

Lifestyle

High-Quality Writing Instruments



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.

COMPANY BRIEF Montegrappa (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. Along with Tibaldi, the business now operates as Elmo & Montegrappa S.p.A.

With so much going on in the world, where do you see the luxury market today and is there growth within the space?

This year, we have seen a slowdown of the business in Russia, and that has always been an important market for us. But the repercussions of the Russian crisis are not affecting the Russian market alone.

This has an immediate effect on a global basis. China has also had a similar problem, although the Chinese have been spending and traveling abroad.

Even so, overall, our sales are very positive. We're seeing healthy growth for our business in Europe and even in our domestic market, Italy, and especially in the Middle East market, which is our biggest today. The incredible growth we have seen in that market is making up for any loss that we have seen in other markets.

We are very optimistic and happy with the way things are going. We would have been much happier if Russia and China were in better shape, of course.

Consumers are becoming more discerning about what they buy. The word "luxury" is overrated – it's not just about price. What is important is quality and craftsmanship, and that we offer something unique and even something that can be customized or that is bespoke.

This is an area where Montegrappa is strong and it's sustaining our constant growth.

As you expand into watches and cufflinks, how much of the business is still based on writing instruments?

Our focus remains on writing instruments. This is our core business and always will be. We anticipate our pen business will grow every year and consider the accessory business as a bonus, and it's growing at an incredible pace.

The overall accessory business, in terms of the global figures, represents about 15 percent of our global business. We believe that the accessory business will grow a lot in the future, but our focus will always be on pens.

Would you talk about Montegrappa's focus on customization, and on unique and special pieces?

It's something we've always done but the service was offered mostly to loyal customers. Now we are promoting the idea of bespoke in a much stronger way. In our boutiques, and through some of our top dealers, we have a special collection that is being created to show potential customers the possibilities Montegrappa has in terms of personalization, specifically in terms of writing instruments. We have a collection called Extra Bespoke, which offers end users the opportunity to have the barrel of the pen customized with an image of his choice, engraved by one of our master craftsman engravers. Someone comes with a picture of his wife or a portrait of his family, or a reproduction of his house or his boat – the possibilities are infinite.

This concept is working very well and the clients appreciate it. The customer has the option of choosing the pen material among a choice of 24 different colors and can customize the packaging, and the pen with engravings, dates, or whatever he wants. This is an area that has been strong for us.

Has your distribution changed?

It's extremely important to find the right partners. The challenge with distribution partners is that when we look at multi-brand dealers, there is only so much space they give us, so we have to share the space with many other brands. Therefore, no matter how big or how good a dealer is, they can only give us a bit of space, so they cannot showcase our full range.

Clockwise from upper left: Giuseppe Aquila; Montegrappa Passione fountain pen; Montegrappa Q1 fountain pen; Montegrappa Miya Carbon fountain pen

The only place we can showcase the full range is in our boutiques.

How strong and important has the watch business been?

The brand extension we have is becoming a very important business for us and it's treated in that way. We are conscious that at some point, Montegrappa might be perceived as a watch brand. We know where we came from and we know that our core business and identity is strongly focused on pens, but we are happy to be successful in a different industry.

Our approach towards the accessories is that there will always be a link between them and the pens. However, it's now more relevant to come up with designs that are so beautiful and of such superior quality that the customer doesn't necessarily need the pen design inspiration.

How critical is customer service to the business?

After sales is something we take very seriously. Even through our site, people can write to us, and the inquiries we receive are copied to top management, including me. Everybody wants to be hands-on when it comes to seeing how the end user is treated by our people.

We want to make sure the customer is fully satisfied, that they have the same level of service everywhere, and they must be happy.

Our customers don't speak with an automated machine but with a person to solve their issues.

Are writing instruments still relevant today?

They're still very relevant today. I don't know about the future. Despite the technology, there is a return to writing instruments, especially to the fountain pen – people are discovering the beauty in using it to do calligraphy.

This is of course a niche that shows interest in writing instruments. At day's end, Montegrappa makes high-quality writing instruments and the market that is there is sufficient.

Is Montegrappa work for you or is it an extension of who you are?

For me, there is no other life. My entire family is involved in this business. Even when we're having free time, our conversation is tied into Montegrappa and in coming up with ideas for new products. ●