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Covering the Americas & the Caribbean. parsnip5@aol.com

BY THE NUMBERS

IATA: Strong traffic growth continues in May

The International Air Transport Association (IATA) global passenger traffic results for May show strong demand growth compared to May 2014 for both domestic and international traffic. Total revenue passenger kilometers (RPKs) rose 6.9%, an improvement on the year-over-year increase in April of 5.7%. Capacity in May increased by 6.5%, and load factor rose 0.3 percentage points to 79.3%.

IATA Director General Tony Tyler confirms that connectivity remained robust in May, but warned that the financial crisis in Greece and weakness in regional trade activity in Asia-Pacific could dampen performance in these markets in the coming months.

International traffic demand May international passenger demand rose 7.1% compared to May 2014, with airlines in all regions except Africa recording growth.

North American airlines' traffic rose 2.0% compared to May 2014, an improvement on April's rise of 0.7%. Capacity climbed 4.2% and load factor fell 1.7 percentage points to 81.1%. Expectations for better economic performance in Q2 should support demand for air travel, but IATA cautions that the strengthening dollar can place downward pressure on international leisure travel to the US.

Latin American airlines report a 7.4% rise in traffic compared to May 2014. Capacity rose 6.8% and load factor rose 0.4 percentage points to 80.2%. Regional trade volumes continue to improve, boosting business related international travel despite weakness in Argentina and Brazil.

Asia-Pacific airlines' May traffic jumped 9.4% compared to the year before, a strong performance despite weakness in regional trade activity during recent months.

European carriers saw demand increase by 5.9%. Growth has been robust despite Europe's economic woes in May. Capacity climbed 4.1% and load factor rose 1.4 percentage points to 81.6%, highest among the regions.

Middle East carriers' May demand soared 14.0%. Business activity in non-oil sectors point to strong growth. But **African airlines'** traffic fell 3.9% and capacity dropped faster than demand, slipping 4.9%.

Domestic Passenger Markets Domestic travel demand rose 6.6% in May compared to May 2014, with the strongest growth occurring in India, up by 18.2% over May 2014, and China, up 12.7%. See below.

May 2015 vs May 2014 RPK Growth

Australia	-1.3%
Brazil	0.8%
China P.R	12.7%
India	18.2%
Japan	4.8%
Russian Fed.	4.4%
US	4.3%

Domestic Worldwide 6.6%

PEOPLE



Deborah Ale Flint was confirmed as the new head of Los Angeles World Airports this week.

The Los Angeles City Council this week confirmed Oakland airport executive **Deborah Ale Flint** as the new head of **Los Angeles World Airports**. Flint previously served as the director of aviation for the Port of Oakland. In her new role, she will lead the city authority that oversees the Los Angeles International, Ontario International and Van Nuys airports.

The Los Angeles Board of Airport Commissioners (BOAC) unanimously approved Ale Flint's nomination in a closed session of the airport commission on June 3.

Flint succeeds **Gina Marie Lindsey**, who retired July 1 after a 39-year career, 33 working in the aviation industry, eight years at LAWA.

Dr. Rafael Echevarne, Director of Economics & Program Development at **ACI World**, leaves the organization this month to become Chief Executive Officer of **Sangster International Airport** in Montego Bay, Jamaica. Rafael previously held positions in companies in Europe, Australasia and the Middle East, including Ferrovial, Copenhagen Airports, Abu Dhabi Airports Company, Infratil and Airways Corporation of New Zealand.

"We are definitely sorry to see Rafael go, but I am proud to see him take this next step in his career," said **Angela Gittens**, Director General, ACI World. ACI is actively recruiting for a replacement for Dr. Echevarne.

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Registration open for Mondelez WTR's first regional 'Delighting Travelers' webinar for the Americas

Mondelez World Travel Retail (WTR) will hold its first regional 'Delighting Travelers' webinar next Tuesday, July 7, 2015 at 15:00 – 16:00 (GMT+1). This is a follow-up initiative to the inaugural webinars held earlier this year, aimed at providing airports and retailers in the Americas with the insights and best practices to unlock the potential of confectionery in travel retail in the region. The webinar will be conducted in Spanish, and is entitled "Liberando el potencial de la categoría de confectionery."

