



## BY THE NUMBERS

### LVMH reports revenues and profits up, but DFS hit by challenges in Macau and Hong Kong

Luxury group LVMH Moët Hennessy Louis Vuitton saw revenues and profit growth in the first half of 2016, even as its DFS business was impacted by the difficult tourist environment in Macau and Hong Kong.

LVMH recorded revenue of €17.2 billion in the period, an increase of 3%. Organic revenue growth was 4% compared to the same period in 2015. Profit from recurring operations was €2,959 million for the first half of 2016, consistent with the same period in 2015. Group share of net profit amounted to €1,711 million, an increase of 8%.

The company reported that overall the American market is dynamic, and Europe remains on track, with the exception of France, which has been affected by a decrease in tourism.

Asia improved steadily during the period.

But the **Selective Retailing** business group saw profit from recurring operations fall by 5%, as DFS continues to face challenges in Asia, particularly in Macau and Hong Kong.

DFS' geographic expansion continues, however, with the opening of a new *T Galleria* in Siem Reap in Cambodia and another *T Galleria* opening in the coming months in Venice, Italy.

The other company in the Selective Retailing group, Sephora, saw "outstanding performance throughout the world" and continued to gain market share in all regions, recording double digit-growth in its revenue and profits.

Selective Retailing organic revenue grew 5%, and reported revenue grew by 4%.

#### Revenue by Business Group

The breakdown of Group revenue by business group remained nearly unchanged.

The contribution of Fashion and Leather Goods, at 34%, was down 1 point, while that of Perfumes and Cosmetics increased by 1 point to 14%. The contributions of Wines and Spirits, Watches and Jewelry, and Selective Retailing came to 12%, 9% and 32%, respectively.

The **Wines & Spirits** business group recorded strong growth in the United States, and improved momentum in China, with organic revenue growth of 9%. On a reported basis, revenue growth was 7% and profit from recurring operations increased by 17%.

The **Fashion & Leather Goods** business group recorded stable revenue and profit from recurring operations, although

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## PEOPLE

**Doug Bagley**, Managing Director, **Diageo Global Travel and Middle East (GTME)** is leaving the company on Jan. 1, 2017, it was reported this weekend.

**Dayalan Nayager** who is Regional Director, Global Travel and Middle East, Europe, will be promoted to Managing Director, Global Travel on Jan. 1, 2017.

*Just-drinks* reports that Diageo is splitting the Global Travel & Middle East unit, which Bagley led for three years, to create a stand-alone Travel Retail unit, which will be based in London.

**Coty Inc.** has appointed **Camillo Pane** as Chief Executive Officer and member of the Coty Board, effective the day after the closing of the merger of P&G Specialty Beauty into Coty. Camillo Pane currently holds the position of Executive Vice President of Coty's Category Development and is a member of the Coty Executive Committee. The deal is expected to occur in October 2016.

### International visits to the U.S. up slightly in Jan. 16

International visitors to the United States crept up in January 2016, rising 1% to 5.5 million over arrivals in January 2015, reported the U.S. Department of Commerce yesterday. Nevertheless, the increase marked the 5<sup>th</sup> consecutive month of growth in total U.S. visits.

#### Top Inbound Markets

The top inbound markets continued to be Canada and Mexico. Mexico recorded 1.5m visits to the U.S in January 2016, up 3%. But overnight volume from Canada was 1.4m visitors, down -13% compared to January 2015. The People's Republic of China (excluding Hong Kong) (+35%), Japan (+3%), and the United Kingdom (+12%) rounded out the top five inbound markets.

Eight of the top 10 countries posted increases in non-resident visits in January. Non-resident visitation from five of the top 10 countries registered double-digit growth.

#### Regional Markets

Eight of the nine major overseas regional markets recorded increases in non-resident visits to the U.S. during January 2016: Asia (+16%), Western Europe (+7%), Oceania (+9%), the Middle East (+3%), Central America (+23%), the Caribbean (+9%), Eastern Europe (+5%), and Africa (+8%).

Only South America showed a decline.

