

A Fusion of Technology and Traditional Craftsmanship

An Interview with Giuseppe Aquila,
Chief Executive Officer, Aquila Brands S.p.A



EDITORS' NOTE Originally from Naples, Italy, Giuseppe Aquila entered one of his family's businesses, the Lalex Pen Company, in 1988, the same year he graduated from high school. While completing his college studies at the University of Naples, Aquila oversaw export activities for the other family business, Montegrappa. He became CEO of Montegrappa in 1992 and by 1995 had increased sales of the brand's luxury pens five fold. In 2000, Aquila sold Montegrappa to Richemont and became Marketing and Commercial Manager for the new division. In 2002, he and his father, Gianfranco, established the Aquila Group and in 2004 acquired Tibaldi, Italy's oldest pen brand.



Giuseppe Aquila

COMPANY BRIEF Based in Naples, Italy, Aquila Brands S.p.A. (www.aquilabrands.com) specializes in the design, production, and distribution of writing instruments, leather goods, and accessories. The company was founded by Gianfranco and Giuseppe Aquila, renowned experts in the world of writing instruments. Aquila Brands owns the prestigious Tibaldi brand of haute-dé-gamme writing instruments and is a licensee of the following trademarks: Ducati and Ducati Corse, Jaguar, Lalex 1938, Mercedes-Benz, and Smart. Tibaldi also has cobranding projects with Bentley Motors, Riva Yachts, and Giorgio Armani. The products of Aquila Brands are marketed in about 45 countries through a network of exclusive distributors.

Are you optimistic about growth for Tibaldi in the coming year?

We are very optimistic. In spite of the sluggish economy, we have experienced remarkable growth, both internationally and in the U.S. Tibaldi is pure luxury, and the luxury industry has not been affected by the economy.

Are you introducing new pieces to the market, and can you highlight where the collection stands today?

We have several introduction plans for October 2008. Our main introduction is the Tibaldi for Riva Collection. We've developed an exclusive range of luxury writing instruments that encapsulates the features of Riva boats. These pens are made with the same materials as the boats. For instance, we're lacquering some of the components of the pen with the original

paint used by Riva. Riva has always been ahead in the nautical industry. It was the first to launch silver and bronze with a special formula of paint that would not change when exposed to the sun and sea. On the pens, we are using the original paint of the boats, which is very durable and beautiful.

How critical is Tibaldi's ability to partner with leaders in the luxury segment, and do you plan to continue partnering with equal-thinking brands?

Our relationship with Riva will continue for the future. We just launched the Continental Collection with Bentley, and we're already working on three more. A collection with Giorgio Armani will be launched in June 2008. We're also developing new collections for the coming years.

Do you see opportunities to broaden the brand's price points or market?

We are not planning to broaden our collection or offer lower price points. However, we are looking at launching new collections in different materials that might make the price point a little bit more affordable.

How do you distribute new products?

We sell through pen specialists, jewelers, and watch stores, and we are opening a number of concept stores. The concept store is something quite new – it's a store that sells premium items that can range from clothing and accessories to watches, luxury mobile phones, and furniture.

Is it challenging to define true luxury? Has the word lost its meaning?

A way of redefining true luxury is offering clients personalization or customization, or making something exclusive – that's what actual luxury is. Tibaldi is one of the few pen companies that can offer this service on a regular basis.

Is technology playing a role in the way you're designing and producing products?

Technology is extremely important. It especially comes into play in the development and design of the product. Normally, we start from a hand-drawn sketch, but all the engineering is done with three-dimensional software. So it's a fusion of technology and traditional craftsmanship.

How critical is customer service to Tibaldi, and is it a key differentiator?

Even though we sell our product through independent distributors, and they sell to shops,

we have direct contact with end users. They contact us for information, assistance, after-sale service, or new product releases. We work with dealers to generate databases of the collectors and aficionados of Tibaldi, who we feed regularly with information about new products. So we're very proud of maintaining constant contact and relationships with end users.

Do you have customers who collect your pieces as an investment only?

The products are designed to be used but, for example, the weight of gold is higher than silver or any other metal; therefore, an instrument made of solid gold is much heavier, which makes it less usable on a daily basis. So then the purchase is done more as an investment. Also, solid gold pens are produced in much lower quantity than pens in other materials, and the fewer pens that are made, the higher the chance it will gain value with time.

Do you worry that technology has taken away some of the personalization of a handwritten letter?

People up to age 35 are keen on using instant messaging or e-mail, but more mature people tend to appreciate the importance of a written message. I think we have overdone technology, and we're going back to where we were before – appreciating old values.

What are your key priorities right now to ensure continued growth?

We're always looking for new distribution avenues because the market is changing dramatically, and we need to find alternatives to the pen shops. The second important focus is product development. We're always developing products using new materials, new technologies, and new finishes.

How much time do you spend training salespeople who are the face of your brand?

This is a big challenge that requires a lot of time. Through our distributors, we regularly organize training sessions with our sales force so they can be our ambassadors and transfer their knowledge to the sales staff in the shops.

Do you still enjoy the creative side of the business?

This is where I have fun, so I try to get involved as much as I can. I'd rather dedicate my attention to this side of the business than boring accounting or financial stuff. ●

The Tibaldi for Riva limited edition fountain pen in navy blue