



President Obama announces new steps to welcome more international visitors to the United States

In a development sure to have positive implications for travel retail in North America, US President Barack Obama on Thursday signed a memorandum to help welcome more international visitors to the United States.

The new Presidential Memorandum establishes a national tourism goal and efforts to develop airport-specific action plans to enhance the entry process for international travelers to the United States.

The Memorandum stressed that the US travel and tourism sector "is critical to the Nation's prosperity and drives economic growth."

President Obama also noted that the United States is on track to

meet the National Travel and Tourism Strategy goal of welcoming 100m international visitors annually by the end of 2021 and that in 2013, international visitors supported more than 1.3m US jobs.

Topping the list of new steps enumerated in the Memorandum, was a call to:

1. Expedite the Entry Process for Travelers, starting with the 15 largest airports through a combination of streamlining processes and upgrading technologies, to reduce wait times significantly.

2. Streamline the Entry Process: expanding the use of technology to streamline the entry process, such as Automated Passport Control kiosks.

3. Launching new efforts to encourage travelers to visit the US. Inter-agency government departments will launch coordinated strategies with BrandUSA in ten international markets, creating a "one-stop" that supports international bids for major global events and launching a new "virtual visitor services" platform to increase tourism on public lands and waters.

These steps include partnering with industry to develop national goal and airport specific action plans, expanding the use of Automated Passport Control kiosks to 25 airports by end of 2014, boosting processing capacity at ports of entry with 2,000 additional CBP officers, and developing a new Loaned Executive Program to borrow private sector expertise to improve line and crowd management, among other efforts.

According to the White House Fact Sheet, the number of international visitors to the US has grown from 55m in 2009 to 70m in 2013, and each overseas visitor spends on average \$4,500 per visit, at hotels, shops, restaurants, and other domestic businesses.

In addition, the State Department issued 9.2m visas in 2013, up 42% since 2010. Waiting periods for visas in important markets like Brazil and China have dropped from as high as several months to less than five days on average.

The Department of Homeland Security has also significantly expanded Trusted Traveler and expedited clearance programs that improve the experience of travelers entering the United States.

PATRICK MORAN Shocked industry responds to passing of respected industry executive and gentleman

Travel Markets Insider deeply regrets to report that Patrick Moran, one of the travel retail industry's finest gentlemen, passed away on May 17. He had reportedly been ill for several months.

His funeral was held in France last week.

Patrick retired from Brown-Forman, where he had been Managing Director Travel Retail, in May 2008.

Martin Moodie, his long-time personal friend, writes:

"Patrick Moran held a series of senior positions in duty free and travel retail over three decades, including periods with DFS Group, Courvoisier, Bacardi, Brown-Forman and consultancies for a number of other companies, including World Duty Free (when it was being set up) and Sky Connection. He was (along with BAA's Brian Collie and Aer Rianta International-Middle East's John Sutcliffe) one of the three authors of the acclaimed White Paper to emerge from the first Trinity Forum in 2002."

Brown-Forman Travel Retail Senior Vice President Jim Perry commented:

"The Brown-Forman Travel Retail family joins with the entire Brown-Forman community in expressing our sorrow at the passing of our former colleague, Patrick Moran.

"A wonderful and dedicated family man, Patrick was also a tireless supporter and promoter of the travel retail industry. We will greatly miss the leadership and sound guidance that Patrick provided. Our thoughts are with his wife, Patricia, and the family at this difficult time."

To read *The Moodie Report's* moving eulogy, and add your own comments, please click here: http://www.moodiereport.com/document.php?c_id=6&doc_id=39526

São Paulo-Guarulhos Airport opens T3

Brazilian president Dilma Rousseff officially inaugurated the opening of São Paulo Guarulhos (GUR) airport's new passenger Terminal 3 on Tuesday, May 20, one month ahead of the start of the 2014 FIFA World Cup taking place in Brazil this summer.

Covering an area of 192,000 sqm -- which is larger than the combined area covered by the airport's other three terminals -- Terminal 3 initially has an annual passenger capacity of 12 million.

With the opening of the new terminal, the airport's overall annual capacity is approximately 42 million passengers. The new terminal is part of the airport's \$6bn expansion plan, which is aimed at increasing annual handling capacity to over 60 million passengers by 2022.

The new terminal was constructed by a consortium of Airports Company South Africa (ACSA), Brazilian company Invepar and the national airport authority Infraero, which won the contract to renovate the airport and manage the concession for 20 years in February 2012.

