

The Ultimate in Diamonds

An Interview with **Thierry Chaunu**,
President and Chief Operating Officer, Leviev/KLG Jewelry LLC



EDITORS' NOTE Before assuming his current post, Thierry Chaunu was President of Chopard USA Ltd. from 1999 until 2005. In 1992, Chaunu became President of Christofle Silver. In 1987, Chaunu was named Cartier's Vice President of Marketing in the U.S. after serving as a Senior Product Manager for Cartier International Headquarters in Paris since 1985. Chaunu started his career in Miami in 1981, developing designer eyewear licenses. He earned his baccalaureate in sciences and mathematics in Angers, France, in 1975. In addition to holding a Diplôme from the prestigious French Ivy League Institut d'Etudes Politiques de Paris, he is also a graduate of l'Institut National des Langues et Civilisations Orientales in Paris, where he obtained a diploma in Chinese civilization in 1979. A Navy Reserve Officer, Chaunu holds the rank of Lieutenant Commander (Capitaine de corvette) in the French Navy. He is a dual French and American citizen.



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COMPANY BRIEF Launched in London in May 2006, Leviev (www.leviev.com) was immediately recognized as one of the world's ultimate luxury diamond brands. Leviev specializes in very large and rare diamonds and is 100 percent vertically integrated with direct ownership of its mines. The first Leviev flagship store opened on Old Bond Street in London, the second store opened on Madison Avenue in New York, and a third flagship store just recently opened in Moscow.

Are you happy with Leviev's brand awareness?

We're very pleased that Leviev was immediately recognized as the ultimate luxury diamond brand when we opened our first flagship store in London in May 2006 and launched the Leviev brand. The British press has embraced us beyond our expectations, so much so that a mere one year later, a private study on luxury brands categorizes Leviev as the überluxury brand.

Is your product, based on its price point and exclusivity, for a very niche market?

It is, but the world is changing fast and is witnessing the creation of wealth unprecedented in history. Today, you have entrepreneurs from Russia, Kazakhstan, India, and China who are in the businesses of steel, electricity, and computers.

They've amassed a great deal of wealth, they are connoisseurs, and they know the value of diamonds.

What product does Leviev offer?

Lev Leviev is a legend in the diamond industry for many reasons. About one third of the world's diamond mines are controlled by Leviev. He's the largest cutter and polisher of diamonds in the world, supplying pretty much every luxury brand with diamonds. However, most large diamonds that are showcased in windows

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Do you intend to expand into new markets with Leviev stores?

We recently opened in Moscow, which is an incredible store, and just like in London and New York, it's in a historic landmark building. We're constructing in Dubai slated for a late August 2008 opening. There will be opportunities in Asia, and there are a few other world-class cities that have the clientele for the exceptional diamonds we sell. However, we will not have 30 or 50 stores because that's not who we are; we want to remain exclusive.

How have you been able to build in the service area?

That's what we specialize in – that's all we do. Because we are in this very specialized market, that's our raison d'être – to provide our clientele with anything they want.

Are you happy with the talent you've found?

Because Mr. Leviev is a legend in the industry, everyone wanted to join when it became known that he would start his own network. It's like a dream for diamond experts and professionals to actually see and work with trays and trays of diamonds, each more incredible than the last.

Is there a role for technology at this level of diamond production?

Mr. Leviev pioneered the use of computers and lasers to reach a degree of perfection in diamond cutting and polishing. Ultimately, however, the cut of a diamond is the decision of the master who spends months and months producing a masterpiece. So nothing replaces the hand.

How much effort do you put into educating your clientele?

We have customers who are famous, established diamond buyers and are in awe of what we have to offer, and they already know a lot. We also have customers who more recently realized the beauty of diamonds, but they learn very fast.

Are the boutique colored diamonds a growing part of the business?

Yellow diamonds started being noticed by the public, as did pink diamonds, which are still rare. Beyond that, there are very few diamonds that are red, green, blue, and orange, and at Leviev we have more than one to show. That's what makes Leviev very special.

When this opportunity came up for you, what excited you about it? Did you know it was the right fit?

I saw this as an opportunity to leave my mark. From the creation of the logo and the packaging to the style of the stores, all of which have received rave reviews from the press and from our customers, the process was really interesting for me. It's an executive's dream to launch a luxury brand with such legitimacy behind it – what we sell is millions of years old.

Have you changed the way you manage people since taking on this venture?

It's like going from the cruise ship to the most wonderful yacht there is – you don't sail exactly the same way. It's actually a lot of fun. It's more luxurious. It's challenging, of course, because life is always full of obstacles, but it's an interesting journey.

How important was it for Lev Leviev to give you freedom to create from the start?

Mr. Leviev is a perfect example of a captain of industry, a visionary, and a philanthropist. He has built an empire that no longer is simply diamonds, but now engulfs real estate, oil refineries, TV stations, soccer teams, and more. To work with such a leader is a phenomenal lesson in humility because he's extremely hardworking and very focused, even though he has myriad companies that he controls. He has given me great latitude in building the Leviev luxury brand, as developing brands is my specialty. I try to do the same with my own team, to enable each and every one of them to become his or her best. ●

Pear-shaped Orange diamond weighing 5.01 carats, mounted with two pear and four marquise-shaped diamonds, and handcrafted in platinum