

BY THE NUMBERS

International pax traffic continues strong in February

ACI reports that global passenger traffic increased by over 4% for the month of February, with international travel up by 5%.

The Middle East was particularly robust, with international passenger traffic up 8.6% year over year. Dubai (DXB), which is poised to become the busiest airport for international passenger traffic in 2014, experienced growth of over 11% in international traffic for the month of February.

International passenger traffic grew 5.7% in Latin America-Caribbean in February, and was up 5.6% in North America. Europe was up by 4.9%, Asia-Pacific was up 4.2% and Africa grew by 3.4%.

Total domestic passenger traffic grew by 3.5%. North America, the world's largest domestic market,

was almost flat, up only 0.3% in February yoy, and up 0.7% over a twelve-month period. Lat Am-Carib, however, saw domestic traffic rise by 12%.

IATA reports that premium air travel grew 4.1% in February yoy, down from 6.1% growth in January.

The US experienced temporary Q1 slowdown due to severe weather conditions, but in China, business (manufacturing) activity has contracted since January, pointing to a more fundamental deceleration. Business activity indicators still indicate growth, says IATA, but the rate in March was the slowest for the last 4 months.

"Better economic conditions in the US combined with strong growth of some emerging markets in Central and South America continue to support healthy development on business-

related travel between these regions.

"Mexico's economy has been improving over the past several months ... and that positive trend is likely to continue. In South America, nations like Colombia, Chile and Peru continue to post GDP growth rates in excess of 5%, supported by strength in manufacturing and export sectors."

IATA says that premium air travel in the North and Central America market increased 8.5% in February year-on-year, and rose 5.1% on the North America - South America route.

In the Eurozone economic activity continues to improve slowly, and is now expanding at the fastest pace since mid-2011.

PEOPLE



Marie-Clothilde Brulé has joined prestige skin care company **Strivectin Operating Company** as Vice President of International Sales. In her new position, Brulé is responsible for sustaining and growing existing key markets such as Europe, China and South Asia, and will also develop the brand in the Travel Retail channel.

Brulé has an extensive background in the prestige beauty business, most recently holding senior roles at Erno Lazlo, Caswell-Massey and Smashbox Cosmetics. She was also previously with LVMH fragrances (American Designer Fragrances), Cosmopolitan Cosmetics, Givenchy and Kenzo.

New York-based Strivectin focuses on clinical anti-aging skin care solutions and is often credited with starting the clinical cosmeceutical skin care category. Its Strivectin-SDTM Intensive Concentrate for Stretch Marks and Wrinkles is a best-seller around the world. For information, go to www.strivectin.com

Richard Thorpe, recently named chairman of the UK-based **Travel Retail Consortium**, has announced the opening of his new business venture: **RT Travel Retail Consultants**, which is aimed at companies who are looking to either build on their existing customer base or break into the business for the first time. Thorpe is particularly well known within the travel retail industry for his expertise in the inflight jewelry business although he has also worked with top brands such as Ray-Ban and Timex. He can be reached at: rthorpecatdesign@aol.com

LAGs update: ETRC and IAADFS welcome successful implementation of new procedures and look forward to full lifting of restrictions

The European Travel Retail Confederation (ETRC) and the International Association of Airport Duty Free Stores (IAADFS) report a smooth transition since January 31 to the new Liquids, Aerosols and Gels (LAGs) regime. These changes have seen the easing of restrictions for transfer passengers carrying purchases of alcohol, perfumes, cosmetics and other items.

Under the new procedures, airports in the European Union, USA and Canada have been using enhanced screening technology at transfer security points to screen liquids, aerosols and gels (LAGs) over 100ml sold in duty free shops and packed and sealed in ICAO Approved STEBs (Security Tamper-Evident Bag), which enables passengers transferring at these airports

to continue their journey carrying these products.

In a statement, the two organizations comment: "With this first successful phase, ETRC and IAADFS are now encouraging retailers to avail of this change for transfer passengers, informing them of the greater opportunity to carry liquid and gel purchases while always ensuring that products purchased are at all times in fully sealed ICAO approved STEBs.

The ETRC and IAADFS have been heavily involved in a cross-industry cooperation involving the preparation, trialing and development of these changes and have been at the forefront of the discussions on easing of these restrictions

since 2006.

