

Canada: Unexpected 40% excise tax increase on tobacco greatly concerns Duty Free Industry

OTTAWA, Feb. 12, 2014 - Canada's Frontier Duty Free Association (FDFA), has expressed great concern that the huge excise tax increase on tobacco products announced by Canada's Federal Government on Feb. 11, will work counter to government revenue goals, health strategies and Canada's economic interests.

The 2014 Budget increased the federal excise tax on duty free cigarettes from \$15 per carton to \$21.03 per carton - a 40% tax increase that was applied overnight.

"We understand and support the Government's need and desire for a balanced budget and the goals of Canada's tobacco health strategy, but a tax shock of this magnitude - which was brought in without any prior consultation or warning - is a major blow to our stores," stated Abe Taqtaq, FDFA President.

"Our members are troubled about the unintended consequences of this tax increase since it threatens to divert sales away from our members' stores to the illicit market, which in turn jeopardizes both the Government's revenue and public health goals," added Taqtaq.

In recent testimony to the House of Commons Justice Committee, a representative from the Canada Border Services Agency called contraband tobacco "a plague that is increasing."

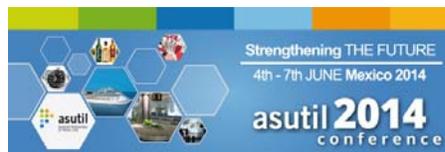
Estimates of the size of Canada's contraband market have ranged from 25-33% in recent years, fueled by illegal manufacturing and sales on First Nations reserves.

FDFA members, which are all Canadian-owned stores, are also confused regarding the origins of this tax increase since duty free stores were originally established to help repatriate sales of products like tobacco, and therefore bolster government revenues and Canadian employment.

"Higher taxes in Canada drive more consumers to the U.S. to buy tobacco products and, without effective means of enforcement at the border, in turn result in more illicit product entering the country. That translates into more lost revenue for government and creates a competitive advantage for U.S. retailers over law abiding Canadian retailers," warned Taqtaq.

FDFA Executive Director Laurie Karson advised that the FDFA Board and Government Relations Committee are working to develop the Association's next steps.

"It should be noted that both the duty free industry and our tobacco partners were not aware in any regard that this increase was going to be announced," said Karson.



South American Duty Free Association ASUTIL announces that the 2014 Conference - its 18th -- will take place June 4-7 at the Hilton Mexico City Reform Hotel in Mexico's capital city, the largest Spanish-speaking city in the world. Registration will open on Feb. 13.

This is a special year for ASUTIL, which is celebrating the 20th anniversary since the association was created. As in the past, ASUTIL's organized Networking Time continues to be

one of the most valuable and popular characteristics of the annual event. Sponsored jointly by Bacardi and Diageo, the Networking Time allows suppliers from around the world to meet face-to-face with the key buyers of the most important travel retail operations in South America, in one convenient place and time. Booking opportunities for the Networking Time Meetings will begin on April 15.

For more information, go to <http://conferencia2014.asutil.org>

Canada: FDFA National Duty Free Charity Golf Tournament In Memory of Lori Watson

Registration is now open for the 2nd charity golf tournament sponsored by Pernod Ricard Americas Travel Retail and the FDFA. The golf tournament is being held in conjunction with the FDFA Business & Professional Development Summit (Operators only) taking place in Kelowna, B.C. The Golf Tournament will take place on May 8, 2014. At The Harvest Golf Club in Kelowna, B.C., Canada and is open to FDFA members and guests. FDFA reports that there will be a dinner following golf at the Delta Grand Hotel with prizes, charity auction and networking opportunities.

The FDFA has a block of rooms at the Delta Grand Okanagan Hotel for guests attending the golf - information is included on the golf registration website. To register, please go to <http://janaseymour.dojiggy.com/>

Pernod Ricard Americas Travel Retail

FDFA AFHT
FRONTIER DUTY FREE ASSOCIATION
ASSOCIATION FRONTIERE HORS TAXES

PEOPLE NEWS

Etienne Kusmierek, formerly with Guerlain and more recently Managing Director Latin America & Caribbean at Bulgari responsible for perfumes and luxury products, has joined **Starboard Cruise Services** as the Retail Director for Luxury operations. He can be reached at etienne.kusmierek@starboardcruise.com

Mike Soskin has joined **Brown-Forman Global Travel Retail** as territory manager for the US & Canada, reporting to **Monte Wilson**, Director, America's TR and Global Key Accounts. In this role, Soskin will continue to develop relationships with key customers in the U.S. and Canada, collaborating with the Global Travel Retail and North American management teams to build Brown-Forman brands.

