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The key-ring bringing a new look to corporate gifts

For the vast majority of an increasingly accessory-conscious public, a key-ring remains a functional item.

A casually dropped Ferrari or Bugatti key fob can raise an eyebrow but for the super-rich what matters is the ski chalet, classic car or wine cellar that the keys unlock.

But now, taking exclusivity to a new level, the key-ring itself is opening doors.

An increasing number of chief executives and senior bankers can be spotted around the city carrying silver-plated key-rings engraved with the words Key-2 Luxury.

Were these executives to walk into a number of better-known restaurants in London and discreetly flash this small square of silver they could automatically shave £2,000 – or more – off their wine bill and receive nine free bottles of Veuve Clicquot champagne.

If they booked a standard room at the Intercontinental on Park Lane they would get 50 per cent off the standard room rate, a free upgrade and a complimentary bottle of champagne – that equates to a saving of up to £400 a night.

Furthermore, if Key-2 holders rent a house from Exclusive Resorts, the private residence club, they get a whopping £5,000 knocked off their bill. The list of privileges seems endless.

What on earth have these individuals done to deserve this largesse? The answer is absolutely nothing.

The Key-2 product is a new kind of corporate gift that cannot be bought by the public.

"These are deals you have got to want to get out of bed for," says David Johnstone, the founder of Key-2 Luxury, which started 11 months ago.

"We offer exclusive privileges for key holders at diverse places ranging from restaurants and hotels to spas and tailors. Companies purchase the key ring and give them as gifts to their VIP's. Individuals cannot buy them. This is the ultimate corporate gift," he says.

Mr Johnstone describes his key-holders as "big spenders with deep pockets" and "successful people who have a large disposable income".

It is no wonder Key-2's

members are likely to be big spenders – some of the company's 50 corporate clients are heavyweights in the world of luxury. JaegerleCoultre, the luxury watchmaker, snapped up 100 key-rings. A watch there will set you back a tidy sum.

HR Owen Lamborghini bought an undisclosed number to give to every buyer of the £175,000 car. Laurent Perrier, the champagne house, has also bought into the idea.

Mr Johnstone is in discussions with an airline that wants to give the gift to every passenger that travels first class.

Christian-Leopold Heppel, the chairman of Hildon Water and owner of a key-ring, said: "All the privileges at Key-2 are very good and these are great corporate gifts. But the company's success will depend on what the business can offer in three years because people get greedy."

The number of privileges on offer, currently 300, is set to quadruple over the next year. The key ring is for life, there are no renewal fees. Mr Johnstone knows the most valuable part of his business is his client database. Key-2's VIP's have to activate their key-rings online.

Brian Egan, managing director of exclusive resorts, says; "Key-2 has already built an impressive database of high net worth clients through their various corporate partners. As they continue to add exciting offers from leading brands, their exposure in the UK is set to grow."

Mr Johnstone's career has

not always been enveloped in luxury. His first understanding of the desires of his elite clientele came from scraping the leftovers from their monogrammed plates at the Grosvenor House hotel in Park Lane.

A stint as a pot washer in the bowels of this exclusive Mayfair hotel gave him an insight into the frenetic demands of the well-heeled.

From the kitchens he graduated to front of house as concierge and receptionist where his job was to satisfy the requests from those who already have everything.

"I would send my kids through the hotel industry as it gives you a complete insight into the world of luxury and services," he says.

Demonstrating an insider's understanding of his trade, he has quietly slipped key-rings into the pockets of maitre d's and concierges in top spots across London to ensure his key ring holders are given their due recognition.

There are 4,000 Key-2 Luxury key-rings in the market – a number he would like to see jump to 20,000 in 12 months. Key-2's profit comes solely from the sale of the product and no commission is taken from retailers offering deals.

He will not detail how much it costs to buy one of these silver fobs but claims they are set to double in price.

"At some point I will probably bring in a partner. I have already been approached by people who want to franchise or license the brand around the world and am in preliminary negotiations."

