



Hermès' big launch for Baselworld 2007 is this astronomic watch (£18,150) - the second of the Parisian house's 'Cape Cod' models to receive a Vaucher Manufacture Fleurier movement. Here, calibre H 1929 drives hours, minutes, seconds, retrograde date and moon phases, which are accurate for 122 years and 46 days (after which, a one-day correction is required). Issued in respective series of 170 rose- and white-gold pieces; a number corresponding to the years since Hermès' foundation in 1837.

# Arrival

Hermès' stake in Vaucher yields the watches we've all been waiting for



When any brand well established in what one might call its natural environment decides to launch watches, there is a moment of puzzlement while timepiece aficionados and marketing gurus pause to consider what they call 'synergy'. Does this company and the production of top-end watches fit? Even now, when the higher echelons of the watch market are opening up dramatically, there can be mistakes. It is risky business. But when that brand is Hermès - synonymous with, if not exactly the fashion elite, then simply the elite in silk, leather, elegant clothing and other very nice stuff - they have to wonder, well, what took you so long?

Josh Sims





Launched in December, shortly before the announcement of Hermès' 25% stake in Vaucher, the Cape Cod 8 Days, which adds a jumping-hour feature to the twin-barrel calibre H 8928. Of the 169 pieces, 24 platinum models (€29,500) will be issued, alluding to the address of the marque's flagship store on Faubourg Saint-Honoré (rose-gold model, €14,750; white gold, €16,250). The unusually shaped Cape Cod watches draw inspiration from the 'Chaîne d'ancre' bracelet - Hermès' most successful jewellery design, first created in 1938. The chain motif recurs throughout the Hermès range.



"You have to remember that there was a time when mechanical watches were all but disappearing. There wasn't the trend of the last few years where growth in the Swiss watch industry was through mechanical watches," says Guillaume de Seynes, Executive Vice President of the Hermès Group, Chairman of La Montre Hermès watch division and the man who kickstarted the brand into taking serious watches seriously. "There was also this idea that our strength was in design and the strap, not the engine. We thought that could be functional and reliable. But those ideas of craftsmanship and excellence were missing."

Indeed, Hermès is not exactly new to watches. Back in the 1920s, when wristwatches began to replace pocket watches, it spotted - through its long association with working with leather, principally as a saddlemaker - the opportunity to supply first-rate watch straps. The first Hermès watch appeared in 1928. Even then, it tried to buy in exclusive watches from the likes of Movado, Jaeger-LeCoultre, Vacheron Constantin and Rolex to sell through its Paris store. But they were not proper Hermès watches - in fact, watches were the only products that Hermès bought in and badged. Jump forward fifty-odd years to 1978 and the unfulfilled ambition to introduce Hermès' creativity to watch design is realised by establishing the 'La Montre Hermès' watchmaking plant in Bienne, utilising the advent of the quartz movement with an industrial manufacturing process.

It made for good business - over 100,000 women's quartz watches are sold every year, especially in Japan. And the watches have always won plaudits for their exterior design, if not the mechanics. There's the Harnais and Hauteville, with a case set into a leather base morphing into the strap (occasionally with

ETA movements); the original Cape Cod, with its double wraparound 'Double Tour' strap; and, for those who like their branding writ large, the Heure H. But it still wasn't very 'Hermès', despite the orange leather and allusions to its heritage in equipage. "There was still this ambition to enter the mechanical watch world, because its revival represented an increased interest in craft. Hermès as a brand has always been about craft," says de Seynes.

Hermès entered that world with conviction just three years ago, in 2003, with models carrying highly respected Vaucher Manufacture Fleurier movements. The first for men - and perhaps the collection most likely to become the Hermès classic - was 'Dressage', launched to commemorate 75 years of Hermès watches (see 'Verve', Issue 5). With a double-barrel winding mechanism it had a then-unusually high power reserve of 55 hours and a case available in three gold types mounted on, of course, a leather strap. A moonphase and retrograde-date version brought in an added complication.

Some recent models, like 2006's round Arceau models carry functional ETA movements; others carry Vaucher movements, with Vaucher set to provide the house movement for watches launched this year onwards. December saw this commitment sealed in style with the Cape Cod Eight Days, which unusually married an eight-day power reserve and jumping hours. Furthermore, the calibre 1929 found in the Dressage Moonphase has made its way into the chunky Cape Cod case this year, providing a suitable headline launch for Baselworld 2007. As usual, the Vaucher movement is on display through the caseback, decorated with an intricately engraved 'H' pattern.



"The Vaucher movement was important to get the message across that we're not just another brand doing watches."

The reaction to Hermès going mechanical was mixed: on the plus side, men who loved Hermès but wouldn't wear quartz sighed with relief, while others started to buy Hermès products who had never bought Hermès before - an accolade for the watch designs. On the down side, it all took some persuasion...

"It's true that, initially at least, and in the US especially, there was great scepticism, and that takes a lot of explaining," says de Seynes. "Even though our watches aren't fashion items, or made under license by some sub-contracting arrangement, we still can't claim to have roots in Swiss watchmaking. Of course, the watch sector is full of companies with great heritage. But it's also seeing new companies come in with new ideas, new shapes, new complications. The Vaucher movement was important to get the message across that we're not just another brand doing watches."

