


## Rose Marie Bravo and Tapestry's Victor Luis Size Up the Seismic Shift at Retail

As the offspring of immigrants, Rose Marie Bravo and Tapestry's ceo Victor Luis described their American-made dreams and emphasized the need for industry-wide change.

By [Rosemary Feitelberg](#) on June 20, 2018



 Rose Marie Bravo, Tapestry Inc.'s Victor Luis and FGI's Margaret Hayes.   
 BRUCE BORNER

Traditional retail may be crumbling, but Rose Marie Bravo and Victor Luis offered some building blocks for potential change Wednesday morning.

Why are so many luxury brands European, what's wrong with American stores and how exactly did [Virgil Abloh](#) land the [Louis Vuitton](#) creative director job were among the many subjects the speakers tackled, during the Fashion Group International Tastemaker event at the Cosmopolitan Club.

In the hourlong discussion, Bravo touched upon her time at [Burberry](#), Saks Fifth Avenue, Macy's and I. Magnin, but was more spirited about the current musical chairs of designers and the new regime at [Burberry](#) and Tiffany & Co. As chief executive officer of the multibrand American company Tapestry, Luis' insights extended far beyond its [Coach](#), Kate Spade and [Stuart Weitzman](#) brands. As the offspring of immigrants, both executives spoke of their version of the American dream. With 20,000 employees internationally, Tapestry's leader repeatedly stressed the importance of brand building and storytelling. "When you're a retailer, you're a merchant. When you're a merchant, you know your local customer. Why are American specialty retail brands and most retailers not successful globally because they're not good storytellers. They're good product pickers," Luis said.

Being born in a certain country doesn't give a person specific skills to understand how to make handbags, ready-to-wear, couture or anything else, Luis said. "It comes down to business decisions and business models. Domenico De Sole, Tom Ford and one of my mentors, Yves Carcelle, understood it wasn't about retail, but about brands. The U.S. model has been much more retail-led so the retail earthquake that is happening and the belief that Amazon is going to kill everything doesn't scare me," he said. "The reality is we're about direct relationships with consumers. What we build are narratives and what we're good at is telling them through product, our stores and marketing, and translating them effectively globally."

Rather than hire designers — more often than not rtw ones — as creative directors, companies are increasingly tapping experts who understand product design, branding and the importance of cultural context, Luis said, adding that European brands rely on American film, music and social media personalities. "They're borrowing American pop culture to give them credibility. That's the role that Virgil's playing. What we need is American brands to be credible enough for our own pop culture icons to want to associate with us and lift us up. That's my wish."

While serving as ceo of Burberry in 2001, Bravo poached the then 28-year-old Christopher Bailey from **Gucci** and installed him as a designer. Regarding Burberry's current regime, Bravo said she is fascinated to see two Italians leading the charge — ceo Marco Gobbetti and chief creative officer Riccardo Tisci. "It's time for a refresh. We see it at Estée Lauder, **Coach**, **Gucci** and so many brands are in the process of refreshment. That cycle feels like it goes faster and faster. Our wonderful Karl Lagerfeld doesn't need any refreshment. He gives refreshment to the world. He's unique. Other than that, you're seeing a lot of turnover and change with people needing new ideas and energy."

Despite the sea change under way, both executives sounded grounded about their American-made success. “My father only went to third grade, came over on the boat at 17 [from Sicily], and got a job as a barber. So education, education, education was all he thought about for us,” Bravo said.

Luis said, “My family immigrated to the U.S. in 1973 when I was seven from the Azores, which is basically famous for exporting people. There are 250,000 people on these nine islands, and 300,000 or so in the New England area — Fall River, New Bedford, Providence — where I grew up. My dad had four years of school, my mom had none and they had the dream....Look my story’s not unique. It’s the story of millions of us. There are probably very few countries in this world where that’s possible.”

Bravo stressed how diversity makes companies stronger and praised Luis for Tapestry’s board being multiracial, intergenerational and “of every persuasion.” She said how others in the fashion industry are “slipping in the women’s area in corporate America.”

