

WWD BEAUTYBIZ

Special Report: The Spa Industry

A Fairchild Publication

Talkin' About
A Revolution!

**the
\$120
billion
bet**

Can Bath & Body
Works Change the
World? Neil Fiske
Gambles on a
New Beauty Order

Fragrance's
Femme Fatale
Strikes Gold

**the
fragrance
issue**



Laurie R King with her favorite "taxi mobile" on its namesake street.

free agent



After a highly public breakup with Creed, marketer Laurice Rahmé is back in the driver's seat with her latest venture, Bond No. 9.
By Dana Wood Photographs by David Turner

Scorched earth: Love her or loathe her, few would argue that Laurice Rahmé has left a trail of it in her wake. Idealistic, famously blunt and possessed of a fiery temper, the fragrance industry veteran freely admits to having accrued a few enemies over the course of her storied 30-year career.

But here's the catch: Her admirers are legion. And with her latest venture—the Manhattan-centric Bond No. 9 brand—even Rahmé's detractors have to concede she's knocked one clear out of Central Park. In fact, from just about any vantage point—the \$6 million volume, the multiple FiFi Award nominations or the aggressive growth plan—the three-year-old brand looks like a certifiable hit.

Take into account the fact that Bond No. 9 is booming despite the fact that it was introduced during one of the most challenging periods in fragrance retailing history, and it's clear that Rahmé is positioning herself to become a major player in the fragrance arena.

"I'm very opinionated," says Rahmé, who spent decades building the American presence of brands such as Lancôme, Annick Goutal and Creed before striking out on her own, "and that's often misunderstood as being a tough bully. But I know what I believe in."

A member of the influential artisanal pack, a group that includes Frédéric Malle, Serge Lutens and L'Artisan Parfumeur, Rahmé's brand credo blends a sense of high craft with an abundance of choice for the consumer. By the end of this year, there will be a total of 25 scents under the Bond umbrella, all named after a New York neighborhood. But to hear Rahmé tell it, even that isn't enough to truly

serve her ultradiscerning target market.

"The simple definition of a niche brand is that it gives the consumer choices—as many as possible," Rahmé says over a cup of tea at Bond's 3,000-square-foot NoHo flagship. "People do buy a wardrobe with us, but even with 30, 40 or even 50 fragrances, you still won't have one for everyone. So the more the better."

Of equal importance to Rahmé is determining what her customers don't want. "We always hear consumers say, 'I hate to be attacked by spritzers,' yet everybody still does it. It's because the industry hasn't found another way, and the competition is so great that there's this feeling of 'If I don't spritz you, the Chanel girl will.'"

To that end, Bond—which has a current distribution of 23 Saks doors and about 100 upscale boutiques around the country—is a militantly spritz-free zone.

And don't even get Rahmé going on another retail staple—pre-sprayed blotters. "They're just sitting there on the counter, so when the customer walks up, it's 'Oh, here you go.' That makes me furious," she fumes. "Are you telling me that as a salesperson, you're so busy that you don't even have the time to spray a fresh blotter? You have to pre-scent them? To me, it's all about those details. Service, service, service. Always service."

Despite the take-no-prisoners riffing, Rahmé can be surprisingly sentimental at times, especially when asked how the concept for the line originally came about. "After Sept. 11, many people wanted to do something for New York," she says. "From my perspective, what to do was to give it its own scent. Think about it: In the 20th century,

there were a lot of neighborhood scents done for Paris—Rive Gauche by Yves Saint Laurent, Champs Élysées by Guerlain, 24 Faubourg by Hermès.

“I also wanted to prove a point,” Rahmé continues. “New York is bigger, more powerful, more cosmopolitan. In Paris, you have the French and the Arabs and that’s it. Here, each neighborhood is a village, a different culture. It’s much richer.”

To underscore her loyalty to her adopted city, Rahmé, who was born and raised in Paris, shed her decades-long expat status in 2001 and became a U.S. citizen. “I’m authentic now,” she says. “For this line, I had to be.”

Conjuring Bond from scratch proved a welcome respite from a decidedly stickier situation—the embarrassingly public unraveling of her business alliance with Olivier Creed, proprietor of Creed fragrances. Charging that he greenlighted the dumping of vast amounts of Creed product into the Middle East gray market, Rahmé began making noises about ending her U.S. distribution agreement. By early 2004, she had ceased distribution, converted the Creed stores into Bond boutiques and taken out ads in *The New York Times* and *WWD* that read, in part: “Clear the way. Creed fragrances’ liquidation sale 50 percent off. (Cheaper than the Internet.)”

In retaliation, Creed initiated legal proceedings against Rahmé, alleging she had not paid invoices totaling \$1 million. Additionally, he charged that he was not given the opportunity to buy back unsold stock before Rahmé began discounting.

Reached in Europe, Olivier Creed takes the high road—at least initially.

“It’s difficult to discuss the matter because we are in process with her,” he says. “So, I really can’t talk about her. But if I could, I would only have very bad things to say.”

One of Rahmé’s mentors and biggest champions—retired L’Oréal executive Robert Salmon—isn’t entirely surprised at the way the Creed contretemps unfolded. “Laurice is the type of person who, if she trusts you, she doesn’t always ask you to sign papers,” he says, speaking from his home near Lausanne, Switzerland. “So sometimes people can cheat her. She has always suffered, because to a certain extent, she’s very pure. And too often, people were not always fair with her.”

