

LVMH reports strong revenue growth in 1Q 2017 across all business units

LVMH Moët Hennessy Louis Vuitton reported strong revenue growth for the first quarter of 2017, with double digit growth across all of its business groups.

Revenue reached 9.9 billion Euros, an increase of 15%. Organic revenue growth was 13% compared to the same period of 2016.

Positive growth was achieved in Asia, Europe and the US, although LVMH cautions that some of this comparative gain may be impacted from the aftermath of the November 2015 attacks in Paris, particularly in Europe.

“The trend currently observed cannot reasonably be extrapolated for the full year,” explains the company.

In **Selective Retailing**, Sephora gained market share around the world and momentum at DFS in Asia improved while the *T Galleria*s opened in Cambodia and Italy in 2016 continued their development. Revenue was 3,154 million Euros, with organic growth up 11% in the first quarter of 2017.

Actium adds Amaro Montenegro and Aperitivo Select to Beverage Division

Miami-based Actium Group has expanded its Beverage Division by adding the Gruppo Montenegro brands Amaro Montenegro and Aperitivo Select to its portfolio.

The company will represent the brands for the domestic and travel retail channels in Latin America and the Caribbean, and in North America Travel Retail.

“Amaro Montenegro and Aperitivo Select are high-quality products with compelling stories to tell. Both brands are growing fast within their dynamic categories, and complement Actium’s Beverage high-end portfolio. We are excited to start this partnership with Gruppo Montenegro,” says Daniel Bras, director of Actium’s Beverage Division.

Established in Italy in 1885, Amaro Montenegro is the first player within its category in Italy,

The **Wines & Spirits** business group reported organic revenue up 13% with good volume in champagne and Hennessy cognac.

The **Fashion & Leather Goods** business group achieved organic growth of 15%; **Perfumes & Cosmetics** organic revenue growth was 12%; and the **Watches & Jewelry** business group showed organic revenue growth of 11%.

“In a particularly uncertain environment, LVMH will continue to focus its efforts on developing its brands, maintain strict control over costs and target its investments on the quality, excellence and innovation of its products and their distribution.

“The Group will rely on the talent and motivation of its teams, diversification of its businesses and good geographical balance of its revenue to reinforce, once again in 2017, its global leadership position in luxury goods,” said the company earnings release.

and has experienced rapid growth in the U.S. in recent years, fueled by the growth of the high-end cocktail trends.

Aperitivo Select, created in Venice in 1920, was the base liquor used for the original “Spritz.”

In more Actium news, the company has opened an office for its Beverage Division in Mexico City, led by Louis Chaignaud (ex-Pernod Ricard) as Mexico Country Manager with full responsibility for the development of the company’s Beverage portfolio in this market.

Actium’s structure in Mexico also includes Alexis Uribe (Ex-Diageo) as Brand Manager for Rare Whiskies, and Paula Cerdeira (Ex-Brown Forman) as Brand Ambassador for RumChata. Both Uribe and Cerdeira report to Louis Chaignaud.

In million euros	Q1 2017	Q1 2016	% Change Q1 2017 / Q1 2016	
			Reported	Organic*
Wines & Spirits	1 196	1 033	+16%	+13%
Fashion & Leather Goods	3 405	2 965	+15%	+15%
Perfumes & Cosmetics	1 395	1 213	+15%	+12%
Watches & Jewelry	879	774	+14%	+11%
Selective Retailing	3 154	2 747	+15%	+11%
Other activities and eliminations	(145)	(112)	-	-
Total	9 884	8 620	+15%	+13%

* with comparable structure and constant exchange rates.

SFO duty free tender draws strong interest

San Francisco International Airport has received significant interest from the duty free industry for the upcoming Request for Proposals (RFP) process for the International Terminal Duty Free and Luxury Stores Lease.

Many of the leading duty free operators in the Americas, as well as several Asian and European groups, attended the informational conference held at the airport on April 4.

The Lease is for the operation of 10 Duty Free and Luxury

Stores locations post-security in the International Terminal, and one location in Terminal 1, totaling 45,943 square feet.

The concepts sought are duty free core category shops and high-end luxury boutiques. The Lease term is fourteen years.

The proposed minimum annual guarantee is \$42,000,000.00, and the Minimum Acceptable Percentage Rent Offer is 30% of Gross Revenues.

Continued on next page.

MONARQ takes on super-premium Compass Box Scotch

Alcoholic beverage distribution and marketing company MONARQ Group has added Compass Box Scotch Whisky to its spirits portfolio.

As of April 1, MONARQ is representing the award-winning scotches in the Central and South America domestic and duty free markets, the Caribbean domestic and duty free market, and in U.S. duty free.

MONARQ Managing Director/Owner Robert de Monchy says his company used the IAADFS Show in Orlando as a platform to kick off the brands.

“I think Compass Box fits super well within our portfolio. First of all, it is a super-premium brand. Secondly, it is super innovative, which is what we are looking for as a company: leading and/or innovative brands. Thirdly, because it includes whiskies that are basically a new category with some blended malts. People who like whiskies are always looking for new things and I think blended malts such as Compass Box will be the next big thing.”