As if that remained in doubt, Hermès has now put its money where its mouth is, intending to invest SFr.25m over a series of capital increases to acquire a 25% stake in Vaucher, thus enabling Vaucher to continue its expansion. Like Hermès,

it is a family business - owned by the Sandoz Family Foundation - and this, says de Seynes, meant the two companies had a mutual appreciation that allowed them to gel far easier than they might otherwise have. One could imagine that, eventually, this arrangement might lead to Hermès' share of Vaucher growing.

A specialist in the manufacture of *haute horlogerie* movements and components, Vaucher is of course the bespoke manufacturing facility behind Michel Parmigiani's eponymous brand, also owned by the Sandoz Foundation. Indeed, some dialogue between the brands is already occurring, with Hermès straps - fresh from a new Bienne workshop set up in October - starting to appear on Parmigiani watches. Other prestigious clients on Vaucher's books include Richard Mille and Corum, so Hermès joins a lofty clique, and, with invested interest in Vaucher, should soon find itself wielding notable clout within the industry.

Vaucher has seen a high level of investment over the last decade and, importantly to Hermès, is independent in an age when most manufacturers are now part of brand-driven groups. Hermès was never



(Top left) Assembly of the Cape Cod 8 Days at Vaucher Manufacture Fleurier - part of the Sandoz Family Foundation, a holding structure that spans a variety of industries, established in 1964 by Marcel Edouard Sandoz, son of the founder of Sandoz SA, Basel (now Novartis SA). Integrated with almost complete verticality, the Vaucher group combines three Vaucher sites in Fleurier with four recently acquired firms: Habillage et Cadrons SA in Fleurier (dials), Bruno Affolter SA of La Chaux-de-Fonds (precious-metal watch cases), Atokalpa SA in Alle (pinions, wheels, gears and springs) and Elwin SA in Moutier (profile-turning and high precision profile-turning machinery). Six thousand movements were produced in 2006 for a limited circle of clients; a figure expected to rise to 10,000 in 2007.

(Top right) Some of the 234 components that go into Vaucher's calibre H 8928 movement, which drives Hermès' Cape Cod 8 Days at a frequency of 21,600 vph for 192 hours.

(Above) Hermès mainstay 'Arceau' was designed in 1978 by Henri d'Origny, distinguished by its upper horseshoe-shaped attachment and playful sloping numerals. This copper-dialled model (€1,325) was one of the first to receive an automatic movement, ETA's calibre 2892-A2.



(Above) Launched last year, the Arceau Chronograph (£2,575) containing the automatic ETA 2894 movement.

(Right) The Moonphase model from 2003's 'Dressage' collection - La Montre Hermès' bold entrance to the mechanical market (rose-gold model pictured; £16,500).

interested in simply buying a brand; the Vaucher arrangement will give Hermès the credibility that, until recently, its watches have lacked. But, for some watch fans, Hermès will still have to overcome some prejudice to see it positioned as a luxury-goods house that can be ranked alongside specialist watch brands, rather than one that sits alongside the likes of Dunhill, Montblanc, Chanel, Dior *et al.* (brands making similar efforts to upgrade). This recent move is entirely in keeping with the Parisian house's strategy of bringing into its group the masters of their respective fields, such as bootmaker John Lobb, goldsmiths Puiforcat, and fabric weavers Perrin & Fils.

"I don't think we're at a disadvantage in being a luxury goods house and not a watch specialist," believes Emmanuel Raffner, the Managing Director of Hermès' watch division and the man charged with driving Hermès watches forward. "In a way, I think that allows us to be creative and expressive in pursuing the elegance that Hermès is about, but through watches. It's true that when we introduced a complication some other brands must have thought we were crazy. But you have to be serious about your products."

Raffner concedes that, while Hermès' women's market remains strong - because women tend to be excited by the look of a watch rather than its insides - there remains a need to develop the men's offer much further, along three lines of attack. It now has, for the regular collector, watches that are a relatively affordable entrée into the Hermès world. But it also needs to appeal both to Hermès customers more used to wearing mechanical watches from other brands, as well as watch

connoisseurs who may not be traditional Hermès customers but keep an eye open for something fresh.

"In order to reach the level where an Hermès movement is considered innovative will take another seven or so years," Raffner reckons.

"The market will develop for us before then, of course, but it will take that long to develop the watchmaking know-how in-house and to fully integrate it. Considering that we only started in mechanical watches three years ago, the market is already growing much faster than expected. What I think Hermès will offer the connoisseur is a high-end movement but with a certain style too."

This will be Hermès' strength. What may make Hermès mechanical watches succeed in the long run is not that their mechanisms are Swiss - rather that the motivation behind them is very French. While our measurement of time may be immutable and constant, de Seynes suggests our relationship to it - emotional and in flux - is anything but. He speaks of a current design idea that aims to capture the feeling that there are moments in the day that one wishes would hurry by, and others that one wishes could be extended.

"Hermès has a relationship with time in a way that we want to reflect in our watches," says de Seynes. "That may sound a little like intellectualising it all. And maybe it's a bit ambitious. But we want to be more *poetic* about time." ◉