The massive project took eight thousand workers 18 months, toiling 24 hours a day in three shifts, to complete.

In September 2013, GRU announced that Dufry -- the incumbent operator in Terminals 1 and 2--would be the anchor duty free retailer in Terminal 3. Dufry has opened a 4,367 sqm arrivals shop and a 1,080 sqm departures shop in the new terminal, along with 15 designer shops in a 1,400 sqm area which will be known as GRU Avenue.

John Gallagher



Luxury brands are on the rise as Louis Vuitton clocks in at #1, Burberry shows fastest growth

Louis Vuitton is the world's most valuable luxury brand for the 9th year in a row, according to the 2014 BrandZ™ Top100 Most Valuable Global Brands ranking compiled by Millward Brown for WPP. Luxury brands rose in value by 16%, the fastest increase since the recession, to a combined value of more than \$111 billion.

As the number 1 luxury brand, Louis Vuitton grew by 14% in the last year and is now worth more than \$25 billion. Hermès, Gucci and Prada round out the top four luxury rankings. Burberry had the highest percentage growth of 42% with a brand value of nearly \$6 billion, moving up to 8th highest ranked luxury brand.

Despite changes in shopping behavior, the leading brands themselves remain constant with seven of the Top 10 brands remaining in the luxury ranking since 2006.

Exclusivity reigns. Luxury manufacturers are adept at moving with the times and the world's most famous luxury brands renewed their focus on exclusivity over accessibility to mass audiences. Louis Vuitton, Gucci and Fendi took steps to reinforce the exclusivity of their high-end brands by cutting back on less expensive merchandise. Burberry, whose growth surged last year, eliminated some of its promotional pricing on rainwear

and leather goods.

The slide into subtle was also demonstrated by a shift away from prominent logos. Louis Vuitton, famous for integrating its iconic logo into the design of its bags and other merchandise, introduced products without the LV logo for the first time.

Anastasia Kourovskaja, Vice President of Millward Brown Optimor EMEA commented, "During the recession luxury became a stealth indulgence after years of conspicuous consumption. Marked by that experience, today's shoppers continue to adopt a more considered approach to their luxury lifestyle choices favoring design and craftsmanship over ostentatious displays of status. Many luxury brands are shying away from an overt focus on increasing market share and distribution to highlight their exclusivity."

Fast growth markets and consumers from countries such as China remain important for future growth in the luxury sector. Burberry hired 150 Mandarin speakers as sales associates in key tourist destinations as well as creating special product offerings for important Chinese occasions and holidays.

BrandZ is the only ranking that measures consumer brand perception along with financial data to calculate brand value. The full list includes 100 of the world's most valuable brands.

About the BrandZ™ Top 100 Most Valuable Global Brands Ranking

Developed for WPP by global research agency Millward Brown Optimor, the BrandZ™ Top 100 Most Valuable Global Brands ranking is the only study to combine measures of brand equity based on interviews with over two million consumers globally about thousands of global 'consumer facing' and business-to-business brands with a rigorous analysis of the financial and business performance of each company (using data from Bloomberg and Kantar Worldpanel) to separate the value that brand plays in driving business revenue and market capitalization. Consumer perception of a brand is a key input in determining brand value because brands are a combination of business performance, product delivery, clarity of positioning, and leadership. The ranking takes into account regional variations since, even for truly global brands, measures of brand contribution might differ substantially across countries.

Luxury becomes more exclusive and less accessible at the end of an era of austerity as the value of luxury brands rises by 16% to \$111 billion

The BrandZ Top 10 Most Valuable Luxury Brands 2014

Rank 2014	Brand	Brand Value 2014 (\$M)	Brand Value Change	Rank 2013
1	Louis Vuitton	25,873	+14%	1
2	Hermès	21,844	+14%	2
3	Gucci	16,131	+27%	3
4	Prada	9,985	+6%	4
5	Rolex	9,083	+14%	5
6	Cartier	8,941	+40%	7
7	Chanel	7,810	+10%	6
8	Burberry	5,940	+42%	8
9	Coach	3,129	-4%	10
10	Fendi	3,023	-17%	9



WDFG to debut flagship Estée Lauder multi-brand Beauty Boutique at DTW

A first-of-its-kind *Beauty Boutique*, featuring exclusive prestige brands from the Estée Lauder Companies, will open this summer at Detroit Metropolitan Airport (DTW).

