, Valentino, ViewPoint and Versace. Statistics from the show noted the attendance of 4,900 retailers this year, a growth of 25 per cent over two years ago. "This year's numbers show that Couture is on the right evolutionary course," said Lee Arevia, Vice President of Couture. "It is a definite sign of this event's strength that we have not only been able to grow the number of exhibitors and attendees, but that we have been able to do so during these challenging times."

Why the Vegas shows are important

The Vegas shows are not the glamour shows of the watch world. They are more down and dirty watch shows, where business is truly done. There are US retailers who go to all the shows, but the majority of retailers don't go to the Swiss shows every year. They just can't afford to – in terms of time and money. Some go every other year and some never go. So, the Vegas show is the place retailers can meet with the brands they carry, see brands they have heard about and find new brands that no one has heard about, so they can add something new to their stores.

On the exhibitor side, the JCK show is perfect for brands to start setting up independent distribution. The JCK is a fantastic place to walk the aisles and see what there is available. Most of the brands on the floor are very open to walk by traffic – where the Swiss



The COUTURE Show

shows are largely appointment-based shows; the floor of JCK is big for walk by traffic.

In the Couture show and Luxury by JCK, the meetings are by appointment only, which cuts down on meetings with retailers that are not suited for a particular brand.

New brands and brands looking to build their distribution are best suited for the floor at JCK, where retailers in need of a new brand walk around looking for something different. Other advantages of the Las Vegas shows are that it is easier to catch up with people that there wasn't time for in Basel and Geneva, or to have quality time with the brands that maybe were only available for a fleeting 20 minutes. The brands have time to sit and chat, present and discuss new products, take new or complementary orders, discuss advertising strategies and much more. Everything is less rushed and stressful.

As the BaselWorld and the SIHH shows in Switzerland are not going to be running back-to-back in 2009 as in previous years (SIHH is from 19th to 24th January and BaselWorld from 26th March to 2nd April), and rumours indicate that this is a permanent decision, the Las Vegas shows are only going to grow in importance. Many American retailers will not go to Switzerland twice a year so Las Vegas will become the place where they do the bulk of their business, making the fairs here particularly valuable to independent retailers.

Long, tough road ahead

The general consensus from brands and retailers alike is that the United States is not in great shape right now. Prices continue to rise on gas and food, so the disposable income people have is being reduced. Still, however,



high-end watches continue to be strong. Retailers report that the higher-end of the watch market is going great, while so is the entry price point. The segment that seems to be suffering the most is the mid-range. The thinking is that if people can't buy at the high-end, where they are used to buying, they won't slide down and buy something simpler. In fact, they might be more prone to moving up and buying something even more special, aware that the watches will be worth more someday.

In addition, people who are buying in the entry price point and fashion range are less likely to move up and buy watches from the mid-range, preferring to stay in the segment they are currently or, heaven forbid, stop buying watches altogether.

The economic indicators are confusing and no one really knows what will happen in even the short term, much less the long term. The bottom line, however, is that the economic situation is not great and doesn't look like it will improve anytime soon. The initial thought was things would get better after the November election, but now people are predicting that it might take significantly longer than that.

This may make many retailers pull back and re-evaluate spending, replacing their stock, advertising their store and more. The better retailers will look at this trying economic time as an opportunity to gain market share and put their stores into a position to really profit when the economy comes back. Retailers who have been in business for a long time know that business goes in cycles and never stays good or bad for too long.

Retailer comments

Doug Bradstreet, Watch/Jewellery Buyer, Wynn Las Vegas and Macau: "2008 year to date is stellar. We have posted mid double-digit increases in Vegas, triple-digit increases in Macau. The strongest segment for Vegas is high-end watches, US\$35,000 and higher, while Macau is solid gold watches with diamonds, price points of US\$50,000 and higher. The Vegas shows offer a wide variety of product ranging from vintage and estate pieces to high-end watches and jewellery of all types. My favourite shows are Couture, IWJG, and JCK. I accomplish everything from stock balancing to finding new product lines for new stores. This year was about supplying merchandise for two new stores. One slated for a guild store in Vegas (ENCORE tower) and the other for Macau (watch and jewellery combined store). Our future is extremely bright. In the face of economic breakdown in the U.S. I am buying aggressively due to great deals for purchases and to show strength in a slowing economy. So far each month out-produces the previous. My best selling watch right now? In Vegas, anything Patek Philippe. In Macau, Rolex Day/Date 18-carat yellow gold with any diamond treatments."

Robin Levinson, Levinson Jewelers (Florida): "It's summer time and quiet in general. Our strongest segment right now is estate buying and gold and diamonds. I go to the Vegas shows to network and scout for new sources. I think it is all cyclical and everything will turn around. We are moving to a new location before the first of the year which should offer us a great deal of more business."