The webinar is free to attend and open to all participants.

Mondelez WTR Managing Director Andreas Fehr stated: "The inaugural 'Delighting Travelers' webinars in February were very well received by our trade partners, as part of the journey towards fully unlocking the potential of the confectionery category. Moving to a regional format, this time in Spanish, is an exciting evolution, allowing us to leverage our huge shopper insights program and present case studies we can all learn from to help grow confectionery sales or to use confectionery as a growth driver for the rest of the business."

The one-hour session will feature a number of highlights, including:

- An overview of the huge growth potential in the confectionery category.
- New insight into category segmentation and shopper need states by nationality.
- Insight-led case studies from major travel retailers providing best practices on confectionery retail execution.

Those interested in joining the session can register and log on up to 30 minutes before the start of the session. For more information on the webinar, e-mail delightingtravelers@outlook.com

Proenza Schouler signs L'Oréal fragrance deal

L'Oréal is expanding its fine fragrance portfolio with a new license agreement with American fashion brand Proenza Schouler. The license with the New York-based women's wear brand, founded by designers Jack McCollough and Lazaro Hernandez in 2002, was announced on June 3.

Considered one of the most exciting American fashion brands today, Proenza Schouler has expanded rapidly worldwide. The first handbag collection was launched in 2008, followed by a license agreement to produce and distribute the brand's footwear collection in 2012. Today the brand has ten flagship stores and over 100 points of sale in the most prestigious locations across more than twenty different countries.

L'Oréal Luxe's Designer Brands Fragrances portfolio also includes Cacharel, Diesel, Maison Margiela and Viktor&Rolf.

ACI: Passenger traffic up by 5+% in April

Global passenger traffic increased by 5.6% for April 2015 compared to April 2014, reports Airports Council International. International passenger traffic grew by 4.8% year-over-year; with domestic traffic up by 6.4%. While all regions reported gains in passenger traffic, most of the buoyant activity in April stemmed from the emerging markets of Asia-Pacific, up 9.4%, the Middle East, up by 8.2% and Latin American-Caribbean regions, up 7.1%.

Most of the world's busiest airports posted gains in passenger traffic. As many as 27 of the world's 30 busiest airports experienced positive growth for the month of April. The Asian airports recorded the largest strides in passenger traffic. Shanghai (PVG), Incheon (ICN) and Bangkok (BKK) all experienced double-digit growth rates of 19.9%, 18.8% and 16.1% respectively. Despite the slowdown in some emerging markets, India remains a shining light among the BRICS countries. Both Mumbai (BOM) and Delhi (DEL) showed robust growth of 20.7% and 15.2% respectively for the month of April.

By regions, international passenger traffic in North American airports rose 3.1% year-over-year (YOY) April 2015 over April 2014; was up 4.8% year to date (YTD) in April, and up 5.8% year end (YE), based on a rolling 12 month period, compared to the prior 12-month period.

For Latin America-Caribbean airports, international passenger traffic was up 7.1% YOY in April; up 9.7% YTD and up 8.2% YE.

In Europe, international air traffic was 2.5%, 4.4%, and 5.1% respectively. In Asia-Pacific, the numbers were 9.4%, 9.1%, and 6.5% and in the Middle East, air passenger traffic was up by 8.2%, 9.8%, and 8.8%. Worldwide, the increases were 4.8% YOY, 6.3% YTD, and 6.0% YE.

Domestic passenger traffic worldwide was up by 6.4% YOY, 6.0 YTD, and 5.3% YE.

Air freight experienced moderate growth as volumes increased by 3.3% for the month of April, although the first four months saw an accumulated increase of 4.4% year-over-year.





Beam Suntory's Wilson talks about becoming a global whisk(e)y giant

A new global player emerged last year when Suntory bought Beam Global and the combined company, now the third largest spirits supplier in the world, expects to be much more visible in travel retail around the world.

