

Postcard from Las Vegas – A leap of faith



As is typical for Las Vegas, the weather was dry and very, very hot – in fact, the heat set records for Las Vegas with temperatures hovering around 110 degrees Fahrenheit / 43 degrees Centigrade. The weather wasn't the only thing that was hot in Las Vegas, however, as business in the United States was heating up as well.

› Keith W. Strandberg

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Last year, the Las Vegas shows were not very well attended, as retailers were focusing more on staying alive than on buying new product. This year, however, exhibitors across the board reported increased traffic, with retailers writing orders. It might be a leap of faith to say that business is on the upswing,

Reactor

when it may have just stopped going down, but the general feeling is that it's time to stop crying and begin to smile again.

Brands doing well

The healthiest price range in the industry today seems to be in the \$50 - \$1,500 range, as this is where people feel alright about buying timepieces. One brand succeeding surprisingly well is Kimora Simmons' Hello Kitty, which introduced a new range of watches in the \$50 opening price point, though the brand still has watches and jewellery that retail for more than \$10,000! Sports watch brand Reactor debuted several new watches at JCK, including a new diving

watch, a revamped tide watch specifically for fishermen, as well as an all-titanium version of its best selling Gamma, and has been extraordinarily successful over the past half year.

As unemployment in the USA has still not recovered, continuing to hover around 10 per cent, many customers don't feel right about spending a lot of money on a watch. It isn't until the watches reach the \$25,000 to \$50,000 level, where customers can convince themselves that they are investing rather than buying, that watches are moving. It's really all about rationalization – people might not feel good about buying a luxury timepiece for themselves as a treat, but if they think it's an investment, all bets are off.

Unique and different timepieces are faring quite well, as customers are looking for something no one else has. The new Romain Jerome timepiece that uses ash and volcanic rock from Iceland's Eyjafjallajökull volcano started out as a piece unique and due to incredible interest, it is now a 99 piece limited edition.

New brands face a tough challenge

Despite the optimism present in the market right now, new brands trying to enter the US





EYJAFJALLAJÖKULL DNA by Romain Jerome

market will find a tough road ahead. Retailers will continue to be careful, preferring to maximize their efforts on brands that have been performing for them, rather than taking a chance on an unknown. In fact, many retailers are culling their selections, getting rid of brands that haven't been performing and are reluctant to add new, unknown brands.

Having said that, many brands have been reducing their doors, Cartier, for one, has closed a lot of their retailers, so retailers who have lost brands may be looking to replace them.

One brand that debuted at JCK is Osirec, a distinctive watch line that mixes Swiss Made quality with Egyptian-inspired designs. Thierry Peter Savineau and his brother Pascal are the men behind the brand, and they reported great interest from retailers around the US at the JCK show, their first anywhere in the

world. Due to the fact that there is nothing else like their watches anywhere in the world, they have the possibility to succeed.

"We are very happy with the comments and contacts we received at the show as it confirmed that our passion created a distinctive and unique brand - the elegance and prestige of the Pharaohs mixed with the Swiss quality and technology," Thierry says. "We definitely plan to promote our watches in the main markets around the world."

Cautiously optimistic

Most exhibitors and retailers had optimism for the future and most talked about a general uptick in business on every front. No one is ready to say that business is back, but at least almost everyone is tired of the doom and gloom and ready for something good to happen. <



Thierry Peter and Pascal Savineau – Osirec



Changes in the wind for JCK

The shows in Las Vegas are confusing, as the JCK show for the past few years has been in the Sands Convention and starts on one date, Swiss Watch by JCK has been in the suites of the Venetian and starts on another date. Luxury by JCK has been somewhere else, with yet another starting date, and Couture, a competing show from VNU, has been held in the Wynn with yet another start date. It's hard to keep them all straight.

It's a lot to ask retailers and journalists to trek all over town, going from show to show. In 2011, the JCK shows are moving to the complete other end of the Vegas strip, to the Mandalay Bay Convention Center. A bigger venue, the hope is that this change will make it easier for exhibitors and attendees to get business done. It also raises the question as to whether anyone will make the trip to the Wynn for Couture. Only next year will tell.