Rudi Albers, President, Wempe (New York): "Business has been stronger than ever. The first quarter brought a lot of Europeans with their strong Euro. Since we are right in the heart of midtown near the top hotels The Peninsula and St. Regis, we are busy from morning to night. High-end complications are most in demand led by Patek Philippe and Breguet. Rolex and Panerai sports watches are in short supply as usual and the Hublot Big Bang continues to be a big hit. Rose gold caught on and yellow gold is definitely back. The Vegas shows give us the opportunity to catch up with industry leaders, compare notes with other retailers, detect trends and thereby reduce the role of that good old crystal ball. Wempe has again experienced double-digit growth for the first 6 months of 2008. The overall momentum perplexes our vendors and clients alike as every day you read the opposite in the newspapers. However, our commitment to quality, level of service and expertise has earned us a rating of 29 out of 30 in the Zagat shopping guide and together with our advertising and marketing efforts have made us a top address for fine watches. Watch connoisseurs travel in the same circles, dine at the same fine restaurants and stay at the same luxury resorts. A watch easily becomes a conversation piece and a memorable shopping experience is the key to word of mouth. A Patek Nautilus could easily be a bestseller for us if it wasn't for the limited availability. The same holds true for the Rolex Milgauss or IWC Big Pilot's watch and any steel watch with the name Panerai on it."

Poker faces: behind the scenes at the World Series of Poker with Corum

While in Las Vegas, we took the opportunity to get a behind the scenes look at the World Series of Poker (WSOP). Corum is a sponsor and the official timepiece of the Series, and the company makes the bracelets that are the 'trophies' for the winners, as well as the watches that are the top prizes.

You wouldn't think that poker was a telegenic sport, but in the United States it has really taken off, fuelled by ESPN's coverage. Edited to increase the tension, poker in many different variations seems to be on television ALL the time, which is good news for Corum because the exposure for the brand is incredible.

"The WSOP is the most famous and respected poker tournament in the world and the game of poker itself is one of strategy and timing, not mere chance," explains Michael Wunderman, President, Corum USA. "These unique characteristics combine to create an exciting environment and energy to communicate our brand message that Corum is emotive and is a risk taker breaking boundaries in watchmaking and watch marketing.

"Our partnership with the WSOP has given us the opportunity to open an entirely new market for Corum and lead the way in the category," he continues. "We have always been *avant-garde* in our approach to business and aligning ourselves with the WSOP has enabled us to 'own' the watch segment as 'the' poker watch. The event is now a global brand and has captured the hearts and minds of millions around the world. We can now communicate to this audience through the WSOP."

In Vegas, poker is serious business. We toured one of the tournaments going on, with tables and tables of people playing cards. It was a sartorial display, some people were elegantly dressed and others were dressed very casually. Others obviously were wearing their 'lucky clothes', as there couldn't be any other reason for leaving the house dressed as they were.

The WSOP is the richest sporting event in the entire world, with winnings over US\$150 million.

"The WSOP is the ultimate expression of excellence in gaming and Corum shares in that association," says Jeff Pollack, the commissioner of the WSOP. "We couldn't ask for a better partner. Our contract is for six years, but I view it as a 100 year partnership."



Ray Grenon, Owner, Grenon's of Newport (Rhode Island): "Despite all the bad news people are still buying. Men's stainless steel sports watches are the hottest right now. The Cartier Ballon Bleu and just about anything from TAG Heuer are the hottest watches."

Alan J. Katz, Vice President Operations, de Boulle (Dallas, Texas): "Business has been good in Dallas and from what we understand throughout Texas - in spite of the gloom and doom reported in the press, we are pleased with our business. We continue to do well with larger diamonds (three carat and up) as well as the finer watches, especially those with complications. The year has started out strong; being conservatively optimistic we see no reason for the trend to not continue - we are counting on our business to continue with positive growth for the remainder of the year.

The new Rolex Stainless Steel GMT II has been selling very well."

Andrew J. Block, Executive Vice President, Tourneau: "Our business is holding up fairly well in the majority of our stores. We are seeing some softening of our business in the suburban stores which traditionally don't see many tourists, but big picture, we're extremely pleased with where we're trending at this moment.

"The high-end timepiece segment that retails for over US\$5,000 is still strong. We do see many high-end brands diverting product to Asia and other new markets which could affect us negatively in the second half of this year. We've taken notice of the fact that Swiss imports into the United States are basically flat to last year. We're hoping that this product drought improves.