Among these efforts were tests, sponsored by ETRC among others, involving over 25,000 individual scans using a number of different screening technologies across some 2000 alcohol and beauty products in anticipation of the recent changes. This cross-industry effort involving security equipment manufacturers, airlines and airports, as well the European Commission, the American TSA and other international governments was focused on minimizing any disruption to passengers and retailers arising from the changed LAGs regime.

Continued on page 4.



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AT THE POINT OF SALE

Luxottica and DFA rollout flagship Ray-Ban and Oakley Shop-in-Shop at ATL

Luxottica Travel Retail and Duty Free Americas (DFA) have partnered to create a unique shop-in-shop concept at Atlanta Hartsfield-Jackson International Airport. The concept features Luxottica's two icon brands, Ray-Ban and Oakley, showcased in a dedicated 210 sq.ft space in DFA's main Concourse E store. Since the store's opening, sales of Ray-Ban and Oakley sunglasses have increased by over 300% compared to the previous year, says Luxottica.

"This shop-in-shop concept has allowed us – in partnership with DFA – to deliver a truly engaging experience through one of the most impactful presentations of Oakley and Ray-Ban in Travel Retail," said Francis Gros, Group Travel Retail & Special Channels Director at Luxottica.

"There are very few brands within sunglasses that carry the broad appeal and heritage required to do justice to a shop-in-shop, but Ray-Ban and Oakley are perfectly suited to the format. This approach represents another important step in the ongoing execution of our multi-formatting strategy, providing us with a platform to deliver something

new and exciting within the sunglasses category."

Designed to represent best-in-class sunglasses retail, with clear segmentation, eye-catching merchandising and product education, the store is a flagship location in the Americas and will provide a blueprint for similar concepts at DFA's other locations. As well as highly differentiated areas for Ray-Ban and Oakley, there is further segmentation by range, with dedicated space for Ray-Ban's Icon models as well as a special Polarized zone, with interactive elements – including a 'Magic Mirror' – and information on the benefits of polarization.

DFA Chief Executive Officer Jerome Falic said: "It has been a pleasure working with Luxottica during the conception and opening of this fabulous first-of-its-kind concept store. It expands our fashion range and enhances the customer experience by showcasing two of the world's foremost eyewear brands in a setting that offers the latest technology. We look forward to continuing this association with Luxottica at other airports in the near future."



Luxottica has partnered with DFA to create a shop-in-shop dedicated to Ray-Ban and Oakley sunglasses brands at the DFA store in Atlanta Hartsfield-Jackson International Airport Concourse E. The innovative concept has resulted in a quadrupling of sales for the two pillar brands, says Luxottica.

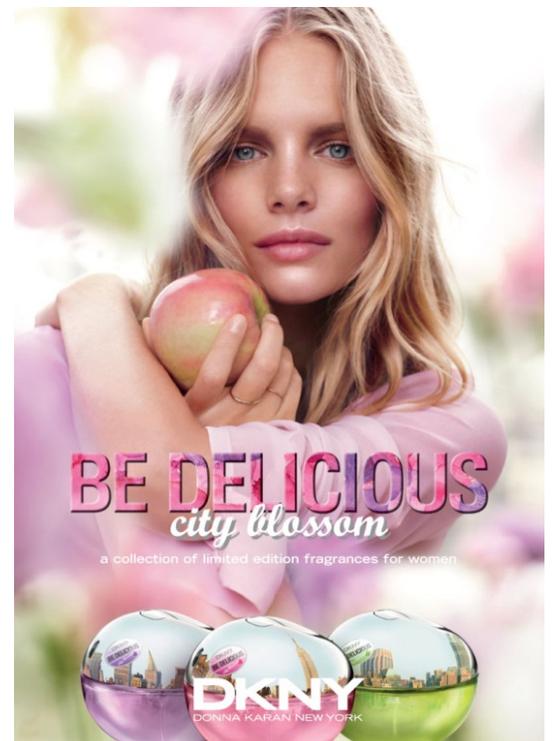
Golluscio joins Capella as TR Sales Director

Capella Industries, the maker of Lambretta Watches, has expanded its travel retail team to handle its growing international business.

