



# TAG HEUER CONNECTS CONNECTED WATCHES TO ETERNITY!

*The event of the year, or even of the decade, is the presentation of the first connected watch made in the tradition of Swiss watchmaking.*

*Who could have created it other than Jean-Claude Biver, the great player in the evolution of watches during the last 40 years? He answers Constantin Stikas's questions in an interview that places the connected watch in its historical background.*

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**CONSTANTIN STIKAS:** *You are one of the most passionate defenders of the mechanical watch. No one can forget your slogan "Since 1735, there has never been a quartz Blancpain watch. And there never will be", which revolutionized the watch market. Recently we found out about the publication of the book *The man who saved the mechanical watch*. What is it that drove you so passionately to create the first connected watch with a purely Swiss DNA?*

**JEAN-CLAUDE BIVER:** TAG Heuer, with an entry price of around 1,000 Euros, happens to be in the higher price segment of connected watches. So TAG Heuer immediately becomes competitive in this price range with the connected watch. We definitely had to react and protect our price segment and our market share. On the other hand, considering that the connected watch will attract a new clientele (who wouldn't have bought a watch if it weren't for the connected watch), we couldn't miss the opportunity to take over a part

of these new customers. So we can clearly say that TAG Heuer's entry into the world of the connected watch responds to three main criteria:

- The legitimacy of the brand because of its price segment and also because of its declaration which says: "Swiss Avant-Garde since 1860".
- The protection of our price range which extends from 1,000 Euros to 2,000 Euros.
- The search for new customers.

As we can see, there is a great strategic justification in the fact that TAG Heuer entered the market of connected watches.

***Most people consider that quartz was invented by the Japanese. However, it is in Switzerland that the Bêta 21, the first wristwatch with quartz movement, was developed. Was the Swiss watchmaking industry also a pioneer in the fabrication of the connected watch?***



TAG Heuer  
Carrera Connected  
with black strap

Unfortunately the watch industry hasn't got the know-how for the connected watch, which uses software (and there are only two; IOS and Android Wear) and hardware (Intel, Broadcom, Texas Instrument, Motorola, Qualcomm, LG, Samsung, Sony, and these are just the most important ones). It is thus apparent that the watchmaking industry is completely absent from the telecommunications technology. That indus-

try is dominated by the giants of Silicon Valley and partly by the Koreans of Samsung and some Japanese brands.

**One of the most impressive and time-resistant slogans of TAG Heuer is the famous "Don't crack under pressure". For the Swiss watchmaking industry, was the launch of the iWatch six months ago a pressure under which you didn't crack?**

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No, I didn't crack under the pressure of Apple; quite the opposite. We set our minds to creating a connected watch that could compete in every respect with the Apple watch.

**Can the connected watch finally be considered as a real watch and on what terms?**

Since the connected watch gives information while on your wrist, I believe without a doubt that we can call it a watch. Because the traditional watch has long been known to show not just the time (phases of the moon, day, month etc). So I believe that any object that is worn on the wrist and also displays other information apart from the time could be named a watch.

**Can the connected watch finally be considered a luxury product and on what terms?**

For me a luxury product is defined by its quality, its innovation, its service, its exclusivity and its durability. So if a connected watch could become eternal, then it would surely be a luxury product.

**What do you think of the collaboration of Hermès with iWatch? Could a high-quality handmade strap per se turn an electronic device into a prestigious one?**

I believe that it is an ingenious idea on the part of Apple because their partnership with Hermès has added a degree of nobility to the connected watch. On the other hand, I can't say whether the partnership is as positive for Hermès as it is for Apple.

**Hearing you speak during the press conference of 9th November, I thought of two moments in watchmaking history: 46 years ago the great American enterprises started the fabrication of the first quartz watches that weren't analogical (Hamilton Pulsar being the first of its kind). These instruments with a digital display could not properly be described by the term "watch", hence the term "time computer" was adopted. Not many people know that it was because of the power of the American giants of that time and not of the Japanese that Swiss watchmaking had a rough time in the 70s.**

**Ten years later, in the early 80s, the Swiss watchmaking industry was in a difficult position. As Nicolas G Hayek tells us: "One day the American president of a Japanese watchmaker in New York hurled abuse at me saying: You can't make watches anymore. Switzerland can make cheese but not watches anymore. Why don't you sell Omega for 400 million Swiss francs and in addition we will give you 10 francs for each Omega sold... Very annoyed, I replied: Over my dead body."**

**Monday 9th November 2015, 35 years later, in the centre of New York, very close to the emblematic Apple store in Manhattan, 6 months after the presentation of iWatch, you present the first connected watch carrying 155 years of**

**Swiss watchmaking tradition, and this time with the American giants as prestigious partners.**

**Do you want to comment on all this?**

I believe that on 9th November 2015 TAG Heuer wrote an important page for the Swiss watchmaking industry by creating the first Swiss connected watch and by bringing together Silicon Valley and Watch Valley. It's certainly a crucial and pivotal moment in our watchmaking industry. Things will never be the same as before the advent of the connected watch. I am proud of the fact that I was present at such an important moment and that I contributed to it.

In this sense, November 9th brought with it a new era compared to the 70s, when the Americans, especially under the instigation of Hewlett Packard, released a series of computers in the form of wristwatches. That was the beginning of the digital watch and also the beginning of the fall of Swiss watchmaking... Not directly as a result of competition, but mainly because of the arrogant and self-important attitude and culture. When you don't listen to and don't notice the tendencies coming from abroad, you risk getting stuck and missing a trend. I personally lived through these periods (HP, Fairchild and later on the quartz analogical watch) and I wouldn't want to risk repeating the mistake of the Swiss. We often say that those who haven't lived history are condemned to repeat it... It seems that this is what is happening with players who never lived the difficulties of the 70s, unlike me.

**Who are the potential customers of the connected TAG Heuer Carrera?**

First of all there are customers who are "connected to their time" or connected to the future. These would be dynamic people who are participating in the construction of the 21st century.

**Is there today any direct competitor for the connected TAG Heuer Carrera?**

I don't think that we currently have a direct competitor, but I hope that we will have a few because we are always stronger in numbers than when we are all alone. This is the reason why I have been asking myself whether we shouldn't be helping other Swiss brands to take advantage of our technological progress.

**What "teething problems" does the connected watch have and who are "the doctors" to "treat" them?**

Every technology is condemned to make progress and render previous technology obsolete. Think about the first mobile telephones or the first black and white televisions. The connected watch will flourish and develop astoundingly in the next ten years. It is a technology which will primarily remain in the hands of current giant players like Apple, Samsung, Intel and Google. We are lucky to be partners with two of these, and this guarantees that we will always be at the forefront of technology in the future.



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**A.**  
TAG Heuer  
Carrera Connected  
with yellow strap

**B.**  
TAG Heuer  
Carrera Connected  
with orange strap

**C.**  
Jean-Claude Biver,  
CEO of TAG Heuer  
& President of the LVMH  
Group's Watches Division,  
accompanied by  
Brian Krzanich,  
CEO of Intel Corporation,  
and David Singleton,  
VP of Engineering for  
Android at Google,  
with the presence of  
Bernard Arnault,  
CEO and Chairman  
of the LVMH Group



B



C