"We do go to the Las Vegas show. It's an

opportunity for us to visit our brand partners in a less hectic and stressful atmosphere than Basel or Geneva. We really don't see anything new in Las Vegas but I know that many small jewellers who don't get to Europe enjoy the show immensely.

"We are still bullish about the American watch market. There is still tremendous interest in the watch category; the United States watch market is still in its infancy. Our growth will surely be determined by the manufacturers and their support of the American market." ◀

Dates for the 2009

Las Vegas shows are as follows:

Couture – May 28th – June 2nd

JCK Luxury & Première – May 26th – 29th

JCK – May 30th – June 2nd

Swiss Watch by JCK – May 29th – June 2nd

The Russian market - paying more attention to retail sales

Following a very successful 2007, the export of watches to Russia seems to have come to an abrupt halt. What is going on and what can we expect to happen in the Russian market?

›Comment and analysis from Viacheslav Medvedev, Russian watch editor



A

After the supply crisis of 2005-2006, Russia made a considerable jump in 2007 with a gain of 49 per cent. However the period from January to July 2008 was unfortunately far less exciting with an eight per cent growth in revenue and a seven per cent decrease in quantity. This is what most people would consider to be stagnation. So what happened? Did Russian consumers suddenly stop buying watches?

market and the growing concern regarding the global financial situation haven't exactly put people in the mood for shopping. There is a need for positive change and more stability in political and economic arenas.

Demand among those who belong to the middle classes is different. On one hand, inflation prevents people from saving and stimulates them to spend their money on items such as watches. However, on the other hand, even if their income is growing faster than inflation, so are their expenses, leading them to pay more attention to the price of goods, especially those

Did Russian consumers suddenly stop buying watches?

No, of course they didn't. They are still buying and will continue to buy in the near future. With oil prices at around the US\$100 a barrel mark, a considerable amount of money is rolling into Russia, which will partly be spent on watches, jewellery and other luxury goods. However, demand is unstable, which is explained by the following factors: Russia's health is predominantly based on its natural resources, and like in other countries where the economy depends on the export of raw materials, the income of the Russian people differs drastically. While Russia's oligarchs are purchasing lavish houses and palaces throughout Europe, expensive cars and yachts, the majority of the population doesn't earn more than US\$500 a month.

It is this minor group of super-rich people, which usually helps watch companies meet their sales plans. However, the recent South Ossetian crisis, the predicted slump in Moscow's elite property

that they are used to buying. But it also depends on a changed consumption model towards more expensive goods and services and a wider range of services. Prices on property increase 20 per cent a year and are one of the highest in the world. Cars in Russia are twice as much as those in the United States. Analyzing his or her budget, a person surprisingly finds out that in spite of a growing salary, he or she doesn't have enough money. Hence, in spite of constantly increasing salaries, the middle classes buy fewer watches than the rich.

Investing in watches

Income and demand are macroeconomic factors and do not depend on manufacturers or sellers. Retail operations rely heavily on individual watch market operators, which have the greatest impact on sales. So what has been happening in Russia these last two years?



Growth and development of the watch market in Russian cities can be seen everywhere – shops are popping up by the dozen, the interiors of existing shops have been improved and the assortment of watches considerably widened.

The supply crisis of 2005-2006 was followed by an astonishing sales growth in 2007: wholesale companies renewed imports of watches due to a strong demand on goods. 2007 was a happy year for wholesalers as almost everything they brought was immediately sold. Russian monthly growth rates for the period January to April 2007 over the previous year were 124 per cent, 160 per cent, 106 per cent and 235 per cent!

Retailers' appetite for watches is not a direct result of demand, which hasn't increased that much, in fact shop owners estimate the demand from final consumers to be no greater than 25 to 30 per cent. The vast majority of

them to invest in upgrading: increased shopping space, a wider assortment of product and better interiors and equipment. Four years ago, 30 to 60 square metres were the norm for a shop floor, now most shops have 50 to 100 square metres, and sometimes as many as 300 square metres. Investments into design and equipment have been astounding. For example, the stunning interior of the Cleopatra boutique, located in Volgograd, cost over US\$1.4 million to refurbish. In addition to the increased size of shops, the range of the collections on display has also been expanded.

Business cost

In 2007 the official rate of inflation was 11.9 per cent. However, this figure doesn't reflect the business costs of running a watch shop. Let's analyze the situation.

Rental payments grow 30 to 70 per cent every

Therefore, the increased expenditures of a shop during the last year may amount to 50 to 60 per cent. Although it is important to note that the figures only include growth of direct expenditures and do not reflect other factors, such as price growth of trade stock, expenditures on upgrading of equipment and so on.

