

TRAVEL MARKETS Vol. 15-23

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Terminal 4 opens new security layout; Hudson Group announces enhanced new retail program

JFK International Airport Terminal 4 ushered in a new era in its concessions management on March 14, when it opened the Centralized Security Check Point, which for the first time positions its entire retail and Food & Beverage post-security (except arrivals).

The repositioning of the security layout is part of a major expansion project currently underway at Terminal 4, as the Delta Airlines flights in the old Terminal 3 at JFK are merged into Terminal 4, which is owned and managed by JFKIAT, LLC., a partly-owned subsidiary of Schiphol USA Inc.

When completed, the 1.5-million-square-foot Terminal 4 will increase its size by more than one third. The first phase of the expansion project, slated for completion in May 2013, will result in improvements and enhancements that will benefit all of Terminal 4's airline partners and their passengers, including an in-line baggage system, a centralized security checkpoint and a host of new retail



The current Hudson News at JFK T4

and restaurant offerings.

According to Janice Holden, Vice President Airline Relations and Corporate Communication, many of Delta's flights already arrive and depart from T4.

"On May 24, all flights to/from Terminal 3 will move to Terminal 4," she tells TMI.

At this point, none of the new stores have opened, although some are in various states of construction. Holden confirms.

A key element of the new retail program is a dynamic new concessions program by a joint venture led by the Hudson Group.

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FAA to close 149 air traffic control towers due to budget cuts

US air traffic congestion may take a turn for the worse. Today, the Department of Transportation's Federal Aviation Administration (FAA) announced it will close 149 federal air traffic control towers at small airports around the country as part of the agency's sequestration implementation plan. The FAA will begin a four-week phased closure of the 149 federal contract towers beginning on April 7. However, another 24 towers that had been proposed to close, will stay open "in the national interest."

"We will work with the airports and the operators to ensure the procedures are in place to maintain the high level of safety at non-towered airports," said FAA Administrator Michael Huerta.

The closures are due to the across-the-board "sequestration"

spending cuts mandated by the U.S. Congress, in which the FAA must cut \$637 million in spending for the rest of the fiscal year that ends Sept. 30.

According to media reports, all of the airports targeted for tower shutdowns have fewer than 150,000 total flight operations per year, and of those, fewer than 10,000 are commercial flights by passenger airlines.



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PEOPLE

Panos Argyros has rejoined Estée Lauder Travel Retail-Americas as Regional Director-MAC, effective November 2012.

Argyros spent a large part of his career previously with Estée Lauder Travel Retail, before joining travel gift company Bijoux Terner as VP/ GM in June 2008. Previous to his four years at BT, Argyros held several positions at Estée Lauder Travel Retail, including area sales manager Clinique covering the Caribbean & Cancun, and area sales manager for Aramis & Designer Fragrances in North America. He has also been area sales manager Clinique/ Aramis & Designer Fragrances within Estée Lauder Travel Retail EMA, with responsibilities for handling Greece, Russia and Eastern Europe

Panos will be responsible for the continued successful development of the MAC brand in the Travel Retail Americas Region.

Argentine economist Meloconian to run for election

Argentinean economist Carlos Melconian is to stand as a candidate for election to the Argentinean parliament. Melconian is known to many in the duty free world from his information filled presentations on the Latin American economic situation at the annual conferences held by South American trade association ASUTIL. Melconian will run for election in the Province of Buenos Aires for the PRO party. In recent months, Melconian has been touring the province with Mauricio Macri, mayor of the City of Buenos Aires, collecting information and opinions from residents to use in the campaign for the October elections. At the same time, Melconian has continued his disapproving stance against the economic policies of the Fernandez de Kirchner government, with direct criticism on their strategy to combat inflation and their attempts to control the foreign exchange market. By John Gallagher



NSIDER

Desigual fashion brand expands in the Americas TR

Barcelona-based fashion brand Desigual has confirmed its attendance at the IAADFS Duty Free Show of the Americas, along with exhibiting at TFWA Singapore and Cannes. A first time exhibitor in Orlando, the company says that it is fully committed to international expansion in the travel retail sector and has created a global team specifically for the travel retail channel.

This strategy has led to the opening of 90 Designal points of sale in less than two years in areas of geographic interest for the company.

This year Desigual – known for its "optimistic" colorful designs--is focusing on Latin America, even as it opens shops all over the world. It plans to expand the corner concession in Iguazú in this

first quarter, and will see a new shop opening in Aeroparque Airport in Buenos Aires, as well as opening a new shop in Cancun.

Desigual's presence in North America will grow when the corner concession in Houston increases in size and new points of sale are opened in Vancouver.

opened in Vancouver, Dallas and Detroit.

In the travel retail sector, the brand will continue to promote the travel wallet and pack of pashminas as exclusive in-flight items. The travel wallet is sold on Alitalia, American Airlines, Iberia Jetstar Asia, Philippe Airlines,



with our new Hudson concept.

The new program expands the total number of stores we operate

in Terminal 4 from 10 to 14."
For this project, Hudson has partnered with JME Group LLC, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) firm. Hudson Group is part of global travel retailer Dufry AG.

