



TAG Heuer was bought by LVMH in 1999 and has quickly established itself as the world's leading sports watch brand beneath the auspices of Pascal. Pictured is TAG's new Golf watch (£795), designed and developed with Tiger Woods - TAG ambassador since 2003. It overcomes the problems associated with wearing a watch when playing golf: weight (only 55 g), comfort (the clasp is integrated into case and the crown is at 9 o'clock) and resistance to golf swing (5,000 G of shock absorption).

# Patrician

An audience with Philippe Pascal – head of watches and jewellery at LVMH

Nicholas Foulkes

It seems that one of the key criteria when commissioning an architect to design your luxury HQ is to infuse the project with a palpable sense of awe. Much as the medieval indigent would feel on spying the impregnable walls of a ruler's castle; or how a pilgrim is awed into silence at the end of his journey; so, it would seem, the luxury bosses want visitors to feel when entering their lairs. Cartier is one example - a steel and glass fortress practically covering an entire city block. LVMH on the Avenue Montaigne is another. As if the building was not humbling enough, I was here to meet the man responsible for the group's entire jewellery and wristwatch portfolio - TAG and Zenith included. However, despite such portents of grandiosity, what I found instead was a most dignified and straightforward gentleman, just as keen on his champagne as the brands he nurtures.

Pascal talks of the growth Zenith has experienced in Asia and America – part of which is due to the tireless work of Zenith's flamboyant front man, Thierry Nataf.



Zenith's Rattrapante Grande Date from last year (£22,495), powered by the El Primero 4026 – a double chronograph with two column wheels controlled by a single pushbutton. Equipped with an instant date jump.

### A rare audience

Up the steps and in through the vast temple-like doors, the atmosphere is sepulchral. The look is one of subtly dehumanised, conventionally tasteful corporate minimalism. Once past reception, there is a holding pen for visitors that is constructed like a mini-museum. Much as a long-established regiment might display its trophies, standards and silver, so LVMH batters its visitors with its history. Here is a bottle of wine that once belonged to Thomas Jefferson; there is a picture of some long-dead bearded patriarch who, way back in the 19<sup>th</sup> century, founded some busi-



ness or other that is now a 'brand' to be bought everywhere from Manhattan to Macau. Once visitors have had just enough time to drink in the history, the tradition, the cumulative centuries of *savoir-faire* – intersticed here and there with pictures of modern masters such as Galliano and Hedi Slimane – it is time to move on.

This evening I have been granted a rare audience with Philippe Pascal, who runs LVMH's portfolio of watch and jewellery brands: Chaumet, Zenith, TAG Heuer, Montres Dior, De Beers LV, Fred and so on. His office occupies a corner on the third floor, arranged across a space roughly the size of my terraced house's entire plot. Pascal is plainly

a very important man. Not only does he have an office large enough to function as a *de facto* sitting room with sofa chairs, coffee table and bookshelves; he has two desks jammed together to create something approaching the surface area of a billiard table. He sits on one side, surrounded by a phalanx of communication devices. Screens, telephones, USB cradles and the inevitable Blackberry are all arranged around him in a protective arc.

Pascal looks great: high forehead betokening intelligence and beaky nose imparting just the right amount of de Gaulle-esque authority. He is dressed in a sharp grey Saxony suit, white shirt and slim dark tie – all by Hedi Slimane for Dior Homme. From the tips of his highly polished Berluti shoes to the signal-red pushpiece at five o'clock on his Chiffre Rouge Dior watch, he is indeed a company man. But while his clothes may be LVMH, he manages to imbue them with a dignity that is unusual.



(Left) For the past four years, Philippe Pascal's role has been the integration of many new watch and jewellery divisions into the 'LVMH way of business'.

(Top) TAG Heuer's new Formula 1 Chronotimer with digital-analogue movement. Features of the digital display (which can be switched off for formal occasions) include a 1/100<sup>th</sup> second chronograph and perpetual calendar (£750).

### A way of business

Working for LVMH is a little like joining the colonial service or diplomatic corps: one might be posted to Champagne one year (for years Pascal was a champagne boss) and then luggage or jewellery the next. Indeed, some of Pascal's closest lieutenants are drawn from the champagne business: Jean Marc Lacave, the highly effective boss of LVMH watches and jewellery in the UK is formerly of Pommery, while one of the many jobs that theatrical boss of Zenith, Thierry Nataf has held down includes Veuve Clicquot champagne. Indeed, I first came to know and like Monsieur Pascal over a tasting of vintage champagnes and cigars in the private room at Annabel's about 10 years ago. But is past success in the wine trade (before LVMH he was at Seagram) enough to qualify one to run a sizeable international watch and jewellery business?

"I don't miss the champagne; I drink it whenever I want," he says with a smile before going on to defend his position rather more seriously. "It was a new division – although it is now four years old – and there was a vacancy to lead that business group. The idea was not really to have someone who is a specialist of that business but someone who can lead the people and businesses, making sure they integrated into the LVMH way of business."

Although there is 'an LVMH way of business', Pascal does not accept that there is a requirement for everyone to conform to a certain type. "Within LVMH, there is neither dogma nor specific rules; it is about picking the best talent for the appropriate position." Moreover, he stresses that where appropriate he hires industry specialists: Thierry Frisch, a jewellery industry veteran, is running Chaumet and has just staged a fascinating exhibition of the jewellery made for Napoleon; while Guy Leymarie, who was let go by Cartier, now runs De Beers LV.

### Acquisitions

Back at the turn of the century, a large portion of the watch industry was thrown into the air and when it landed, it turned out that LVMH had gained control of TAG, Zenith and Ebel. Given that among the other things around at the time was Breguet, one has to ask just who at LVMH, if anyone, was keeping an eye on things?