At the same time watch shops are facing a decrease in their margins. New logistic structures and the opening of expensive Russian subsidiaries have resulted in increased expenditures. In addition to the fact that retail prices are 30 per cent higher than in Switzerland. Some manufacturers set lower recommended prices especially for Russia in order to avoid price differences with Europe which can be as much as 15 to 20 per cent in comparison to the Swiss price. This also results in lower margins for shops. If retailers were receiving watches from a distributor before, with 50 per cent discount off of the retail price, now the discount amounts to between 30 and 40 per cent.

Moreover, watch manufacturers have reduced the number of shops selling their goods. They justify this cut by saying that they have too many points of sale and not all of them correspond to the brand image. Two years ago Tissot had over 400 points of sale nationwide; now according to the company's plan, there are between 150 and 200, with a maximum of 250 points of sale. Omega was available in 39 shops in Moscow, whereas now there are only 10 left. These cutbacks have turned out to be a shock for many retailers, because these brands were the core of their business.

To sum up, watch sales in Russia are generally increasing, but if we take into consideration growing exports and the escalating number of shops, increased investments and expenditures, we will see that watch retail trading has considerably lowered.

The vast majority of watches delivered to Russia over the last year and a half went to fill new shops.

watches delivered to Russia over the last year and a half went to fill new shops.

Over the last two years the number of Swiss watch shops grew about 20 to 30 per cent. But, again, it was not a result of increased demand, but rather due to the fact that the commercial real estate market was more attractive for such developments. Gigantic new shopping centres attract buyers, who now seldom go to old shops.

Alongside quantitative changes we have also witnessed qualitative ones. Visitors to the big shopping centres are often fashion orientated and brand conscious, resulting in a higher demand for fashion watches compared to the more classical models.

Competition among watch shops has lead

year. Rental payments in the popular shopping centres and malls of Moscow multiplied by one and a half in the past year alone and exceeded US\$7,000 per year. In other large cities there are fewer buyers than in Moscow and they don't have as much money. Two or three years ago one square metre in the most expensive places cost US\$300 to 400 per year. Now rental payments that amount to US\$4,500 per square metre don't seem exorbitant.

Salaries generally depend on the state. A civil servant's salary grew from 30 to 40 per cent in 2007 and so did the list of privileges. Therefore, businesses had to increase expenditures for their staff's salaries by over 50 per cent. Most services also became more expensive - security, advertising and so forth.



The 'brave' and the 'careful'

When market growth and profitability decrease come together, retailers are divided into two major groups - the so called 'careful' and the 'brave'. The 'careful' ones target maintaining positions and saving clients, while the 'braves' strive to occupy new positions and increase their client base.

Among the 'careful' there are Consul, Louvre, Mercury, Moscow Time and other large chain stores. They have been in the market for a long time and have famous brands in their portfolio. These companies are not rushing after brands. The basis of their business comes from clients that they have looked after for many years. Their main task is not to lose their position. They carefully examine risks, including financial crisis problems, changes in currencies, bankruptcy of a certain trading centre and so on. Their position is that they have enough stable clients and are strong enough to sell any goods. It is for this reason that they choose brands that bring the most profit and not necessarily the most famous names in Russia.

These 'careful' retailers refuse new projects if the risk of failure is high or if the profitability is

more expensive. Moreover, they have really good clients, which are often open to something new.

In the 'brave' camp are new and developing retail companies with no big clients of their own. Famous brands are of utmost importance to these retailers in order to attract new customers. The 'brave' are happy to sign contracts with famous brands in spite of non-profitability. It is these companies that compensate for purchases that were declined by old partners.

Business results will not be available for a year or two, until then the shops will not be able to make a profitability analysis and we will have to wait and see which of the two strategies was the best. There was a time when to be 'careful' was also to be 'brave', but that strategy has changed.

A country of chain stores

It is clear that the figures only highlight the general situation of the market. The profitability of a company depends on many different things: ability to find and train staff, obtaining better locations in trading centres and attracting investments. It is these factors that

largest Federal companies (Moscow Times, Consul, 3-15) own 30-50 stores all over Russia. There are some cities where there are local chain stores with 10-20 shops. During the last two years some of these companies have been expanding to other territories too. For example, companies from Novosibirsk have shops in Omsk and Barnaul, companies from Rostov have expanded to Krasnodar and other cities.

The problem of monoboutiques

Monoboutiques have become very popular during the last two to three years. Breguet, Chanel, Omega, almost all of the Richemont brands, as well as many others, now have their own boutiques in Moscow. Maurice Lacroix, TAG Heuer and Seiko have also announced the forthcoming opening of their own boutiques. Unlike chain stores with their commercial objectives, monoboutiques appeared because of marketing targets and the ambitions of watch manufacturers. There are rumours that only a couple of these monoboutiques in Moscow are actually profitable. This fact is obvious when you do the maths - if we count the cost of rent for 100 to 300 square metres in downtown Moscow, we arrive at a sum of US\$1.5 to 5 million per year. So the question is, how many brands are supplying the Russian market with over US\$10 million of product?