Soskin has more than twenty years of commercial and marketing experience, and most recently was Senior Commercial Manager, Caribbean at Pernod Ricard Americas Travel Retail.

Brown-Forman GTR also announced that **Hannah Lyons** has been named portfolio brand manager, Global Travel Retail, based in Louisville. She was most recently trade marketing manager, GTR, based in London. **Claire Brockwitz** has been appointed junior area manager, Travel Retail-UK, based in London. **Shirley Sum** joined Brown-Forman as trade marketing manager Travel Retail-APAC, based in Hong Kong.

Bill Harvey of **WFH Travel Retail Inc.** will be representing **The Kirkwood Group's** portfolio of spirits in the Canadian duty free channel, effective February 1, 2014. The Kirkwood Group's brands include Proximo Spirits' Jose Cuervo Tequila, The Kraken Black Spiced Rum, Three Olives Vodka, 1800 Tequila, Tequila Rose, as well as Flor de Cana Rums.

Australia President Julia Gillard & author Parag Khanna to keynote TFWA Asia Conference

TFWA has announced the keynote speakers at this year's Asia Pacific Conference, taking place on Monday, May 12 at the Marina Bay Sands Expo and Convention Centre in Singapore. The Conference, entitled *Asia: Shaping the World*, is the full-day conference and workshop program that kicks off the 2014 Exhibition & the Conference from May 11-15.

Key speakers Julia Gillard, former Prime Minister of Australia, and **Parag Khanna**, best-selling author and geopolitical expert, will highlight the opening plenary session along with **Erik Juul-Mortensen**, President TFWA, and **Jaya Singh**, President APTRA.

As Prime Minister from 2010 to June 2013, and in her previous role as Deputy Prime Minister, Julia Gillard was central to the successful management of Australia's

economy during the global financial crisis. Ms Gillard developed the country's guiding policy paper, *Australia in the Asian Century*.

Parag Khanna, professor at the Lee Kuan Yew School in Singapore, is a leading global strategist and world traveler and was a foreign policy advisor to Barack Obama during his first US presidential campaign. He will draw on his best-selling book, 'The Second World: Empires and Influence in the New Global Order' for his presentation.

Following the plenary session a choice of four workshops will be offered, each focusing on a particular sub-region in Asia. Details will be revealed in due course.

Online registration for TFWA Asia Pacific Exhibition & Conference will open on Feb. 19, 2014. For more information, go to www.tfwa.com

ETRC: European Parliament votes to ban "One Bag Rule" and protect the carriage of luggage onboard

The European Parliament on Feb. 5 sent a strong message to Member States regarding the need for clearer, stronger Air Passenger Rights, including the protection of the absolute right of passengers to carry travel retail purchases on-board aircraft in addition to the prescribed hand baggage allowances, reports the ETRC.

"The historic decision by the Parliament has recognized the need for protection of consumers of an accepted practice on the majority of airlines for over 50 years," said the ETRC statement, adding that:

"Over the last number of years, thousands of passengers have been unfairly forced to discard their airport shopping or have been charged exorbitant 'fines' by certain airlines in order to bring their shopping onboard."

Speaking at a press conference following the adoption of the report, Rapporteur of the report, MEP George Bach (EPP/Luxembourg) commented that the report "clearly established a ban on the so-called One Bag Rule imposed by certain airlines."

Commenting on the vote, ETRC President Sarah Branquinho strongly supported today's advancement:

"Today's vote is a significant development for the recognition of passenger rights and for the airport and travel retail industry. We are very happy the European Parliament has shown such strong leadership and has used this unique opportunity to advance stronger and clearer rights for Air Passengers which should address recent confusion arising from differing airline policies. We now hope that Member States will also please the passenger first in their deliberations.

