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# Swatch Maker Death Makes President Converge With Clooney at a Bern Service

*By Tom Mulier and Dermot Doherty - Jul 4, 2010*



Nicolas G. Hayek gestures during a joint press conference, on September, 2009, in Bern. Photographer: Fabrice Coffrini/AFP/Getty Images



Passersby look at an image of Swatch Group AG founder Nicolas Hayek on a screen outside the Kursaal in Bern on Saturday. Photographer: Guenter Schiffmann/Bloomberg

No one in the seven-century-old country of Switzerland can remember when one man brought so many different people together in life and death.

Swiss President [Doris Leuthard](#) and actor [George Clooney](#) were among the mourners at a July 3 memorial service to express gratitude to Lebanese-born entrepreneur [Nicolas Hayek](#) for rescuing the nation's watchmakers and redefining what it means to be Swiss.

"I'm proud that Switzerland gave a person and entrepreneur like Nicolas Hayek a place and a home," Leuthard said at the event held to honor the founder of [Swatch Group AG](#), the world's largest watch manufacturer. Hayek "not only saved the watch industry, but also revolutionized it," Leuthard said.

Leuthard and Clooney, who helped market Swatch's Omega brand, were joined by International Olympic Committee President [Jacques Rogge](#), Deutsche Bank AG Chief Executive Officer [Josef Ackermann](#) and more than 1,000 others at a conference center in the Swiss capital of Bern to pay their respects to Hayek. The hall was decorated with red curtains on either side of a large screen that showed images and film of Hayek in his roles as a watch entrepreneur and advocate of green technology. Seven bunches of sunflowers adorned the lectern.

Hayek was "enriching to our society and our national economy," said Leuthard, who spoke in German, French and English. "With him, Switzerland loses an independent and critical spirit who has influenced politics without getting involved in politics himself."

### Heart Failure

Never before has someone brought together so many important people from so various backgrounds, said [Franco Taisch](#), a professor of business law at the University of Luzern.

"Nicolas Hayek had the unique ability to entertain good relationships with people from business, show business and politics," Taisch said. "At the same time, he was a true entrepreneur who gave a lot of impetus to Switzerland's economy."

Hayek, who died June 28 of heart failure at age 82, was the "face" of his industry, said [Rene Weber](#), an analyst at Bank Vontobel AG in Zurich. "He was more Swiss than most of the rest of us."

Hayek built Swatch into a \$15 billion company from the merger of two ailing Swiss horologists during the 1980s when cheaper Japanese wrist watches with quartz movements flooded the market. His success mirrors Hans Wilsdorf, the German-born founder of Rolex Group, as both were foreigners who had to fight to enter the Swiss establishment, said James Dowling, co-author of "The Best of Time: Rolex Wristwatches, an Unauthorized History" (Schiffer Publishing 2006).

"He's one of the people hardest to replace in Swiss watchmaking," Dowling said.

### Iconic Brand

Hayek was famous for his collectible, multi-colored plastic timepieces that Swatch produced in large quantities to keep idle factories running across Switzerland. The name came from "second watch," as Hayek wanted clients to buy more than one.

The styling made the Swatch an iconic label that generated enough profit to allow Hayek to take control of more prestigious names such as Breguet and expand the Omega moniker.

Swatch now owns 19 brands, including Rado, Tissot and Blancpain, that range in price from less than \$50 to more than \$700,000. Hayek also popularized automatic movements that power watches by harnessing the wearer's activity, rather than relying on batteries and quartz. The company developed ways to manufacture components so efficiently that it now makes three quarters of the movements, or watch motors, for luxury timepieces, according to an estimate by [Luca Solca](#), a London-based analyst at Sanford C. Bernstein Ltd.

## Balloon Trip

At a meeting attended by the leaders of every Swatch brand in 1993, Hayek introduced them as “Mr. Longines” and “Mr. Omega,” said [Bertrand Piccard](#), whose solar airplane project won sponsorship from Hayek’s Omega brand in 2006. Hayek went on to say “and me, my name is Mr. Omega-Longines-Swatch-Blancpain,” according to Piccard.

Hayek once told Piccard, who completed the first non-stop worldwide hot-air balloon trip in 1999, that he was thankful to the bankers who refused to support him when he started his company in Biel, a city close to the French border about two hour’s drive from Geneva.