Manufacturers state that boutiques are not commercial projects, but marketing instruments, targeted at creating brand image. Perhaps it is true. However, in my personal opinion, the establishment of these monoboutiques hasn't had an enormous impact on brand image. And what will happen if the boutiques are forced to close? It is surely just a question of time, unless the company is willing to bear constant losses in its shop.

It is easier for retailers to offer a customer a new exclusive brand, than to explain why a well-known brand became two times more expensive.

insufficient. Such policies result in reduced orders for the traditional brands, which are often more expensive and less interesting from a margin point of view. This creates opportunities for new, unknown brands in the market. It is easier for retailers to offer a customer a new exclusive brand, than to explain why a well-known brand became two times

form the dynamics for development of each market participant. Here chain stores and regional shops, belonging to big local holdings, occupy the best positions. These two categories of market participants are showing the largest growth rates.

From hundreds of market participants, Russia is turning into a market of chain stores. The



Strategic success

Speaking of retail, we constantly mention the mighty manufacturers and how they have been influencing the situation in the Russian market. Manufacturers are mostly aiming for total retail control and strategic success. However they are

of brand penetration in the market. This is inevitable due to the fact that shops are looking for new brands to fill the empty space. Active promotion of corners and shop-in-shops is also a questionable matter. Manufacturers put pressure on the stores to carry their shop-

to assist the points of sale. Retailers clearly prefer to work with subsidiaries than with dealers. However, sometimes it is more reasonable to work with distributors due to the expense incurred by having an office. In addition to the fact that it is extremely hard to find qualified specialists in Moscow whose salaries are often higher than their counterparts in Europe. All these expenditures influence the price of goods paid by the retailer. Consequently, subsidiaries sell watches to Russian retailers at the same price a buyer may pay in a shop in Dubai or Geneva. It is therefore hardly surprising that more and more suitcase traders are appearing on the market, supplying watches directly to buyers in order to avoid customs and Russian

Manufacturers are mostly aiming for total retail control and strategic success.

making mistakes that are not only no good for retailers, but could in the long-term, prove disastrous for manufacturers themselves. For example, manufacturers have been reducing the number of retail points of sale, for reasons of improving brand image. But, will they be able to reach their goals? Perhaps they will. Some shops really have increased their sales of brands such as Tissot and Omega. But decreasing the number of outlets does not increase sales for all shops.

Negative results are already becoming evident. Hundreds of shops with unsold stock are currently having a hard time. It is almost impossible for them to turn the money invested around, taking into consideration the fact that they cannot even advertise the goods. My intention here is not to protect retailers, business is business, and everybody has to solve his own problems. Let's just say that shops will be obliged to find other ways of moving their goods, such as via the Internet. Shop staff may end up with a negative attitude towards the brand and transmit this to their customers. Taking into consideration the fact that there are hundreds of such shops, the consequences could be huge. The situation could become so sour that it would be better for a brand to buy back the goods rather than be submitted to such negative advertising.

Another negative consequence is the decrease

in-shops for better visibility and increased space, but it isn't always in their best interest long term - for two reasons. Firstly, the shop isn't affectively using its space, and secondly, the interior design of the store becomes a mish-

mash of different display units, which are not attractive to the consumer. Over time, these two factors can easily result in reduced sales and even the closing of a store, resulting in the manufacturer losing a point of sale, which is obviously not the aim of the manufacturer when pushing for a corner.

After sales regulations

Subsidiaries have the most serious problem of all - after sales. Russian consumer law is rather strict, if watches are not repaired within 45 days, the shop must return the consumer's money and pay him compensation. Hardly any manufacturers are footing the bill for repairs under guarantee. It is the retailer who must repair the watch, but it is not always easy as receiving spare parts is also problematic. For this reason it is often impossible to repair watches in time, and retailers have to bear all expenditures for goods of inappropriate quality. One of the benefits of opening branch offices is

shops. So instead of a so-called grey market, a black market is being created.

Manufacturers often say that shops are the most important factor of success, that they are not only a money source, but also an advertising tool and feedback channel. Things may look good from the outside, but Russian retail is facing hard times and needs support. If manufacturers will provide support, they will be rewarded in a year or two when the market stabilizes. If they pressure too much, we'll see dozens of closed points of sale. Such an outcome can hardly be called a strategic success for any brand.

