

Jean Marc Lacave, president, Veuve Clicquot

The Veuve Clicquot chief tells **Giles Fallowfield** how the Champagne house is faring amid economic gloom and its plans to look to new markets



After working as chief executive of the LVMH watches and jewellery division in Asia since 2007, Jean Marc Lacave took over as president and chief executive of Veuve Clicquot Champagne in March 2012, following Stéphane Baschiera's move to take on the Moët & Chandon presidency.

@ How did the Veuve Clicquot brand fare in 2012 compared with Champagne as a whole and how important are markets outside Europe?

The market was down in volume last year, but up in value and we see that as a very good sign that we are going in the right direction in terms of value creation.

In France there was a lot of premier prix activity in 2012 but France is not a significant market for major international marques and the top growers' wines. Champagne sells well when the economy is doing well; it was a difficult year in 2012 and looks set to be the same throughout 2013.

In southern Europe and Italy it has been very tough, the UK has been fair, Germany has been OK too. Asia and South America are doing very well for us at Clicquot. In the US it looks like it is going to be better this year, but it's too early to say.

Markets in the Far East like Japan and Hong-Kong where we have been established for 20 years or more, are starting to be significant, Brazil too. They are all top ten markets for Clicquot and Nigeria will be a top ten market in the next few years.

In Asia the business is looking quite positive and we have not really touched China yet. However, the difficulties in Europe are only linked to the



economic crisis it is not a lost market for Champagne.

In the wider luxury goods market China has been the engine for growth over the past decade. We are still growing at Veuve Clicquot even at a time when European markets are not in good shape.

@ Were stocks mainly sold through at the end of 2012?

Like-for-like early sales are not that good, but that's partly because there are still some offers to work through. It is clear that a solution to the market problems is not going to be found by cutting prices. December 2012 was down on the same month in 2011 despite even lower prices.

@ What do you think of Nicolas Dubois of Pressoirs de France going out of business?

Because of the people working for that company I could never be pleased to hear about a business in bad shape, but it does bring back some of the

fundamentals of Champagne.

It is very difficult to acquire grapes and it's a shame if they aren't being used by a company that's adding value.

@ The Champenoise seem to be concentrating their efforts on emerging markets such as the BRIC countries. Is this true for Veuve Clicquot?

Most of the consumers in emerging markets are travelling a lot and enjoying our culture, and it would be a big mistake not to be very visible in the top places they are likely to visit in cities like London and Paris. If they don't find us here it could damage us in the long term.

But in future our focus could be more on big cities than countries, in the UK London certainly and perhaps places like Manchester. The market is pushing us to look at things differently; we have to change how we operate.

Champagne sells well when the economy is in a good place. The world is getting richer every day. There is no world crisis

among the rich. If Nigeria is the market of the future then as a merchant looking to sell my goods I'm going to go to Nigeria. Future growth is not going to come from Europe but there are key places in the UK in particular, which are part of the image of our products.

@ Is the link-up with French chef Joël Robuchon part of this new approach?

The story of Madame Clicquot, one of the first entrepreneurial women of the 19th century in Europe, still speaks to some Americans, but does it have any resonance with new consumers in Sao Paulo or China? We need a relevant new message and the link between wine and gastronomy is an obvious one. We also like the idea of matching the creativity of a great chef like Joël with that of our chef de cave Dominique Demarville. With 26 Michelin stars currently in his restaurants round the world and the l'Atelier concept due to open in Istanbul and Bangkok before the year end, he speaks a worldwide language.

@ Within the Clicquot range where do your priorities lie?

Yellow Label is Veuve Clicquot and Veuve Clicquot is Yellow Label. It remains the flagship of the house and we want to be sure it's consistently of the highest quality. Pink Champagne is also important but if we have any constraints on growth it will be on rosé, it's not just Yellow Label with red wine added. However, having a focus on the quality of Yellow Label doesn't stop us being creative on the wine side and there's room for more innovation in the bottle. ■