



Legacy

As Stern Snr hands the baton to Stern Jr at Patek Philippe, the father and son team talks exclusively to QP on nurturing a watchmaking institution

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(Left) The kings and their castle: Stern Snr and Stern Jr pose in front of Patek HQ in Plan-les-Ouates, Thierry leaning on a giant 'spirale' sculpture. The firm relocated there in 1996, seven kilometres south-west from Geneva. A restored 16th century chateau is at the back. (Above) Patek Philippe launches its celebrated Annual Calendar at Basel this year with two new faces: the ref. 4936 (left) and ref. 5146 (right). The 4936 is the first version intended exclusively for the feminine wrist. The 5146 is the men's model with a slightly enlarged diameter (39 mm) and additional power reserve indicator.



Who's interrogating who?
Your author (left) takes notes
in Philippe Stern's office.



In the past, Patek Philippe and I have had our differences, undoubtedly arising from fundamental differences in character. I have an impatient and mischievous streak; Patek Philippe does not. Let us leave it at that. But time is a great healer. I never thought I would ever ask to interview Stern *pere et fils*. Even less likely would have been their acceptance. So it was with considerable surprise that one winter's day I found myself sitting around a table in Philippe Stern's office at Patek's HQ in Plan les Ouates, with the sexagenarian patriarch and his heir, 34-year-old Thierry. It was with slightly less surprise that we found ourselves discussing the fact that, as with its watches, so with the company itself, you never really own the quarter-of-a-billion euro business that is Patek Philippe – you merely look after it for the next generation.

Beyond the fact they are Swiss, I find it difficult to detect a family resemblance. Philippe Stern is courteous and reserved; his son is effervescent and enthusiastic. The father is thoughtful and mindful of tradition; Thierry is excitable and curious about new technology. Indeed, at the sight of my wafer-thin Sony Vaio laptop he lets out a low whistle of appreciation and motions a nearby aide stood against the wall like a footman in a Regency drawing room to fetch his own Sony Vaio to note the difference in size.

It is surprisingly refreshing to witness the enthusiasm of youth in the President's office of Patek Philippe. Occasionally, Thierry's

enthusiasm will get the better of him though. I remember sitting across from him at lunch one day when he was suddenly struck with a notion of magnetic cufflinks. It was early on in the lunch, so I doubt he had been hitting the sauce; I think the idea had just entered his brain and exited via his mouth. The fact that a magnet strong enough to link a man's cuff would undoubtedly affect the performance of the precision movements for which Patek is so renowned seemed a detail hardly worth mentioning.

Brothers at arms

For almost 30 years now, the firm has been run with a steely determination by the sophisticated business mind of Philippe

Stern. Since he took over in the mid-1970s, Patek has gradually put an increasing amount of distance between itself and its competitors. It is safe to say that Patek was always a little more equal than its rivals, but today it is spoken of as something of a special case outside the normal terms of horological reference. It does not have to speak too loudly or try too hard to create a big impression: the prices that the old pieces command at auction and the reverence shown by collectors do the talking.

Nevertheless, these are interesting and difficult times for all watch brands; the landscape, or battlefield if you prefer a militaristic metaphor, is shifting. Many of the brands that Philippe Stern knew when he was his son's age have fallen into the hands of a couple of major owners. At the other end of the spectrum, small niche brands like Parmigiani, Journe and Mille are doing their best to claim the horological high ground with innovative and complicated pieces.

Weathering the storm

Things were very different when Philippe Stern entered the family firm four decades ago. "When I finished my studies here in Geneva [he read economics at university] I went for almost two years to Germany, working in different firms, finally working with NCR. Then from Germany I went to New York to work on the distribution of Patek Philippe. It was, and still is, a big market and a difficult market – a good way to learn the business.

What struck the young Philippe Stern most was that, "Although we had some good customers and there was a tradition among some to wear a Patek, so many people – important business people – did not care about watches," he says, adding with an air of incredulity, "They had a Timex on their wrist and were happy. It was not in their mentality to own fine watches and that is one big difference to the business today."