The slow growth rates from January to July 2008 may at first seem worrying after the record performance in 2007, however the situation is stable. The market is just simply congested with goods. The good news is that even if things aren't as dynamic as many people would like them to be, watches are still selling, which is the name of the game after all! <



The Watch Gallery Barcelona

› Carles Sapena

I

It was in London, more than 20 years ago, that The Watch Gallery first saw light of day. The project was inspired by a simple and obvious, yet revolutionary principle: a showroom where only exclusive timepieces would be displayed and sold. At this time, such a concept was revolutionary and almost unthinkable, watchmaking being very intimately interlaced with jewellery. Jeweller's shops rarely presented more than a corner or a showcase of watches. Watches were not understood very well, inexpertly dealt with and suffered from a great deal of misinformation. Once this first Watch Gallery was up and making good business, a second shop was opened in Barcelona, under the same name and management. After a time, though, the Barcelona branch went its own way under the rule of a rather wise English businesswoman, Priscilla Newman. Newman had the insight and the courage to concentrate her



Priscilla Newman

efforts on this original concept. It was a cutting edge store for the city, and even more so considering its location, which was in an area of Barcelona that was on the border of the high street commercial zone and a residential area. Nowadays, the original Watch Gallery concept has been replicated with more or less fortune by others, proving that the idea was a good one.

The Gallery brings together the very best of the Swiss watchmaking brands, with Patek Philippe leading the pack. Patek Philippe supported the project right from the beginning and this is just one of two stores in this large

city where one can contemplate the most extraordinary pieces of the Geneva based manufacture. Furthermore, Patek Philippe has just overseen the addition of a very preferential corner shop in The Watch Gallery.

We can also find other fine watch brands like Audemars Piguet, Breitling, Glashütte Original, IWC, Jaeger-LeCoultre and more to complete a list of more than 30 brands that make up an extensive and varied offer. Some of the brands, such as JeanRichard, MeisterSinger, Volna or Vulcain are exclusively represented by the shop. The timepieces on show to the public are a carefully chosen selection of the most representative pieces from modern day watchmaking, covering the whole range of budgets and styles, which is a most remarkable achievement by the Watch Gallery.

The curator at this exhibition, Priscilla Newman, and the tight-knit team around her, have turned the shop into *the place* in Barcelona, where the future owner of a quality watch is able to receive professional and independent information about all watches, from modestly priced pieces to those most unique and sought-after timekeepers. ◀

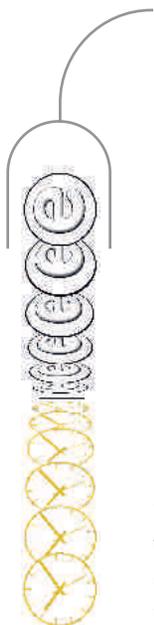


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How well are the top brands ranked in search engines?

› In collaboration with Jonathan Tower, IC-Agency

Every year, the WorldWatchReport reveals the most searched luxury watch brands online. By dissecting the search volume for the top luxury watch brands, IC-Agency, the publisher of this market study, was able to categorize the intentions of these searches and deliver insights and trends. Among this year's top revelations were the continuing online demand of counterfeit products and the growing demand of preowned watch models. Also revealed was Omega's increased popularity that was propelled by its Seamaster model, which overtook Rolex's Daytona as the most searched model.

If there is one thing that is clear, it is that these brands benefit from a large amount of search volume. However, the amount of searches for these brands does not necessarily translate into visits to their website; the brand's official website isn't the only one appearing in the search engine results and can be outranked by other sites such as those of resellers or of related blogs.

As search engines remain the main navigational tool for most Internet users, ranking remains key for many brands. Appearing among the top search results in search engines is important for most well established brands, but even more so for watch brands, who are competing for search engine real estate against resellers and counterfeiters that go to great lengths to appear at the top. Although some may be well ranked for their own brand name searches, how are they ranking on generic luxury watch terms? We set out to discover this using the same markets (Italy, France, United Kingdom, United States and Germany) and brands (Rolex, TAG Heuer, Omega, Cartier, Ebel, Girard-Perregaux, Jaeger-LeCoultre, Chopard, Breitling, Patek Philippe, Bulgari and Longines) as found in the WorldWatchReport. Our study consisted of using eight generic luxury watch keywords such as 'luxury watch', 'haute horlogerie' and 'ladies watch'.

The results show that there is room for improvement. Although most websites are optimized to appear when searching for the brand, very few sites even appear at all on these generic search terms. Since very few sites even ranked on our search terms, we measured performance by the number of appearances, instead of average rank.

Overall, Cartier had the highest number of appearances in our eight-keyword, five-country test. Cartier's advantage was aided by the fact that it has a family of country specific sites. In France, Cartier was one of the only brands to appear in the search results. Receiving the second largest number of appearances was TAG Heuer. This brand's performance was largely concentrated in the United States, where it appeared very prominently for the selected keywords. Despite having a large number of languages available on its site, it did not manage to rank high enough in non-English searches.

