

In the past decade, the US brand has learned the power of celebrity endorsements. Regular appearances on the red carpet have propelled sales northwards, and new owner Coach plans to carry on the trajectory.

Stuart Weitzman aims for the stars

In less than a decade, Stuart Weitzman has grown from a US-focused mid-market brand to a globally recognised name – in part due to a change of strategy to focus on more influential feet. The designer credits actress Angelina Jolie with helping him to realise the power of endorsements when she requested a nude sandal for a premiere in 2010 and which has now featured on countless red carpets. “My eyes opened up,” he said in a recent interview. “I realised that entering that world could give us an edge. And so, while we kept our existing customers, we also started to grow in fashion.”

The Nudist – a strappy sandal with a 4.5-inch heel – has since graced the feet of actresses Diane Kruger, Reece Witherspoon and Heather Graham, singers Blake Lively, Rita Ora and Bette Midler and was named celebrities’ favourite red carpet shoe of 2014 by US press. It’s precisely its simplicity that aided the proliferation, being a “clean shoe that goes with 90% of dresses”. A reported 75,000 pairs were sold last year.

One of the appeals of Weitzman’s designs is that while they are seen as ‘designer’, they are less expensive than the top-end brands, making them accessible to a larger market. Most styles cost around the \$300 mark while those at Jimmy Choo, Louboutin and Manolo Blahnik tend to be at least double. Consumers feel they can ‘treat themselves’, perhaps for a wedding or evening event, which the brand knows is one of its strengths. “With evening shoes or special occasion, generally when a woman puts it on she wants a little drama in her outfit, and that allow us to be a little bolder,” explains Mr Weitzman.

To bolster that sector, in 2002 he launched the ‘million dollar shoe’ for the Oscars – adding diamonds to a strappy shoe worn by actress Laura Haring and which got as much press coverage as the Oscar winners. “I said to my team, we need to come up with something that will make the press pay attention to the shoes.” Its success was a surprise; he now designs a special pair for the event each year. “I can’t imagine



Among other celebrity endorsements, Angelina Jolie is a fan, often choosing a plain design for premieres.

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not continuing to find the time, energy or excitement for creating shoes for special events," he says.

First steps

Mr Weitzman hadn't intended a career in the footwear sector. He went to the prestigious Wharton Business School in Philadelphia, fancying his chances on Wall Street. But footwear was in his blood: his father was a shoe designer and owned a footwear factory in Massachusetts. Mr Weitzman senior encouraged his son to try designing—something he turned out to be quite good at.

Stuart took over the family business with his brother in 1963 but sold the business in the early 1970s. He continued to design for a higher-end spin off, Caressa, and established a partnership with a Spanish factory in Elda to manufacture the designs – something they still do to this day. He bought back the label in 1986 as well as the factory, and the roster of Spanish facilities has grown to include a sole and last factory.

"Owning our own factories means consistency," he explains. Consistency in quality is vital when the patterns are hand cut and each pair is made with 200 operations. Some are hand-sewn, taking a day each to make. The vertically integrated supply chain means he can react quickly to market demand and produce more of popular designs, and also means he can keep costs lower than his peers, he says.

Takeover target

The brand's success in recent years has made it an attractive takeover target. It came to the attention of private equity firms – which have a penchant for the sector (*World Footwear* March/April 2014) – and larger groups, keen to leverage their cashflow and experience.

In 2010, footwear and apparel giant Jones Group bought a 55% stake for a reported \$180 million, two years later securing the rest for an additional \$250 million. In turn, New York-based buyout firm Sycamore Partners bought the Jones Group in 2013 for \$2.2 billion and began to syphon off the various brands. It split the group into four divisions and disposed of some of the CEOs, including the head of Nine West Footwear, Kathy Nedorostek.

During these upheavals, Mr Weitzman lost his majority share but retained creative control of the company. "Relatively little changed," he says, overseeing all the company's operations, from design and material selection to brand message, and reportedly spending half his year in Spain to monitor the business there. While the changes may have been disruptive, the new owners ploughed in capital, which allowed the brand to grow. In the five years from 2010, sales rose 10% per year, reaching \$300 million in 2014.

These kind of sales figures were attractive to US brand Coach, which had been trying to break into the footwear market through its own brand for several years. At the start of 2015, it announced its acquisition of Stuart Weitzman for \$600 million. Coach's leathersgoods sales had begun to flounder in its domestic market, and it was looking to bolster fashion credibility.

Coach CEO Victor Luis described Weitzman as having "further significant development potential". "The size, scope and vibrancy of the Stuart Weitzman brand, along with the continuity of its management team, allows for a seamless transition to Coach ownership, as we continue to focus on



The company has developed a global multi-channel distribution network, including directly operated stores in the US and Europe.

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Coach's brand transformation. We look forward to advancing the Stuart Weitzman brand's global development, especially by leveraging Coach's international infrastructure and expertise in handbags and accessories."

Weitzman is sold in 120 bricks-and-mortar stores with wholesale making up 80% of its business, whereas Coach has a footprint of 1,000 stores. While there are no plans to sell Weitzman shoes in these stores, their network allows for significant expansion. From footwear making up less than 10% of revenues in 2012, Coach is now targeting 7% annual growth in the sector for the next five years. A nod to Mr Luis' comments about expertise, Mr Weitzman added of the deal: "We look forward to supporting the Coach team with our technical and merchandising expertise in footwear."

Coach should be pleased with the legion of celebrity fans the Weitzman brand brings: the Duchess of Cambridge Kate Middleton has several styles, the prolific Cokoswone wedge selling out for the past two years. "When you send someone something for the event and they wear it that's ok, but when they go out and buy it, as she did, that's even better."

He remains hands-on, aged 71, laughing off questions of retirement. He sketches 1,000 designs a year and is the lead designer for every pair. "I always feel that if I do the best I can do, and everyone I work with can do that, then the public will love our product," he says. "I'm a lucky guy, everyone would like to do their hobby every day and that's what I do." 🌀