Beam Suntory's Managing Director of Global Travel Retail David Wilson says Beam Suntory, with powerful brands in bourbon, malt whiskey, and cognac, has developed a new strategy for the ever-important travel retail channel.

"Travel retail is a hugely important part of Beam Suntory's business. If travel retail were its own market it would be around our 5th top market in the world," Wilson tells *TMI*. "On 1 April this year Beam Suntory brought together its global travel retail business to create a dedicated and specialist business. This initiative is a significant strategic investment by the business and demonstrates our commitment to and recognition of the importance of travel retail to us as a business. We are doing things very differently now, with the aim of building global brand platforms through strategic long term retail partnerships and our goal is to make a significant contribution to the channel.

"Our new structure will enable us to have a global approach and align far more closely with the needs of our customers who have enthusiastically welcomed the development. Beam Suntory is the coming together of two entrepreneurial companies and cultures which have aligned philosophies with innovation at their heart. We also believe our new portfolio will enhance our potential to help lead and develop category solutions for the channel.

"We are very clear on our vision. We have three areas of focus: bourbon, malts and cognac and intend to take responsibility for leading these categories with our retail partners. There will inevitably be challenges but we have a strong vision which will help keep us focused. We would also love to

create a strong platform for Japanese whisky which is receiving such strong consumer interest just now."

Whisk(e)y

The addition of Beam's extensive bourbon, Irish whiskey, and Scotch whisky portfolio to Suntory's Scotch and Japanese whisky gave the company a huge footprint in the most important spirits category in travel retail.

"Whiskey is the biggest category in spirits in travel retail and Beam Suntory has amazing multi-award winning brands, with fabulous heritage across the portfolio. We are a truly global whiskey business with Irish, Scotch blends and malts, Japanese, bourbon and Canadian whiskeys. Beam Suntory has two of the top 10 malts in its portfolio and is responsible for 50% of the world's bourbon production. We are doing a lot of work at the moment building on the strengths we have with the enhanced portfolio, understanding how we can lead stronger initiatives within the category with our consumers. We believe we have a responsibility to keep the categories interesting, dynamic and growing for ourselves, our customers and our consumers," says Wilson.

Wilson says Beam Suntory, as the number one bourbon supplier in the world, is perfectly positioned to grow the popular category even further, especially in travel retail.

"Bourbon is growing very strongly worldwide and is at an exciting point in its life cycle. We believe it has momentum to grow further and our aim is to create a bourbon trail around the world. We want to bring the success of the malt category to bourbon and will therefore develop and premiumize the category through a combination of range architecture and experiential activity with consumers, bringing it to life. Now consumers have a greater appreciation of craftsmanship and are looking to drink better. They have a thirst for

knowledge and an interest in whiskey. We need to support this by premiumizing the brands to make it a broader offering of premium expressions.

"We are the #1 bourbon supplier in the world and travel retail is a great environment to bring the category to life for consumers. Jim Beam has tremendous heritage, dating back to 1795 and we are working to premiumize the brand Jim Beam with products such as Signature Craft as well as our small batch bourbons which all bring the craftsmanship to life. From the malts perspective we have an enviable portfolio including the

two largest Islay malts in our portfolio, Laphroaig and Bowmore. Auchentoshan is a lifestyle brand, which is accessible and will help attract and recruit younger adult consumers to malts and keep the category relevant."

Wilson says the consumers should expect to see more of Beam Suntory's Japanese whiskies on shelf in the near future.

"We are really excited about this and hope to introduce Japanese whiskey in due course in travel retail. We certainly have the credentials and intend to bring innovation and an offering globally soon."

Michael Pasternak





David Ferreira
dferreira@cross.com

Paco Rabanne launches new Olympéa fragrance as companion to Invictus

Puig has announced the launch of Olympéa by Paco Rabanne, a new women's fragrance that is the feminine counterpart to the brand's very successful Invictus for men.

Returning to the theme of antiquity, Olympéa is designed for a 'modern day Cleopatra'. Paco Rabanne has chosen 21-year old Brazilian super model Luma Grothe to represent Olympéa. Rabanne says Luma "embod[ies] this goddess-like femininity."