Rolex and Omega, leaders in brand searches, come in at third and fourth respectively, mirroring very much TAG Heuer's results. Ebel manages to appear on a few of the keywords, while all the other researched brands showed little results.

The keywords that triggered these brands the most were 'luxury watch' and 'Swiss watch'. These represented the keywords that were much more closely linked to the luxury industry. Keywords such as 'men's watch', 'sports watch' and 'ladies watch' saw very few appearances of our top 12 brands in their search results. While they represent keywords that are a part of a sector larger than the luxury industry, a strong presence here could help spread their brand's awareness and mirror their standing as a reference of quality to the entire watch industry.

When comparing these rankings with the results of online demand for these brands published in the WorldWatchReport, we notice that there is no obvious correlation between brand popularity and ranking. While the top three searched brands, Rolex, Omega and TAG Heuer, still perform relatively well, Cartier's multiple, global results outshone these much more searched brands, providing it with an opportunity to spread its brand.

Perhaps the largest conclusion to be drawn from this search engine ranking report is that there is an opportunity for a few of these top luxury brands to occupy prime search engine 'real estate'. There is an even bigger advantage to be gained for those with less brand awareness. Search Engine Optimization (SEO) is the route that leads to better ranking, but it can be a long process. Within a year, will one of these brands start to show considerably better ranking results? Only time will tell. ◀



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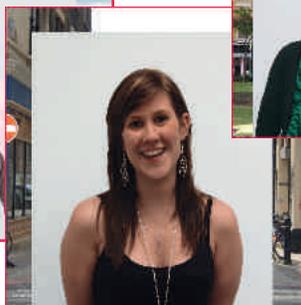


Britain

The new British Real Time clock



Hour, ...



minute ...



and second.

Over three and a half billion people have now dialled the numbers 123 to access British Telecom's Speaking Clock, often referred to as TIM (short for Time). At present a caller hears the following: "At the third stroke the time sponsored by Accurist will be...". Over 22 years ago Accurist struck a brilliant deal to have its watch brand proclaimed thus, but the facility to check the exact time of the day on the telephone in the UK goes back a long way.

In 1924 the BBC World Service introduced its Standard Clock, manufactured by English maker Edward Dent, to signal the time via six 'pips'. The sixth was the long one and denoted the designated point of time. Radio Four still broadcasts this system.

The very first British Speaking Clock was created by British Telecom's predecessors' engineers using the same techniques as for movies, the successive time messages being recorded on four glass discs. They were soon succeeded by magnetic tapes. This clock was the first in the world and began operating on 24th July 1936. The time spoken by its first 'voice', Miss Ethyl Caine, was synchronised hourly with GMT, and even then the accuracy achieved was \pm one second. Only three other voices have been used since.

Accurist is in its own way a unique British watchmaking enterprise, founded in London's old clockmaking district of Clerkenwell by Asher and Rebecca Loftus in 1938; its first watch carrying that name came in 1946, and was so called because their timepieces were both accurate and on the wrist. Their youngest son Andrew Loftus is the managing director today, and it was he who had the idea for the Millennium Countdown clock at the Old Royal Observatory in Greenwich. It was satellite-controlled within thousandths of a second, as it counted

down through the last 1,000 days of the twentieth century. A commemorative range of Accurist watches was launched before those essential seconds reached the year 2000.

Andrew's latest big idea has been the British Real Time clock, and you can find it by logging on to www.britishrealtime.com. You will see, on the left, a person's image mouthing the hour (for one hour), in the centre a smaller image of another volunteer giving the minutes (for one minute), and to the right the smallest image, of another person proclaiming the seconds (during a ten-second period). The three images shown in our illustration are among 4,620 video clips carefully chosen from the many members of the public who volunteered to enter recording

booths at the beginning of September this year in four locations in England, Scotland and Wales. The website went up on 12th September, and now offers an ever-changing array of the faces and voices of the men, women and children of modern-day Britain.

One now-to-be-familiar face appearing on British Real Time is that of a 42-year-old Scottish lady, Louise Ingram, who filmed her clip in Braehead: "The speaking clock is a British institution, but it's a little bit outdated now as people check their mobiles and use their computers to tell the time rather than phoning up."

