



Jaeger-LeCoultre

INNOVATIVE VISION

The illustrious history of Jaeger-LeCoultre (JLC) is based on centuries of innovation, creativity and technical skill. Established in 1833, the manufacture still holds these core values at the heart of its brand. South Africa Deluxe had the privilege of interviewing JLC Chief Executive Officer, Daniel Riedo, at SIHH 2015, learning more about the manufacture's vision and where it will lead them in the coming years.

Daniel Riedo is no stranger to Sub-Saharan Africa, having travelled here many times, through Botswana, Zimbabwe, Uganda, Rwanda and three times to South Africa, where he particularly enjoyed his travels up the west coast.

For parent company Richemont, the Asia Pacific region accounts for just under half of their global sales. Riedo confirms that JLC's Asian network was developed two years ago and that it is now well established, "Mainland China, Hong Kong, southeast Asia is quite good, with the exception of one or two locations that prove to be so good that we have to be there, for example we just

opened at ION Orchard in Singapore three months ago, so we continue to develop the brand in Korea, but for Asia, mainland China, Hong Kong and Macau it's done. In the last 18 months we developed much more the retail presence in the European markets, we opened more than eight boutiques in Europe; Venice, Roma, Milano, Vienna, Madrid, Munich, Amsterdam, and we will open a new flagship in London within the next two months."

Riedo explains that for JLC, the location of their boutiques is important, "Once again it's something we've been looking for, for many years and it's well located on Bond Street. Location is a major issue and we had to be patient. And that was the target for the last 18 months, and now we are targeting the US market once again."

Riedo says JLC's presentation in the United States via their retail network was not on a par with the level of the brand as it is today, "Now are the next steps in the development of the brand. We've just opened a flagship store on Madison Avenue in New York, on the 19th of December, and the next three or four projects will be in Aventura, Bahamas, Toronto, Vancouver, Chicago and that's the next steps to establish the network."

In 2015, the Manufacture in the Vallée de Joux pays tribute to astronomy, keen to share its fascination for the movements of the heavenly bodies, and drawing upon these inexhaustible sources of inspiration and using them as a privileged means of expressing its expertise. The collections displayed at SIHH 2015, embody the magnetic beauty of the sky, moon and stars.

Riedo is excited about the future of the brand, "What are the targets right now? It's to continue to develop the product, we have done it for the past centuries and we will continue to do it for the next years. We also have some great opportunities to develop some new collections that will be introduced this year, they will be revealed to the public in the second part of this year. On top of that what we are trying to do is to push the brand at a higher level of image, which means we try to have the brand more aspirational, not only technical, watches, products, and for that reason we chose this kind of theme for this year just to make this aspiration come true in life, to say look at the stars, look at the sky."

Speaking on South Africa, Riedo says, "South Africa for me, is a market for us to reach, there are plenty of connoisseurs in this area that can reach this kind of product. For ladies these watches are something that we can





continue to push in the market." The success of any brand lies in its ability to be agile and innovative. For JLC, a brand with 182 years of watchmaking expertise, the continuous ability to foresee potential new trends and shifts in the marketplace is critical to the longevity of the brand. Over the past few years the traditionally male-focused watch industry has seen a greater demand for beautiful, stylish and mechanically superior watches from their female customers, who are starting to really focus on watches as central part of their prized jewellery collections. It is this shift in the market that JLC was able to successfully address, when it launched its Rendezvous Collection three years ago. "It was the first (feminine) line in the JLC collection, and probably for other brands also. A watch brand's typical female approach means that it was developed by ladies for ladies; it is not simply a reduction of a man's watch like it's usually been done. It was the first time that we had designed something by our female designer for women. This success is based on that. The second surprise was that the lady customers are focused on the content, not only on the design, on the show-off of the watch." Riedo explains that the first model in the Rendezvous Collection was developed in quartz and mechanical movement, and that the sales were much higher on the mechanical movement. When they questioned the customers who had bought the quartz movement as to why they had chosen them, they discovered it was basically because the brand was unable to push more mechanical movements to market. This discovery led to the Manufacture electing to stop the quartz production in the collection in answer to the market's request for complications. He confirms there are continuous requests for complications in the ladies ranges, highlighting the Ivy

Minute Repeater on display. "That was the first time that the minute repeater was developed for the ladies' size segment, with an automatic movement, and so far these pieces are very good on sales, we are very surprised we are taking many orders at this SIHH, for two days now, triple our forecast! That's the reason for the introduction of the Rendezvous Moon, the Minute Repeater is at a much higher price, not everyone can afford it, but this one is more affordable."

In embracing the digital era, JLC has opened online boutiques on its region specific websites. While the majority of sales still flow through their traditional boutiques and retail networks, Riedo says the online boutiques are starting to be successful, but acknowledges the key lies in understanding your markets intimately. "We opened the online boutique in the USA two or three years ago and it still continues to grow, even though it's a small part of the business. In the European market it differs, you have so many boutiques, so many stores, probably in that luxury market, people continue to prefer to go to the actual boutique, because there are boutiques everywhere." In Africa, where distribution can be challenging, the online store could be a smart way for the Manufacture to penetrate the market, making it accessible and mitigating a variety of logistical issues such as maintaining a physical presence or holding stock there.

Riedo says this is something that will definitely be expanded in the next year or so, at which level they don't know as yet.

Time will tell whether the rapid strengthening of the Swiss Franc will have a significant impact on the Manufacture's bottom line. For now, with forecasts being beaten at SIHH, the future looks positive for this elegant, creative and innovative brand. ■ Lindsay Grubb

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