#### Non-Resident Visits from Overseas (all countries except Canada and Mexico)

Non-resident visits from overseas countries (2.6m) were up 8% over Jan.'15, and accounted for 48% of total arrivals to the U.S.

#### Top Ports: January 2016

The top 15 ports of entry accounted for 86.4% of all overseas visits compared to 86.5% in Jan.'15. The top 3 ports (Miami, New York [JFK], and Los Angeles) accounted for 41% of overseas arrivals compared to 41.6% in Jan'15.

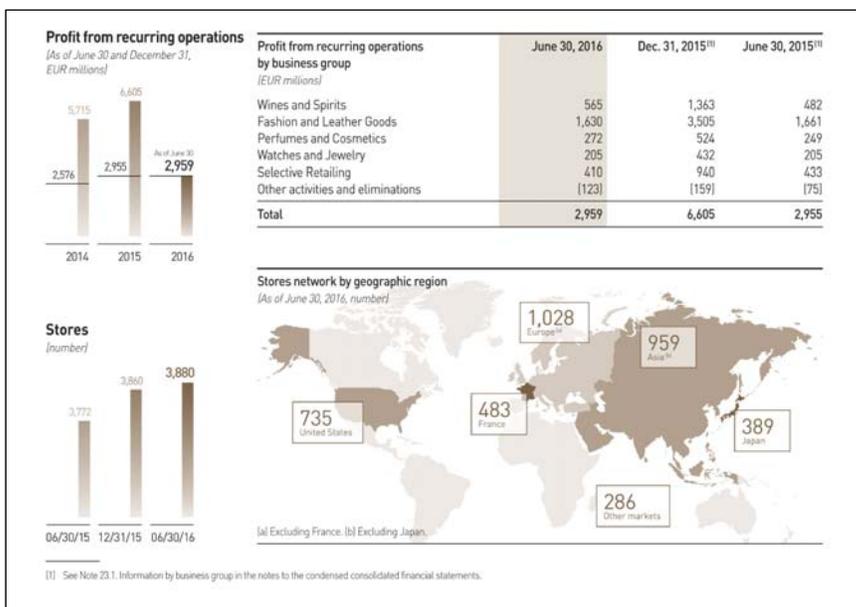
## LVMH first half earnings report

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revenues were down -1% on a reported basis and profits from recurring operations were down -2% compared to first half of 2015. LVMH also announced an agreement for the sale of the Donna Karan business.

The **Perfumes & Cosmetics** business group recorded organic revenue growth of 8%. On a reported basis, revenue growth was 5% and profit from recurring operations increased by 9%.

**Watches & Jewelry** reported market share gains of its brands and a successful refocusing of TAG Heuer in its core offering, with recorded organic revenue growth of 4%. On a reported basis, revenue growth was 4% and profit from recurring operations was stable.



## MIA continues growth; will add 5 new airlines

Total passenger traffic at Miami International Airport grew 3% through the first six months of 2016 to 22.6 million travelers, despite a struggling economy in Brazil, which is the airport’s busiest international market.

Domestic traffic at MIA increased 5% to 12.1 million passengers; international travelers rose 1% to 10.5 million passengers. In total, MIA served nearly 700,000 more passengers in the first half of 2016 than in the same time period last year.

“To grow by 3% overall despite a major decrease in travel from our top international market is significant,” said Miami-Dade Aviation Director Emilio T. González. “In fact, air travel throughout Latin America and the Caribbean was up only 1.7% through May.

“Higher gains in domestic travel and other regions show that MIA is evolving from a regional hub to a truly global gateway. After a record year of 8% growth in 2015, and with a busy third and fourth quarter ahead, we expect a strong finish at the end of the year,” said González.

In addition to peak winter season traffic on existing airlines, MIA will receive an added boost from five new airlines starting Miami service this fall. In September, Eurowings will launch flights to Cologne, Germany; Silver Airways to Bimini, Bahamas; Scandinavian Airlines to Copenhagen, Denmark and Oslo, Norway; and Dominican Wings to Punta Cana and Santo Domingo, Dominican Republic.