Danzka Vodka sold

The Commerce Tribunal of Dijon this week granted French spirits group Belvedere S.A. court approval for its debt restructuring plan. In a separate deal, Belevedere won approval for the sale of Danzka vodka to a German spirits company for 19 million euros (US\$25m), according to *Bloomberg News*. More information to come



 $Designal\ in\ Miami\ International\ Airport$

SAS, Scoot and Tiger Airways flights and the pack of 2 pashminas will be sold on Alitalia, Delta, Iberia, SAS and Virgin Atlantic flights.

In 2012, Desigual sold over 22 million items through its different retail channels all over the world. The fashion brand ended the year with over 330 of its own shops, 9,000 multi-brand stores and 2,200 corner concessions in department stores in over 100 countries worldwide.

Golden & Company renews partnership with Bottega

Deborah Golden's Golden & Company has renewed its partnership with Distilleria Bottega for sales and distribution of the award-winning premium grappas, Italian liqueurs and wines within the cruise industry.

"Major advances in distribution and sales were achieved in 2012. We are very pleased with these excellent results. Distilleria Bottega's premium liqueurs, grappas and sparkling wines have attracted special attention throughout the cruise industry," said Alessandra Piccin, Distilleria Bottega's Export Manager Travel Retail.

Golden & Company is a full service company specializing in the cruise, travel retail and hospitality industries. Core service offerings include beverage marketing, event planning, strategic business alliances, and brand & partnership development. Golden & Company services wine bar concept development, food & beverage programming, market research and feasibility studies.



Hudson

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The program includes five new specialty shops featuring fashion icons – Michael Kors, Coach, Thomas Pink, Solstice and Victoria's Secret – and seven new Hudson travel essentials stores, as well as a Discover New York souvenir shop. The stores will open in three phases between May and October of this year.

Alain Maca, President of JFK-IAT, LLC, the management company for Terminal 4, noted, "One of the key benefits of Terminal 4's redevelopment for the passengers is the shift to a post-security selling environment, so that passengers can shop at their leisure. Hudson's team has worked closely with our group to deliver a world-class program that will appeal to our diverse passenger mix."

Hudson Group President and CEO Joe DiDomizio, adds: "Hudson first became part of the terminal's concession program shortly after the opening of the new Terminal 4 back in 2001," he said, "and I am grateful to



INSIDER

Focus on Orlando. First Time Exhibitor LuckyClover



Lola Perez

Respected industry veteran Lola Perez – whose background includes positions with Cosmopolitan Cosmetics, P&G Prestige and La Prairie--has formed her own company, Unique Luxury Goods LLC, to help companies develop their market presence in Travel Retail western hemisphere and Latin America domestic markets.

As reflected in the company name, Perez is looking for brands and products that provide a unique luxury offer to the retailer, products that will improve the size of the basket

"My 13+ years of experience in the markets ensures the necessary knowledge to develop each brand in its unique way ensuring brand image and values are respected and supported. I am looking for unique products that bring incremental business to the retailer and meet the demands of an increasingly demanding consumer who is constantly looking for new offers," she tells *TMI*.

"I know there are products out there with a real potential in

Travel Retail. The consumer is asking for new things and with travel numbers forecast to grow steadily, this channel offers a lot of opportunity."

Perez will be in Orlando, working mainly with jewelry brand LuckyClover (Booth #2321 in the Palms Ballroom). LuckyClover features .925 sterling silver or genuine 14karat gold-filled components and authentic murano glass, using either a foil bead technique or millefiori beads, among others. An American brand, each bead in the LuckyClover jewelry is hand-made in Italy, with design and assembly taking place in the US.

Perez has been working very closely with LuckyClover in the selection of a specific TR assortment, development of packaging, merchandising and advertising. She even helped design a special TR gondola concept.

"We literally hit the road in No-

vember and are confirmed already for two airlines listings: United Airlines has listed our high-end (\$174) Rialto Set, which features Murano Glass with white gold foil, Swarovski elements and sterling Silver 925, and US Airways has listed our mid-tier Lago Set (\$94), with silver foil filling."

In addition to showing the full range of jewelry in Orlando, Perez and the LuckyClover team led by founder and CEO Nathalie Hesse will show customized inflight and TR packaging and the specially designed gondola: "We want to make it easy for the consumer," says Perez, "See it, love it, grab it"

LuckyClover has a strong television presence and has built very good brand awareness, notes Perez. For more information, or to make an appointment to see the Collection in Orlando, please contact Perez at lola.perez@uniquelg. com or call +1 954 536 4603.

Paul Sapin inks wine deal with Seva Group for Latin American distribution

Paul Sapin SA, in conjunction with Barry Global Innovation Ltd, has signed an agreement with Seva Group to distribute their exclusive travel retail range of wines to Latin America Travel Retail.

This new partnership will present the range to Latin American operators attending both the IAADFS show in Orlando and the ASUTIL conference in June.