Andrew Loftus agrees, and adds that access to Accurist's British Real Time website is free, that it is fun to use, and that computer timing can in fact drift. More obviously, he points out that his new site is intended to be a "hook to Accurist wristwatches", and your correspondent believes that it will be used as frequently as Andrew's previous promotional tool. He challenged me to guess at what point in the year demand for the Speaking Clock was at its highest. I suggested Christmas Eve, Christmas Day, New Year's Eve or New Year's Day. I was wrong. His response was touching: that period was just before the annual Two Minutes' Silence, which is observed throughout the country in commemoration of Britain's war dead, at the eleventh hour of the eleventh day of the eleventh month.



Michael Balfour

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Vive la Révolution!



"In Italy for 30 years under the Borgias they had warfare, terror, murder, and bloodshed, but they produced Michelangelo, Leonardo da Vinci, and the Renaissance. In Switzerland they had brotherly love - they had 500 years of democracy and peace, and what did that produce? The cuckoo clock."

Most of you will recognize that quote from the classic film noir *The Third Man*. Harry Lime, played by Orson Welles, is justifying his dirty deeds to Joseph Cotton as they get off the Ferris wheel in post-war Vienna. Welles introduced that piece of dialogue to Graham Greene's script, but he didn't quite get the facts right since, as we all know, cuckoo clocks were first made in the Black Forest. In fact, rumour has it that there was a precursor to the cuckoo clock invented in 1206 called an 'elephant clock' although I'm intrigued as to the sound it would have made on the hour.

Be that as it may, as this summer of 2008 draws to a close, I remain amazed at the headlines the newspapers use through what we often term 'the silly season'. As you can see from the reproduction of the front page of *Le Matin* dated August 25, one of Switzerland's daily newspapers, there's been a 'revolution' in the weird and wonderful world of chocolate: the creation of a dark chocolate Ragusa bar. Daniel Bloch, the director of the Camille Bloch chocolate company, is seen here bravely facing the camera without makeup wearing a stunning outfit in white cotton with a contrasting red patterned tie and completed by the latest vogue in Indian calico bonnets that surely will have specialists in millinery circles eating their hearts out. Not merely a pretty face, Mr. Bloch performs for the reader an amazing feat of dexterity by holding the chocolate's packaging in one hand, whilst tentatively easing his teeth into one of the revolutionary dark Ragusa bars ... and, at the same time, smiling.

We've had a few revolutions in our industry, from the cuckoo clock to the pocket watch and on to the wristwatch. We've seen incredible innovations and 'revolutionary' creations by men such as Abraham-Louis Breguet and Georges-Auguste Leschot and in more modern times from Christophe Claret and François-Paul Journe to Patek Philippe, Vacheron Constantin, Jaeger-LeCoultre and TAG Heuer. (I've purposely omitted any mention of the polemical quartz revolution.)

Nevertheless, when the word 'revolution' is mentioned, personally I tend to think more of events that had far-reaching repercussions such as the Industrial Revolution in England (1760 – 1850) when fundamental changes in industry and the economy brought about fish and chips wrapped in newspapers and rhubarb crumble, or the American Revolution (1775-1783) which led to George Washington becoming the First President of the United States and the world being overrun by hamburgers and French fries. The French had their revolution (1789-1799) that saw kings and queens being replaced by Napoleon and the guillotine being used for more than just cutting the end off cigars, not to mention the



Russian Revolution (1917) which eliminated the tsars, saw Rasputin taking a much longer underwater swim than he would have liked and introduced the world to borscht soup.

But let's not get sidetracked from the *raison d'être* of this epistle: chocolate. The cocoa bean has been around almost since time immemorial, although the Mayas used the ground beans to make a sort of beer rather than chocolate as we know it today. Much later, the Aztecs made an actual chocolate drink and the Spaniards brought the beans back to Europe in the 1520s where chocolate became the drink of the elite for the next 300 or so years. Joseph Fry of Bristol, England, made the next major discovery in the world of chocolate when he invented a steam engine for grinding the beans that allowed chocolate to be manufactured on a larger scale, to be followed fairly soon afterwards by Fry & Sons inventing mouthwateringly, the yummy chocolate bar in 1847. In Switzerland, Daniel Peters produced the country's first milk chocolate bar in 1875, using powdered milk that had been invented by a certain Henri Nestlé a few years earlier. Since then the Swiss manage, on average, to eat around 10 kilos of chocolate per person per year – that's around 100 bars of chocolate – or put more simply about two bars a week – which has created an industry estimated at around 900 million Swiss francs a year.

So, 60-odd years after Orson Welles' declaration and 560 years of brotherly love, democracy and peace in Switzerland, we now have not only the cuckoo clock and a very healthy watch industry, but more importantly, we have a dark chocolate Ragusa bar.

As the good book says: *'In the beginning, the Lord created chocolate, and he saw that it was good. Then he separated the dark from the light, and it was better.'*

Vive la révolution!



D. Malcolm Lakin
Roving Editor



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