The fragrance was developed by IFF's Loc Dong, Anne Flipo and Dominique Ropion. It is the French premiere for Loc, a Saigonborn perfumer now based in New York. It took more than two years to develop.

Featuring a sensuous vanilla accord, the notes include aquatic accord, jasmine, vanilla, sandal-wood and ambergris.

The Olympéa flacon was created by Roman designer Marc Ange, and features strong symbolism from Greek mythology, including laurel leaves and wings of victory.

The fragrance is launching in August, and is available in 30ml, 50ml and 80ml sizes.



CONSTELLATION BRANDS,

a leading international producer and marketer of beer, wine and spirits, is hiring a 16-month contract position **Manager of Key Accounts, Global Travel Retail.** Location is flexible.

Job responsibilities include:

Manage Duty Free P&L Strategy for Key Account GTR customers, aligned to the overall Global Travel Retail strategy.

Working with Regional Sales Managers and Directors on the domestic teams to align overall strategies and tactics.

Attend GTR trade fairs, meetings, trainings, and quarterly / annually reviews.

Develop a business plan to gain growth in sales, distribution and activation.

Work with Marketing function heads to develop programs and displays.

Manage marketing and promotional budgets.

Work on new product launches, packaging changes, supply constraints.

Develop a pricing strategy and annual pricing plan.

Qualifications and minimum requirements:

University degree in a Business related subject with 5-7 years of sales or key account management experience.

Proven understanding and experience of working in Travel Retail channels.

Excellent influencing & negotiating skills.

Excellent Brand building capability.

Excellent financial skills with evidence of profit responsibility.

Wine & Spirits industry knowledge and experience preferable.

Please apply online at www.cbrands.com/careers

Michael Kors unveils The Gold Collection of luxe glamour fragrances

Michael Kors is launching a new Michael Kors Collection of fragrances that embodies the luxe glamour of the Michael Kors woman: The Gold Collection is three individual scents designed to reflect the opulence and luxury of a hallmark of Michael's world—precious gold -- in white, rose, and 24K varieties.

"There is nothing sexier than a woman with a beautiful glow after an amazing vacation—and nothing complements that glow better than shimmering gold jewelry and a hint of fragrance that feels just as opulent and glamorous," says Michael Kors.

The three distinctive fragrances in The Gold Collection offer a scent for every occasion, mood and personal aesthetic.



The Gold Collection, Michael Kors is simultaneously introducing a new collection of modern, bold jewelry—and the fragrance bottles, with their sleek, structural shape, mirror the aesthetic of the accessories.

The advertising campaign shot by Mario Testino features a seductively bronzed Karmen Pedaru, Michael Kors' muse, wearing a glamorous array of mixed metallic accessories that radiates the Michael Kors luxe gold lifestyle. Testino's print and online advertising will roll out in August 2015.

The Gold Fragrance Collection will be available at Travel Retail locations in Europe and MEA in July 2015, and in the Americas and Asia Pacific from August 2015. All fragrances are available in 100ml and 50ml.

- **WHITE LUMINOUS GOLD:** Sparkling and sensuous, White Luminous Gold combines pear, jasmine and amber in a bright and exotic signature.

- **24K BRILLIANT GOLD:** Feminine and seductive, with orange mandarin, florals and a spark of woodiness.

- **ROSE RADIANT GOLD:** Rose Radiant Gold spotlights sparkling fruits, rich florals and soft musks.

To complement the launch of

Spirits personnel changes: Interbrand, Diageo

Interbrands USA, a division of Interbrands wines & spirits, announces that **Deborah Golden**, who joined Interbrands USA in 2014 as Vice President Sales & Marketing, will be leaving the company to pursue her own consulting business, Golden and Company.

Lars Münter, Travel Retail Director for Interbrands Wines & Spirits, will assume responsibility for the cruise industry.

Following the announcement that **Diageo North America President Larry Schwartz** will retire by the end of this calendar year, the company has named Deirdre Mahlan, currently CFO, as his replacement as president Diageo North America. Until a new CFO is named, Mahlan will continue in her current role as well.