Rossella Golluscio has been named Sales Director Travel Retail reporting to Capella Industries' CEO **Jonas Dahlgren**. With over 10 years of experience in the travel retail industry, Golluscio was most recently Travel Retail Area Manager Europe, Americas and Middle East with Bally. Previously Golluscio was employed by HUGO BOSS, MCM and Duty-Free News International. In her new role with Capella Industries, Golluscio will be responsible for managing existing key accounts and expanding into new regions.

Cesar Ibarra, previously with SAS and Merskal of Sweden, is appointed Sales Manager. He will be responsible for looking after existing accounts and growing the brand in travel retail and domestic markets. Both appointments are effective April 1, 2014.

Beatrice During, Capella's Travel Retail Sales Director Europe for the past 4 years, has left the company.



CELEBRITY CORNER**Bobbi Brown joins Yahoo news as Beauty Editor; Brand names Kate Upton as new celebrity spokesperson**

Bobbi Brown Cosmetics is partnering with American model and actress Kate Upton as the brand's second celebrity face following their first-ever celebrity spokesperson, actress Katie Holmes, as the company founder adds a new editorial position with Yahoo to her schedule.

The first iteration of the partnership with Upton will appear in July 2014 as campaign images at Bobbi Brown Cosmetics counters worldwide, and with supporting editorial features, says the company.

"I was drawn to Kate because – not only is she incredibly beautiful – she is healthy, comfortable in her own skin, has such positive energy, and is a woman who creates her own rules," says Bobbi Brown, company founder and chief creative officer. "She loves life and that is Pretty Powerful," she adds, referring to the theme behind her makeup looks and writings.

"Kate is appealing because she

is a real woman who is confident in her own skin. She has a personality that people can connect with, and one that Bobbi connected with personally," says Maureen Case, President of Bobbi Brown Cosmetics. "The Bobbi Brown brand celebrates 'be who you are beauty' in whatever form that takes, and we believe Kate is another iteration of what this brand is about... fresh, modern, classic and cool."

In related news, Brown announced last week that she is joining Yahoo News as the Editor in Chief of Yahoo Beauty. "In recent months, Yahoo has been working to put together an all-star editorial team, including Katie Couric, [tech columnist] David Pogue, [NY Times TV critic] Virginia Heffernan, and [political columnist] Matt Bai—all writers and journalists who I really admire," said Brown in her blog.

"As EIC, I'll work to curate smart, strong content that will teach women how to be their best selves. Since 1997, I've written and published eight books that explore my beauty philosophy—

be pretty, be confident, be who you are.

I'm really proud of this work, and I'm so excited to bring these ideas to a broader audience through Yahoo, which has 800 million—yes, you read that right—active monthly users. That's a lot of pretty powerful."

She will start on April 21 and continue her role as chief creative officer at Bobbi Brown Cosmetics, says Yahoo.

Makeup artist Bobbi Brown revolutionized the beauty industry in 1991 with the launch of 10 brown-based lipsticks and a simple philosophy that "makeup is a way for a woman to look and feel like herself, only prettier and more confident." In 1995, Bobbi Brown Cosmetics was acquired by the Estée Lauder Companies; and Bobbi retains an active role in the company.



Kate Upton



Bobbi Brown

Jessica Alba named Braun's Beauty Brand Ambassador

Projecting a completely new image for its personal care products, Braun has signed actress and beauty icon, Jessica Alba, as its new Beauty Brand Ambassador.

"Jessica Alba is a strong, passionate woman and an advocate for others – she is the perfect ambassador to talk about the role beauty and our products play in helping women to feel their best. Braun admires her for her principles, her talents and her ability to juggle a demanding acting career with being a great mum," said Alessandra Dolfini – Global Braun Marketing Director.

Braun's female product heritage lies in creating beauty devices that, at the touch of a button, remove the barriers to achieving beautiful hair and skin. Braun wants every woman to glow inside and out with the confidence that comes with feeling beautiful and Jessica is the ideal woman to help communicate this, says the company.

Jessica Alba is a Golden Globe-nominated actress, a known supporter of women's causes and mother of two girls. She has made over 25 feature y that have earned a combined box office total of over \$800 million.

Braun, a subsidiary of Procter & Gamble founded in Germany in 1921, develops and manufactures a wide variety of small domestic appliances that marry technical innovation, reliable quality and distinctive design, including electric shavers and beauty and oral care products. The brand is well-distributed in the travel retail channel.