The unique new retail space concept, unveiled by the Wayne County Airport Authority (WCAA) and World Duty Free Group (WDFG), will be located in Detroit's McNamara Terminal Central Link retail mall area. The space will showcase prestige beauty products and fragrances from Estée Lauder, Aramis, Clinique, Origins, M•A•C, Bobbi Brown, Tommy Hilfiger, La Mer, Donna Karan, Aveda, Jo Malone London, Michael Kors, Tom Ford Beauty, Smashbox and Ermenegildo Zegna.

The *Beauty Boutique* will feature innovative merchandising, expert beauty advisors, world-class store design and services tailored to the traveling consumer, which will deliver "the premium customer experience for which these elite brands are known and respected," says the company announcement.

The boutique will also feature a first-class entertainment lounge area, to accommodate global pro-

duct launches, make-up demonstrations and special media events.

The 5,320 sqf *Beauty Boutique* will be located in the Central Link area of McNamara Terminal just past the TSA passenger screening checkpoints and is expected to open this summer. The boutique will be accessible to both domestic and international passengers.

"The Airport Authority is delighted to partner with WDFG and its team to welcome these elite brands to their new home at Detroit Metro Airport," said WCAA CEO Tom Naughton. "We are particularly pleased to be the first airport, anywhere in the world, to offer this innovative retail concept for the enjoyment of our Detroit travelers."

"We are proud to be partnering with WCAA and WDFG to pioneer this unique beauty concept in travel retail," said Israel Assa, Vice President/General Manager, Travel Retail Americas for the Estée Lauder Companies. "Travel retail has evolved into one of the most vibrant and fastest growing channels, with our brands setting the bar for beauty retailing excellence in

airports around the world. The transformative new retail program at DTW will enable us to continue to serve the needs of the traveling consumer in a first-class shopping environment."

Antonin Carreau, Global Head of Beauty at WDFG adds "We are delighted to have brought together the Estée Lauder Companies and the WCAA to deliver an extraordinary shopping and travel experience for passengers at DTW. This trinity-approach project marks another milestone for WDFG as it will be the first

beauty store concept of its kind, in travel retail. The powerful international brands of the Estée Lauder Companies will enhance the exceptional commercial offer at the airport and will appeal to our local and international clientele as we strive to exceed customer expectations and enhance their shopping experience."

In addition to showcasing iconic brands, the *Beauty Boutique* at DTW will include the latest technology designed to enhance and customize the experience for traveling consumers.



Coty Inc. and Avon Products, Inc. sign fragrance agreement for Brazil

In an agreement designed to increase Coty's footprint in one of the world's largest fragrance markets and bolster Avon's product offering in Brazil, Coty Inc. and Avon Products, Inc. have entered into a partnership by which select Coty fragrances will be marketed and sold through Avon Brazil's network of 1.5 million independent sales representatives.

Brazil, Avon's largest market, is also the largest fragrance market globally.

The deal brings together Avon's extensive network of Representatives in Brazil and Coty's portfolio of celebrity and lifestyle fragrance brands in an effort to increase both companies' global fragrance market share, consumer loyalty and brand appeal in Brazil, said the official announcement.

"This commercial partnership allows Coty to expand its geographical reach and strengthen our footprint in the emerging markets, with Brazil being a key driver in our growth strategy," said Renato Semerari, President, Coty Beauty. "Avon's extensive experience in Brazil makes the company an ideal partner, and we look forward to working together."

"We are pleased to enter into this marketing arrangement with Coty as part of our growth strategy in Brazil," said David Legher, President, Avon Brazil. "Coty's celebrity and lifestyle fragrances further expand our portfolio of high quality fragrances here, which will help our Representatives increase their earnings and reach a broader consumer base."





Buckley Jewellery rides TR success to attend first JCK Show in Las Vegas

UK-based Buckley Jewellery Ltd (BOUTON, Buckley and Attwood & Sawyer) will be exhibiting for the 1st time at the JCK Jewelry Show in Las Vegas.

In the Americas, Buckley Jewellery Ltd has opened over 50 doors this past year via Katherine Sleipnes' IBBI, and continues its rapid expansion, focusing on airports, borders, downtown and cruise lines. Buckley London in particular continues to be a top performer within the inflight magazines of 18 major North and South American airlines with a combination of classic and new designs, including the award winning Russian Trio Collection and I Love You bracelet.