In October, KLM Royal Dutch Airlines will return to MIA with three weekly flights to Amsterdam.

MIA is currently served by 102 passenger and cargo-only airlines – the most of any U.S. airport.

## ATL may exceed passenger record set in 2015

One year after becoming the first airport ever to serve 100 million passengers in a single year, Hartsfield-Jackson Atlanta International Airport (ATL) officials report that passenger numbers for the first half of 2016 exceeded passenger numbers for the same period in 2015. In addition, ATL, which hosted more aircraft operations than any other airport in the world in 2015, is currently exceeding operations numbers over the same period last year.

As of June 30, 2016, ATL hosted 51,293,666 passengers year-to-date, up 4.48% over the same period in 2015. Domestic traffic totaled 45,544,621 passengers, up 4.48%. International traffic was 5,749,045, up 4.42%.

## Flight bookings to Nice collapse

Air travel to Nice, already down due to previous terrorist attacks in France, has plunged further following the July 14 Bastille Day tragedy, reports ForwardKeys. Daily net bookings to Nice for any future arrival date dropped by 57% compared to the net bookings issued during the same period in 2015, according to the latest data.

International visitor arrivals in Nice dropped by 9.4% in the week after the attack, when compared with the same time last year, according to ForwardKeys. Across the country, post-attack arrivals were down 8.8%.

Future air bookings for the summer season, up to the end of September, have also been hit, with France down 20% and Nice down 19%.

ForwardKeys data shows that flight bookings to Nice for August and September, were already down 14% before July 14 and fell a further 5% in the days following the terrorist attack.



## Dewar's strikes gold at the ISC

In a category dominated by single malt whisky, Dewar's Blended Scotch Whisky won an impressive four Gold awards at the International Spirits Challenge 2016.

The company says that the awards highlight its commitment to premium Scotch whisky through the Dewar's portfolio of aged blends and reinforces Dewar's claim as the most awarded Blended Scotch whisky in the world.

Dewar's received the ISC's Gold medal for Dewar's 12 Years Old, Dewar's 18 Years Old, Dewar's White Label Scratched Cask and for Dewar's 30 Years Old Ne Plus Ultra, a small batch premium bottling of the oldest ever release from Dewar's in its 170-year history.

"We continue to champion age statements, which we believe are the single, clearest signifier to consumers of quality and are proud to see our double aged & limited edition blends continually receiving recognition in highly respected competitions like the International



Spirits Challenge," said Fraser Campbell, Dewar's Global Brand Ambassador.

Taking extra steps in the maturation process with double-ageing and proudly proclaimed age statements are just two of the reasons why Dewar's has become the world's most awarded blended Scotch whisky, says the company.

Now in its 21<sup>st</sup> year, the International Spirits Challenge is one of the most authoritative, respected and influential spirits competitions in the world. Founded on a rigorous and independent judging process, ISC receives over 1,300 entries from nearly 70 countries worldwide.

## Bottega SpA reports latest action in its copyright suit against Santero Fratelli

Italian wine company Bottega SpA reports new developments in its copyright action against companies that attempt to "counterfeit" Bottega's award-winning wines.

The latest incident took place on July 14, in the trial related to the counterfeiting of Bottega's sparkling wine "Il Vino dell' Amore Petalo Moscato."

Bottega has claimed that the Moscato wine called "Moscato Spumante Dolce Tempo," produced by Santero (a winery located in Santo Stefano Belbo near Cuneo, Piedmont) was a blatant copy of its "Il Vino dell' Amore Petalo Moscato."

Bottega's claim was upheld by the Public Prosecutor's Office in 2012, at which time Bottega reports that all bottles, labels, molds, and cardboard boxes related to

the fake product were seized and the court ordered a halt to its business in Italy.

Santero subsequently petitioned to revoke the seizure, but its request was rejected, says Bottega. In 2013, the Court of Alba ordered the indictment of Gianfranco Santero, with the accusation of counterfeiting the product "Il Vino dell' Amore Petalo Moscato."