LAGs update: ETRC & IAADFS comment

Continued from page 1

The detailed and regular information updating along with the new procedures and staff customer information training developed by ETRC and IAADFS in advance of the January 31 deadline, ensured TR retailers globally were ready for the changes and have contributed significantly to the successful implementation to date.

Speaking of the new opportunities, Frank O'Connell, Vice President and Strategic Advisor ETRC, said "The success of the first stage of these new rules is to

be welcomed, and the ETRC and IAADFS are now encouraging retailers to further inform passengers of these rule changes which we expect will improve sales for retailers, whilst improving the passenger experience by allowing them to purchase greater number of duty free products."

Moving forward, the ETRC and IAADFS say that they will continue to work with the authorities with a view to achieving the full lifting of restrictions which will aid retailers and passengers in being able to sell and purchase duty free goods.

At this time the full list of countries adopting the new measures include the European Union, Switzerland, Iceland, Norway, USA and Canada. For more information, contact Michael Payne, mpayne@iaadfs.org or Keith Spinks, keith.spinks@ertc.org

MAUI JIM SUNGLASSES is seeking a Dedicated Travel Retail Brand Manager

Maui Jim is seeking an experienced Brand Manager to effectively manage and execute strategic marketing and sales initiatives as they relate to Global Duty Free and Travel Retail Accounts. This position, which is located in Peoria, Illinois, USA, will work closely with the US Marketing team to develop focused and effective marketing programs and execute these strategies from a 360 degree vantage point. This position will be responsible for project management, budget and detailed execution of all programs.

Minimum Requirements:

Bachelor's Degree in Marketing, Communications or related field is preferred.

Minimum of 5-7 years experience in creating strategic campaigns in a premium performance brand setting Thoroughly understand the market dynamics of the Duty Free/Travel Retail market

Strategic thinking and strong analytical skills. Business savvy. Ability to solve problems, exercise good judgment and sell his or her ideas

Ability to work with clients and move quickly from project to project, balancing Maui Jim's needs with Customer's requests

Strong communication skills – both oral and written, in a fast-paced environment.

Action oriented. Exhibits energy, initiative, innovation, confidence and a strong learning capacity

Values honesty, integrity and accountability; Customer-focused Aloha Spirit!

We offer a competitive salary and extensive benefits package.

Apply at <https://mauijimcareers.silkroad.com/>

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ESSENCE CORP.

has an immediate opening for an **Market Support Coordinator**

This position is based in the Miami Office. Candidate must be organized, detailed oriented and extremely efficient. Must have strong skills using Excel, Word, and other MS Office applications. Fluent in English and Spanish both written and oral.

Please send resumes

to musallan@essence-corp.com

ESSENCE CORP.

has an immediate opening for an **Account Manager/ Area Manager**

This position is based in the Miami Office and the ideal candidate must be willing to travel 50% of the time. Must have minimum 3 years within the luxury brand industry.

Candidate must 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

Proximo Canada announces aggressive plans for Canadian market, new distribution network

Proximo Canada has announced a significantly expanded focus on the Canadian marketplace, with the establishment of a dedicated Proximo sales and marketing team that will allow the company to take charge of its route to market.

The company says that this decision was based on the "extraordinary success" of the Jose Cuervo and Proximo brands in Canada, including Jose Cuervo Tequila, 1800 Tequila, Three Olives Vodka and The Kraken Black Spiced Rum.

"Proximo is excited to take the next step in our strategic expansion in Canada. Our world-renowned brands have resonated with Canadians from coast to coast. The creation of a dedicated sales and marketing team is part of our service commitment to our customers and we look forward to growing our business together," said Proximo Canada General Manager Peter Hottmann.

"This is a good thing for Proximo and the Duty Free operators as we will now be managing and working with **WFH Travel Retail** (Bill Harvey) directly so we can be even more nimble and reactive to our customer's needs."

The handover from the current distributor of the brands will be completed on July 1, 2014.

"We want to ensure a completely smooth and seamless transition" added Hottmann. "Customers are welcome to contact me personally should they have any questions or concerns. We are here for the long term and are committed to providing ongoing service excellence to all of our partners and customers."

The current distribution of Jose Cuervo and Proximo brands in the United States and worldwide will not be affected by the change in Canada.