"Retailers who test our brands generally expand to multiple doors when they experience the high rates of sell through," explained Buckley Sales and Marketing Director Neil Thompson. "The strong product design and class leading quality, coupled with excellent price points have been a winning proposition that has helped Buckley London, Attwood & Sawyer and BOUTON excel

above its competition. Such has been the success of the new 2014 collections that the brands are not only opening multiple new doors, but also experiencing double digit growth across existing accounts with whom we have been trading for many years," Thompson explains.

Across the America's, Buckley Jewellery Ltd continues to roll out to the Caribbean Islands including Bermuda, Barbados, Dominican Republic and St Martin. It is also in the final stages of launching into a large American-based cruise operator.

For more information, contact katherine@internationalbrandbuilders.com

Stacked Riviera bracelets



Marco Moore: creating wearable art

Award-winning Marco Moore jewelry and watches will be exhibiting at Royal Jewelry's booth #LUX1900 at JCK LUXURY May 27-29 and at Royal Jewelry booth #S11271 at JCK Las Vegas May 30-June 2.

Starting his career as a fashion designer for ladies apparel, Marco Moore transformed his passion for jewelry and exotic timepieces into a new facet of his career. According to the company, Marco's sense of fashion is incorporated into each design, creating jewelry and timepieces as wearable pieces of art.

His designs, workmanship, and attention to detail have been recognized by the jewelry industry, which awarded Moore the 2014 Centurion Design Award Trophy as Designer of the Year.

Marco Moore jewelry and Swiss Made timepieces are handcrafted, limited edition, and individually numbered to 499.

The jewelry comes in 14- and 18-karat white, yellow and rose gold with polished and sandblasted finishes, featuring precious and semi-precious gemstones. The average price point of the jewelry is \$1,500 and the watches average \$2,500.



ARTCO Group: The Importance of Smart Store Planning For Your Retail Space

With the jewelry industry gathering for the annual JCK Las Vegas Show taking place May 30 – June 2, store planning company Artco Group reminds retailers that when it comes to creating a retail space that resonates with your brand message it is crucial to define what you want to accomplish before you start tearing down the walls or choosing the color palette for a brand new store.

The effective use of space can easily mean the difference between the success and failure, cautions the award-winning Miami-based design and production group.

Mickey Minagorri, Executive Partner at Artco Group, says the idea is to create a meeting of the minds between the store designer and the customer.

"To really understand what the client wants you have to understand their vision. You want to generate an environment where

designer and client spend time together defining how to bring to reality their vision in the best possible way," says Minagorri.

"The idea is to entice customers to be more interactive within the store, to make them more familiar with your brand and the products you sell," says Minagorri, adding that store owners need to rethink their design strategy: "[a store] is not just a shelf on which to place your merchandise. The display area goes along with the entire brand message. The design has to be thought out beforehand."

Artco Group, with a staff of more than 100 professionals operating from a 100,000-square-foot facility in Miami, has over 25 years of experience working with Rolex, Davidoff, Phillip Stein and more. For more information call 305.638.1785 or e-mail at info@artcogroup.com

DANZKA Vodka to launch in the USVI through Glazer's Premier

Waldemar Behn GmbH has announced that it is launching DANZKA Vodka in the U.S. Virgin Islands market through leading distribution company Glazer's Premier Distributors, LLC. The first orders have already been shipped and will be on shelf in domestic and duty free outlets in St. Thomas, St. Croix and St. John in June.

"We are particularly pleased that Danish DANZKA Vodka, established as it was in Copenhagen, will now be available in the Virgin Islands, with its strong and colorful Danish history and heritage," says Torben Vedel Andersen, Waldemar Behn Global Sales Director.

"DANZKA is a perfect fit for the Virgin Islands, which for generations was part of Denmark as the Danish West Indies, until it was sold to the United States in 1917. You can see the Danish heritage throughout the islands, from the names of the streets to the design of the historic buildings, just like you can see the Danish heritage in DANZKA Vodka," Andersen adds.

Liz Zimmermann, President of Glazer's Premier Distributors, comments: "We are very pleased to add DANZKA Vodka to our portfolio and see it as a traffic source. The fact that it is not available in the U.S. domestic market makes it very attractive to our American travelers and we will be featuring the brand in the downtown Charlotte Amalie duty free stores. We also like the distinctive aluminum bottle which allows it to travel well, another plus for the cruise passengers that visit the Virgin Islands."

Glazer's Premier Distributors is one of the leading spirits distributors in the U.S. Virgin Islands, representing major brands for Beam Global Spirits (Beam Suntory), Pernod Ricard and The Patrón Spirits Company, among others.