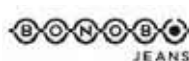


G R O U P E
BEAUMANOIR

Groupe Beaumanoir:

A French success story on an international scale



As with many European businesses during the last few years, Groupe Beaumanoir has looked to Asia for new growth opportunities to counteract the weak domestic economy. In this article, however, we learn how France still plays a major strategic role in the businesses quest for dominance in the global fashion industry. >>



Within ten years of its inception in 1981, Groupe Beaumanoir, the international distributor of ready-to-wear apparel brands, had already

surpassed many 'one brand, one hundred store' French SMEs. Its meteoric rise meant that its founder, French entrepreneur Roland Beaumanoir, had to turn his back on the motto he once clung to - 'Pour vivre heureux, vivons cachés' (for a happy life, live hidden) - and come out of the shadows and into the global world of fashion.

Today, Groupe Beaumanoir is a global player. It consists of six fashion brands (Cache Cache, Breal, Bonobo, Scottage, Morgan and the City), more than 2,500 outlets in around 40 countries and competes directly with international giants such as H&M and Inditex. But despite reaching a turnover of more than EUR 1 billion, Roland is still very much focused on further developing the Beaumanoir business around the world, applying the same recipe for success which has underpinned his conquest of the fashion industry for 30 years.

Key to Groupe Beaumanoir's ambition to expand overseas is sticking to its

'fundamentals', namely developing strong networks and partnerships in France, where the business still generates 80% of its turnover. These partnerships are central to the Group's operations both in France and abroad and in recent times have been exploited to great effect in China, which has been one of Beaumanoir's biggest success stories in recent times. Groupe Beaumanoir entered China in 2005 and on 30th June 2009, celebrated the opening of its 200th Cache Cache store (the 1,500th across the Group) and 700th Beaumanoir store, in total, in the Chinese market.

As recognition of this success, on 25th October 2012 the business won its first 'Trophées Français de l'Entreprise', an annual award presented by OC&C Strategy Consultants in collaboration with la Chambre de Commerce et d'Industrie de Paris (CCIP), la Chambre de Commerce et d'Industrie Française en Chine (CCIFC) and le Think Tank Premier Cercle. Groupe Beaumanoir is also hoping to win the 'Trophée de l'audace'





Benjamin Amice, Director of Human Resources – Groupe Beaumanoir

'high volume' manufacturers and 'creative' suppliers, as well as flow management specialists within warehouses and stores.)

- Supply chain teams, in addition to logistics, now also provide expertise in transport (upstream and downstream), textile grade and sustainable development.

The Groupe Beaumanoir now has an internal supply chain team responsible for coordinating transformation projects, such as setting up supply platforms and integrating new information systems and other technology).

According to Benjamin Amice, Director of Human Resources; *"Beaumanoir's ambition to expand its international operations means it requires people to lead development projects for its brands, and the business is currently recruiting from its network of talent, individuals who can be developed into future leaders to help Beaumanoir grow and succeed in new international territories. The type of people Beaumanoir seeks to hire includes those with entrepreneurial flair, a trade background and a passion for the fashion industry. In a family owned business, qualities such as simplicity, humility, loyalty and generosity are also essential."*

France market update



Unexpected growth in France and Germany helped raise the Euro Zone out of an 18 month recession, back in August. French consumers also appear more positive as we approach the end of the year. The Insee consumer confidence index experienced incremental growth in late September, showing that French households are looking towards what they perceive to be a brighter future. French consumers are also saving more than they have previously in the year, in preparation perhaps for a Christmas spending spree. There could, therefore, be some short term wins for consumer brands, on the back of this growth and optimism.

this year – an award which recognises financial risk taking, local market adaptation, decentralisation and establishing local management capability - alongside Groupe SEB and L'Occitane en Provence.

The Group has a 'high-performance' business model that focuses on introducing attractive and complementary textile products from its six brands to the Chinese market, always ensuring that 'the right product is the right price, in the right place at the right time'. Beaumanoir believes there are three key elements that are central to being successful in China; firstly, relocating to the market is important because it enables you 'get into the rhythm of the country'; secondly, making sure you adapt to the market and meet the needs of the consumers; and finally, being strong in your dealings with the Chinese, because they will respect you more.

Groupe Beaumanoir prides itself on delivering products to the market quickly, and relies heavily on high speed logistics and the latest technology, to help it achieve this. Some of the core aspects of its supply chain include:

- Testing products in real time with consumers; refining orders based on successful testing and ordering large quantities, immediately, to meet demand.
- Orders are made based on information collected and promptly delivered.
- Daily deliveries of small quantities (100s, 1000s) are made to replenish stock that is sold.

The textile supply chain has become increasingly complex due to various factors currently impacting the industry, such as rising cotton and oil prices, rising labour costs in emerging markets and the increasing need to build 'sustainable' supply chain practises. The environmental demands, in particular, have led Groupe Beaumanoir to recently review its supply chain and build increased specialisation in certain areas:

- In addition to having expertise in ready-to-wear (fashion design; developing products for the European market) purchasing teams now specialise in upstream sourcing (building long term partnerships with