"ETRC will continue to work with our Members, Partners and National Associations to call on Member States to acknowledge the right to carry on-board duty free and travel retail purchases free of charge.

"Shopping at the airport has been part of the travel experience since commercial aviation began. Today's vote will help ensure that it continues to be enjoyed by many millions of air passengers every year."

The Council of Transport Ministers and the European Parliament will negotiate a final agreement on the air passenger rights legislation in the coming months.

Marcolin USA-Viva: Leadership changes

Following a successful merger of eyewear companies Marcolin USA and Viva International, the company has announced a number of management and organizational changes, effective immediately. Among the changes, **Sal Rianna**, currently Viva's CFO, will become Marcolin USA-Viva Optical Channel President, responsible for both the Optical Channel and temporarily for the Finance organization. **Kelly O'Grady** is now VP for Trend Western USA, and **Bob Dunn** is VP for Trend Eastern USA. **Jennifer Orentas** is now Marcolin USA-Viva SVP Global Merchandising, supported by Regional VP **Nora Cabrera**.

Ben Wolf, VP Fashion, will continue working with International Global Brands. **Candy Urbanski** has been promoted to Marcolin USA-Viva VP of Marketing. **Tom Seltzer** will continue to lead all Retail efforts as Marcolin USA-Viva Retail VP across all Brand categories.

Eric Allred will become Marcolin USA- Viva Latin America Senior Director. His expanded team will include the Viva Group.

ACG adds Lindt to portfolio

American Caribbean Gateway (ACG), the travel retail division of **Otis McAllister, Inc.**, is representing premium chocolate company **Lindt & Sprüngli** in travel retail in North America and the Caribbean, as of Feb. 1, 2014.

Justin Nee, ACG Confectionery Sales Director, will handle the Lindt account along with **Matt Panara**, Confectionery Brand Manager, reporting directly to **Markus Suter**, Sales & Marketing Manager Duty Free The Americas and the Lindt travel retail team in Switzerland.



SUPPLY SIDE FEATURES



Emilio Estefan aligns with Botran Rums to lead multi-channel marketing campaign in the US

Guatemala's fine rum producer Botran Rum should get a major dose of high visibility following the announcement last week that it has aligned with 19-time Grammy Award-winning producer and entrepreneur Emilio Estefan, (husband of super star Gloria Estefan), who will lead a multi-channel marketing campaign through the US with the mantra "The Night Begins with Botran."

Emilio's appreciation for tradition aligns with the values that family-owned Botran Rum has held in such high regard for nearly 75 years, according to the official announcement.

The campaign features the theme that Botran Rum perfectly complements life's most memorable moments. Estefan has expressed his respect for the deeply rooted tradition that the Botran

family has committed itself to.

"Personally, I understand what it means to take great pride in what you produce. I have the utmost respect for the product that Botran creates. This relationship provides a platform for me to introduce a product that I truly enjoy to everyone around the world," says Estefan. "Initially, I was drawn in by the distinctive flavors found in this aged rum... Once I learned about the brand's history and their unique production method, I was convinced this would be a great alliance."

Botran Rums have been produced at the Botran family distillery since 1939, using the one-of-a-kind *Solera System* aging process and uses sugar cane juice extracted from sugar cane harvested from the family's very own cane fields.

The rums are now sold across



Superstar producer and entrepreneur Emilio Estefan samples the fine Botran Rum at the distillery in Guatemala, left, and toasts the new alliance with Botran president and CEO Roberto Garcia Botran, right.



Europe, the Caribbean, Mexico, Central and South America, as well as in travel retail.

"As a premiere Latin artist, tastemaker and global icon, Emilio embodies what our brand stands for — a commitment to heritage, tradition and a passion for fine taste. This relationship will allow us to blend together two brands -

with the same passion for production," said Botran president and CEO Roberto Garcia Botran.

The first official kick-off event showcasing Emilio as the new face of the brand will take place during the Food Network South Beach Wine & Food Festival's hosted by Anne Burrell and Emilio Estefan on February 21, 2014.

Tweezerman/ Zwilling names Elizabeth Taylor's PGT as Sales Agent for NA DF/TR and Caribbean

Tweezerman and the Zwilling Beauty Group have appointed **Premier Global Trading, Inc. (PGT)** as their new Sales Agent for North America Duty Free/ Travel Retail and the Caribbean with immediate effect.