However, the young Philippe Stern soon had much more to worry about than corporate America's reticence towards fine watches. "Many things changed when quartz came along. Many people believed that the mechanical watch was over. However, I took the decision that we will not stop mechanical watches, but that we would make some new types of movements. I thought you will always have some people who will be interested



The ladies' ref. 4936 Annual Calendar has a bezel with 156 diamonds and a mother-of-pearl dial. The patented Annual Calendar mechanism automatically displays the correct date in months with 30 or 31 days, only needing to be adjusted once a year, at the end of February.



This ref. 5146 has an 18-ct white gold case with creamy white lacquered dial. A yellow-gold case and slate-grey dial are also available.



Thierry's choice: the Aquanaut ref. 5065 A (£7,015), from the 'Casually Elegant' range that also encompasses the legendary Nautilus. Water resistance to 120m and a 'Tropical' composite strap lend aquatic credentials.

in fine watchmaking and we were one of the few to concentrate on mechanical watches here in Switzerland. But," he adds carefully, "we did produce *some* quartz."

Modern profile

He explains the character of his stewardship simply and eloquently as the time when a "philosophy turned into a strategy." Having successfully weathered the quartz era, Philippe Stern then set Patek on a course of sustained growth that has seen the firm's staffing levels rise from around 100 people to nearly 1,000 today. Output has grown to tens of thousands of pieces a year, without damaging the halo of exclusivity upon which the continued success of the brand depends. At the same time as this growth, Stern has ensured that high watchmaking is practised at Patek, with the reintroduction of minute repeaters (which Patek ceased to make in the early 1950s) and elaborate pocket watches such as the Calibre 89 and preposterously complicated Star Calibre.

Advertising has improved from the dire image of a woman playing a cello in Venice to the successful campaign centered on the values of inheritance. Cleverly, this campaign sidesteps the old fashioned and snobbish connotations of passing things from one generation to another, by inviting the customer whose money is...ahem...a little on the 'new' side to start their own tradition. And even though I personally do not like it, the Twenty~4 has shown that Patek can also enter the ladies' fashion market.

Philippe Stern admits that his approach is different to that of his father, from whom he took over the business. "My father's priority was not to develop the firm; his priority was to remain independent and keep the quality and the Patek Philippe ideal."

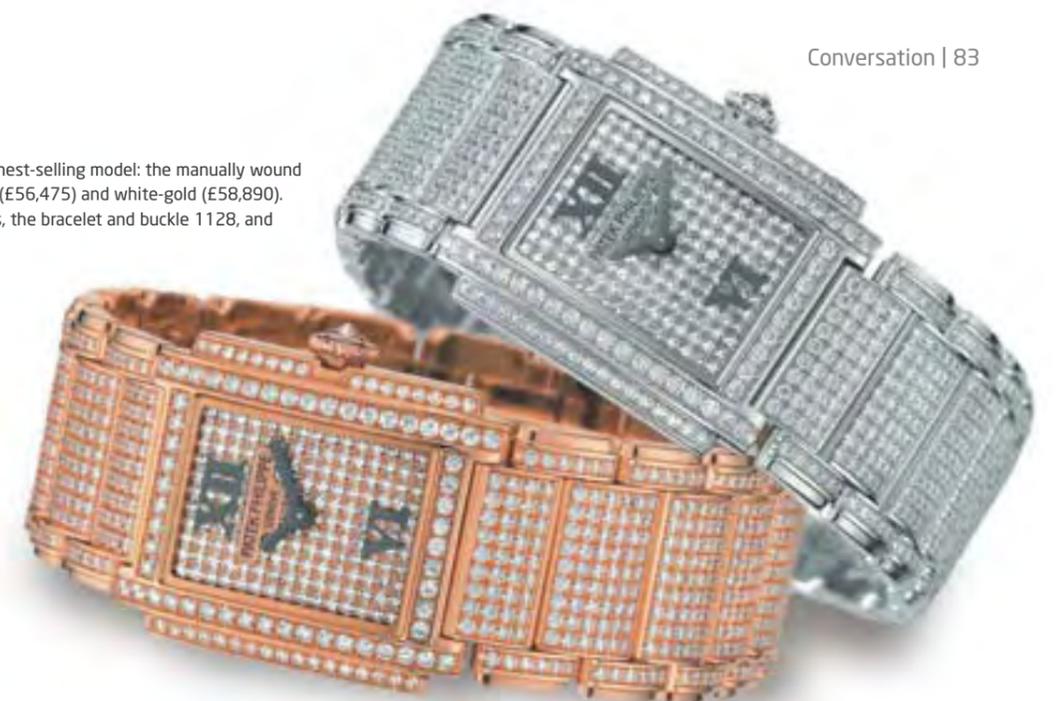
The key difference was one of education and environment: Philippe Stern's father did not attend university and would have had little understanding of macro-economics and marketing. He had completed an apprenticeship as an engraver (before the acquisition of Patek Philippe in the 1930s, the Stern family ran a dial factory) and was a craftsman rather than a manager. "He was not a sharp businessman - he was more interested in beauty. Developing Patek Philippe was not his priority. He wanted to stay small and profitable...and we always argued about that."