“His exact words were, ‘If they had helped me, I’d be only a millionaire,’ the balloonist said. “But thanks to them, now I’m a billionaire.”

Hayek became Swiss more than 50 years ago, as he left Lebanon in his youth and studied in France and began working in Switzerland, Swatch spokeswoman [Beatrice Howald](#) said. His adopted nation picked him as a torchbearer for the 1996 Olympics in Atlanta.

‘Allez la Suisse’

In his annual speeches to shareholders, he often discussed the state of Swiss society. He said May 12 that Switzerland, home to 220,000 millionaires, must take risks to avoid stagnation and the “disease of the hyper-rich.”

“During the course of this year of difficulties, some Swiss people began to question themselves and their country,” Hayek said. “I would like to call upon them to regain confidence: Come on Switzerland! Allez la Suisse, Hopp Schweiz!”

Hayek also said 1.7 million foreigners have chosen Switzerland because it’s peace-loving, never colonized another nation and enjoys a high standard of living.

“Pretty much everything you can say about him, you wouldn’t normally say about a Swiss person,” said Dowling, author of the Rolex history. “He could be very aggressive and he was flamboyant, smoking big cigars.”

The watchmaker’s legacy includes the survival of brands such as Omega, Longines and Breguet, and a fortune estimated at \$3.9 billion by Forbes magazine.

## Critic of Bankers

Hayek has even been eulogized by Swiss politicians who oppose immigration.

“He was a patriot,” [Christoph Blocher](#) of the People’s Party wrote in Le Matin, adding they knew each other 40 years.

[Jean-Claude Biver](#), who used to oversee Swatch’s Blancpain brand, recalled a trip with Hayek to Munich 10 years ago. Hayek told Biver, who now runs the Hublot watch company, to meet him at 5 a.m. at Zurich airport, which meant Biver had to wake at 2:30 a.m. When Biver arrived, Hayek gave him a bag his wife had prepared with cookies and apples to last for the trip.

“He was unique because of his simplicity,” Biver said last week in an interview. “You wouldn’t expect a billionaire to do this with you. You would expect him to take a private jet.”

Hayek was a critic of Swiss banks and the “Anglo-Saxon mentality” of short-term investors. In Swatch’s 2008 annual report, the company said it wasn’t intended for members of the “financial circus.”

### The Children

Close family members were the only attendees of his burial July 1 in his hometown of Meisterschwanden, Blick reported. The newspaper showed a photo of Hayek’s grave decorated with a wooden cross, candles and sunflowers.

He was “the number one fan of Switzerland,” said Nick Hayek Jr., Hayek’s son, who is chief executive officer of Swatch Group, at the July 3 memorial service. “‘Go, Switzerland!’ was his motto,” he said.

His sister, Nayla Hayek, 59, was appointed chairwoman of Swatch Group last week

“In Swatch Group now, there are 24,000 orphans because he was like another father to all of us,” Francois Thiebaud, head of the Tissot brand, told Swiss television TSR last week. “He was 82, but he had the heart of someone just 17.”

### Santa Claus

Hayek used Swatch to pursue his interest in cars, telephones and alternative energy. Omega developed a flight instrument based on an idea from Swatch board member Claude Nicollier, a former astronaut. Piccard’s Solar Impulse plane tested its solar cells in Omega watch labs to determine whether they could withstand temperatures of minus 40 degrees Celsius (minus 40 degrees Fahrenheit).

“His talent was so multifaceted he could have become Mr. Mobile phone, Mr. I-technology or Mr. Car Manufacturer instead of Mr. Swatch,” said Aurel Bacs, who heads the watch department at auction house Christie’s International in Geneva. “If he lived in England, he probably would have tried to save the U.K. car industry.”

Hayek often said he saw himself as an artist and that he didn’t really consider his job as work. He said employees should think like children and imagine that Santa Claus exists. Among his biggest achievements in watchmaking was the recreation of a Breguet pocket watch that was ordered for French queen Marie- Antoinette in 1783.

“We have lost a man who put appreciation of his employees ahead of value creation at any price,” Leuthard said at the July 3 service. “Not only was his door always open but he always had an open ear for the concerns of his staff. He was as present on the factory floor as he was in his office. This brought him a lot of respect and a high credibility.”

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