

IAADFS Duty Free Show of the Americas:

One more week for discounted registration rates

The deadline is fast approaching for attendees to the 2010 Duty Free Show of the Americas to receive a discount on their registration fee, reports the International Association of Airport Duty Free Shops. A \$50 discount is available to attendees registering online who submit their forms prior to Friday, Dec. 18. Registration forms and information can be found at the Association website, www.iaadfs.org

The Show is taking place February 21-24, 2010 and is returning to the Orlando World Center Marriott, where it had been held for 13 years before moving to Ft. Lauderdale in 2005.

The move back to Orlando is designed to eliminate some of the fragmentation that had developed over the past few years, as the event felt the loss of not having a

single centralized venue following the close of the Trade Market floor each day, as was the case in Ft. Lauderdale.

Response to the change in venue has been generally positive, reports IAADFS Executive Director Michael Payne.

A number of major fragrance and cosmetics companies have taken space, including several who had not attended while it was in Ft. Lauderdale. Among the 2010 participants are Estée Lauder, P&G, Sodepac, Coty Prestige, Essence Corp., Elizabeth Arden and Tairo International.

In the spirits and tobacco sector, most of last year's exhibitors are returning, reports the IAADFS. These include Pernod Ricard, Bacardi, Brown-Forman, Beam Global Brands, Belvédère and



Philip Morris: "Essentially, we have sold out the hall," Payne told *Insider*. A list of exhibitors is expected to be available next week.

In addition to organizing the Duty Free Show, the IAADFS continues its advocacy work fighting the WHO proposals linking duty free sales to smuggling activities --which it is using as an argument to call for the ban of the duty free sale of tobacco products. IAADFS representatives were at the most recent round of negotiations in Geneva and have been meeting with country delegates to present the duty free position against the unreasonable proposals.

Continued on page 2.

Duty Free World signs 5-year inflight contract with Mexicana



Miami-based inflight specialist Duty Free World has landed the important Compañía Mexicana de Aviación (Mexicana Airlines) duty free contract, which was previously managed by Aeroboutiques.

Mexicana is the country's largest international airline in terms of passenger numbers, with service to North, Central and South America, the Caribbean and Europe.

The contract is for five years says DFW president and CEO Mayra del Valle.

"We are pleased to be working with Mexicana and feel that our exclusive dedication to the inflight retail program will significantly

increase sales for our new partner," noted del Valle.

This is the company's second inflight concession in Mexico, after winning the AeroMéxico contract in March of this year. With the Mexicana concession, DFW is now the exclusive inflight duty free concessionaire in that country, says DFW.

DFW is also the exclusive inflight duty free concessionaire in Brazil (with the Varig, Gal and Tam concession contracts), Ecuador (Tame Airlines) and Venezuela (Aerpostal), in addition to being the largest inflight duty free concessionaire in Latin America.

Duty Free World, which was founded by Mayra del Valle in 1995, currently holds key contracts with carriers around the world and operates out of 23 locations globally.

In related news, DFW was recently awarded by the Southern Florida Minority Supplier Development Council (SFMSDC) with its highest honor presented to an affiliate for exemplary service.



DFW's Mayra del Valle accepting the SFMSDC award in October.

PEOPLE

Eric Lauzat to return to Latin America; Javier Labarta to be new Parbel GM

L'Oreal Produits de Luxe has named **Eric Lauzat** to oversee a newly combined international division that will include Latin America, and appointed **Javier Labarta** as the new head of Parbel, effective in 2010.

Eric Lauzat, the long-time head of L'Oreal's Parbel division in the Americas who went on to add such prestigious positions as president of Lancôme US, has been named to head up the combined Latin America and Middle East and Africa zones. In this position, Lauzat will be in charge of Latin American local markets. For the past year, Lauzat -- well known in the Americas for his entrepreneurial spirit and expertise -- has been Sr. General Manager of the Afrique Orient Pacifique Zone.

Javier Labarta has worked for L'Oreal in many markets in Latin America, including Mexico. He is presently Director of Latin America for L'Oreal Produits de Luxe.

"Javier will do an outstanding job at Parbel," Lauzat tells *Insider*.

Labarta will succeed Richard D. Cymberg as Parbel General Manager.