"There was a basket. Investcorp wanted to sell Gucci, Breguet, Chaumet and Ebel," he says, admitting that, at the time, LVMH did not do its homework properly. "We bought Chaumet and Ebel," he says preferring to concentrate on the former, having passed Ebel onto its new owner, Movado. "Chaumet was an excellent pick. It has been sleeping, in

its own style, on Place Vendome and this is the only company that I managed directly after the purchase. It gave me the ability to appreciate the history, which is superb. We think the brand has a great potential to build on its history and heritage, while building up new designs."

What is refreshing about Philippe Pascal is his clarity: he does not believe in making things more complicated than they need be; nor does he dress up his plans with grandiloquent obfuscation and MBA pretension. He has a clear understanding of his brands, and a respect for them.

His thinking is characteristically focused when it comes to TAG Heuer. "It is the leading brand for sports watches and chronographs. The brand is very much about performance, which is linked to sports heritage and excellence, which is linked to LVMH's goal in luxury." Pascal is also keen for the customer to trade-up within the brand, coming to appreciate such classics as the Carrera.

Moreover, he has rather cleverly inferred that if TAG Heuer is to continue to grow at the rate he would like, he must expand its sporting links beyond the automotive arena. It is a slight but significant piece of genetic engi-

neering, taking what he calls the "sporty DNA" and expanding it to a broader environment, viz the collaboration with Tiger Woods as one of the brand's 'international' ambassadors as well as numerous other golfers as 'local' ambassadors. Building on the success of this ambassadorial programme, he wishes "to have a broader repertoire" – to which end Uma Thurman and Brad Pitt have recently been announced as the new ambassadors for the brand. This is indeed a very loose interpretation of 'sporty' – although I suppose that Uma is fairly handy with a Samurai sword and Brad does have a well-toned torso.

### 'Refondation'

His plan for Zenith has been similarly clearly thought out. "It is really a manufacture brand and the idea is to build it as a pure manufacture brand. There were two things that were quite contradictory; it was doing movements for third parties and selling quartz watches." He talks of the considerable *savoir-faire* that he sees in the brand and is keen to "refocus" on its technical expertise – namely the El Primero movement. He also talks enthusiastically of the growth the brand has experienced in Asia and America – a considerable part of which must be due to the tireless promotional work of Zenith's flamboyant front man Thierry Nataf.

But even though he is encouraged to see that Zenith is "back with the top Swiss retailers," he does admit that Zenith has a long way to go in its home market of Europe. "In those markets where the history of Zenith was quite short we are having an extremely enthusiastic response. Markets that have a long history such as Italy are more difficult; there is more reluctance to embrace the Zenith 'refondation', as Thierry calls it."

It could be that while the newer markets are excited by the glamour that Nataf brings with him, more mature markets are wary of this approach and less likely to fall in love with a brand that until recently was better known as a sub-supplier to such major marques as Rolex. However, once again, Pascal faces up to this issue, and sees the solution in bringing Zenith's undoubted technical expertise to the fore in those markets which require a more subtle long-term approach.

### Adding value

The LVMH approach of not being bound by the convention of hiring watch industry insiders pays particular dividends by adding horological value to those brands that are not primarily watch specialists. "Chaumet has a serious watch offer which is more on the jewellery side," he says, making the claim that, "Chaumet was the first watchmaker to make a watch with diamonds and steel, which was imitated by many in the early 1990s. It is now expanding because it needed some more serious automatic watches." He has been particularly impressed by the Dandy (which he pronounces 'dondee'),

"More things will come at Basel in terms of mechanical watches and chronographs," he says tantalisingly, although adding with his customary care and good sense, "You should not pretend that you are a manufacture when you are a jeweller."

And then there is Montres Dior. What in other hands might have been a straightforward cynical exercise in designing high fashion cases and fitting them with cheap quartz movements has, under Pascal's direction, metamorphosed into something rather more interesting. The hardstone dial watches using such materials as malachite and lapis lazuli are stunning and if not the commercial success that they ought to be, they represent a genuinely interesting direction in the horological aesthetic. Equally interesting from an aesthetic point of view and rather more attractive from a sales perspective is the Chiffre Rouge. Hedi Slimane is a watch fanatic and Pascal gave him a free hand to come up with a design for a steel chronograph, powered by Zenith's El Primero movement, that fits seamlessly into the style of the renascent Dior menswear business.

Perhaps this is the best example of Pascal integrating watches fully into the LVMH way of conducting business. I am just about to ask Pascal what other horological projects Slimane has up his immaculately tailored sleeve, when he glances at his Chiffre Rouge and announces that we are late for dinner at Guy Savoy, where a bottle of Dom Perignon is on ice awaiting our arrival. As he said earlier, he can drink champagne whenever he wants...and *QP* is certainly not about to get between a Frenchman and his vintage champagne. ◉

Dior's new Chiffre Rouge A03 Automatic, designed for the Dior Homme range by Hedi Slimane (approximately €2,200). The quarter-set diamond bezel updates the 2004 models featured in issue 10.

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Fred's 'Pretty Woman' launch for BASELWORLD (€4,750), named in tribute to the 1990 film, in which Richard Gere presents Julia Roberts with a Fred necklace of 23 heart-shaped rubies. The Parisian brand, founded in 1936, was bought by LVMH in 1995.

### Further information:

Moët Hennessy Louis Vuitton, [www.lvmh.com](http://www.lvmh.com)  
TAG Heuer, Tel: 0800 037 9659, [www.tagheuer.com](http://www.tagheuer.com)  
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