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Introduction

Surface To Air is a young, dynamic French company, based in Paris. It was launched in 2001 by Jérémie Rozan, with a group of friends. Now, Mr Rozan, in his early thirties, is partner and managing director in a very successful example of the new and trend of merging fashion, graphics, and design in one design house.

Surface To Air is a studio and boutique operating in art, fashion and communications. In order to attain greater freedom and independence, and better conditions for creativity, the company has organised itself around a number of multidisciplinary creative activities and projects. Originally divided across two locations in Paris, Surface To Air is now based in a large studio-shop in Marais. This area of Paris houses many other retail businesses and Rue du Turenne, where the company is located, is lined with other retail houses and clothes shops.

As Mr Rozan explains, Surface To Air is a creative company with creative solutions. It is also a visual company in the sense that customers' creative problems and needs will be solved using different visual media and video tools. The company assists its clients with the overall image and product design. In that sense, Surface To Air does more than just offer a consultancy service, explains Mr Rozan.

Clients include such high-end fashion and perfume labels as Burberry and Cacharel, as well as top-of-the-range but newer names such as Tsumori Chisato and Comme des Garçons.

Company structure

The company is structured in a traditional format, with a holding – or umbrella – company, and the company group. Each company in the group supports the other, such as when organising tradeshow. The partners of each company owns a third of the shares in the other companies. Jérémie Rozan works directly with the manager of each of the four holding companies. In addition, a financial director is employed (who does not have a creative involvement).

The group consists of three main companies.

- **Surface To Air Studio / S2A Studio** Established in 2001, this studio operates in creative direction and consultancy for the high-end fashion, art and luxury markets, on a global basis. Clients include L'Oréal Luxe, Louis Vuitton, the French Ministry of Culture, Loveless, Tsumori Chisato, Adidas, EGG, HP, EMI, Sony, Chromeo, Justice, Goose, Scenario Rock and Jane Birkin.
- **Surface To Air Men Paris collection** Established in 2004, this is a menswear brand designed in collaboration with Nicolas Andreas Taralis and Thomas Engel Hart. The brand is distributed in the Paris stores near the Louvre Museum and in the Marais. Both stores host a selection from the most promising designers. The collection is also available at the Surface To Air corner at the Comme des Garçons/Dover Street Market in London and in 150 outlets worldwide.
- **Rendez-Vous** First run in 2003, this is a high-end fashion tradeshow, gathering more than 150 emerging and established designers, coinciding with the four fashion weeks in Paris. The designers at the shows are young, promising designers, who come to show their own collections; they are often winners of design schools and other awards, as well as new young fashion instructors. As part of the business, Surface To Air locates appropriate venues in Paris, where it then hosts the trade shows.

In addition, Surface to Air has launched a new magazine, called *Vice*.

Surface To Air's project portfolio: examples

The 'Loveless' campaign for the Burberry group in Asia was a big assignment for the company. The brand has been very successful in Japan, with Vogue having done an entire issue on Loveless. Loveless, located in central Tokyo, is both a high-fashion store and a luxury brand. Surface To Air was commissioned to develop the concept, the major part of the work consisting of communication – the advertising campaign, the logo, the stationery, and an 80-page catalogue.

Since 2003, the company has been in charge of the visual communication and image development of the National Association for the Development of the Fashion Arts (ANDAM), the fashion arm of the French Ministry of Culture. Every year, ANDAM gives awards in the field of fashion and assists the development of the most promising designers.

Fashion company Diesel has commissioned Surface To Air to run a campaign for them in Gallerie Lafayette. For this assignment, Surface To Air is involved only in the print campaign, photography etc. and will decide on the window displays.

Personnel

There are 22 people working in the company, and they come from a wide spectrum of nationalities. The management group consists of:

Jérémie Rozan	General and creative direction and company founder
Jocelyn Seilles	Finances
Santiago Marotto	Art direction and studio manager
Alberto Cabrera	Art direction
Aldric Speer	Creative direction for Collection
Blandine Legait	Collection manager
Nic Jones	Rendez-Vouz management
Vidya Narine	Rendez-Vouz commercial manager
Mehdi Pinson	Boutique and gallery
Lubna Playoust	Boutique and Gallery manager
Sebastian Orth and Karin Mota de Oliveira	Surface to Air Brazil

In addition, five people work on the collection (two on the commercial part and three on production). Three others work in the fashion area, and five in the art studio. Surface To Air has also opened an office in São Paulo, where six people work. All staff members, apart from those in São Paulo, are based in the main office/studio in Rue du Turenne in Paris.