ISPY Registration Opens

Registration for the next Inflight Sales Person of the Year (ISPY) event is open as of Dec. 14, and will run through Jan. 31, 2010. The event will take place Sept. 14-17 at Beaumont House Hotel & Conference Venue, in Berkshire, U.K. Airlines may register online at www.regonline.co.uk/ispy_2010.

ISPY organizers -- Travel Retail Training -- anticipate that 35 global airlines from all sectors

Continued on page 2.

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IAADFS pursues “advocacy efforts” *continued from page 1.*

“We have been working closely with ACI, ETRC and other organizations for many months to help ensure that the duty free industry is not unfairly singled out and unduly restricted by potential WHO actions,” states Payne. “The Board is committed to doing whatever we can to address this potential threat to the industry.”

Working to improve the restrictions on the sale of liquids and gels remains a high priority and IAADFS continues discussions with TSA and other entities to ease the restrictions and address the problems affecting transfer passengers.

“We understand that a TSA ruling is forthcoming that will allow for the transfer of LAGs to the EU in the countries that have approved such transfers. I do not expect the ruling before the first of the year, but soon,” Payne told *Insider*.

The recent announcement by European Travel Retail Council (ETRC) Secretary General Keith Spinks about a proposed two-stage lifting of restrictions on air passengers in Europe carrying liquids, aerosols and gels (LAGs) beginning in April 2011 could also prove to be good news for the

Americas duty free airport retailers, comments Payne.

“As I understand it, the proposal will enable people to transit with LAGs inside of Europe.

“The question is will the ruling apply to liquids brought in from externally as well. That would be good for us. We have to see.”

Meanwhile, Payne says that progress is being made on the technology to screen potential explosives at security check-points.

“Once available and installed, this technology could solve the LAGs problem,” he noted.

WHO threatens ban on duty free liquor sales in latest strategy paper

The World Health Organization (WHO) is now taking aim directly at the sale of duty free liquor.

Last week the news broke that the WHO Secretariat's Department of Mental Health and Substance Abuse inserted a proposal to tax all alcohol sold to travelers in a report entitled 'Strategies to reduce the harmful use of alcohol: draft global strategy' that was released on December 3.

The proposal will be tabled at the WHO Executive Board meeting on January 18–23, 2010 and could be adopted as policy in mid-2010, reports the European press. The measure is being strongly protested by the European Travel Retail Council. For more information on this unfolding story, go to the Moodie Report (www.moodiereport.com) and Trend (www.trend-news.com)

HUGO BOSS**Georg Faisst to head Hugo Boss Travel Retail**

Georg Faisst has been named the new Head of Travel Retail at premium fashion house Hugo Boss. He replaces Inge de Groot who leaves the company due to personal reasons.

Faisst, who brings great experience in fashion as well as in travel retail, has held functions as area manager and senior sales manager within the company and has been a familiar figure at industry events in the Americas. Most recently, he was responsible for all travel retail key accounts worldwide.

In order to consolidate all international activities of Hugo Boss AG, the Travel Retail Department will be incorporated in Hugo Boss International Markets AG based in Zug, Switzerland. The move will take place January 1, 2010.

Faisst will report to Senior Vice President EMEA Hans Schmitt. For further details, please contact [Georg Faisst@hugoboss.com](mailto:Georg.Faisst@hugoboss.com).

ISPY & ISPY+ registration now open online

Continued from page 1: will sign up to participate, and compete for the coveted title of the World's Greatest selling cabin crew.

In addition to the traditional scope of ISPY (crew development, assessment, reward and recognition) the 2010 event will include a full program for crew training & performance management as well as Inflight Retail buyers and suppliers with the introduction of ISPY+.

ISPY for crew and its training and performance management is a five day event; while ISPY+ will run concurrently with ISPY for the last three days. Both groups will come together during certain sessions and social events.

Among the leading companies that have already committed to sponsor and attend ISPY & ISPY+ are **Diageo, Alpha, Kraft, Coty Prestige, Mars, DFNI, Frontier** and the **Moodie Report, among others.**

This will be the first ISPY event since the death in November of TRT's Ray Martin.

For further information please contact Mads Busnell mads@trtuk.com.