Succession

While some of the founding families of horology relinquished control of their eponymous businesses in the 1970s, Philippe Stern identifies the pivotal period for Patek Philippe as the end of the 1980s. "The big expansion of awareness came through our 150th anniversary in 1989. At that time we made some special pieces and it was the start of a new way at Patek Philippe; going more into communication and advertising. Before that, the advertising was small and from 1989 we started to think marketing, which was not the case before."

And it is into this post-1989 Patek Philippe that Thierry, the next generation of the Stern family stepped. The question of succession is

At the highest end of Patek's highest-selling model: the manually wound Twenty~4 ref. 4909 in rose-gold (£56,475) and white-gold (£58,890). The case is set with 88 diamonds, the bracelet and buckle 1128, and the back 104.



a difficult one. Patek Philippe has been so successful for so long under Philippe Stern that, for a brand operating at the conservative end of a conservative business, the prospect of Philippe Stern relinquishing control is an alarming one. Philippe Stern and Patek Philippe have become so synonymous that any change appears threatening - especially when Thierry is clearly not a clone of his father.

The difference in character between the two men is articulated very neatly by the watches they wear. On the day we meet, the father is wearing a slim gold calendar watch that is about 30 years old, while the son sports an Aquanaut. One reserved and classic; the other boisterous and more physical. Where the father is an ascetic university-educated technocrat, the son is an excitable artisan who eschewed university for watchmaking school.

However, Thierry is singing from the same hymn sheet as his father when it comes to maintaining the independence of the brand. "The first and most important thing is to stay independent," he states with conviction. "You have to stay very strong and you have to grow in a sense, always putting quality first. Quality is something that my father is very strong about and I am even worse."

But in certain areas, Thierry is more like his grandfather than his father. His artisan background has brought him closer to the products than the administration of the business. Instead of being set apart from the workforce by his education, as his father was, Thierry has the pleasure of being able to walk through his family's factory and say "Hello" to familiar faces. "I have some friends working at Patek Philippe who were with me at watchmaking school. I attended a school in Geneva for nearly two years, which was very interesting. I know how to open and disassemble a watch and I really understand what is inside the watch," he says proudly, adding modestly, "But I cannot of course disassemble a minute repeater!"

What lies ahead

For Thierry, it is all about the product. He has spent the last five years working in the design department and, perhaps it is just coincidence, but in the last year or two it seems that the designs at Patek have become a touch more interesting. The large rectangular Gondolo is pleasantly Patek, yet manages a contemporary feel without gimmickry.

What is more, Patek unveils a genuinely exciting update on a classic model this year: a Jumbo Nautilus equipped with a moon-phase indicator - a surefire highlight at this

April's BASELWORLD fair. While undeniably a Patek timepiece, this has an edge that Patek has not evinced in recent years.

Whether innate or learned, Thierry seems to have an understanding that the design has to be refreshed without compromising the restraint for which the brand is famous. "You have to be fresh, but for Patek Philippe we do not have to cross the limit to find the right design. I don't want to bring out a fabulous watch for one year that will then be dropped because it is not in fashion."

Another family value that he is taking seriously is his responsibility to inculcate the next generation of Sterns into the mysteries of high watchmaking. Thierry has two children, the elder of whom is three years old. "I don't want to push them, they will have to choose by themselves. But you can see that they like little details; that they are looking at everything in a watch. They know exactly that the ticking accompanies the hands and the other day my son even took my wife's watch, a Twenty~4, and said, "Your watch is beautiful!"

Upon hearing of this infant precocity, Philippe Stern looks up and, with a mixture of grandpaternal and commercial pride, says happily, "Our advertising is working." ○

Further information: www.patekphilippe.com