

Superior Craftsmanship



An Interview with
Giuseppe Aquila, Chief Executive Officer, Elmo & Montegrappa S.p.A.

EDITORS' NOTE A native of Naples, Italy, Giuseppe Aquila entered one of his family's businesses, the Lalex Pen Company, in 1988. While completing his college studies at the University of Naples, he oversaw export activities for the other family business, Montegrappa. In 1992, he became CEO of Montegrappa. In 2000, Aquila sold Montegrappa to Richemont and became International Marketing and Commercial Manager for the new division. In 2002, he and his father, Gianfranco, established the Aquila Group and, in 2004, acquired Tibaldi, which is Italy's oldest pen brand.



Giuseppe Aquila

COMPANY BRIEF Montegrappa (www.montegrappa.com), the first Italian pen manufacturer, has been producing quality writing instruments with an Italian flair since 1912. Among the many soldiers who used Montegrappa pens (then known as Elmo) to write letters home during World War I were renowned American writers Ernest Hemingway and John Dos Passos. Montegrappa was acquired in 2000 by Richemont and was reacquired by the Aquila family in June 2009, which along with Tibaldi, now operates under Elmo & Montegrappa S.p.A.

Do you foresee growth opportunities in the luxury space today?

I see great opportunity for growth within the luxury industry in the U.S. The economy is getting better and the mood of the people who spend money for luxury accessories is also improving. There is a significant demand for luxury pens, watches, and accessories in general.

There are also positive signs from other new markets like the Middle East and we are experiencing a strong demand from the African continent. In Russia, especially in former Russian countries like Azerbaijan, Kazakhstan, and Turkmenistan, there is an increased interest in luxury products. However, China, which has had great interest in most luxury brands over the past few years, is showing signs of a slowdown.

How do you honor the history and heritage of the brand when offering new products?

The commitment of Montegrappa is always to deliver product that is the result of superior craftsmanship that is made using top quality material. In particular, Montegrappa utilizes

materials it is famous for using, like celluloid or ebonite, as well as precious metals, coupled with our very sophisticated manufacturing technique.

That said, the themes for our products or the design for some of the new lines are made to meet the desires of a new type of customer that is coming into the market. For example, there are very wealthy Africans now that have incredible economic power. They like items that are a bit more decorative in terms of design. So we need to develop products that are more in line with this new demand without compromising



our craftsman's ability. Demand can bring our craftsmanship to an even higher level because money is not an issue.

How much has technology impacted the use of writing instruments? Is there still appreciation of the handwritten note?

It has affected the industry in general, but it has not affected Montegrappa because the people that buy our products don't just buy pens as writing instruments, but as jewelry as well.

However, over these past few years, we have stressed the importance of handwriting in our marketing. We developed a Brain Pen that explains the benefits of handwriting on brain function. People with a high level of education are becoming more aware of the importance of handwriting; writing a thank-you note or a letter by hand has more value today than it did in the past.

You have also launched a selection of timepieces, which have been well received. Was this a natural extension?

A luxury brand cannot stop at one product – we must have a number of products that our customers will enjoy that all share the same philosophy. This is extremely important for

global presence and global distribution. We are well aware of that and we also know that, in some key markets for Montegrappa like the Middle East, people want to match the other accessories they wear to their pens. That is part of how they accessorize the way they dress.

Creating the watches came from the need to supply matching accessories to the pens for these individuals. We decided to go for watches and cufflinks, and it has worked extremely well and been very successful in the Middle East. It is now becoming acceptable in Europe and even in the U.S., where there has been a general resistance to non-watch brands moving into the watch space. But they love the design and appreciate the quality, so they go for it.

Our Chaos watch, designed by Sylvester Stallone, matches our Chaos pen, which he also designed two years ago. With him, we will launch a completely new watch design – it's a jewelry watch where the case has an intricate silver and gold overlay, which is a sculpture. The Chaos pen has skulls and reptiles on it, so the watch has the same motif and it is receiving a lot of press. It has been an incredible success. This is a niche product, designed for a specific audience and it's doing its job.

Are there other product line extensions that make sense for the future?

We are opening mono-brand boutiques; we already opened our fourth boutique and we have a plan to open six more boutiques in the next 12 months. So boutiques need product – we cannot survive on pens or a limited range of accessories.

Therefore, we are expanding our line of watches and cufflinks considerably; we are about to launch a line of small leather goods; and we are planning to offer desk accessories and bags very soon.

Will all of these pieces have that Montegrappa "feel?"

Definitely. Also, with the watches and cufflinks, to honor the two different souls of Montegrappa, we will have both the regular lines and limited editions – regular lines are pens you can use daily and limited editions are collectible and more elaborate in design. The same goes with watches. The Chaos is the first limited edition jewelry watch. We also have cufflinks that are limited edition lines. So the same concept will be applied to all of our accessories. ●

A pen, cufflinks, and watch designed by Sylvester Stallone for Montegrappa's Chaos collection