

# THE ROYAL DOULTON COMPANY



## THE MARKET

Pottery and ceramics are a strong indicator of the art and lifestyle of a given age. Indeed, archaeologists rely on shards of pottery fragments to establish the level of sophistication of past civilizations. Today's consumers are more demanding and discerning than ever before.

The rise in home entertainment has been matched by the introduction of contemporary, functional tableware. At the other end of the spectrum, however, the decrease in traditional family meals and rise in solo eating, TV dinners, and convenience foods has seen companies extend their casual tableware ranges.

Withstanding market fragmentation, ceramic giftware has enjoyed considerable growth — gift-giving, home decoration, and investment being the main motivations. Despite the introduction of many alternative forms of gifts, the ceramic form is sought after as offering true qualities of heritage, craftsmanship, and real, long-lasting value for money.

The key markets worldwide for premium ceramic tableware and giftware are the United Kingdom and Continental Europe, North America, Asia Pacific and Australasia. In total the global market is estimated to be worth over \$2.8 billion.

## ACHIEVEMENTS

The Royal Doulton Company is one of the world's largest manufacturers and distributors in the premium ceramic tableware and giftware market. Its illustrious brand names include Minton, Royal Albert, and the core Royal Doulton brand. With 200 years of heritage, The Royal Doulton Company is a

thriving global organization, with around \$225 million annual turnover, employing approximately 3,100 people across its production sites and numerous distribution operations worldwide. Approximately half of all sales are generated outside the United Kingdom.

The Royal Doulton Company is a market leader within the ceramics and chinaware markets, with around 40 percent of all English bone china being produced by Royal Doulton, as well as almost half of the U.K.'s ceramic sculptures.

The company's Hotel and Airline division is also one of the world's largest suppliers of bone china to the international airlines industry. Indicative of its

continuing favor, the division holds major contracts to supply chinaware to British Airways Club World and Club Europe.

In total, The Royal Doulton Company produces 30,000 different items across a broad range of product groups. As well as the company having provided Royal Doulton devotees with their treasured collection pieces, its Royal Albert design "Old Country Roses" has become the world's best-selling bone china tableware pattern, with over 150 million pieces having been sold since its introduction in 1962.



## HISTORY

The Royal Doulton Company has been creating ceramics and tableware for almost 200 years. As far back as 1815, the company founder, John Doulton, began producing practical and decorative stoneware from a small pottery in Lambeth, South London.

His son, Henry Doulton, built up the business, relocating it 60 years later to Stoke-on-Trent. By 1901 the quality of Doulton's tableware had caught the eye of King Edward VII, who permitted the company to prefix its name with "Royal," and the company was awarded the Royal Warrant. The Royal Doulton Company expanded its production facilities and by the 1930s was involved in the manufacture of figurines and giftware.

The company was awarded the Queen's Award for Technical Achievement in 1966, for its contribution to china manufacturing — the first china manufacturer to be honored with this award. In 1972, Royal Doulton was bought by Pearson and merged with Allied English Potteries. In 1993, The

Royal Doulton Company separated from Pearson and became a publicly quoted company listed on the London Stock Exchange.



## THE PRODUCT

Each of the company's principal brands — Royal Doulton, Minton, and Royal Albert — enjoy a long association of royal patronage, and hold at

least one Royal warrant. They are also trademark registered. When drawing up new product design, the designers study the market, analyze consumer research, and often refer to their own museum and archives for inspiration.

The Royal Doulton Archives house a variety of material dating from 1815 to the present day. Contents include Royal Doulton Pattern Books containing over 10,000 hand-painted watercolors illustrating the talent of artists employed over the years.

Apart from providing an invaluable historical record of decorative ceramic styles — from the exquisitely gilded and delicately hand-painted cabinet and tableware of the Victorian and Edwardian eras, to the bright and bold angular design of the 1930s Art Deco — this collection is an inspirational source for Royal Doulton's current Design Studio.

Today, Royal Doulton provides a wide selection of domestic tableware manufactured in bone china and fine china. The brand is also featured in an extensive range of crystal stemware and giftware.

Royal Doulton lists among its products extensive giftware offerings, character jugs, china flowers, and an array of collectable figurines often known as the Royal Doulton "pretty ladies."

For the junior members of the household, Royal Doulton also produces nurseryware, many of which are of interest to adult collectors. Its

most popular collection is “Bunnykins,” while “Brambly Hedge” giftware and the Disney collections, such as “Winnie the Pooh,” have also excited and sustained much interest.

