

Interview

A Treasure of a Brand

An Interview with Paul Blum,
Chief Executive Officer, Yurman Design, Inc.



Paul Blum

EDITORS' NOTE Prior to assuming his current post as CEO of Yurman Design, Inc. in February 2006, Paul Blum served as President of Kenneth Cole for four years. His tenure with the company lasted for 16 years, during which he also served as Kenneth Cole's Chief Operating Officer and Executive Vice President.

COMPANY BRIEF Founded in 1980 by David and Sybil Yurman, and currently based in New York's Tribeca neighborhood, Yurman Design, Inc. (www.davidyurman.com), has long been recognized as a premier American luxury jewelry and timepiece brand. Artistry is the core of the company's foundation, and designs underscore a commitment to excellence in craftsmanship and innovation in the classic tradition. Signature collections are available in free-standing David Yurman boutiques and approximately 450 authorized retail locations worldwide. In 1983, David Yurman created the Signature Cable Bracelet – a twisted helix in sterling silver and 18-karat gold with gemstones on its finial ends. This distinctive piece became the brand's cornerstone, and introduced the hallmarks of creativity, exceptional quality, attention to detail, and timelessness.

After a successful career in leading other luxury brands, what made you feel this position with David Yurman was a good fit for you professionally?

I'm thankful to have been involved with

two distinct and remarkable growth stories, beginning with Kenneth Cole. During my time with that brand, it grew from a \$20 million company to a \$2 billion company. When I joined David Yurman in 2006, I had a new challenge: this was a relatively small company, yet a true luxury brand at the core. I had an immediate interest in working with David and Sybil to develop and manage the growth of their business, and to usher in a new milestone. I felt I had a strong connection to the product, and a leadership philosophy that would lend itself to David Yurman.

How did you end up in this business?

I began working for my family's handbag business where I learned the fundamentals, from manufacturing to operations. For five years I trained with my father, and felt early on that I had a visceral interest in product development, design, and manufacturing. I grew from an aesthetic standpoint, and felt my eye and level of taste improve. I naturally came to understand that the craft and design of the product is where luxury exists, and this principle is what drew me into the industry.

Has the experience been what you've expected so far?

Absolutely. David Yurman has grown from a core foundation based on art and craftsmanship to become a significant business. It's the foremost designer jewelry brand in the United States, yet remains true to its original principles. There is a design tradition to refer to, lending an authentic dialogue from which to develop new product and marketing concepts.

Does your target consumer have an adequate understanding of what the brand stands for?

Yes. However as the consumer evolves, the retailer must also. The future of David Yurman lies in our ability to further clarify our status as an international luxury brand. We're making great progress in illustrating what we stand for, in terms of quality, product positioning, and the overarching aesthetic. David Yurman has a cohesive design language that synthesizes our lifestyle campaign, boutique interiors and merchandising to communicate the quality and identity of the product effectively.

Do you feel that the word "luxury" is overused in describing high-end products today?

Often, yes. The product itself – the care and the thought that goes into its design and

manufacturing – is what determines its status as a luxury item. Too many brands market themselves as purveyors of luxury, but their product is compromised. They may be big and global, but I don't believe they capture the true essence of luxury – there is a fine balance that needs to be achieved.

David Yurman is obviously a strong brand in the United States. What are your plans for driving domestic and international growth?

We're being strategic regarding further expansion, because we don't want to dilute our distribution. That said, we have had strong growth in the last two years, and we're fortunate to be working with a great assortment of high-end retailers. Maintaining a unified marketing presentation is integral to the success of our shop-in-shops and free-standing retail boutiques at this stage and will strengthen our brand's iconic status domestically and abroad.

What types of consumers make up your target market?

We appeal to a broad range, from students out of high school or college buying their first piece of important jewelry, to established professionals indulging in statement pieces. Across the board, we design for a customer who appreciates attention to detail and timeless design.

Do you anticipate adding new kinds of products to the David Yurman line?

We want to be somewhat careful about new product categories. Jewelry will remain our focus, and we want the customer to clearly understand that we are a jewelry company. We have added a couple of accessory categories that complement our jewelry – a signature fragrance and luxury eyewear. These two categories will work well within our framework. We also want to expand our timepiece business, which has been established, and is experiencing a new phase of growth.

Going forward, what are your key priorities for the brand?

The Yurmans are constantly looking at the direction of the product in terms of quality and design, and I am simultaneously keeping an eye on the consistency of our brand's identity. With the launch of two stores in Asia – one in Hong Kong and one in Macau – and the opening of a shop-in-shop in Moscow's TSUM department store, it's important to maintain the strength and consistency of our presentation. ●