The gender balance is more or less equal: 55% of the staff are men and 45% are women, and all work full time. The employees are aged between 27 and 28 years old; however, although the company is young, has a young age profile and is very young in its design and style, there is no age policy in place for recruitment.

The educational background of the company's workforce is mixed. Jérémie Rozan holds an MBA in Art and an MBA in business. Other employees hold degrees in art, fashion, and marketing; however, one staff member is a former cycle courier.

Surface To Air does not train staff or develop their skills by means of traditional training courses. Staff are encouraged to be creative and are invited and encouraged to take part in projects that may not necessarily fall directly within their domain. This means that someone who is a salesperson or in finance is invited to express themselves visually or in writing.

Recruitment

The company has seen significant growth, from the three people who started it up in 2000, to its current staff of 22. The recruitment process used, whether advertisement or word of mouth, depends on the position that is being recruited for. Recently, with a pressing need for people to work in fashion jobs, a shorter recruitment process was used.

Small, fast-growing start-up companies such as Surface To Air tend to find the French recruitment regulations overly bureaucratic, and difficult to fit around their business planning. Time spent filling in forms increases overheads and the administrative burden. Jérémie Rozan considers the regulations for employee contracts 'heavy', with the consequence that it is difficult to lay off staff in the event that staffing levels need to be reduced.

Internal organisation

In each of the four companies, there is one person who is in charge of planning the work schedules, and providing schedules – to the members of each team – stating their objectives. One week later, the objectives are reviewed and assessed.

Staff members make extensive use of the company intranet for internal communication and when setting up administrative processes. One of the most widely used software tools is the communal calendar, where all staff can view the work objectives of every staff member. The four company managers hold brief weekly meetings, and every month they organise meetings with one partner from each of the 'daughter' companies, where objectives and the work schedule are discussed. Every six months, Surface To Air has a big meeting to discuss long-term strategy issues.

Surface To Air is currently in the process of launching a new software programme to manage its entire clothes collection. It will allow the company to control every task, from the size of the clothes collections to the smallest details of garment style, up until the delivery of the product to the client. The programme will help with the order, with production, with the follow up processes, and with packaging, delivery and invoicing. The company is expecting that the use of the programme will make a significant contribution to the organisation of its work and cut overheads. Although the staff are very literate in information technology, it was felt that the programme (as well as the intranet and the company website) would be better developed externally, and the in-house staff competencies better used for the company's core business.

Market and competition

Initially, four or five years ago, Surface To Air produced experimental graphic designs for T-shirts. Now, its product range has expanded to include collections for men and women – including accessories such as bags and belts – and its clothing range has been distributed to 150 shops worldwide, in large department stores and high-end boutiques.

The company's biggest markets are in the Japan, Scandinavia and the US. The United Kingdom was seen as a good market, but is now slowing down. Perhaps surprisingly, only 20% of the clothing range is sold in France. According to Jérémie Rozan, it is a myth that France is the most 'happening' place for fashion: 80% of attendees at the company's

tradeshows are foreigners. Since its inception, Surface To Air has always seen itself a global, rather than French, company. From the start, it has focused on the Asian market and become very familiar with it; this familiarity, according to Jérémie Rozan, is one of the reasons the company gets so many large orders from Asian companies.

Surface To Air itself decides, without the intervention of an agent, in which shops to have its products sold. A third person has been employed to deal with questions of image and style in the shops that stock the company's products, in addition to the original two staff members responsible for this. Approaching buyers for the company's trade shows is a complicated business, requiring Surface To Air's experience of three years in dealing with the market.

Surface to Air does not consider that it has any real competitors – that is, no competitors who are operating as successfully in their niche market. The company feels confident that what it offers is sufficiently dissimilar from what other companies are offering: it is not aware of any other company that combines design studios, clothes production and tradeshow activities.

