

Why are designer bags such a good investment at the moment?

In the last few decades, handbags have become an important new signifier of social distinction. Today, most style-conscious women will be familiar with the history of the leading brands and their most iconic designs, and this has fuelled demand. Consequently, rarer designs produced in limited editions, or simply the very best designs in terms of materials, finish and craftsmanship can offer significant investment opportunities to collectors.

Why has their value increased so rapidly in recent years, often outpacing inflation, house prices, car prices etc.?

Value tends to increase for a combination of reasons. Higher production costs and promotion drives up the original retail price, in some cases doubling in less than 10 years. Spectacular economic growth in countries such as China and Southeast Asia, as well as Brazil and Russia, has fuelled global demand. When international demand surpasses supply, prices inevitably go up.

Are any brands better investments than others?

The preeminent brand is still Hermès. Hermès bags offer the best investment potential because the demand for some models is often twice that of the number produced, the Birkin and Kelly bags in particular. Furthermore, Hermès retail prices are high and are increasing every year.



Above The Chanel Timeless is a classic and on sale at Collector Square for £2,220

What would you look for in determining the cost of a bag: material, colour, strap, embellishment, etc?

If we put aside the brand, which is the really the decisive factor, the material itself is the second most important element. At Collector Square, we look for classic leathers: calf, natural cow, lamb, goat, pecari, as well as more exotic leathers such as ostrich, lizard, alligator and crocodile.

The price peak in 2007 on leather models was due to the sale of a bag by Jane Birkin herself, with the proceeds going to charity. The bag fetched nearly €74,000 (£63,000)'



The BIRKIN in numbers

The Birkin has continually developed over the years and seen its price - for all models - increase by 420 percent in nine years. Leather and crocodile skin are the most used materials for the Birkin with 70 percent and 18 percent of total bags respectively. In 2006 you had to spend €4,260 (£3,640) on average for a leather Birkin, and almost three times as much – €10,677 (£9,115) – in 2015.

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The value of a crocodile-skin Birkin has also risen sharply over the past three years: while it was worth €27,536 (£23,500) in 2007, by 2016 the price had risen to €39,964 (£34,000). The marked fall in 2009 was due to the subprime crisis, which had a more visible effect on crocodile than on leather because of its higher price. Just like its cousin, the Kelly, the rarest Birkins are also generally the most expensive.

As a rule, the most recent colours are the least common on the second-hand market: yellow or purple Birkin bags, for example, are extremely rare and are sold at exceptional prices as a result. The darkest colours are the most common, with brown in the lead. The average prices are lower, but never below €7,600 (£6,485).

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We also consider the combination of the colour and size; vibrant colours are popular on smaller models, particularly among Asian collectors, whereas Americans tend to prefer oversized styles in classic colours. Collector Square accepts embellished items, but only if it was undertaken by the factory itself. In general, customisation that is too extensive or too

And what about wear and tear – can these dramatically reduce the value of a bag?

personal will work against the price.

The value of a pre-owned handbag is inevitably dependent on the condition. We pay special attention to handles, corners and general presentation. A certain amount of repair and reconditioning can always be undertaken, and it is relatively simple to change a handle on a Kelly bag, or reduce colour fading on a worn area. Sadly, rain or other liquids can all too easily ruin leather. This is why Hermès always provides rain protection for all its bags. A clean interior is also important for the buyer.

tags on)?

re-sale value.

Above The brown/gold

sale at Collector Square

Chanel Timeless, on

for £1,750

'The pre-eminent brand is still Hermès.



Hermès bags offer the best investment potential because the demand for some models is often twice that of the number produced'

How can you maximise the value of

or should you keep it boxed with the

your bag for resale (can you use it,

When investing in a bag, we always advise buying

not only for investment but also for pleasure. No one

For very expensive models and limited editions

(Hermès and Chanel So Black editions, rare crocodile

colours etc), the less the item is worn, the higher the

We advise not to keep an item for more than 20

years. A maximum of a few years for non-classical bags

would be the limit for resale. For very coveted pieces

with colours that are not even produced anymore, that

for pristine bags, the resale price is sometimes higher

such as Birkin bags, the demand is so high globally

than the retail price in Hermès boutiques.

can predict how the market will develop for specific

designs, so if the investment does not perform as

anticipated, there is always compensation in the

pleasure of wearing a cherished item.

Any further tips for making sure your bags are worth as much as possible?

- Focus on prestigious brands known for handbag manufacturing, such as Hermès, Louis Vuitton, Chanel, Dior and Goyard
- Consider size, colour and material
- Take great care of your handbag, avoid putting in on the floor, taking it out in the rain or scratching it
- If you should buy a luxury bag on the second-hand market, use only bag specialists with certified experts, where you can be sure of rigorous selection criteria focusing on condition and quality.

Jérôme Lalande is a leather goods expert at Collector Square a website that specialises in pre-owned luxury goods. For more details visit www.collectorsquare.com

LOUIS VUITON history

Vuitton is a brand founded in 1854 by luggagemaker Louis Vuitton. His flat leather trunks - which revolutionised travel at the end of the 19th century helped ensure the reputation of the Vuitton trademark beige and brown checks. This was launched in 1888 and later adapted into azure checks.

However, it was only in 1896 that the famous Vuitton canvas – a high-quality impermeable canvas comprising a warp and weft made from cotton and flax and coated with PVC - was developed to partially replace leather. In that same year, the ultimate Vuitton print was released - the LV Monogram. Originally ebony (beige and brown), it is now produced in several materials: Idylle canvas, Multicolore canvas, varnished leather, stamped leather and Mahina leather.

When Bernard Arnault took over LVMH at the end of the 1980s, he decided to expand the Vuitton range to include prêt-à-porter collections and accessories including shoes, watches, jewellery, fragrances and even travel guides. The brand really took off in 1997 with the appointment of Marc Jacobs as artistic director. From 1998, this New York fashion designer, known for his elegant yet relaxed style, created collections of prêt-à-porter and shoes which revived the brand, without losing its identity. This established Vuitton as a distinct fashion brand, selecting its ambassadors from among the most famous celebrities, including Madonna, Jennifer Lopez, Keith Richards, Muhammad Ali and Angelina Jolie, and commissioning famous international artists to design new versions of its products. In 2002, the English designer Julie Verhoeven was chosen to work with Marc Jacobs on the design of a handbag collection the Contes de Fées collection. A Monogram Multicolore line was also launched in

2003, following a collaboration between Marc Jacobs and Japanese artist Takashi Murakami.



God of goods HERMES Hermès is the oldest brand in the handbag sector, and the

quality of production has remained the highest throughout the brand's 180-year history. Consumers are attracted by the brand's history, it's continual pursuit of perfection, and the beauty and technical mastery of its designs. According to the LuxPrice-Index by Collector Square - a database that analyses more than 300,000 auctions results from the past 10 years - Hermès is the leading brand sold at auction. The Birkin and Kelly bags represent almost 80 percent in value of Hermès bags sold at auction, and the value of these models has increased by more than 300 percent over the last 10 years.

Other brands are also very much in demand. Chanel and Louis Vuitton have produced beautifully crafted handbags for more than 80 years, and both brands have developed in terms of their quality production and retail price.

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