

A Luxurious Family Business

An Interview with Ronald Winston,
Chairman, Harry Winston, Inc., New York



EDITORS' NOTE *The son of the late Harry Winston, Ronald Winston represents the family's third generation in the jewelry business. He is a graduate of Harvard University, and has served in his current position since 1978.*



Ronald Winston

COMPANY BRIEF *Having recently celebrated its 115th anniversary as a family business, Harry Winston is one of the world's largest and most prestigious jewelry empires. Based in New York, the company has extensive wholesale and manufacturing operations as well as retail salons in Manhattan, Beverly Hills, Las Vegas, Paris, Geneva, Tokyo, Taipei, and Osaka.*

Has the business rebounded well since the post-9/11 slump?

I don't think New York has fully recovered yet. Our flagship store does well, but we could do better. Accordingly, we're trying to make our store more inviting, so that people feel more comfortable coming in. Anyone is welcome to come and look at our beautiful creations, and we don't pressure anyone to buy.

Is the United States your primary market?

When I took over this company 26 years ago, Harry Winston was not a global brand, but I wanted to make it one. We had stores in New York and Paris, and an office in Geneva. I expanded our locations to Beverly Hills and Osaka, Japan. Then we began to sell more affordable merchandise, in order to reach a broader range of people.

Are you content with your penetration in those global markets? Where else do you see opportunities?

I think we have tremendous potential in Asia, because Asian customers – particularly the Japanese – value things that are precious. Consequently, I expect we will open more stores in Japan, and also in western Asia. In addition, we're looking at Russia, and are planning a few more stores in the United States. London is also a possibility.

Have you been happy with your growing time-piece collection?

My grandfather was a trained watchmaker. But my father, being a great jeweler, did not appreciate the allure of watches. When I took over this business, I saw watchmaking as an entree to creating awareness of our brand among men. I wanted to create a fusion between jewelry, diamonds, and watches, because we're

known for diamonds. Our watches are great accessories for women: Instead of buying a diamond bracelet, they can buy a diamond-set watch and, that way, have a jewel that is also a watch.

When we started producing timepieces, we had no marketing concept, no budget, and no cost analysis on many of our watches. For any other brand that would have been a formula for disaster, but because of the strength of our name, we succeeded in spite of ourselves.

Is it more challenging to differentiate in the market today, with so many companies now producing beautiful brochures and Web sites?

Diamonds, in and of themselves, are unique and precious. When you combine those qualities with our name, you end up with something that's inherently rare. And if you then combine that with our tradition of fine craftsmanship, you unavoidably end up with something luxurious.

Is there a role for technology in the creation of your products, or is everything entirely handcrafted?

There are computer programs that help design jewelry, but they tend to make the artist rather lazy. And if you use computers, you lose the spark that comes with taking the pencil to the paper and growing an idea spontaneously. In some cases, though, technology can be very useful. For instance, if you have an emerald necklace and you want to show a client what it would look like with rubies, the computer can change the color of the gems from green to red. But that's not really creativity; it's just the manipulation of an image. Basi-

cally, our jewelry is still made the way it has been made for hundreds of years.

Is your Web site strictly informational, or is it also a sales vehicle?

We're not really planning to sell anything on the Web site, because jewelry is so personal and people like to try it on. They like to feel it, touch it, and hold it. It's a very intimate process, like a dance between the customer and the creation.

Retail, in general, is known for its heavy employee turnover. Do you find it challenging to attract and retain talented employees?

No. I think people like to work with us. I have many employees who have worked with us for 25 to 30 years. Jewelers tend to work for a long time. By the time they get to us they have already been in the business quite a while, and they like to work for Winston.

Are young people interested in creating exclusive jewelry of the type you produce?

We don't generally take the very young as apprentices. We can't afford to, because if they make a mistake it could mean disaster. Most of our people are about 40 years old and older.

Did you ever question whether this would be the business for you?

I wanted to be a scientist. I studied chemistry at Harvard. And, in fact, I run a research foundation that does medical research. But I got into the business through my father. I went to work with him for about a year, and I would just watch him work. I was going nuts watching, so eventually, I began making up projects that would give me some responsibility.

How do you think your employees would describe you?

Because I am the boss, people can be intimidated by me sometimes, but I think most of them like to work for me. I know them all by their first names, and I walk around the company and talk to them. I think the company still feels a lot like a family business. I try to be a good leader, and I hope that they appreciate me for that. ●

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