On July 14, 2016, following the indictment of Gianfranco Santero, CEO of Santero Fratelli & C, a new judicial hearing is scheduled for December 19, 2016, reports Bottega.

"The episode reaffirms the originality and authenticity of the protected trademarks and products by Bottega SpA and is a significant deployment in copyright owners' ongoing war against infringement of their works," said the company in a statement.

## L'Oréal to acquire IT Cosmetics

L'Oréal has announced that it is acquiring IT Cosmetics, one of the fastest growing prestige beauty brands in the United States, and is paying a hefty US\$1.2 billion in cash to buy it.

IT Cosmetics will become part of the Luxe Division of L'Oréal, where it will join with L'Oréal's "dream team" of great beauty brands such as Lancôme, Kiehl's, Yves Saint Laurent, Armani and Urban Decay, said Nicolas Hieronimus, President L'Oréal Selective Divisions.

The brand will continue to operate out of its Jersey City, New Jersey headquarters under the current leadership team.

Founded in 2008 by Jamie Kern Lima and Paulo Lima and co-owned by TSG Consumer Partners, IT Cosmetics was developed with leading plastic surgeons to provide women with innovative, problem-solving skincare and makeup products.

IT Cosmetics offers more than 300 high-performance beauty products focusing on color cosmetics, skincare, brushes and tools, selling through a multi-channel distribution model that includes select television shopping channels including QVC and TSC, specialty stores including ULTA and Sephora, and the brand's website.

For the 12 months ending June, 2016, IT Cosmetics had net sales of \$182 million, up 56%.

"IT Cosmetics shares L'Oréal's passion for product innovation and our belief that offering beauty for all is a deeply purposeful mission," said Frédéric Rozé, President and CEO of L'Oréal USA. "The brand has earned the devotion of its highly engaged consumers and we see potential for significant growth in the years to come."

The closing is subject to the standard regulatory approvals and other customary conditions.

Earlier this month, L'Oréal also announced that it was in the process of acquiring the rights to the Société des Thermes de Saint-Gervais-les-Bains and license to use the Saint-Gervais Mont-Blanc brand.

Saint-Gervais Mont-Blanc products are formulated with 100% Mont-Blanc thermal spring water, natural extracts of Alpine plants and offer a range of products for the care and protection of the face and body.

The thermal spa of Saint-Gervais was created in 1807 and is today one of Europe's most important thermal spa resorts.

*IT Cosmetics*





## Sunglasses Awards 2016 Opens For Entries

### Essence Corp

has an immediate opening for a **Brand Manager**.

The ideal candidate must have marketing and/or sales experience preferably within the luxury brand industry.

Strong communication and presentation skills.

This individual will be responsible for purchasing, inventory management, marketing plans, price lists, brand communication and reporting.

Must have a high level of skills using Excel, PowerPoint and other MS Office applications. Fluent in English and Spanish both written and oral. French is a plus.

Please send resumes to [lpiedra@essence-corp.com](mailto:lpiedra@essence-corp.com) & [musallan@essence-corp.com](mailto:musallan@essence-corp.com)

### THE SHISEIDO GROUP

has the following open positions in its Marketing Department:

**Product Manager** for its Skincare/Make-up brands and a **Marketing Assistant** to assist the Fragrances TR Brand Manager.

Candidates must have at least 2-3 year experience in the industry with a Marketing or Business related degree preferred.

We are also looking for an **Administrative Assistant** for our HR/Administration Department.

&  
**Travel Retail Sales Manager South America** based in the Miami office.

Minimum qualifications: Bachelor degree or above in Business; 3 years' experience in a sales position within the industry; excellent communication skills (English/Spanish); strong management and analytical skills; 50% travel.

To apply please contact [gcamplani@bpi-sa.com](mailto:gcamplani@bpi-sa.com)

Sunglasses suppliers De Rigo, Essilor, Kering Eyewear, Luxottica, Marchon, Marcolin and Maui Jim are pleased to announce that the Sunglasses Awards 2016 are open for entries.

