

## Value is the New Luxury

**An Interview with Ralph Simons,  
International Sales Director, Frédérique Constant SA and  
Alpina Watches SA, and President, Alpina Frédérique Constant USA Ltd**

**EDITORS' NOTE** *Ralph Simons studied hotel management and began his career with Vodafone. In 1999, Simons entered the jewelry and watch industry by joining the Amsterdam-based family-run jewelry and watch distribution company of his father, named Paul Simons Watches & Design, where he was responsible for the sales and marketing activities of various renowned Swiss watch brands, such as IWC, Zenith, and Frédérique Constant. In 2008, he continued his career based out of Geneva as the Area Manager for Asia and North America for both Frédérique Constant SA and Alpina Watches SA. Simons has held his current post since May 2009. He also continues to be directly responsible for the American subsidiary Alpina Frédérique Constant USA and for the Asian territory.*



Ralph Simons

**COMPANY BRIEF** *Frédérique Constant (www.frederique-constant.com) is an independent family-owned watch manufacturer based in Plan-les-Ouates, Geneva. The company is involved in all stages of watch production, from initial design to final assembly and quality control. Each watch is assembled by hand and extensively controlled with the latest equipment to ensure maximum quality.*

*The association of manufacturers and retailers of watches evolved into Alpina (www.alpina-watches.com) in 1883. From the beginning, Alpina watches were manufactured with high quality components including, among others, Brequet spirals, balance wheels with gold screws, and heavy gold cases. The relaunch of Alpina in 2002 as a newly positioned sports and lifestyle brand – young at heart and with an attitude born of possibility – has already found a place with those in the know.*

**Are you happy with the brand awareness for both Frédérique Constant and Alpina, and where do you see each brand in the market?**

On a global scale, we have improved our brand awareness dramatically in the past three to four years. Production reached 100,000 pieces in 2008 for Frédérique Constant and about 12,000 pieces for Alpina, mainly in Europe and Asia; the U.S. has always been behind. We used to work with independent distributors in the U.S.

and they were selling, but they were not building the two brands. That is why we recently opened our subsidiary in Florida and hired a sales team. Also, we started working with a marketing and PR agency in New York. Since January, there is a clear improvement in brand awareness in the U.S., even though our media campaign only started in June.

**Are both brands focused towards a similar market?**

Actually, they're two totally different brands. Frédérique Constant was established in 1988 by a Dutch couple, Peter and Aletta Stas, who loved the classical, Geneva-made type of watches and noticed that there was not a brand in the market which offered this type of watch at a reasonable price. The initial strategy was to offer high-end watches at an accessible price point, and over the past 21 years, that strategy hasn't changed. However, we did have a demand for sports watches and when, in 2002, we had the opportunity to acquire the brand Alpina, which dates back from 1883, we chose to continue on their sports history and focus on bold designs, again at a more accessible price point than our competition.

**How have you been able to maintain such quality but keep prices reasonable?**

We are relatively small for a watch brand that produces over 100,000 pieces per year. We save money by being lean and efficient, so we can transfer the savings to the end consumer. It has been our way of working since the beginning and it seems to be more appropriate than ever now.

**Do the collections for both brands remain relatively consistent?**

For Frédérique Constant, we maintain a healthy split between the collections. All of our collections represent 30 percent or less from the total turnover. For example, the Heart Beat, a feature that we came up with in 1994, has an opening in the dial where you can see the balance wheel of the movement. We invented this to show on the dial side that there is a mechanical movement inside, as you cannot see the difference between quartz and mechanical just by looking at a watch. This collection is still very important for us. Over the years, many other



brands have drawn their inspiration from this idea, but we are known for being the initiator. For Alpina, things are even more

consistent, as all designs are clearly based on one main case shape, which is the "cushion." In 2010, we will introduce a number of exciting novelties to diversify the collection.

**Is the messaging and marketing for the brands consistent on a global basis or is that more regional?**

It's absolutely consistent. These days, people travel all over the world, so brands need to be recognizable. We have a presence in about 2,700 stores in 90 countries, and everywhere more or less the sales are in the same models. So even there, we see consistency.

**With regards to the U.S. market where you talked about seeing growth, are you happy with the distribution there, and do you foresee changes in that area?**

We changed the distribution from independent partners to doing it ourselves because we were not happy with the way things were going. Most of the retailers we have now will be growing together with us. However, we really want and need to expand in the U.S., because now we are available in about 40 stores for each brand. I believe this fact gives us a great opportunity. By the end of 2010, we would target to be in 100 to 120 mid- to high-end stores for each brand. Our aim is to eventually reach 250 stores for each brand.

**Were you interested in watches very early on? How did you end up in the business?**

My father was born into a family of diamond traders and he went into jewelry design. In 1984, he added IWC to his portfolio and more brands followed. Diamond trading didn't particularly interest me, nor did jewelry design. Once the focus moved more towards watches, that's when my interest was initiated. In 1999, I entered my father's company and I worked with him for eight years, handling sales and marketing. After those years, I felt it was time to broaden my horizon and I started to work for Frédérique Constant and Alpina, two exciting watch brands on their way up. ●

*Alpina Extreme Automatic Divers Watches (top); Frédérique Constant Maxime Manufacture Automatic*