

PRESS RELEASE

**Forum de la Haute Horlogerie
“Age of Transitions”**

The 8th Forum de la Haute Horlogerie, held on Wednesday, November 9th in Lausanne, was dedicated to our environment currently undergoing major transformation. Economists, politicians and academics gathered at the event to nurture debate on the state of the world and the forces currently shaping it.

Geneva, November 10th 2016 – The Forum de la Haute Horlogerie was created in 2008 with the aim of offering a day of reflection on major issues raised by the evolution of our economies and our societies. In the course of its eight editions, the *Fondation de la Haute Horlogerie* (FHH), organizer of the event, has invited authorities from the industry to come and share an interlude set apart from the immediate daily contingencies of the profession. Driven by a mission to promote Fine Watchmaking on a global scale, the FHH has always geared its activity firmly towards the future. The same applies to this Forum that adopts a resolutely prospective approach and draws on the experience of leading figures from the political, economic and academic arenas.

The theme selected for this 8th edition was “Age of Transitions”. It is indeed impossible to ignore the early 21st century forces at work which raise a number of question marks about our futures. These include queries relating to technological progress, doubts regarding political issues, as well as skepticism of existing growth models... The world’s evolution has possibly never been so ambivalent: on the one hand heralding great promise in terms of life sciences, yet filled with dangers notably stemming from the great divide caused by inequalities. As expressed in the brief summaries of the various talks provided below, the Forum voiced these concerns affecting the entire planet and already influencing our daily lives.

- **The United States**

Jean-Eric Branaa, Author and specialist in American socio-political issues

In one night, Jean-Eric Branaa experienced a series of storm waves upending his forecast that Hillary Clinton would win the American presidential elections. “One can above all see Donald Trump’s success as a rejection of his adversary, or even a rejection of the establishment” he commented. “While these arguments are a valid means of explaining his victory, they do not take account of what one might be tempted to cover up: massive adherence to the Republic candidates despite all his excesses.

Adherence to a 'normal' man rather than a political super-champion. Will he prove capable, as he has pledged, of being the president of all Americans and uniting a profoundly divided and wounded nation? One thing is for sure; we find ourselves plunged back into a 50 year-old breed of conservatism, while clinging to the hope that American institutions will lead Donald Trump to govern from the center.”

- **Europe**

Hubert Védrine, Former French Minister of Foreign Affairs

For Hubert Védrine, the election of Donald Trump stems from the rise of populism, such as we are also seeing in Europe. But rather than lamenting the result, it is vital to analyze its causes. “In my opinion, it is due to the fact that populations feel abandoned, misled and despised. Globalization has not delivered on its promises for the middle classes of a country with a strong social pact. The real problem is therefore people dissociating themselves. What does Europe have to offer them, apart from legislation on the size of cucumbers or shower heads? In the absence of a real political project, we are witnessing electoral insurrection such as in the United States. To remedy this, I see no solutions other than a surgical implementation of the principle of subsidiarity, organized around fundamental objectives for Europe that must include both security and sovereignty.”

- **The Middle East**

Gilles Kepel, Author and specialist on modern Islam and the contemporary Arab world

In referring to Donald Trump’s victory, Gilles Kepel spoke of a “tectonic shift” in the way the world is organized – a change one can also observe in the Middle East. “Petrodollars long served to stabilize a region that was living on an apparently inexhaustible source of revenue. But with oil prices tumbling and the cards being reshuffled as far as energy is concerned, the region has lapsed into chaos since the Arab Spring. A chaos that is also affecting Europe, as we have seen with the refugee crisis, and against which a Donald Trump is seen in his country as a rampart. The result is that on this side of the Atlantic we are experiencing a third-generation iteration of jihadism that is driving the rise of the far right. This polarization is indeed what one may rightly call a crisis of civilization”.

- **Prospective 2038**

Virginie Raisson, Geopolitical and foresight analyst

In a rapidly accelerating world, there are in fact only two things of which we can be sure: “The first is that the future will not happen as foreseen” says Virginie Raisson, “and the second is that it will depend on the choices we are making now. So there is no point in waiting before taking action.”

The researcher cited several examples within the global economy relating to essential resources that are destined to become increasingly rare: water, the source of life, as well as cocoa beans, sand which is indispensable to constructions, most species of fish that are victims of intensive fishing, and even work. “We are already experiencing this transition now, which is why we must look for solutions. And one of them that is becoming increasingly clear consists of doing better with less, or in other words, participatory economics.”

- **How digital transforms business**

Gerd Leonhard, Futurologist

“Data – along with the intelligence required to use it – are the new oil” says Gerd Leonhard. One need only take a look at which conglomerates post the biggest capitalization figures on the planet – with names such as Apple, Google or Facebook – to grasp that technology is driving the world. And technology is experiencing exponential growth which means that everything that can be digitized and automated, will be. The corollary of this evolution is that connectivity is a must. Artificial intelligence is becoming a reality that will lead to cognitive information technology. In a nutshell, machines will be able to perform all routine tasks across all sectors. This will lead to a future that will definitely not be an extension of the present, requiring that we define new relationships between man and machine, while ensuring that the former does not attempt to resemble the latter.

- **How digital transforms business**

Michael Wade, Professor of innovation and strategy, IMD

Between technology with its exponential development and corporate organization which struggles to keep pace, there is a gap that companies tend to try and fill by excessive digitalization of systems and procedures. Michel Wade warns that if digital is used, it should mainly target improvement of performance. And achieving that is not about merely relying on a strategy of digitalizing tasks. An organization’s adaptability and responsiveness are far better assets, especially if they aim to offer goods and services closely tailored to expectations. “Offering a customer a digital experience is meaningless in itself, even if it is drastically personalized” he explained. “On the other hand, it is far more valuable if it demonstrates a high degree of relevance.”

- **Transitions and challenges in the watch industry**

Cyrille Vigneron, CEO Cartier

“How to modernize classical music? Definitely not by introducing rap segments”. For Cyrille Vigneron, Cartier is in a similar situation. It is a mature luxury brand sought after for models that, in some cases, date back several decades.

A brand that must avoid succumbing to the temptation of the cult of youth, but which must nonetheless catch the attention of younger generations. One of the keys naturally lies in the distribution network, where physical and virtual presence play complementary roles, but in a cleverly balanced blend that is yet to be found.

Olivier Audemars, Vice Chairman of the Board, Audemars Piguet

How is Audemars Piguet faring well in the current economic climate? "It's because we have taken decisions in the past that are now bearing fruit" reports Olivier Audemars. "These include streamlining the sales network, limiting production capacities and moderate deployment in China. At the start of the decade, we also asked ourselves who we truly were. The answer can be summed up in just a few words: watchmakers producing complex mechanical instruments that speak to the heart before telling the time."

Maximilian Büsser, Owner and creative director, MB&F

The MB&F model consists of creating mechanical sculptures that display time. And so as not to put a curb on a degree of creativity that stands out in the watchmaking world, the Maison has for the past few years put a ceiling on its turnover as well as the number of units it produces per year. "It's true that I can't offer my staff a career plan, nor year-on-year salary increases" explains Maximilian Büsser. "But I can offer them pride in a job well done by taking part in a slightly 'crazy' horological adventure, as well as an eminently pleasant environment." A formula that definitely attracts certain unconditional fans.

The videos of the speakers' interviews are available on the below link:

<https://www.hautehorlogerie.org/en/events/forum-de-la-haute-horlogerie/forum-2016/>

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"Age of Transitions"

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More information available on www.hhforum.org

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