"We are delighted to welcome PGT-Elizabeth Taylor and her team - as our new partner to work with us to grow the TR/DF channel in this part of the world," says Tweezerman General Manager Juergen Bosse. "Zwilling and Tweezerman are recognizing a great sales potential in TR/DF channel as Beauty Tools are hardly distributed in this environment and therefore providing an excellent opportunity for incremental sales and revenue for all retailers and the brands," he added.

"Zwilling and Tweezerman have started to develop the TR/DF business in 2013 and the appointment of PGT represents a next step in building a global organization and to enter the DF/TR market in this part of the world," says Director Global DF/ Travel Retail Juergen Jost.



"After our initial success in Europe and with some selected partners in other regions we feel ready for a next step to further build the Beauty Tools business. With PGT – Elizabeth Taylor, her experience for more than 15 years and her in depth knowledge of the DF/TR channel we believe to have the right partner to exploit the potential of Beauty Tools and to grow this new sub category."

"The Tweezerman/ Zwilling brands are an important addition to our product portfolio. Preliminary responses are very positive and are showing the interest in this new sub category. We look forward to playing a vital role in the development of the Tweezerman and Zwilling TR/DF sales," says PGT president, W. Elizabeth Taylor.

The brands will be showcased at the upcoming 2014 IAADFS Duty Free Show of the Americas at the PGT booth 1708. For appointments and further information please contact: Liz Taylor at +1 786 752 4150, or LizT@PremierGlobalTrading.com



PGT's Elizabeth Taylor



IN THE FASHION SPOTLIGHT



OPI gets inspired by Coke

Coty's OPI Products Inc., is partnering with The Coca-Cola Company, whose range of brands – including Coca-Cola, Diet Coke, Coke Zero, Cherry Coke, Vanilla Coke, Sprite and Fanta – will be the inspiration for a line of OPI limited edition nail lacquers that will launch internationally in June 2014.

OPI was also fully on-show during New York Fashion Week, featured on models at such shows as BCBGMaxAzria, Reem Acra, Azede Jean-Pierre, Degan and Katherine Polk's Houghton.



Estée Lauder Creative Makeup Director, Tom Pecheux, at the Derek Lam Fall/Winter Fashion Show in NYC.

Estée Lauder/Derek Lam

Estée Lauder was also on the scene in NY, sponsoring the makeup look at the Derek Lam Fall/Winter 2014 Fashion Show at the Sean Kelly Gallery on Feb. 9.

Estée Lauder Creative Makeup Director, Tom Pecheux, led a team of 15 makeup artists to create the beauty looks on more than 30 models.

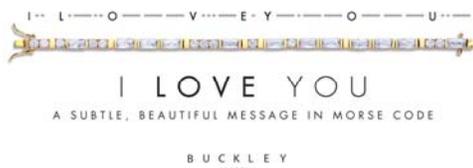
"Derek's collection is strong, urban, ethnic-inspired with an emphasis on texture. The makeup look is strong, yet fluid, with pools of gray and green surrounding the eye. I was inspired by water, a lagoon, deep and cool," said Pecheux, describing the look for the Show.
Makeup: Tom Pecheux for Estée Lauder
Photos: Courtesy of Estée Lauder

MAC by the numbers

M·A·C Cosmetics was in full gear backstage at Fashion Week, setting the beauty trends for the AW14 season.

The trend-setting Makeup Artist Brand is supporting more than 200 shows in major Fashion Week cities and the combined backstage experience of all M·A·C Artists totals more than 250 years.

In other staggering numbers, M·A·C Cosmetics ordered more than 2,000 new Eye Liners for Artists' kits, along with 3,810 Mascara Wands and Tubes: 1,400 Lipsticks, Lipglasses, Lipmixes, Lip Erase and Conditioners and 1,250 Eye Pencils.



Just in time for Valentine's Day.

Buckley London continues to focus on growing its jewelry business in the Americas, with styles like its #1 selling, award-winning I LOVE YOU bracelet, that spells I LOVE YOU in Morse Code. See it and other winning items from Katherine Sleipnes of Int'l Brand Builders, America's agent in Orlando at booth #835, Cypress.



