



Piaget

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## SETTING THE TRENDS

*Philippe Leopold-Metzger, CEO of Piaget has been to South Africa many times. He's a keen golfer who loves to play at Leopard Creek and he enjoys the opportunity to witness our country's bountiful wildlife, in between meetings, during their June conferences. We caught up with him at SIHH 2015 to hear how Piaget has tackled the challenges of the past year, where they've grown and what impact the rapid strengthening of the Swiss Franc has had on the business.*

On the challenges the brand faced in 2015, Leopold-Metzger said, "The challenges are always there obviously. Piaget is a very, very big brand today, very exposed in China. We have been very, very strong in Asia and in China for very many years. Business is more challenging in Asia now than it was for many years, so you see the question for all brands, including Piaget, is to look even more in-depth to all territories, like Europe and America, where we feel that we can work harder and probably differently." "Then looking at territories that are new, we're talking about South America, and we are going to talk probably about Africa and the Middle East. When one market gets slower, other markets in the world are getting stronger and I think Africa will be a very, very important continent. In fact, me personally, I'm investing in a number of companies in Africa. I think for the moment, most of the investments we have made have been in the Ivory Coast, Ghana and Kenya. I want to have both from a personal

and business perspective, an understanding of Africa. Africa is an interesting territory." Piaget has traditionally been extremely strong in Francophone Africa, particularly in Ivory Coast, so they have a history. Leopold-Metzger says the brand is currently developing more business in Nigeria, which he feels is an obvious market on which to focus. "In Nigeria we are working with partners, it's not like in South Africa where we are having our company, or in most parts in the world. At the moment we still work mainly with retailers and I think our partners, our retailers are looking to see which development is going to be the best - it's always difficult, you either go quickly and hope you've made the right bet, or you wait a little bit to make sure the choice is going to be optimal. Nigeria I think will be big." "The question I think, when you go to Nigeria or South Africa, all those countries, is you have to communicate to the people there, knowing they will buy wherever they want. Rich South Africans and rich Nigerians are in London almost monthly, but you know at the end of the day there is still always a need to buy locally, especially in watches, you know, watches need to be serviced; distribution of luxury will develop, and will develop in Africa." For Leopold-Metzger the question today lies in how fast the distribution can adjust, "We are ready obviously. I think we are ready and the consumers are ready and increasingly so, and I think that building the distribution bridge and having, throughout Africa, the right distribution partners is going to be one of the challenges." When it comes to agility, Piaget is agile, identifying opportunities in the market, and preferring to lead rather than follow what others are doing. Leopold-Metzger says it is a strong brand with a 104-year history, "If you look at the '80s and





'90s, Piaget was very strong really for jewellery watches, being the jeweller of watchmakers was really what Piaget was about. If you look at the last 15 years, we've also worked a lot on ultra-thin. Ultra-thin is something that Piaget really mastered in the late '50s. Then there were not so much ultra-thin watches on the market, and we really were pioneers for ourselves, but also for the industry, because now when you look around you will see a lot more very thin watches. We are more trendsetters than trend followers and I think this is the way we would like it to continue." With regards personal leadership style, Leopold-Metzger says he tends to work a lot with the same people, "I feel that if you want a very long-term approach, then you want to have people that are thinking long-term. We are not a company that is looking for low-hanging fruits but rather in a number of areas we have been thinking ahead of others. You talk about product, I think we have a very definite vision of what products we should have, again looking more at our DNA than trying to mirror what the others are doing."

He says, "We are very forward thinking when it comes to retail. We have probably been the first real watchmaker that started developing a network of boutiques; today we have roughly 100 Piaget brand boutiques around the world."

We asked what the likelihood was that we'd be shopping in a Piaget brand boutique in South Africa soon, but Leopold-Metzger says it's probably a little early, "We would charge a franchise.

I think today is early days, we have to develop awareness, the awareness is important and I think the size of the market needs to be there before you start opening boutiques. So we don't have any plans to develop Africa with boutiques, I think it's a bit early days." He confirms that the brand is also very much forward thinking when it comes to manufacturing, "All the watches that you see here are made by us, all the movements are made by us, so we're strong at manufacturing which is something that is at the heart of the company."

He believes it is this sort of thinking that they've had, which holds the team together. In terms of his personal management style he says, "I like to work with people and I like to listen, most of the time, to them, and then the brand is successful, it is the success of the team that matters before anything else."

When asked about his favourite watch, Leopold-Metzger says he loves the Skeleton watches, "I have a beautiful Altiplano Skeleton which my wife just got for me, and there is also a very beautiful Skeleton with a gold Skeleton movement. There are plenty of watches that I like in Piaget and in the industry."

How will the strengthening Swiss Franc affect Piaget? Leopold-Metzger says, "In truth, it's not like we're competing with another country, if you want to buy a beautiful watch, you're going to buy basically a Swiss watch, so therefore while it's a challenge, if you are creative and innovative and are different to everyone then you will survive." ■ Lindsay Grubb

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