Luis added, “It is surprising when you think about luxury goods, just in handbags, is at least \$40 billion, footwear is another \$20 [billion] and add outerwear that makes \$80 billion to \$85 billion. Women account for 80 to 85 percent of the market [in terms of] who are actually buying. But most of that [falls under] male creative directors,” Luis said, adding how Kate Spade’s leadership team was an exception.

While serving as interim ceo at the brand after acquiring it last summer, Luis said he was pleasantly surprised to find out that women accounted for 28 of the 30-person leadership team. “I felt like an outsider. I knew what that felt like because when I was seven years old and I couldn’t speak a word of English, I felt like an outsider. I lived in Japan for 15 years, I felt like an outsider. It’s just a little bit of empathy. But as a white male, who doesn’t have an accent anymore, you create blind spots. And you have to keep telling yourselves, you need people around you,” said Luis, adding that creating a culture where employees feel comfortable speaking up about diversity is essential.

Along with optimism and innovation, Tapestry's third core value is inclusivity. "We're a professionally managed company. This isn't a family business. I want anyone to feel they're going to be evaluated for their performance and contribution to this team. Great team members deserve the right to get more scope and responsibilities and to be compensated appropriately. If you do that, it's a meritocracy and it's transparent as much as possible. Then people are going to feel engaged and that it's a great place for them to be.

"I wish I was 20 years, maybe 40 years younger — I'd come and work for you," Bravo said.

Noting how Tapestry has brands with different DNAs, Bravo said, "I'm sure you're going to have many more brands in the Tapestry group." Luis, added, "Yeah, I hope so."

After the talk, he said the company will be working with Kate Spade's family closely to ensure that her legacy is honored respectfully. He declined to comment further than what has been reported, regarding the ongoing legal battle between Tapestry Inc. and a former [Stuart Weitzman](#) executive.

In terms of team-building, Luis stays true to what his mentor and predecessor Lew Frankfort believed in — with a few tweaks. "First and foremost, nice people. Secondly, smart people, and technical skills that align with their roles...and culture — are they going to come in, understand our vision and work well with the rest of the team, or are they going to create potential conflicts that lead to teams falling apart? I have a very clear rule about what we like to avoid, which is basically high-performing jerks. If you allow them, you are telling your organization, it is OK to be a jerk if you do your job well. Then what you get is more jerks. If they are high-performing nice people, it feeds upon itself."

On other fronts, Tapestry's chief data science leader and chief digital leader are creating a companywide digital plan, Luis said. The influence of machine-learning and AI on chatbots, customer engagement, the role of camera via sites and social media, and the potential to automate processes especially data analytics are of particular interest. "Digital is not just e-commerce. Every retailer thinks digital is e-commerce," Luis said. "Most digital companies are not just about e-commerce. There's a whole culture and DNA that we need to bring into our company today."

Making the point that a choice candidate today might not be one tomorrow, given how competition, the market and technology will change, Luis said, "I realize that I'm only here for a moment in time, too. How I think about the next three to five years is my job and hopefully to lay the foundation for someone else to come in and say, 'OK, the five to 10 years after that were better prepared.' Because it all will be different — the competition, technology and the consumer."

In the 12 years since he joined Coach, Luis said work-life balance is "easily" the number-one area of opportunity in employee surveys year-after-year. "If any of your companies do surveys and it's not in the top two or three, I'd be shocked. Everyone is struggling with it personally and I don't know if there is an answer. What we can do is try to provide the best environment possible where people feel like they can prioritize that which is most important to them."

Faced with the 24/7 existence that many in the American workforce have grown to accept, Luis said he looks forward to Friday to spend more time with his kids, but he doesn't dread Mondays either. Out for a run, in the shower or any other free moments on the weekend are a chance to mull over what is going to happen in the week ahead — "people issues, business issues — all of that," he said. "I don't like to think of it just as I'm going to balance it 50-50. But I'm going to try to prioritize that which is most important and do that as effectively and efficiently as possible."

Before sending the breakfast crowd out into the workday, Bravo advised, "So love what you do, have fun doing it and enjoy."