NFL players collect their Zirh products for "touchdown-worthy" skin.

ZIRH sponsors Music/Couture Super Bowl Event

Making sure that men get their share of the glamour treatment, TPR Holdings' Zirh premium men's skincare and grooming products celebrated Super Bowl Sunday by sponsoring the 7th Annual "Where Music Meets Couture" Super Bowl Event. The event was held in the upscale Maserati showroom that was transformed into a player's paradise, synergizing sports, fashion and music with a high-profile fashion show and an exclusive VIP gift lounge featuring a private ZIRH suite. The evening attracted some of the biggest names in the NFL world, reports the company. Each player was gifted a complete ZIRH skincare regimen.

Daisy Marc Jacobs Tweet Shop

Marc Jacobs celebrated New York Fashion Week with the opening of a pop-up shop featuring its popular *Daisy* scents along with an unexpected social media twist.



Actress Anna Kendrick at the Marc Jacobs Daisy Pop-Up store.

During the cocktail party that kicked off the

Daisy Marc Jacobs Tweet Shop the social-media savvy guests used Twitter, Instagram and Facebook with the hashtag #MJDaisyChain as a special form of "currency" to receive samples of Daisy Marc Jacobs and the chance to win bigger prizes like Marc Jacobs bags.

Guests received Marc Jacobs Beauty manicures, took photos in a live Daisy photo booth, enjoyed the Daisy-inspired artwork by Langley Fox. Products, fragrance samples and Marc Jacobs fashion items and accessories were displayed throughout the lounge. The shop – open Feb. 7-9, was located in Soho at 462 West Broadway, in NYC, and attracted a full range of celebrities.

The debut of the Tweet Shop will be accompanied by a new print campaign for Daisy, which follows the recently released TV spot directed by Academy Award-winning Sofia Coppola.



F E R V O R
M O N T R É A L

For inquiries contact exclusive agent
 Unique Luxury Goods LLC at lola.perez@uniquelq.com

ESSENCE CORP.

Has an immediate opening for an
Area Manager
based in South America.
Willing to travel 50% - 60%
of the time. Area: Local Markets, South
America.

Extensive follow up of local distributors
for Fragrances and Cosmetic brands.
Must have minimum 3 years in the
cosmetic and perfume Business
(Local Market or Travel Retail).
Fluent in English and Spanish
both written and oral.
Portuguese considered a plus.
Advanced MS Office
(Word, Excel, Power-Point)
and Outlook skills.
Strong organizational skills,
self-motivated and sales driven.

**Clarins Division:
International Trainer.**

based in Miami
and willing to travel 50% of the
time. Must have min of 3 years of
experience within the luxury brand
industry; and be organized, dynamic
and self-motivated with Strong sales
skills and proficiency in Excel, Word,
PowerPoint and other MS Office
applications.
Fluent in English and Spanish both
written and oral.

Please send resumes to
musallan@essence-corp.com

**BEAUTE PRESTIGE
INTERNATIONAL**

is seeking an
**Area Sales Manager –
Local Markets based in
South America.**

Responsibilities include market
development, implementing
business strategies, managing
sales budget, resources and
investments; building and growing
strong account relationships with
distributors/wholesalers; ensuring
stock adequacy by proper sales
forecasting; negotiating space
opportunities; ensuring compliance
with company's systems &
processes.

Bachelor Degree in Business 3-5
years experience in luxury goods
industry Excellent verbal and
written communication skills
(English and Spanish). Strong
ability in developing and leading a
team Strong knowledge of
Microsoft Office programs.
Please send resumes to:
gcamplani@bpi-sa.com
(Re: Area Mgr So. Am.)

**Gucci Watches & Jewelry
Has an opening for an
Account Executive
For Latin America/Caribbean**

The position, based in Miami,
reports to Regional Sales Director.
Hands-on merchandising/training/
Point of Sale intense,
plus execution of product
launches,
report gathering, working with
team on forecasting and ordering,
Trunk shows on island and
onboard cruise ships, and more.