For the 2016 awards, there will be seven (7) awards categories in total, with several changes from previous years:

1. Best Marketing Activity for the Sunglasses Category
2. Best New Sunglasses Environment
3. Best Dedicated Sunglasses Sales Team
4. Most Supportive Airport Authority for the Sunglasses Category
5. Best Off-Airport Sunglasses Retailer
6. Sunglasses Retailer of the Year (turnover under US\$2bn)
7. Sunglasses Retailer of the Year (turnover over US\$2bn)

The deadline for entry submission is Sept. 1, 2016. Go to

[www.sunglassescategory.com](http://www.sunglassescategory.com) to submit nominations online.

The platform provides a range of resources on the sunglasses category in Global Travel Retail.

Two new sunglasses suppliers

– Essilor and Kering Eyewear – have joined the collective that co-sponsors and co-hosts the event and awards this year.

Winners of the Sunglasses Awards 2016 will be announced at the Sunglasses Strategy event at the TFWA World Exhibition in October 2016. The event will share a new common category vision for the channel – Vision 2020 – supported by new sunglasses consumer insights and the latest category strategies specifically tailored to shoppers in the Global Travel Retail channel.

The judging panel comprises:

- Enrico Molin, Boutiques & Duty Free Manager, De Rigo
- Francesco Leccisi, Head of Asia Pacific & Global Duty Free, Essilor
- Omar Hagi, Global Head of Travel Retail & International Key Accounts, Kering Eyewear
- Francis Gros, Head of Global Channels, Luxottica
- Erwan Le Guennec, International Travel Retail Director, Marchon
- Chiara Polverini, Duty Free & Travel Retail Manager, Marcolin
- Giles Marks, Director Duty Free Sales, Maui Jim

“Now in its sixth year, the Sunglasses Awards goes from strength to strength. New suppliers joining the group emphasizes how much of a true category initiative this has become. The sunglasses category continues to be one of travel retail’s star-performers, and the Cannes event and awards provides a valuable focal point to share best practice and recognize the innovation and excellence which is driving this growth.

“In 2016 we are raising the bar, launching a new common vision – Vision 2020 – and bringing fresh consumer insights and growth strategies to the market. Developed collaboratively and with the support of specialist marketing and design agency, FILTR, this lays the foundations for growth and a roadmap for the future evolution of sunglasses in travel retail,” comment the event co-sponsors.



Has an immediate opening for a **Category Sales Manager Cruise**

for  
**Liquor, Tobacco and Confectionery**

Tasks:

#### Category Management:

Work in conjunction with Business Development to secure category information for the region, PAX, channel, or other market research that will assist in building more tailored customer assortments, pricing, and promotional programs; create customer price lists; manage category space responsibilities; track and measure sales results; help develop vendor supported promotional programs and new products; verify forecasts in the replenishment system.

#### Sales Coordination

Create new product offers & catalogues; communicate assortment updates; assure information entered in SAP matches information received from customers; maintain promotional calendars; create presentations; solicit customer feedback.

#### Position Requirements

Full Time, HQ based position (Coral Gables); Graduate degree (college); English a must, Spanish and other foreign languages a plus.

Pls. send resumes to [info@heinemann-americas.com](mailto:info@heinemann-americas.com) With CC to: [m.mariani@heinemann-americas.com](mailto:m.mariani@heinemann-americas.com)

### MOVADO

is seeking an **Area Sales Manager for key chain accounts and independent accounts for the Caribbean**.

Position based in Miami and reporting to

**Travel Retail Sales Director**. Responsibilities include both sell-in and sell-out management, elaboration & implementation of sell out plans to further drive retail sales, assortment & inventory management, working with the marketing department to build the trade plan for each account and ensure retail excellence in stores.

Ideal candidate has at least 5+ years of previous account manager/area manager experience, strong retail experience in luxury or consumer goods industries, Caribbean market knowledge a plus, exceptional interpersonal skills, strong business acumen skills and entrepreneurial mindset and a can do attitude. 50% travel required.

**To apply, please copy this link -**

<http://jobview.monster.com/Area-Sales-Manager-Job-Coral-Gables-FL-US-167452154.aspx?mescoId=4100666001001&jobPosition=1>