

Viva Ivy League

Everyone thought he was crazy to take on Brooks Brothers, but Claudio Del Vecchio's faith in the iconic brand's core style has been vindicated. Celestria Noel finds out more about this determined Italian entrepreneur

BRINGING AN ITALIAN aesthetic to an American brand is one thing. Investing heavily in returning an iconic American brand to its Ivy League roots is altogether less ordinary. However, Claudio Del Vecchio, son of one of Italy's richest men, the Luxottica billionaire Leonardo Del Vecchio, is doing just that.

Having bought an ailing Brooks Brothers from its British owners, he is bringing it to Europe. The new flagship store in London's Regent Street has just opened, following on from stores in the City of London, Paris, Florence and Milan. Del Vecchio wanted to show Europe that the core style of the old Brooks Brothers still had something going for it. 'When I opened in Milan, everyone thought I was nuts,' he says, 'but I knew there was a market for Brooks Brothers in Italy. After all, I had been a customer myself.'

Far from being crazy, Del Vecchio had picked up the biggest name in classic American clothing for a song in 2001 – a mere £120m (\$225m): this year's sales are projected to hit £427m (\$800m), with the magic billion dollar sales a target for 2008. Britain's Marks & Spencer, which had bought Brooks Brothers in 1988, had made a doomed attempt to swap Ivy League quality for student prices. This resulted in the brand



being widely nicknamed 'Banana Brothers', as its core customers fled the new plate-glass-and-chrome store refits and cheap threads. 'We knew the Brooks Brothers' customer still existed,' says Del Vecchio. 'The question was, could we lure him back?'

Tall, slightly shy and quietly dressed in Brooks Brothers' typical easy tailored style, Claudio Del Vecchio, 49, looks Italian even in his American clothes. When he arrived in the USA to work for his father he spoke little English. Now he speaks fluent but accented

English with very Italian gestures. However, he is far from flamboyant and his personal style is quiet, with silk socks and very good shoes. He is reticent about his private life but talks eloquently about the need to balance passion and reason, soul and brain. He drives an Audi 8 for work and a Ferrari 456 for play. He enjoys golf but is self-deprecating about his prowess ('a very high handicap') and if he has a regret it is not being able to play the piano. In other words, he remains very much an Italian in spite of his years in the States.

It has been said that when he moved to New York in 1982 to run the US end of Luxottica that Del Vecchio did not understand English or the US eyewear market but within 15 years he had helped launch a public stock offering, acquired the retailer LensCrafters and boosted Luxottica's North American sales by 25 per cent, to \$2 billion. However, in 1997 he took the opportunity to branch out in a different direction, with Casual Corner, an ailing women's-apparel chain based in Enfield, Connecticut, that had come with

the acquisition of LensCrafters' parent, US Shoe. 'The opportunity arose to find my own space, and that opportunity was in the United States.' It was this departure which ultimately lead him to Brooks Brothers.

Claudio's father Leonardo was a hard act to follow. The epitome of the self-made entrepreneur, he was sent to an orphanage at the age of seven because his mother could not afford to support her five children. Apprenticed at a factory that made moulds, including, critically, spectacle frames, he was soon to

launch Luxottica in 1960 with three colleagues.

Now the empire encompasses some 5,500 retail outlets across the world and makes eye-wear for Ralph Lauren, Burberry, Ray-Ban and many more, with annual sales in excess of \$5 billion. A regular habitué of Forbes' lists, Claudio Del Vecchio shares the Italian billionaire ranks with Silvio Berlusconi, chocolate king Michele Ferrero and Luciano Benetton. 'I could have stayed in my father's company. I didn't have to leave – after all, I think I contributed to that company. But



From top left: One of Brooks Brothers' most famous clients, John F. Kennedy, with his wife Jackie; Brooks Brothers' new flagship store in London's Regent Street; Claudio's father, Leonardo Del Vecchio



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I bought the business because I loved Brooks Brothers. I took a risk.'

For 200 years the brand has dressed many prominent American figures, from John F Kennedy to Bill Clinton, JP Morgan, the Vanderbilts and, more recently, Bill Gates, Brad Pitt and Robert F Kennedy Jr. Even Fiat boss Gianni Agnelli bought his shirts from Brooks Brothers. 'Brooks Brothers had always been more than an outfitter: it was where you learned how to become a gentleman. The relationship was based on trust – trust that had been broken in the 1990s and that we had to restore.'

Early publications from Brooks Brothers included guides to golf, polo and tennis. They are testament to the development of the tailor as guide to etiquette and form: how to behave and how to choose the clothes that go with the manners. Brooks Brothers once had a label, 'polo', that embodied this – a name they sold in 1967 to one Ralph Lipschitz who, as Ralph Lauren, turned it into multi-million-dollar brand. 'I wouldn't have minded if he'd actually paid for it,' says Del Vecchio.

'When I arrived, there was a pile of letters from customers on my desk telling me what to

do. The company told me what to do, too. One store salesman simply told me to "just listen to the brand". It was the best advice anyone could have given, and it is what we have tried to do.'

Some 95 per cent of the product supply was changed and upgraded: Scotland's Pringle now supplies cashmere; Italy the suiting; England most of the cloth. 'While Marks & Spencer had told suppliers "price, price, price", we've been shouting "quality, quality, quality".' Nevertheless, Brooks Brothers still stands for value as well as quality. 'We're not cutting-edge. We're not about fashion. We will often make something exceptional just to attract the customer, but we are about classic quality first and foremost. Sourcing is our USP. We scour the world for the very best products. We will innovate, but only if we think there is some life in that innovation.'

Innovation is, after all, part of the Brooks Brothers' heritage. Responsible for the first seersucker suit in 1830, the first shirt with collar and cuffs attached in 1895, the button-down polo collar shirt in 1896 and that staple of the golfer's wardrobe, Argyle socks, in 1949, the brand has made no mean contribution to the world's fashion repertoire.

To reflect the change in the product, stores were returned to their traditional tailoring style, with mahogany panelling and brass door furniture. 'Our customers enjoy shopping. Ours is a store where men will come and shop for themselves, so we want to make them feel comfortable and also to provide something interesting. We spend a fortune on research – the cotton for our shirts, for

example. Our shirts outlive all those by our competitors. You can buy a beautiful 100 per cent cotton shirt that requires no ironing. We're also still a maker. Our ties are made in Long Island – 100 per cent.'

He thinks being in private hands has an impact on the brand's development. 'We can go by opportunity. We hadn't really planned to open such a big store in London, but when the Regent Street space became available, we were able to seize that opportunity. Shareholder expectations are not part of the mix. That's good. Brooks Brothers isn't run by accountants. A short-term fix to the bottom line can take the soul out of a company. Marks & Spencer were the only public company ever to own Brooks Brothers and maybe that's significant. I'm not saying we'd never go public, but it's more likely we would make a percentage of equity available on the market, when the time is right. The trick is balancing fiscal objectives with the soul of the brand.'

The name 'Del Vecchio' means 'of the old'. Claudio Del Vecchio is aiming to bring an old brand from the new world back to the old world. So far, he is doing well: the preppy look is popular just now, while the basics, such as tough, durable Oxford cloth shirts, seem both good-looking and honest, down-to-earth products, which don't have to try too hard. In the USA the mail-order side of the business is huge. As yet, that has not got going in Europe but is planned and may take off.

What is not in doubt is that Del Vecchio's own return to Europe is as himself – and not just as his father's son. ■