



Longchamp's Evolution

An Interview with
Jean Cassegrain, Chief Executive Officer, Longchamp



Jean Cassegrain (above) and a Longchamp handbag (left)

EDITORS' NOTE Jean Cassegrain is a graduate of the prestigious *École Supérieure de Commerce in Paris* and as part of his national service spent a year at the *French Trade Commission in New York*, assisting French companies aiming to establish a foothold in the United States. He supplemented this with a two-and-a-half-year career in management consultancy before joining Longchamp. As his responsibilities gradually increased, Jean Cassegrain became CEO of the house, taking over the day-to-day running of Longchamp from his father who, as President, continues to be actively involved in the company. Jean Cassegrain was made a Knight of the *Ordre national de la Légion d'honneur* in January 2012.

COMPANY BRIEF Founded in 1948, Longchamp (www.longchamp.com) is a French luxury leather goods company. The Longchamp House is still owned and managed by the family. The company is primarily known for its leather and canvas handbags, its travel items, numerous fashion accessories, ready-to-wear, and shoes. The brand is present around the world in more than 250 boutiques and a total of more than 1,800 points of sale in more than a hundred countries.

How has the Longchamp brand evolved?

We started making leather covered pipes and now we sell multiple fashion product categories including handbags and shoes.

Our DNA is that we have always been contemporary so we have moved with the times and with our customers.

In the '50s, it was fashionable to smoke a pipe so we were already in the business of novelty and fashion in a way, and the pipes were leather-covered, so we always had a leather element to the brand.

But my grandfather and father were interested in expanding their markets and their opportunities.

From that leather element, they expanded into other products for the same customer base, in particular, small leather goods – wallets and such – and larger leather goods, like leather bags, and ultimately, leather travel bags.

Our company was founded in 1948 but, for a long time, it was a fully male brand with no female customers. It made a move in the '70s and '80s, expanding into women's products.

The market for ladies' accessories is much larger than for men's accessories. Once again, their know-how of leather and leather goods was used to create ladies' products and that strategy has been very successful – today, most of our customers are women.

In the '80s, ladies' handbags were still a product that you would buy because they were convenient and practical to use all day. This aspect is still there, but it has been overshadowed by a much more important aspect, which is the handbag as a fashion item.

So we became a fashion brand and that meant moving into ready-to-wear and shoes, which are closer to our know-how because they're based on leather as well.

It's an interesting story how our company has transformed itself from a purveyor of fine pipes for the young men of the '50s to women's stilettos, skirts, dresses, and blouses of today.

Would you describe your different techniques for distribution as well as the partnerships you have developed with select retailers?

Our distribution has evolved over the years. In the beginning, we were purely a manufacturer and distributed our products exclusively through retailers. Taking the U.S. as an example, we have been distributing through retailers in the U.S. since the 1950s. Saks Fifth Avenue and Nordstrom were the first major U.S. retailers to carry the brand. We then launched with Bloomingdale's in 2005. These are all longstanding customers of the brand. We are still in business with them, and these retailers continue to cater to loyal Longchamp customers. More recently, we have opened distribution with Neiman Marcus and Holt Renfrew in Canada.

Alongside this wholesale network and the department stores, we now have our own retail stores, which we have developed over the past 20 years. During this time, we have built a significant retail network and, until recently, we had 13 stores in the U.S. Just this past month, we opened an additional store in Aventura, Florida. We will open a second location in Miami later this year in the Miami Design District.

Is the U.S. the largest market for you? What about growth in emerging markets?

France is still our largest market and the U.S. is our number-one market outside of France. We have been selling to the U.S. since the '50s – my father went as a young man to participate in a trade show at the Coliseum,

which used to be at Columbus Circle. We were in the U.S. for a long time and all of our items were exported from Paris.

In 1993, we set up our own office in New York to grow the business. When we opened the Madison Avenue shop in 1999, my brother Olivier moved to New York to oversee our retail operation in the U.S.

What is the secret behind the brand's longevity?

It's consistency. As a family business, we are stable. My father has headed this company since 1972. I joined in 1991 and my brother has been in New York for almost 15 years. So this gives a lot of stability to our policies.

We don't change strategy often – we like the idea of building slowly and we are always moving in the same direction. So the quality of our products is a very important factor.

Also, we are still manufacturers. There are not many brands around the world in our field of leather goods that are the manufacturers of their own products.

The fact that we have our own workshops gives a lot of integrity to the product; we know our business and stand behind the quality of our products.

Did the early vision for the company anticipate this type of growth?

My grandfather had a vision and was a real entrepreneurial spirit. He started traveling and exporting early on. Once our company was founded, he hired an export manager and started exporting the products because he was internationally minded. He selected the name Longchamp because it was easy to pronounce in many languages.

What are you most focused on to continue the strength of the brand?

Emerging markets have captured our attention. The brand is growing a lot in Asia, as well as in Europe and the U.S. We have a lot of Asian customers in our stores all over the world.

I regularly travel to China where we are preparing for a strong future for our brand. Southeast Asia is also a growing market: Thailand, Singapore, Malaysia, Indonesia, and the Philippines are becoming more important as well. There is an emerging class of people that can buy European products and travel to Europe to see our shops.

We have also set up an operation in Sao Paulo, Brazil. In addition, we have franchised shops in Mexico, Venezuela, and Colombia and these countries are all doing well and are growing significantly. ●