



# A Heritage Brand



An Interview with  
Michael Root, President, T. Anthony

**EDITORS' NOTE** *Michael Root is a former executive at Bloomingdale's. In 1987, he took over T. Anthony, founded by his grandfather Theodore Anthony in 1946.*

**COMPANY BRIEF** *Theodore Anthony put himself on the map when he custom made bags for the Duke and Duchess of Windsor. Since then, clientele have included such neusmakers as Marilyn Monroe, Jacqueline Kennedy Onassis, Richard Nixon, Nancy and Ronald Reagan, and Elton John. As an American luxury goods house, T. Anthony's (www.tanthony.com) use of the finest leather and materials creates a unique and elegant product offering with innovative designs produced by highly skilled craftsmen. It continues to offer the canvas and Italian leather matched luggage sets that helped establish its reputation and provides a full range of exceptionally high quality leather goods.*



Michael Root

**How much of an impact did you see on the business during the economic recession and how have you fared coming out of the downturn?**

It was very tough for us. We're based in New York, which is the epicenter of the financial crisis. We're also luxury, which is one of the sectors that was hardest hit. Our core business is luggage and travel was also adversely affected during the downturn.

But on a positive note, we have always enjoyed a very strong local following in New York. We don't depend as much on visitor business as some of the other brands and stores do – that helped pull us through.

**Has the word "luxury" lost some of its meaning and for T. Anthony with such history and tradition, is it challenging to get the message across about what true luxury is?**

The big change in the luxury business is that most brands are focused on the aspirational business. They increasingly target the aspirational customer who can afford to buy luxury products only occasionally, but are affluent enough to trade up. In China and Asia, the aspirational market is even more important. These countries have moved from caste to class. They want, as many do, luxury products to exhibit signs of wealth. Even if they can only have one or two items from their favorite brand, they're willing to save and spend for them.

At one time, luxury brands were reserved for the privileged few and there are still many brands today that are not accessible because of their price. But many luxury brands now have entry level priced product that the aspirational customer can buy.

**How broad is the market for T. Anthony? Is it more of a niche or is it broader?**

We are definitely a niche, heritage brand. T. Anthony's definition of luxury values what is excellent and unique about a product. Our customers

are connoisseurs of luxury and they're able to understand why a product is exceptional. They also like to make purchases that express their individuality – they don't want to be carrying the latest logo bag down the street. So we're different in that way.

**You're known for customizing gifts to make them more personal. Has that always been a part of the brand and how important is that in giving a gift today?**

The personalization is very important. We personalize and engrave at least 90 percent of the products we sell so it's something our customers come to us for and know us for. It's a special service that is not offered so much these days.

**The luggage has been the core of the brand, but over the years, you've brought in other product areas. Are there opportunities for additional extensions or is the offering today the right one for the brand?**

We're adding more accessories like belts and gloves, which we never did before. Otherwise, we're sticking with the same categories that have always done well.

Luggage is a category that most luxury brands have been exiting for some time now; they are focused on selling handbags and shoes, and jewelry and apparel. Luggage has been de-emphasized. That creates an opportunity for T. Anthony because the category of quality luggage is underserved.

**How critical is customer service to the culture of this brand and how have you been so consistent in providing that service?**

Service is an important part of a luxury purchase and it's critical for our customer. They expect and deserve a high level of service.

At T. Anthony, our repair department is on site, the craftsmen are here, and the parts are in stock, so we complete repairs very quickly. The engraving may also be done while the customer waits. The customer recognizes and wants these types of services, It differentiates us from our competition.

**What was your thinking in redoing the Manhattan store and was it important to not lose the history of the brand while modernizing the space?**

Our design goal for the new store was to create a modern look and have an atmosphere of luxury, serenity, and privacy. And we wanted to create a space that was comfortable for our customers to shop in where they didn't feel rushed. We've accomplished that.

But we don't want to lose any of the heritage – we're the same company we've always been. We just have a more beautiful showcase for our product.

**How has your online presence developed and is it a growth area?**

The Internet is an exceptional area for growth for most brands in the luxury business. T. Anthony is building an all new, greatly expanded Web site now that will open in October. It's already the fastest growing part of our business. The Internet has provided T. Anthony with an opportunity to reach luxury customers at a fraction of the cost of big budget advertising. And it is access to luxury customers that is global and 24/7.

**In retail, many leaders are concerned about employee turnover. How critical is low turnover for this company and how have you been so successful as to retention?**

It's very important. Our staff is very well trained and loyal, and to see low turnover is very positive. The customers recognize their sales associate or store manager when they walk into the store and it is important because we seek to build relationships with our clients – not just make a sale.

**Looking two to three years out, what are you most focused on to make sure the growth continues and the brand remains strong?**

The Internet is going to be the fastest growing part of our business. We'll also be opening department store distribution in Spring 2012 for the first time ever. In the beginning, it will be through a very few high-end retailers. ●

*T. Anthony leather luggage set (left) and alligator briefcase (right)*