

Comments by, **Nick Manners, Family Partner at Payne Hicks Beach**, originally published by you Magazine online on 8 August 2021 and reproduced with kind permission  
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# The latest battleground in wealthy divorce

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With handbags now selling for hundreds of thousands, high-end accessories are some of the most fought-over assets in super-rich splits. From going to court over the Chanel to slashing a couture collection, Hattie Crisell reports on some jaw-dropping designer dramas



*Photograph: Claire Benoist/thelicensingproject.com*

Once upon a time, there was a woman with a beautiful collection of over 50 designer handbags. Her well-paid husband worked away a lot while she stayed at home caring for their three children. It wasn't always easy, but for birthdays, Christmas and even after she suffered a cancer scare, he showed his love and appreciation by giving her very expensive bags.

This was all very well until the couple started divorce proceedings. Then instructions arrived from the husband's lawyer: the bag collection was considered joint property, and would have to be valued along with all the other matrimonial assets – the items accrued during the marriage – which would be divided in the split. The gloves were off.

'She was outraged,' says Sara Davison, a divorce coach who worked with this woman during what became a furious break-up. 'It was a slap in the face, undermining everything they'd been through. She said, "A gift is a gift, and he gave them to me."' All's fair in love and war, but in divorce terms, that could mean being mugged for your handbag. While the tote that you picked up on the high street is probably safe, those who've had the privilege of purchasing luxury items should prepare to lose them if they split with a spouse – because their worth means they can't be overlooked.

'I've had several cases where clients had a large number of designer handbags – I suppose I should say fabulous collections of them,' says Nick Manners, a family lawyer and partner at London law firm Payne Hicks Beach. 'They were extremely valuable – tens of thousands of pounds, if not more – and had to be dealt with as a class of asset during the divorce process.'

It's a battleground that's located in the closets of the rich and famous, and what it really boils down to is money, money, money. Bags by Chanel and Hermès are the ultimate investment, with even their most basic designs selling for several thousand pounds each.

'Chanel implements price increases every year, and always has done. However, in recent years it's really stepped that up,' says Charlotte Staerck, co-founder of The Handbag Clinic and an expert in authenticating and valuing designer bags. 'In the next couple of months we could be looking at close to £6,000 for a Chanel Classic, which would have cost about £3,500 when I started doing this many years ago.'



*Model Christina Estrada and her billionaire ex-husband Sheikh Walid Juffali battled over a £3 million diamond ring in their divorce. Photograph: Shutterstock*

In extreme cases, the value can rise much higher than that. 'The most expensive one that I've come across personally was a £140,000 Hermès Birkin,' she adds. It was made of crocodile skin, and its metalwork was adorned with diamonds; similarly, a diamond-encrusted Hermès Himalaya Birkin sold at auction in 2017 for £293,000.

Of course, it's not just bags that wealthy couples fight over. Manners explains that jewellery, watches, cars, boats and art can all become relevant in a divorce. 'A lot of our clients have special couture clothing,' he adds. 'They have properties all over the world full of this sort of stuff, and it's extremely valuable – it could be hundreds of thousands of pounds' worth of clothing. It makes a difference on the balance sheet in terms of what they get to keep.'

In 2016, one divorce hit the headlines thanks to a dispute over an eye-wateringly valuable diamond. Model Christina Estrada was married to Saudi billionaire Sheikh Walid Juffali for 13 years; on one occasion, he presented her with a blue diamond ring that he said had been bought for \$4 million (nearly £3 million) – a troupe of guitarists played while he

handed it over, according to the divorce ruling. By the time they split, the ring had mysteriously disappeared; when the judge ordered its whereabouts to be disclosed, Juffali admitted he'd given it to someone else. Ultimately, he offered his wife half of what he'd paid for it. (She was eventually awarded a £75 million divorce settlement, including a £53 million cash payment.)

# Handbags at the ready in divorce rows

By **Steve Doughty**  
Social Affairs Correspondent

IT'S nothing new for divorcing couples to squabble over homes, cars and even pets.

The pandemic, however, has thrown some other prized possessions into the mix, especially designer handbags worth thousands of pounds.



Their value has soared during months of lockdown, along with top-of-the-range watches and shoes, leading to a wave of 'handbag divorces'.

Last year, four out of ten marriage splits in England and Wales led to financial rows which had to be settled by a judge.

The courts stepped in as couples could not agree who would keep assets such as a Hermes handbag, Rolex watch or Louboutin shoes. Some even claimed their former spouse could not be short of cash if they had bought such luxury items.

Divorce lawyer Alison Fernandes, a partner at Hall Brown Family Law, said: 'Husbands and wives have insisted that amounts spent on designer handbags, shoes or watches should be factored into how their



joint finances are divided.' Handbags were the designer item which went up most in value last year, according to an analysis of 'investments of passion' by estate agents Knight Frank.