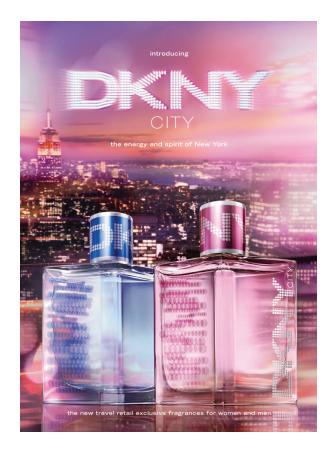
Commenting on the deal for Paul Sapin, Barry Geoghegan said "We are delighted to be working with the Seva Group in Latin America as they have such strong long-standing relationships in this region and are passionate about building a wine business together in this really exciting part of the world."

Seva Group's Laura Klingeman, adds: "Paul Sapin is a very modern and innovative company offering an amazing range of wines. Both Paul Sapin and Barry Global Innovation have a similar approach to the market as Seva Group and we are convinced of the success of the unique wine portfolio for the Duty Free market. I am very excited about our partnership for the Latin American region!"

The Paul Sapin range includes wines from Chile, France, Australia, South Africa, Italy and New Zealand in multiple formats (75 cl and 18.75 cl). The wines are available in the unique unbreakable MLP format which has proven so popular with travel retail operators in many markets around the world. They will also be showing the excellent new, World Wine Cellar premium gift sets which are also exclusive to travel retail operators. In addition to the core range, Paul Sapin will be showing the award winning wines from their Domaine Perierre and Domaine Blomac estates at the two shows.

The range is distributed in over 40 countries worldwide through many of the worlds leading travel retail operators (Dufry, Heinemann, Dubai Duty Free, Lotte, ARI, etc.)

The key brands in the range include The Rocks from Australia, Casa Santa Maria from Chile, Hope Bay from South Africa, Giuliana Pinot Grigio from Italy and Ta Moko New Zealand.





I TRAVEL MARKETS I NSIDER

Game-changing new cruise website Onboard.com brings savvy online consumers and cruisers to the Caribbean

Retailers across the Caribbean will soon have access to a larger pool of savvy travelers, with the introduction of new cruise travel website Onboard.com.

The site draws on the iconic brand-building tradition of its parent company LVMH Moët Hennessy - Louis Vuitton and the content expertise of its core business, Onboard Media—which has had a longtime presence in the Caribbean with its cruise line shopping promotions programs.

Onboard.com, scheduled to go live this summer, will offer a compelling opportunity for retailers in the Caribbean—its main regional focus. The site will feature sections on each major cruise port in the region, with dedicated shopping pages showcasing the best areas to shop in each port of call, information about where to shop and which items to buy while in port, and downloadable shopping maps and exclusive discount

coupons.

Shopping pages will be easy for site visitors to share via social media, further expanding the exposure of the retailers who participate in Onboard.com advertising programs.

Through both editorial and sponsorship opportunities, these shopping pages will reach an influential, savvy audience with an estimated household income of and above \$100,000. According to the company, this audience is predominately female, in the 43–65-year-old age range, and is the main travel purchase decisionmaker and influencer in her family. The projected 2014 audience for Onboard.com is 4.2 million unique users.

"Our goal in building Onboard. com is to create the go-to site for cruise travel that inspires prospective cruisers with rich, engaging content and encourages positive sharing via an inviting online community," says Robin Rosenbaum-Andras, senior vice president of Onboard Media.

In addition to the solid foundation of its parent company and sister companies, Onboard Media and Starboard Cruise Services, Onboard.com benefits from a strong team of travel experts with a wide range of knowledge and experience.

Travel industry veteran An- Onnette Hogan has been appointed Managing Director for Onboard. com, Rebecca Wallwork serves as Managing Editor, and Victor Bao directs digital marketing.

As part of the development celebration, Onboard.com is inviting prospective travelers to become fans of the company's Facebook page by visiting the following



owledge and experience. A mock-up of one of the shopping pages in the Travel industry veteran An-Onboard.com site launching this summer.

link and clicking "Like": www. facebook.com/ helloOnboard and experience how Onboard.com is spreading the love of cruising and building anticipation for this new site

For information on advertising and sponsorship opportunities on Onboard.com, contact: sales@onboard.com.

Porthole Cruise Magazine adds digital edition



Bill Panoff

Beginning in March, Porthole Cruise Magazine will offer its industry-leading cruise publication in a digital version. The digital version will be free to Porthole subscribers.

"Porthole has passionately and thoroughly covered the cruise industry and the world for almost two decades," says publisher and editor-in-chief Bill Panoff. "A digital edition is just the right step in us staying on trend with technology and offering the finest quality to both Porthole readers and to those who may yet share our passions."

Porthole will partner with BlueToad, one of

the largest digital providers of commercial and specialty publications, to make the content as user-friendly and impactful as it is on the printed page. Additionally, apps for iPhone and iPad will be available on the Apple Newsstand.

Readers will be able to access the digital version and manage their subscriptions at porthole.com.

"Our digital edition not only expands the magazine's reach, but also complements the way we reach cruise lovers through social media," says Panoff. "Porthole's Facebook and Twitter pages already have a devoted following, and with our YouTube channel and Tumblr blog constantly expanding, there's never been a better time to come aboard."



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