Not that Salmon hasn’t seen the legendary Rahmé temper kick into high gear on occasion. “Oh, she can get crazy,” he says, chuckling. “She asks a lot of herself, and she would like a lot from the other side, too.”

While the split was less contentious, Rahmé’s earlier parting of the ways with Goutal is another reason why she now prefers to go it alone. After acquiring a sizable stake in the brand in 1989, she introduced it to the U.S. market and painstakingly built its volume over the next seven years. “It was a great adventure,” she says. “But they wanted to grow bigger. I thought we were doing well; the last year I was there we had \$11 million in sales.

“That’s pretty good for a niche,” she continues, “but they

wanted to get to \$50 million. And to do that, I would have to leave specialty stores and go into department stores. When someone tries to force me to take a brand like Goutal to Bloomingdale’s...well, let’s just say I knew it would be a losing proposition. And I was proven right.”

Rahmé learned the art of marketing during 14 years at L’Oréal. The corporation’s dogged pursuit of excellence dovetailed well with her natural perfectionism, and she rose steadily.

“They taught me everything I know,” she says. “I look at L’Oréal like a university.”

Rahmé was initially hired to do skin care training in France. “Every little city, every little perfumery,” she says. “If you can survive that, you can do anything.” From there, she moved on to the Lancôme Institute project, opening small in-store spas in Egypt, Jordan and other Middle East markets. In 1976, a call came in from the New York office. Would she be interested in relocating to the States to open Institutes at Bloomingdale’s?

Rahmé couldn’t get on a plane fast enough.

“Laurice was a little French fireball,” recalls one of her best friends, longtime L’Oréal USA executive Margaret Sharkey, who was on the Lancôme brand at the time of Rahmé’s arrival. “She can be very strong; we know that about her. But she’s also very diligent. She works very hard for her success. Very, very hard.”

In addition to opening the Institutes, Rahmé, then 24 years old, was also challenged by Salmon to crack open the duty-free market for skin care at New York’s JFK airport. “The buyers nixed the idea, saying, ‘People are in a hurry, they just buy a gift and go, there are many more men than women’ and on and on,” she recalls.

Not one to be denied, Rahmé concocted a plan. “I bought a folding camping table, and I said, ‘You don’t have to give me a case, you don’t have to give me space. Just buy a small order, and let me come and unfold my little table and I’ll work on my own,’” she says. “I knew I would have to sell out of all the product in order to convince them. And I did.”

Fast-forward 30 years, and Rahmé’s powers of persuasion are even more formidable. “Rahmé is brilliant,” says Kate Oldham, divisional merchandise manager of fragrances for Saks, which recently re-upped its specialty store exclusive with Bond for a second year. “The piece of the business that’s ‘theater’—the dramming, the custom pumps—is different from the approach of other brands and it makes it very appealing.”

Rochelle Bloom, president of the Fragrance Foundation, agrees. “In a David & Goliath scenario, she’s the David. There’s nothing that she can’t do, because she doesn’t see that she can’t do it.”

As a member of the Fragrance Foundation board of directors, Rahmé can be counted on to make her thoughts known. “When she has something to say, she says it,” notes Bloom. “She’s not afraid of being adversarial, although never just for the pure sake of being adversarial. She just makes people look at things in more than one way.”



“I love what I’m doing and I’m happy because I’m finally free. Free with a capital F.”

As opinionated as she is, Rahmé, who studied art at the Musée du Louvre school in Paris, gives a wide creative berth to those she collaborates with on the Bond brand. For perfumers in particular, it’s a dream gig.

“What I appreciate most is that I have so much freedom,” says Symrise senior perfumer Maurice Roucel, who created the brand’s New Haarlem, Broadway Nite and Riverside Drive scents. “She’s confident with me, so she just gives me a few words to go on. She has very good taste and she loves perfume.”

As for Bond’s future, Rahmé’s wheels are turning 24/7. Next month, she’ll unveil the fourth Bond boutique. Situated on a trendy slice of Bleeker Street in the West Village, the shop is just a stone’s throw from two Marc Jacobs stores and adjacent to a uniquely Manhattan obsession: Magnolia Bakery.

What’s more, she continues to launch new fragrances apace. Coming on the heels of the just-launched Hamptons scent will be Bleeker in September, followed by West Side Story at Christmas. Wedged between all that is a special

scent Bond created to benefit Unifem, the United Nations’ development fund for women. Dubbed From New York: The Scent of Peace, it will be unveiled at the U.N. General Assembly this fall.

International expansion is also in the works, including exclusives with Harvey Nichols in London and Paris Gallery in Dubai. The company is also in talks with Mercury, an upscale department store in Russia. And having sent a company ambassador to last month’s Cosmoprof in Bologna, Rahmé is expecting to break the Italian market shortly.

Even given all this activity, Rahmé isn’t predicting—nor does she want—explosive growth for Bond No. 9. In fact, in five years, she doesn’t envision getting much past the \$20 million mark in the U.S. “That’s enough for the States,” she says. “We’ll grow, but we’ll still do it as a niche. You can’t be a flower and act like a tree.”

Whatever happens, it will be entirely on Rahmé’s terms. “I love what I’m doing and I’m happy because I’m finally free,” she says. “Free with a capital F.” ■