Jérémie Rozan maintains that lack of contact with other art forms and culture outside their own particular realm means that some of the art and marketing sectors are losing their creative edge. As a result, many companies are doing the same kind of work and so are encountering competition from very similar companies. Surface To Air's strategy for beating the competition is to specialise in diversity. While the risk does exist that within, say, two years its work will be outdated, he is optimistic that the company will have moved on and innovated.

Company growth

Surface To Air has experienced remarkable growth. Over the last five years, turnover has grown by €2.9 million. However, the bulk of the earnings, as Jérémie Rozan explains, are invested back into the company in order to fund further development and staff recruitment. As a staff retention measure, employees receive a bonus and a 10% salary increase every year; currently, the salary is approximately €1,700 per month.

Surface To Air's growth strategy involves expanding its markets to new customers in mass markets. The company has set itself the ambitious targets of becoming the fifth leading company in the world of design and fashion.

Reasons for success

According to Surface to Air, the main reason for the company's growth is that it is a 'human adventure', in many respects directly opposed to many of the principles they learned while studying for their MBAs. The company directors encourage staff to be creative and to express themselves visually, in projects, in writing and at tradeshows, seeing this is a way to tap the creativity of staff more effectively. The human dimension makes the company look a bit like the Apple brand, says Jérémie Rozan.

The company also believes that its combination of three core business areas in one premises is also behind its success, setting it apart from its competitors in the market. This is part of a conscious market strategy, to include other business interests and activities. For this to be successful, the company needs to have a strategy that is both reactive and proactive. By opening its own stores, it does not have to wait for a trade show or for a fashion week to generate business. Surface To Air is already prepared to deliver seasonal fashions but has also developed its core activities around activities taking place throughout the year. This allows it to produce and be active independently of the fashion cycles, which, according to Jérémie Rozan, is a key factor in its success. In financial terms, such a system allows the company to more easily deal with gaps in the cash flow.

While the company wants to grow, it also wants to provide an ongoing high level of customer service. The company also feels that it has successfully created its own market, rather than producing with particular segments of the market in mind. Instead the company produced what team members themselves liked, and then found that there was a market for its products.

However, Jérémie Rozan still does not consider Surface To Air a success. He says that the business is still not stable and is still under a lot of pressure. He will consider the company a success if, in 18 months, the company is valued at €3 million.

The implications of growth

Because of its rapid growth, the company has had to structure itself differently from other companies. At the same time, it is now encountering obstacles to further growth. The challenge for Surface to Air, as for most successful start-up businesses, is in managing to deal with its own success.

The company is totally self-financed: each partner contributed €1,000, and no other capital was used. Two of the partners maintain that, financially, it will not be a great loss should the company go bankrupt. However, not having a financial buffer can be difficult sometimes. Problems in cash flow could delay production. All the capital is currently invested in producing new clothing lines; the company reinvests everything in the company to be able to pay salaries, creditors, insurance etc. This requires a lot of additional work that wouldn't be necessary if adequate financial backing were available. As the trade shows are now starting to be very profitable, the company feels that this is a forum in which a backer may be found.

The company aims to open a shop in Los Angeles, and for that they are looking for financial backing, ideally from an investor who is interested in the production side. The company is also discussing whether it should create another holding company.

Innovation

The company is not concerned that there may be a risk, now that it has become more established, that it will lose some of its creative edge. It maintains that the key is structure; if a company is big, the creativity has to be 'clustered' so that it takes place in smaller groups. Surface To Air is determined to restrict the size of its creative teams to no more than the present size of 22 people, even should the company grow significantly.

The company also makes use of the internet, a tool that helps it rationalise the management processes, the organisation of work and the production processes. Furthermore, the collections are all sold online. In combination with their 'real-world' presence at collections and tradeshows, this online presence makes Surface To Air visible on a global market place, accessible to all buyers. The company is now working to improve the site, both to present the company in the best light, and to ensure that the system doesn't crash when site traffic is heavy. Currently, the site is changed every six months, with the 'look and feel' being updated every month. (Smaller updates are made more frequently.) The company is pleased with the number of visitors to the site – approximately 800 visits per day. However, the web still accounts for less than 5% of the company's income.

Sources

Interviewees

Jérémie Rozan, Partner and Managing Director

Nic Jones, Managing Partner

Santiago Marotto, Managing Partner

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