

CHRISTOPHER WARD CELEBRATES £6.25 MILLION INVESTMENT FROM BRITAIN'S BUSINESS GROWTH FUND



British watch business Christopher Ward has secured investment of £6.25 million from the Business Growth Fund that will be used to accelerate growth.

Christopher Ward CEO and co-founder Mike France (pictured above with co-founders Peter Ellis and Chris Ward) told *WatchPro* in October last year that it was producing around 20,000 timepieces per year at the manufacture it owns in Switzerland and believes it can double or even quadruple sales in the coming years, driven particularly by expansion in North America. Today the business employs 45 people, selling 22,000 watches per year and generates sales of £10.5m.

"We had a huge change of gear in May 2016 when we re-branded, and that has been extremely successful. We now have a singular Christopher Ward look across all parts of our collections, and people are increasingly noticing that. It has attracted a record number of new people to the brand. 60% of all watches we sell are to new people. The re-branding was mainly, or in part, to attract new people to Christopher Ward and has turned out to be a major step in that direction," Mr France says.

Around one third of sales come from the USA and Canada, but Mr France believes Christopher Ward has barely scratched the surface in that market. "We are already growing at 50% per

year in the United States with very little marketing spend. With this investment we will be spending money and expect North America to be our largest market within two to three years," he adds.

Business Growth Fund (BGF) was established in the wake of the global financial meltdown in 2008/9 with £2.5 billion made available from British banks that had been bailed out by the British taxpayer.

It operates in a similar way to private equity backing smaller businesses, and will take a minority stake in Christopher Ward in return for its £6.25 million investment.

But, unlike private equity, it will not push for an exit plan. "This is a long term play," Mr France says.

James Austin, an investor at BGF who will join the board of Christopher Ward, says: "We're really pleased to be joining the team at Christopher Ward, a fantastic example of great British entrepreneurship, becoming a truly credible player in the luxury watch market over the last decade. With a simple mission and a focus on producing quality products at fair prices, it has developed a strong track record and reputation.

"We're looking forward to working with an experienced team to build Christopher Ward into a globally recognised brand. The south east of England is teeming with ambitious businesses like this and we're excited to welcome another company from the region into the BGF portfolio."

Chronext creates trade in service in conjunction with watch retailers

Work by the major watchmaking groups to match supply to demand around the world is having a notable effect on the grey market and forcing secondary market players to focus more on genuinely pre-owned watches.

America's leading players including Watchbox and Crown & Caliber have always focused on acquiring the best pre-owned watch stock, and now one of their contemporaries in Europe, Chronext, is going the same route.

The Germany-based business has launched a trade-in tool that helps jewellers and other watch retailers buy second hand watches at the right price.

Having provided a price, Chronext is also offering to buy the watches so that they feed into its inventory.

The retailer benefits from effectively putting cash in the pocket of a customer who might then be persuaded to buy a new timepiece.

"When buying a new watch, many end-consumers want to give their old one in payment," says Philipp Man, founder and CEO of Chronext. "Since the retailer usually lacks sales opportunities for this pre-owned product, we are now offering them a new source of revenue and buying the certified pre-owned watch at a determined price."