

READING PASSAGE 3

You should spend about 20 minutes on **Questions 27–40**, which are based on Reading Passage 3 below.

MAKING A LOSS IS THE HEIGHT OF FASHION

In this topsy-turvy world, selling a dress at an enormous discount turns out to be very good business indeed, says William Langley

Given that a good year in the haute couture business is one where you lose even more money than usual, the prevailing mood in Paris last week was of buoyancy. The big-name designers were falling over themselves to boast of how many outfits they had sold at below cost price, and how this proved that the fashion business was healthier than ever. Jean-Paul Gaultier reported record sales, “but we don’t make any money out of it,” the designer assured journalists backstage. “No matter how successful you are, you can’t make a profit from couture,” explained Jean-Jacques Picart, a veteran fashion PR man, and co-founder of the now-bankrupt Lacroix house.

Almost 20 years have passed since the bizarre economics of the couture business were first exposed. Outraged that he was losing money on evening dresses costing tens of thousands of pounds, the couturier Jean-Louis Scherrer – to howls of “treason” from his colleagues – published a detailed summary of his costs. One outfit he described contained over half a mile of gold thread, 18,000 sequins, and had required hundreds of hours of hand-stitching in an atelier. A fair price would have been £50,000, but the couturier could only get £35,000 for it. Rather than riding high on the follies of the super-rich, he and his team could barely feed their hungry families.

The result was an outcry and the first of a series of government- and industry-sponsored inquiries into the surreal world of ultimate fashion. The trade continues to insist that – relatively speaking – couture offers you more than you pay for, but it’s not as simple as that. When such a temple of old wealth starts talking about value for money, it isn’t to convince anyone that dresses costing as much as houses are a bargain. Rather, it is to preserve the peculiar mystique, lucrative associations and threatened interests that couture represents.

Essentially, the arguments couldn’t be simpler. On one side are those who say that the business will die if it doesn’t change. On the other are those who say it will die if it does. What’s not in doubt is that haute couture – the term translates as “high sewing” – is a spectacular anachronism. Colossal in its costs, tiny in its clientele and questionable in its influence, it still remains one of the great themes of Parisian life. In his book, *The Fashion Conspiracy*, Nicholas Coleridge estimates that the entire couture industry rests on the whims of less than 30 immensely wealthy women, and although the number may have grown in recent years with the new prosperity of Asia, the number of couture customers worldwide is no more than 4,000.

To qualify as couture, a garment must be entirely handmade by one of the 11 Paris couture houses registered to the Chambre Syndicale de la Haute Couture. Each house must employ at least 20 people, and show a minimum of 75 new designs a year. So far, so traditional, but the Big Four operators – Chanel, Dior, Givenchy and Gaultier – increasingly use couture as a marketing device for their far more profitable ready-to-wear, fragrance and accessory lines.

It isn't hard to see how this works in practice. "Haute couture is what gives our business its essential essence of luxury," says Bernard Arnault, the head of LVMH, which owns both Dior and Givenchy. "The cash it soaks up is largely irrelevant. Set against the money we lose has to be the value of the image couture gives us. Look at the attention the collections attract. It is where you get noticed. You have to be there. It's where we set our ideas in motion."

The big idea being the one known in the trade as "name association". Couture outfits may be unaffordable, even unwearable, but the whiff of glamour and exclusivity is hard to resist. The time-starved modern woman who doesn't make enough in a year to afford a single piece of couture can still buy a share of the dream for the price of a Chanel lipstick or a Givenchy scarf.

For all this, couture has been in decline – the optimists would say readjusting to changed conditions – for years. The number of houses registered to the Syndicale has halved in the last two decades. Pierre Cardin once had almost 500 people working full time on couture, but by the 1980s the number had fallen to 50, and today the house is no longer registered.

Modern life tells the story. Younger women, even the seriously wealthy ones, find ready-to-wear clothes invariably more practical and usually more fun. Couture's market has dwindled. "Haute couture is a joke," scoffs Pierre Bergé, the former head of Yves St Laurent – another house that no longer creates it. "Anyone who tells you it still matters is fantasising. You can see it dropping dead all around you. Nobody buys it any more. The prices are ridiculous. The rules for making it are nonsensical. It belongs to another age. Where are today's couturiers? A real couturier is someone who founds and runs their own house. No one does that anymore."

Why, then, are the surviving couture houses smiling? Because they trade in fantasy, and, in these times, more people want to fantasise. "We've received so many orders we may not be able to deliver them all," says Sidney Toledano, head of Dior. So, the clothes are rolled out and the couture losses roll in, and everyone agrees that it's good business.

Questions 27–31

Choose the correct letter, **A**, **B**, **C** or **D**

Write the correct letter in boxes 27–31 on your answer sheet.

- 27** What is the main topic of the first paragraph?
- A** the difference between haute couture and other areas of the fashion industry
 - B** contrasting views on haute couture
 - C** the losses made on haute couture
 - D** the negative attitude towards haute couture of people in the fashion industry
- 28** The writer says that Jean-Louis Scherrer
- A** upset other couturiers.
 - B** was in a worse financial position than other couturiers.
 - C** was one of the best-known couturiers.
 - D** stopped producing haute couture dresses.
- 29** The writer says that the outfit Jean-Louis Scherrer described
- A** was worth the price that was paid for it.
 - B** cost more to make than it should have.
 - C** was never sold to anyone.
 - D** should have cost more to buy than it did.
- 30** In the third paragraph, the writer states that haute couture makers
- A** think that the term 'value for money' has a particular meaning for them.
 - B** prefer to keep quiet about the financial aspects of the business.
 - C** have changed because of inquiries into how they operate.
 - D** want to expand their activities to attract new customers.
- 31** The writer says in the fourth paragraph that there is disagreement over
- A** the popularity of haute couture.
 - B** the future of haute couture.
 - C** the real costs of haute couture.
 - D** the changes that need to be made in haute couture.

Questions 32–36

Do the following statements agree with the views of the writer in the reading passage?

In boxes 32–36 on your answer sheet, write

- YES** if the statement agrees with the views of the writer
NO if the statement contradicts the views of the writer
NOT GIVEN if it is impossible to say what the writer thinks about this

- 32** The way that companies use haute couture as a marketing device is clear.
33 Only wealthy people are attracted by the idea of 'name association'.
34 Pierre Cardin is likely to return to producing haute couture.
35 Some women who can afford haute couture clothes buy other clothes instead.
36 It is hard to understand why some haute couture companies are doing well.

Questions 37–40

Complete each sentence with the correct ending, **A–F**, below.

Write the correct letter, **A–F**, in boxes 37–40 on your answer sheet.

- 37** In his book, Nicholas Coleridge claims that
38 The head of LVMH believes that
39 The former head of Yves St Laurent feels that
40 The head of Dior states that

- | | |
|----------|---|
| A | there is great demand for haute couture. |
| B | people who defend haute couture are wrong. |
| C | the cost of haute couture is likely to come down. |
| D | haute couture is dependent on a very small number of customers. |
| E | more companies will start producing haute couture. |
| F | it is important to continue with haute couture. |