Regional Territory:

Latin America Local and
Duty Free Market;
Caribbean Local and
Duty Free Market

Skills Set required:

Fluent in English & Spanish
Excellent Communicator/Presenter
Detail Oriented with Excellent
organizational skills
Self-motivated, Independent
Professional – Strong Presence
Ability to travel 40-60% of time to
territory; Ability to work some
weekends

Please send resumes & cover letter
to Samuel.herrero@us.gucci.com

**BEAUTE PRESTIGE
INTERNATIONAL, Inc. (BPI)**

has an immediate opening for a
**Travel Retail
Supervisor/Account Executive
for Central/South America
(based in Panama)**

Ideal candidate will have a
minimum of 2-3 years experience
in the Travel Retail and/or luxury
goods industry. Responsibilities
include developing sell-out figures
through recruitment and
supervision of salespeople,
implementation of the brands
merchandising and promotion
guidelines. Experience in retail
sales is a plus.

Must be fluent in English and
Spanish. 40-50% travel.

Please submit resumes to
gcamplani@bpi-sa.com

TOBACCO OPPORTUNITY

Exciting new alternative cigarette brand
is looking for agents/ sales
representatives for international and
duty free markets.

For information, please send contact
data in care of
editor@travelmarketsinsider.net

**AMERICAN CARIBBEAN
GATEWAY**

- A Division of Otis McAllister -
has an immediate opening for a
**TRADE MARKETING MANAGER
FOR THE AMERICAS**

The position is based in Ft.
Lauderdale, Florida and reports
directly to

the Sales Directors for both
ACG's travel retail tobacco
and confectionery divisions.

Mandatory Requirements:

Fluent in English and Spanish.
Read & understand design plans.
Microsoft Office. Execute a proper
marketing/business plan.

Training to learn Navision
(computer software).

Experience: Internship and/or up
to 1 year working in related field
Undergraduate Degree.

**ACG is also looking for an
ADMINISTRATIVE ASSISTANT**

This title will be reporting directly to
the brand managers for both the
tobacco and confectionery division
within the travel retail industry and
the Otis McAllister food service
division.

Skills/Qualifications:

Reporting Skills; Administrative
Writing;
Microsoft Office (Outlook, Excel,
Word, PowerPoint); Managing
Processes, Strong Organizational
Skills, Computer savvy,
Professionalism, Supply
Management, Inventory Control,
Verbal Communication, Customer
Service Orientation, Teamwork

Mandatory Requirements:

Fluent in English and Spanish.
Portuguese is a plus.
Training to learn Navision.

Experience: Internship and/or up to
1 year working in related field;
Undergraduate Degree
Please send resume and
cover letter to both

Marc Panara: marc@usaacg.com
and

Nick Tamma: nick@usaacg.com
Or call: (954) 524-9097

DR. BRANDT SKINCARE

Has an immediate opening for a
Brand Manager
In-office position based in Miami.

The position is responsible for
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Dr. Brandt skincare brand - from initial
concept to final program delivery as
well as support of existing product
lines. This role will be responsible for
global product development functions
within the skincare category ensuring
collaboration with labs, operations,
packaging, legal department, creative
manager, external suppliers as well as
US/International sales team and digital
team to deliver robust and innovative
product pipelines.

Minimum requirements include

- Bachelor's Degree in Business,
Marketing, or related area
- Minimum 2-3 years of experience of
product marketing – preferably in new
product development, cosmetics is a
plus
- Professionally spoken and written
English

Preferred requirements:

- Excellent written and oral
communication skills
 - Proficiency with Microsoft Word,
Excel, PowerPoint, Outlook –
photoshop is a plus
 - Fluent in other languages (i.e. French,
Spanish) both written and oral
- Please send resumes to
careers@drbrandtskincare.com

MORE FASHION NEWS**Travalo rocks the red carpet**

Travalo inventor, Carmit Turjeman,
rocked the Red Carpet at the American
Heart Association's Go Red For Women
Celebrity Fashion Show during Mercedes
Benz Fashion Week in NYC this week,
where red Travalos were presented to
all models, celebrity guests and stars.

Carmit is seen here with Law &
Order's Jill Hennessy. Travalo reports
that it continues to fly high in the US
with sales up an impressive 80% year on year in the domestic market with
travel retail set to follow suit in 2014.

See them at IAADFS; Palms Ballroom booth 2500.

