

# LIFE OF LEATHER PARIS

**Preface:** How do you marry heritage spanning generations with rapid growth? The answer, according to Pierre-Alexis and Axel Dumas – artistic director and CEO at global fashion house Hermès – is to embrace the culture of ‘slow luxury’.

**Company:** Hermès  
**Location:** Paris  
**Founded:** 1837  
**Number of employees:** 11,000  
**Family members involved:** 10  
**Number of premises:** 25 subsidiaries and 315 exclusive stores worldwide

**Quote:** *‘Some employees have worked here for generations; I knew their parents and they knew mine’*

Hermès is one of the most recognised fashion houses in the world. But as it’s a family-run business with a focus on craft, those in charge prefer to manage by looking inwards rather than chasing markets.

“This is not a company, it’s a house – and one that has protected me since I was young,” says Pierre-Alexis Dumas (*pictured, on right*), artistic director of Hermès and the sixth generation of family owners. His office feels more like a chic studio apartment than the nerve centre of one of the most recognisable brands in fashion.

“We’re just farming the land here. It was farmed before us and will be farmed after us,” says Pierre-Alexis. “You can add your layer to the terroir but there’s no real sense of ownership.” He seems acutely aware of being one of the few great fashion houses remaining in family hands. “Sometimes I’m not sure if we manage the company or if Hermès manages us,” says Axel Dumas (*pictured*), Pierre-Alexis’s cousin and Hermès’ CEO.

The Dumas cousins grew up together, immersed in the ateliers from an early age and spending summer holidays with the families of Dumas, Guerrand and Puech – several of whom also hold senior roles at Hermès, the company that their forefather Thierry Hermès founded as a harness maker back in 1837.

Nowadays the company is a very different place. Although one of France’s great heritage brands, Hermès’ real growth has been recent and meteoric. In 1978, it was a house of 400 employees – today’s staff stands at 11,000.

It’s not just the workforce that has grown. Having started out as a leather specialist, Hermès now has 16 product lines, from silk to fragrances and watches. How do the Dumas cousins achieve harmony across the *métiers*? “The answer is you work a lot,” says Pierre-Alexis. “I’m not looking at what other people are doing because I don’t have time. We have more than 175 years of history, so we develop according to internal creativity and intuition, not external trends or marketing gimmicks.” The commitment to staff also remains unchanged with investment in training and the running of the Club des Anciens for retired Hermès artisans.

“The Hermès family is not just people with the surname Dumas, Puech or Guerrand,” says Axel. “Some employees have worked here for generations; I knew their parents and they knew mine.” Despite Hermès being a booming international business, the Dumas cousins still manage with a sense of familiarity unusual in a company of this size. “Everyone has a different relationship to the brand but

they’re all valid.” With this in mind, the Dumas cousins have set up a committee of key employees across the *métiers* to cross-fertilise thinking and help guide development.

Although Pierre-Alexis’s emphasis is on encouraging the artisans into new interpretations of the Hermès brand, he has a healthy respect for the “money men”. “Facts and figures are important – they set your limits,” he says. “My job is to work closely with Axel and the financial team but to understand the special needs of our artisans and help them bring new visions to life.” Being able to shift speeds when working with different teams is key for both cousins.

This “slow luxury” approach distinguishes Hermès in a world of rapacious brand expansion. These contrasting approaches to luxury came into conflict when Bernard Arnault, chairman of LVMH, announced he had accumulated an initial 17 per cent of the Hermès stock, which prompted outrage. “People don’t really know what luxury means anymore,” says Pierre-Alexis. “I’m very concerned by the disconnection from craft that we see happening today.”

The company works with 33 ateliers and 4,400 craftspeople across France and manufacturing has always been a key part of its branding, rather than something done behind the scenes. The company actively communicates the workmanship involved to an increasingly savvy consumer. “The danger is that everyone has caught on to this now and are making a mock-up of craft,” warns Axel. “It’s easy to talk in this way but difficult to execute.”

The cousins seem comfortable with balancing heritage, family and growth, however. “I’m not a guardian of the brand,” says Pierre-Alexis. “My job is to keep Hermès evolving.” Rather than the family history being inhibiting, it appears to be a solid scaffold for the future.

“We’re managing for the next generation,” says Axel. “It’s not just about our individual success or quarterly results but about the legacy.” — (M)

## The rules

- 1 What time do you like to be at your desk?**  
Axel Dumas: At 08.50. I never miss dropping my son off at school and he starts at 08.30.
- 2 What’s your management style?**  
AD: I try to delegate as much as possible while focusing on making sure that everybody is aligned to our strategy. I talk a lot – hopefully to ensure that our values stay vibrant.
- 3 Are tough decisions best taken by one person?**  
AD: When someone stands to lose something or when a choice is difficult, I feel it is better to do it oneself rather than have someone else fall on the sword.
- 4 Do you read management books?**  
AD: Yes and no. I dutifully buy management books, store them next to my bedside table and eventually take them on holiday with novels or essays. I do read the *Harvard Business Review*.
- 5 Where’s the best place to prepare for leadership: an MBA school or on the job?**  
Pierre-Alexis Dumas: Always look for mentors. Mine were Stanley Marcus, Jean-Louis Dumas, Joseph Ettedgui and many more.
- 6 How do you manage a team?**  
PAD: Hands on.
- 7 What technology do you carry on a trip?**  
PAD: A pen, pencil, good paper, an eraser and my Leica.
- 8 Do you want to be liked or respected?**  
PAD: I see myself as a dream-catcher.
- 9 What does your support team look like?**  
PAD: The dream team.
- 10 What would your key management advice be?**  
PAD: Always surround yourself with people greater than you.