Hermes led the rise, up 17 per cent, as demand soared thanks to online auctions and buyers looking for 'luxury pick-me-ups'. Top brand watches rose in value by 5 per cent in 2020.

*Newspaper headlines this year highlighted the growing trend*

These are figures so huge that they're hard to grasp – but when a relationship breaks down, the

numbers become very real. Even the legal process itself can be enormously expensive: 'It's not uncommon for divorces to cost £500,000,' says Davison. 'High-net-worth divorces could even be a million pounds – each.' Luxury items can sometimes help cover those costs, explains Staerck: 'We're seeing women who are selling their handbags to pay for the best lawyers they can get.'

When it comes to deciding who keeps what, there's no such thing as a free Birkin: if your valuable belongings were gifts from your spouse, it's your word against his. Davison had a client whose husband worked in finance: 'She always had to look a certain way, because it was really important to him to show that he was incredibly wealthy,' she recalls. 'She didn't have a savings account – she was completely financially dependent on him – but she hosted dinner parties and trips for his contacts, and he would have her dripping in diamonds every time, because it helped his business. When they divorced, though, he denied that these were gifts for her to keep. All her jewellery was treated as a shared asset.'

It's not that the law doesn't recognise a present, but more that it's hard to prove. 'Gifts usually should remain with the person to whom they were given – but people don't run their lives in the way that lawyers would like, in the sense of keeping documentary evidence of everything,' says Manners. 'If I'm buying something for my wife, I'm not writing scrupulous notes confirming the intention of this particular purchase. Often people forget what was happening ten or 20 years ago, because back then they were buying things as a couple, and not considering a divorce.'

If you owned your treasures before you entered into the marriage, then you'd be smart to include them in a prenuptial agreement, he adds: 'You could put in a prenup that you are retaining a particular collection of handbags or art and that's yours, if the other side agrees.' It's not legally binding, but it helps. 'If it's fair and reasonable, and frankly if the wealthier party is generous and the other person is well looked after, then it is very likely to be upheld by the court.'

As for anything the couple bought while they were together, it must be divvied up with help from the lawyers, even if that means selling things and dividing the cash. 'The classic one is art,' says Manners. 'There are many art experts out there who will look at a family's collection and value each piece, and that means the pictures can be divided up in a fair way. But there can be great fights over the value that you put on these things.'

And with handbags, it's especially tricky. 'There's a small pool of valuers who can honestly opine on what they're worth. There can be hearings on this, and sometimes other experts are instructed to come in and undermine the valuation of the first expert. If need be, somebody who's done a valuation may have to go into the witness box and be cross-examined by one of our barristers. It can become quite a gritty piece of litigation.'

Against that backdrop, the appeal of owning 12 Chanel Classics and a speedboat starts to fade. Davison points out that many of these people will never have to worry about money – but the emotional fallout of a high-conflict divorce can be significant: 'It's the feeling of, "How could you do this to me? Do I mean that little to you?"'

When tempers are running high, it's not unusual for valuable items to be destroyed or vandalised, too. We've all heard tales of furious wives cutting the sleeves off their adulterous husbands' suits or throwing acid on the Porsche – but when anger runs the other way, designer handbags can take the brunt. 'We see bags that have been slashed all the time,' says Staerck. 'Women bring them in for repair, and we've seen much more of that recently, maybe because of tensions in lockdown. Some of them would try to hide it, saying, "A knife accidentally went through my handbag." I'd think, "Six times? Really?"'

In a relationship that's broken down this badly, asset division can be another weapon. Davison had one client who was awarded certain items from the family home in her divorce settlement: 'When they turned up, she unrolled her Persian rugs and there were urine stains all over them. Valuable vases arrived chipped or stuffed full of dirty cotton buds. Her ex had sent what she'd asked for, but all damaged and peed on, and there was nothing she could do. Again for her, it wasn't about the monetary value. It was that she felt like he'd had the last laugh and it was all done as a punishment.'

This kind of thing reflects an abusive relationship, she adds. 'Most normal people don't want to end up in court fighting over everything and going for the jugular. If you're two emotionally healthy individuals, you might have an argument over who gets the piano, but ultimately you want to come to some fair resolution.'

Once the dust has settled, some women look again at the handbags they were given for birthdays, for anniversaries, and as apologies for infidelities – and they see them in a new and less desirable light. 'We see a lot of women who think, "Do I want this and the memories it's tied to, or should I sell it and get something that signifies something else for me?"' says Staerck. 'They might trade in ten lower-value handbags and buy one, more expensive bag instead. It's cleansing for them.'

What they end up with might be considered a freedom bag, representing not their marriage, but the fact that they've got through the divorce and closed a chapter. Survival is sweet – especially if it's encrusted with diamonds.

[saradavison.com](http://saradavison.com); [handbagclinic.co.uk](http://handbagclinic.co.uk)

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