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Latin America & Caribbean Update

UN group projects faster economic recovery in region than expected in 2010
After a contraction of -1.8% in 2009, South America to lead recovery; Caribbean will show slower growth

Economic recovery from the international crisis in Latin America and the Caribbean will be quicker than expected a few months ago, with growth in the region projected at 4.1% next year, according to the latest estimates released last week by the Economic Commission for Latin America and the Caribbean (ECLAC). This optimistic forecast follows on a contraction of -1.8% in the region's economies in 2009.

In its annual report **Preliminary Overview of the Economies of Latin America and the Caribbean 2009**, the regional commission of the United Nations projects positive growth rates for most countries, but warns that the recovery may not be sustainable if uncertain external influences affect growth expectations in the region.

"The worst of the crisis is behind us. The motors of growth have been turned on again, but we don't know how long the fuel will last," said ECLAC Executive Secretary Alicia Bárcena, in presenting the report.

South America recovers

ECLAC says that South America and Central America (with the exception of Mexico) will lead the recovery, with growth rates of 4.7% and 3.0%, respectively. Economic growth in the Caribbean is expected to be 1.8%.

Brazil will top the list of countries with higher growth in 2010, with expansion estimated at 5.5%.

Brazil will be followed by Peru and Uruguay (5%), Bolivia, Chile and Panama (4.5%) and Argentina and Surinam (4%).

Mexico, Costa Rica and the Dominican Republic will grow 3.5% says the ECLAC report.

ECLAC credits the counter-cyclical policies instituted in the region for the faster than expected recovery.

These policies included reducing interest rates, increasing State-owned bank loans, expanding public expenditure and implementing a broad array of social programs, such as consumer subsidies

and support for low-income households.

Crisis halted growth in 2009

The ECLAC report notes that the 2009 economic crisis put an end to six years of consecutive economic growth in Latin America and the Caribbean.

The -1.8% contraction in the region's economies in 2009 (which is better than the -1.9% estimated last July), means that GDP per capita will fall about 2.9%. Unemployment in the region this year will also be higher than in 2008, increasing to 8.3% (lower than the 9.0% projected earlier this year) of the economically active population, with a deterioration in

the quality of new jobs. The steepest fall in economic activity this year will take place in Mexico and some countries of Central America and the Caribbean.

ECLAC expects positive average growth rates for South America, with the exception of Chile, Ecuador, Paraguay and Venezuela. Growth rates this year will be significantly lower than those experienced between 2004-2008 in all countries of the region, states the report.

For 2010, better growth expectations and the higher prices of some commodity exports from the region will boost fiscal income in the region, improving the fiscal balance.

Beyond the short-term, ECLAC stresses that the current crisis will lead to profound changes in the international scenario that will create a less favorable environment for growth than that experienced in the region between 2003 and 2008.

To download the full ECLAC Briefing paper, please [click here](http://travelmarketsinsider.net/Elements2/ECLAC_Report_2009-2010.pdf) or go to http://travelmarketsinsider.net/Elements2/ECLAC_Report_2009-2010.pdf.

Absolut goes Tropical with Travel Retail exclusive flavor

Absolut Flavor of the Tropics, Absolut Vodka's first limited edition flavor to be launched exclusively in the global duty free/travel retail market, was unveiled in Cannes. The premium flavored vodka will be released in Europe and the Americas in January, followed by the rest of the world in February.

"We are extremely excited about this unique launch," says Anders Olsson, Director of The Absolut Company Global Travel Retail. "It's the first time that we have the privilege of introducing a brand new, innovative flavor exclusively to our traveling consumers, who are always on the lookout for something new and thrilling — something that can't be found back home. For a leading edge, creative brand such as Absolut, it's crucial that we always have something to offer to meet and surpass these challenging demands — something new and fresh and unexpected."

Absolut Flavor of the Tropics combines orange, mango, lychee and melon, with notes of pineapple and berries. The collectors' item bottle glows in bright orange and deep red highlights that "radiate" off clear and frosted surfaces.

The exclusive Absolut Flavor of the Tropics campaign kicks off in January and is supported by a full-scale, 360° campaign using all available elements of the marketing mix — advertising, PR, in-store activities and tastings, moving media, and unique brand installations and experiences in duty free/travel retail arenas.

The campaign will be executed in the global duty free/travel retail market by Pernod Ricard Travel Retail.



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