Royal Albert, which traces its origins back to 1896, has become an internationally recognized brand, offering domestic tableware and gift items. Equally famous, with an illustrious heritage dating back to its inception in 1793, is the Minton range, best known for its most popular pattern Haddon Hall, which is particularly favored by the Japanese market. Minton is also renowned for its intricate gold patterns, where one plate can cost more than \$9,000. These, however, are unique works of art, many of which are purchased as heirlooms. The artists in the Minton Studio also undertake special commissions.

The Royal Doulton Company is noted for its high standard of working practices and technology, which are heralded as being among the most professional and intensive in the entire international china industry.

As the corporate ambition is to generate 50 percent of its sales outside the United Kingdom, an extensive distribution chain is required to oversee global sales and marketing. The company currently operates in over 80 different markets and has distribution companies in the United States, Canada, Australia, and Japan.

#### RECENT DEVELOPMENTS

The Royal Doulton Company is undergoing an important period of change in its long history as it implements a three-brand master strategy as a first step in developing the company’s brands. New global merchandising systems, “etail” Internet site, product packaging, point of sale, and designer endorsement have all been identified as keys to the brand development. In early 2004, a license agreement was set up with the fashion icon Zandra Rhodes. She will not only be acting as a spokesperson for the Royal Albert brand but will also be endorsing her own range entitled “My



Favorite Things,” which has been designed using classic Zandra fabric prints with her signature Butterfly and Wiggle as the common theme that runs across both giftware and tableware. Zandra is an ideal match for Royal Albert, with both brands being quintessentially English and colorful, as well



as both being children of the 1960s. The range launched in stores during September 2004.

The Royal Doulton Company has continued to do what it does best: produce top-quality chinaware collections. The new casual diningware is stylish, functional, and user friendly, suited to all modern appliances including dishwashers, microwaves, ovens, and freezers.

The Licensing Division, created in the mid-1990s to propel the three brands into new product sectors, has achieved considerable success, not least with the launch of the Bunnykins Clothing, Silverware, and Children’s Furniture product range. Other categories inspired by the company’s rich heritage and design include an extensive collection of fine art prints, teas, textiles, jewelry, and ties in Japan.

In the United Kingdom, licensed products include home textiles, jewelry, candles, stationery, children/baby gifts, and accessories.

#### PROMOTION

Central to The Royal Doulton Company, promotional and marketing activities have been the development and rationalization of the brand and its communication. The introduction of everything from new logos to in-store promotional material and branded fixtures have demanded that the focus of activity be centered on the communication and effective introduction of the recent significant changes.

The Royal Doulton Company’s immediate goal is to become more global, offering greater consumer relevance through a diversity of products and an extension of its offering through contemporary creations.

At the grassroots level, The Royal Doulton Company continues to employ a variety of traditional promotional techniques ranging from in-store promotions and seasonal magazine advertising to selected press advertising, including supplements in bridal and lifestyle magazines. There is also a strong and effective public relations campaign in place, which is reviewed annually.

As an acknowledged leader in china tableware, The Royal Doulton Company is working to maintain its position at the cutting edge of product

development. Through building on its investments in areas such as a company-owned factory in Indonesia, The Royal Doulton Company can maintain close control of its production and marketing throughout the world, making the most of its high brand awareness recognition.

#### BRAND VALUES

Around the globe, The Royal Doulton Company is valued for its sense of heritage and quality. As one of the oldest and best-recognized chinaware brands in the world, The Royal Doulton Company has earned itself a reputation for excellence, quality, and distinctiveness of design — values that it intends to build on in order to take the brand forward. Prized by collectors the world over, The Royal Doulton Company has an international reach extending way beyond its English roots and product.

To sustain its position, The Royal Doulton Company emphasis for future brand growth centers on its ability to focus on the consumer, to



understand its buyers, and then to create products that suit individual tastes and needs.

The Royal Doulton Company identifies its core brand values as integrity, innovation, creativity, craftsmanship, and decorative skills.

#### THINGS YOU DIDN'T KNOW ABOUT ROYAL DOULTON

- Royal Doulton ceramics are included in a time capsule inside the base of Cleopatra’s Needle on the Thames Embankment in London.
- The largest and most expensive figure made by Royal Doulton takes more than 160 hours to hand paint and costs over \$26,000.
- Royal Doulton was the first china to enter space. China plates were carried on the inaugural flight of the space shuttle *Discovery* in 1984.